

A STUDY ON TECHNOLOGY AIDED BANKING & FINANCIAL SERVICES AS PER CUSTOMER'S PERSPECTIVES

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Abstract

This paper primarily deals the different types of services provided by banks related to technology and it also analyses the net banking services provided by banks as per customers point of view such as how they learn to use net banking, frequency of net bank transactions and purpose of using net banking and security measures they followed to safeguard their transactions.

Keywords: Technology, Banking Services, Financial Services, Customer's Perspectives.

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Introduction:

In today's world banking services are treated as life blood for all the sectors of economy for commercial as well as personal use. Digital technology made it easy for banking sector to provide all the services to its customers in a simplest and fastest way and help to satisfy them.

By using technology bank provides its customers all the services online that were previously available only at a bank branch and customer had to go bank for each and every transaction even to know account balance also.

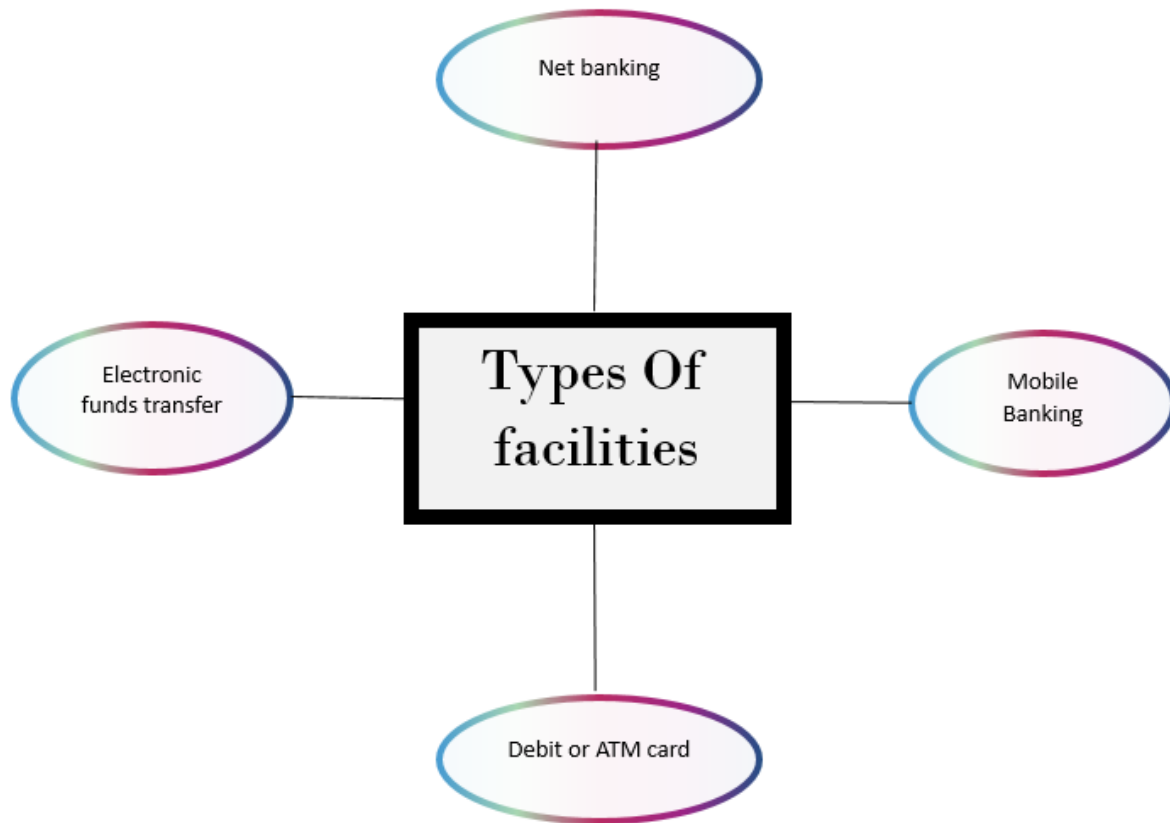
Nowadays customers have no need to physically visit the bank for depositing money, withdrawal of money, to cheque balance, transfer money to other accounts etc.

Technology provides all the traditional products and activities to its customers through online channels that are available 24/7 on mobile phones, computers and compatible smart devices without the need for a customer to present in the bank branch.

