

A Study on Opportunities Created by ICT in Online Banking Services

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Abstract: *In India's financial industry, Web banking administrations are extending everyday. This exposition means to explore India's financial areas' Web banking contributions. Information from essential and auxiliary sources, including bank chiefs, sites, and different sources, were accumulated for this review. Web banking administrations such email banking, telephone banking, and versatile banking, as well as ATMs (Robotized Teller Machines). The analyst reaches the resolution that compelling guideline and bringing purchaser mindfulness up in banking are key variables.*

Keywords: Customer satisfaction in the banking industry, Internet banking services, and advantages and disadvantages of Internet banking

I. INTRODUCTION

An electronic payment system called Internet banking, commonly referred to as internet banking, e-banking, or virtual banking, allows customers of banks or other financial institutions to carry out a variety of financial transactions via the financial institution's website. In contrast to branch banking, which was the conventional method through which customers received banking services, the Internet banking system will typically connect to or be a component of the main banking system run by a bank. A consumer with internet connection must register with the financial institution for the service, create a password, and provide additional information for customer verification in order to utilise the Internet banking facility. Typically, the login information for Internet banking differs from that for phone or mobile banking. Financial institutions now assign client numbers on a regular basis, regardless of whether a customer has shown a desire to use their Internet banking service. Due to the possibility of connecting many customer accounts to a single customer number, customer numbers and account numbers are typically different. Technically, the customer number can be connected to any account that the customer has with the financial institution, but the financial institution may only allow access to certain types of accounts, such as checking, savings, loan, credit card, and similar accounts.

1. THE LATEST DEVELOPMENT OF INDIAN BANKING SERVICES

Numerous private sector banks have been established as a result of the liberalisation of the Indian economy in the early 1990s. In the last two decades, this has fostered a boom in the nation's banking industry. Over the period 2001–105, the income of Indian banks increased by four times, from US\$ 11.8 billion to US\$ 46.9 billion, while their profit after tax increased by almost nine times, from US\$ 1.4 billion to US\$ 12 billion. These two variables were the main drivers of this increase. First, a surge in Foreign Direct Investment (FDI) with limits of up to 74%. The Reserve Bank of India's (RBI) conservative policies, which have protected Indian banks from the global economic crisis and the recession. The country's Banking Index (Bankex) is compared to the Sensex in Figures 1.1 and 1.2. The Bankex is an index that measures the performance of significant stocks in the banking sector. It increased at a compound annual growth rate (CAGR) of about 20% between 2003 and 2016. The graph below demonstrates how the Sensex and Bankex have experienced comparable growth patterns over the past ten years.

2. EXTERNAL DETERMINANTS OF INTERNET BANKING SERVICES.

Security and safety safeguards are Ghanaian bank clients' top worry while using internet banking. Concerns about PIN security, personal data protection, confidentiality, and hacking are all major barriers to clients using internet banking. Many and more customers are apprehensive to place their trust in the non-person services highlighted by

Benamati&Serva since there are no human contacts to guarantee the client of the success and safety of transactions (2007). However, a study by Mukherjee and Nath from 2003 is important to note because it argues that faithful connections and creative behaviour are what build trust in Internet banking between a bank and its customers. However, Ling et al. (2011) claimed that there is no such positive relationship between technology and perceived Internet trust in their study. They continued to note that websites that are viewed as helpful and user-friendly are more likely to increase users' trust in Internet banking.

1. The value ascribed to internet banking

Intentional and unintentional rewards are the two basic categories of perceived usefulness (Lee, 2008). According to Lee, the targeted benefits are the quick and noticeable benefits that customers experience while using Internet banking services, such as reduced transaction costs, high deposit rates, and chances to win prizes, among other things. The unintended advantages, on the other hand, are those that are tangible and difficult to quantify, such as services that enable users to conduct banking transactions anywhere in the world.

2. The TAM (Technology Acceptance Model)

According to the literature, TAM has been widely employed by several studies in this field of research worldwide to gauge how customers have reacted to technology throughout time. The TAM, first created by Davis in 1989, describes how a consumer decides whether to utilise a technology based on its "perceived usefulness" and "perceived ease of use" (Aldas-Manzano, et al 2009).

3. Steps taken by the government to boost internet banking

According to a study by Chong et al. (2010) in Vietnam, a government's backing is crucial when it comes to a consumer's intention to utilise Internet banking. Additionally, it has been noted that governments should provide free basic ICT programmes in elementary schools that will focus on the teaching of fundamental computer knowledge and Internet awareness in order to support the promotion of Internet services such as Internet banking adoption, Internet shopping, and Internet bill payment, among others (Nasri, 2011). The rationale behind this is that as more individuals gain IT literacy, they will be more willing to utilise Internet services, including Internet banking. The government of has established supportive legislative and regulatory frameworks to promote growth and investment in Internet and mobile banking in the banking industry. The goal of the strategy is to make it possible for the development of reliable and affordable world-class communications setup and facilities, supported by appropriate high-tech innovations and achievable by advancing financial competitiveness in a knowledge-driven economy. The following laws have also been created to support the policy:

- National Digital Content Management Bill;
- Cyber Security Bill;
- Data Protection Bill;
- Electronic Communications Regulation;
- Electronic Regulation on Dumping of Electronic Waste.

