

The Role of Age & Gender in Awareness of E - Banking Services

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Abstract: *The development and the increasing progress that is being experienced in the information and communication technology have brought about a lot of changes in almost all facts of life. In the banking industry, it has been in the form of online banking, which is now replacing the traditional banking practice. The present paper is the outcome of an empirical study conducted with the objective of investigating the customer's views regarding e-banking. It covers customer perception on online banking activities and its impact and promotional measures used by banks to promote online banking which are classified according to gender and age of customers. This paper therefore, examines, if customer's choice of bank is influenced by the quality of e-banking services provided. Stratified sampling was used. While the survey instrument was a developed questionnaire comprising open ended and Likert type of questions. The Likert type questions have a 5 point scale (indicating 1 strongly disagree to 5 strongly agree). This survey was administered for 600 respondents. The study revealed that the age and gender play an important role in usage of e-banking services. The research also corroborated the conceptual framework stating that if skills can be upgraded there will be greater will to use e-banking services by customers.*

Keywords: E-Banking services, Promotional measures, Customer perception, Satisfaction

1. Introduction

Tremendous progress in the field of information technology has reduced the world to a global village and it has caused unprecedented change in the banking industry. Huge developments in the technology of telecommunications and electronic data processing have further simulated these changes, use of latest technology in business and finally one is storage of time due to numerous engagements. The business who cope less costly and more effective product and services, and common person want quick services. In banking industry in the past, large queues could be observed for payment of utility bills or for cash withdrawals/deposits. The banks are succeeded to reduce this queue through uses of latest technology, but still busy common people are demanding less time consuming methods for banking transactions. In this regard, banks are going to utilize internet facility for customer's transactions this method will reduce paper work, and will give quick response to customer while they remain in their office or at home. The financial services industry was one of the first to recognize the potential of the internet as a means of interacting with customers, however, current data compiled by the Web Marketing Association shows that banks are falling behind other industries with respect to innovation within their Internet channel (Brno-Britz 2006).

The main advantage regarding E-Banking is that its availability 24 hrs. of a day and 7 days a week. Customer's perception and life style plays an important role in growth of internet banking system (Rogers 1983), analyzed consumer's attitude towards direct banking, compatibility with customer existing lifestyles (Lockett & Littler 1997).

The banking industry has been undergoing changes since the mid-1990s, in the form of innovative use of information technology and development in electronic commerce (Kalalota and Wilson, 1996). This development made e-banking pose as a threat to the traditional branch

operations, despite the fact that electronic commerce is still developing and is rapidly changing (Harris & Spence, 2002; Turbin et al. 2002). According to Ozuru et al. (2010) "The importance of electronic payment system in any country can never be over emphasized, due to dramatic transformation in technological advancements that is being experienced by the global financial industry". They further argued that this new technological development may result to digital money replacing fiduciary currency in some developed countries, for instance, e-money had become legal tender in Singapore since 2008; while the contrast is situation in many countries, which are still cash based.

This paper is an outcome of an empirical study conducted with the objective of gaining customers perceptions regarding e-banking. The paper consists of four sections besides introduction viz. literature review, research methodology, results & discussions, conclusions.

2. Literature Review

Some of the author has done the work on customer perceptions about e-banking impact on customer are as follow:

Filotto et al. (1997) illustrated that acceptance rates of ATM were high among the young users. In addition, Barnett (1998) findings proved that younger customers are more comfortable in using e-banking. Mookerji (1998) explored that internet banking is fast becoming popular in India. Nevertheless, it is still in its evolutionary stage. They expect that a large sophisticated and highly compressive internet banking market will develop in future.

Josheph et al. (1999) examined that influence of internet in the delivery of banking services. They found that six primary dimensions of e-banking service quality such as convince and accuracy, feedback and complaint

management, efficiency, queue management, accessibility and customization.

Mols(1999) acknowledged that the internet banking is an innovative distribution channels that offers less waiting time and higher spatial convince than traditional branch banking with significantly lower cost structure than traditional delivery channels. Internet banking reduces not only operational cost to the bank but also leads to higher levels of customer satisfaction and retentions. As a result internet banking is very attractive to banks and customers, who now have higher acceptance to new technology. (Polatoglu and Ekin, 2001, Mols, 2000, Sathye, 1999, Wisner &Corney, 2001)

Jeevan(2000) observed that the internet banking enables banks to offer low cost and high value added financial services. US we corporation argues that finally banks are finding that a comprehensive online banking strategy is indispensable for success in the increasingly competitive financial services market. Changes in technology, competitions and lifestyles have changed the face of banking and banks in the present environment are looking for alternative ways to provide defeminated services.

Hasan(2002) found that online home banking has come out as a significant strategy for banks to attract and retain customers. About 75% of the Italian banks have adopted some form of internet banking during the period 1993-2000. The study also found that the higher likelihood of adopting active internet banking activities is by larger banks, banks with higher involvement in off-balance sheet activates, past performance and higher branch network.

