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# Adoption Of Internet Banking In Tamil Nadu, India

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***Abstract:***
***Internet banking is popular among the Indian customers nowadays as they find it easy and convenient in bank transactions. Hence the study is done between the private sector bank customers in Tamil Nadu to find out which age group is using the internet banking services more. The study is done on the private sector bank customers of the State as these banks are the pioneers of introducing internet banking in the country. To achieve this objective, a well-structured questionnaire was sent to the customers and 228 had responded to the study. Finally 200 customers were selected as the questionnaire was complete. Multiple Regression analysis was employed to get the results. The analysis showed that there is no significant influence of age on the adoption of internet banking. The study was done only on the private sector bank customers from Tamil Nadu.***

***Key words: Internet banking, customers, private sector banks***

**Introduction:**

Internet banking is becoming part of the life of every bank customer in the world. The customer needs their bank transactions to be fast, safe and convenient. There are three types of banks functioning in the state. They are public, private and foreign banks. The private banks are of two categories, old and new. The new banks had entered into the market after 1991 and they are seven in number. Internet banking services can be classified into two categories:

a)Informational websites
b)Transactional websites

(a) Informational Websites:

Informational websites provide the general information about the bank and its products. On such websites, customers can access all kinds of information, but they cannot transact.

(b) Transactional Websites:

These websites enable the customers to conduct any transaction through the website of the bank. The website provides a wide range of services to the customers. These services are classified into wholesale banking, retail internet banking services, personal banking, etc. Some retail and wholesale internet banking services are commonly offered by all the banks on their websites. The banks offer retail services like account management, bill payment, new account opening, investment/ brokerage services, loan application and approval, account history, etc.Wholesale services include cash management, small business loan applications, business to business payments, employee benefit/ pension administration, etc.

Since the banks are offering various services through websites, the study is aimed to find out which age group is making use of internet banking offered by their banks more.

The "private-sector banks" are banks where more shares are held by the private shareholders and not by government.

Banking in India has been dominated by public sector banks since 1969 when all major banks were nationalized by the Indian government, but are unfortunately burdened with excessive Non Performing assets (NPAs), massive manpower and lack of modern technology. Since liberalization in 1990s, old and new private sector banks have re-emerged. They have grown faster and bigger over the two decades using the modern technology, providing innovations and financial tools and techniques.

The private sector banks are split into two groups by financial regulators in India, old and new. The old private sector banks existed prior to the nationalization in 1969. The new private sector banks are those that have gained their banking license since the liberalization in the 1990s. There are seven new private sector banks now in operation. These banks due to their late entry have access to technology, which in turn helps them to save costs on manpower and provide better services.

OLD PRIVATE SECTOR BANKS IN INDIA

The banks, which were not nationalized at the time of bank nationalization during 1969 and 1980, are known to be old private-sector banks. These were not nationalized, because of their small size and regional focus.Most of the old private-sector banks are mostly restricted to the areas in and around their place of origin.

NEW PRIVATE SECTOR BANKS IN INDIA

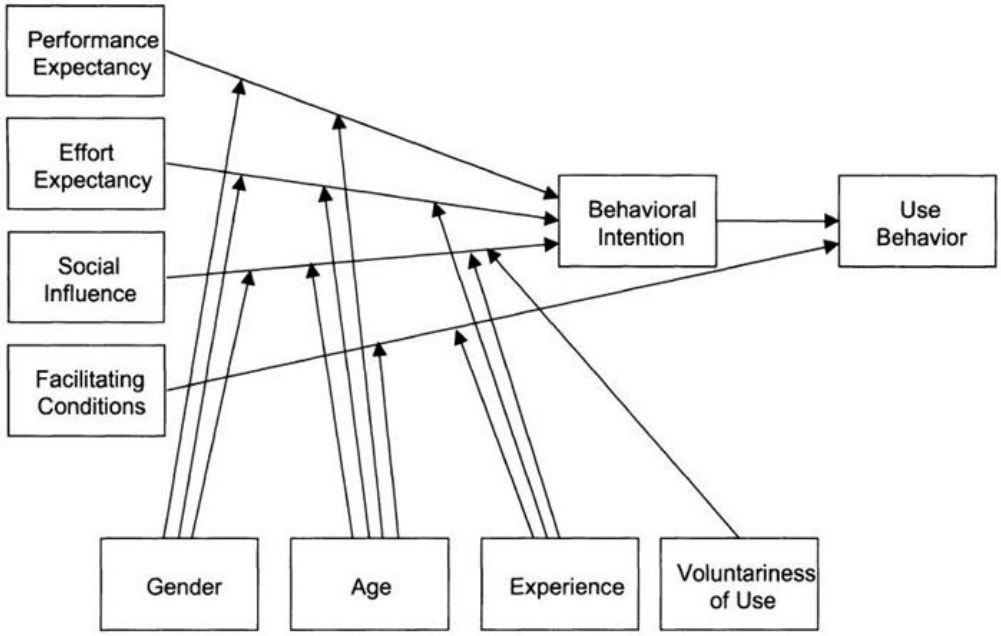
The banks, which came into operation after 1991, with the introduction of economic and financial sector reforms are called as "new private-sector banks". Banking regulation act 1949, (amended in 1993) permitted the entry of new private-sector banks in the Indian banking s sector. The private sector banks play a vital role in increasing business activities through technology for more than two decades. In India private banks are

