

## STUDY ON CUSTOMER PERCEPTION OWARDS THE SECURITY AND PRIVACY CONCERNS FOR INTERNET BANKING IN INDIA

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### ABSTRACT

This study examines customer perceptions of information and data security in online banking. A total of 104 respondents were drawn from a simple random sample. The results show that confidentiality and privacy significantly affect customers' perception of information security. At the same time, integrity, availability, and authentication do not predict customer perception of information security. The results of this study make banks aware of the importance of customer perception of information security in I-systems and how banks can improve their online banking systems. This study could be one of the first to address all variables regarding information security perceived by customers in a single environment.

### I. INTRODUCTION

Private banks in India are the first to introduce online banking services in the banking industry. Due to their late entry into the industry, private banks understand that building a network in remote corners is a very difficult task. They are well aware that the only way to stay connected with their customers anytime and anywhere is through internet applications. They are using internet applications as a competitive advantage weapon to beat big giants like State Bank of India, Bank of India etc. Private banks are the first in India to explore the versatility of internet applications in delivering services to customers.

#### BACKGROUND OF THE STUDY

Online banking has become an important service for banks. To ensure the success of online banking, banks must provide strong security systems to convince customers to use online banking systems as an alternative to traditional banking services. Research is needed to analyze customer perceptions regarding information security in online banking. Moreover, due to the weak security system of online banking, customers do not trust the system, which wastes the bank's investment in the system. Online Banking The convenience of banking anytime, anywhere outside office hours is gradually becoming a customer preference. In order to protect the system, I around the clock, the system must be equipped with a high security system as well as regular testing to ensure its reliability. The use of several security technologies such as encryption, firewalls, automatic disconnection and monitoring tools are among the security measures adopted by the bank for the I system. In addition, the installation of a system to detect and prevent hacker attacks is now very necessary. With proper information security, it will convince customers to choose I-system as their online banking provider.

### II. LITERATURE REVIEW

Sawanth K (2016), This study was assumed by customers of two local and foreign banks in Oman. An effort has been made to learn and analyse the important factors affecting the service quality of banks in Oman. The major discoveries of the study are the level of customer satisfaction of local banks is better than the foreign banks in Oman. The eminence of service provided by local banks is better than foreign banks.

Nisha Rakholiya (2013) in her study analyzed that today, banks seem to be jumping on the bandwagon of Internet banking. Why is there a sudden increase of bank interests in the Internet? The first major reason is because of the improved security and encryption methods developed on the Internet. The second reason is that banks did not want to lose a potential market share to banks that were quick to offer their services on the Internet. Another trend in e-banking is a shift of focus of banks from being product-centric to customer centric. Access to the Internet has put wealth management decisions and demand side technology in customers' hands, and they can dictate the types of products and services they require. While the Internet has enabled banks to deliver desired products/ services more quickly.

Madhava K (2020), A try has been made by evaluating the services concentrated by banks through the e-banking services. The e-banking service carries lot of convenience, customer centricity, increased service quality and cost effectiveness. This paper scrutinizes the patron satisfaction on the Electronic Banking Services of Public Sector and Private Sector Banks in Puducherry Region. The model size of the study is 478, the data is assembled from both the primary and secondary information. The outcome of the learning shows that customers of Public Sector Banks have lesser perception of the various dimensions of eservice quality compared with the private sector Banks. This paper recommends that the wider use of ICT based applications in banking services will make better banking solutions.

Sharma and Sharma (2014)-The study analyzed customer delight in urban consumer banking. The study found out that customers were satisfied with loan facilities, bank environment, routine work procedures, location, interest rates etc and were dissatisfied with loan formalities and promotion through media.

Surabhi Singh (2017), he examines in his study that, the present examination was intentional with the objective to assess the degree of use of services especially the IT enabled services in these banks and to analyse the component factors affecting client satisfaction with the quality of services. The study was conducted in public, private and foreign banks of Delhi. Multistage random sampling is used for sampling. It was proposed to conduct the study in five areas of Delhi such as East, West, North, South and Central Delhi in Delhi. One of the above bank branches in each region of Delhi will be randomly selected. While choosing a branch, we pay attention to provision of at least 5 IT support services. This step is compared to Intra Bank. Survey shows that the clients of nationalized banks are dissatisfied with the behaviour and infrastructure of their employees, while respondents of private and foreign banks are dissatisfied with high prices, accessibility and communication.

