



# An Exploratory Study on the Factors Affecting Customer Perception towards Website Usefulness of Indian Banks

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## ABSTRACT

*Banking industry is advancing rapidly across the globe. With technology affecting all spheres of life, banking industry too has not been left behind. Today, majority of the banks are offering Internet banking features and services to their customers that are standardized in nature. To become successful in providing a rich customer experience, the banks need to understand which aspects of internet banking influence the customer behavior. The objective of the paper is to study the perception of the customers towards website usefulness which can be defined as a combination of 'Functionality' and 'Usability' attributes of the banks' websites. The study was undertaken on 150 users who avail e-banking services in Delhi-NCR. The data was analyzed using Factor Analysis, ANOVA and Levene's t-test. Three factors namely 'Navigation', 'Content' and 'Response' were identified which influence the customer perception towards Website Usefulness. The influence of demographic parameters like age, gender and occupation on these factors was also studied. It was found that age influences the Navigation factor only; gender does not influence the website's usefulness while occupation influences all the three factors. The banks can use these research findings and incorporate the factors on their websites which would result in higher levels of customer satisfaction.*

**Keywords :** Customer Perception, E-banking, Functionality, Usability, Website Usefulness

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## INTRODUCTION

Expansion of the banking sector has been tremendous- both in terms of number of banks and their branches leading to ever increasing competition among these banks. On one hand, the banks are continuously looking out for innovative ways to reach out to existing and potential or new customers by catering to their ever changing needs and demands. While on the other hand, banks are trying to find out ways to minimize their expenses and yet deliver excellent customer service. One approach to bind both these requirements is by providing Internet Banking Services to the customers.

E-banking can be defined as the use of electronic and communication networks to carry out banking transactions. Through e-banking, customers are not required to visit the bank premises for carrying out the transactions or for seeking information. The same can be done at their own convenience by accessing bank's website through their desktops, laptops, mobiles or such electronic devices. It has been well established that e-banking is a win-win situation for both the banks and their customers. There are a number of advantages of using e-banking to the customers. It saves time, money and effort to visit the branch premises. Banking services are available at all the time irrespective of bank's timings or holidays and there is an easy access to information regarding services, products etc. offered by the bank. At the same time there are many advantages of e-banking to the banks. It provides faster delivery of services to customers, reduced transaction costs, increased productivity and availability of an additional channel of delivery. There are many reasons for the immense popularity and growth of e-banking like increased awareness in users, availability of affordable computers and laptops, good internet facilities, rise in income levels of the customers and rise in number of tech savvy people. Another popular method of accessing the websites is through mobile phones. The operating guidelines issued by RBI on the "Mobile Banking Transactions in India – Operative Guidelines for Banks" stated that the growth of mobile phone users has also made this channel an important platform for extending banking services to customers. Anand N. (2014) described that there has been an exponential growth in mobile banking transactions with the increased use of smartphones. According to RBI Report of the Technical Committee on Mobile Banking (2014), India has 870 million mobile connections and around 450 million bank accounts. The number of subscribers who access Internet by wireless phones has grown to about 143 million. There has been a three fold increase in the mobile banking transactions of ICICI bank. The mobile transactions of June quarter increased from Rs 941 crore in 2013-2014 to Rs 2,635.37 crore in 2014-2015. HDFC Bank's transactions tripled to Rs 795.6 crore in June 2014 from Rs 266.3 crore in the month last year. Axis Bank also witnessed a five-fold increase during the same period from Rs 115.8 in June 2013 to Rs 586.1 crore in June 2014. BSaiKrishna (2014) estimated that India is going to have 160-170 million smartphone users by the end of 2014.



## LITERATURE REVIEW

Charif et al. (2006) described that World Wide Web has become a vital tool for doing the business. Moreover, consumers spend their valuable time on Internet for purchasing products and searching for information. Shah et al. (2009) explained the changing customer dynamics. Consumers demand customized services at low cost and as quickly as possible. Therefore, companies need to continually transform their business model, using new and emerging technologies to provide innovative and cost effective services to their customers.