identified for offering a speedy service through technology to their customers.

The private players, however cannot match the public sector banks' great reach and great size and access to low cost deposits. Therefore, one of the means for them to fight the public sector banks' is only through the technology.

UNIFIED THEROY OF ACCEPTANCE AND USE OF TRECHNOLOGY MODEL

Fig. 1. UTAUT model




(Source: Venkatesh et al 2003)

This model is found to be more comprehensive and robust compared to other technology acceptance models. There are eight popular models developed by different authors and UTAUT model is the integration of all these models. It has four factors namely, Performance expectancy (PE), Effort expectancy (EE), Facilitating conditions (FC) and social Influence (SI). The present study made use of this model and added Trust to these UTAUT factors. Trust is considered to be an important factor in banking transactions, especially when it comes to private sector banks. Also, it is an important factor in the e- commerce. Keeping this in mind it has been included in the study.

Venkatesh et al, (2003) formulated UTAUT model (Figure 1) based on the conceptual and empirical similarities across different technology acceptance models. The theory states that user acceptance and use of technology is explained by four factors, namely PE, EE, SI and FC.

PE is defined as the degree to which an individual believes that using the system will help him or her to attain gains in job performance.

EE is defined as the degree of ease associated with the use of the system. EE refers to the ease of use and self-efficacy. To utilize the system fully, customers should believe that internet banking matches their needs and values. Extensive previous studies have proved to be significant on the perceived ease of use on BI. Self-efficacy (SE) is a direct and powerful determinant of the behavior of an individual on the actual usage of a system or the intention to use a system.

SI is defined as the degree to which an individual perceives that others believe he or she should use the new system.

FC is defined as the degree to which an individual believes that an organizational and technical infrastructure exists to support the use of the system.

BI refers to the individual's decision regarding future system use. This construct was originated from the Theory of Reasoned Action (TRA) by Fishbein and Ajzen (1975). It is defined as a measure of the strength of one's intention to perform a specified behaviour by Ajzen in 1991. Many researchers had shown that BI has a direct impact on the actual usage of a given technology. BI introduced in the technology acceptance model is an extremely important construct in the information management. Due to its importance, it is referred to "as a key criterion in user acceptance research'' by Venkatesh et.al, in 2003. Use behaviour refers to the actual usage of the system.

IMPORTANCE OF THE STUDY

As the UTAUT model is developed to bring about 70 variations in the adoption technology, it was found important to see which age group of customers of private sector banks adoptsinternet banking more. The discussion with the bank managers revealed that the customers above 55 years, who are retired use more than others. Also, it was important to see whether tech savvy customers use more than other customers in Tamil Nadu. Hence the study is done on the customers of different age groups using UTAUT model. If so, what is the important factor in UTUAT influencing them in the adoption of internet banking.

Since the UTAUT model is developed to bring about 70 percent variance in the intention of the adopters, it is decided to find out how much it influences the intention of the customers in Tamil Nadu. So far, no study is done on the adoption of internet banking in the Indian context of the private sector banks based on the UTAUT model, the study is undertaken by the researcher by selecting samples from Tamil Nadu.

