

PERCEPTION OF BANK CUSTOMERS IN THE ERA OF BANK DIGITALIZATION-A STUDY WITH REFERENCE TO MANGALORE CITY

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Abstract: Banking operations have undergone a significant change as a result of the remarkable advancements in technology and the aggressive integration of information technology. In the banking sector, digitalization has brought about a revolution. Globalization has been the central hub for numerous investigations conducted worldwide. These days, banking is known as "creative banking." One of the most important banking applications of information technology is the creation of substitutes for money transportation services. The digitalization of financial transactions and technological improvements have compelled banks to embrace technology to remain competitive and meet the ever-increasing expectations of their customers.. It is imperative for digital payment providers to comprehend and surpass users' expectations in terms of trust. Ensuring the safety of the backup mechanism in the event of theft or loss is just as important as resolving security and privacy concerns. The main objectives of the study were whether digital payments are necessary, how long they take, and how satisfied customers are with the services they receive.

Key words: Technology, Digital Banking, Customer Perception, Digital Payment

I. INTRODUCTION

The banking industry is crucial to a nation's economic growth. The backbone of any economy is banking. One essential prerequisite for economic expansion is a healthy and sound banking system. The Indian economy has grown significantly in the past few years. A unique and enjoyable client experience is now more crucial in the current environment than merely offering financial services. In order to secure a larger share of the market, the banking sector must comprehend the implicit wants of its customers. The use of the internet in banking institutions has brought about a modernization of the industry. The Indian banking industry is currently embracing the IT revolution. It is becoming more and more important to enhance the services provided by the banking sector. The digitalization of banking has led to significant advancements in the Indian banking sector, primarily because of information technology advances. In today's organizations, information technology has become essential.

The present-day banking industry is extremely competitive. The banks are always being forced to become more customer-focused by the fierce competition. Technology is not only essential for financial inclusion, but it also makes it possible for the banking industry to process payments quickly and easily while performing monetary transactions. In order to make basic banking activities safe, dependable, and reasonably priced for all of their clients, banks provide a wide range of specialized services.

The Indian banking sector has significantly influenced India's economic growth, with positive changes in regulatory standards and customer management. Banks have adapted to competition and customer requirements, while regulators have guided growth through gradual liberalization and benchmarking the domestic system with the best in the world.

II. LITERATURE REVIEW:

In online banking business the automated teller machine (ATM) is the first popular system that was introduced to facilitate the users to access and carry out their banking transactions in minimum time. However, the evidences of various researches show that there is a high association between consumers' usage patterns of ATM and their demographic profiles (Hood, 1979, Murphy, 1983).

In online business, trust, security, and safety are the most challenging issues for the banks. Beside them, building and retaining customers' trust will also become a future challenge for banks, especially in internet banking (Aladwani, 2001).

Neena Brar & Jaspreet Singh (2012) While investigating all the variables and the responses by consumers, this study reveals that the perception of the consumers can be changed and can be made positive by awareness programs, friendly usage, fewer charges, proper security, and the best response to the services offered.

Raja, Joe A. (2012), "Global e-banking scenario and challenges in the banking system." This paper is an attempt to explore the various levels of internet banking services provided by banks using secondary data. It also compares traditional banking systems with net banking. It lists out the various advantages of internet banking and the successful security measures adopted by different banks for secured banking transactions.

Hema Divya and K. Suma Vally (2018) published an article entitled "A Study on Digital Payments in India with the Perspective of Consumers's Adoption." The present paper focuses on the analysis of the adoption level of digital payment systems by customers. Primary data was collected from 183 respondents in Hyderabad. The collected data through the questionnaire was analyzed using the chi-square technique. The study found that the deployment of technology for digital payments has improved the performance of the banking sector and enabled the country to achieve a cash-less economy