Wandaogou et al. (2011) defined e-banking as deployment of banking services and products over electronic and communication networks directly to the customers. Alagheband (2006) discussed that evolution of e-banking started from automated teller machines (ATM) which gradually shifted to phone banking, electronic fund transfer and revolutionary online banking. According to Afrouz (2006) e-banking transformed the working of banks. It allowed the customers to check accounts, make payments online and transfer money between accounts without visiting the bank's premises. Bauer (2005) defined several benefits of adopting electronic services including satisfied and retained customers, attraction of new customers, increased sales, reduced costs and increased profit margins. Kalakota & Whinston (1997) & Bauer (2005) explained an increased of IT adoption in the delivery of banking services due to the benefits offered by online banking. Sreelatha et al. (2012) described that Information Technology (IT) brought a complete paradigm shift in the working of banks. It is further discussed that innovative IT services are no longer enablers but have become the business drivers for banking sector.

The Technology Acceptance Model (TAM) developed by Davis (1989), stated that user's acceptance of the technology can be measured by three factors: perceived usefulness, perceived ease of use and attitudes towards usage of the system. If a system is not easy to use then it will probably not be perceived as useful. According to the model, the attitude of the user towards technology and ease of use result in a behavioral intention to use or not to use the system.

Safeena et al. (2010) found that perceived usefulness, perceived ease of use, consumer awareness and perceived risk have a strong influence on customers for adoption of Internet Banking. Fozia (2013) explained the customer's perception towards the e-banking services. The study showed that demographic factors including age and occupation have a significant impact on the internet banking behavior. Jain et al. (2013) examined that some demographic factors such as age, education, occupation and annual income have a significant impact on the perception of customer towards efficiency of e-banking services whereas gender does not have any major affect on consumer perception towards the efficiency of e-banking services offered by the commercial banks.

Lu et al. (1998) proposed a framework for effective web applications that described functionality and usability as sub-features of website usefulness as vital factors for system acceptability. Akrimi et al. (2014) studied the relationship between website design and satisfaction of the user. The results indicated that interactivity and usability are significant predictors of satisfaction towards website. F. Calisir et al. (2011) described functionality and usability as the key parameters in a software design project. According to them navigation and interaction emerged as the most significant factors; and satisfaction and efficiency as the least important factors.

### Website Usefulness

Based on the review of literature, the research paper has identified a gap in research wherein a study dedicated to the websites of a bank has not been done in much detail. The focus is on studying the usefulness parameters of a website. A website can be said to be 'useful' when it has the following two features:

- 1) **Functionality:** It implies that website should function or operate in the way it is expected to operate by the users. The following attributes describe the functionality of the website:
  - Response time: It is the time taken by an interactive website to respond to the user activity. It could be the time taken for the webpage to load or to open a link. Websites should allow users to work quickly to attain their desired goal with the minimum number of clicks.
  - Security: It refers to the features provided by the website to protect users' privacy and confidentiality of data during online transactions. The websites must provide adequate information about safe banking guidelines to develop users' trust on the website.
  - Search Options: The users should be provided with search specific results quickly and precisely. The websites must offer both simple and advanced search options and display the results in an organized manner.
  - Information Provision: It provides users with accurate and appropriate information about bank, its products and services. The content offered to customers should be updated regularly. Site Maps should also be provided to the users.
- 2) **Usability:** It is the extent to which websites facilitates users to use the offered functions easily and appropriately. The following attributes describe the usability of the website:
  - Navigation: It is the pathway that the users take to find the desired information by browsing through menus, graphical components, links, page sequence and page layout. The homepage should be the most effective and compelling page of the bank's website. Layout of graphics, multimedia content and information should look attractive and should be easy to understand.

