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Consumer Perception on Influence of Technology in Banking Sector

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Abstract: ***This study seeks to understand how respondents view various technological aspects of e-banking, such as ATM services, Internet banking services, telephone banking services, and mobile banking services, and how these aspects affect the banking activities of both public and private sector banks.***
Keywords: Customer perception, E-Banking, Banking Sector, Motivational factor

I. INTRODUCTION

A bank is a type of financial institution that offers its clients banking and other financial services. Generally speaking, a bank is a business that offers basic banking services like receiving deposits and disbursing loans. The legal definition of a bank does not apply to all nonbanking institutions that offer certain banking services. A portion of the financial services sector includes banks.

A banking system is also known as a system offered by the bank that provides customers with cash management services while continuously reporting the transactions of their accounts and portfolios. The Indian financial system should not only be trouble-free but also be prepared to handle any new challenges brought on by technology and other internal and external forces. India's banking system has a number of noteworthy accomplishments during the past three decades to its name. The primary players in India's financial sector are the banks. Customers of the banking industry have access to a number of facilities and opportunities.

The Function of Technology in the Banking Sector The banking industry has embraced technology as a way to serve customers more quickly and efficiently. The banking sector has transformed from paper-based and branch-based banks to "digitised and networked banking services" as a result of emerging technologies.

Daily interactions and corporate transactions are being transformed by digitalization, and global financial services will continue to be impacted by developments in banking technology. The whole banking sector is changing due to millennials and Gen Zers' growing need for a digital banking experience.

One of India's most influential industries, the banking sector contributes significantly to the growth of a nation's GDP. Because of its constant performance in the industry, India's banking system is very important both in Asia and globally. Also, this industry offers many career chances for up-and-coming young talents. In India, there are a number of banks.

Top-ranking companies The Bank of Baroda, State Bank of India, Canara Bank, Punjab National Bank, HDFC Bank, ICICI Bank, Kotak Mahindra Bank, Citibank, Standard Chartered Bank, HSBC Bank, ABN AMRO Bank, American Express, and others are the prominent participants in the Indian banking sector.

The financial sector of an economy makes the largest contribution to its growth. Bank assets increased in all industries in 2020–2022. In 2022, the total assets of the banking industry (including both public and private sector banks) rose to US$ 2.67 trillion.

The combined assets of the public and private banking sectors were respectively $1,594.41 billion and $925.05 billion in 2022.

The Public Credit Registry (PCR), a sizable credit data base open to all stakeholders, has been established by RBI. It is anticipated that the passing of the Insolvency and Bankruptcy Code (Amendment) Ordinance, 2017 Bill will boost the banking industry.

The gross loan portfolio (GLP) of the microfinance sector increased by 10% to Rs. 2.85 trillion (US$ 36.42 billion) in FY22.

The government's main initiative for financial inclusion, the Pradhan Mantri Jan Dhan Yojana (PMJDY), opened 45.60 crore bank accounts as of June 1st, 2022, and there were 1.68 trillion rupees (US$ 21.56 billion) in deposits in these accounts.

II. REVIEW OF LITERATURE

Laukkanen and Tommy (2007) The purpose of the article is to investigate and contrast how customers perceive the value of online and mobile banking. According to the findings, customer value judgements in relation to banking actions vary between online and mobile channels. According to the results, efficiency, convenience, and safety are key factors in deciding how customers perceive online and mobile banking differently.

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Understanding the value that various service channels offer to customers helps service providers better devise strategies to increase the use of internet and mobile banking. The paper's contribution consists in developing a deeper knowledge of how consumers view the value of online and mobile banking.

Kumar. N. and Rama (2008) analysed that the innovation of the twenty-first century is retail banking. Retail banking has expanded quickly in India. A banking service known as "retail banking" is one that is primarily targeted towards individual clients. It is solely concerned with consumer markets. Individual consumers use nearby branches of larger commercial banks when they engage in retail banking, which caters to the mass market. Retail banking services include checking and savings accounts, mortgages, personal loans, debit and credit cards, etc. It looks after the many financial services and products for individual consumers. It offers private customers financial goods and services. The features of retail banking include a variety of products, channels, and clientele. In terms of their business structure, retail banks make up the majority of Indian banks.