NEED FOR THE STUDY

The purpose of this study is to investigate the adoption of internet banking in Tamil Nadu by identifying factors that explain the intention to use internet banking in the light of the UTAUT model in Tamil Nadu context along with trust. By identifying the factors that are most influential, the private sector, banks can be more confident in offering internet banking and remove the barriers

in the adoption from the minds of low adopters. This study may be significant because it will increase the usage of technology and adoption of internet banking and increase the economic values of South Indian private banks in terms of economic transactions.

RESEARCH QUESTIONS

1. Is there a significant influence of different age groups on the adoption of internet banking?
2. Which is more influential factor in the adoption of internet banking in Tamil Nadu by the different age groups?

OBJECTIVES OF THE STUDY

To find out customers of different age groups adopt internet banking of their banks in Tamil Nadu.

To examine which factor is more influential in the adoption of internet banking in Tamil Nadu

HYPOTHESIS

H0: There is no significant influence of age on the adoption of internet banking

METHODOLOGY

The targeted sample was the New Age Private Sector bank customers of South India. While doing the study, suggestions from the bank employees of ICICI, HDFC and AXIS bank were taken to get more insights about the internet banking. A well- structured questionnaire was sent by mail to three hundred customers of different private banks. Simple random sampling is used**.** The present study is descriptive in nature. Hence the primary data were collected from 250 customers of seven new age private sector banks using a questionnaire in Tamil Nadu. Of them, 228 had responded to the study, but 200 questionnaires were found to be complete. It covered both urban and semi urban areas as the banks are functioning in these areas only.

Primary Data: Primary data were collected with the help of the well-structured questionnaire in two stages. In the first stage, a pilot study was carried to test the reliability of the questionnaire. This was done to understand the factors influencing customers and their views about the internet banking. In the second stage, based on the findings of the pilot study, some modifications were made in the questionnaire and it was sent to the customers by mail to gather respondent's demographic profile, usage pattern, services preferred and the factors influencing the adoption based on UTAUT model.

Secondary Data: The secondary data used in this research are the published articles in the area of internet banking from the year 1990 till date. The adoption of various models in different countries has been studied and the studies based on the UTAUT model both outside the country and in the country have been highlighted. The other sources are bank sites, reports and published data from the new age private sector banks, the Reserve Bank of India (RBI), the Central Government, textbooks, journal, newspaper, magazines, internet, brochures

and pamphlets. The reports of other countries also have been used.

SAMPLE PERIOD

The study is done for a period of 6 months from August 2014 to December 2014 from the different parts of the state.

TOOLS USED

Simple percentage analysis is done to find out different age groups of the customers and multiple regression analysis is done to find out the influence of age groups on the adoption of internet banking.

The validity of the tool: Content validity of the questionnaire for this research was ensured through careful selection and adoption of items from previously validated instruments (Venkatesh et al, 2003). The feedback from the pilot study was used to improve the reliability and the quality of the questions in the instrument.

Reliability of the tool: The responses were scored and the correlation co-efficient was found to be 0.6 for the two sets of scores for calculating r ranging between -1 to +1. A reliability test of the pilot study indicates that all factors have exceptional reliability levels with an average of 0.857 and trust achieved a reliability of 0.86 which means the data is reliable and consistent. Table 1.1 indicates Cronbach's alpha (α) values of all question items from this pre-test were above 0.70, suggesting adequate reliability of the questionnaire (Nunnally, 1978).

Table 1.1 Reliability Analysis

| Variables | Cronbach Alpha (α) |
|---|---|
| PE | 0.784 |
| EE | 0.769 |
| SI | 0.792 |
| FC | 0.734 |
| TR | 0.760 |
| BI | 0.707 |

Source: Compiled

VARIABLES USED IN THE STUDY

Performance expectancy**:** In the study, this is measured by four variables, namely make a record of banking transactions, swiftness, not visit bank often and useful for paying bills.

Effort expectancy**:** Internet banking is flexible to use, ease of use and saves time and cost.

Social Influence**:** Family, friends, the working environment and higher status have an influence on the adoption of internet banking Facilitating conditions: Knowledge to use, access to a computer and internet, clear instructions and easy to read and understand facilitate the customers to adopt internet banking.