- Ease of use: It refers to being able to operate a web site without experiencing any difficulty and trouble. The users must be able to find all the necessary features without undue efforts. The interest of the users would be retained on a website if they find it easy to use.
- Services/Facilities: These are the facilities offered to the user to assist them in decision making like loan EMI calculators, ATM Locator etc. These facilities can differentiate the website of one bank from another.
- User Guidance or Support: Websites should offer un-customizable (such as FAQ) or/and customizable help (such as online help) and provide information about the steps to follow for logging a request or when they encounter a problem.

After a careful study of websites of a few Indian Banks a list of activities that can be performed using the bank's website has been formulated. These activities can be grouped as:

- I. Financial Transactions: It refers to the activities performed for funds transfer, NEFT payments, online payments, tax payment, Filing of Income Tax Return etc.
- II. Account Related Enquiry: They can be for checking account balance, checking interest earnings, ordering cheque books, changing pin or passwords etc.
- III. Seek information about bank, its products and services like interest rates, charges, fees, offers, discounts, notices released by RBI, KYC guidelines etc.
- IV. Others: These are specialized services provided by banks in the form of loan EMI calculators, Annual Reports, Policies and Procedures of the bank.



### OBJECTIVES

The objectives of the study are:

- To measure the significance of demographic variables on 'Frequency of use of websites' by the users.
- To measure the significance of demographic variables on 'Type of information' (Financial Transactions, Account related enquiry, about bank products/services or others) that users seek from the website of the bank.
- To identify the factors influencing the perception of internet banking users about the usefulness of bank's website.
- To determine the association between the various demographic determinants and the perception of identified factors impacting the bank's website usefulness.

### Hypothesis Testing

Ho1: There is no significant association of age with perception that Navigation aspect impacts the bank's website usefulness.



Ho2: There is no significant association of occupation with perception that 'Navigation' impacts the bank's website usefulness.

Ho3: There is no significant association of gender with perception that 'Navigation' impacts the bank's website usefulness.

Ho4: There is no significant association of age with the perception that 'Content' impacts the bank's website usefulness.

Ho5: There is no significant association of occupation with the perception that 'Content' impacts the bank's website usefulness.

Ho6: There is no significant association of gender with the perception that 'Content' impacts bank's website usefulness.

Ho7: There is no significant association of age with the perception that 'Response' impacts bank's website usefulness.

Ho8: There is no significant association of occupation with the perception that 'Response' impacts bank's website usefulness.

Ho9: There is no significant association of gender with the perception that 'Response' impacts bank's website usefulness.



## RESEARCH METHODOLOGY

The descriptive research is based on obtaining detailed opinions of the users of banks' websites. Both primary and secondary data was collected. Primary data was collected through use of a self-constructed structured questionnaire. Different attributes to measure the user perception were identified through literature review and exploratory study. First part of the questionnaire obtained the demographic details of the users like their age, gender and occupation. Data was also collected to determine frequency of use of the bank's website and type of information users seek while visiting the website of the bank. In the second part users rated the different website usefulness attributes on the basis of the level of perception on a five-point Likert scale with 5 being Strongly Agree and 1 being Strongly Disagree.

Face validity method was used to check the Validity of the questionnaire by 30 users of internet banking. The users read the questionnaire to assess whether it meets the research objectives. 29 out of 30 respondents agreed that the purpose of the questionnaire is clear. Hence, the face validity was found to be high. A reliability test using SPSS17.0 was also performed. The value of Cronbach's Alpha for 10 items was 0.873 which implies high internal reliability of the questionnaire.

## SAMPLING AND DATA COLLECTION

Respondents were the users of e-banking services in Delhi NCR. The sample size was determined using a common rule of

thumb i.e. there must be at least 10-15 respondents per item studied. 15 items or statements were studied for which a sample size of 150 can be taken as sufficient. The questionnaire was widely circulated by using Snowball sampling technique. The first member for snowball sampling was identified as the Bank Manager of a private Indian Bank who supplied a list of customers using internet banking. Those customers were contacted and further references were generated from them. The questionnaire was sent to 175 users from which 150 responses were received. The response rate came out to be 86%. The secondary data was collected from various articles, research papers and websites.