Goswami, Divakar; Raghavendra, Satish. (2009) Research is being done to find out what possibilities mobile banking offers to both banks and cell carriers. After the secondary research, the paper offers a critical assessment of partnership model best practises. Banks and mobile carriers have tentatively tested these waters, but many of the solutions that came as a result were costly for the banks and mobile carriers and less than alluring for their clients. Ineffective partnering models that businesses inevitably fall into when they work to build mobile banking are weeded out, and the secrets to successful collaborations are revealed in this research.

Adelowo Solomon Adepoju, Mohammed Enagi Alhassan, (2010) claims that as time has passed, customers have grown accustomed to and trusted the Automatic Teller Machine (ATM) to effortlessly meet their banking demands. Nonetheless, ATM fraud has increased significantly in recent years both nationally and internationally. Financial institutions must manage the risk of ATM fraud while also minimising its effects because fraud techniques have improved along with an increase in incidents. There are numerous Electronic Funds Transfer (EFT) devices that are susceptible to fraud assaults, including ATMs. This study used empirical research to examine instances of ATM usage and fraud in a few banks in Minna. The research analyses the most frequent types of ATM fraud, as well as how, where, and when they occur. It then offers security recommendations that should be followed by both banks as financial institutions and ATM users in order to completely eliminate or drastically minimise these frauds.

Traynor P., Amruta C., Rao V., Jaeger T., McDaniel P., Porta T. L., (2011) To accountable devices, from mobile phones Simple voice terminals transformed into powerful general-purpose computing platforms as mobile phones advanced. Mobile devices expose their own apps and the telecoms infrastructure to a number of fresh dangers through such vectors. The prerequisites for providing efficient mediation and access control for mobile phones are examined in this research. The influence of cellular network and Internet convergence on efficient resource management and service quality is then covered. These findings lead us to propose user devices with predictable network behaviour, where their trusted computing bases can safeguard critical applications and have predicted network impact. We show that there are numerous unmanaged processes on mobile phones and that control of these mechanisms is essential to achieve dependable use through a pair of vulnerabilities and a simulated attack on a cellular network.

Dasgupta Siddhartha, Paul, Fuloria &Sanjay (2011). The purpose of the study was to comprehend Indian customers' behavioural intentions about the use of mobile banking. To ascertain the degree of influence the antecedents have over the behavioural intentions of using mobile banking, research techniques like the factor analysis and a multiple regression analysis were conducted. The study's findings demonstrated that, in addition to more conventional variables like perceived usefulness and perceived ease of use, perceptions of factors like perceived image, perceived value, self-efficacy, perceived credibility, and tradition all have a big impact on people's intentions to use mobile banking.

Archana Sharma (2011) This study looks at how consumers are embracing mobile banking as a brand-new form of electronic payment. It also focuses on the numerous elements that have an impact on India's adoption of mobile banking. Data was gathered and divided into two main categories for the study's research methodology: primary data and secondary data. The secondary data were gathered from a variety of other research publications as well as newspapers, journals, magazines, and the internet. In the case of questions, both users and non-users of mobile banking, such as businesspeople, servicemen, professionals, students, etc., were the target audience. The survey that was done in Ghaziabad, Uttar Pradesh, India, was the study's main source of data. A total of 100 respondents took part in the study, helping to gather information on how mobile banking is used. In the research, projections might be made based on the data acquired.

Tenkasi Taluk & Devasena, S Valli, (Jan 2012) The banking system is the foundation of the economy, and information technology (IT) has replaced the banking system as the foundation of banking operations. With the ever-increasing obstacles and requirements, technology, which was previously supporting the banking industry, has moved to the front. Initially serving as a business enabler, technology is now a business driver. Without IT help, the banks would never consider launching a financial product.

