



# Awareness of Internet Banking among Rural Women: With Reference to Kodagu District

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**ABSTRACT:** Banking plays a significant role in the economic life of a nation. The strength of the economy depends on the soundness of its banking system. Internet banking, also known as net-banking or online banking refers to those banking services provided by banks through internet. It allows customers to perform a wide range of banking transactions electronically via the bank's website in a secured way. Internet banking has automated all the traditional banking transactions and made banking activities much easier and convenient to the customers. It eliminates paper based transactions and has brought changes in the banking operations radically. Customers can perform banking transactions round the clock globally through internet banking. Modern banking has made life easier and simpler. Customers can avail various services through internet banking which include: NEFT/RTGS, balance enquiry, stopping of cheque payment, new service announcements, loan applications, bill payments, password change, balance statement, enquire about installments and request for cheque book etc. from any location. The objective of this paper is to examine the awareness of internet banking and study the problems faced in using internet banking by rural women in Kodagu district. The study is based on both primary and secondary data. The collected data is analyzed using SPSS and MS Excel. The findings of the study show that 76% of the respondents are aware of internet banking and 58% of the respondents are using internet banking for financial transactions. The study suggested that there is a necessity to hold awareness programmes on internet banking facilities for rural women through various digital platforms.

**KEYWORDS:** Automated, Banking transactions, Economy, Internet banking

Banking plays a significant role in the economic life of a nation. The strength of the economy depends on the soundness of its banking system and internet has made the process simple for banks to enable online banking for its clients. Internet banking, also known as net-banking or online banking refers to those banking services provided by banks through internet. It allows customers to perform a wide range of banking transactions electronically via the bank's website in a secured way. Internet banking has automated all the traditional banking transactions and made banking activities much easier, convenient, low cost to the customers and removed the barriers of time and distance. It eliminates paper based transactions and has brought changes in the banking operations radically. Customers can perform banking transactions round the clock globally through internet banking on mobile by using Wi-Fi or 4G connection. Through internet banking customers can easily access their account without physically visiting a bank. The customers can conduct variety of transactions through internet banking which include: NEFT/RTGS, balance enquiry, stopping of cheque payment, new service announcements, loan applications, bill payments, password change, balance statement, enquire about installments and request for chequebook etc. from any location. By accessing the net banking portal of the particular bank, this can be accomplished with the use of net banking or internet banking. Modern banking has made life easier and simpler. Internet banking is prominent as we get 24x7 availability as most of the transactions can be done even after the banking hours and are not time restricted. Proper track on all the transactions can be kept. Transactions are done quickly as people need not visit their bank branches for any transactions as they can be done directly through internet banking.

## I. INTRODUCTION



### Objectives of the study

1. To examine the awareness about internet banking among rural women.
2. To study the problems faced while using internet banking.

## II. REVIEW OF LITERATURE

**Pinki Rani and Sakshi Gupta (2016)**, in their paper "Customers Awareness towards Internet Banking: A Study of Sirsa District", analyzed customer awareness and examined the customer attitude towards internet banking. They suggested that every bank should make all possible efforts to reach the customers and popularize the schemes of the bank and highlighted that banks have to pay special attention to satisfy the needs of the customers to the fullest extent through their services at right time. Banks need to assess and reassess continuously how the banking services can reach the customers and find the expectations of newly emerging customers' expectations from time to time.

**Prabhakar Rajkumar.K. and Ganesan. M (2016)**, in their paper, "A Study on Factors Influence of Internet Banking Services among Rural Customers (With Special Reference to Salem District)" aims at understanding the critical factors that influence banking in rural areas of Salem district, Tamilnadu. They concluded that internet banking offers various financial services to the public and the problems involved, especially technical: lack of awareness and confidence in using computer based system must be addressed for the benefit of the bankers as well as consumers.

**Bhuvanewari C.M. and Maruthamuthu (2020)** in their paper " A Study on Customers' Satisfaction towards Internet Banking of Selected

Public Banks in Salem District", investigated the major factors that influence customer satisfaction with the overall service quality of the public banks. Their study assessed the factors in the context of internet banking and improving the level of satisfaction and strengthening the bond between the banks and their customers.

**Aneesha K. Shaji and Ajith P. Mathews (2020)**, undertook "A Study of the Awareness of Electronic Banking Services among Rural Women of Nelamangala, Bangalore, India", to analyze the extent to which rural women are aware of electronic banking services with reference to Nelamangala. The study stated that rural women customers need more support and guidance to adapt fully to the electronic banking services offered by banks and only 15% of the rural women have a good understanding of the various e-banking services.

