

# IMPACT OF E BANKING SYSTEM IN TIRUPATTUR TALUK, TIRUPATTUR DISTRICT

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## ABSTRACT

This research seeks to explore the impact of e-banking systems on the banking sector in Tirupattur, focusing on factors such as customer adoption, service efficiency, and the challenges encountered during implementation. By analysing these aspects, the study aims to provide insights that can guide policymakers, banking institutions, and customers toward a more inclusive and effective e-banking ecosystem. It addresses the gap in understanding the specific challenges and opportunities associated with e-banking in Tirupattur banking sector. It aims to identify the key factors influencing customer adoption, assess the impact of e-banking on operational efficiency and customer satisfaction, and propose solutions to enhance the effectiveness and inclusivity of digital banking services in the region.

## INTRODUCTION

Technology's incorporation into banking services has drastically changed how half of financial transactions are carried out in recent years, providing customers with convenience, efficiency, and accessibility. This shift is particularly apparent in rural and semi-urban regions like Tirupattur, where banks are crucial to addressing the financial needs of a diverse population. Among the many services offered by e-banking systems are digital payment systems, automated teller machines (ATMs),

online and mobile banking, and electronic financial transfers. These advancements have made it easier for banks to access previously underserved communities, save expenses, and increase operational efficiency. By exposing customers to digital platforms, e-banking has improved their financial literacy, reduced their dependency on physical branches, and made it simpler for them to obtain financial services.

In Tirupattur, the adoption of e-banking by nationalised and private banks has had a profound impact on customer satisfaction, operational performance, and the overall banking experience. However, the region also faces unique challenges, such as limited digital literacy, infrastructural constraints, and cybersecurity concerns. Understanding the implications of e-banking in this context is crucial for stakeholders aiming to maximize its benefits while mitigating potential risks.

## STATEMENT OF THE PROBLEM

The banking industry has changed due to the quick uptake of e-banking systems, which provide a variety of digital services that increase client satisfaction, lower expenses, and improve convenience.

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However, because of a number of socioeconomic and infrastructure issues, the full potential of e-banking is still untapped in semi-urban and rural areas like Tirupattur.

The successful acceptance and use of e-banking services in Tirupattur is hampered by a number of problems, despite the widespread use of cell phones, internet access, and financial literacy programs. Consumers in the area frequently deal with issues like low levels of digital literacy, mistrust of online banking platforms, and worries about fraud and cybersecurity. High implementation costs, reluctance to change among particular client categories, and the requirement for constant technical advancements to be competitive are further challenges faced by banks.

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### **SCOPE OF THE STUDY**

This study examines the impact of e-banking systems on Tirupattur's banking sector, with a focus on the interplay between customer experiences and technological

advancements. The study aims to assess how e-banking affects banks operations, customer happiness, service delivery, and overall regional financial inclusion.

The primary focus of the study will be the clients and employees of Tirupattur's banks, and information will be gathered through questionnaires, interviews, and secondary data. The findings aim to support stakeholders by providing recommendations to enhance financial inclusion, optimize e-banking systems, and address the particular needs of this semi-urban area.

### **OBJECTIVES OF THE STUDY**

1. To observe the current status of e-banking adoption in banks at tirupattur.
2. To assess the e-banking system on customer satisfaction and loyalty in banks at tirupattur.
3. To identify the challenges and limitations faced by banks in implementing e-banking system.
4. To recommended strategies for improving e-banking services on customers experience.

### **RESEARCH GAP ON THIS STUDY**

Despite the widespread growth of electronic banking (e-banking) across India, there are specific gaps in research when it comes to understanding the impact of e-banking on private banks, particularly in smaller, semi-urban towns like Tirupattur. The existing body

of literature primarily focuses on large cities or urban regions, leaving a gap in understanding the unique challenges and benefits experienced by banks and customers in smaller, less digitally connected areas.

## **METHODOLOGY OF THE STUDY**

The researcher has chosen in Tirupattur Taluk Banks for the Research. The research is about to know the impact of E-Banking services in Tirupattur Taluk. The researcher collected the data by the bank customers who were using E-Banking service. The researcher has adopted descriptive study. It was found more suitable as it is vitally showing the impact of E-Banking services in Tirupattur Taluk. The target population of the research is customers from various banks in Tirupattur Taluk. The research has been done from State Bank of India, Indian Bank, Federal Bank, IDBI banks in the study area. Stratified random sampling method was used and Sample size of the research is 80 respondents (20 from each bank). Sources of the data both primary & secondary data are taken for the research. Structured questionnaire used to collect data from the e-bank users. Questionnaire has included the items focusing on the objectives. Direct interview method was adopted. Data collection period is from Dec. '24 to Jan. '25. Cover reviews and report writing process, and used few published sources from various platform. The secondary data has been collected from various journals articles related to the objectives. The researcher shows the percentages of impact in E-Banking service in

Tirupattur Taluk through Tables and Chart representation.

