The Study of Internet Banking Usage: A Case study of SBI Dana Bazaar Branch, Jalgaon.

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Abstract: SBI is pioneer in internet banking. But it does not mean to say that implement of new technology is always advantages because actual use of technology is also important. Objective of this study is to analyze the awareness and usage of internet banking among the account holders of SBI Dana Bazaar branch Jalgaon. The objective of selecting this case study is felt due to the fact that most of the account holders of SBI Dana bazaar branch are business and trading firms. Banking transactions are vast among these account holders. And they can be benefited much from the internet banking. The study is based on the primary data collected through questionnaire from 75 accounts holder of SBI Dana Bazaar Branch. The study reveals good awareness of internet banking among respondents but limited to content and information sharing only. They are still not habitual to use internet banking for transaction purpose.

Keywords: Internet Banking & its Usage, SBI, Digital Banking, Electronic Banking.

1. INTRODUCTION: INTERNET BANKING

Internet Banking System is a system that has been developed in order to help clients to do day-to-day transactions electronically from any place. Internet banking systems means that clients can now do banking at the leisure of their homes.

It is also known as online banking, the system allows both transactional and non-transactional features. Online banking or internet banking allows customers to conduct financial transactions on a secure website operated by the retail or virtual bank. (Kaushik, 2012)

- Products and Services offered by SBI:
  1. E-Ticketing
  2. SBI E-Tax
  3. RTGS/NEFT
  4. E-Payment
  5. Fund Transfer
  6. Third Party Transfer
  7. Demand Draft
  8. Cheque Book Request
  9. Account Opening Request
  10. Account Statement
  11. Transaction Enquiry
  12. Demat Account Statement

1. E-Ticketing:
E-Ticketing provides service to book railway, air and bus tickets online through Online SBI. Railway ticket can be booked through irctc.co.in. Railway tickets are available in to forms.
- I-ticket (where the delivery of tickets will be made at your address) or
- E-tickets (e-ticket is generated & can be printed at home.)

Air flight tickets and selected bus transport ticket of metro cities are also available through E-Ticket Services

2. SBI E-Tax:
This facility enables to pay TDS, Income tax, Indirect tax, Corporation tax, Wealth tax, Estate Duty and Fringe Benefits tax online through SBI E-Tax. The online payment feature facilitates anytime, anywhere payment and an instant E-Receipt is generated once the transaction is complete. The Indirect Tax payment facility is available to Registered Central Excise/Service Tax Assesses who possesses the 15 digit PAN based Assesses Code.

3. E-Payment:
A simple and convenient service for viewing and paying bills online. Using the bill payment anybody can view and Pay various bills online, directly from your SBI account. It can pay telephone, electricity, insurance, credit cards and other bills from the comfort of your house or office, 24 hours a day, 365 days a year.
It can also set up Auto Pay instructions with an upper limit to ensure that your bills are paid automatically whenever they are due.

4. RTGS/NEFT:
It can transfer money from State Bank account to accounts in other banks using the RTGS/NEFT service. The RTGS system facilitates transfer of funds from accounts in one bank to another on a "real time" and on "gross settlement" basis. This system is the fastest possible interbank money transfer facility available through secure banking channels in India. It can transfer an amount of Rs.1 lacs and above using RTGS system. National Electronic Funds Transfer (NEFT) facilitates transfer of funds to the credit account with the other participating bank.

5. Fund Transfer:
The Funds Transfer facility enables to transfer funds within accounts in the same branch or other branches. It can transfer aggregating Rs.1 lacs per day to own accounts in the same branch and other branches. To make a funds transfer, it should be an active Internet Banking user with transaction rights. Funds transfer to PPF account is restricted to the same branch.

6. Third Party Transfer:
It can transfer funds to trusted third party's account by adding them as third party accounts. The beneficiary account should be of any SBI branch. Transfer is instant. It can do any number of Transactions in a day for amount aggregating Rs.1lakh.

7. Demand Draft:
The Internet Banking application provides to register demand drafts requests online. You can get a demand draft from any of your Accounts (Savings Bank, Current Account, Cash Credit or Overdraft). Limit can be set to issue demand drafts from your accounts or use the bank specified limit for demand drafts. A printed advice can also be obtained from the site for record purpose.

8. Cheque Book Request:
A request can be posted through internet banking account for a cheque book. Cheque book can be requested for any Savings, Current, Cash Credit, and Over Draft accounts. It enables to opt for cheque book with 25, 50 or 100 cheque leaves. Cheque book can be delivered to registered address or any other address provided in request.

9. Account Opening Request:
OnlineSBI enables it to open a new account online. You can apply for a new account only in branches where you already have accounts. You should have an INB-enabled account with transaction right in the branch. Funds in an existing account are used to open the new account. You can open Savings, Current, Term Deposit and Recurring Deposit accounts etc.