Yogeswaran G (2015), this study was undertaken on topic customer perception towards amenities provided by public sector and private banks- A comparative study. The services of ICICI Bank and SBI Banks are taken into consideration. According to this study, public sector banks face tough competition from private sector banks for the quality of their services. Public sector banks should focus on providing their clients with up-to-date information on the new services they provide. The study also reveals that, public sector banks need to change their policies, customer service standards and service efficiency.

Dhar K Ravi (2009), this study focuses on the opportunities and perceptions of customers for the quality of banking services in the public and private sectors. The study also identifies two factors that influence customer expectations and perceptions of the quality of banking services. Samples were collected from 400 Madhya Pradesh clients in India. As a result, it can be seen that there is a big difference between the expectations of the clients of commercial and private banks. The results also highlight a significant difference between in the perception of clients by public and private banks. The study also states that, public sector banks must focus on narrowing differences in perceptions of customer expectations and quality of service in order to compete in international markets.

Monica Bedi (2013)-The study investigates relationship between service quality, customer satisfaction and behavioral intentions. The findings also indicated the importance of service quality. The study also found out that banks differed in the service quality parameters.

### III. OBJECTIVES

1. To study the online banking services provided by the banking industry.
2. To examine the level of perception of the customers in utilizing the online banking services in India.
3. To study the satisfaction level of the customer in various dimensions in utilizing online banking services.
4. To offer suitable suggestions to utilize online banking services in an effective way.
5. To find out the factors that influences the customer for utilizing the online banking services in India.

### IV. RESEARCH METHODOLOGY

- Research is an original contribution to the existing store of knowledge making for its advancement.
- It is the pursuit of truth with the help of the study, observation, comparison and experiment.
- Research methodology is a way to systematically solve the research problem. It is the science of studying how research is done.

- The research has explained the methods and steps adopted for achieving the purpose of the study and to arrive at a meaningful conclusion.
- The research has adopted descriptive research study since, it describes the state of affairs as it exists at present.
- A sample of 104 was taken for this study. The probability sampling method was used in the survey.

#### DATA COLLECTION METHOD

Questionnaires are a simple, straightforward data collection method. Respondents get a series of questions, either open or close-ended, related to the matter at hand. The questionnaire is considered as the most important thing in the survey operation.

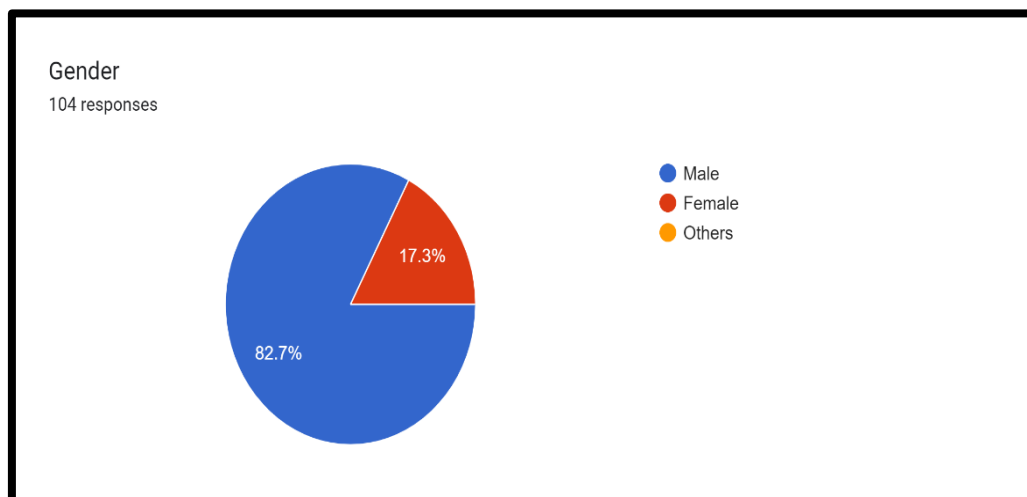
- The questionnaires filled by enumerators
- Web based Questionnaires
- Google Form
- Questionnaires
- Pie charts
- Online platforms
- Bar graph