## DATA ANALYSIS AND INTERPRETATION

### *I. Descriptive Statistics for the respondents*

**Table 1: Demographic Profile of the Respondents**

Variables	Category	Frequency	Percent
Age	18- less than 25 years	92	61.3
	25- less than 50 years	50	33.3
	50 and above	8	5.3
Gender	Male	78	52.0
	Female	72	48.0
Occupation	Student	76	50.7
	Service	69	46.0
	Self-employed	5	3.3

**Interpretation:** Most of the respondents were in the age group of 18-25 years i.e. 61% in terms of gender 52% were males and in terms of occupation 51% were students.

### *ii. Frequency of Use of Websites by the Users*

**Table 2: Frequency of use of websites by the users**

Variables	Category	Frequency	Infrequent	Total
Age	18- less than 25 years	27	40	67
	25- less than 50 years	35	15	50
	50 and above	16	17	33
Gender	Male	52	26	78
	Female	26	46	72
Occupation	Student	20	37	57
	Service	53	16	69
	Self-employed	5	19	24

*Note: Frequent users- those who access websites Daily or weekly; Infrequent users who access websites Monthly or sometimes*

**Interpretation:** Maximum number of respondents i.e. 38% uses the bank's websites weekly. The table reveals that the users in age group of 18-25 years are mostly infrequent users as most of the respondents were students. Most frequent users are in the age group of 26-50 years as they are in service. Respondents of above 50 years are equally distributed as frequent or infrequent users. In terms of gender, males are frequent users while females are infrequent users. In terms of occupation service class are frequent users whereas students and self employed are infrequent users. Banks can target the females and users in age group of 18-25 years to increase their use of the bank's websites by giving lucrative offers to these groups like discounts or special plans etc.

**Table 3: Type of information users seek from the website of the bank**

Frequency of information seeked	Financial Transactions		Account related enquiry		Information about bank products/services	
	Frequency	Percent	Frequency	Percent	Frequency	Percent
Frequently	135	90	110	73	35	23
Infrequently	15	10	40	27	115	77

Note: Frequent users- those who access websites Daily or weekly; Infrequent users who access websites Monthly or sometimes

### iii. Type of Information Users Seek from the Website of the Bank

Interpretation: This result demonstrates that the users access the bank's websites most frequently to perform financial transactions i.e. 90% followed by Account related enquiries at 73% and least to gather information for bank's products and services at 23%. It is imperative for the banks to build the trust of the customers about the safety of online transactions by efficient and effective communication through emails, banners and advertisements.

### v. Exploratory Factor Analysis

#### a) Measure of Sampling Adequacy

KMO & Bartlett's Test of Sphericity are measures of sampling adequacy. The KMO ranges from 0 to 1. Kaiser (1974) has recommended the values greater than 0.5 as acceptable. Values between 0.5 and 0.7 are mediocre. The Bartlett's Test of Sphericity relates to the significance of the study and thereby shows the validity and suitability of the responses collected to the problem being addressed through the study. The Bartlett's Test of Sphericity must be less than 0.05 for Factor Analysis to be recommended as suitable.

Table 4 indicates that in the present test Kaiser-Meyer-Olkin (KMO) measure was 0.665 and Bartlett's sphericity test indicates Chi-Square = 624.113, df = 45 with a significance of 0.000. This implies that factor analysis can be used for the data analysis. If a factor analysis is conducted, the factors extracted will account for fair amount of variance but not a substantial amount.

#### b) Principal Component Analysis

Extraction communalities are estimates of the variance in each variable accounted for by the components. For the data

**Table 4: KMO and Bartlett's Test**

Kaiser-Meyer-Olkin Measure of Sampling Adequacy		.665
Bartlett's Test of Sphericity	Approx. Chi-Square	624.113
	df	45
	Sig.	.000

communalities were ranging from .572 to .827, which indicates that the extracted components represent the variables well.