Whether it be customer service, transactions, remittances, audit, marketing, pricing, or any other activity in the Banks, IT plays a crucial part in completing the activity with high efficiency as well as having the potential to innovate and meet future requirements. The banking industry was a pioneer in embracing new technology, and as such it served as a model for other sectors on the necessity of choosing automation in order to maximise operational efficiency.

Palani and Yasodha P. (Apr 2012) The study paper focuses on how customers view the mobile banking services provided by Indian Overseas Bank as well as the many factors that influence mobile banking customers. The findings of this study indicated that the consumers' gender, level of education, and income are significant factors in how frequently they use mobile banking. Due to the fact that most studies are centred on the adoption of mobile banking technologies, few studies have been done on people. The study demonstrates that customers' desire to use mobile banking would increase if skills among them can be increased. In comparison to other aspects, some characteristics such as security trust, gender, education, religion, and price can have a little impact on consumers' attitudes regarding mobile banking.

Kalaiarasi, H & Srividya, V. 3 (Jul-Sep 2012) As an addition to the current banking channels, mobile banking offers quick and affordable financial services wherever you are. Just 5% of mobile customers in India are registered mobile banking users, despite the country's significant potential in this area. It can be more difficult to keep current mobile banking customers than to draw in new ones (2009). The current study thus concentrates on the variables affecting the actual utilisation of mobile banking services. The findings demonstrate that Indians' use of mobile banking is impacted by the technology's simplicity, lifestyle compatibility, and advantages including mobility and mobile transactions. Customers' perceptions of the security of mobile transactions and privacy concerns, however, discourage real usage.

III. OBJECTIVE

To understand the significance of technology utilisation in the banking sector. To examine how technology is used and how it affects the banking industry. To comprehend how customers feel about using technology, how they perceive it, and to what extent. Based on the study's findings, to recommend some steps to enhance customer service through technology.

IV. METHODOLOGY

The core data were acquired directly from the sample customers through a well-designed questionnaire in Vadodara city. The study is concerned with how customers perceive online banking services offered by public and private banks. For the objective of conducting a literature review, secondary data were gathered from books, journals, research articles, and magazines. Convenience For the investigation, a sampling method is employed. There are 202 bank customers in the sample. A graph was utilised to examine the data using the percentage technique. Data was displayed using tables and graphs.

V. ANALYSIS

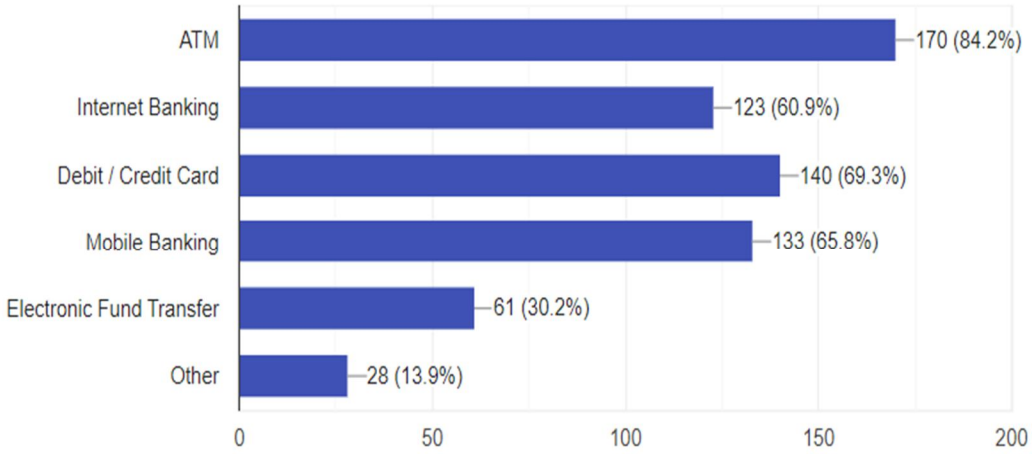
Table 1. Demographic Profile

	N	Minimum	Maximum	Mean
Age Of Respondents	202	18	51	22.88
Occupation Of Respondents	202	0	4	3.41
Income Of Respondents	202	1	5	1.72
Gender Of Respondents	202	1	2	1.53
Family Type of Respondents	202	1	2	1.54
Valid N (listwise)	202			