Mishra(2005) in his paper explained that advantages and the security concerns about internet banking. According to him, improved customer access, offering of more services, increased customer loyalty, attracting new customers are the primary drivers of internet banking. But in a survey conducted by the online banking association, member institutions rated security as the most important concern of online banking.

Nyangosi et al.(2009) collected customers' opinions regarding the importance of e-banking and adoption levels of different e-banking technologies in India and Kenya. The study highlighted the trends of e-banking indicators in both countries. The overall result indicates that customer in both countries have developed a positive attitude and they give much importance to the emergence of e-banking.

From this literature review, we found that age is the crucial factor for expanding e-banking. Younger customers and males are more comfortable in using e-banking. Convince and accuracy, feedback and complaint management, efficiency, queue management, accessibly and customization were found to be primary dimensions of e-banking service quality. In light of the above findings, the present study is undertaken in Indian context to find the role of age and gender in awareness of E-Banking services.

Objectives of Study

The main objective of this study is examine the role of age and gender in awareness of E-Banking services while selecting commercial banks in Ahmedabad. In addition, the study has the following secondary objectives:

- 1) To study the growth and progress of e-banking
- 2) To study the perception of the customer towards payment services
- 3) To study impact of e-banking on customer and bankers
- 4) To offer suggestions to improve the standard of e-banking services.

3. Research Methodology

a) Research Type

We use descriptive research and exploratory research design in our study. Descriptive research is also called statistical research. The main goal of this type of research is to describe the data and characteristics about is being studied. The idea behind this type of research is to study frequencies, averages and other statistical calculations. Although this research is highly accurate, it does not gather the causes behind a situation. Descriptive research is used to obtain information concerning the current status of the phenomena to describe "what exists" with respect to variables or conditions in a situation. The methods involve range from the survey which describes the status quo, the correlation study which investigates the relationship between variables, to developmental studies which seek to determine changes over time.

b) Data Collection

Primary Data: Structured Questionnaire

Secondary Data: Online Database, Journals, Surveys

c) Sampling

The study's objective was accomplished through the collections and analysis of primary data obtained from purposive sampling techniques. Likert scale questionnaire was used to measure the perception of customer about e-banking. Members of the population are chosen based on their relative ease of access. To sample relatives, friends, co-workers, businessman, government employees, are all examples of convenience sampling.

d) Tools

Statistical: SPSS

4. Results & Discussion

- a) To study the relation of Gender and Agewise awareness level of respondents regarding E-Banking

Table 1: Showing Awareness Level

Particular	Yes	No	Total
Genderwise			
Male	402	12	414
Female	168	18	186
Total	570	30	600
Agewise			
< 20 yrs.	118	10	128
20 - 40 yrs.	276	2	278
40 - 60 yrs.	164	2	166

> 60 yrs.	12	16	28
Total	570	30	600

Table no. 1 is revealed that 570(95%) respondents aware about online banking as gender and age wise out of 600. Age wise we can also find that 276 out of 570 aware persons are of the age group 20 to 40 yrs. Which shows more awareness in young people. Only 30(5%) respondents are not aware about E-banking services.

1) To study how many respondents are using E-banking services regularly?

Table 2: Respondents are Using the E-Banking Services Regularly

Particular	Yes	No	Total
Genderwise			
Male	363	54	417
Female	157	26	183
Total	520	80	600
Agewise			
< 20 yrs.	104	34	138
20 - 40 yrs.	252	24	286
40 - 60 yrs.	152	22	174
> 60 yrs.	12	0	12
Total	520	80	600

Table no. 2 is revealed that 520 (87%) respondents are using online banking regularly as gender and age wise out of 600. Out of these 520 persons 252 (48% of 520) are of the age group of 20 – 40 which revealed that the e banking services are more used by young people compared to other age group. Only 12 persons aging more than 60 yrs. are using these services regularly. Only 80 (13%) respondents are not using e-banking services regularly.

2) To know the opinion of respondents on the regarding E-Banking is time saving process.

Table 3: E-Banking Is Time Saving Process

Particular	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Total
Genderwise						
Male	38	102	68	158	51	417
Female	12	44	48	64	15	183
Total	50	146	116	222	66	600
Agewise						
< 20 yrs.	22	38	22	26	32	140
20 - 40 yrs.	12	80	52	112	20	276
40 - 60 yrs.	16	26	40	78	12	172
> 60 yrs.	0	2	2	6	2	12
Total	50	146	116	222	66	600

From table no. 3 it is clear that $222 + 66 = 288$ (48%) respondents view E-banking as time saving process and out of them $112 + 20 + 78 + 12 = 222$ (77% of 288) are in between the age of 20 to 60 yrs. where 116 (19%) respondents are neutral and 196 (33%) have negative view as per gender.

