



Customer Attitude On Privacy Issues In The E- Banking Websites - A Study With Reference To Commercial Banks In Theni District

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ABSTRACT

This paper gives a brief analysis of the attitude on privacy issues in the e-banking websites in commercial banks at Theni District. This study is an empirical research. The primary data were collected by personal interview of the selected respondents by using interview schedule. The primary data were collected from the bank customers directly during the month of January 2021 to June 2021. The researcher used convenient sampling method to collect data from the sample respondents. First hand data were collected from the respondents directly by the researcher himself with the help of an interview schedule. Percentage analysis and chi-square test were used to analyse the data. The main objective of the study is Customer attitude on privacy issues in the e-banking websites by the commercial banks in Theni District. The sample size taken up for the limited to one fifty e-banking users of State Bank of India the researcher used convenient sampling technique. The researcher interested to find out what are the customer attitude of the privacy issues in the E-banking websites of commercial banks in Theni district. Finally conclusions were drawn and suggestions were offered.

Keywords: Opinion on Privacy issues, E-banking websites

INTRODUCTION

Indian banking industry has undergone tremendous changes ever since its origin in Indian soil. "Money makes money" is the basic idea of banking business. Banking sector as a whole takes a different form and structure over a period of its growth keeping its core business of "accepting deposits from public for the purpose of lending" intact. Inevitably this basic business function itself has to adopt more sophistication in order to achieve the twin objectives of conceptualisation the whole lot of banking function so as to make it more affordable to common man and to achieve the maximum return on investment (ROI) under the present competitive environment.

Originally the commercial banks in India were established under the private sector, Infact, they were intended to serve a few selected groups of people. Over the period of time, the scope of banking business has widened to serve thousands and thousands of people but still there is a large number of people entering into banking premises itself was only a dream. Interestingly the size and volume of banking companies were increasing on the one hand and the number of banking failures was also increasing on the other. Only in 1969 and shortly thereafter major banking companies in India were nationalised in order to accumulate national resources and to channelize them towards more productive activities. This radical change facilitates to extend the banking function to all knocks and corners of the country to cater the needs of both “haves and have nots” equitably and judicially. All barriers in opening new branches have been removed and India becomes one of the counties having best banking system all over the world.

In the mean time, the banking technology has been undergone tremendous changes all over the world due to information technological revolution. Further, core changes become inevitable to face the change reposed by new developments triggered by the entry of private and foreign banks in to India. The liberalization process initiated by the government of India has also brought about technological up gradation in financial sector as a whole. As a result, state-of- art technology is bound to be adopted in addition to the automating antiquated process. Speed and accuracy with which the financial data are processed due to the application of information technology offers the banking sector an opportunity to cope with information explosion. Recent development in the Indian political scenario also which altered the edifice of financial structure through the introduction of a new way of taxation (GST) replacing the conventional one and demonetization has also made great impact. No need to say print all this developments involved heavy capital investments in the form of sophisticated infrastructure facility as well as well trained man power forces. Apart from these the potential threat to be encountered by the inherent features in the form of cyber crime coupled with ignorance of customers, being vast majority of banking customers are still computer illiterate or lagging technical the usages of technical peripherals for their banking uses.

STATEMENT OF THE PROBLEM

To day banking functions have achieved a spectacular growth all over the world more so in India. The nationalization of commercial banks and entry of private and foreign third generation banks have facilitated the adoption of new techniques emanated out of information technogical boom in banking business. Almost all the functions of banks are computerized and customers personal contract has been narrowed down to a very little extent. Today customers need not go to banking premises for basic banking services. Modern technology has provided many opportunities to ease out complications and difficulties that were so far faced by common banking customers. At the same time new issues are erupted out due to the implementation of modern technologies. Security issues, legal issues and issues related consumers education in utilizing the banking services

are the common challenges to be encountered by the overall customers in general and customers living in rural areas in particular. Therefore, a study of customer opinion on privacy issues of commercial banks to their customers is felt necessary as it is socially relevant. Hence the present study.

OBJECTIVES OF THE STUDY

To analysis the customer attitude on privacy issues in the e- banking websites of Commercial Banks in Theni District.

