



AN EMPIRICAL ANALYSIS ABOUT INTERNET BANKING SECURITY AND FACTORS INFLUENCING THE E-BANKING FACILITY AMONG SELECTED BANK CUSTOMERS

Dr. Parth M. Modi

Asst. Professor, Department Of Commerce & Management M.B.A., S. K. School Of Business Management, H. N. G. University, Patan, Gujarat, India

ABSTRACT

Currently, the entire banking system has undergone a change because to Internet usage. People don't need to go to the bank branch for any bank service; they may do it anytime, anywhere. Internet banking is quick and convenient, but it has a number of security issues. Banking institutions have implemented a number of safety measures to protect their consumers while they do various online transactions. For the benefit of customers, a research has been carried out to investigate and evaluate the Internet banking security procedures used by the selected bank, State Bank of India, in the Patan district and also measures the influencing factors to use of E-Banking Facility by Customers. An appropriate research instrument was used to carry out the current study. A sample of 150 customers was selected, and an analysis and a few suggestions were made by using their responses.

KEYWORDS : Internet Banking, Internet Security, Banking Security.

INTRODUCTION

One of the main advantages of the Internet revolution has been the banking industry, and the development of banking technology products has been significantly growing. The main benefit of online banking is that customers may make payments for services while sitting at home rather than going to the branch. Customers benefit from completing transactions more quickly and so saving time and effort. The internet banking system demonstrates its great flexibility in carrying out tasks like checking balance, withdrawing money, depositing money, examining bank statement, and keeping track of recent activities. With all the benefits, all banks have a very high priority when it comes to consumer financial information protection.

Review Of Literature

Pikkarainen, Pikkarainen, Karjaluoto, and Pahnla, (2004), emphasized how advancements in electronic banking technology had led to new banking uses, particularly with regard to direct internet banking. The authors used a technological approval approach to regulate the internet space. In his study, Gupta (2006) examined the potential of Internet banking and discovered that, for a region like India, its ability to reach every corner and crevice of the globe bears significant relevance. Ndubisi and Sinti (2006) argued about how internet banking has affected customers' attitudes, requirements, and behaviours. The study's objective was to determine Malaysia's use of internet banking. In the Australian context, Lichtenstein and Williamson (2006) described the factors that influence consumers' decisions to use internet banking services. In study, Lifen, Zhao, Koenig-Lewis, Hanmer-Lloyd, and Ward (2010) discussed the impact of dependency and perceived risk on clients' and customers' usage objectives.

Several studies have been conducted on both an Indian and global dimension, but very few have directly mentioned Internet banking, its use, safety precautions and perceptions, attentiveness levels, satisfaction levels, attitudes and behaviours of internet banking, security concerns, and financial frauds. The present study is carried to bridge research gap by studying Internet banking security and influencing factors to E-Banking Facility among the selected Indian Bank customers.

Research Methodology

With regard to Internet banking services and its services, the banking industry has made improving firm performance in the current state of affairs.

Objective of Study

The objectives of present study are:

1. To examine customer's perceptions and awareness about internet banking security.
2. To analyze influencing factors to the E-Banking Facility among selected bank customers?

Research Design

Descriptive research design is more appropriate for this study. It has therefore been adopted for this research study.

Sampling Design

Primary data was collected for this study using a convenience sampling method. A systematic questionnaire was used to collect the primary data. For this study, all salaried class of North Gujarat region is considered as a population. To determine the sample size, the researcher considered 95 per cent confidence level assuming 4 per cent tolerance error due to unknown population. In view of this, the sample size needed for this study is approximately 98, in present study 150 customers of State Bank of India were selected from Patan district.

Statistical Tools & techniques

To analyze the collected data descriptive statistics and correlation statistical techniques were used though SPSS software.

DATA ANALYSIS AND RESULTS

Table 1: Awareness Level of Internet Banking Security among the Selected Customers of State Bank of India

Sr No	Types of Security	SA		A		N		DA		SDA	
		No	%	No	%	No	%	No	%	No	%
1	Confidentiality	18	12	36	24	21	14	45	30	30	20
2	Password protection	69	46	63	42	15	10	3	2	0	0
3	Security Code	57	38	63	42	15	10	9	6	6	4
4	Hardware Security	15	10	27	18	24	16	42	28	42	28
5	File Security	30	20	66	44	18	12	15	10	21	14
6	Database Security	27	18	48	32	6	4	36	24	33	22
7	Transaction Security	42	28	60	40	27	18	15	10	6	4
8	Memory Protection	21	14	60	40	12	8	39	26	18	12
9	Authentication Security	12	8	27	18	30	20	48	32	33	22

Source: Computed Data

Above table 1 represents the awareness level of Internet banking security among the selected customers in patan district. It reveals that 42% of respondents are aware of security code for using Internet banking; 46% of the respondents are aware of password protection; 40% are aware of transaction security; 24% of the people are aware of confidentiality security; 18% are aware of hardware security; 32% of the respondents are aware of database security; 40%

are aware of memory protection; and 44% of respondents are aware of file security. It shows that maximum customers are aware of password protection security.