## III. RESEARCH METHODOLOGY

The study has been conducted to examine how far internet banking has benefitted the rural women who spend most of their time in household and other activities. The present study has been undertaken to analyse the awareness of internet banking services among rural women with special reference to Kodagu District. Simple random sampling method has been adopted and the study is descriptive in nature.

### Sources of Data

Data pertaining to this study was collected both from primary and secondary sources. Primary data was collected by using a well-structured questionnaire from 50 respondents residing in Kodagu district and secondary data was collected from books, journals, magazines and websites. The data collected is analyzed using SPSS and MS Excel.

### Analysis and Interpretation

**Table 1: Demographic Profile of the Respondents N =50**

Variables	Frequency	Percentage
<b>Age</b>		
18-27	27	54
28-37	7	14
38-47	8	16
48 and above	8	16
<b>Marital Status</b>		
Married	24	48.0
Unmarried	23	46.0
Widow	3	6.0
<b>Education Qualification</b>		



Primary	5	10
Secondary	7	14
SSLC	8	16
PUC	10	20
Under Graduate	12	24
Post-Graduation	8	16
<b>Status of Employment</b>		
Employed	16	32.0
Not Employed	34	68.0
<b>Income</b>		
Less than 10000 per month	28	56.0
10000 - 20000	13	26.0
20000 - 30000	6	12.0
30000 and above	3	6.0

Source: Primary Data

Table 1 shows that majority (54%) are in the age group of 18-27, 14% are in the age group of 28-37, 16% are in the age group of 38-47 and 16% are in the age group of 48 and above. 48% of the respondents are married, 46% are unmarried and 6% are widowed. Education is an important milestone for women empowerment as it empowers them to face challenges. In the study 24% respondents are under-graduates, 20% respondents have studied up

to PUC, 16% are post-graduates, 14% have studied up to SSLC and 10% have received primary level education. The study shows that 56% of the respondents have income less than 10000 per month, 26% have income ranging from 10000 – 20000 per month, 12% have income ranging from 20000 – 30000 per month and only 3% had income 3000 and above. The majority (68%) are not employed and only 32% are employed.

#### Bank account

**Table 2: Bank Account**

Bank Account	Frequency	Percentage
Yes	45	90.0
No	5	10.0
<b>Total</b>	<b>50</b>	<b>100.0</b>

Source: Primary Data

Table 2 reports that 90 percent of the respondents have bank account and 10 percent have no bank account.

#### Awareness of internet banking

**Table 3: Awareness of Internet Banking**

Aware of Internet Banking	Frequency	Percent
Aware	38	76.0
Not Aware	12	24.0
<b>Total</b>	<b>50</b>	<b>100.0</b>

Source: Primary Data

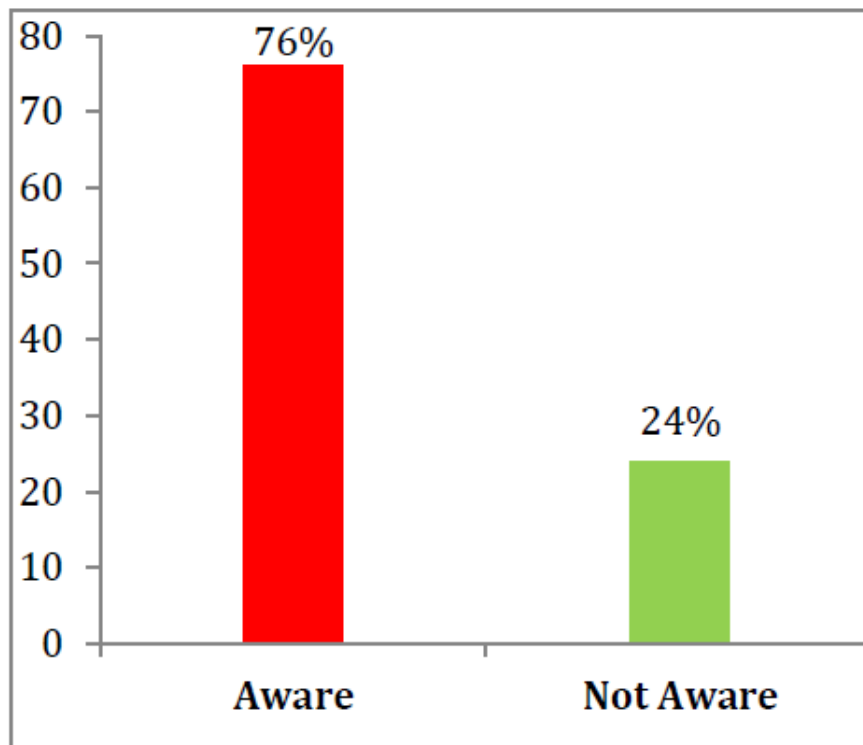


Figure 1: Awareness of Internet Banking among the respondents

Figure 1 shows the awareness of internet banking among the respondents, where majority (76%) are aware and 24 percent are not aware of internet banking.

