



The power of e-banking on the use of banking facilities and clients happiness

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Abstract

Banks play a crucial function with inside the lifestyles of every and each individual. They are monetary institutions which cope with the movement of cash from the traders hand to the fingers of the needy ones. These have been finished with inside the immediate intervals thru direct offerings with the bank. But now via way of means of the arrival of technology, the technology of e-banking takes its vicinity via way of means of transferring all the transactions thru internet. Majority of the clients additionally locate it as a smooth assignment rather than status and ready in lengthy queues with inside the banks for settling their transactions. Various centers like viewing account balances, ordering cheque books, invoice payments, cash control, credit score applications, demat holdings, monetary advice, forex trading, insurance, on-line trading, beginning accounts, requests and intimations, tax offerings, ATM offerings, telebanking, e-shopping, clever cards, asset control offerings etc., are being supplied thru e-banking. Even though our u. growing in those sectors, there are a number of sick results confronted at gift via way of means of using e-banking centers like hacking of passwords whilst the usage of internet banking, ATM robberies etc. In the beyond month itself we confronted a large robbery in Kerala with reference to the hacking of ATM card numbers via way of means of solving mystery cameras with inside the ATM counters. Thus it's miles the obligation at the a part of the Government and the pinnacle control to beautify good enough measures for making sure secure e-banking centers thru standardized encryption strategies a good way to cast off the pitfalls confronted via way of means of those banks. Thus on one facet it's miles a boon to the banks and to the society, however on the opposite facet it faces a number of sick results which must be triumph over via way of means of the banking government to shield the funding of the society and to keep a accept as true with with inside the minds of the clients in order that the destiny investments might not be wiped off from the fingers of the bankers. The gift observe specializes in the impact of e-banking at the society and the diverse measures to triumph over its results.

Keywords: e-banking, banking facilities, clients happiness

Introduction

In straightforward terms, E-banking implies it includes no actual trade of cash, however it's completely done electronically through the web. E-banking gives quicker conveyance of banking administrations to clients and it gives parcel advantages and banking offices to client that by sitting at home client can get to their record through web.

In the present association data innovation has turned into an essential device. It has presented another business worldview; E-banking has risen up out of such a creative turn of events. As step by step expanding the opposition in the market is likewise expanding so to adapt up to the strain of developing rivalry the banks are taking on numerous drives and furthermore from them there is one of them is E-banking.

Electronic banking is a blend of electronic innovation with a financial area. E-banking includes giving financial administrations to clients through different electronic conveyance channels.

The Banks Are Offering to Their Customers Following E-Banking Products and Services

- Internet Banking
- Mobile Banking
- Automatic Teller Machine
- Smart Cards
- Electronic Fund Transfer
- Door Step Banking

Definition

E- banking is defined the automated delivery of new and traditional banking products and services directly to customers through electronic, interactive communication channels. E banking includes the systems that enable financial institution customers, individuals or businessman, to access to accounts, transact business or obtain information on financial products and services through a public or private network, including the internet. Customer access e banking services using an intelligent electronic device, such as personal computer (PC),

personal digital assistance (PDA) automated teller machine (ATM) kiosk or Touch tone telephone. While the risks and controls are similar for the various e banking access channels.

Meaning of E-Banking

E-Bank is the electronic bank that provides the financial service for the individual clients by means of internet.

Advantages to the Banking Institutions.

1. E- Banking helps in reducing the cost of delivering the services to the customers.
2. It provides banks with competitive advantage among their peers.
3. It reduces the use of paper money that helps the central bank in printing less paper notes.
4. Through websites, banks can earn revenue by promotional activities.
5. The customer can easily transfer the funds from one place to another place electronically.
6. The customer can obtain funds at any time from ATMs.
7. Customer can avail e-banking facility at anytime, anyplace, therefore there is a need to invest more and more on relevant infrastructure

Advantages to the Customers

1. E-banking delivers 24*7 services to customers.
2. Easy access to account information in quick time.
3. Payment can be made online for the purchase of goods and services.
4. The customer can easily transfer the funds from one place to another place electronically.
5. The customer can obtain funds at any time from ATMs.
6. With e-banking customer can check account balance, can get statement of their account, apply loans, and collect other information.

Disadvantages of E Banking

1. Some credit units are limited in their products offering.
2. Saving and credit cooperatives, and in particular small local cooperatives, strive to match the level of convenience. That many bank offer their customers although many are part of shares network and that increase channel available to its members.
3. One must qualify for membership.
4. One must pay a membership fee to join.
5. Danger of giving card number when buying online.
6. Abuse of bank cards by fraudsters at ATMs.

