



**PERCEIVED USEFULNESS AND BARRIERS ON FORMATION OF CUSTOMER ATTITUDE
TOWARDSE-BANKING SERVICES - USING SEM APPROACH**

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ABSTRACT

The current era on management and technology focusses on designing and developing products and services using the best use of available resources of course banking industry are no exception to this. The banking industry in the developing countries focusses on “Paper free transactions” or green channel counter, which means all the maintenance or transactions or exchanges of information, documents, and money, can be transferred electronically through electronic networks rather than paper documents and currencies. In this scenario, electronic banking services play a vital role which facilitates electronic fund transfer, bill payments of utility transfer, etc., through electronic networks using electronic gadgets. The study made an attempt to explore the perceived usefulness and barriers on formation of customer attitude towards adoption of e-banking services using Structural Equation Model approach. The convenience sampling technique was adopted to gather the sample data, who have the bank accounts in Private and Public sector banks. The primary data was analyzed through Structural Equation Model. The findings of the study revealed that, perceived usefulness plays a major role in customer attitude and adoption of e-banking services rather than perceived barrier. However, the effect of perceived barrier can be removed by offering appropriate awareness, infrastructure and training programmes to the potential user to improve percentage of users adopting electronic banking services.

Keywords: *Perceived Usefulness, Perceived Barriers, Customer Attitude, Perceived Effectiveness.*