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A Study of Digital Services of ICICI Bank

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Abstract: ***Service quality is a measure of how an organization delivers its services compared to the expectations of its customers. Customers service is a response to specific needs. They have certain standards and expectations for how a company's delivery of services fulfils those needs. A company with high service quality offers services that match or exceed its customers' expectations. Digital services are changing the way people do business in the banking industry. Traditional banking systems are being replaced by electronic-based business models, and practically all banks are reconsidering their business process architectures and customer relationship management strategies. It's also known as digital banking or online banking, and it offers a variety of echannels for accessing banking services, such as ATMs, credit cards, debit cards, internet banking, mobile banking, electronic fund transfers, and electronic clearing services. However, in the Indian ebanking landscape, ATMs are more widely used than other e-channels. ICICI Bank is a private sector bank that focuses on its customers. All of ICICI Bank's facilities and services are centered on its customers. This bank is primarily concerned with improving the client experience.***
Keywords: Service Quality, Digital Banking, Internet Banking, Mobile Banking, Digitalization.

I. INTRODUCTION

A long-term relationship between a bank and its customers is a proof of efforts taken to offer high quality services which satisfy customers' demands. Moreover, the customer retention is a must for improving business performance. It is therefore necessary that the banks concentrate their efforts towards improving the quality of their services and satisfying their customers' needs. Phone banking, net banking and mobile banking made available by different banks for easy access. The ATMs have also been installed almost in all areas where previously the banking facilities were hardly found. Also the initiation of smart cards like debit card or credit card, making recharge and bill payments effortlessly while sitting in the comfort of homes and some better offers and discounts are made available to customers as a part of such digital banking facilities. The public sector banks have been in a very stagnant position with a low turnover. But now they have also started to follow the lead of private sector banks in adopting the digital banking system in Indian financial market. From net banking to e-wallets, all of these have been introduced and is being embraced by the public at large.

In India ICICI Bank is one of the largest private bank. As on March 31, 2019, the bank has a network of 4874 branches and 14987 ATMs across India. ICICI Bank was the first to launch internet banking in 1998. It repeated the same feat when it introduced its mobile banking application, iMobile, in 2008, digital wallet in 2015 among many others. Today, the Bank's internet and mobile banking platforms are most comprehensive with over 350 and 250 services respectively. ICICI only introduced the first in iMobile . It is the first and only software robotics algorithm in our country using mobile, 'Money Coach'. It also brings in a paperless KYC and online registration process for mutual funds in a single click, which is a first among banks.

ICICI Bank Limited is an Indian multinational bank and Financial services company headquartered in Mumbai with a Registered office in Vadodara. It offers a wide range of Banking and financial services for corporate and retail Customers through various delivery channels and specialized Subsidiaries in the areas of investment banking, life, non-life Insurance, venture capital and asset management. ICICI Bank has a network of 6,000 branches and 17,000 ATMs across India, and has a presence in 17 countries. The Bank has subsidiaries in the United Kingdom and Canada; Branches in United States, Singapore, Bahrain, Hong Kong, Qatar, Oman, Dubai International Finance Centre, China and South

Africa; as well as representative offices in United Arab Emirates, Bangladesh, Malaysia and

Indonesia. The Company's UK subsidiary has also established branches in Belgium and Germany. The Reserve Bank of India (RBI) has Identified the State Bank of India, HDFC Bank, and ICICI Bank .As Domestic Systemically Important Banks (D-SIBs), which are Often referred to as banks that are "too big to fail".

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Digital Services of ICICI Bank

1) Automated Teller Machine (ATM): These are cash distribution machines, which can be found at banks as well as other places including shopping malls, gas stations, and building societies .
2) Debit Card: A debit card is primarily used for two purposes: making cash purchases and making cash withdrawals. The debit cardholder must have a bank account, and the cardholder's credit limit is set by the amount in their bank account .
3) Smart Card: For the past 25 years, this method has been used. Ronals Monero , a French Journalist, designed it so that the French might use it in their daily work .
4) Mobile Banking: Mobile banking (also known as M banking or SMS banking) is a word for checking balances, making account transactions, and making payments via a mobile device such a phone .
5) Tele Banking Service: This service was created to attract customers who do not have time to visit banks.

