

# Evolving pattern of services in E Banking

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**Abstract:** *The world economy and e-banking services are changing and developing as a result of globalization and growth. Customers' requirements, expectations, and needs for various e-banking services are also changing as a result of globalization. These factors include high responsiveness, good reputational services, high security etc. In addition, the different advantages that customers receive from online banking also influence how satisfied they are, which in turn influences how the pattern of online banking services is changed to reach the highest possible levels of satisfaction. Customers are more likely to adapt and follow a pattern associated with a specific e-banking service the more satisfied.*

*All of these represent the ways that e-banking is evolving over time. Furthermore, in order to maintain consistent dependability and effectiveness, e-banking practices are evolving. The banking industry is crucial to a nation's development. It is an economy's lifeblood. A robust and sound banking system is a crucial prerequisite for economic expansion. A strong and healthy banking system is an important prerequisite for economic growth. The Indian banking sector is currently in the midst of an IT revolution. The adoption of Internet in banking organizations has reformed banks. Electronic banking has improved efficiency and convenience; it also presented several challenges to regulatory and control authorities. Competition among banks has led to complete automation of banking in the Indian banking sector. E-Banking is a generic term encompassing internet banking, telephone banking, mobile banking etc. Through E-Banking the bank wants to introduce the core concept of IT based services. The E-Banking services are executed only upon the customer, and these e-banking services would fully integrate with the core banking solution that is already in usage.*

*Growing competition and rising expectations have increased banks' awareness of the role and importance of technology in banking. Internet banking services have become necessary to improve service quality and customer attractiveness in the banking sector. The main objective of the research is to study the impact of information technology on the functioning of commercial banks with special reference to selected Customers.*

**Key Words:** *E Banking – Electronic Banking, IT – Information Technology.*

## 1. INTRODUCTION:

Efficient and good banking has always been the most important requirement in all areas of business. A company cannot grow and succeed with poor banking services adapted to new methods of banking services, one of which is online banking. However, due to the demands of different customers, the model of online banking services is also experiencing change over the years.

New types of services like mobile commerce, mobile banking, internet banking etc. are being used. So, let us see some of the major reasons responsible for changing pattern of demand for e-banking services.

Banking is the lifeblood of the economy. The present and future of every economy depends on the success and development of banking. Indian banking is the helping hand of the nation and its people. The Indian banking sector is currently in the midst of an IT (Information Technology) revolution.

Competition among banks has increased automation in the Indian banking sector. Finland was the first country in the world to take the lead in online banking. In India, ICICI bank started internet banking as early as 1997 under the Infinity brand.

Electronic banking is defined as “Delivery of bank’s services to a customer at his office or home by using Electronic technology can be termed as Electronic Banking. “Online Banking or Internet Banking or E-banking allows customers of financial transactions on a secured website operated by the institution, which can be a retail bank, virtual bank, credit union or building society.

## **2. LITERATURE REVIEW:**

There are various studies and surveys which indicate that E Banking is on the rise. The brief discussion of some of them is as follows:

- Gandhi and Gupta conducted a descriptive study on e-banking vs traditional banking in India. The objective of this study was to understand the various e-banking products and to identify the challenges faced by the e-banking system. They observed that traditional banks did not grant enough facilities to their customers as compared to those obtained from online banking services. A maximum number of users are inclined towards using e-banking because of the convenience and ease to use it. They suggest that most customers will adopt e-banking because of its positive impact.
- Sandhu and Arora conducted a conceptual study on customers' usage behaviour of e-banking services: Interplay of electronic banking and traditional banking. The objective of this study was to investigate customers' usage of electronic banking services in a multi-channel context as e-banking usage is found still low, banks have scope for further propagation of technology and reaping its benefits. They observed that with the inclusion of technology, banks should not ignore the importance of employees as manual and electronic banking are found complementary to each other. They suggested that there is still a need to make electronic banking simpler and more secure as these are the major inhibitors of complete reliance on electronic media.
- Meher, Hawalder, Mohapatra, Spulbar, R. Birau, and Rebegea conducted a conceptual study on the impact of digital banking on the growth of MSMEs in India. The purpose of this study was to formulate multiple regression models by considering those factors which are positively affecting the growth of micro, small and medium enterprises in India. This study suggests various favourable factors of digital banking with significant coefficients which are a level of easiness in accepting and making payments, level of easiness in managing the expenditure of business, level of time-saving and level of check on misappropriation or theft of cash are contributed towards the growth of MSMEs in India.
- Shankar and Jeba raja kirthy conducted a study on the influence of e-banking service quality on customer loyalty: A moderated mediation approach. The objective of this study was to empirically investigate a comprehensive moderated mediated mechanism for enhancing customer loyalty toward e banking platforms via e-banking service quality (EBSQ) practices. The data was collected through a structured questionnaire. The study showed that of the EBSQ dimensions, reliability along with privacy and security enhanced customer loyalty to e-banking, and the initial trust in e-banking mediates the effects of EBSQ dimensions on customer loyalty except for website design. The mediation effects of initial trust varied between high and low-involved consumers.