As per the analysis we find that most of the people who use the E-banking they are youngsters. It means Age between 20-30 who are most use the method of e-banking. That's why most of the people who using E-banking they are students. Their age is below 25 so their income is less than 15000 because most of the students are not working. Female and male both are equally participate to increase internet banking. As per our analysis joint family are less than nuclear family that's why people save their money as well as use financial services provide by bank like loans, deposits, shares, etc…. as per the analysis we find most common things that are in nuclear family more than one people earn money. Most of the people who do business they are from joint family.

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Services provided by bank



Banking sector provide so many services we have selected 5 services for data collection and we analyse that Most of the people use the banking services is ATM, After that credit/debit card, after that mobile banking and internet banking. ATM is the services which is most use by the people 170 out of 202.

Table 2. Level of satisfaction about E-banking

	N	Minimum	Maximum	Mean
E-Banking is easy and safe	202	1	5	3.76
E-Banking save our time	202	1	5	3.81
help of internet banking people not carry more money and safe for the theft	202	1	5	3.68
People Easily withdrawn Money in ATM	202	1	5	3.78
Credit Crard is usefull for get good discount of any product	202	1	5	3.37
Valid N (listwise)	202			

We analyse that most of the people is agree with e-banking is easy and safe. E-banking save our time. with the help of ATM people do not carry more money and safe for the theft. With the help of ATM people easily withdrawn money at any time. Credit card is more use full for Doing payment and get good discount.

Table 3. Most Use Payment Method by the Respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Google pay	114	56.4	56.4	56.4
	Paytm	31	15.3	15.3	71.8
	Phone pay	33	16.3	16.3	88.1
	Credit Card	8	4.0	4.0	92.1
	Cash	16	7.9	7.9	100.0
	Total	202	100.0	100.0	

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We find through our analysis google pay is the most useable method in e-banking there are so many methods but goggle form if most use full.

Table 4. Bank Method followed by Respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Traditional Method	35	17.3	17.3	17.3
	E-banking	167	82.7	82.7	100.0
	Total	202	100.0	100.0	

There are 82.7% of people use e-banking & 17.3% of people use traditional method. With the help of analysis understand that most of the people in Vadodara use E-banking.

Table 5. E-Banking suggest Other by Respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	no	24	11.9	11.9	11.9
	yes	178	88.1	88.1	100.0
	Total	202	100.0	100.0	

On the basis of analysis, we understand that in the Vadodara 88.12% people are ready to explore the E- banking. 11.9% people use traditional method because of most of oldest people do not believe in E-banking.

VI. FINDINGS

As we find that in the case of satisfaction level in e-banking out of 202 above 70-72 people highly agree with the e-banking is easy and safe. 85 people highly agree with the e-banking save our time.72 people highly agree with the help of e-banking people not carry more money and safe for the theft. 80 People highly agree with the with the help of ATM people easily withdrawn the money in case of any emergency.60 people highly agree with the Credit Card is more useful for Doing Payment of any Product and get good discount.in the case of method of payment out of 202 above 100 people use google pay, 30 people use Paytm,32 people use phone pay, 10 people use credit card, and 20 people use cash.

