LITERATURE REVIEW

The study on public and private sector banks show that the quality gap consumer’s perception of services delivered is highest in public sector banks and lowest in private sector banks. Another study found that public sector banks are better than private sector banks. Some studies and their findings are as below:

Ms. LINDA MARY SIMON(2012):- In this paper, the customer perception towards services provided by IOB and ICICI banks of Coimbatore region has been discussed. The attribute like internet banking, ATM services, Timing and Attitude of staff etc. of both the public and private have been compared. The study reveals that ICICI bank is providing better services to its customers than Indian Overseas Bank.

HIMANI SHARMA(2011) :- In this research study bring out two significant difficulties in the use of e-banking viz. heightened stress and technical bottlenecks. It explores the difficulties faced by bankers in using e-banking, Like customers, bankers too face difficulties in fully understanding and imbibing the mechanism of e-banking in their system. They admit that no proper e-banking training is provided to them; consequently, they do not know how to operate the system. This brings in frustration affecting the work, which leads to heightened stress.

COOPER(1997):- Reported that ease of use of innovative products or services as one of the three important characteristics for adoption from the customers’ perspective.

DANIEL(1999) :- Expressed that another important factor affecting the acceptance and adoption of new innovation is the level of security or risk associated with it. Even in countries where internet banking is at a developed stage, one of the most important factors slowing the progress of this new innovation is the customers concern for security of financial transaction over the internet. An empirical survey of Australian consumers by Sathye(1999) confirmed this fact.

NANCY ET AL(2001):- Have examined the case of the consumers adoption of internet related financial service, which may be viewed as an innovation in service delivery. The qualitative study employed Rogers’s model of perceived innovation attributes. The perceived innovation attributes were found to be important determinants of consumer’s adoption decisions. The study argued that customers like to interact with human rather than machines. They find more possibilities for asking questions and believe that bank clerks are less prone to errors, understanding the fact that face to face transaction are carried out more efficiently and courteously.
SUGANThI AND BALAChANDRAN(2001):- Investigated the various psychological and behavioral issues such as trust, security of internet transaction, reluctance to change, and preference to human interface which appear to impede the development of internet banking. Accordingly, the action taken by bankers and policy makers in appropriately addressing these critical issues like introduction of e-banking in Libya. The paper draws exciting literatures on technological development in the banking industry and the finding from semi-structured interviews with key bank staff of a leading commercial bank in Libya. A number of factors affecting the adoption of e-banking technology are identified viz. organizational change, management support, IT knowledge and awareness, IT funds, telecommunication infrastructure, IT security, compatibility and complexity.

GEETHA K T AND MALARVIZHI:- This research paper investigates the factors which are affecting the acceptance of e-banking services among the customers and also indicates level of concern regarding security and privacy and awareness level increased the acceptance of e-banking among Indian customers. The finding shows that if banks provide them necessary guidance and entire safety of their account, customers are willing to adopt e-banking. Hence, the banks should design the website to address security and trust issues. The recommendations to the banks are that they have to increase the level of trust between banks’ website and customers.

CENTENO (2004):- Argues that speed the convenience of remote access, 7/24 availability and price incentives are the main motivation factors for the consumers to use internet banking.

DURKIN et al (2008) :- Notes that the simplicity of the products offered via internet banking facilitates the adoption of internet banking by consumers.

CALISIR AND GUMUSSOY(2008):- Compare the consumer perception of internet banking and other banking channels and report that internet banking, ATM and phone banking substitute each other.

MAENPAA et.al (2008):- Examine the consumer perception of internet banking in Finland and their findings indicate that familiarity has a moderating role in the perception.

GUERRERO, et.al.(2007):- examine the usage of internet banking by European and their results indicates that ownership of diverse financial products and service, attitude towards finance and trust in the internet as a banking channel influence clients usage of internet banking.
POLATUGLU AND EKIN (2000): - In their research paper stated that perceived risk was one of the major factors affecting consumer adoption, as well as costumer satisfaction of online banking services. Perceived risk usually arrives from uncertainty. To Howcroft et.al (2002), the principal characteristics that inhibit online banking adoption are security and privacy.

CHUNG AND PAYNTER, 2002 in their research paper stated that security is perhaps the most feared problem on the internet. Banks and customers take a very high risk by dealing electronically.

Howcroft et.al (2002) in research paper stated that today’s consumers are increasingly more concerned about security and privacy issues.

SOHAIL AND SHAIKH, 2007 in their research paper stated that much work has not been done in India with regard to internet banking issues. The present study intends to know that the factors affecting the acceptance of e-banking by the customers and also indicates level of concern regarding security and privacy issues in Indian context.

SAYAR AND WOLFE, 2007 in their research paper stated that, A majority of studies highlight the fact that “Security” is the biggest single concern for customers when faced with the decision to use internet banking. Security has always been an issue, but its scope has changed from mere doubts about the privacy of personal information to worries of financial loss.