#### Internet Banking for Financial Transactions

Table 4: Internet Banking for Financial Transactions

Using Internet Banking for Financial Transactions	Frequency	Percent
Yes	29	58.0
No	21	42.0
<b>Total</b>	<b>50</b>	<b>100.0</b>

Source: Primary Data

Table 4 shows that 58% respondents are using internet banking for financial transactions. They opined that internet banking is very useful in their daily life, whereas 42% do not use internet banking for financial transactions as they do not have the knowledge about internet banking.

#### Source of Information on Internet Banking

Table 5: Source of Information on Internet Banking

Source of information on Internet Banking	Frequency	Percent
TV Advertisements	10	34.5
Radio	4	13.8
Friends & Relatives	15	51.7
<b>Total</b>	<b>29</b>	<b>100.0</b>

Source: Primary Data

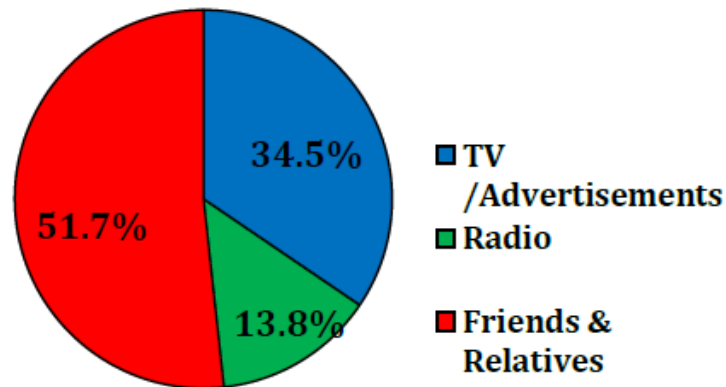


Figure 2: Knowledge of internet banking among the respondents

Figure 2 shows that 51.7% respondents got information about internet banking from their friends and relatives, 34.5% through TV and advertisements, 13.8% through radio.

#### Number of Years

Table 6: Number of Years the Respondents are Using Internet Banking

No of Years	Frequency	Percent
Less than 1 year	10	20.0
1 -3 years	16	32.0
3 years and above	3	6.0
Not using	21	42.0
<b>Total</b>	<b>50</b>	<b>100.0</b>

Source: Primary Data

Table 6 indicates that 32% respondents are using internet banking for 1-3 years, 20% are using for less than 1 year and 6% for more than 3 years and 42% are not using internet banking.

#### Frequency of Using Internet Banking

Table 7: Frequency of Using Internet Banking

Frequency of Using Internet Banking	Frequency	Percent
Twice a week	11	22.0
3-5 times in a week	6	12.0
More than 10 times in a month	12	24.0
Not Using	21	42.0
<b>Total</b>	<b>50</b>	<b>100.0</b>

Source: Primary Data

Table 7 indicates the frequency of using internet banking, where 24% are using more than 10 times in a month, 22% are using twice a week, 12% are using 3-5 times in a week.



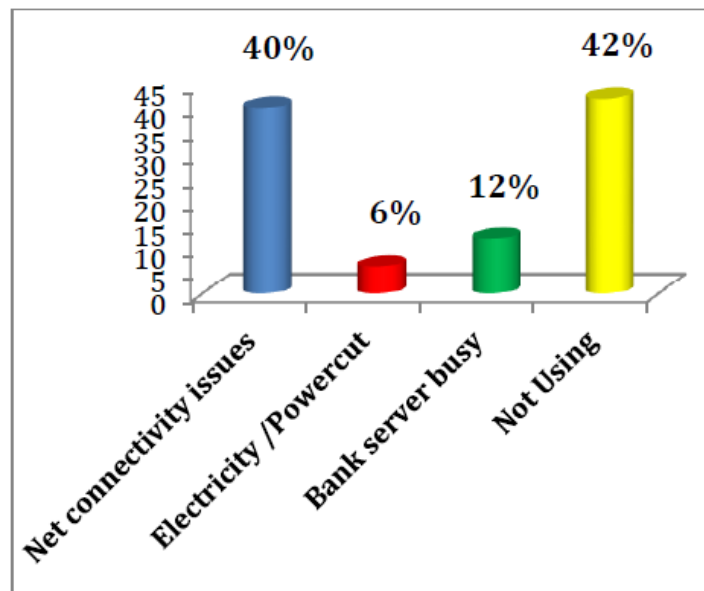
**Problems Faced While Using Internet Banking**

