

## THE IMPACT OF E-BANKING SERVICES ON A NEW STARTUP IN HARYANA

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### INTRODUCTION

Banks offer a different variety of services to attract and retain customers, including loans, credit facilities, debit cards, digital financial services and personal services. However, a fundamental service provided by many commercial banks in today's digital age is E-banking. Known by various names such as internet banking, virtual banking, e-banking involves using telecommunications and electronic network to deliver various banking services and products with e-banking and customers can access their accounts and perform numerous transaction using their smart phones or computers.

The change of technological revolution has tremendously shifted ways of carrying out business activities in the last decade. The technology in banking service has enabled banks to connect to various business organizations and as such allowing individuals to buy, pay and make other financial transactions electronically. It is indicated that online banking has created new ways under which banks operates, by providing customers with new technologies service that makes business activities more convenient. E-banking Services has therefore, improved customer service level and their customers closer to the bank.

E-banking has brought a great change in Haryana new startup business. The introduction of e-banking has led to the development and growth of economic, political and educational sectors. Every business of our country depends on the banks to make investment, thus making the banking industry the backbone of the economy. In emerging nations, the banking trends have been changing very rapidly. It is recommended that banks offer internet banking services to both domestic and foreign consumers. It has been shown to be a profitable strategy for banks. By offering users an initiative banking system, it has improved relationship with clients. E-banking has become increasingly popular over the years and has provided people with convenient and effective way of managing their finances. However, adoption of e-banking in rural areas may differ from that in urban areas due to various factors such as infrastructure, literacy rate, awareness level of customer.

Startups are one of the most interesting forms of business as they offer unique opportunities for innovation and growth. A strong entrepreneurial spirit lies in the heart of startups, Startups are not about a particular form of organization but these are about a unique culture believing in the importance of failure as opportunities for learning. Startups in their best form are vehicles for entrepreneurial innovations trying to find solution for problems. This paper provides an impact of E-banking services on new startups in Haryana.

### OBJECTIVES OF THE STUDY

The main objective of the study is:

- (1) To determine the influence of E-Banking Services on new Startups in Haryana State.
- (2) To determine the influence of e-banking services on purchase activities of new business in Haryana.

- (3) To determine the influence of e-banking services on sales activities of new business in Haryana.

## REVIEW OF LITERATURE

Namrata Jain (2011) examined that the new information technology is becoming an important factor in the future development of financial services industry, and especially banking industry. Growing international trading and problems in transferring money have motivated researchers to introduce a new structure. Internet banking is such idea. This paper presents a through survey of internet banking describing features, opportunities and challenges before new startup. This paper discusses why internet banking is a very reliable way to manage finances.

Shilpan Vyas (2012) studied that Internet banking is changing the banking industry, having the major effects on banking relationships. Banking is now no longer confined to the branches where one has to approach the branch in person, to withdraw cash or deposit a cheque or request a statement of accounts. In true Internet banking, any inquiry or transaction is processed online without any reference to the branch (anywhere banking) at any time. Providing Internet banking is increasingly becoming a “need to have” than a “nice to have” service. The net banking, thus, now is more of a norm rather than an exception in many developed countries due to the fact that it is the cheapest way of providing banking services.

Mahesh H Trivedi and Vinod B Patel (2013) studied the problems faced by the users of e- banking facilities in India. It is found that most of the customers are aware of the services offered by the banks. The study showed that while using e-banking services, there are various problems or issues have been listed. It is found that some issues impact more and some issues impact less. It is stated that not all the explanations for using e-banking are equally responsible.

Sultan and Deepak Kumar (2014) Internet banking (I-banking) has become part and parcel of an individual's life. But everyone faces some problems at initial or later stage. The present study, which is exploratory-cum-descriptive in nature, attempts to identify the problems faced by customers during the use of e-banking with a sample of 150 respondents selected by using judgment sampling from the Sirsa district of Haryana. Therefore, it is suggested that banks should develop advanced applications or software's which are user friendly and compatible with every electronic gadget and easy to learn by the customers.