Behavioural Intention**:** Literature review of previous studies has revealed a number of variables as factors that influences behavioural intention**.** In this study it is measured by PE, EE, SI, FC and Trust.

Trust: Trust is included in the study for two reasons ie. Trust in banks and trust in the technology. As private sector banks are known for technology, the customers trust them more for internet banking adoption. Seven items are included in the Trust towards factors influencing the adoption of internet banking were given to randomly selected 30 consumers. The variables area) operations in e-banking is guaranteed, b) internet banking will provide secure and reliable services, c) my trust in the technology an online bank is using, d) I am not worried about the security of an online bank e) influence of security on using an online bank, f) I trust no money will be lost during transactions because of technology, g) I trust in the ability of the bank to protect my privacy and h) I trust that banks have specialists to detect fraud and theft. The questions are reduced to four in the study as they were found to be inappropriate to the South Indian context in the pilot study. They are: internet banking will provide secure and reliable services, I trust no money will be lost during transactions, I trust in the ability of the bank to protect my privacy and I trust that banks have specialists to detect fraud and theft.

LIMITATIONS OF THE STUDY

The study is done only on the new age private sector bank customers in Tamil Nadu only. Hence the results cannot be generalized.

REVIEW OF LITERATURE

Blakwell et.al, (2006) said demographic profile can be used to predict changes in demand for and consumption of particular products and services by observing the population which is growing in the future.

Age: According to American Bankers Association Study (2010), the popularity of online banking was not exclusive to the youngest customers: but it was the desired banking method for customers under the age of 55. Customers above 55 years of age still prefer to visit their local branches but internet banking was the second favourite way of conducting banking transactions. Datta, (2010) demonstrated that customer adoption of internet banking services depends on jobs related to the internet, education level and their age. It is found out that the elder people with low levels of education are more resistant to adopt these services than other categories. Chauet al,(2010**)** investigated the perceptions, attitudes and behaviour of the youth for internet banking services in Brazil and found that young people (age 16-29) have a more positive attitude towards the adoption than other user-groups. Padachi et al. (2008) in their survey discovered that the younger

generation is used to the new technological advancements as compared to the older generation. Amin (2007) studied the internet banking adoption among young intellectuals and tried to explain the factors influencing undergraduate students´ acceptance based on TAM. He found that though internet banking is fast and easy to use, Malaysians are still reluctant to adopt internet banking because of security and privacy issues. Karjaluoto, (2002); Flavian et al, (2006); said among the demographic variables, age was found to be an important attribute towards internet banking acceptance studies. Alagheband, (2006) asserted that young individuals are more likely to adopt internet banking than older customers. Aimin, et al, (2005) adapted model of website evaluation by Chung Payter, (2002) and found that a negative relationship between age and internet banking adoption among Klang Valley adopters. The study is focussed on demographic factors only and found monthly income and job position had no significant relationship between gender, marital status, ethnic group, level of education with the adoption and also found that family, colleagues and peers influence the most in the adoption decision. Sylvie et al, (2005)found that the customers in the age of below 35 use internet banking because of its outward benefits. In the same year, Vijayan et al (2005), andPerumal and Shanmugam (2004), reported that it is difficult to attract 65+ age group customers towards the adoption of internet banking. Kolodinsky et al, (2004) showed that customers in the middle age were less likely to adopt internet banking than the younger group. Wang et al, (2003) observed that the most of internet banking subscribers are younger generation and the possibility of its adoption amongst mature people is low. Waite and Harrison (2004) and Kerem, (2002**)** revealed that younger adults would be very much attracted to utilize new banking services. Polatoglu et al, (2001); Black et al, (2002); Wilson, (2000**)** said younger customers tend to be more approachable to new forms of distribution channel than older customers.

## ANALYSIS AND INTERPRETATION

Objective of the study

To find out customers of different age groups adopt internet banking of their banks in Tamil Nadu.

