

<sup>1</sup>Mr. Jignesh B Patel And <sup>2</sup>Dr. Chirag R. Patel

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Research Article

### **A Literature Review Study On Internet Banking**

<sup>1</sup>Mr. Jignesh B Patel And <sup>2</sup>Dr. Chirag R. Patel

<sup>1</sup>Research Scholar, Faculty of Management Studies, Sankalchand Patel University, Visnagar, North Gujarat. | E-mail: [jigneshpatel2411@gmail.com](mailto:jigneshpatel2411@gmail.com)

<sup>2</sup>Associate Professor, Department of Business Management, Sankalchand Patel College of Engineering, Sankalchand Patel University, Visnagar. | Email: [crpatel.mba@spcevng.ac.in](mailto:crpatel.mba@spcevng.ac.in)

#### **Abstract:**

A feature of the global banking sector has been the increasing turmoil and competition, which is reflected in the growing internationalization, consolidation, takeover and strengthening of the banking industry. In addition, many non-banking companies enter the banking industry by providing financial products and services (e.g., Toyota credit card, GM finance, Merrill Lynch finance). This has provided many options for customers in choosing banking services. Online banking has attracted the attention of banks, security trading firms, brokers, insurance companies, regulators and lawmakers in developing countries since the late 1990s. With the rapid and significant growth of electronic commerce, it is clear that electronic banking (Internet) and payments are likely to continue. This study attempts to test literature reviews by e-banking and provides a conclusion on the basis of previous studies.

**Keywords:** digital banking, ATM, Mobile banking, e-banking

#### **Introduction:**

Today's world is one of the fastest growing online services. One part of this is the fastest growing online banking. Combined with online retailers there is a lot of money changing hands, directed only through online communication. This is very convenient and easy access to the Internet in all countries of the first world, including saving the cost of closing bank branches, facilitating the delivery and acceptance of these services. Pure online transactions, however, lead to additional risks. There are no standard protections for real world transactions.

On the other hand, the risk to criminals is very low (the attacker can be in a completely different power from all other trading groups) and the merchant sees nothing but flawless, anonymous communication that provides card details. Banks have traditionally been at the forefront of using technology to improve their products, services and efficiency. They have long used electronic and telecommunications networks to deliver a variety of value-added products and services. Penalty for non-payment of debt is nothing new to any of us. And obviously, who likes the long process of writing a check, standing in a long line and making sure a certain amount is available in your bank account? Indian banks are trying to make our lives easier.

## Literature Review

E-banking is a new way in which new information technology integrates with traditional banking services. Reducing operating costs and increasing revenue are the main factors that enhance e-banking services (Sannes, 2001; Reibstein, 2002).

The E-banking service is actually a self-service customer service, so for banks, it requires less resources and lower transaction and production costs (Southard and Siau, 2004; Witman and Poust, 2008). Research on e-banking over 1999-2006 shows that the use of e-banking can improve the performance of banks in terms of asset growth, reduced operating costs and improved portfolio (Dandapani et al., 2008). Even in the 1990s, Sraeel (1996) emphasizes that creating a virtual banking will not only create a new service delivery channel, but will also lead to value building for both banks and customers (Hwang et al., 2007; Murphy, 2007).

AmatoMcCoy (2005) further states that customers will be drawn to the e-bank where advanced e-banking services such as e-transfer and e-bill are available. By interviewing banks on a small island and checking their banking websites from 2004 to 2006, Jenkins (2007) points out that those banks used e-banking as a guarantee for them customers to maintain competitive quality of service.

Centeno (2004) states that speed, ease of use of long-distance access, 24/7 availability and pricing incentives are the main motivating factors for consumers to use online banking.

Durkin et al. (2008) notes that the simplicity of online banking products facilitates online banking acceptance by consumers. Calisir and Gumussoy (2008) compared online banking perceptions with other banking channels and reported that online banking, ATMs and telephone banking are intertwined. Maenpaa et.al. (2008) examine consumers' perceptions of online banking in Finland and their findings show that familiarity plays a role in modeling.