Initially the factor analysis was run on 15 statements. The variables with factor loadings less than 0.5 were rejected and the SPSS output of the exploratory factor analysis extracted three factors with 10 statements. The dropped five statements were "Items on the home page are clearly focused on user's key tasks", "Most important information is provided on top of the page", "Website offers demos for using various options", "After return to the website, remember how to perform the key tasks" and "Download publications/reports from the bank's website".

Factor-1 loading was 36.77%, Factor-2 loading was 17.79% and Factor -3 loading was 13.41%. The three factors explained nearly 68% of the total variability.

Table 5 explains the different attributes under different factors based on their factor loadings. It also depicts the Reliability Tests of the Factors using Cronbach's Alpha.

All the resulting alpha values are high and indicates a good internal reliability among the factors' attributes.

#### c) Naming of the Factors

##### Factor 1 - Navigation

It has an Eigen value of 3.678 and explains 36.7% of variance. This factor groups attributes of home page, search options, site

**Table 5: Rotated Component Matrix**

Attributes	Component			Factor Name	Cronbach Alpha
	1	2	3		
Home Page creates a positive first impression	0.793			Navigation	0.755
Search option is clearly visible on top right of the page	0.781				
'Site Map'	0.692				
Easy to find information on the website	0.645				
Website offers various tools for users (Ex. EMI calculator)		0.773		Content	0.752
Online 'HELP' is very useful		0.721			
Content/Information is updated regularly		0.718			
'Safe Banking' guidelines are adequately represented		0.676			
Results of Search are displayed in a organized manner			0.878	Response	0.832
Web pages load quickly(within 5 sec or less)			0.859		

map and ease of finding information on website. It can be named as Navigation as all the attributes relates to movement on the website by user. While designing websites for users, the banks should ensure that it is easy to find information on the website as it will enhance the overall experience of the users.

### Factor 2- Content

It has an Eigen value of 1.78 and explains 17.7% of variance. This factor groups attributes of different tools available on the website for users, Online 'HELP', regular updating of Content and Information on the website and 'Safe Banking' guidelines. All these attributes pertains to the need of the users to find out information using the website of the bank. By use of the content users can make well informed decisions of their future investments or to purchase various products and services offered by the bank etc. Banks should ensure regular updating of the content on the websites as it is readily accessed by the users.

### Factor 3- Response

It has an Eigen value of 1.34 and explains 13.4% of variance. This factor groups attributes of Results of Search are displayed in an organized manner and Web pages load quickly (within 5 sec or less). This factor relates to the response a user gets after performing an activity on the website. The users would like the responses to be well organized and quick. To ensure this the websites should be designed in a way that there is not too much clutter or data on a webpage.

### d) Test of Association

To test the association between dependent variables (demographics) and independent variable (perception of users) one-way analysis of variance (ANOVA) is used. It determines whether there is any significant difference between the means of two or more independent or unrelated groups.

Before running the test following assumptions of ANOVA were checked:

1. Independent variable should have two or more categorical and independent groups: in the study age has four groups (less than 18 years; 18- less than 25 years; 25- less than 50 years; 50 and above) and occupations have four groups (Student; Service; Self-employed; others).

Gender has only two groups (Male; female). Hence independent-samples t-test is more appropriate for its analysis.

2. There should be independence of observations: all the respondents in the survey belonged to only one group there is no relationship between the observations in each group or between the groups themselves.

3. There are no significant outliers present in the data.

4. Dependent variable should be approximately normally distributed for each category of the independent variable. Normality of data was checked using the Shapiro-Wilk test.

The table below shows the test results for comparing the demographic variables Age, Occupation (by One-Way ANOVA) and Gender (by Levene's t-test) based on the factors affecting perception of users for banks' website usefulness.

