

# A Study On E-Banking Services In Financial Industry At Axis Bank Hyderabad

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## ABSTRACT

*The rapid evolution of technology has transformed the landscape of the financial industry, with e-banking services emerging as a critical component for both banks and customers. This project, "A Study on E-Banking Services in the Financial Industry at Axis Bank, Hyderabad," aims to analyse the adoption, effectiveness, and challenges of e-banking services offered by Axis Bank in Hyderabad. The study investigates customer awareness, satisfaction levels, usage patterns, and the perceived benefits and risks associated with digital banking platforms such as internet banking, mobile banking, and ATM services. Primary data is collected through surveys and interviews with Axis Bank customers and staff, while secondary data is sourced from bank reports and industry publications. The findings highlight the increasing reliance on e-banking for convenience and efficiency, while also identifying key areas for improvement, including security concerns, digital literacy, and service reliability. The study concludes with recommendations for enhancing customer experience and strengthening the competitive position of Axis Bank in the digital era.*

## 1.1 INTRODUCTION

### GENERAL INTRODUCTION OF E-BANKING SERVICES

#### **E-banking: -**

Internet banking (or E-banking) means any user with a personal computer and a browser can get connected to his/her bank's website to perform any of the virtual banking functions. In the internet banking system, the bank has a centralized database that is web-enabled. All the services that the bank has provided on the internet are displayed on the menu. Any service can be selected, and further interaction is dictated by the nature of service. Once the branch offices of bank are interconnected through terrestrial or satellite links, there would be no physical identity for any branch. It would be a borderless entity permitting anytime, anywhere, and anyhow banking. The delivery channels include direct dialup connections, private networks, public networks, etc., with the popularity of computers, easy access to the Internet and World Wide Web (WWW), Internet is increasingly used by banks as a channel for receiving instructions and delivering their products and services to their customers. This form of banking is generally referred to as Internet Banking, although the range of products and services offered by different banks vary widely both in their content and sophistication.

## 1.2 NEED FOR THE STUDY

Understanding E-banking services is effectively valuable to create space in the minds of customers. Analysing the availability should be increased by using various services Strategy. Identifying the factors the company should

make the service equal to or better than Competitive Brands by All Means. Exploring Internet banking is increasingly becoming a "need to have" than a "nice to have" service. Promoting E-banking services in the banking industry. Examining the delivery channels include direct dial - up connections, private networks, public networks etc. and the devices include telephone, Personal Computers including the Automated Teller Machines, etc.

### **1.3 OBJECTIVES OF THE STUDY**

1. To know the customers' perception toward the E-banking service in Axis bank.
2. To study the interest of customers in availing E-Banking service.
3. To know the usage of online services by the customer.
4. To analyse the trend of growth in E-Banking.
5. To find out the major problems faced by the customers while using e-banking services.

### **1.5 SCOPE OF THE STUDY**

The area is restricted to only Hyderabad because due to the time constraint and not able to visit all the branches in other cities or states. All the classes of the customers were taken into consideration. This study covered the E-Banking service sector. This is realistic source directly collected from the customers of Bank. Customer perception was taken into consideration about Internet banking. Customers who use Internet banking can access their bank accounts, check balances, investigate transaction history, transfer funds, pay bills and carry out other financial tasks over a secure Internet connection.

### **1.6 RESEARCH METHODOLOGY**

#### **TYPE OF RESEARCH**

This study is DESCRIPTIVE in nature. It helps in breaking vague problems into smaller and precise problems and emphasizes discovering new ideas and insights.

#### **RESEARCH DESIGN**

Research design constitutes the blueprint for the collection, measurement, and analysis of data. The present study seeks to identify the extent of preferences of E-Banking over traditional banking among service class. The research design is descriptive in nature. The research has been conducted on customers of AXIS Bank within Hyderabad. For the selection of the sample, a convenient sampling method was adopted, and an attempt has been made to include all the age groups and gender of every class.

#### **AREA OF RESEARCH**

The data has been collected in Hyderabad (Area).

#### **DATA COLLECTION METHODS**

Data is collected by using two data sources:

Primary data

Secondary data

#### **Primary Data:**

In this research data interpretation of customer responses will be available in the form of questionnaire collected in terms of different questions influencing the use of internet banking. Internet banking is considered as dependent

on awareness among customers, which was studied with the help of different independent variables. Only the customers of AXIS bank are taken as samples for study.

### **1.7 LIMITATIONS OF THE STUDY**

1. Limitations in collecting the information about E-Banking service.
2. Limitation to personally meet the employees in the bank for required information.
3. There may be some bias in the responses of the respondents which cannot be ruled out fully.
4. Sudden changes in the e- banking practices during research can affect the results.
5. The study is limited to areas of Hyderabad only.
6. The sample size of only 100 was taken from the large population for the purpose of study.
7. People were reluctant to go into details because of their busy schedules.
8. Merely asking questions and recording answers may not always elicit the actual information sought.