#### SOURCES OF DATA

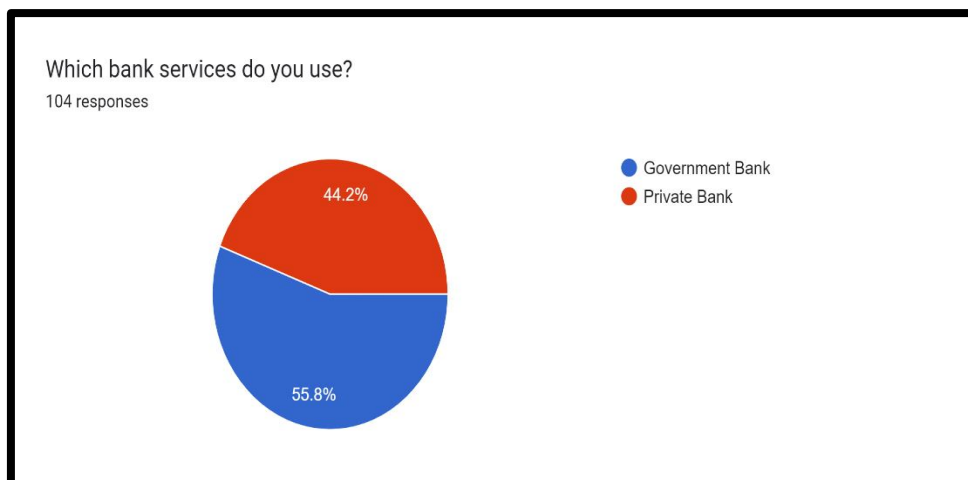
- Both primary and secondary data are used for the study.
- The primary data is collected from the respondents through questionnaire.
- The questionnaire consists of various questions focusing on the issue of perception of the respondents and satisfaction level towards internet banking services in India.
- The secondary data has been collected from books, journals, web sites and the like.