II. LITERATURE REVIEW

Sangeeta Mohanty (2011). evaluated and appraised customers' priorities in regard to access the ICICI Bank. The results showed that there exist significant differences between various account services such as current account, saving account, term deposits and demand deposits. It is observed that the people prefer the ATM card services the most followed by phone banking.

Ioansis (2011).The research described the information system security in scope of Internet banking in Greece. The main principle of this research is that even if information system managers and groups have available a variety of security risk management methods, tools and techniques, they may not make an efficient use of them in the process of risk management.

Priya Anand (2013). In this paper author compared the online services offered by the SBI and ICICI Banks in Pune city. It is found that ICICI banks is one of the leading private sector bank in India offering variety of online banking services. It further evaluated and conclude that in last few years, came out as a one of the leading public sector banks providing various online services successfully.

Rajiv et al., (2011). Electronic commerce simply means buying and selling of goods and services on the Internet. In this paper author provided the depth insight about the ecommerce. A wide variety of commerce is conducted on internet which includes electronic fund transfers, supply chain management, internet marketing, online transaction processing and so forth. It is about using the capability of digital technology to understand the requirements of customers and partners to customize the product and services for them.

Abdulaziz et al., (2008). In this research paper authors discuss and examines the end users perception of using internet banking in Qatar. According to author banks are heavily depend on digital technology in order to reduce the huge paper operation cost and provide good services to customers by means of different digital technology.

Farshad et al., (2013). A group of students in their paper points that the number of factors have forced banking and financial institution to change their way of operations. Those factors are increase in competitions, change in business environment, globalization and the advancement of digital technology. Digital Banking is the future of the banking sector. It provides various benefits to the customers.

Gunajit et al., (2010). Authors say that there is a rapid increase in the usage pattern of internet banking across the world. Internet banking allows all banking users to perform the banking transaction digitally as per the convenience. Authors further points that as more and more customers are attracting towards internet banking, it is the responsibility of the banks to focus on providing the highly secured environment to perform the electronic transactions.

Manjula Bai. H. (2019) studied the recent developments in the banking industry in India, to know optimistic and pessimistic influence of mobile banking customers of ICICI. She suggested the bank to educate more to the customers about the mobile banking.

III. OBJECTIVES OF THE STUDY

1) To study the digital banking services by ICICI Bank.
2) To analyze the perception of customers with regard to digital services by ICICI Bank.
3) To study the challenges of digital banking services.

IV. RESEARCH METHODOLOGY

The research method of the study is exploratory. As on data, the researcher selected Jodhpur district.

Sample Design: Sample of Digital services of ICICI bank

There is no specific data is available regarding digital services user of ICICI bank, the selection of the prospective respondents are done on the basis of deliberate Sampling. Out of data the researcher has decided to select 200 respondents randomly

Data Collection

The study was based on primary data.

The primary data has been collected with the help of Observation, Field Survey, Well Structured Questionnaire and Personal Interview. Data Analysis and Interpretation

Summary Profit and Loss Statement (as per standalone Indian GAAP accounts)

₹ crore

	FY2023	Q4-2023	Q3-2024	Q4-2024	FY2024
	Audited	Audited	Unaudited	Audited	Audited
Net interest income	62,129	17,667	18,678	19,093	74,306
Non-interest income	19,883	5,127	5,975	5,930	22,949
- Fee income	18,001	4,830	5,313	5,436	20,796
- Dividend income from subsidiaries/associates	1,784	273	650	484	2,073
- Other income	98	24	12	10	80
Less:					
Operating expense	32,873	8,928	10,052	9,703	39,133
Core operating profit[1]	49,139	13,866	14,601	15,320	58,122
Total net provision	6,666	1,619	1,050	718	3,643
- Contingency provisions[2]	5,650	1,600	-	-	-
- Other provisions	1,016	19	1,050	718	3,643
Profit before tax excl. treasury	42,473	12,247	13,551	14,602	54,479
Treasury	(52)	(40)	123	(281) [3]	9 3
Profit before tax	42,421	12,207	13,674	14,321	54,488
Less:					
Provision for taxes	10,525	3,085	3,402	3,613	13,600
Profit after tax	31,896	9,122	10,272	10,708	40,888