Sarala, M S (2016) E-Banking has brought a paradigm shift in banking industry. With the use of internet one can easily access their accounts anytime around the clock through e- banking. It enables growth and development of trade and commerce globally as it ease transfer of funds instantly anywhere around the world. It has brought new dimensions to the business. With the advent of e-banking, the banks have benefitted with less operating cost, less staff requirement and more profit. Consumers are also benefitted with dynamic services, ease of banking anywhere, anytime around the clock.

Marathe (2017) the customer performs bank transaction by visiting the financial institution safe website and enter the online bankability using the customer number and qualifications formerly set up. The financial institution determines the types of business dealings which a purchaser may transact through online banking but frequently includes obtain account balances, a list of the recent sale, electronic bill expenditure and funds transfer between a regular or another account. The issues of Online Banking of the researcher and finding logical solutions to these problems The Author has made a polite donation by creating awareness about the issue and possible solutions to the evils of the online bank region. In prospect therefore the customer has to be aware of login and password to enter

in the web portal of the bank.

L.Ramesh and A. Muthumani (2017) Indian banking industry has witnessed a tremendous development due to sweeping changes that are taking place in the information technology. Electronic banking has emerged from such an innovative development. The objective of the paper is to study and analyse the progress made by Indian banking industry in adoption of new startup. The paper also highlights the challenges faced by Indian banks in adoption of technology and recommendations are made to tackle these challenges.

Sriram and Sai Karthik (2017) opined that after the effect of demonetization, digital cash has been the hotcake among the citizens of India. Digital cash and online transactions in the current market scenario have a great effect on e-banking and digital banking. E-banking comprises mainly of electronic funds transfer and usage of online banking services. Electronic banking was offered by the international banks initially since flow of digital cash was not predominant in the Indian market until the advent of demonetization. E-banking plays a major role in the new business functionality. The paper further tries to discuss some best e-banking practices that are prevailing in the world.

Lakshmi Bhai (2018) reveals that banking sector plays an important role in the development of a country. It is the lifeline of an economy. A strong and healthy banking system is important requirement for economic growth. Indian banking industry, today, is in the midst of an IT (Information Technology) revolution. The implementation of internet in banking organizations has restructured the banks. Ebanking has improved efficiency and convenience; it has also posed several challenges to the regulators and supervisors. The objective of the present paper is to examine and analyse the problems and prospects of Electronic Banking in India.

N. Rajeshwari and J. Arul Suresh (2019), the significant transformation of the banking industry in India is evident from the changes that have occurred in the financial markets, institutions, and products. While deregulation has opened up new vistas for banks to augment revenues, it has entailed greater competition and consequently more significant risks. In the present study based on a survey of perception regarding customer focus on various Issues in E-banking Services in Chennai city, on the basis of the response of 60 respondents, the paper concludes that offer suggestions on the E-banking system, spread and curtails the burden better position concerning technology in the coming year.

Anuj Agarwal (2020) the article is entitled with the advantages and disadvantages of online banking. It is mentioned that the online banking services might differ from bank to bank and from country to country. This article enclosed with the various services offered by the banks around the globe and their pros and cons are explained.

Nayana. B.V and Ms. Susheela (2020) Researched about digital banking problems faced by elderly with special reference Digital banking occupies an important place in a nation's economy. This paper presents an evaluation of the older experience with digital banking with special reference towards Bangalore. 85 samples are collected from the elders, to analyse the needs and challenges faced by this user group when performing sampling test. The study involved 15 questions to answers the elder participates, according to these respondents most of the participant were interested in learning to use digital banking.

M.Karthikeyan and V. Ganapathi (2021) Krishnan Studied about Customer. Satisfaction towards e-banking services it is possible by the use of Information technology in banking sector. In Today's scenario E-Banking service plays a vital role in attracting new customers and retaining old customers. It provided number of benefits to customer in term of easy to use and at least cost of

transactions; it may be either through internet, telephone or other electronic delivery channels. This study helps to know the satisfaction level of customers towards e-banking services provided by Axis Bank.