III. OBJECTIVES:

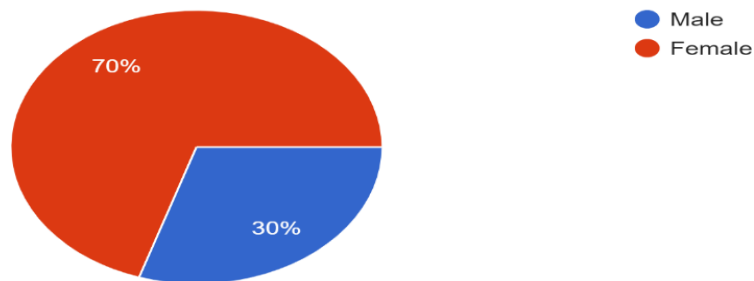
- To ascertain whether clients are satisfied with technology-based banking services.
- To know the factors influencing the adoption and usage of technology in banking.
- To know consumers' perceptions of digital banking.
- To ascertain the degree of consciousness regarding the application of technology in banking.

IV. METHODOLOGY:

A research study was conducted in Mangalore to understand the opinions of 150 respondents regarding the digitalization of banks. Primary data was collected using a questionnaire as the research tool. The survey and questionnaire were administered through Google Forms. The questionnaire was designed based on secondary data obtained from multiple sources. The data has been extracted from various sources, like research articles and authenticated websites.

DATA ANALYSIS AND INTERPRETATION:**Table 1: Gender wise distribution of sample:**

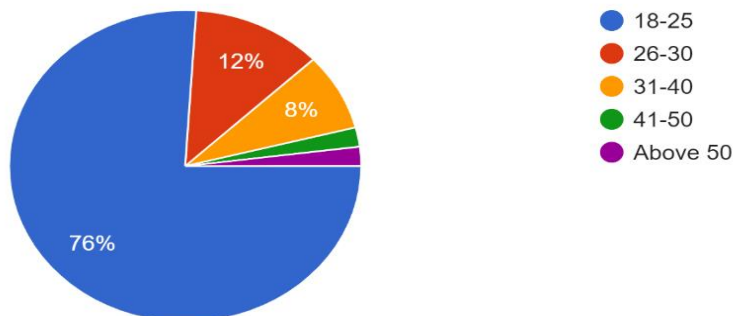
Scale	Respondents	Percentage
Male	45	30
Female	105	70
Total	150	100



As per this table, 70% of the respondents are female and rest of the 30% of them are male respondents.

Table 2: Age wise distribution of sample:

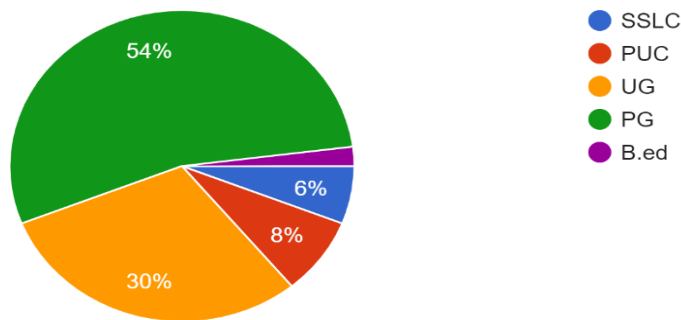
Scale	Respondents	Percentage
18-25	114	76
26-30	18	12
31-40	12	8
41-50	3	2
Above 50	3	2
Total	150	100



According to this table, 76% of respondents are between the ages of 18 and 25, 12% are between the ages of 26 and 30, 8% are between the ages of 31 and 40, and 2% are between the ages of 41 and 50 and above.