**Table 8: Problems Faced While Using Internet Banking**

Problems Faced While Using Internet Banking	Frequency	Percent
Net connectivity issues	20	40.0
Electricity /Power cut	3	6.0
Bank server busy	06	12.0
Not Using	21	42.0
<b>Total</b>	<b>50</b>	<b>100.0</b>

Source: Primary Data

Table 8 indicates the problems faced by the respondents while using internet banking, 40% respondents opined that they had internet connectivity issues, 12% reported that bank server was busy and 6% had problems related to electricity/power cuts.



*Figure 3: Problems Faced While Using Internet Banking*

**Reasons for not Using Internet Banking**

**Table 9: Reasons for not Using Internet Banking**

Reasons for not Using Internet Banking	Frequency	Percent
Lack of knowledge to operate the app	10	47.6
Do not have smart phones to use internet banking	06	28.5
Not trusted and secured	5	23.8
<b>Total</b>	<b>21</b>	<b>100.0</b>

Source: Primary Data

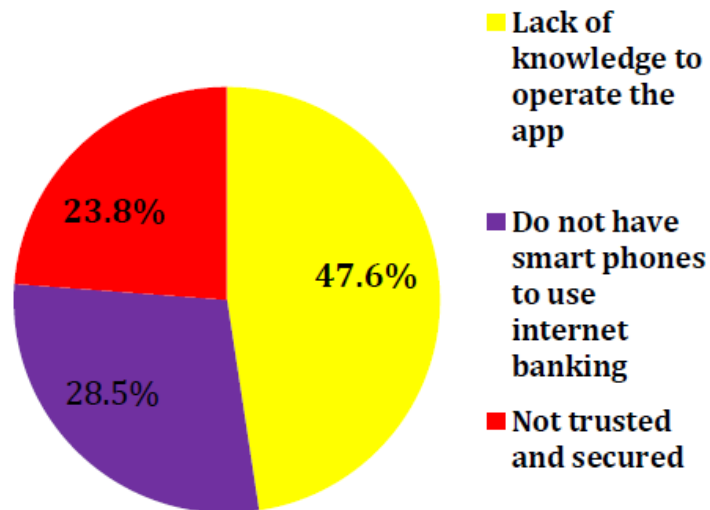


Figure 4: Reasons for not Using Internet Banking N = 21

Figure 4 shows that 47% opine that they did not have the knowledge to operate the app, 47.6% do not have smart phones and 28.5% respondents preferred traditional banking as they thought it was not secure and did not trust internet banking.

#### IV. Findings

- This study reveals that 76% rural women are aware of internet banking, 24% are not aware of internet banking.
- 58% respondents are using internet banking for financial transactions. They opined that internet banking was very useful in their daily life.
- 51.7% respondents got the information about internet banking from their friends and relatives, 34.5% through TV and advertisements and 13.8% through radio.
- 40% respondents opined that net connectivity issues is the main problem, 12% reported bank server busy issues and 6% expressed problems related to electricity/power cuts.
- 47.6% do not have smart phones and 28.5% respondents preferred traditional banking as they thought it was not secure and did not trust internet banking.

#### V. Suggestions

- It is necessary to hold awareness programmes on internet banking facilities for rural women through various digital platforms.
- The rural women who are not using these facilities are to be encouraged to use internet banking for conducting financial transactions.

- Internet connectivity issue is the main problem faced by the respondents while using the internet banking. Necessary measures should be taken to overcome the issue.

#### VI. Conclusion

The banking infrastructure has changed drastically with increasing technological advancement in the banking sector. In recent days, people are becoming well aware of internet banking and are doing all the banking transactions through internet banking. Internet banking offers various financial services to the public. But the problems that include lack of confidence in computer based system must be cleared for the benefit of bankers and consumers. It is necessary to take strict precautions to avoid server issue problem. There is a need to campaign to create awareness about internet banking over TV, advertisement and social media platforms.

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