Impact of E Banking

E banking transactions are much cheaper than branch or phone transaction, this could turn yesterday competitive advantage/ a large branch network into a comparative disadvantage allowing e- bank to undercut bricks and motor banks this is commonly known as “beached dinosaur” theory. E-bank are easy to setup so lots of new in trends will arrived. E-Banking give consumer much more choice. Consumer will the less inclined to remain loyal. E Banking have already found retail banking only becomes profitable once a large critical mass is achieved. E-Banking transaction needs some interface to communicate with banking customer. All the electronic transaction throw some interface-Banking is just banking offered by new delivery channel. It simply gives consumers another service. The start up cost of an e-bank are very high. Establishing a trusted brand is very costly as it require significant advertising expenditure in addition to the purchase of expensive technology. Traditional bank are find to difficult to involve not only they unable to make acquisition for cash as oppose to being able to offer shares, they unable to obtain additional capital from stock market. This is contrast to the situation for internet firms for home it seems relatively easy to interact investments. E-Banking has become is integral part of the global financial environment in order to meet different requirement of customer in banking sector, thereby meeting the increase expectation in Indian banking system. E-Banking has been popular among computer literates for many years, its popularity is growing exponentially as internet users grow and people discover the different benefits that are provided by online banking.

Types of E-Banking

1. 1 Using a computer to perform direct banking make a balance enquiry, inter account transfer and pay linked.
2. 2 Deposit, with drawls, inter account transfer and payment of linked account at an ATM.
3. 3 Using a telephone to perform a direct banking/ make a balance enquiry inter account transfer and pay linked accounts.
4. 4 Buying and paying for goods and service using debit cards and smart card without having to carry cash or cheque book

Literature Review

Daniel (1999) defines electronic banking is delivery of bank’s information and services to customers through various delivery platform by using different terminal such as mobile phone, personal computer with browser or

digital television. Barron's Dictionary (2006) electronic banking is a form of banking by which funds are transferred from one to another through exchange of electronic channel between financial institution instead of cheque, cash, and negotiable instrument. Joseph *et al.* (1999) investigated the influence of internet on the delivery of banking services. He found six e-banking service quality that is feedback and complaint management, efficiency, queue management, convince and accuracy, accessibility and customization.

Hasan (2002) found that for attracting the customers the bank has emerged in a significant strategy that is online home banking. Rao *et al.* (2003) had done theoretical analysis of internet banking in India and also compared to abroad bank and found that there is still have a long way to go for the Indian bank for offering online service and to reach at a critical mass there are sufficient infrastructure in place and also sufficient number of users. Mookerji (1998), Pegu (2000), Gupta (1999) and Das gupta (2002) found that in India Internet banking is becoming popular very fast and by the year 2005 there is a highly competitive internet banking market and a large sophisticated will develop, in India all most all the banks having their websites but there are few banks who provide transactional internet banking.

Legal Provisions Regarding E Banking

Law cannot possibly be expected to keep pace with changes in technology. The recent debacle of virtual voyeurism has brought out, amongst other Thing the inadequacy and vulnerability of the laws governing use of internet. Fixing liability, recording and reproducing evidence, ascertaining jurisdiction are problems which show little sign of easing Concerns over security and misuse pertaining to e-banking activity have been mounting as more banks in India foray into electronic banking.

Though there was a message to banks that they should be formed for public good, since inception, banking has always been a commercial venture, the prime motive of banks being to enlarge profits. And lately adoption of new economic environment such as liberalisation, privatization and globalization has caused concern in banking sector. Indian banks have also undergone as weeping change where deregulation, technological innovations and globalization are significantly affecting the banking services.

The emergence of internet banking has made many banks to rethink their Information Technology (IT) strategies in competitive markets. It is suggested that the banks that fail to respond to the emergence of internet banking in the market are likely to lose customer and that the cost of offering internet banking services is less than the cost of keeping branch banking. India has great prospect compared to other developing nations to leverage the potential of E-Banking and build a cash light economy. In addition to IT edge and relatively dense population, the Government of India (GOI) has clearly determined to achieve financial inclusion¹² and is taking aggressive steps to see this happens. Rendering financial services to the un-served or poor through a market led approach is important for sustainability of financial inclusion. There are many reforms and enrolment drives which have been undertaken by the Reserve Bank of India (herein referred as RBI) and GOI in matter of financial inclusion over the last decade. The RBI and GOI policy initiatives and reforms have considerably helped the development of E-Banking system.

The reforms include adoption of technology prototypes like smart cards, mobile based options, debit cards and credit cards. These facilities and advancement have given vent to more market driven environment, which is in fact, the future face of the Indian economy. Adoption of new technology has resulted in risks. The legal risk is one which arises from violation of, or non-conformance with laws, rules, regulations, prescribed practices, or when the legal rights and obligation of the in certain cases are uncertain and applicability of laws and rules is also ambiguous.

Conclusion

- Banks are providing e-banking services to customers it should create awareness among people and also made literate to the people about use of ebanking products and services.
- Government should make huge investments for building the infrastructure.
- Employees of banks should be given special training for the use of e- banking.
- Special arrangements should be made by banks to ensure full security of customer funds. Banks use latest technologies with timely updates to secure customers' valuable money from the hand of hackers.
- Banks are making earnest efforts to popularize the E-banking services and products. Younger generation is commencing to optically the convenience and benefits of e-banking. In years to come, e- banking will not only be customary mode of banking but will be chosen mode of banking.
- Workshops and seminars should be provided to the people especially in rural areas those who are ATM, computer illiterate and usage of e- banking.

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