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### A Review Paper on Customer Preference towards E-Banking Services in Private and Public Sector Banks

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#### ABSTRACT

This paper demonstrates an efficient review of 11 research papers which introduced from the basic preference towards E-Banking for more privacy, convenience and on the date payments without delay in bills and keep customer updated on economic exercise. This review objective is to locate this difference in the literature by determining the forebears predicting customer preference towards electronic banking literature. Accomplishing our objective will bring together disintegrated literature to deliver as a foundation for research into customer preference in electronic banking comprising the use of Internet banking and other relevant digital platforms such as the mobile-banking, NEFT/RTGS, debit card credit card etc. The various statistical tools have been utilized in this paper like chi square test, Regression analysis, t-test & F-test etc and also some theoretical paper is also there. Lastly, this study settled the arbitrating role of customer preference towards those banks offering the internet banking services. An inclusive list of references is bestowed, along with a program for future research to wrap the identified gaps.

**Keywords:** E-Banking, Customer Preference, NEFT/RTGS, Credit card.

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#### Introduction

Banks also distributed their latest products and services over the internet which is known as E-Banking. E-banking is one of the emerging trends in the Indian banking and also the most inventive services offered by the banks. The conversion from traditional banking to modern banking commenced from the application of automatic teller machines, (ATM), direct bill payment, electronic fund transfer (EFT) point of sales and the revolutionary online banking is being approved by the customers with increasing awareness and education. First developed thought was in the mid-1970's some banks

displayed customer electronic banking in 1985. E-banking as a part of e-business, which, in turn, surrounded all types of business accomplished through electronic system of connection. Electronic channels are consumed for both business-to-business and business-to customer transaction, such as instructing goods, transferring software or disbursing for such transactions.

### Literature Review

Rose et al. (2017) studied on customer preference towards E-payments. The aim of the study was to analyse the preference factors which affect their purchase decision through online mode. They offer more privacy, convenience and on the date payments without delay in bills and keeps us updated on our economic exercise. It prevents from stress in cash handling and unneeded waste of time. With all the advantages understood it was high time we move towards e-Payments which would make us smarter citizens

Banu et al. (2014) examined on customer preference towards E-banking service with special reference to Tiruchirappalli district. The purpose of this study was to find preference of consumer towards e-banking services and also to know the awareness of consumer towards e-banking services. 60 respondents were the sample size of this study. The primary data were collected was further analysed by utilizing different tools examples Chi-Square test, Student T-Test and One-way ANOVAs. The findings of the study were there was no significant association between age of the respondents and their awareness about E-banking services and there was a significant difference between gender of the respondents and their advice others to accept e-banking services.

Basavaraj et al. (2013) in their research entitled customers preference and satisfaction towards banking services with special reference to Shivamogga district in Karnataka. The aim of this study was to investigate the preference and satisfaction level of customers towards loans, deposits schemes, insurances and value-added services rendered by private and public banks. It was found from the study that 34.67% of the consumers had at-least 4-6 years of experience meantime consumers with 10-12 years' experience were only 10%. Respondents of SBI was 50.67% were customer compared to ICICI bank.

Mekala et al. (2015) studied on satisfaction of customer and preference towards net banking services in private sector banks with reference to Coimbatore city of India. The objective of this study was the socio-economic characteristics of the sample respondents as well as the satisfaction of customer and preference towards the services of banking in private sector banks with reference to Coimbatore city of India. The findings of this study were that now a day's banking works become easy and banks itself facilitating their customers with safety and security of the particular login ID and passwords for utilizing services of net banking to make easier of payments of bill, fund transaction, recharging online, online ticket bookings etc.

Deriya (2018) conducted study on preference of consumer towards the use of ATM services in Rajkot city. The purpose of this study was to examine the issues faced by customers of banks while using ATM Services. 100 was the sample size of this study. Convenience Sampling Method was utilized. Percentage analysis used for data analysis and Chi-square test used for testing of hypothesis. ATM Services had number of advantageous over traditional banking services, if some footprint had been taken to improve its achievement. It was found that still maximum number of people living in rural and distance areas were not utilizing ATM Services. So, Banks should investigate this expensive facility from urban to rural areas.