The age of respondents who have their bank account with the private sector banks was collected and shown in the Table 1.2. The respondents selected for the study are those who completed 18 years of age as they can open their bank account in any bank. Out of 200 respondents, 58.5 percent of the respondents are between 26-35 years. The results are similar to the studies done Jayawardhena and Foley 2000; Mattila 2001. The results are on the same line of Money life digital Team report, 2012 that 79 percent of the Indian Millennials wish to pay all bills online. The customers in the age group of 46-55 years are 8 percent. Hence it is understood that the typical internet banking user is young as

the literature says. Apart from the customers in the age group of 26-35 years of age who are using more of internet banking, the customers in the age group of above 55 years occupy the second position as their percentage is 13.5. This shows that the older cusomters adopt interent banking as they need not visit the bank and stand in the queue which saves their time. (Table 1.2)

Table 1.2: Demographic profile

| Items | Categories | N | % |
|---|---|---|---|
| **Age (Years)** | 18-25 | 18 | 9.0 |
| | 26-35 | 117 | 58.5 |
| | 36-45 | 22 | 11 |
| | 46-55 | 16 | 8.0 |
| | Above 55 | 27 | 13.5 |
| | Total | 200 | 100 |

Objective 2

To examine which factor is more influential in the adoption of internet banking in Tamil Nadu

Ho:There is no significant influence of age on behavioural intention of the private sector bank customers in adopting net banking based on UTAUT model.

Regression analysis is done to find out which factor is influencing the customers in different age groups to adopt net banking. To start with, the age group of the customers is divided into five categories. A simple linear regression analysis is done in SPSS 18.0 to investigate the hypotheses of this study.

Table 1.3: Regression Analysis for adopters with reference to 18 to 25 years of age on behavioural intention

Model Summary

| Model | R | R square | Adj R square | Std, error |
|---|---|---|---|---|
| | 18-25 years of age | | | |
| **1** | .834[a] | .695 | .658 | .27374 |

The R square is.695 and adjusted R square is.658 which means that 70% of the variance in salary can be “accounted for” by information about PE, EE, SI, FC and TR and remaining 30 % cannot be explained.

| Model | Sum of Squares | Df | Mean Square | F | Sig. |
|---|---|---|---|---|---|

| | | | | | |
|---|---|---|---|---|---|
| **Regression** | 7.165 | 5 | 1.433 | 19.125 | . 000[a] |
| **Residual** | 3.147 | 42 | .075 | | |
| **Total** | 10.313 | 47 | | | |

ANOVACalculations for Behavioural Intention

The ANOVA table also shows that F ratio is 19.125 and p value is <. 05 suggests that the regression model containing these variables is acceptable**.** There is a significant influence of 18-25 years of age, of customers on behavioral intention of the customers and hence the hypothesis is rejected.

Beta Weight Calculations for the Behavioural intention

| Model | Unstandardized Coefficients | Standardized Coefficients | | t. | Sig. |
|---|---|---|---|---|---|
| | B | Std. Error | Beta | | |
| **(Constant)** | 1.063 | 1.826 | | .82 | .564 |
| **PE** | .121 | .038 | .288 | 3.203 | .003 |
| **EE** | .123 | .040 | .286 | 3.101 | .003 |
| **SI** | .089 | .037 | .222 | 2.433 | .019 |
| **FC** | .231 | .033 | .626 | 6.952 | .000 |
| **Trust** | .183 | .055 | .295 | 3.361 | .002 |

It is noted from the above analysis that the most influential factor for the age group of 18-25 years is facilitating conditions as its Beta value is.626 and the t value is 6.952.

Table 1.4 Regression Analysis for adopters with reference to 26 to 35 years of age on behavioural intention

Model Summary

| Model | R | R square | Adj. R square | Std. error |
|---|---|---|---|---|
| | 26-35 years of age | | | |
| **1** | . 836[a] | .699 | .696 | .26594 |

The R square is .699 and adjusted R square is .696 which means that 70% of the variance in behaviour intention can be “accounted for” by information about PE, EE, SI, FC and TR. Remaining 30 percent remain unexplained.

ANOVAsCalculations for Behavioral Intention

| Model | Sum of Squares | Df | Mean Square | F | Sig. |
|---|---|---|---|---|---|
| **Regression** | 67.599 | 5 | 13.520 | 191.159 | . 000[a] |
| **Residual** | 29.068 | 411 | .071 | | |
| **Total** | 96.667 | 416 | | | |

The ANOVA table also shows that F ratio is 191.159 and p value is <. 001 suggests that the regression model containing these variables is acceptable. The hypothesis is rejected because there is a significant influence of 26 -35 years of age, of customers and behavioral intention of the customers.