Table 3: Educational qualification wise distribution of sample:

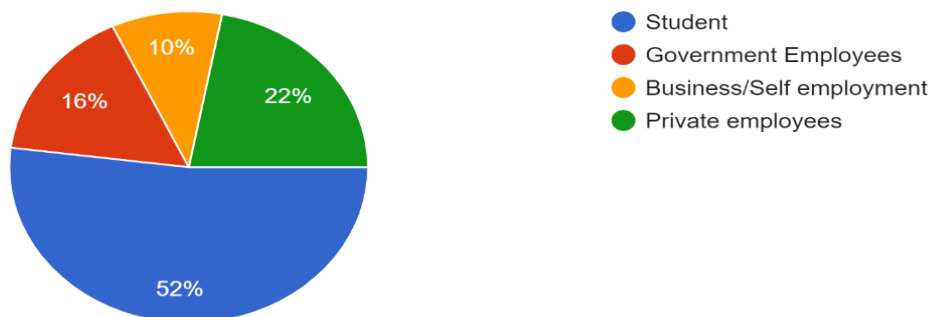
Scale	Respondents	Percentage
SSLC	9	6
PUC	12	8
UG	45	30
PG	81	54
Other	3	2
Total	150	100



As per this table, 6 % and 8% of the respondents are from SSLC and PUC qualification, 30% of them are from UG Qualification, 54% from post graduates and 2% of them have other educational qualification.

Table 4: Profession wise distribution of sample:

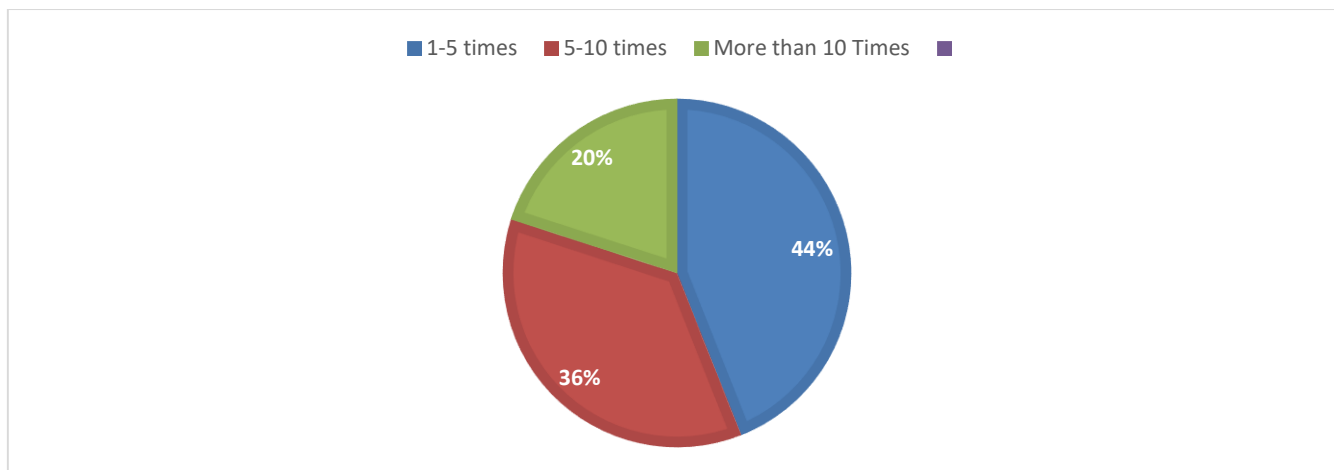
Scale	Respondents	Percentage
Student	78	52
Government employees	24	16
Business/Self employment	15	10
Private employees	33	22
Total	150	100



As per this table, 52% of the respondents are students, 22% and 16% of them are Private and Government employees, 10% of them are self-employed.

Table 5: Utilization of online banking services, including ATMs, online banking, and mobile banking, on a monthly basis?