REVIEW OF LITERATURE

Amit Shankar Charles Jebarajakirthy (2019), The findings showed that of the EBSQ dimensions, reliability along with privacy and security enhanced customer loyalty to e-banking. The initial trust in e-banking mediates the effects of EBSQ dimensions on customer loyalty except for website design. The mediation effects of initial trust varied between high and low-involved consumers. This study was conducted with e-banking users in one country using cross-sectional data. Hence, the model should be replicated among e-banking users in other countries and with the longitudinal data.¹

bdelLatef M. Anouze , Ahmed S. Alamro (2019), The statistical techniques revealed that several major factors, including perceived ease of use, perceived usefulness, security and reasonable price, stand out as the barriers to intention to use e-banking services in Jordan. A quantitative method employing a cross-sectional survey was used as an appropriate way of meeting the research objectives. The survey was distributed to bank customers in Amman, Jordan, collecting a total of 328 completed questionnaires. SPSS and AMOS software were used, and multiple regression and artificial neural networks were applied to determine the relative impact and importance of e-banking predictors.²

Yuni Nustini , Nurul Fadhillah (2020), This research aimed to explore factors that influence the use of e-banking and their effect on consumptive behaviour of the Moslem students of the Faculty of Economics Universitas Islam Indonesia (FE UII). The factors were Completeness of the Feature, Service Quality, Trust, Social Influence (IV), Use of e-Banking (MV), Consumptive Behavior (DV). The research accommodated convenience sampling. Through Google Forms obtained 120 FE UII students who used e-banking. SPSS 23 was used to test the data, hypothesis. Sobel test was used to verify the effect of mediating variable. With alpha of 0.05, results of the test showed that the association of all the four IVs to MV, and to DV; as well as MV to DV were supported. The F value was 0.000 while the adjusted R² was 0.320. The Sobel test indicated that Use of e-Banking was positive- significant toward Consumptive Behavior.³

May Wang, Stella Cho, Trey Denton, (2017) The results indicated that personalization leads to increased performance expectancy and decreased effort expectancy, which in turn lead to increasing intention to continue to use e-banking

services. In addition, compatibility with previous e-banking experience and personalization produces an interaction effect on both performance expectancy and effort expectancy.⁴

Dipa Mulia , Hardius Usman, Novia Budi Parwanto, (2020), the study deals with Customer intimacy not only encourages the emergence of customer loyalty directly, but also affects the factors that determine customer loyalty itself, such as perceived usefulness, perceived ease of use, perceived risk, trust, sharia compliance and satisfaction. In other words, customer intimacy has a direct and indirect influence on loyalty.⁵

SAMPLING DESIGN

Since the study was concerned with the factors influence on privacy issues in the e-banking websites of commercial banks in Theni district the researcher obtained the e-banking website of state bank of India. The sample size taken up for the limited to one fifty (150) e-banking users of State Bank of India the researcher used convenient sampling technique. Convenient sampling refers to selecting a sample of study on objects based research convenience. However care was taken that all classes of customer such as salaried employee, businessman, professionals and household.

FIELD WORK AND COLLECTION OF DATA

Fieldwork for the study was conducted from January 2021 to June 2021. The primary data were collected by personal interview of the selected respondents by using an interview schedule. Before starting the actual data collection, the respondents were familiarised with the purpose and the objectives of the present study. The interview was quite informal and was in a conversational style. The interview schedule was administered in the vernacular language and the data were recorded by the researcher in the interview schedule. The interviews were conducted individually with each respondent, so as to avoid bias in response. Every possible care was taken to ensure the accuracy and reliability of information.

Hypothesis of the Study

There is no significant association between various independent variables (Gender, Age, Educational status, Marital status, Occupational status, Annual income,) of the sample customers and the level of opinion on privacy issues in the e-banking websites by commercial banks. The statistical significance of this hypothesis has been tested with the help of Chi-square test at 5% level of significance.

Analysis and Interpretation

The Chi-square test is used to analyse the age, sex, literacy, marital status, and nature of family, family size, earning members, income and nature of business. Chi-square test is a statistical tool used to test the distribution of observed data with assumed theoretical distributions. Therefore, it is a measure to study the divergence of actual and expected

frequencies. Through this test, the researcher is able to find out the deviations between the observed values and the expected values. The test is done by comparing the computed value with the table value of χ^2 for the desired degree of freedom. When the researcher compares the compound value, the degree of freedom is evident. The χ^2 may be defined as:

Chi-square test (χ^2)

$$\Sigma = (O-E)^2 / E$$

Where, O = Observed Frequency; E = Expected Frequency

Expected Frequency = (Row Total X Column Total) / Grand Total

Degree of freedom = (C - 1) (R - 1)

Where,

C = Column; R = Row

Steps:

- i. A hypothesis is established along with the significant level.
- ii. Compute deviation between observed value and expected value $(O-E)^2$
Square the deviations calculated $(O - E)^2$
- iii. Divide the $(O- E)^2$
- iv. Add all the values obtained in step
- v. Find the value of χ^2 from χ^2 table at certain level of signification usually at 5 per cent level. If the calculated value of χ^2 is greater than the table value of χ^2 at certain level of significance, the researcher rejects the hypothesis. If the calculated value of χ^2 is lesser than the table value χ^2 at certain level of significance, the researcher accepted the hypothesis.

Classification of Respondents on the Basis of Level of Attitude

The sample respondents are divided into three categories based on their respective scores. The classification of respondents according to their Level of Attitude is presented in Table 1

Table 1: Level of Attitude of the Respondents

S.No	Level of attitude	Number of Respondents	Percentage to Total
1	High	34	22.67
2	Medium	77	51.33
3	Low	39	26.00
	Total	150	100

Source: Primary Data

It is inferred from Table 1. That 51.33 per cent of the respondents have medium level opinion, 26 per cent of the respondents have low-level opinion and 22.67 per cent have high level opinion.

Relationship between Age Group and Level of Attitude of Respondents

The Relationship between Age Group and Level of Attitude of Respondents and the attitude on privacy issues in the e-banking websites of commercial banks are furnished in table 2

Table 2: Age Group of the Respondents and their Level of Attitude

S. No	Age	Level of Attitude			Total	X ² Value	Table value at 5% significant
		High	Medium	Low			
1	Below 40 years	14 (9.33)	44 (29.33)	17 (11.34)	75 (50.00)	3.5502	9.49
2	40-60 years	15 (10.00)	26 (17.33)	16 (10.66)	57(38.00)		
4	Above 60 years	5(3.34)	7(4.67)	6(4.00)	18(12.00)		
	Total	34 (22.67)	77 (51.33)	39 (26.00)	150 (100.00)		

Source: Computed data

It could be seen from Table 2 that out of 150 respondents, 77 respondents forming 51.33 per cent have medium level of opinion on the services provided by the commercial bank in Theni District. Among them those below 40 years of age top the list followed by those between 40 and 60 years of age. As the calculated chi-square value (3.5502) is less than the table value (9.49) the hypothesis is accepted. Hence, it is concluded that there is no significant relationship between the age of the respondents and Level of Attitude of Respondents rendered by the commercial banks.

Relationship between Gender and Level of Attitude of Respondents

The Relationship between Gender Group and Level of Attitude of Respondents and the attitude on privacy issues in the e-banking websites of commercial banks are furnished in table 3

Table 3: Gender of the Respondents and their Level of Attitude

S. No	Gender	Level of attitude			Total	X ² Value	Table value at 5% significant
		High	Medium	Low			
1	Male	12 (8.00)	49 (32.67)	17 (11.33)	78 (52.00)	8.8720	5.99
2	Female	22 (14.67)	28 (18.66)	22 (14.67)	72 (48.00)		

	Total	34 (22.67)	77 (51.33)	39 (26.00)	150 (100.00)		
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Source: Computed data

It is inferred from the Table 3 that out of 150 respondents, 78 (52%) have medium Level of Education and level of Attitude by the commercial banks in Theni District. Among them males top the list (72) followed by females. As the calculated chi-square value (8.8720) is greater than the table value (5.992) the hypothesis is rejected. Hence, it is concluded that there is a significant relationship between the sex of the respondents and the Level of Attitude of Respondents rendered by the commercial banks.

Relationship between Education and level of Attitude Respondents

The Relationship between Education and Level of Attitude of Respondents and the attitude on privacy issues in the e-banking websites of commercial banks are furnished in table 4

Table 4: Education of the Respondents and Level of Attitude

S. No	Level of Education	Level of Attitude			Total	X ² Value	Table value at 5% significant
		High	Medium	Low			
1	Illiterate	6 (4.00)	16 (10.67)	8 (5.33)	30 (20.00)	4.95	9.49
2	School level	9 (6.00)	20 (13.33)	17 (11.33)	46 (30.67)		
3	College level	19 (12.66)	41 (27.33)	14 (9.34)	74 (49.33)		
	Total	34 (22.67)	77 (51.33)	39 (26.00)	150 (100.00)		

Source: Computed data

It is observed from Table 4 that out of the 150 respondents, 77 (51.33%) have medium Education and level of Attitude by the commercial banks in Theni District. Among them College level tops the list (74) followed by School level. As the calculated chi-square value (4.9567) is less than the table value (9.49) the hypothesis is accepted. Hence, it is concluded that there is no significant relationship between the Education and level of Attitude by the commercial banks in Theni District.

Relationship between Occupation and level of Attitude

The Relationship between Occupation and Level of Attitude of Respondents and the attitude on privacy issues in the e-banking websites of commercial banks are furnished in table 5

Table 5: Occupation and Level of Attitude of Respondents

S.No	Occupation	Level of Attitude			Total	X ² Value	Table value at 5% significant
		High	Medium	Low			
1	Salaried Employees	7 (4.67)	35 (23.33)	13 (8.66)	55 (36.67)	12.354	9.49
2	Businessmen and Professionals	12 (8.00)	9 (6.00)	5 (3.34)	26 (17.33)		
3	Agriculturists and others	15 (10.00)	33 (22.00)	21 (14)	69 (46)		
	Total	34 (22.67)	77 (51.33)	39 (26.00)	150 (100.00)		

Source: Computing Data

It is observed from Table 5 that out of the 150 respondents, 77 (51.33%) have medium Occupation and level of Attitude by the commercial banks in Theni District. Among them 'Salaried Employees' tops the list (55) followed by 'Agriculturists' and 'others'. As the calculated chi-square value (20.9726) is greater than the table value (9.49) the hypothesis is rejected. Hence, it is concluded that there is significant relationship between the occupation of the respondents and the level of Attitude by the commercial banks in Theni District.

Relationship between Income and level of Attitude

The Relationship between Income and Level of Attitude of Respondents and the attitude on privacy issues in the e-banking websites of commercial banks are furnished in table 6

Table 6: Income and Level of Attitude of Respondents

S.No	Income	Level of Attitude			Total	X ² Value	Table value at 5% significant
		High	Medium	Low			
1	Upto Rs.24000	13 (8.67)	34 (22.67)	22 (14.66)	69 (46)	2.6321	5.992
2	Rs.24000 and above	21 (14.00)	43 (28.66)	17 (11.34)	81 (54)		
	Total	34 (22.67)	77 (51.33)	39 (26.00)	150 (100.00)		

Source: Computing data

It is observed from Table 6 that out of the 150 respondents, 77(51.33%) have medium level of Attitude by the commercial banks in Theni District. Among them those who have annual income of Rs.24,000 and above top the list (81) followed by those with annual income upto Rs.24,000 (69). As the calculated chi-square value (2.6321) is less than the table value (5.992), the hypothesis is accepted. Hence, it is concluded that there is no significant relationship between the annual income of the respondents and level of Attitude by the commercial banks in Theni District.

Relationship between Marital Status and level of Attitude

The Relationship between Marital Status and Level of Attitude of Respondents and the attitude on privacy issues in the e-banking websites of commercial banks are furnished in table 7

Table 7: Marital Status and Level of Attitude of Respondents

S.No	Marital Status	Level of Attitude			Total	X ² Value	Table value at 5% significant
		High	Medium	Low			
1	Married	23 (15.33)	44 (29.33)	25 (16.67)	92 (61.33)	2.6321	5.992
2	Unmarried	6 (4.00)	20 (13.33)	6 (4.00)	32 (21.33)		
3	Widow, Widower or Separated	5 (3.34)	13 (8.67)	8 (5.33)	26 (17.34)		
	Total	34 (22.67)	77 (51.33)	39 (26.00)	150 (100.00)		

Source: Computing data

It is observed from Table 6 that out of the 150 respondents, 77 (51.33%) have level of medium and level of Attitude by the commercial banks in Theni District. Among them 'married' tops the list (92) followed by widow, widower and separated. As the calculated chi-square value (2.5335) is less than the table value (9.49) the hypothesis is accepted. Hence, it is concluded that there is no significant relationship between the marital status of the respondents and the level of Attitude by the commercial banks in Theni District.

CONCLUSION

This study has identified four factors that are significant in studying the user perception of security issues in e-banking websites of state bank of India. It has also identified significant variables under these four factors. It is concluded from the findings of the study that there is a significant difference in the familiarity levels on the cyber-crimes and the privacy issues associated with them based on the usage frequency of internet and e-

banking portals. The more a user uses internet and the e-banking sites, the more respondent familiar with the cyber threats and conversely the new users are less familiar with the cyber threats. So, the e-banking websites should take special initiatives to educate their new customers on the cyber threats and the precautions the user needs to take. Also, the e-banking websites should identify the less frequency users and should enhance their understanding on the cyber threats. This initiative of education to the new and less frequent users will enhance the trust of the users on the e-banking site and there by resulting in improved business generation.

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