It allows the following services:

- Cash withdrawals
- Transfer money
- Checking/savings account management
- Opening a digital bank account
- Loan management
- Bill payments
- Cheques management
- Transaction records monitoring and obtaining bank statement.

Types of Activities Provided by Banks to Customers to Access the Above Services



Net banking: In this if customers have internet connection, he or she can manage his or her bank account virtually. Customers have to first enter login details and user password on bank portal to visit it, during payment and other transactions the bank takes numbers of security measures.

Mobile banking: In this account holders can download bank application on their mobile and can use all digital services provided by bank through mobile.

Debit card or ATM card: It can be used to withdrawal cash from ATM centres and one can make virtual payment for products and services brought through e-commerce or online stores

Electronic funds transfer: It involves to transfer money from one bank account to another with a single financial institution or across multiple institution via computer bases system.

Objectives:

1. To study the awareness of different types of technological services provided by banks.
2. To collect the information from customers regarding using Net Banking from different different perspectives.

Hypothesis:

H0: - Banking sector and customer approach both factors are not necessary for success of technology in banking services.

H1: - Banking sector and customer approach both factors are necessary for success of technology in banking services.

Need & Importance of Research:

There are number of researches on Technological Aided banking services from banks point of view like:

Impact of Technology on Banking Sector

Positive & Negative Effects of I.T. on Banking Sector

Technology added Cost of Administration etc.

But this paper mainly focuses on customer's perspectives. No doubt all the banks currently provides all types of online and digital services to its customers, but whether all the customers can get benefits of it or not, it depends variety of factors like:

Qualification of customer, awareness regarding all net banking transactions, if already customers are using it then how they learned to use it, frequency of using net banking, safety precautions they are taken while doing online transactions etc. so, this paper considered customer approach.

Literature Review:

1. Impact of information technology on the banking sector - Mega D Shetty and Nikhil MLA research Gate 2022:

The purpose of this research was to study impact of IT on all types of banks as India has also adapted the policy of LPG so private banks have already implemented the new and updated Technology but public sector banks are lacking behind. Government must continue to invest in IT and banking transformation

2. Financial Technology and future of Banking -Deniel booby- 18th June 2021:

This paper provides over all changing traditional nature of Banking into digital one. The study presented importance of open banking and proposed 4 strategies to navigate the evolving competitive landscape.

3. A study on role of IT (information technology) in banking sector Dr M Mahesh Kumar Punchet Heamalatha- August 2023:

This research is based on the data collected from respondents in to many parameters and shows IT becomes important part of human life regarding banking transaction. But at the same time, it suggest that there should be some cyber laws to safeguard customers transactions.

Research Methodology:

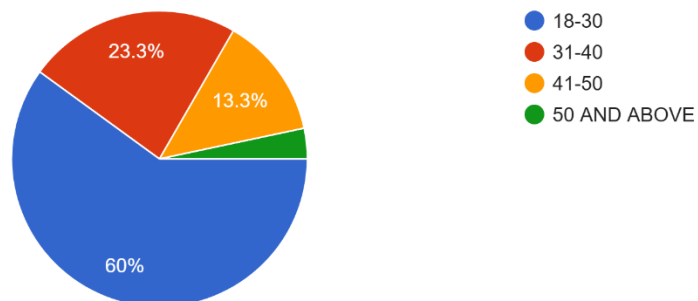
This study is primarily based on primary data. Sources used for collection of primary data were well structured questionnaire and some data were also collected from secondary source that is Google for introduction purpose.

Limitations of Research:

Sample size of research is very small it is resstricted to 30 respondents only .Data collected from respondents belong to urban area and mostly all are educated.

AGE GROUP :-

30 responses



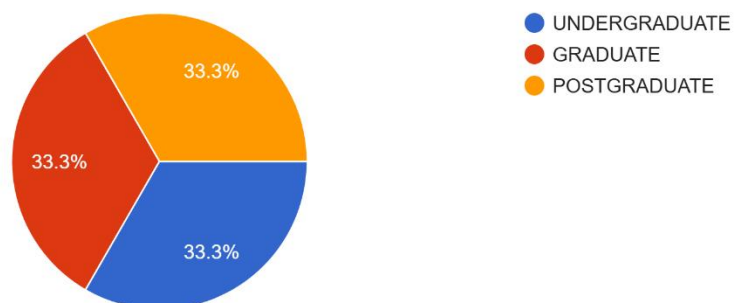
AGE GROUP (YEARS)	PERCENTAGES(%)
18-30	60
31-40	23.3
41-50	13.3
50 AND ABOVE	3.4
TOTAL	100

Analysis:

The respondents of this paper are majority from age group of 18-30 years .i.e.60% and 31-40 years..50 years and above consists only 3.4%. It means this paper shows large portion of feedback of young and middle age group.