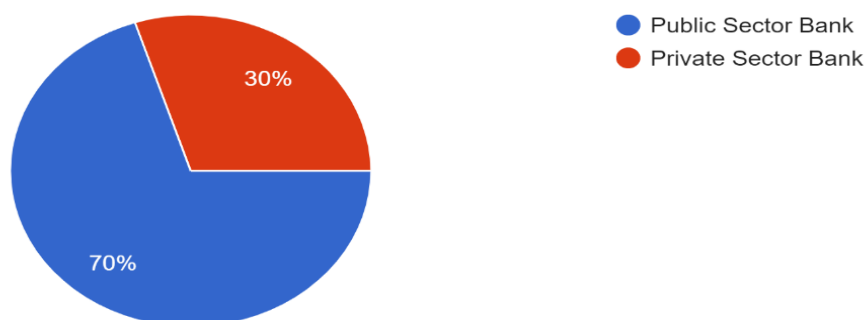
Scale	Respondents	Percentage
1-5 times	66	44
5-10 times	54	36
More than 10 Times	30	20
Total	150	100



According to this table, 44% of them use online banking services between one and five times per month, 36% use them between five and ten times per month, and 20% use them more than ten times each month.

Table 6: The banks regarded as having the most sophisticated technology?

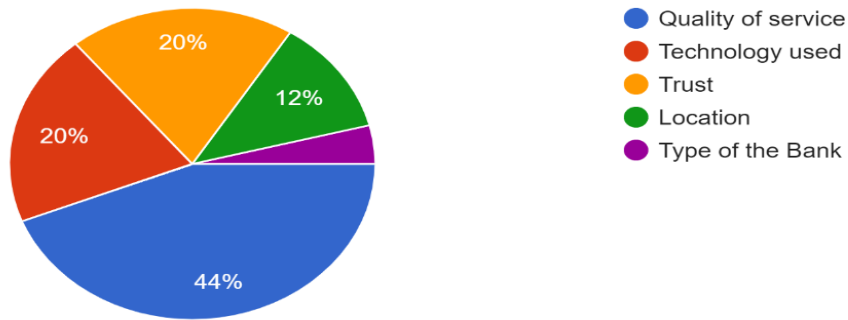
Scale	Respondents	Percentage
Public sector bank	105	70
Private sector bank	45	30
Total	150	100



According to the table, 70% of respondents believe public sector banks to be the most technologically sophisticated, while the remaining 30% believe private sector banks to be the most advanced.

Table 7: Features that the clients use to evaluate the bank

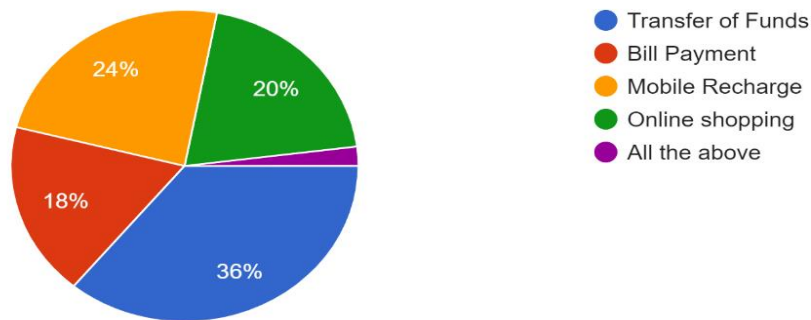
Scale	Respondents	Percentage
Quality of service	66	44
Technology used	30	20
Trust	30	20
Location	18	12
Type of the bank	6	4
Total	150	100



According to this table, 44% of respondents place a high value on the bank's service quality attributes, 20% give a significant value on the technology the bank uses along with the trust factor, and 12% and 4% place a high value on the bank's location.

