

## “Retailers’ Perception towards E-Banking in Modern Business Era”

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### **ABSTRACT**

In modern era of business retailers have become more in doing banking transactions at one click been grounded it home. The main reason for this electronic banking created convenient and flexible platform to customers so that retailers increase their sales volume easily. The paper highlights on awareness and period of knowing internet banking. It further analysis retailer’s perception towards electronic banking. Reasons were found which encouraged them for adopting the services were time and increasing sales volume, easy-to-use and safe but despite all that, there are many issues with electronic banking which need

be focuses by banks like language problem, hacking issues and security etc. This research paper will introduce you to E-Banking giving the meaning, history, types and evolution of E-banking. This paper also suggested some ways for making a baking successful to both retailers and banks.

**Keywords:** Electronic Banking, Retailer’s perception, Internet Banking.

### **Introduction**

Electronic banking is one of the truly widespread Avatar of e-commerce the all over the world. Internet banking is a process by which a customer performs banking transaction electronically without visiting a banks or a motor institution. E-banking is a safe and fast efficient electronic service that enables you access to bank account and to carry out online banking services, 24 \* 7 days a week. E-banking or Online banking is a generic term for the delivery of banking

services and products through the electronic channels such as the telephone, the internet, the cell phone etc. Information technology has become an important tool in current organizations. Banks today operate in a highly globalised and a competitive environment. IT has introduced new business environment. E banking is a web based service that permits the bank authorized customer to operate their account information.

It enables the customer logon to the bank website with the help of banks issued identification and personal identification number (PIN). The banking system checks the user and provides access to the requested service, the range of product and service offered by each Bank on the Internet differs widely in their material. Enormous progress take place in the field of technology which has reduced the world to a global village and it has brought considerable changes in the banking industry.

E- banking is changing the banking industry and is having the huge effects on banking relation banking is no longer confined to the branches where one has to approach the branch in person, to withdraw cash deposit, a cheque request, a statement of accounts.

Into internet banking any enquiry or transaction is processed, online without any reference to the branch internet banking is increasingly becoming a need to have then a better to have services. Internet banking is a process by which a customer performs banking transaction electronically e without visiting a banks or a motor institution.

### **History of E-Banking**

In India, since 1996, when the ICICI Bank first offered internet banking services, today, most new-generation banks offer the same to their customers. In fact, all major banks provide e-banking services to their customers.

### **Evolution of e-banking.**

The 1996 the birth of distributed computing technologies and relational database management system. The banking industry was simply waiting for these technologies. Now with distribution technologies one could configure dedicated machine called front end machines for customer services and risk control while communication in the batch mode without hampering the response time on the front and machine. More and more people are using electronic banking product and services because large section

of the banks future customer base will be made up of computer literate customer, the bank must be able to offer these customer product and services that allowed them to do to their banking by electronic means. If they fail to do this well simply not, survive. New products and services are emerging that are set to change the way we look at money and the monetary system.

Bankers now a day provide N number of E-Banking services to perform business activities smoothly which easily can be operated by a normal person having general understanding of computer and knowledge of English.

There are some of the popular services given as below-

**E-Banking services are as follow:-**

- ATMs (Automated Teller Machines)
- Telephone Banking
- Electronic Clearing Cards
- Smart Cards
- EFT (Electronic Funds Transfer) System
- ECS (Electronic Clearing Services)
- Mobile Banking
- Internet Banking.

Above services are being utilized by most of the traders to perform their payment related activities successfully.

This research is done by keeping in the mind to fulfill below mentioned objectives-

1. To study the perception of retailers towards electronic banking.
2. To interpret the problems faced by the retailers while using electronic banking.
3. To study the opportunities available in electronic banking.

**Research Methodology**

This research is base on primary information collected from retailers to collect their views in respect of use of E-Banking services through direct Observation, conversation and interview with retailers of Indore.

After analysis of collected data following points have been derived as perception.