Beta Weight Calculations for the Behavioural intention

| Model | Unstandardized Coefficients | Standardized Coefficients | Beta | t. | Sig. |
|---|---|---|---|---|---|
| | B | Std. Error | | | |
| **(Constant)** | .214 | .525 | | .408 | .684 |
| **PE** | .140 | .013 | .286 | 10.446 | .000 |
| **EE** | .166 | .011 | .398 | 14.576 | .000 |
| **SI** | .167 | .011 | .417 | 15.184 | .000 |
| **FC** | .165 | .011 | .392 | 14.360 | .000 |
| **Trust** | .162 | .017 | .262 | 9.643 | .000 |

It is noted from the above analysis that the most influential factor for the age group of 26-35 years is social influence as its Beta value is.417 and the t value is 15.184.

Table 1.5 Regression Analysis for adopters with reference to 36 to 45 years of age on behavioural intention

Model Summary

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|---|---|---|---|---|
| | 36-45 years of age | | | |
| **1** | . 871[a] | .759 | .732 | .24852 |

The R square is .759 and adjusted R square is .732 which means that 76% of the variance in behaviour intention can be "accounted for" by information about PE, EE, SI, FC and TR. Remaining 24 percent remain unexplained.

ANOVACalculations for behavioural intention

| Model | Sum of Squares | Df | Mean Square | F | Sig. |
|---|---|---|---|---|---|
| **Regression** | 8.928 | 5 | 1.786 | 28.913 | . 000[a] |
| **Residual** | 2.841 | 46 | .062 | | |
| **Total** | 11.769 | 51 | | | |

The ANOVA table also shows that F ratio is 28.913 and p value is <. 005 suggests that the regression model containing these variables is acceptable. There is a significant influence of 36-45 years of age on behavioural intention of the customers and hence the hypothesis is rejected.

Beta Weight Calculations for the behavioural intention

| Model | Unstandardized Coefficients | Standardized Coefficients | | t. | Sig. |
|---|---|---|---|---|---|
| | B | Std. Error | Beta | | |
| **(Constant)** | -1.952 | 1.437 | | -1.359 | .181 |
| **PE** | .230 | .033 | .516 | 7.045 | .000 |
| **EE** | .125 | .028 | .329 | 4.441 | .000 |

| | | | | | |
|---|---|---|---|---|---|
| **SI** | .164 | .032 | .372 | 5.055 | .000 |
| **FC** | .189 | .037 | .372 | 5.085 | .000 |
| **Trust** | .194 | .042 | .339 | 4.580 | .000 |

It is noted from the above analysis that the most influential factor for the age group of 36-45 years is performance expectancy as Beta value is.516 and the t value is 7.045.

Table 1.6 Regression Analysis for adopters with reference to 46 to 55 years of age on behavioural intention

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|---|---|---|---|---|
| | 46-55 years of age | | | |
| **1** | . 941[a] | .885 | .827 | .18609 |

Model Summary

The R square is.885 and adjusted R square is.827 which means that 89% of the variance in behavior intention can be "accounted for" by information about PE, EE, SI, FC and TR. Remaining 17 percent remain unexplained.

ANOVACalculations for behavioural intention

| Model | Sum of Squares | Df | Mean Square | F | Sig. |
|---|---|---|---|---|---|
| **Regression** | 2.654 | 5 | .531 | 15.326 | . 000 |
| **Residual** | .346 | 10 | .035 | | |
| **Total** | 3.000 | 15 | | | |

The ANOVA table also shows that F ratio is 15.326 and p value is <. 001 suggests that the regression model containing these variables is acceptable.There is a significant influence of customers in the age group of 46 to 55 years on behavioural intention of the customers and hence the hypothesis is rejected.