ISSUE RELATED TO INTERNET BANKING SERVICES

1. Standards for Technology and Security

As recommended in the Group's study, banks should appoint a network and database administrator with clearly defined tasks. The Board of Directors should have properly authorised a security policy for banks. The responsibility for information systems security should be divided between the Information Technology Division, which actually implements the computer systems, and the Security Officer / Group. The information systems will also be audited by an information systems auditor.

2. Legal Concerns

In light of the current regulatory framework, banks have a duty to not only verify a customer's identity but also to inquire about their integrity and reputation. Therefore, even while requests for opening accounts via the Internet may be allowed, accounts should only be opened following a formal introduction and a physical check of the customer's identity.

3. Supervisory and Regulatory Issues

The Group proposed that the current regulatory framework governing banks be expanded to include Internet banking. Only banks with a physical presence in India, an Indian licence, and an Indian supervision body would be allowed to provide Internet banking services to Indian citizens. As a result, for the time being, neither banks nor virtual banks with corporate headquarters outside of India and no physical presence there are allowed to provide Internet banking services to Indian citizens.

4. Risk in Internet banking

E-banking is more risky than traditional banking in various ways. These dangers are especially obvious when it comes to Internet banking. First, it's important to closely monitor the risk posed by technology advancements. This is necessary to stay current with technology while maintaining affordability and customer-friendliness.

5. Security Concerns

Internet bankers are constantly worried about hackers and other undesirable aspects while making payments Internet or transferring money between accounts. Hacking allows dishonest hackers to access Internet bankers' accounts and withdraw money.

6. Lack of understanding importance of the Internet

One needs internet access to take use of Internet banking's advantages. He should have a desktop, laptop, or PDA device, as well as an Internet connection, for this reason. You may open an account with several banks Internet without having to print or sign anything. In the past, you had to spend business hours talking to a personal banker. Internet information on account opening is available. Pay your bills: You can have your bank mail a check instead of writing cheque to pay your bills (or simply transfer the money to your payee electronically). Need to transfer money via ACH from one bank to another, or from your checking account to your savings account? Consider investing any surplus funds in a certificate of deposit (CD). In the past, getting this done required going to the branch or waiting on hold. It's simpler thanks to Internet banking. Learn how to transfer money.

7. Loan applications:

Loan applications require a lot of "paperwork." But they are not required to be. Enter your details, and your bank will respond with an answer.

Internet banks are renowned for offering greater rates. Theoretically, you should be able to earn more interest on your savings and pay less for loans. Shopping around and comparing Internet banking rates to traditional rates is always a smart idea, but you'll almost always find better deals Internet. You will have to do without paper statements and the chance to bank with a teller, for example, if you use the Internet choices offered by certain physical banks.

There are various ways to deposit a check that you have received. Remote check deposit is the quickest and simplest solution; simply take a snapshot of the check and send it to your bank for processing. There is no need to mail the cheque in or go to a branch. Text message: In addition to glitzy programmes and Internet sites, you may use "old-fashioned" text messages to manage your account, check balances, and more. Learn how to deposit a check using your mobile device. For straightforward and repetitive jobs, this approach is a little quicker. Learn how to send texts to your bank.

BENEFITS AND DRAWBACKS INTERNET BANKING

Internet banking has many advantages, making it worthwhile to at least offer the alternative. You might, however, also favour a few aspects of conventional banks and credit unions.

Internet banking could be more bother than it's worth if you're not tech-savvy. Additionally, errors do occur, and if your computer (or the bank's computer) is down, there isn't much you can do. It could be preferable to speak face-to-face for complex situations (such as annoying customer service issues or discussions about various loan types).

The difficulty of collecting money is another one. A debit card that you may use to withdraw money is often provided by Internet-only banks, but you must locate free ATMs (or pay hefty fees).

II. CONCLUSION

Primary data are the foundation of the study report. The study's findings support the researcher's assertion that the majority of bank clients are aware of all Internet banking services. The banks must also take the appropriate steps to inform their clients about new technology and other services they provide. Banks may lengthen the time that customers spend interacting with bank staff, and a cordial demeanour is also required. It will undoubtedly aid in both retaining current clients and luring in new ones. It will instantly enhance financial services and bank growth both domestically and internationally. The research report is helpful in determining consumer understanding of the Internet banking system and the types of risks it entails.

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