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1) Excluding treasury
2) The Bank continues to hold contingency provision of ₹ 13,100 crore (US$ 1.6 billion) at March 31, 2024
3) The treasury loss during Q4-2024 due to transfer of negative balance of ₹ 340 crore (US$ 41 million) in Foreign Currency Translation Reserve related to Bank's Offshore Unit in Mumbai to profit and loss account in view of the proposed closure of the Unit 4. Prior period numbers have been re-arranged wherever necessary

Summary balance sheet

₹ crore

	31-Mar-23	30-Sep-23	31-Dec-23	31-Mar-24
	Audited	Unaudited	Unaudited	Audited
Capital and liabilities				
Capital	1,397	1,401	1,403	1,405
Employee stock options outstanding	761	1,078	1,243	1,405
Reserves and surplus	1,98,558	2,13,570	2,24,191	2,35,589
Deposits	11,80,841	12,94,742	13,32,315	14,12,825
Borrowings (includes subordinated debt)	1,19,325	1,16,758	1,26,871	1,24,968
Other liabilities and provisions	83,325	93,231	97,199	95,323
Total capital and liabilities	15,84,207	17,20,780	17,83,222	18,71,515
Assets				
Cash and balances with Reserve Bank of India	68,526	66,221	64,869	89,712
Cash and balances with Reserve Bank of India	50,912	43,241	34,459	50,214
Investments	3,62,330	4,13,253	4,36,650	4,61,942
Advances	10,19,638	11,10,542	11,53,771	11,84,406
Fixed assets	9,600	10,166	10,354	10,860
Other assets	73,201	77,357	83,119	74,381
Total assets	15,84,207	17,20,780	17,83,222	18,71,515

Prior period figures have been re-grouped/re-arranged wherever necessaryCertain statements in this release relating to a future period of time (including inter alia concerning our future business plans or growth prospects) are forward-looking statements intended to qualify for the 'safe harbor' under applicable securities laws including the US Private Securities Litigation Reform Act of 1995.

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Such forward-looking statements involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements.

These risks and uncertainties include, but are not limited to statutory and regulatory changes, international economic and business conditions, political or economic instability in the jurisdictions where the Bank has operations or which affect global or Indian economic conditions, increase in nonperforming loans, unanticipated changes in interest rates, foreign exchange rates, equity prices or other rates or prices, our growth and expansion in business, the adequacy of our allowance for credit losses, the actual growth in demand for banking products and services, investment income, cash flow projections, our exposure to market risks, changes in India's sovereign rating, as well as other risks detailed in the reports filed by us with the United States Securities and Exchange Commission. Any forward-looking statements contained herein are based on assumptions that the Bank believes to be reasonable as of the date of this release. ICICI Bank undertakes no obligation to update forward-looking statements to reflect events or circumstances after the date thereof. Additional risks that could affect our future operating results are more fully described in our filings with the United States Securities and Exchange Commission. These filings are available at www.sec.gov

V. CHALLENGES OF DIGITAL SERVICES

1) Security many people shy away from digital banking due to security reason. People worry about this aspect as they read this kind of news about cybercrime in newspapers daily**.**
2) Difficult for First Time Users navigating through a website of bank may be hard for first time users.
3) Regulation and Legalities digital banking makes it possible for the banks and their customers to do their business from anywhere in the world.
4) Fear of Online Threats conservative Indian bank customers used to deposit their hardearned money of years in bank accounts for the purpose of saving.
5) Low Broadband Internet Penetration India has one of the lowest broadband connectivity penetration rates in Asia as compared to Japan, Taiwan, Korea and Singapore .

VI. SUGGESTIONS

Phone banking, net banking and mobile banking made available by different banks for easy access.

1) From this ICICI Bank the customer will get various digital banking services like ATM, debit card, credit card, mobile banking and Tele banking services.
2) This services can axis from mobile phones.
3) This digital banking services will satisfy the customer service and demand
4) To get this digital banking services the customer should follow some rules and policies .
5) Customer should follow some security policies toward this digital banking services.
6) In today world 99% people are using this digital banking services.
7) It is one of the easiest method to develop this digital world.