If the significance value is less than or equal to 0.05, the null hypothesis is rejected and it implies that there is an association between the demographic variable and the factor studied. The implication is that the factors which have sig < 0.05 have significant influence on the independent variable. The table 6 below depicts an analysis of the association between different demographics and the factors identified.

**Table 6: Significant values of Age and Occupation for Factors**

Factor	Age		Occupation	
	F	Sig	F	Sig
Navigation	3.445	0.034	4.323	0.015
Content	1.76	0.176	9.49	0.000
Response	2.665	0.073	7.996	0.001

**Table 7: Significant values of Gender for Factors using Levene's Independent Samples Test**

		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
Navigation	Equal variances assumed	1.5	0.22	1.748	148.44	0.083	0.15946	0.09123	-0.0208	0.3397
	Equal variances not assumed			1.761	146.41	0.08	0.15946	0.09056	-0.0195	0.3397
Content	Equal variances assumed	6.71	0.01	0.004	148	0.997	0.00053	0.12239	-0.2413	0.2424
	Equal variances not assumed			0.004	134.98	0.997	0.00053	0.12354	-0.2438	0.2449
Response	Equal variances assumed	5.34	0.02	-1.43	148	0.155	-0.19444	0.13589	-0.463	0.0741
	Equal variances not assumed			-1.42	133.44	0.159	-0.19444	0.13728	-0.466	0.0771

**Interpretation for Navigation:** the above table reveals that the difference between the mean was significant in the case of Age ( $p = 0.034$ ) and the null hypothesis H01 is not accepted. This implies that users of different age groups perceive the Navigation aspects of the bank's websites leading to its usefulness differently.

A Tukey post-hoc test revealed that the age groups 25- less than 50 years and 51 above are not statistically significantly different but different from the age group of 18 to less than 25 years.

**Table 8: Tukey HSD for FNavigation and Age Group**

Age	N	Subset for alpha = 0.05	
		1	2
18- less than 25 years	67	1.7948	
25- less than 50 years	50		2.0300
50 and above	33		2.0379
Sig.		.092	
Means for groups in homogeneous subsets are displayed.			
a. Uses Harmonic Mean Sample Size = 45.992.			
b. The group sizes are unequal. The harmonic mean of the group sizes is used.			
Type I error levels are not guaranteed.			

For Occupation ( $p = 0.015$ ) there was a statistically significant difference between the groups and null hypothesis H02 was not accepted. Tukey post-hoc test revealed that self-employed users perceive Navigation as a more influential factor than Students and Service class users.

**Table 9: Tukey HSD for FNavigation and Occupation**

Occupation	N	Subset for alpha = 0.05	
		1	2
Service	69	1.8370	
Student	57	1.9123	
Self-employed	24		2.2188
Sig.		.811	1.000
Means for groups in homogeneous subsets are displayed.			
a. Uses Harmonic Mean Sample Size = 40.704.			
b. The group sizes are unequal. The harmonic mean of the group sizes is used. Type I error levels are not guaranteed.			

In the case of Gender ( $p = 0.083$ ), the null hypothesis H03 is accepted indicating that Navigation aspects of a website are not genderspecific.

**Interpretation for Content:** the above table reveals that the demographics Age ( $p = 0.176$ ) and Gender ( $p = 0.997$ ) are not significantly different from each other and the null hypothesis H04 and H06 are accepted for these two cases. This implies that users of different age groups and different gender perceive the Content aspects of the bank's websites leading to its usefulness in the same way.

In the case of Occupation ( $p = 0.000$ ) there was a statistically significant difference between groups. So the null hypothesis H05 is not accepted. Further the Tukey post-hoc test revealed that service class group perceives Content as a lesser influential factor than Students and Self-employed users.