QUALIFICATION

30 responses



QUALIFICATION	PERCENTAGE(%)
UNDERGRADUATE	33.3
GRADUATE	33.3
POST-GRADUATE	33.4

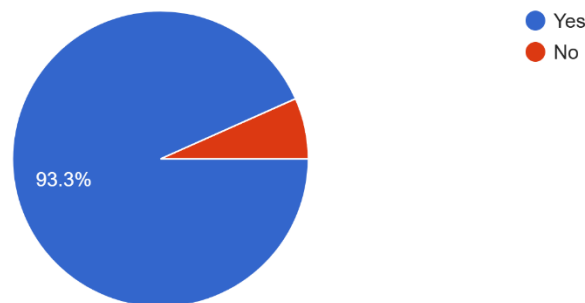
TOTAL	100
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Analysis:

As for as qualification level is considered, there is equal % of under-graduate, graduate and post-graduate respondents. So, it is nice as this paper can show the feedback which will cover all the people having different – different level of qualification.

1.Do you have saving account in a bank ?

30 responses



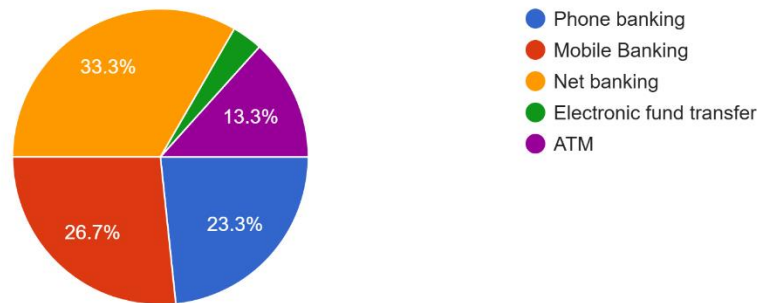
SAVING BANK ACCOUNT	PERCENTAGE(%)
YES	93.3
NO	6.7
TOTAL	100

Analysis:

Almost all the respondents have saving bank account, only 6.7% do not have saving bank account. This means currently our banking sector covers large portion of population and it is also good from investment point of view. As a greater number of people have bank account, savings will be increased and banks can mobilize the money for investment in industries and as a result capital formation will be increased.

2. Do you use the following facilities provided by your bank?

30 responses



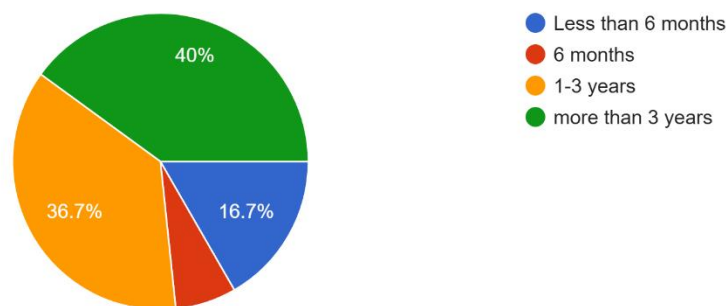
TYPES OF FACILITIES	PERCENTAGE (%)
PHONE BANKING	23.3
MOBILE BANKING	26.7
NET BANKING	33.3
ELECTRONIC FUND TRANSFER	3.4
ATM	13.3
TOTAL	100

Analysis:

Maximum number of respondents are using net banking and 2nd rank goes to mobile banking. As it is easy and convenient for customers to operate their banking transaction on mobile and other compactable electronics devices without going to banks. And minimum share goes to electronic fund transfer.