### METHODOLOGY

The descriptive survey research design was used in this study and the area of the study was Haryana state. The population of the study was 5574 proprietors of registered Small-scale business in Haryana state and the sample size was 324 proprietors of registered Small-scale business. The instrument for data collection was structured questionnaire of 20 items titled E-banking Services and Small-Scale Businesses developed by the researcher. The constructs are made up of 20 items of which 10 items were drowned for each construct. A pilot test was conducted in Haryana State, with 20 selected management staff of registered business. The obtained reliability coefficient was .897. The data were collected by the researcher with the help of six research assistants covering the 3 senatorial zones in the State. Data collected was analyzed using mean, standard deviation to answer the research questions while the null hypotheses were tested using Simple Linear Regression (SLR). The Statistics Package of Social Science (SPSS), 23 was employed to run the SLR at 0.05 level of significant.

### RESULTS

The results of the Research Questions were presented in table 1.

#### Research Question One

What is the influence of e-banking service on purchase activities of small-scale business in Haryana? The analysis of the 7 items used to address research question one revealed the mean scores range from 2.69 to 3.89 with standard deviations of 0.88 and 1.79 respectively. The weighted mean scores obtained were under the index score of agreed. This is also obtained in the grand mean of 3.08 which indicated that respondents agreed with the items that there is significant influence of e-banking service on purchase activities of small-scale business in Haryana.

**Table 1. Descriptive Statistics of Impact of E-banking on New Startup in Haryana**

S.No.	Statement	Mean	Std.Deviation	Ranking
1	The use of e-banking services on purchase management is important to my business.	3.89	1.79	Agree
2	Purchase management is a good technic in e-banking services for customer's satisfaction in my business transactions.	3.19	1.17	Agree
3	Purchase management of e-banking services will encourage small scale businesses investment in Bauchi state and beyond	3.12	1.01	Agree
4	An improvement on e-banking services for purchase management will encourage my investment and other small scale businesses owners.	3.05	1.03	Agree
5	I applied purchase management on e-banking services in my daily transactions	2.86	1.05	Agree
6	Purchase management is important in my business that transacted through e-banking services.	3.13	0.88	Agree
7	Purchase management is influential on e-banking services for smooth running of small-scale businesses.	2.69	0.73	Agree
8	e-banking services is not safe, so I do not use it	2.99	0.81	Agree
9	Most of my procurement is made through e-electronics.	2.76	1.10	Agree
10	E-banking services is safe for my daily transactions.	3.11		Agree
	Grand Mean	3.08		Agree

Source : Fieldwork

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### Positive Impact

The findings of research question 1 which is supported by test of its corresponding null hypothesis revealed that E-banking service has significant influence on purchase activities of small-scale business in Haryana. This study is in tune with Hindu, Onyeukwu and Osuagwu (2015) who in their findings discovered that, there is a significant relationship between quality of service and customer satisfaction in terms of purchase of goods and services. The findings are also related with the finding of Primus (2018) who disclosed that, electronic banking tool significantly affect corporate customers' satisfaction with the probability of e-banking service availability has significant negative effect on satisfaction of corporate customers showing probability of t-statistic. It is found that, there is positive relationship between; automated teller machine, point of sale services, transaction alerts via short message services (SMS), mobile banking and performance of SMEs. Also, in a study conducted by Iravonga and Miroga (2018) found that, SMEs used mobile banking services to send and receive money, check account balance, knowing when to deposit or withdrawal from their bank account.

### CONCLUSION

The current study empirically investigated influence of E-Banking Services on New Startup Businesses in Haryana State. The study established that, E-Banking Services on New Startup Businesses has a significant influence on purchase activities, sales activities, e-banking fraud, financial management and online theft activities. Therefore, the failure of most new startup owners towards using E-Banking Services will reduce drastically as a result of appropriate knowledge on purchase activities, sales activities, financial management, e-banking fraud and online theft activities.

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