### V. DATA ANALYSIS AND INTERPRETATION

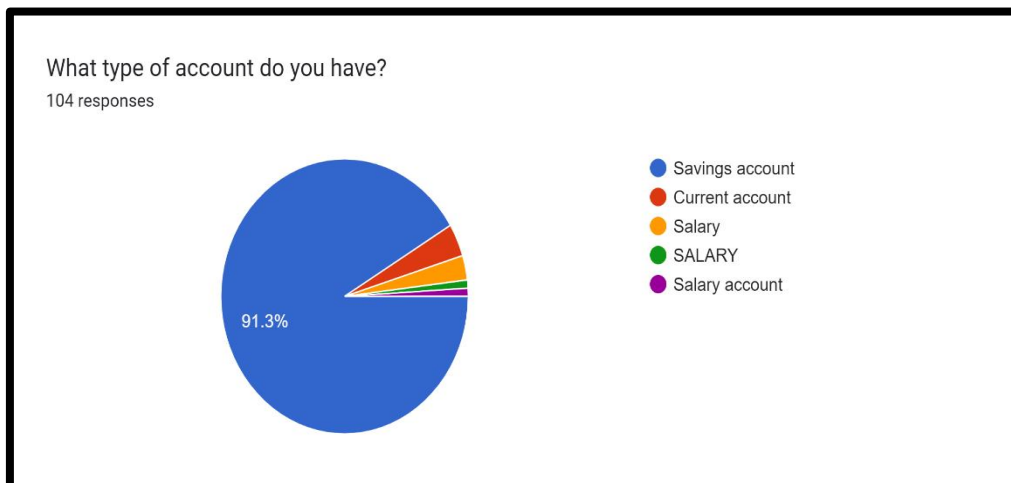
#### 1. GENDER



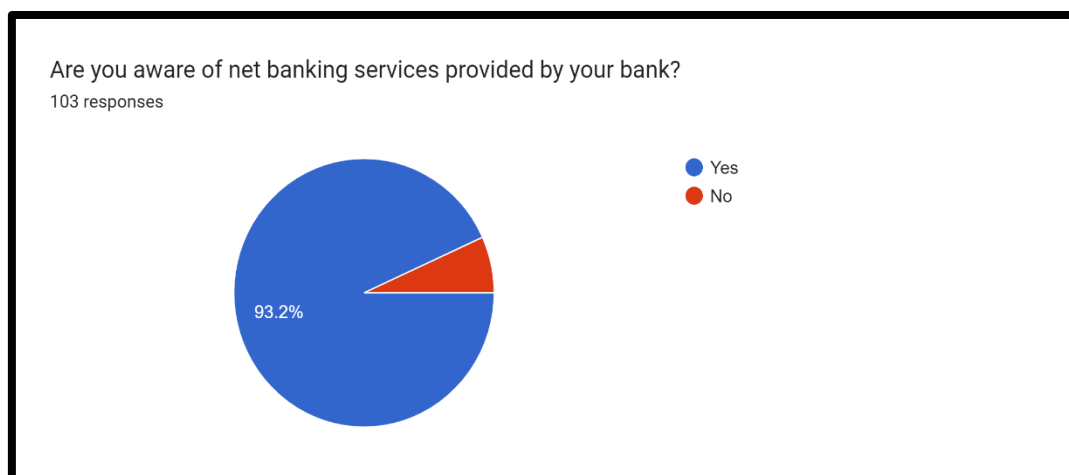
## 2. BANK SERVICES



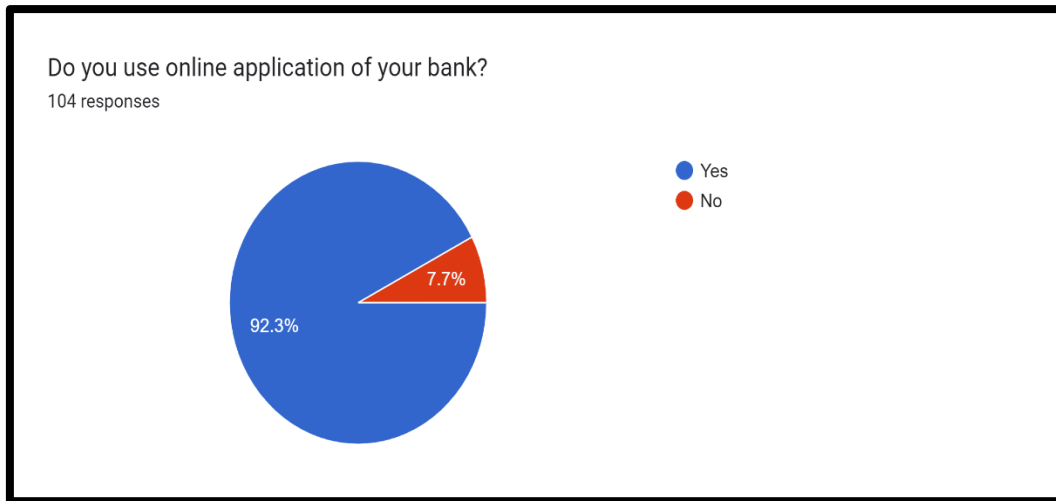
## 3. ACCOUNT TYPE



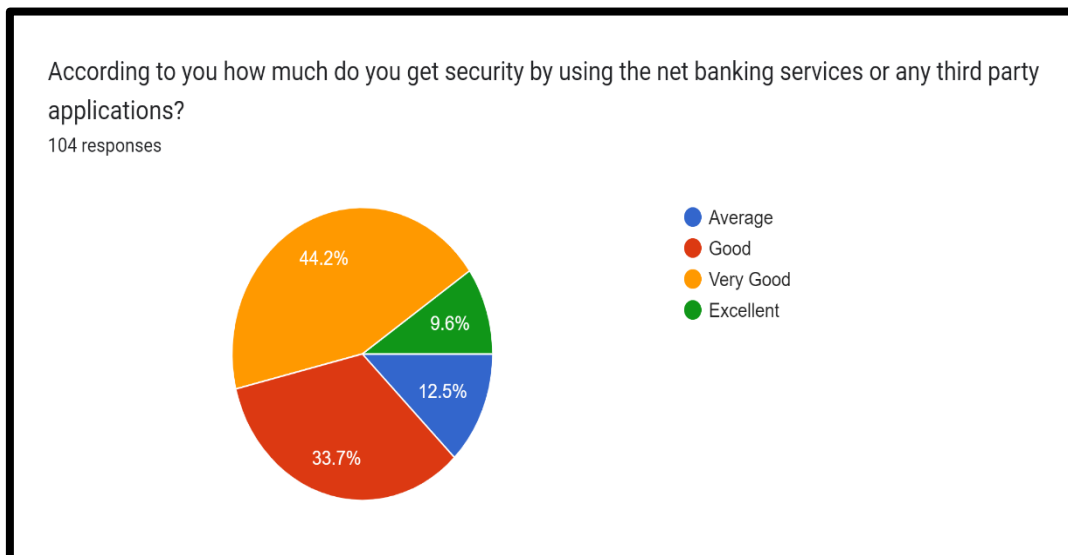
## 4. AWARENESS



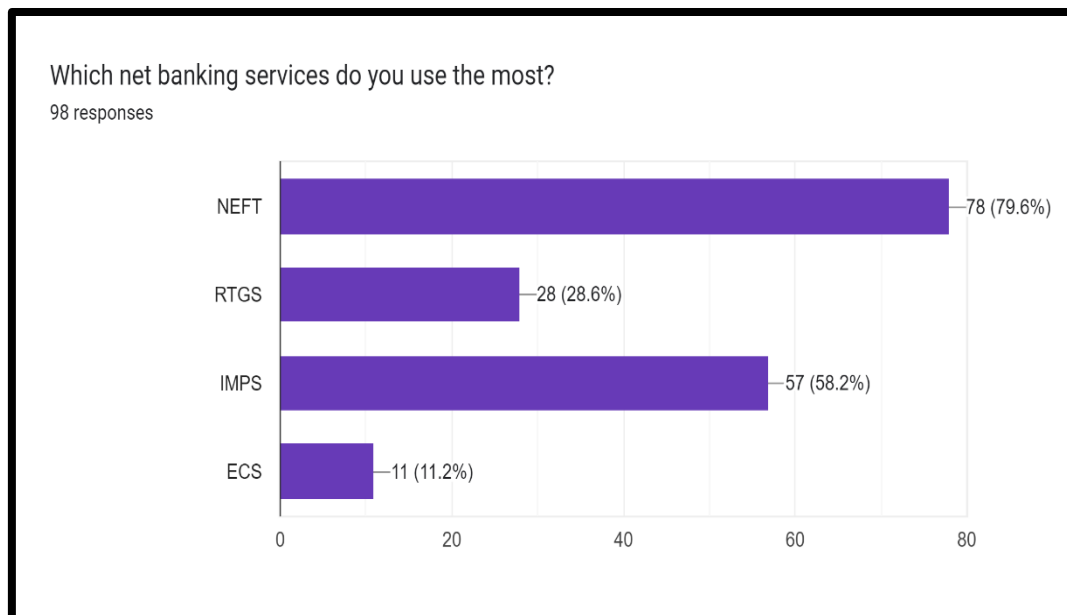
**5. USAGE OF ONLINE BANKING APPS**



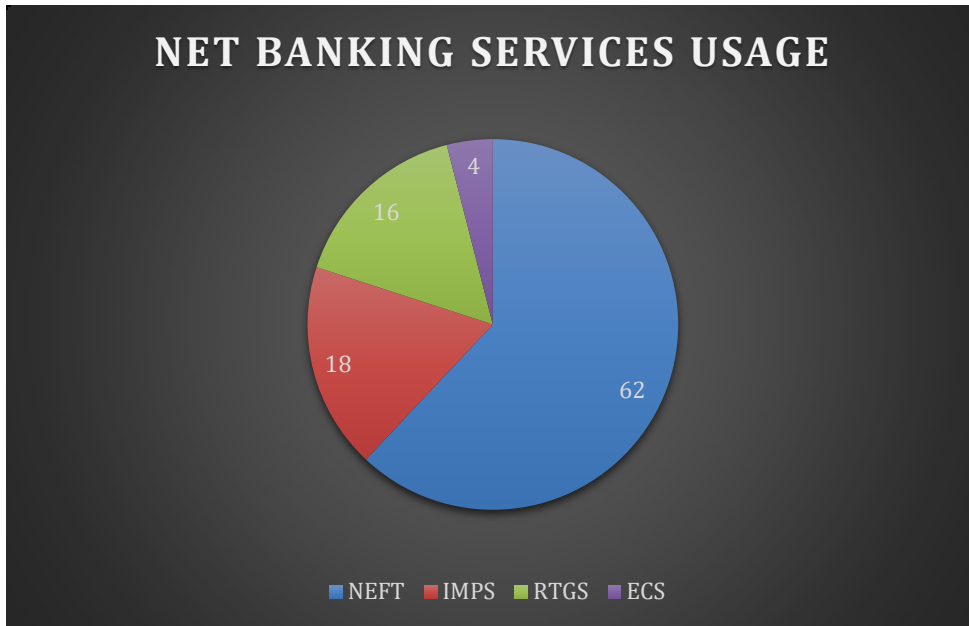
**6. SECURITY CONCERNS**



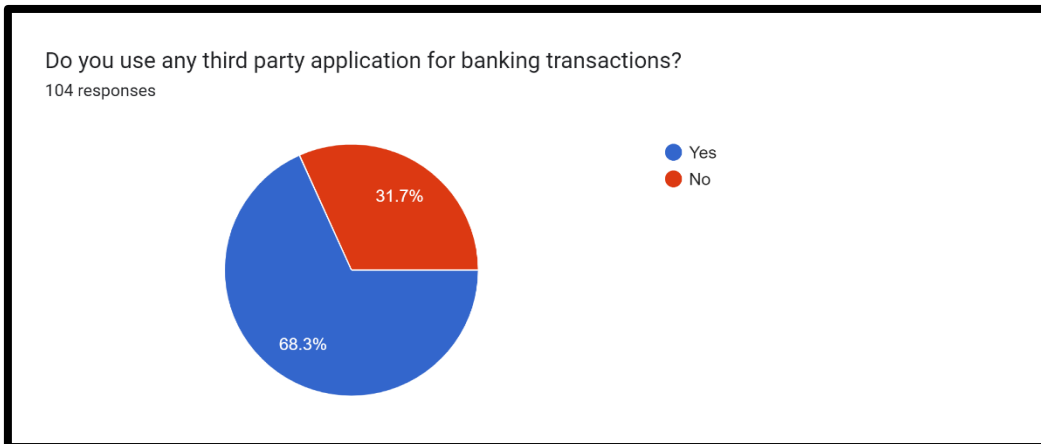
**7. NET BANKING SERVICES**



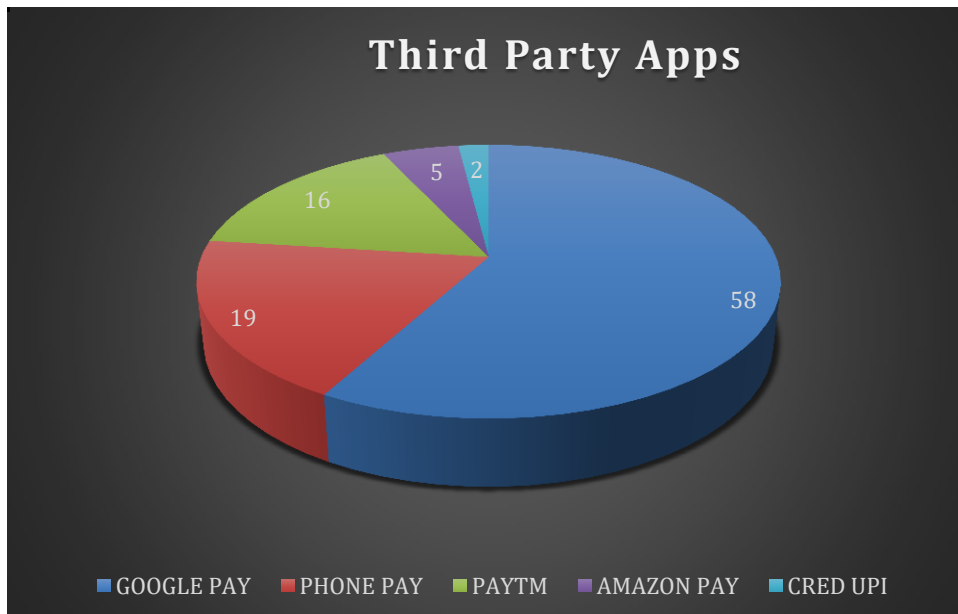
**8. NET BANKING SERVICES USAGE**



**9. THIRD PARTY APPS**



**10. THIRD PARTY APPS**



## VI. RESULT AND FINDINGS

- The interpretation of the survey results suggests that the majority of respondents agreed or strongly agreed with certain statements, while they were either confused or disagreed with others.
- The study details are being helped for the data which are being collected from primary data i.e. from the respondents which are being collected through questionnaire.
- Majority of the respondents are aware of the net banking services which is very good but those who are not aware need to educate about net banking services which is being provided by their banks.
- There are various third-party applications which are available in the market and people are using that.

## VII. CONCLUSION

- Awareness level about internet banking is very less among customers. So banks have to conduct customer meet regularly to educate the customers on internet banking.
- Introduction of core banking should be speeded up because size of the bank is considered an important factor in choosing internet banking.
- The banker is expected to serve the customers without any delay for queries and it is advisable to follow time management principles consistently.
- The banking industry should improve the internet connectivity and ensure that there is regular internet connection with sustained power supply. This aspect is considered to be very essential for the success of internet banking services.

## VIII. REFERENCES

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