

MARKETING STRATEGIES OF E-BANKING SERVICES

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Abstract

A bank is an institution, which deals with money and credit. For a common man, a bank means a store house of money, for a businessman it is an institution of finance and for a day to day customer it is a depository for his savings. Actually banks are business organizations selling bank services. Banks play a vital role to serve the people and improve the economy of any country. Banks hold the savings of the public provide a means of payment for goods and services and finance development of the business and trade. Thus banks act as an intermediary in the flow of funds from server to users. Therefore, banks should render an efficient customer service, to retain the present customers and also to attract potential customers. It is imperative to integrate the marketing of E-banking services and customers' expectations but also evaluating ways and means to improvise the e-banking services based on the customers' perceptions on the attitude towards the e-banking service system of the banks. This study analyses such a problem.

Keywords: *E-Banking, Customers*

Introduction

The banking sector plays an important role in the development of Indian economy. Before the dawn of independence, the development of the banking sector was not satisfactory. In those days the aim of the bank was to earn profit rather than render services to the public at large. "Banking in India has witnessed a sea change over the last two decades. Banks in India have now accepted social responsibility and are making innovations in banking. Banks have now become active agents of economic development". The private and the public banks play a vital role in the Indian economy. It is an indispensable institution in the modern society. The private sector and the public sector banks grant both direct and indirect advances for all the agricultural and allied operations and the industrial activities. It offers different innovative schemes to the customers. It adopts different marketing techniques to market its products and services.

Objective

To study the improvements needed in the e-banking services offered by the banks.

Review of Literature

Akilesh and S. Pandey pointed out in their article entitled that "The Nationalised Banks are Affiliation Oriented" whereas the private sector banks are achievement. The article "Evaluation of Blank Marketing in India" by Saxena, stated that the bank marketing profession changed dramatically in 1970s. Marketing positions in banks were created and marketing was accepted as an organizational imperative. Suresh Mehta, in his study,

"Personal Selling -A Strategy for Promoting Bank Marketing" reveals the importance and effectiveness of personal selling in the marketing of bank products and services, and examines the various ingredients of personal selling. Venkatachalam, in his article mentioned about the technology of electronic fund transfer, internet banking, mobile banking, credit card system, debit card system, ATM facilities and so on.

Methodology

The applied research design of the present study is purely descriptive in nature because of the following reasons namely it has its own confined objectives and also predetermined methodology. It is portraying the profile of respondents, various factors leading to open an account in a bank, and analyse the factor influence the attitude of customers towards e-banking services. The questionnaire has sent to 200 customers. The response rate on the questionnaire among the non managerial employees is only 89 per cent. Hence, these 178 customers had been taken as a sample for the present study. The present study is completely based on the primary data. The secondary data collected from the books, journals and magazines were used to write the conceptual framework of the study and also the review of literature. The primary data are collected with the help of structured questionnaire. The questionnaire had been prepared on the basis of the objectives of the study. The questionnaire includes various factors influencing the attitudes among the customers.

Selected Factors and Ratios with Factor Loading

Factor	Variables	Factor Loading
Factor 1	Introduce mobile banking services	.76280
	Accuracy of information provided by the bank	.68031
	Educate / conduct awareness camps/ program for the customers	.53895
Factor 2	The extent of computerisation in the bank's operations is very high	.85120
	Improve the working environment to make customers feel comparable	.78094
Factor 3	Training programmes to be arranged for the customers regarding use of internet banking /E-Banking system / ATM	.84641
	Special attention to motivate / encourage	.77986
	Reasonable time for cheque collection	.51034
Factor 4	Motivate the people to open an Account	.75558
	Separate counter for each activities (Deposits, withdrawals, loans)	.73804
	The internal paid on saving and deposits is attractive enough to retain customer's loyalty	.54611
Factor 5	A separate cell for redressal of grievance	.90691
	Improve the relationship and advertisements about the bank and its products and services are high enough to adequately spread consumer awareness	.64600
Factor 6	Reduce the waiting time	.80517
	Offers a variety of attractive loans in deposits schemes according / suitable to the local customer	.53595
	Special banking is given to improve the performance of the bank staff	.50414
Factor 7	Provide the financial consultancy	.79669
	Availability of voluntary advice and counselling services for the customers	.59048
	Open branches in the prime location in order to cover / attract the customers	.52133
Factor 8	The parking space outside the bank is large enough	.73985
	Transparency in banker - customer relation (make customer feel user friendly)	.70412
Factor 9	Simplify the documentation procedure processing the loans	.75707
	The working hours should be highly convenient and flexible	.61011

Source: Computed Data

Findings

These nine factors indicated explain measures to improve the banking service to the extent of 72.9 percent. The most important factor analysis is strategy (it consists of three measures with the valubiling eigen value of 3.30379. The important measures in these factors are mobile banking services, information, and awareness camp. The second and third important factors identified by the factors analysis are the facilities and orientation factor with the eigen values of 3.14983 and 2.22503 respectively. This two factors consist of two and three measures respectively. The most important measures in facilities and orientation are computerization and E-banking system. The fourth and fifth important factors identified by the factor analysis are knowledge and empathy with the eigen values of 1.63832 and 1.54424 respectively. These two factors consist of three and two measures respectively. The most important measures are motivating the people and redressal of grievance. The six and seventh important factors identified by the factor analysis are responsiveness and accessibility with the eigen values of 1.35366 and 1.30356 respectively this two factor consist of three measures. The most important measures are reducing the waiting time and providing the financial consultancy. The eighth and ninth factors are important factors. Identified by the factor analysis are space and system. These two factors consist of two measures. The most important measures in these factors are parking space and simplifying the procedure.

Conclusion

The customers suggested improvements in the efficiency of the banking services. Introduction of mobile banking services and increasing the extent of computerization in the bank's operation need to be in the agenda of a banker. Training programme may be arranged for the customers regarding the use of increase of internet banking / E-banking system / ATM. The banks have to motivate the people to open an a/c, and separate cell for redressal of grievance need to be opened

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