## **2.2 REVIEW OF LITERATURE**

### **ARTICLES**

#### **ARTICLE: 1**

**TITLE: THE INFLUENCE OF E-BANKING SERVICE QUALITY ON CUSTOMER LOYALTY: A MODERATED MEDIATION APPROACH**

**AUTHOR:** Amit Shankar

#### **ABSTRACT**

Providing high-quality e-banking services is considered a basic strategy for attracting and retaining customers with electronic banking platforms. The purpose of this paper is to empirically investigate a comprehensive moderated mediated mechanism for enhancing customer loyalty toward e-banking platforms via e-banking service quality (EBSQ) practices. Reliability, website design, privacy and security and customer service and support are the dimensions of EBSQ. 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.

#### **ARTICLE: 2**

**TITLE: MODELING THE EFFECT OF ELECTRONIC BANKING EXPANSION ON PROFITABILITY USING NEURAL NETWORKS AND SYSTEM DYNAMICS APPROACH.**

**AUTHOR:** Vahid Shahabi

#### **ABSTRACT:**

The purpose of this study is to investigate the effects of electronic banking (e-banking) on the profitability of banks is an important subject. Although there are many studies in this area, the effect of using different e-banking instruments, such as internet banking, telephone banking, ATM and POS, was not investigated comprehensively, using a dynamics approach. To fill this gap, the present study tried to develop an analytical model with a systematic approach through identifying the effects of different areas of e-banking services in a financial institution.

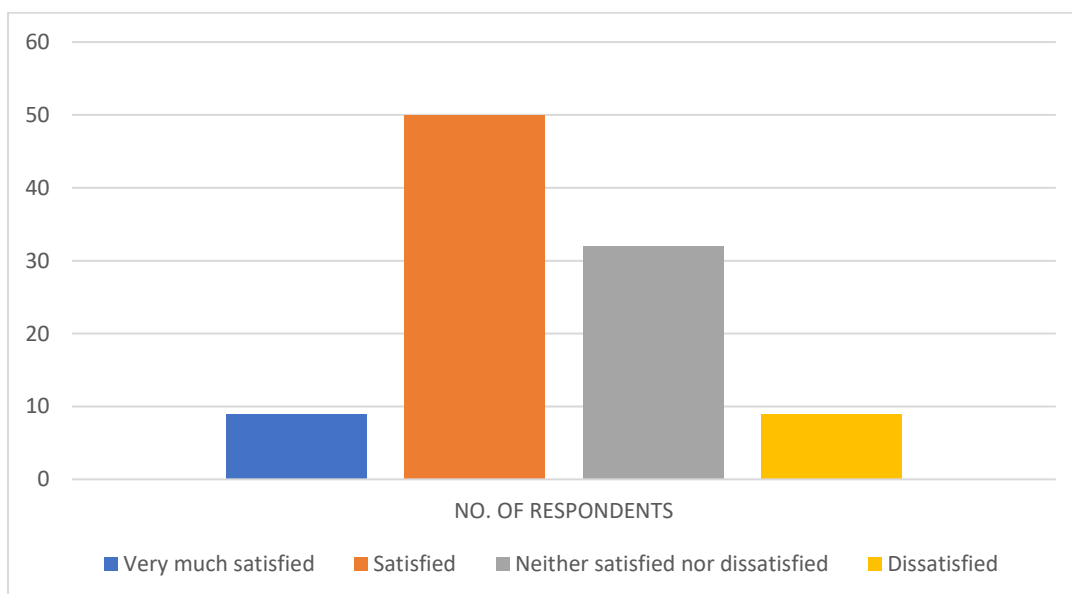
#### 4.1 DATA ANALYSIS & INTERPRETATION

##### . SATISFACTION LEVEL OF RESPONDENTS RELATED TO SOLVING BANKING PROBLEMS BY AXIS BANK

TABLE NO: 4.14

LEVEL	NO. OF RESPONDENTS	%
Very much satisfied	9	9
Satisfied	50	50
er satisfied nor dissatisfied	32	32
Dissatisfied	9	9
Total	100	100