Beta Weight Calculations for the Behavioural intention

| Model | Unstandardized Coefficients | Standardized Coefficients | | t. | Sig. |
|---|---|---|---|---|---|
| | B | Std. Error | Beta | | |
| **(Constant)** | 3.836 | 2.248 | | 1.706 | .119 |
| **PE** | .105 | .039 | .303 | 2.679 | .023 |
| **EE** | .176 | .059 | .403 | 2.991 | .014 |
| **SI** | .155 | .048 | .356 | 3.224 | .009 |
| **FC** | .171 | .042 | .519 | 4.125 | .002 |
| **Trust** | .014 | .105 | .016 | .129 | .900 |

It is noted from the above analysis that the most influential factor for the customers in the age group of 46-55 years is the facilitating conditions as its Beta value is.519 and the t value is 4.125

Table 1.7 Regression Analysis for adopters with reference to above 55 years of age on behavioural intention

Model summary

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|---|---|---|---|---|
| | Above 55 years of age | | | |
| **1** | . 844[a] | .712 | .670 | .28956 |

The R square is .712 and adjusted R square is .670 which means that 71% of the variance in behaviour intention can be "accounted for" by information about PE, EE, SI, FC and TR. Remaining 29 percent remain unexplained.

ANOVACalculations for Behavioural Intention

| Model | Sum of Squares | Df | Mean Square | F | Sig. |
|---|---|---|---|---|---|
| **Regression** | 7.049 | 5 | 1.410 | 16.815 | . 000[a] |
| **Residual** | 2.851 | 34 | .084 | | |
| **Total** | 9.900 | 39 | | | |

The ANOVA table also shows that F ratio is 16.815 and p value is <. 005 suggests that the regression model containing these variables is acceptable. There is a significant influence of customers of above 55 years of age on behavioural intention of the customers and hence the hypothesis is rejected.

Beta Weight Calculations for the Behavioural intention

| Model | Unstandardized Coefficients | Standardized coefficients | | t. | Sig. |
|---|---|---|---|---|---|
| | B | Std. Error | Beta | | |
| **(Constant)** | -2.661 | 2.215 | | -1.201 | .238 |
| **PE** | .198 | .069 | .291 | 2.883 | .007 |
| **EE** | .240 | .041 | .586 | 5.860 | .000 |
| **SI** | .186 | .042 | .428 | 4.400 | .000 |
| **FC** | .160 | .039 | .394 | 4.118 | .000 |
| **Trust** | .181 | .059 | .294 | 3.083 | .004 |

It is noted from the above analysis that the most influential factor for the age group of above 55 years is effort expectancy as its Beta value is.586 and the t value is 5.86.

SUGGESTIONS AND CONCLUSION

Multiple Regression Analysis showed that there is a significant influence of age on adoption of internet banking in Tamil Nadu. Customers in the age group of 18-25 years are influenced by all the factors in UTAUT except Social influence; and the most influencing is Facilitating conditions. Similarly, the customers in the age group of 26 years to 35 years are influenced by all the factors, and the most influential are Social Influence. The customers in the age group of 36 years to 45 years are performance expectancy. For the customers in the age group of 46 years to 55 years are influenced by Facilitating conditions and customers above 55 years of age are influenced by effort expectancy. It is found that Trust is also influencing but beta value is less compared to other factors. The customers find all the factors influencing them to adopt internet banking and the customers in the age group of 18-25 years and 46-55 years find facilitating condition is influencing them. Hence the other age groups should get the access of internet and computer, and the government should help in this regard.

Customers in different age groups have different perceptions towards the internet banking services. When compared to other age groups, customers in the age group of 26-35 years have a higher

adoption rate of internet banking. Banks should focus on strengthening this customer segment by developing growth strategies for the younger generation, as they seem to be early adopters of technology. Since the market is seeing a shift of this generation to a cashless and a more efficient environment, internet banking has become the future of banking. Banks have to adopt the right strategies to attract different age groups and give more information about internet banking to them. The customers in the age group of above 55 years are reluctant in using internet banking facilities, so attention must be given to those customers and proper training, workshops, dialogues to convince on the usage of internet banking should be given to them. Improving senior citizens' knowledge and experience with computers and the internet will enrich their confidence and adoption of internet banking. They should have hands-on training to develop their confidence and this will help them to have no anxiety with internet banking and reduce their need for personal contact. It is important to conduct campaigns to promote internet banking adoption. Guidance on how to use it should also be provided on websites and at banks, to enlighten customers about the ease and use of internet banking. Banks should implement awareness programs and create positive recall strategies in the minds of those who do not adopt internet banking. The youngest age group may not have good disposable income, so implementing cheaper transaction costs via internet banking should encourage them more towards internet banking. Better marketing and customer awareness would result in better acceptance of internet banking.

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