Table 2: Factors Influencing the Internet Banking Facility

Sr No	Influencing Factor	SA		A		N		DA		SDA	
		No	%	No	%	No	%	No	%	No	%
1	Friends / Relatives Advice	93	62	54	36	0	0	3	2	0	0
2	Popularity Of Banks	21	14	108	72	21	14	0	0	0	0
3	Convenience	129	86	21	14	0	0	0	0	0	0
4	Personality of Bank Manager	15	10	102	68	21	14	24	16	0	0
5	Quality Of Service	21	14	102	68	18	12	9	6	0	0

Source: Computed Data

Table 2 shows the factors influencing the Internet banking facilities. It shows that 86% of respondents strongly agree with the influencing factor of convenience; 62% of respondents strongly agree with the factor of friends and relatives; 68% of respondents strongly agree with the factor of personality of bank manager; 72% of respondents strongly agree with the factor of popularity of banks; 68% of respondents strongly agree with the factor of quality of services. It is clear that most of the respondents are influenced by the factor of convenience.

Testing Of Hypothesis

H₀: There is no significant impact of Internet banking security on the customers H₁: There is significant impact of Internet banking security on the customers

Table 3: Correlation between Internet Banking Security and its influencing factors

Description	Correlations	SCG	PPS	TS	CS	AS	HS	DS	MPS	FS
SCG	Pearson Correlation	1	-0.126	0.042	0.052	0.065	0.045	0.0039	0.0352	-0.28
	Sig. (2-tailed)		0.399	0.753	0.722	0.679	0.758	0.7086	0.8084	0.049
PPS	Pearson Correlation	-0.122	1	0.064	0.154	-0.180	-0.190	-0.0037	-0.1453	0.139
	Sig. (2-tailed)	0.399		0.661	0.285	0.203	0.169	0.1698	0.3149	0.334
TS	Pearson Correlation	0.046	0.064	1	0.064	-0.144	-0.251	-0.4027	0.0152	0.029
	Sig. (2-tailed)	0.753	0.661		0.661	0.318	0.079	0.002	0.920	0.84
CS	Pearson Correlation	0.052	0.154	0.064	1	-0.068	-0.091	-0.2066	0.0820	0.207
	Sig. (2-tailed)	0.722	0.285	0.661		0.637	0.529	0.062	0.5736	0.148
AS	Pearson Correlation	0.063	-0.184	-0.148	0.068	1	-0.166	-0.0055	0.2160	0.21
	Sig. (2-tailed)	0.679	0.203	0.317	0.637		0.248	0.704	0.1328	0.87
HS	Pearson Correlation	0.045	0.198	0.251	0.091	0.166	1	0.266	0.0720	0.076
	Sig. (2-tailed)	0.758	0.169	0.079	0.529	0.248		0.062	0.6220	0.599
DS	Pearson Correlation	0.039	0.037	-0.006	0.265	0.056	0.261	1	0.2530	-0.304
	Sig. (2-tailed)	0.786	0.798	0.002	0.062	0.704	0.062		0.0760	0.032

MPS	Pearson Correlation	-0.035	-0.145	-0.015	-0.082	-0.216	-0.072	0.072	0.253	1	-0.157
	Sig. (2-tailed)	0.808	0.317	0.927	0.573	0.139	0.227	0.626	0.076		0.277
FS	Pearson Correlation	-0.289	0.139	0.029	-0.201	-0.021	-0.076	-0.076	-0.304	-0.157	1
	Sig. (2-tailed)	0.049	0.334	0.844	0.148	0.887	0.599	0.032	0.277		

Source: Computed Data

Above Table 3 show that there is a significant and negative correlation between SCG and FS. There is also a negative and significant correlation between DS and FS. The above results show that the null hypothesis, H₀, is accepted Therefore, Internet banking security has no significant impact on customers.

CONCLUSION

In conclusion, the current study examined the customers of Internet banking in the Patan district in order to understand the aspects of these services as well as the customers' issues regarding security measures. Additionally, in order to increase security in Internet banking systems, banks should implement a supreme and strong security policy, and state or local governments should enact laws that are mandatory. The banks should also offer upgraded, innovative, and improved high-tech security measures, such as anti-virus protections, hacking detectors, and Internet scam protection. Both current and potential Internet banking users may benefit from these enhancements in terms of improved discretion.

Limitation Of Studies

This study, which only used primary and secondary data, looked at a small sample of SBI Bank's customers of patan district. In future studies, may further research on multi-states / nationalities by expanding geographical areas to have better generalizations.

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