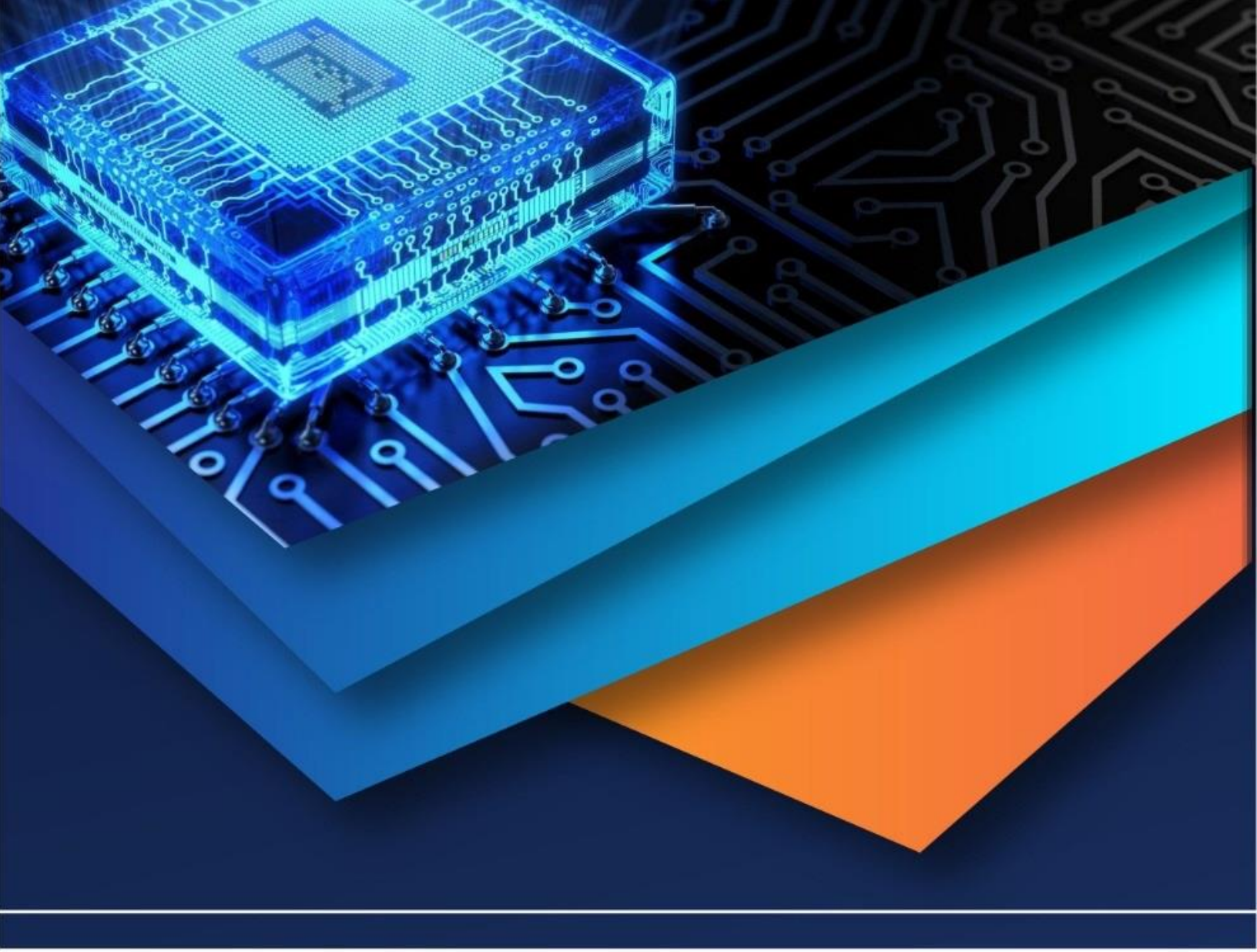
VII. CONCLUSION

Three research objectives were used in the current study to explore how consumers in the Vadodara district perceive the e-banking system. Descriptive analysis, person correlation, and multiple regression analysis were all used to examine the data obtained from the questionnaire. The descriptive results showed that Vadodara residents have a positive opinion of the E-banking system, and the mean value supported this. Also, the Pearson correlation revealed that customers' perceptions of electronic banking are favourable.
The banking industry is essential to our daily lives. The banking system must be followed by all law-abiding citizens. Banks can provide customers with swift and efficient service with the aid of current technologies like for handling one's funds, e-banking provides a better level of convenience. Online banking has benefits thanks to influence technology.

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