## **3. OBJECTIVES OF THE STUDY:**

- To study the challenges of e-banking in India.
- To explore e-banking opportunities in India.
- To find out the level of awareness of e-Banking services among the sample.

- To know the hindrances faced by the customers in availing e-Banking services in banks.
- To find out the usage patterns and satisfaction of e-Banking services offered by the banks.
- To analyse the factors influencing the selection of e-Banking services offered by banks.
- To study the impact of e-banking over traditional banking.
- To study the usage and convenience of e-banking.
- To study the needs of customers and ultimate customer satisfaction.
- To study the growth of micro, small and medium enterprises (MSMEs) after the implementation of digital banking.
- To study the feasibility of the digital banking system.

#### 4. DISCUSSION:

Internet banking is a general term for the delivery of banking services and products through electronic channels such as telephone, internet, mobile phone, etc. The concept and scope of online banking is still in its infancy. This enables an efficient payment and accounting system and thereby greatly accelerates the speed of delivery of banking services.

Today's world is one with increasing online access to services. One part of this which is growing rapidly is online banking. Combined with online retailers there is a lot of money changing hands, directed only by communication over the internet. This is very convenient and the ready access to the internet in all first-world countries, coupled with the cost savings from closing bank branches, is driving the deployment and adoption of these services.

However, purely online stores increase the risk. There are no standard safeguards for real transactions. On the other hand, the risk of criminals is much lower (the attacker can be completely isolated from all other parties to the transaction) and the retailer only sees a faceless, anonymous connection transmitting card information.

Historically, banks have led the way in utilizing technology to enhance their offerings, capabilities, and productivity. They have been providing a variety of value-added goods and services for a long time by utilizing electronic and communication networks.

Virtual, online, and internet banking are some of the terms used to refer to e-banking. It simply refers to the delivery of vibrant banking goods and services through the use of electronic and communications networks.

One can proficiently complete multiple transactions at any time of day with the aid of online banking. The term "e-banking" refers to the use of a specific computer, smartphone, laptop, or other digital device for tasks like fund transfers, account statements, mileage bill payments, bank account opening, finding the closest ATM, obtaining information on financial products and services, applying for loans, etc.

E-banking encourages cashless and paperless transactions. It also has a number of obligations, rights, and freights. Internet banking, which is provided to visitors as part of the e-banking package, allows them to conduct a variety of monetary and non-monetary online transactions via the bank's website or other online platform. The Automated Teller Machine, or ATM, is one of the most widely used and innovative services provided by online banking.

#### 5. RESEARCH METHODOLOGY:

This study is descriptive in nature. The data used in the study is secondary in nature and collected from RBI (Reserve Bank of India) Bulletin, RBI Annual Reports and Indian Banking Trends and Progress Report various reputed journals, newspapers and white papers and research.

#### 6. REASONS FOR CHANGING E-BANKING SERVICES PATTERN:

- *High Responsiveness*: Every user requests transaction systems or banking services that provide excellent responsiveness, minimizing waiting times and meeting all of their needs and emergencies. Slow servers are disappearing as a result, and new, quick banking e-services are being developed.

- *Good Reputation*: A well-known and positive image of the banking system in the community draws clients and fosters the trust necessary for them to use various e-banking services. Customers are therefore placing more value on brand and reputation than on the specifics of the service.
- *High security*: High security is another essential component that adds to the shifting e-banking patterns. It is essential to manage security parameters effectively because in the banking industry, even minor risks have the potential to cause significant harm. Improvements in security services are necessary as a result of the growing threat posed by hackers due to technological advancements. As a result, more people are using e-banking services with higher security.
- *Customer Relations & Beliefs*: The majority of users of these e-banking services will be regular people. These are the clients who will make use of and evaluate these specific banking services. Customers' opinions and beliefs about different services evolve over time, which compels the provider of e-banking services to modify their approach in order to better capture the interest of users. As a result, various clients' opinions and feedback about e-banking services vary, which modifies those services.

## 7. POPULAR SERVICES COVERED UNDER E-BANKING:

- Automated Teller Machines (ATM)
- Credit Cards
- Debit Cards
- Smart Cards
- Electronic Funds Transfer (EFT) System,
- Mobile Banking
- Internet Banking
- Telephone banking
- Electronic Clearing Services

## 8. CONCLUSION:

Online banking is a practical technological tool that benefits banks as well as their clients. Although banks are able to maintain the same volume of customers as before the pandemic, bank customers have easy access to all banking services without having to visit physical locations. The way that people conduct their banking is evolving due to electronic banking. Banks and other financial institutions now have to have a business app with online banking capabilities, and we predict that this app's popularity will only increase in the future.

On the other hand, there are a lot of things that can affect someone's intention to agree on technology. The two most crucial of these are trust and security. A greater degree of convenience in handling finances is provided by e-banking. But it still poses problems for personal privacy and financial security online banking has led to the compromise of account details for a large number of people. Therefore, one should be aware of the risks if using it for financial transactions. They can take safety measures for a more secure online banking experience because he is aware of the hazards and issues. The e-banking system, which allows users to transfer money from anywhere in the world, is well-liked both domestically and abroad. Both bank customers and bank employees can benefit from the e-banking system.

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