

# A STUDY ON CUSTOMER'S PERCEPTION TOWARDS ONLINE BANKING

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## Abstract:

Online banking has revolutionized the way customers interact with financial services. This study aims to explore customer perceptions, satisfaction, and usage patterns associated with online banking among banking customers in Raipur, India. Based on primary data collected through a structured questionnaire from 98 respondents, the study identifies key motivators and barriers to online banking adoption. Key findings indicate a high rate of satisfaction and daily usage, driven by factors such as convenience, time-saving, and accessibility. However, concerns like technical issues and security fears continue to impede universal acceptance. The research employs descriptive and factor analysis to draw conclusions and offer suggestions for enhanced digital banking experiences.

## 1. Introduction

Online banking, or Internet banking, allows customers to conduct financial transactions through digital platforms without visiting physical branches. From checking account balances to transferring funds, online banking provides convenience and efficiency. The evolution of mobile banking, a subset of online banking, has further broadened access by allowing real-time financial operations via smartphones and tablets.

As India advances toward a digital economy, understanding consumer perception of online banking becomes critical for banking institutions to tailor services that align with user expectations and mitigate adoption barriers.

## 2. Objectives of the Study

- . To evaluate customer awareness levels of internet banking.
- . To identify factors influencing the usage of online banking services.
- . To investigate reasons behind the non-usage of online banking by certain customer groups.

## 3. Scope of the Study

The study is geographically focused on Raipur, Chhattisgarh, and includes responses from customers with varying demographics. It aims to understand behavioral patterns, preferences, and inhibitions related to online banking usage.



#### 4. Limitations

- . The sample size is limited to 98 respondents.
- . Responses were collected using an online questionnaire, possibly excluding non-tech-savvy individuals.
- . The findings are based on a single urban region and may not reflect national trends.

#### 5. Review of Literature

‘Mullan et al. (2017)’ highlighted factors such as mobile penetration and strategic importance in the adoption of mobile banking. ‘Danyali (2018)’ found that perceived technological ease and social influence are key to transitioning from traditional to mobile banking. ‘Kavitha and Gopinath (2020)’ used the Technology Acceptance Model (TAM) to confirm the significance of service quality in online banking adoption. ‘Widanengsih (2021)’ observed that perceived ease of use impacts attitudes more than perceived usefulness in mobile banking.

#### 6. Research Methodology

##### **Design:**

Descriptive and analytical research design.

##### **Sampling:**

Sample Size: 98 banking customers

Technique: Snowball sampling

Tool: Structured questionnaire via Google Forms

Data Analysis: Used frequency analysis and factor analysis to interpret respondent behavior and preferences.

#### 7. Data Analysis and Interpretation

Gender Distribution: 53% Female, 47% Male

Age Group: 55.7% belong to the 18–30 age group.

Education: 61% graduates; 39% undergraduates

Marital Status: 56% unmarried; 44% married

Occupation: Majority were students and salaried individuals

Monthly Income: Most respondents earned between ₹10,000–₹20,000

Usage: 79% use online banking services

Satisfaction: 75% reported being satisfied

Familiarity: Majority had average to advanced knowledge

Source of Information: Social media and banks were primary sources



Usage Frequency: Most respondents use online banking daily

## 8. Findings

Positive Perception High satisfaction rate and daily usage indicate trust and convenience as dominant factors.

Key Motivators: Time efficiency, ease of access, and transaction speed.

Barriers Concerns about security, occasional technical issues, and lack of adequate guidance .Demographic Insights: Younger, more educated individuals are more inclined to adopt and regularly use online banking services.

## 9. Conclusion

Online banking is increasingly becoming a preferred financial tool among customers in Raipur, particularly younger demographics. While the adoption rate is commendably high, banks must address persistent concerns about security and technical reliability to further enhance customer trust. Educational efforts and improved user interfaces could help expand adoption among less tech-savvy or older populations.

## 10. References

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