CHART NO: 4.14



#### INTERPRETATION:

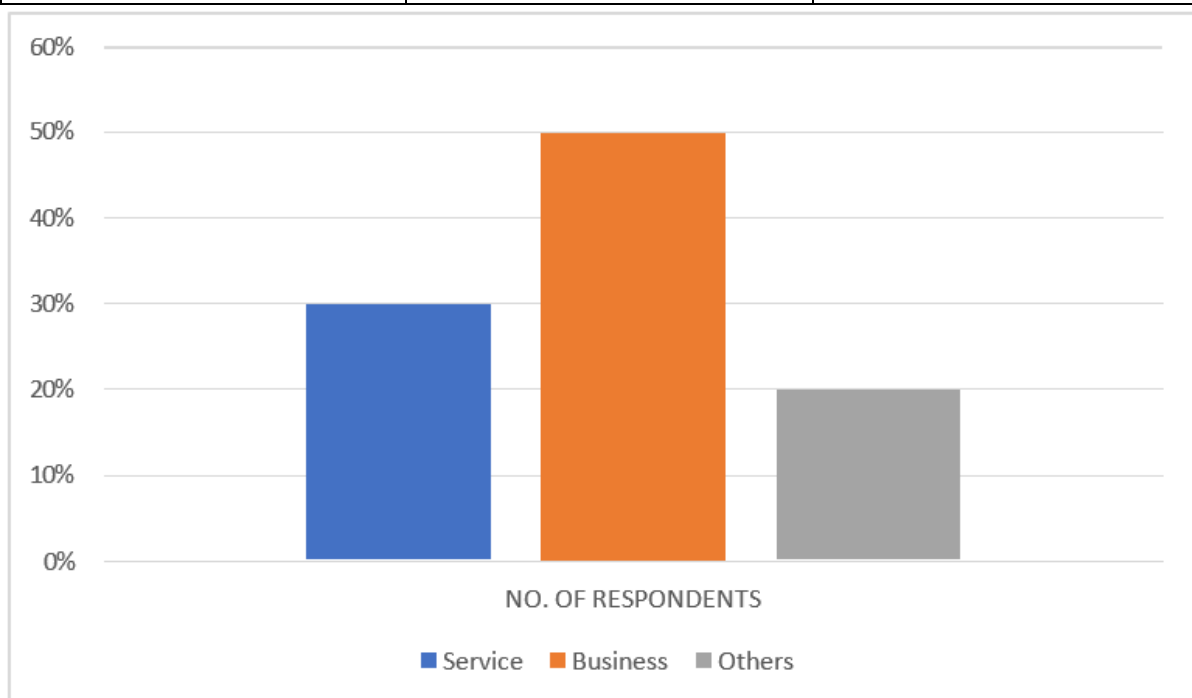
The table shows the satisfaction level of the respondents over the way their problem has been handled. The table reveals that 50% of the respondents who faced problems are satisfied, which 32% of the respondents are neither satisfied nor dissatisfied while the percentage of respondents facing problems who felt very much satisfied and dissatisfied is 9%.

#### 15. OCCUPATION OF THE RESPONDENTS

TABLE NO: 4.15

CHART NO: 4.15

OCCUPATION	NO. OF RESPONDENTS	%
Service	30	30
Business	50	50
Others	20	20
Total	100	100



#### INTERPRETATION:

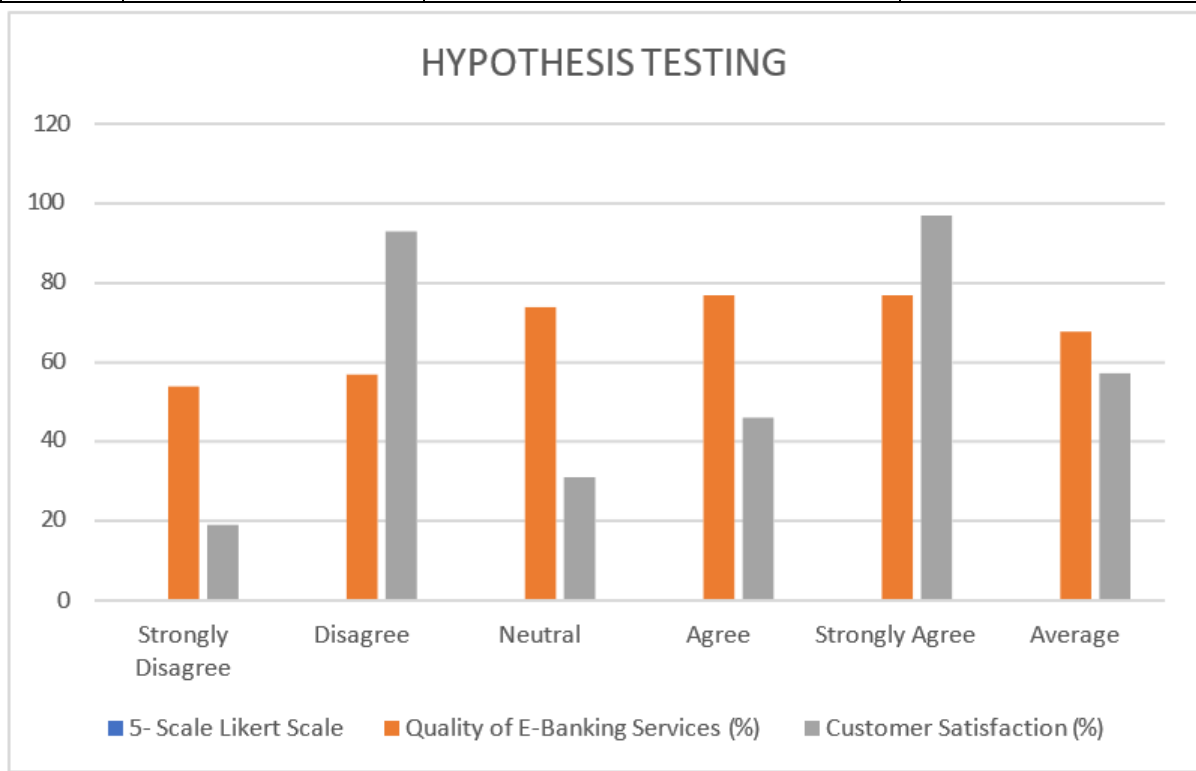
The above table represents the occupation of the respondents stratified based on service, Business, and others constituting formers. Housewife's Drivers and respondents working in private companies. The table reveals that 30% of respondents represent the service sector, while 50% of the respondents' business and 20% of the respondents belong to others. Since most respondents belong to the business sector the data collected will represent their views.