SUREKHA INVALLI RAGURAMA A AND CHANDRAMMA M : - In their research paper the study was to develop an understanding of adoption of e-banking services among the consumers in urban and semi-urban regions. The analysis revealed the influence of demographic variables, experience with computer technology and medium of information as predictors of channel adoption depending upon banking behavior. Four segments of consumers were identified with the help of factor analysis. Logistic regression was used to analyze the significance of different levels of socio-techno-demographic variables and behavioral factors on the propensity to adopt ATM and internet banking at an individual level. The finding of this study supports the influence of technological orientation and education on the adoption of e-banking channels. Overall, ATM highly adopted by young to middle aged, educated and moderate to highly affluent category consumers with technical aptitude. These categories of customers also visit branches, interact with banks staff and tend to be loyal. The odds of more frequent ATM card usage versus less frequent usage increases with education, whereas the usage need not increase with increasing income. Age was significantly associated, but not at levels above 60, it can be inferred that retired people prefer to visit branch. Net banking
appeals to those consumers who are highly oriented towards usage of computer and use internet at workplace. In this case, the dissemination of information regarding benefits of net banking usage through the branch manager, magazines and friends at workplace was found to be influencing the adoption. Bank should continue to go ahead with consumer-oriented approach by setting multi-channel strategy through collaboration between different customers as in the case of online education loan and funds transfer facility through ATMs. This strategy aims at encouraging the usage of e-banking services among the parents with inputs from their young children. User-friendly ATMs with voice based controls can be installed in semi-urban areas to inhibit the fear of ATMs usage.

Dr. MOHAMMAD O. AL SMADI:- The main research is to identifying the factors that affect the adoption of electronic banking service among the banking consumers. This would deepen the knowledge of the factors which facilitate or limit the consumers’ attempt to transfer to the electronic banking services in Jordan. In order to fill this important gap, a research model was developed through TAM with TBP and incorporating five cultural dimensions and perceived risk to provide a comprehensive investigation. The results revealed a positive and significant impact of perceived risk on the consumers’ attitudes to use electronic banking services.

JAYAWARDHENA AND FOLEY(2000) :- In this research paper, it was concluded that electronic banking service have benefits for both banks and consumers. For banks, electronic banking is considered a strategy weapon which helps them to achieve competitive advantage and increase their market share. Furthermore, using electronic services can save the cost of resources which are needed for traditional banking services.

ALADWANI(2001):- From the customers’ point of view, Aladwani found that the electronic banking provide faster, easier and more reliable service to customers.

AYRGA(2011) :- In this paper it was stated that customers are still hesitant to use e-banking services, because they are concerned with security issues and they may not have sufficient ability to deal with the application of e-banking.

AZOUZI, 2009, bank have used electronic channels to do banking operations with both domestic and international customers. Currently, banks are mostly using electronic channels to receive instructions and deliver their products and services to their customers although the range of services provided by banks over the electronic channels vary wildlife in content, this form of banking is generally referred to as electronic banking.
ABID et al., 2006, the definition provided by Abid et al., 2006, “any use of information and communication technology and electronic means by a to conduct transaction and have interaction with the stakeholders”

WOODALL, (2003), suggested the ways a country can adopt e-readiness. These factors are interrelated with country social, economical political profile and may vary in size and quality depending upon digital facilities and infrastructure available for Information Communication technology (ICT). He recommended that policy maker have to make environment feasible for ICT and digital services and create awareness among society about associated profit which individual and business organisation can get by linking commerce and societies with these technologies.

PORTER (2005), according to him, country e-readiness is measure of facilities and digital connections which countries must have to adopt electronic service. Countries have to adopt these facilities as it an integral contributor for economical development of country.

NOUMANN ANWAR DAR, in his paper in Pakistan consumers are aware of e-banking products and services. But there is room to make awarnees to consumer in order to full make of adoption of e-banking in Pakistan, whereas few consumers are actually using the e-banking products and services.

KUMBHAR VIJAY M., in his research paper evaluates major factors (i.e. service quality, brand perception and perecieved value) effecting on customers’ satisfaction in e-banking service settings. It also evaluates influence of service quality of brand perception, perceived value and satisfaction in e-banking. Required data was collected through customers’ servay. A result indicates that, Perceived Value, Brand Perception, Cost Effectiveness, Easy To Use, Convenience, problem handling, security/assurance and responsiveness are important factors in customers satisfaction in e-banking it explains 48.30% of variance. Contact facilities, system availiblity, fulfilment, efficiency, compensation are comparatively less important because there dimension explain 21.7% of variance in customers’ satisfaction. Security/assurance responsiveness, easy to use cost effectiveness and compensation are predictors of brand perception in e-banking and fulfilment and efficiency, security/assurance, responsiveness,
convenience, cost effectiveness, and compensation are predictors of perceived value in e-banking. Therefore bankers and e-banking service designers should think over these dimensions and make possible changes in the e-banking services according to the customers’ expectations and need of the time. It will be help to enhance service quality of e-banking and increase the level of customers’ satisfaction in e-banking.