**Interpretation for Response:** the above table reveals that the

**Table 10: Tukey HSD for FContent and Occupation**

Occupation	N	Subset for alpha = 0.05	
		1	2
Service	69	2.0217	
Student	57		2.4518
Self-employed	24		2.6458
Sig.		1.000	.433
Means for groups in homogeneous subsets are displayed.			
a. Uses Harmonic Mean Sample Size = 40.704.			
b. The group sizes are unequal. The harmonic mean of the group sizes is used. Type I error levels are not guaranteed.			

demographics Age ( $p = 0.073$ ) and Gender ( $p = 0.155$ ) are not significantly different from each other and the null hypothesis H07 and H09 are accepted for these two cases. This implies that users of different age groups and different gender perceive the Response aspects of the bank's websites leading to its usefulness in the same way.

In the case of Occupation ( $p = 0.001$ ) there was a statistically significant difference between groups. So the null hypothesis H08 is not accepted. Further the Tukey post-hoc test revealed that service class group perceives Response as a lesser influential factor than Students and Self-employed users.

**Table 11: Tukey HSD for FResponse and Occupation**

Occupation	N	Subset for alpha = 0.05	
		1	2
Service	69	1.7536	
Student	24	2.0000	2.0000
Self-employed	57		2.3246
Sig.		.347	.162
Means for groups in homogeneous subsets are displayed.			
a. Uses Harmonic Mean Sample Size = 40.704.			
b. The group sizes are unequal. The harmonic mean of the group sizes is used. Type I error levels are not guaranteed.			



## CONCLUSION

The growth and penetration of internet has increased manifolds over the last decade. The banks have taken a lot of steps to cater to the tech savvy customers by offering them with banking services via internet through the development and use of their websites. To gain a competitive advantage over other banks they need to focus their attention towards development of such a website which is perceived as very useful by its users. This will encourage the users to perform more functions through website like Financial Transactions (used for funds transfer, NEFT payments, online payments, tax payment, Filing of Income Tax Return etc.), Account related activities (balance enquiry, check interest earnings, order cheque books, change pin or passwords etc.), to seek information regarding bank products and services (interest rates, charges, fees, offers, Notices released by RBI etc.) and other activities (loan EMI calculators, Annual Reports, Policies and Procedures of the Bank etc.). The frequency of visits to website of the bank will increase resulting into lesser visits to the retail branches of the bank. This in turn will enable lower transactional costs for the bank, more productivity and higher customer services.



The study was done to identify the factors on the basis of which a user will perceive a banks' website to be useful. If the website is both Functional and Usable to meet the expectations and requirements of the users, they will be more comfortable in accessing that website resulting in higher customer satisfaction. The three main factors identified in the study were 'Navigation', 'Content' and 'Response'. Navigation factor groups attributes of home page, search options, site map and ease of finding information on website. The bank's website must have an effective home page having all the important information in front of the customer and proper navigational structure that links to all the important pages on the website. Content factor groups attributes of different tools available on the website for users, Online 'Help', regular updating of Content and Information on the website and 'Safe Banking' guidelines. The bank's websites must provide useful tools, online help and safe banking guidelines to the users. Moreover, the banks must offer updated content on their websites. This keeps customers coming back to the website to see what's new and search engines also favor sites with new content. Response factor groups attributes of Results of Search are displayed in an organized manner and Web pages load quickly. The banks should work on their website's speed as it

improves customer experience and reduces overall operating costs. By using One-way ANOVA and Levene's t- test the significance of association between the demographic determinants like age, occupation and gender with the perception that the identified factors impacts the bank's website usefulness was also determined. It was found that Gender has no significant influence on the Usefulness of the banks' website; both males and females perceive it similarly. The age of the users has no impact on the Content and Response factors but 18-25 years age group perceive Navigation factor differently from 26-50 and 51 above age groups. However, Occupation has an influence on all the three factors. Self employed users perceive Navigation differently from students and service class. Response and Content are perceived similarly by service class compared to students and self-employed.

Banks can use the findings of the research to develop their websites according to the needs of different groups of users by targeting special efforts on their target market segment. The identified factors can be incorporated on their websites to achieve high levels of customer satisfaction.

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