Guerrero et al. (2007) examines the use of online banking by Europeans and their results show that ownership of various financial products and services, financial attitude and reliance on the internet as a banking channel has an impact on customers "online banking. To verify other documents,

Sohail and Shanmugham (2003) achieve internet access, e-banking awareness and resistance to change are found to influence the Malaysian use of internet banking. Another factor that encourages online banking customer support is merchant support (Nilsson, 2007).

The rapid growth of online banking is especially evident in developed countries such as the USA where access to computers and easy internet access have made it easier

for banks to take up internet banking. The adoption of online banking services in developing countries seems to be slowing down. In recent years, banks in developing countries are increasingly offering online banking services despite the limitations they face. Polatoglu and Ekin (2001) reported that, since 1997, many leading Turkish banks have been providing online banking services successfully. According to the Turkish Banking Association, 27 out of 47 banks in total, in other words, 58% of all Turkish banks provide online banking services in 2006 (Banks Association of Turkey, 2006).

Joseph and Stone (2003) investigate customer perceptions of the impact of technology on service delivery in the banking sector. According to the findings of this study, the scores are higher in the ability to deliver a service technically it seems to be accompanied by high satisfaction with services

that are considered the most important to customers. Therefore, the availability of online banking services seem to be very important for banks in customer satisfaction and retention. However, the availability of online banking services itself is not enough to increase customer satisfaction. User friendliness of online banking services seems to be an important factor for customers to use these services.

In the same study, Lang and Colgate (2003) found that customers who did not have an IT gap, found it easier to use online banking services and therefore had a higher satisfaction level than those without IT skills. The technical research conducted by Broderick and Vachirapornpuk (2002) also shows that the level and nature of customer participation in the use of online banking services has a significant impact on service quality.

The use of Internet Banking has benefits for both parties. It has become one of the Premier's channels for institutions in the financial industry to do business. The pace of personal and commercial activities with their customers has increased. Financial institutions can replicate traditional, banking, online activities. This shift to online transactions reduces operating and higher costs for financial institutions. The reason for this cost savings is the automation of processing customer transactions (Dong, 2008).

For clients and financial institutions, benefiting from this invention, it is important to analyze the main reasons why people are accustomed to Internet Banking. Compared to other online purchases, Internet Banking acquisition in general it is more complicated. It initiates a long-term relationship between the two sides. This process is important for customers, because they begin to enter into business relationships with Internet Banking services, without contacting them (Lee, 2009; Liao, 1999).

The apparent risk of using the service is usually reduced by mutual trust (Garbarino and Johnson, 1999). As e-customers do not deal directly with the organization, or its employees, the role of trust is crucial in e-commerce (Papadopoulou et al., 2001; Urban et al., 2000). In e-banking services everything is done with little or no facial contact, so trust is very important (Alrawahdeh, 2010). As customer satisfaction is paramount, reliance on e-banking sales is important (Jham, 2016). Figure 2 shows a simple and reliable model of Internet Banking (Yousafzai, 2009).

## **Conclusion**

Research shows that e-banking services are widely used for account transfers, payments to another personal account, credit card transfers, mobile phone reset, stand order transactions, savings, current and fixed account request of account and debit / credit card. There is no doubt that research reveals that e-banking reduces work time and bank overcrowding.

One can easily stay at home or on the cyber to transfer money, exchange vouchers, make FD's, etc. Banks not only provided e-banking space to customers but also expanded level of customer satisfaction. In India, people are not fully aware of the benefits of e-banking but those with tech experts use e-banking successfully.

There was a time where customers used to go to the bank, insurance companies, and the train station for various purposes and used to stand in long lines for hours and hours but now many people prefer to save money to save time, energy, fuel, money etc. The important thing is that people need to be heard professionally in order to be able to use the e-banking environment efficiently. Banks should also be productive trust in the minds of customers that e-banking is safe.

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