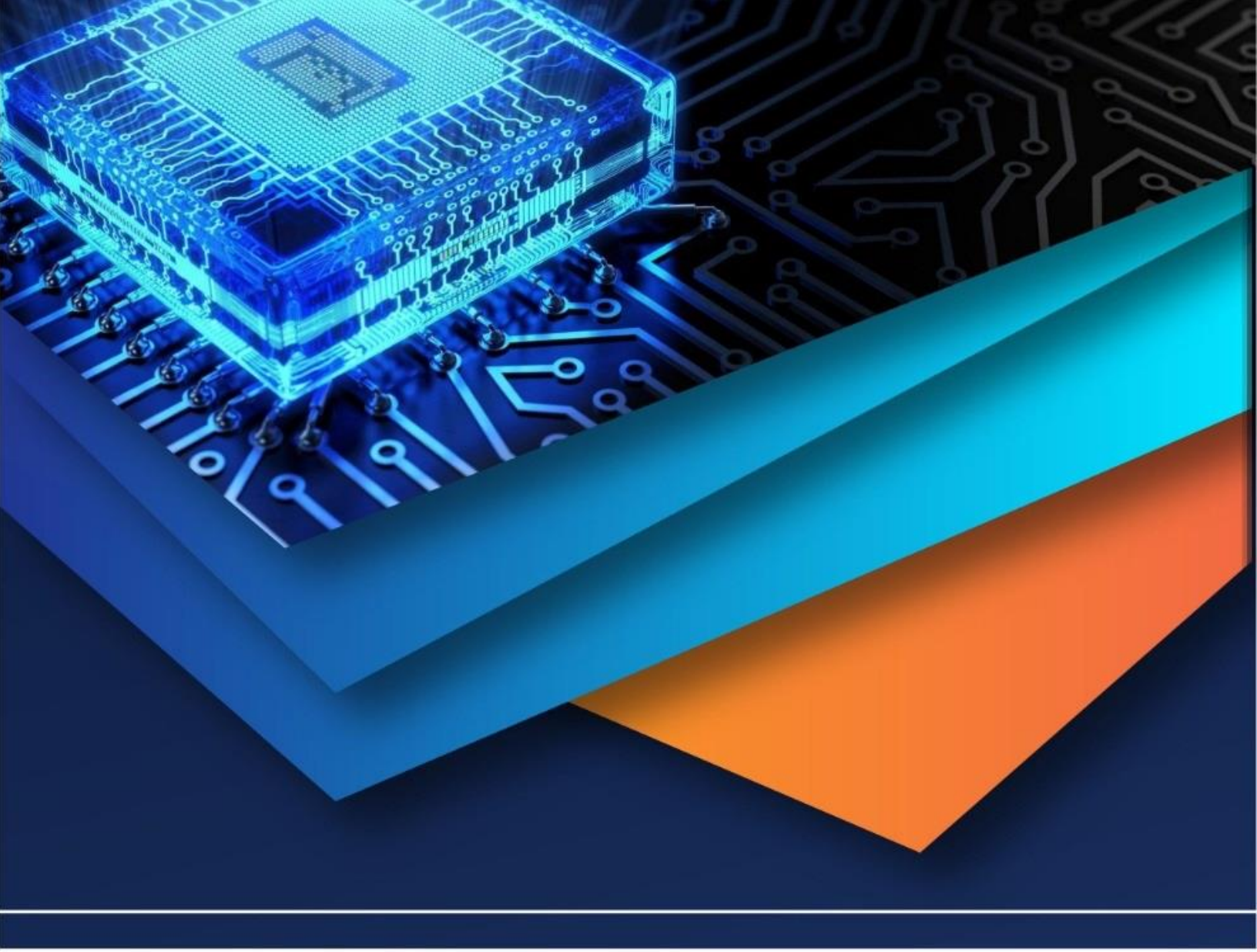
VII. CONCLUSION

Digital banking resulted as the commercial bank's policies and service products are to be more integrated because of the number of branches declined due to the visit of customers to branches declined. So, employees had to change work processes and developed knowledge and skills especially relating with digital technology, even though employees perceived that the some customers were not ready to adopt the digital banking service. As a result, the digital banking provided customers convenience which saving cost and time. These were the most influential aspects of customer service. ICICI Bank has played a
pioneering role in the digital transformation of the financial services industry in India. The preceding analysis empirically confirmed the many elements of the ICICI bank's services, as well as consumer views of such services.

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