Ramya et al. (2019) studied the customer preference towards online banking. The purpose of study was to determine the customer preference towards online banking. In this study, 170 numbers of customers were participated which had provided valuable feedback and responses with the help of questionnaire method. The findings of the study displayed that, durability convenience and customized services had an effect on customer preference towards online banking. The findings of the

study also showed that customers preferred internet banking facilities which saved their time and cost and enabled them to know account status and transferable funds from one place to another place. The result of the weighted average revealed that, the most of the customers had used online banking for their convenience.

Tiwari and Tyagi (2017) described consumer Preference towards E-banking in Ghaziabad. The aim of study was to identify the reason for preferring E-banking. The finding of the survey had acknowledged the fact that there was a planned new investment of \$2 billion in the new electronic banking technology within the banking industry. This study had guided the banks to understand awareness about the consumer regarding e-banking system and the types of risk involved which in turn improved the services helped the banks to penetrate in the rural area within the India and also abroad.

The research of Gbadeyan et al. (2011) on customer preference for E-banking in Sierra Leone had added a new dimension. The paper prescribed that various measures should be put in place to ensure more security such as installation of encrypted software, verification system of customer's, identification cards, frequent change of password, investigating test questions and adopting mixed password like as the use of alphanumeric between others. Finally, the paper concluded that E-banking had become an important phenomenon in the banking industry and it would continue as more progress and innovations in the area of information technology.

Elavarasi (2014) examined awareness and preference of customers towards E-banking services of State Bank of India. The objective of this study was to build customer awareness & to search out the kinds of preferred e-banking services. The result of this analysis showed that the respondents were mostly men as compared to women. Further data analysis indicated that age, educational qualification, occupation, income level of customer were significant factors that had decided that usage of e-banking services of various banks.

Chattopadhyay (2012) in his study entitled "customers preference towards use of ATM services in Pune City" studied the problems faced by customers while using ATM services offered by selected Cooperative banks in Pune city. The purpose was to analyse the relationship between demographic variable and preference to use ATM. For this particular study a structured questionnaire was utilized to collect the data from a convenience sample of 300 customers from three sample cooperative banks in Pune city. The frequency, percentage analysis and chi square tests were applied for data analysis and interpretation. It was evident from the present study that a maximum number of the customers were highly satisfied with ATM services and view them as important services.

Kamakodi, N. (2007), in his research work on customer preferences on E-banking services, determined how digitalization has affected the banking custom and preference of Indian consumers. It also establishes below the components which affect the preference of customers of bank, salary account compulsion, proximity and non-availability of the technology-based services were the three main reasons featured in the study for modifying the bank.

### **Objectives of the Study**

1. To identify various conceptions related to customer preference towards e-banking between private sector and public sector.
2. To review the literature published in research papers in leading international and national journals.
3. To find out the research gap based on the review of literature.

### Research Methodology

The secondary data has been utilized. For the purpose of the present study, the authors have searched journal literature published in twenty-first century and a few of the selected research papers are reviewed to find out research gap.

### Concluding Remarks and Further Scope

This study purpose to determine a review of the predecessor of customer preference in the electronic banking framework. In the above paper, limited number of services of e-banking has taken. So, in the future research paper, other services can be taken. Future researchers should conduct more research on customer preference in Internet banking in foreign countries, in other state of India and other area of state. That may lead to a universal understanding of the anticipating factors of customer preference. This study suggests that additional theoretical outlook such as the uses and fulfillment theory can improve our knowledge regarding the main ancestors forecasting the customers' preference in Internet banking. In the future research can be also organized in other public and private sector banks. Papers should be more focused on the quantitative research and for those more structured questionnaires should be practiced.

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