



CYBER CENTRIC FINANCIAL TRANSACTIONS – A STUDY

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ABSTRACT

Financial activities in India have faced radical alterations due to the implementation of new economic policies. Before liberalization, in 1969 and 1980 banking establishments were nationalized based on the thrust aim of supplementary banking i.e., rapid spreading out of banking activities. Whereas now the industry is operated on the concept of customer centric and Cyber Centric banking i.e. changed towards "Better financial activities from more financial activities" in order to face the market challenges. After the adoption of technological development it allows the banking businesses and other stakeholders to interact and transact with the institutions seamlessly through a variety of conduits. They are Internet, Wireless devices, ATM's, Mobile payment wallets and various digital applications. These facilities are widely provided by almost all the institutions.

Based on this background an attempt has been made to draw the responses about the level of usage and customer satisfaction towards Cyber Centric Financial activities.

KEYWORDS : Financial Activities, Customer Satisfaction.**INTRODUCTION**

The system of trade over and done with barter is as old as the social civilization. Barter system is a system in which people sell goods and chattels and services in order to obtain other goods and services through direct exchange. The functioning of a barter economy was however cumbersome and inopportune due to double happenstance of wants.

Complications of barter system lead to the primer and progress of Financial Activities. This deserves to be ranked among the outstanding innovations of the entire history. The birth of financial Activities came as a multifold blessing to mankind. It had been defined in various ways. Somebody says these are used in the place of barter. In other words anything that performs the functions of financial activity is money. Economics makes it clear that money plays an important role in the financial structure.

In India, the ancient Hindu scriptures refer to the money-lending activities in the Vedic period. During the era of Ramayana and Mahabharata, the banking had become a full-fledged activity. During the smriti period which followed the Vedic period, the business of banking was largely carried on by the members of vaish community. As the civilization grew with the development of economic systems the development in the banking was also inevitable. The banker in this period performed many of the functions which a modern banker performs these days viz. accepting deposits, granting of advances, acting as banker to state and issuing and managing currency of the country.

In olden days the happenings of financial activities are confined with accepting deposits and lending loans. This gives the chance for the growth of paper money, Bills of exchange, cheques and other accompanying transactional areas. In accumulation to receipt of deposits and lending activities, the modern institutions render many services. It becomes necessary to fascinate to businesses by providing a wide choice of Innovative facilities to customers.

Adam Smith rightly observed, "The earliest banks of Italy where the name began were finance companies to make loans to and float loans for the Government of the cities in which they were formed ... After these banks had been long established, they began to do what we call as banking business, but at first they never thought of it".

The growing demand for banking activities and technological advancements gave chances for the birth of Cyber Centric Financial transactions.

Finland was the first country in the world to have taken a lead in Cyber Centric Financial transactions – a notified new age facility. In India, it was ICICI Bank which initiated Cyber Centric Financial transactions as early as 1997 under the brand name infinity. Cyber Centric Financial transactions is a genetic term encompassing internet banking, telephone banking, and mobile banking etc., In other words, it is a process of delivery of banking services and products through electronic channels such as telephone, internet, and cell phone. Cyber Centric Financial transactions are an umbrella term for the process by which a customer may perform banking transactions electronically without visiting a brick-and-mortar institution. The quality, range and price of these electronic services decide a bank's competitive position in the industry. So Cyber Centric Financial transaction is defined as "the automated delivery of new and traditional financial products and services directly to customers through electronic, interactive communication channels." Cyber Centric Financial transaction is a convenient way to access customer account 24 hours a day, 7 days a week, through the Internet.