10. Account Statement:
The Internet Banking application can generate an online, downloadable account statement for any accounts for any date range and for any account mapped to username. The statement includes the transaction details, opening, closing and accumulated balance in the account. The account statement can be viewed online, printed or downloaded as an Excel or PDF file.

11. Transaction Enquiry:
OnlineSBI provides features to enquire status of online transactions. It can view and verify transaction details and the current status of transactions.

12. Demat Account Statement:
OnlineSBI enables it to view Demat account statement and maintain such accounts. The bank acts as your depository participant. In the third party site, you can mark a lien on your Demat accounts and use the funds to trade on stock using funds in your SBI savings account. It can provide Demat account details and generate the statement of holding, statement of transactions and statement of billing. (Kaushik, 2012)

II. OBJECTIVES:
- To analyze the awareness & usage of internet banking by SBI customers.
- To identify the strength and weaknesses of it and reasons of that.
- To suggest the appropriate measures to increase the use of internet banking by customers.

III. RESEARCH METHODOLOGY
- Type of Research: it is a survey research method collecting actual facts and figures. It is descriptive in nature using both primary and secondary data. Secondary data is used to conceptualize the objective, nature and scope of the survey. And primary data is used to collect actual facts regarding proposed problems in objectives.
- Types of Data:
  - Primary data: primary data were collected through structured questionnaire methods. Primary data includes actual facts about
awareness and usage of computer, internet and internet banking. Some formal discussions are held with branch manager to know additional information about the branch, its customers and their professions.

- **Secondary data:** Secondary data were collected through various sources such as official’s reports & websites etc. most of the secondary data is collected through internet.

- **Sample Size:** There are 183 accounts holders of SBI Dana Bazaar Branch. Out of which 112 are current account of trading firms. 96 of which are found active and 75 accounts are taken as sample for the study.

IV. Data Analysis and Interpretation:

1. **Use of Computer for Fun, Work and Personal Purpose per Week:**

   **Interpretation:**
   Figure 1 reflects Computer hours required for office work is high (> 20 Hrs) as compared to fun and personal purpose (1-10 Hrs). But more clients are found using computer for fun and personal purpose against work. Use of computer for work is very limited in spite of its advantages.

2. **Frequency of Bank Visit per Week:**

   **Interpretation:**
   Figure 2 reflects 72% of clients visit bank for transaction purpose. The frequency of these clients is between 2 to 8 visits per week. This frequency is positive from the internet usage point of view.

3. **Use of Internet Banking Facility:**

   **Interpretation:**
   Figure 3 reflects use of internet banking for various purposes. Most of the clients of SBI Dana Bazaar Branch are using internet banking facility for Seeking product and rate information, Calculate loan payment information, Download loan application, Download personal bank transaction activity, Check balance on-line. That is majority of clients are using internet banking facility for searching information on product or services offered by bank. Very few clients are using internet banking for On-line bill payment.
4. The reasons behind limited use of internet banking for online transaction purpose:

Interpretation:

Reasons for limited use of internet banking transaction reported as lack of awareness, concern of online fraud and internet security, don’t know how to use it etc.

V. Findings:

Awareness and use of computer as well as internet:

Majority of client’s use of computer for personal and official purpose is good. They are using www web 2 services as well. They have performed online transaction. That suggests their good awareness, use of computer and internet.

Analysis of need for internet banking:

The frequency of visit to bank & ATM for different transaction purpose is also considerable. Inter firm transactions are also considerable among them. Exp. Third party transfer, bill payments etc. this suggest there is good scope to use internet banking for day to day transaction purpose.

Strength & Weaknesses:

Most of the clients of SBI Dana Bazaar Branch are using internet banking facility for Seeking product and rate information, Calculate loan payment information, Download loan application, Download personal bank transaction activity, Check balance on-line. That is majority of clients are using internet banking facility for searching information on product or services offered by bank.

But Very few clients are using internet banking for On-line transaction purpose. The reasons are lack of awareness, concern of online fraud and internet security; don’t know how to use it.

VI. Suggestions:

- Such a training programme can be frequently introduced for new customers.

VII. Conclusions:

Internet banking is gaining popularity and it is very essential for new age customer. Use of internet banking is very beneficial to customers as it saves lots of harassment and cost incurred on the coordination for banking transaction.

From the above analysis, I conclude that, awareness of computers, internet and internet banking among SBI account holder is high as well as use of computer and internet for personal and official purpose is also good. Similarly, Use of internet banking is high for searching online information but, in spite of its advantages, use of internet banking for online transaction purpose is very limited.

VIII. References:


