

# An Experimental Investigation of Internet Banking Adoption among Indian Customers

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## Abstract

The global financial scene is witnessing a substantial change where ground-breaking IT, innovative banking products/services, deregulation and liberalization are the major driving forces including payment systems. IT has enabled low cost, no distance, speedy delivery in no time and qualitative service. High investment by bank in IT infrastructure has made banks more competitive, efficient and effective. Now, internet banking is one of the core strategies for banking developments. The current scenario inspires to analyze the role of information technology, it plays in all fields. In this light, present paper attempts to evaluate the customers' perception about the internet banking services in India and concludes that internet banking is preferred by the customers but not as much popular as ATM and credit card services are. Even numbers of customers are not aware of internet banking and some do not prefer because of network problem, poor knowledge and lack of internet facilities at the near places.

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## I. Introduction

TECHNOLOGY HAS BECOME a central field of study everywhere because rapid advancement in electronic delivery channels has produced tremendous changes in banking system in the recent years. The increasing rate of changes in technology has led competition among bankers and customer needs (Hughes, 2001). The first and foremost set of IT's impact that could benefit from technology advances, relates to payment system. Traditionally, payments were made in cash but now various electronic based payments through ATMs, Cards, EFTs, ECS etc. have been slowly making their appearance. IT as an enabler has broken all bounds of cost, distance, time and hence, efficiency of the banks has been improved especially with quality improvement, timely delivery of services at affordable cost which certainly led to complete transformation of banking industry.

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result in bias due to the limiting factors. Although, survey has been carried out with statistically significant response rate in 12 selected banks in Punjab (urban) only but it is not enough to generalize the results in big country like India.

### VIII. Conclusion

Use of technology in banking is one of the key focus areas of RBI. Increasing use of technology has proved constructive results in terms of improved efficiency through increased volume of electronic transactions, value of business, efficient handling of increasing number of customers, decreased cost, fast services around the clock etc. But astonishing to know that it is a result of just 30 to 40 % adoption of electronic system, we can achieve amazing results with 100% adoption. Users are increasing tremendously, then the spreading of awareness, fast network, and secure transactions will surely improve internet banking services in India. Though there are some problems, but can be knobbed with time span with efficient handling of technology.

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