A Cyber Centric financial activity includes the following services. They are

1. Net Banking – Operating and accessing the bank account through internet facilities.
2. Plastic Money - The plastic money generally a credit or debit card with a magnetic strip, many people carry in their wallets or purses. Holders of a valid card have the authorization to purchase goods and services up to a predetermined amount, called a credit limit for credit cards and availability of balances for debit cards.
3. Mobile banking – availing facilities through phones. Normally this facility is available in smart phones. But now central government has introduced these facilities through ordinary cell phone through some notified application such as BHIM, *99# etc.,
4. Payment Wallets – These are electronic applications. The customer can make payments for their purchases through these applications such as PAY TM, MOBIVIK, FREECHARGE etc.,

PROBLEMS IN CYBER CENTRIC FINANCIAL TRANSACTIONS:

All the banking companies, both public sector and privatesector institutions and foreign institutions are providing these new phases of modern facilities. But the question is up to what extent these facilities are affordable to the customers in rural side.

OBJECTIVES OF THE STUDY:

- The following are the important objectives of the study.
1. To test the awareness and satisfaction level of the respondents.
 2. To find out the socio-economic profiles of the customers.
 3. To explore the various areas of usage through modern payment systems.

IMPORTANCE OF THE STUDY:

The ever growing demand for money and banking activities, the present study focuses on the opinion about Cyber Centric Activities and how far the need of the individual is satisfied.

SURVEY PERIOD:

The period of survey was made in the month of January 2019.

LIMITATIONS OF THE STUDY:

- The main limitations of the study are as follows:
- The study is based on the opinion of the individuals in the study area i.e. Chennai.
 - The respondent's bias noticed during the survey may slightly influence the findings of the study.

Analysis and Interpretation:

Distribution of respondents according to frequency of usage and age group

Variable	18-30years	31-45 years	46years and above	Total
Almost daily	15	9	2	26
6-10 times in month	30	36	10	76
3-5 times in month	36	69	22	127
1-2 time in month	21	21	4	46
Once in a month	2	3	3	8
Occasionally used	5	3	1	9
Total	109	141	42	292

This table shows more than 50 percent of the respondents are in the age group of 31-45 years, of which 69 respondents are using modern banking services 3-5 time in month. The least group are in the age level of more than 46 years. So it is evident that middle age group customers are availing more banking facilities.

Distribution of Respondents according to Monthly spending and age group

Variable	18-30years	31-45 years	46 years and above	Total
< 5000	40	27	9	76
Rs.5001 to Rs.15000	53	77	20	150
Rs.15001 to Rs.30000	14	33	12	59
More that Rs.30000	2	4	1	7
Total	109	141	42	291

This table shows the amount spend through new age payment system and age group. It is observed that, more no of respondents are in the age group of 31-45 years are spending the amount in the category of Rs.5001 to Rs.15000. Only 7 respondents are spending more than Rs. 30000 through Cyber centric Financial transactions facilities. Hence it is clear that majority are spending only reasonable amount and they are in middle age group.

Distribution of Respondents according to Misuse of Facilities and Gender

Variable	Male	Female	Total
Yes	16	3	19
No	210	63	273
Total	226	66	292

This table shows the how many respondents are saying that their Banking facilities i.e. cards, net banking, phone banking facilities are misused. Out of the total respondents' 16 male respondents and 3 female respondents have opinioned that, their accounts are misused. In general not even 10 percent of the respondent's account is misused. So this may be on the reason that, new age facilities are not widely used in the study area.

Distribution of Respondents according to age and Legal System

Variable	18-30	31-45 years	46 years and above	Total
Agree	45	45	26	116
Disagree	17	34	5	56
No Opinion	47	62	11	120
Total	109	141	42	292

This table shows the level of respondents agreeing that the legal system is confusing and cumbersome. Out of the respondents in the survey 116 respondents have opinioned that the legal system is confusing and cumbersome. Only 56 respondents have disagreed this statement. But at the same time 120 respondents have not expressed any opinion. This is so evident because the customers are not fully aware about the legality Cyber centric Financial transactions.