**Retailers perception**

1. From the direct conversation observation I found that 90% of the retailers from Indore region using Electronic banking services and only 8% of the retailers are not using electronic banking services. That's

indicate most of the retailers are eager to use Electronic banking services.

2. Most of the retailers using Electronic banking services on daily basis that around 90% of the retailers and only 10% of the retailers using Electronic banking services weekly so that indicate most of the retailers are ready to use E-Banking services regularly.

3. 86% of the retailers consider that Electronic banking system increasing the sales volume and only 14% of the retailers considered there is no change because of using of Electronic banking services so that it is clearly seen that maximum percentage of the retailers feel that there is increase in the sales volume because of the use of Electronic banking services.

4. In the case of debt recovery 78% of the retailers feel there is an improvement in debt recovery because of using electronic banking and only 18% of the retailers feels

there is no impact in the debt recovery and 4% of the retailers feels there is poor debt recovery because of E- Banking.

5. From the observation and interview is concluded that 76% of the retailers consider that because of the use of electronic banking system the liquid in the business is improved, 10% of the respondent considered that the liquidity in business is no impact and 14% of the respondent considered that because of the use of electronic banking the liquid in the business is average.

6. 90% of the retailers feels that payment time is faster in Electronic banking system as Compared to traditional banking system and only 10% of the respondent considered that there is no impact of payment time is on Electronic banking system as compared to traditional banking system.

7. It is observed that 86% of the retailers feels that Electronic banking system makes positive impact on business and only 14 % of the respondents feels there is no impact on business because of the use of electronic banking system.

8. It is observe that 82% of the respondents considered the Electronic banking system is increasing financial productivity and 18% of the respondent feels that is no no impact in the increase of financial productivity because of the use of Electronic banking system.
9. It is observe the 86% of the retailer is considered Electronic banking system is helpful to expand business but 14% of the retailers does not consider that Electronic banking system is helpful to expand business.
10. 94% of the respondents considered there is no financial burden because of the use of Electronic banking system and only 6% of the respondent feels that there is a financial burden because of the use of electronic banking system.
11. Despite the popularity of the Electronic banking system 68% of the retailers feels that traditional banking system is more trustworthy in terms of payment and only 32% of the retailers feels Electronic banking system is trustworthy as compared to traditional banking system.
12. It is observed that 64% of the retailers feels traditional banking system is more reliable in terms for payment as customer point of you and only 36% of the retailers feels Electronic banking system is more reliable in terms of payment as customer point of view.
13. It is observed that 86% of the retailers feels that electronic banking is complicated as compared to traditional banking system only 14% of the retailers feels that electronic banking system is not complicated.
14. 78 % feels that there is a language problem while using Electronic banking system and only 22% of the retailers feels there is no problem while using electronic banking system because of Language.
15. It has been observed that 94% of the respondents consider that there is no mental relaxation in Electronic banking system where as 6% feels there is a relaxation in electronic banking system. It means most of the retailers considered that mental relaxation is much more in traditional banking system.

### **Recommendations-**

#### **For banks**

1. Create awareness programmed about E-Banking to retailers.

2. Make a special session to familiar electronic banking for retailers.
3. Cater to need of retailers.

#### **For retailers**

1. Do not disclose your personal identity number (PIN ) to anyone.
2. Make habit to update your operating system.
3. Used only licensed antivirus in your computer.

#### **Conclusion**

Thus this study has analyzed the perception of retailers regarding the services of e banking. Age and occupation are the important demographic factor in the banks which have used to measure the perception of the retailers on E-Banking services. Finally, the study concludes that electronic banking is need for the modern business era but there are lots of problems in the way of smooth implementation of electronic banking but at the same time electronic banking has lucrative future aspects. If it is considered only the retailer's aspects that electronic banking can never be neglected because of huge possibility to increase business. Present business scenario sees the convenience and benefits of E-banking. E-

Banking will be successful for banks only when they have a commitment to e banking along with the different standing of retailers needs.

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