## **REVIEW OF LITERATURE**

**Padmakumari. et.al. (2021)** examined Kerala's adoption of digital payments and cashless purchases. According to the report, cash transactions are preferred by consumers. According to the report, two primary impediments are a lack of IT and physical infrastructure and security concerns. The research calls for awareness campaigns and proper infrastructure.

**Singhal. et.al. (2021).** Digital payment methods were widely adopted in Indian towns and villages during the COVID-19 pandemic, according to their analysis. Digital payment methods have become commonplace due to their ease of use, safety, and time savings.

**Rajeswari. et al. (2021)** Customers' opinions on digital payment systems were assessed, and it was discovered that they have a beneficial impact on the adoption of digital payments. Consumer awareness of digital payment methods and debit cards is also evaluated by the survey Review of Literature 51, and the results show that consumers are knowledgeable. The public's adoption of digital payment systems will accelerate with increased confidence through a cyber security framework.

**Saravanan. et.al. (2021).** studied how COVID-19 affected Chennai's digital payment infrastructure and found that there were technological difficulties, high transaction costs, and cyberattacks. The introduction of

digital payment systems was accelerated by the difficulty of visiting bank offices due to distance, security concerns, rush banking hours, and fear of COVID19.

**Ani smriti et.al (2021).** In this research article entitled on Present status of E-Banking in India: Challenges and opportunities. E-banking, sometimes referred to as online banking, virtual banking, or internet banking, is a system that uses the internet to facilitate financial transactions such as money transfers, loan and instalment payments, and virtual cash deposits and withdrawals. A key component of the current banking operation is e-banking. Compared to physical banking, electronic banking is thought to be safer and more secure. E-banking is helping the banking industry increase client loyalty and satisfaction. In order to give their consumers convenience, banks should offer services through a variety of distribution channels and make online services more accessible.

**Namitha Krishnan et.al (2020).** In this research article entitled on A study on customer's problems and prospects towards E-Banking with special reference to Palakkad District, Kerala. This paper's goal is to use the Palakkad district of Kerala as a case study to qualitatively examine the state, issues, and future of online banking. One of India's best and most prestigious service sectors is banking. A robust financial system is a crucial barrier to economic expansion.

**Jayaprakasam. et.al. (2020).** The results of an analysis of Tamil Nadu consumers'

perceptions of digital payment systems indicate that consumers have serious concerns about the security of mobile payment apps; perceived compatibility is a key factor in the uptake of these apps. To ensure that they describe a mobile payment application stage free of errors and electronic hazards, they advise service providers to go above and beyond.

**Namitha Krishnan et.al (2020).** The Indian financial system is currently at the center of a revolution in information technology. Banks have become more logical since the introduction of the internet into banking institutions. The current situation concerns Kerala's banking sector, which is undergoing a new phase known as e-banking. Checks, pay-in slips, drafts, and most importantly individual clients walking into bank floors are increasingly being replaced by e-banking. Internet, phone, and mobile banking are all included in the wide phrase "e-banking."

## RESULTS AND DISCUSSION

This study reveals that the E-banking services are making easier transactions. 98.6% respondents are aware of E-Banking services. 61.1% respondents are using UPI Payment like (google pay, phone pay). 73.6% respondents are using frequently E-Banking services daily. E-Banking services for Bill Payments and for checking account balance. 80.6% respondents are satisfied. 94.4% respondents are feeling secure, but while using E-Banking services technical issues faced as main challenge so, they suggest improving more user-friendly

banking applications. 77.8% respondents are likely to continue their E-Banking service in future.

## **SUGGESTIONS**

Now a day's majority of respondents are using E-Banking services for making transactions. Most of the respondents are feeling secure in using E-Banking services. The majority respondents are male, in using E-Banking services. The respondents are mostly finished their graduate & above level of Education. respondents are students and self employed. Banks should improve their online platforms. Banks should give more friendly applications to their customers. Government should also take part in improving their bank application sites. Government should keep server very safe and secure. Banks are under surveillance by Reserve Bank of India (RBI). Government should contribute to the banks by improving the E-Banking services. The respondents are mostly facing technical issues, so bankers should make application easier. Government should watch the bank server to avoid several fraudulent and scammers. Government should give toll free number to assess the customer's complaints. Respected bank also need to collect feedback and complaints from the clients to improve their E-Banking services.

## **CONCLUSION**

According to the findings of the present study of the E-Banking services made respondents to make easier transactions. In Tirupattur Taluk most of the banks are accessing E-Banking services and making lots of transactions

frequently. The respondents are mostly facing technical issues while using E-Banking services, so banks should update more friendly applications for the customer's satisfaction. Government should take part in maintaining fraudulent and to avoid scams & fake calls.

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