TATER BINDIYA, TANWAR MANISH, MURARI KRISHAN (2011)

In their research paper, it is reflected from the survey that ATM banking remains the most popular banking service among customers after branch banking, mobile banking and internet banking respectively as they provide convenience, privacy, security, ease of use, real time accessibility, and accurate record of various transactions. Kruskal Wallis test applied to the data collected ensures that customers’ usage of different banking services is same for all the banks. From these, it is clear that there is no significant difference between ATM banking, branch banking, mobile banking and internet banking services provided by different private banks to the customers. There is a relation between benefits of banking services and increasing banking technology adoption. Customers’ unwillingness to use e-channel for commercial purpose decrease banking technology adoption.

ISLAM, SHEEL AND BISWAS (2007) investigate the satisfaction levels of HSBC ATM cardholders (both staff and non-staff) with respect to various aspects (for instances, promptness of card delivery, the performance of HSBC ATM, and the service quality of personnel) of using HSBC ATM and their opinions on various other related issues such as positive and inconvenient features of HSBC ATM, recommendation to improve the service quality. The findings provide the significant results related to use and worth of holding the ATM further, the findings help the ATM section to identify their positive and negative features and the customers recommendation.

WAN ET AL. (2005) study the customers adoption of banking channels in hong kong they covered four major banking channels namely ATM, Branch banking, telephone banking and internet banking. The study segmented the customers on demographic variables and psychological beliefs about the positive attributes
processed by the channels. The psychological factor were ease to use, transaction security, transaction accuracy, speediness, convenience, time utility, provision of different personal services, social desirability, usefulness, economic benefit and user involvement.

ROBOFF AND CHARLES (1998) found that people have a weak understanding of online banking security risks although they are aware of the risks. Further more, they found that consumers often trust that there bank is more concerned about privacy issues and will protect them. Finally they argue that although consumers’ confidence in their bank is strong, their confidence in technology is weak.

Dr. AL-Samdi Mohammad O., the study aims to identify and understand factors that affect bank customers use of electronic banking services also this study integrates technology asseptance model (TAM) with the theory of planned behaviour model (TPB) and incorporates five culture dimensions and perceived risk to propose a theatrical model. The main findings f the study are: uncertainly avoidance has a positive and significant impact on perceived ease of use and perceived usefulness. Perceive risk has the stronger impact on customers’ attitude, which in turn influences customers’ intention to use electronic banking services.

AL-Smadi and Al-Wabel, (2011), the research paper states that, for over a decade, banks have been affected by changes associated with globalisation and financial liberisation. Reacting to these changes banks expand the choice of services offered to the customers and increase their reliance on technology.

SHILPAN VYAS this research paper introduces to e-banking, giving the meaning, functions, types, advantages and limitations of e-banking. It will also show the impact of e-banking on traditional services. the results concludes saying that e-banking is a bordinless entity permiting any time, anywhere and anyhow banking. These facilitates us with all the functions and many advantages as compared to traditional banking services.

OLGA LUSTSIK (2004), in this article the author explores the implementation techniques of activity Based Costing (ABC)in the banking sector on the example of an Estonian bank in order to analyse the cost structure for traditional and electronic channels transactions. The article shows how it is possible to implement
ABC in banking and proves empirically that electronic channels help reduce the costs of both banks and their clients.

JOSEPH M. et al (1999) the study investigates role of technology on Australian banking sector and 300 customers were surveyed. The finding suggested that except from convenience and efficiency e-banking services did not match with importance rating specified by customers.

LASSAR, et al (2000) the study compared t models, that is , SERVQUAL and technical/ functional quality model of technology 65 bank customers using serperf scale. The findings revealed that technical/functional model was better than SERVQUAL because latter was lacking technical dimensions. 2 models were having distinct and unique strength for measuring quality aspects.

BAHIA, K and J Nantel (2000)- The paper suggested an alternative scale for measuring service quality in retail banking. The study developed a scale called as Banking Service Quality Scale which contained factors like effectiveness and assurance, access, price, tangibles, service portfolio and reliability. This model was found to be more reliable than SERVQUAL.

JAMAL, A., NASER, K., 2002- The study examined key drivers of customer satisfaction using 167 customers and it was found that core and relational performances had impact on customer satisfaction and there was negative relationship between customer expertise and customer satisfaction.

SURESHCHANDRA et al (2002)- the study examined relationship between service quality and customer satisfaction banking sector. These were found to be independent closely related. Both constructs vary significantly in core services, human element, systematization of service delivery, tangibles and social responsibility.

Though the numbers of studies have been conducted on various aspects of banking services but so far no study has been undertaken to analyze the banking services in Public and Private sector banks in Rohtak. Hence it is proposed to undertake an in-depth of “A Comparative study of banking services in Public and Private sector banks of Rohtak District”. The present study wishes to fill this research gap.