Table 8: The reason behind using the online banking service

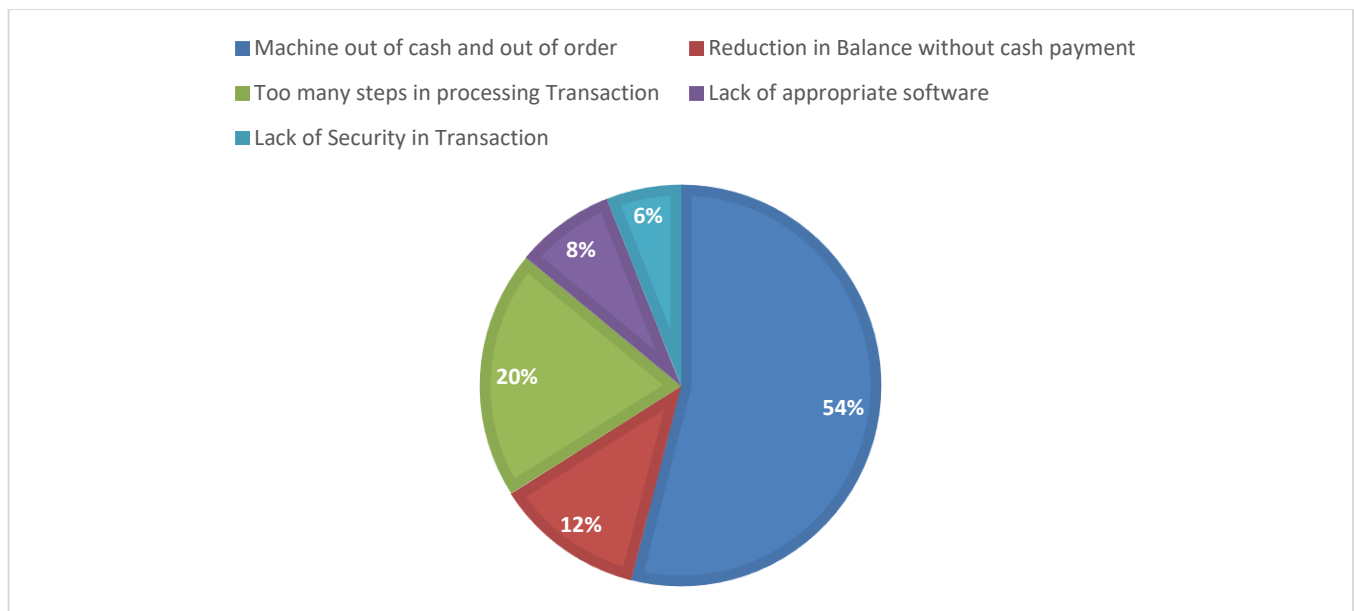
Scale	The reason behind using the online banking service	Respondents	Percentage
	Transfer of funds	53	35
	Bill payment	27	18
	Online shopping	30	20
	All the above	40	27
Total		150	100



Based on the data shown in this table, 35% of the participants utilize e-banking services to transfer money, 18% and 20% use it for online shopping and bill payment, and 27% use all of these services.

Table 9: Issues encountered when using online banking services?

Scale	Respondents	Percentage
Machine out of cash and out of order	81	54
Reduction in Balance without cash payment	18	12
Too many steps in processing Transaction	30	20
Lack of appropriate software	12	8
Lack of Security in Transaction	9	6
Total	150	100



According to this table, 54% of them claim to have dealt with cash-out and malfunctioning machines, 12% with balance reductions without cash payments, 20% with transaction processing steps, and 8% and 6% with inadequate software and transaction security, respectively.

FINDINGS AND SUGGESTIONS:

- It is discovered that most respondents have some awareness of how technology-based banking services are applied in their respective banks.
- The majority of respondents use e-banking to transfer money, and the majority of them have had issues with malfunctioning or cash-out machines.
- Most respondents claimed their bank doesn't have any kind of consumer awareness program, and they are generally happy with the technical services provided by the bank overall and the sufficient number of ATMs.
- The bank should provide comprehensive information about its digital services through workshops, campaigns, and training programs. The banks should engage with clients to expand usage, raise public awareness about electronic banking services, and educate clients about safety precautions to reduce anxiety.

CONCLUSION:

Technology adoption in banking plays a significant role in a nation's economic success. There was a period when some individuals did not have bank accounts or use banks for financial transactions, but things have been improving recently. In order to use technology-based banking services, users today need to have sufficient practical expertise. The banking industry needs to undergo significant modifications in order to prepare its clientele to use online banking services. Therefore, the bank should provide them with awareness campaigns, and the government should take the necessary steps to promote the use of technology-based services.

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