#### HYPOTHESIS TESTING

Quality of e-banking services and customer satisfaction.

1. Null Hypothesis: There is no significant relationship between the quality of e-banking services and customer satisfaction.
2. Alternate Hypothesis: There is a significant positive relationship between the quality of e- banking services and customer satisfaction.

SI. NO.	5- Scale Likert Scale	Quality of E-Banking Services (%)	Customer Satisfaction (%)
1	Strongly Disagree	54	19
2	Disagree	57	93
3	Neutral	74	31
4	Agree	77	46
5	Strongly Agree	77	97
	Average	67.8	57.2



### **INTERPRETATION**

#### **NULL HYPOTHESIS:**

The above analysis is the test hypothesis H0. There is no significant relationship between the quality of e-banking services and customer satisfaction. The average quality of e-banking services is 67.8% and customer satisfaction is 57.2%, the difference between two variables is 10.6%

Hence the null hypothesis is rejected.

#### **ALTERNATE HYPOTHESIS:**

The above analysis is the test hypothesis H1. There is a significant relationship between the quality of e-banking services and customer satisfaction. The average quality of e-banking services is 67.8% and customer satisfaction is 57.2%, the difference between two variables is 10.6%

Hence the alternate hypothesis is accepted.

### **5.1 FINDINGS**

1. In the user's ratio of internet banking 65% of customers are using this service.
2. More banks are connecting to the software co, to running the E-banking service. In these services the SBI banks are top in the service of E-banking.
3. The services that are mostly used by maximum customers are transactions, online trading, bill payment, shopping etc.
4. The mode of the cash deposit in bank is for use to online truncation cash, cheque & E-banking.
5. Different banks charge differently for online service.
6. Among the users, various problems that are encountered while using e- banking services. Firstly, they highly considered Difficulty in claiming false transactions are major reasons that create hurdles in their usage, while card misplaced and misused, password forgetting. time consumption and internet connectivity issue also considered seem to be the least bothering problems.
7. Axis bank provides total satisfaction to their customers.

### **5.2 SUGGESTIONS**

1. Considering promoting online banking from remaining customers to prompt this service through advertising co.
2. After repairing this basic deficiency, banks must ensure that their services are competitive.
3. Bank should take proper care in charging for the E-Banking service.
4. Most broadband users do not disconnect the internet connection on their computer when they are not using it.
5. Malicious hackers can access your computer via an internet connection and steal your confidential banking information.
6. To keep your data protected, ensure that you disconnect from the internet when you do not require it.

### **5.3 CONCLUSION**

This study attempted to identify key quality attributes of internet banking services by analysing internet banking customers & their comments on banking experience. The findings of this study show that despite the many advantages of online banking, people still consider it as an alternative for analysing their bank records. Although every bank today provides the facility of online banking, most people use it only once a month. This reason is that in the case of internet banking interpersonal interaction with customers is seldom possible.

The basic objective of my research was to analyse the awareness among customers for internet banking in INDIA. It gives direction to research tools, research types and techniques. Although the findings reveal that people know about the services but still many people are unaware and many of them are non-users so the bank should try to

retain the customers by promotion. Banks should look forward to having some tie-ups with other financial institutions to increase the service base.

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