3. Since how long time you are using NET BANKING facility?

30 responses



TIME SINCE USING N.B	PERCENTAGE (%)
LESS THAN 6 MONTHS	16.7

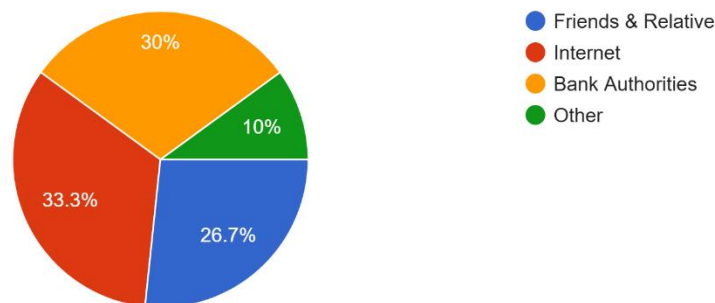
6 MONTHS	6.6
1-3 YEARS	36.7
MORE THAN 3 YEARS	40
TOTAL	100

Analysis:

There are large number of respondents who have using net banking from 3-4 years. It means people are being habitual of it from long time and it is good sign as it shows respondents positive approach towards digital banking.

4.From where you heard about NET BANKING for the first time ?

30 responses



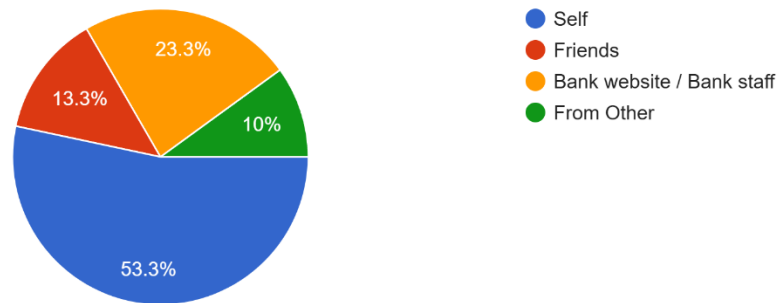
IDEA OF NET BANKING	PERCENTAGE(%)
FRIENDS & RELATIVES	26.7
INTERNET	33.3
BANK AUTHORITIES	30
OTHRES	10
TOTAL	100

Analysis:

33.3% of respondents heard about net banking from internet, friends & relatives that means social media contributed a lot to spread over information in banking sector.

5.How did you learn to use the NET BANKING ?

30 responses



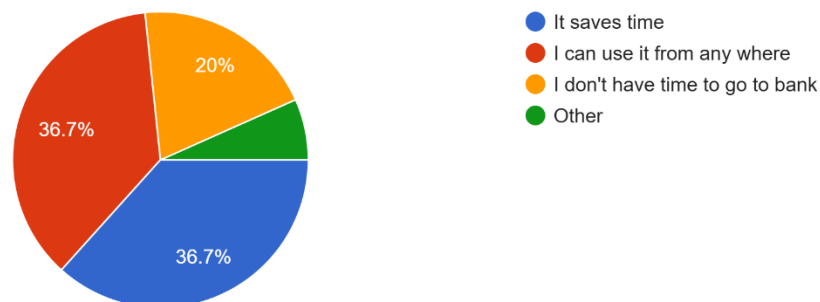
LEARNED TO USE N.B	PERCENTAGE(%)
SELF	53.3
FRIENDS	13.3
BANK WEBSITE/BANK STAFF	23.3
FROM OTHERS	10
TOTAL	100

Analysis:

Majority of respondents learned to use net banking by self-initiative .i.e. 53.3% but the share of banking sector in this process is only 23.3%.

6.Mention the reason due to which you started using NET BANKING?

30 responses



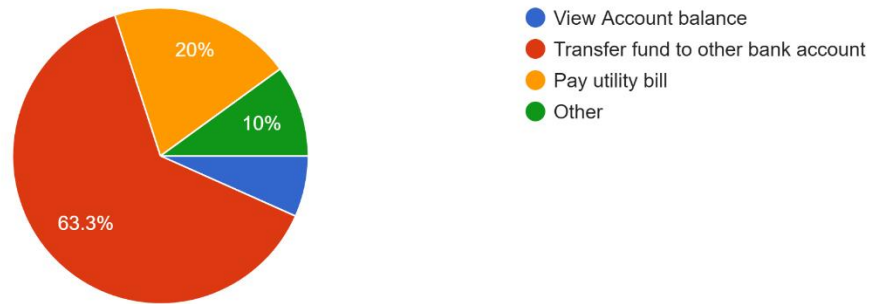
REASONS FOR USING N. B	PERCENTAGE (%)
SAVES TIME	36.7
CAN BE USE FROM ANY WHERE	36.7
NO NEED TO GO TO BANK	20
OTHER	6.6
TOATL	100

Analysis:

The reasons that respondents are using it.i.e. as it saves time and they can be use it from anywhere., both these reasons consists equal share of 36.6%.These are the two factors that contributed to success of net banking a lot.