Distribution of Respondents according to Factors influencing the choice of Cyber centric

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S.No	Variable	Rank	WAM	E value	Sig
1	Convenience	1	11.01	4.37	.014
2	Status Symbol	7	6.48	11.94	0
3	Brand of the Bank	5	7.17	3.08	.048
4	Acceptability	2	9.04	0.81	.0448
5	Charges for various facilities	3	8.20	2.11	.0124
6	Distribution Network	4	7.76	3.51	.032
7	Bank Staff Recommendation	11	4.23	3.73	.026
8	Peer Feed Back	9	4.33	4.49	.012
9	Free Credit Period	6	6.59	0.68	.51
10	Credit Limit	8	4.77	4.96	.008
11	Annual fees	10	4.3	4.55	.012
12	Transaction fees	12	4.14	7.11	.001

This table shows the ranking of various variables considered for the study. Out of the variables considered Convenience of using Cyber centric Financial transactions is ranked 1 based on weighted average mean (WAM) of 11.01. This was followed by acceptability of the bank which secures second rank. Among the variables considered less ranked variable includes transaction fees (12), Bank staff recommendation (11) and annual fees (10).The ANOVA result indicates that status symbol and transaction fees were statistically significant.

DISTRIBUTION OF RESPONDENTS ACCORDING TO SPENDING PATTERN THROUGH PLASTIC MONEY

S.No	Variable	Rank	WAM	F value	Sig
1	Groceries	1	5.45	3.46	.033
2	Restaurant bill payment	2	5.4	.51	.6
3	Consumer Durables	5	4.555	.56	.57
4	Electronic	6	4.315	.30	.738
5	Cash Withdrawn through ATM	3	4.965	3.68	.027
6	Hotel accommodation	8	2.94	0.48	.619
7	Airlines/railway tickets	7	3.595	1.07	.344
8	Clothing and Jewelry	4	4.78	.20	.816

This table shows the ranking of variables based on the spending pattern of the respondents in the study area. Even though the shops where possibilities for digital payments are very limited, in spite of that also respondents are willing to avail the facilities of digital payments. Among the variables considered Groceries is considered as 1st rank. The least ranked responses are Hotel accommodation (8), Travel Ticket booking (7). And the important notable point is usage of cards for cash withdrawals through ATMs secured 3rd rank. But only three ATMs are working with cash. All other ATMs are having cash out position on most of the days during the survey period.

MAJOR FINDINGS OF THE STUDY:

- The acceptability of new age payment wallets is not good in the study area. But many of the merchant point's start accepting.
- The study shows more of male respondents agreed that the new phase of facilities are essential than female respondents.
- The age-wise analysis indicates that, out of the total respondents who are using New Phase Financial Activity facilities, which comes to 50% (approx.) majority are in middle age i.e. 31-45 years. This shows that middle and young aged customers are ready to accept the technological advancements.
- The survey further reveals that 127 respondents have opined that they are using the facilities five times in a month. On this 69 respondents who are in this category are in the age group of 31-45 years.

CONCLUSION:

Cyber Centric Financial Activities which was well thought-out to be a luxury has turned into required. The modern technological advancements were considered to be used by higher income group. Among the various financial services rendered by commercial banks and other financial institutions extending their facility to customers through Cyber Centric Financial Activities i.e., net banking, plastic money, mobile banking etc. are important modern day function. These facilities are extended not only to customers in urban areas or cities, but also to customers residing in rural area. But today, with the development of banking and trading activity, the fixed income group or salaried classes have also start using these facilities. But still there may be the criticisms that, it induces more purchases or make the people for spend thrift economy. This may be so in the primary stage, but when once a customer gets used to avail these modern banking facilities they will know how to use the same in a discretionary manner.

On the whole, the paper concludes that, availability of new and modern age facilities in the financial sector are really considered as opportunity in general. But, the same is also considered as a threat in rural areas. Because they are partaking glitches with respect to Cyber centric Financial transactions i.e. functioning of ATM, distribution of network, acceptability of new age payment systems, safety of online transactions etc.

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