3) To know the opinion of respondents Easy to use nature of E-banking.

Table 4: E-Banking Is Easy To Use

Particular	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Total
Genderwise						
Male	44	102	100	134	22	402
Female	16	46	52	56	28	198
Total	60	148	152	190	50	600
Agewise						
< 20 yrs.	24	36	22	36	30	128
20 - 40 yrs.	24	76	84	70	10	284
40 - 60 yrs.	12	36	42	76	10	176
> 60 yrs.	0	0	4	8	0	12
Total	60	148	152	190	50	600

From table no. 4 it is clear that $190 + 50 = 240$ (40%) respondents view E-banking is easy to use and out of them 166 (69% of 240) are ageing between 20 to 60 yrs. where 152 (25%) respondents are neutral and 208 (35%) have negative view.

4) To know the opinion of respondents on the regarding E-banking provides safety and security.

Table 5: E-Banking Provides Safety & Security

Particular	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Total
Genderwise						
Male	38	84	80	162	38	402
Female	22	40	46	62	28	198
Total	60	124	126	224	66	600
Agewise						
< 20 yrs.	20	30	32	38	18	138
20 - 40 yrs.	24	66	68	104	14	276
40 - 60 yrs.	16	28	26	72	32	174
> 60 yrs.	0	0	0	10	2	12
Total	60	124	126	224	66	600

From table no. 5 it is clear that $224 + 66 = 290$ (48%) respondents view E-banking provides safety and security and out of them 222 (77% of 290) are having the age from 20 to 60 yrs. whereas 126 (21%) are neutral and 184 (31%) have negative view.

5) To know the opinion of respondents on the regarding 24 hrs. access of E-banking services.

Table 6: E-Banking Provides 24 Hrs. Access of Service

Particular	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Total
Genderwise						
Male	30	100	92	146	34	402
Female	20	52	50	54	22	198
Total	50	152	142	200	56	600
Agewise						
< 20 yrs.	18	32	36	34	8	128
20 - 40 yrs.	20	82	68	80	36	286
40 - 60 yrs.	12	38	38	76	10	174
> 60 yrs.	0	0	0	10	2	12
Total	50	152	142	200	56	600

From table no. 6 it is clear that $200 + 56 = 256$ (43%) respondents view E-banking provides 24 hrs. access and among them 202 (79% of 256) are ageing from 20 to 60 yrs. whereas 142 (24%) are neutral and 202 (33%) have negative view.

6) To know the opinion of respondents on the regarding E-banking is speedy service.

Table 7: E-Banking Is Speedy Service

Particular	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Total
Genderwise						
Male	36	100	80	148	48	412
Female	26	44	48	54	16	188
Total	62	144	128	202	64	600
Agewise						
< 20 yrs.	22	36	24	42	4	128
20 - 40 yrs.	30	70	70	80	38	288
40 - 60 yrs.	10	38	34	72	18	172
> 60 yrs.	0	0	0	8	4	12
Total	62	144	128	202	64	600

From table no. 7 it is clear that $202 + 64 = 264$ (44%) respondents view E-banking provides speedy access and out of them 208 (79% of 264) are between the age group of 20 to 60 yrs. whereas 128 (21%) are neutral and 206 (35%) have negative view.

7) Different types of E-Banking services used by respondents

Table 8: Showing the E-Banking Services Used By Respondents

Services	ATM	E - Investment	E - Shopping	Credit Card	E - Ticket	Bank Statement	Fund Transfer
Genderwise							
Male	440	124	114	124	114	124	82
Female	168	58	52	68	52	58	20
Total	608	182	166	192	166	182	102
Agewise							
< 20 yrs.	158	46	42	56	44	46	34
20 - 40 yrs.	274	82	68	82	74	82	46
40 - 60 yrs.	164	52	54	52	46	52	20
> 60 yrs.	12	2	2	2	2	2	2
Total	608	182	166	192	166	182	102

As per table no. 8, it is clear that respondents are frequently using ATM mostly and other services using low averaging comparatively like e-ticketing, bank statement, fund transfer etc. through E-banking services.

5. Conclusions and Suggestions

This paper has focused on appraising the customer perception about E-banking services. Three research objectives guided the study and data were collected through questionnaire and analyzed descriptively using percentages. It was discovered that customers adapting e-banking services very leisurely such as ATM, home banking, use of payment cards to mention but a few. As per study only 95% people are aware about E-banking services. 87% people are using E-banking services regularly. 48% respondents are saying that E-banking services are time saving. Only 40% respondents said that E-banking is easy to use. 48% are saying that E-banking provides safety and security. 43% are in the opinion that E-banking is available for 24 hrs. 44% are saying that E-banking is very speedy. Here it can be concluded that people have around 45% have positive perception and are satisfactory with E-banking. Still people of these are not using all E-banking services frequently because they very little more knowledge about computer and internet so they feel hesitation in using E-banking services.

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