7.For which purpose you do net banking?

30 responses



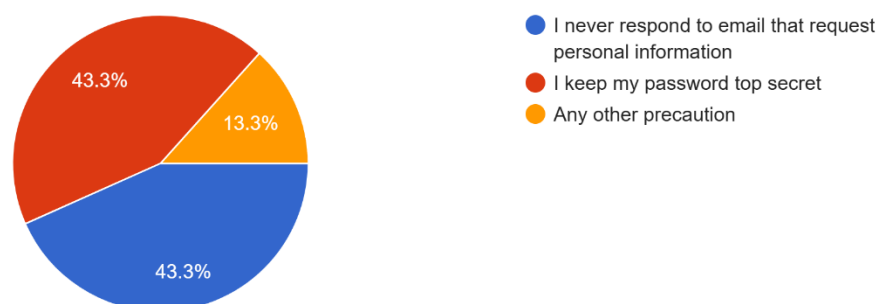
PURPOSE OF USING N.B	PERCENTAGE(%)
VIEW ACCOUNT BALANCE	6.7
TRANSFER OF FUND	63.3
PAY BILLS	20
OTHER	10
TOTAL	100

Analysis:

The majority of respondents are using net banking to transfer of fund (money) to another account and next share goes to pay different-different types of bills like electricity bill, water bill,payment of premium etc.

8.What are the safety precautions you follow while using it?

30 responses



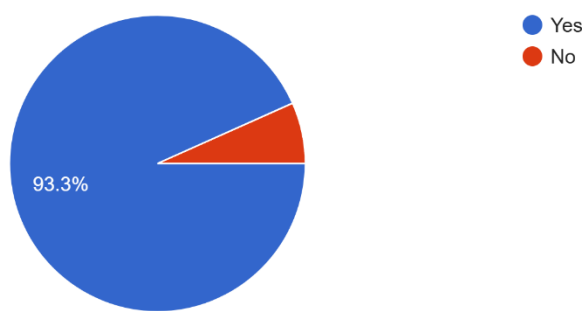
PRECAUTIONS TAKEN	PERCENTAGE(%)
NEVER RESPOND TO E-MAIL FOR PERSONAL INFORMATION	43.3
KEEP PASSWORD SECRET	43.3
ANY OTHER	10
TOTAL	100

Analysis:

As for as safety precautions are considered large percentage of respondents are keeping their password secret and they never share their personal details with others. It seems that all respondents are aware about cyber crime and hackers.

9.Are you satisfied with your internet banking experience?

30 responses



SATISFIED	PERCENTAGE(%)
YES	93.3
NO	6.7
TOTAL	100

Analysis:

93.3% of respondents are satisfied with their net banking experience it that banks are providing their customers efficient and updated services to satisfied them.

10.Give your suggestions for improvement in " INTERNET BANKING " 30 responses

As for as suggestions are considered this paper got mixed responses, some are totally satisfied with banking services and did not give any suggestions.

Some gave suggestions to upgrade software and network issues are very common but the unique suggestion was regarding KYC. One respondent suggests that:

Some processes such as filling and submitting of KYC Form requires us to go to the bank to do the same which is pretty hectic and it should be covered through the online means for even more convenience.

Findings and Conclusion:

As per survey this paper found respondents are mostly from educated class and they are aware of technology aided banking services very well and are also using it for the last 3-4 years, they

learned to use it by their self-efforts with very less support from banking authorities and also taking precautions to safeguard their payment process.

But uneducated class of people left out, as we know still now major share of population is not fully educated. So banks should do something for them. Banks should not only make them aware for digital banking transactions and its benefits but also guide them to download some applications necessary for digital transactions., how to use it, safety precautions they should take to safeguard their transactions etc.

Another initiative that banks should take regarding KYC as one respondent suggest to make the whole process online without visiting to bank.

So, finally this paper concluded with that success of technology in banking sector depends on both factors banks efforts as well as customer approach.

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