"Consumer Perception towards Digital Banking in HDFC in Mohali Region"

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Abstract

The purpose of this research paper is to know about the awareness and intention of customer towards the use of digital banking, explore various factors, and examine degree of association across demographic factors towards the use of digital banking. Descriptive and explorative research design has been used in this study. Sample size of this study is 253, which is collected using Convenience sampling. Data is analyzed using IBM SPSS 20 software. Chi-square and independent sample T Test is used for data analysis and Interpretation. The purpose of this research is to know about awareness and intention of customers towards the use of digital Banking and explore various factors for using digital banking services. As per the descriptive study done it has been concluded that there is degree of association between gender and qualification , qualification and occupation, awareness and intention which means that people intend to use digital service if they are aware about the services offered by their respective banks. The data has been collected through questionnaire and primary data was collected.

***Key words** – Consumer perception, Digital banking, Mobile Banking, SPSS.*

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INTRODUCTION

"Banking means the accepting, for the purpose of lending or investment, of deposits of money from the public, repayable on demand or otherwise, and withdraw able by Cheque, draft or otherwise."(Banking regulation Act, 1949) "Banking has a long and illustrious history in India, spanning more than 200 years. This industry dates back to 1786, when the nation's first bank, the Bank of Bengal, was established. Regardless, after the nationalization of banks in 1969, the market shifted rapidly and dramatically". "Indian banking part is ruled by Public area banks (PSBs) which represented 72.6% of all out advances for all SCBs as on 31st March 2008 (Dutta & Dutta, 2009)". "Despite the fact that there is a prohibitive passage/development for private and remote banks in India, these banks have expanded their essence and business over most recent 5 years (Ikechukwu et al., 2018)".

"Banking is almost as old as civilization itself. (Pai H, 2018)". In around, the key record of stamped metal coins was discovered in Mesopotamia in 2500 B.C. In Sweden, the first manually written European banknotes were introduced in 1661. Checks and printed paper money first appeared in the 1700s and 1800s, with a slew of banks springing up to keep up with the demand (Uppal, 2010).

(Shaikh et al., 2017)The development of trade and industry, as well as the degree of political certainty and soundness, has all influenced the historical background of banking in each country. (NGUYEN, 2020).The old Romans have built up a financial framework to serve their immense exchange which has stretched out all through Europe, Asia and Africa.

"Digitalization is the utilization of computerized advances to change the way a business conducts the business and move way forward towards an advanced economy. (Kushwaha, Singh, Varghese, et al., 2020). (Das, 2020) " It is the new trendy expression that has cropped up in the financial division, with all banks around the world bouncing into

the computerized fleeting trend." It certainly gives a look into the new fate of banking. "What computerized basically does is that it utilizes innovation to configuration encounters, both seen and inconspicuous". "(Dr. Swati Kulkarni, Dr. Aparna J Varma, 2021) Advanced is tied in with making what can be seen inconspicuous – making administrations so smooth and consistent that it ends up imperceptible to the client". "In spite of all the mechanization and enhancements that advanced banking can possibly accomplish, clients and their needs still need to be structured the very center of the financial area".

LITERATURE REVIEW

(Dutta & Dutta, 2009) Investigated the perception of expectation of customers across all the banks in India". "(Gupta & Bansal, 2018) This study showed that customers are most satisfied with the services of foreign banks followed by private and public banks". "This study suggested that Indian public banks should improve their banking services"(Singh et al., 2021). "(Uppal, 2010) Conducted studies on customers complaints and this research showed that excellent customer service and customer satisfaction help to sustain business growth". "(Gupta & Bansal, 2018)Furthermore it showed that customer complaints are continuously increasing in the public sector banks adversely affecting customers' satisfaction (Singh, 2020)and performance". "(Prof. Sunny Gupta, 2020) Examined customer satisfaction in new generation banks showing customer expectations increasing rapidly in the banking industry of India".

(Sudhir et al., 2018) New customers look up for the best services at a reasonable price". "(Lowe & Alpert, 2015) Further it suggests that in the competitive banking industry, banks have to implement strategic focus customer satisfying aspects for retaining as many customers as possible".(Mohd. & Pal, 2020) "Carried out a study on customer satisfaction in public and private banks of India". (Kushwaha, Singh,

Tyagi, et al., 2020) (Sharma et al., 2019) Private bank managers' better personal relationship with customers than the public bank managers and this factor determines the customers' satisfaction to a large extent(Kushwaha, Tyagi, et al., 2020)".

OBJECTIVES OF STUDY

- To know about awareness and intention of customers towards the use of digital Banking.
- To explore various factors for adopting Digital Banking Services.
- To examine degree of association across demographics towards digital Banking

RESEARCH METHODOLOGY

For this study descriptive and explorative research design is used in order to enhance the credibility and authenticity

Sample design- For this study convenience sampling method is order to collect that data from Respondents.

Sample size: Sample size of 253 respondents has been taken in order to carry out the research. The data is collected through primary and secondary sources.

Statistical Design and Test Applied

IBM SPSS 20 software has been applied in order to interpret and analyze the data which is collected through questionnaire. Also the statistical test which is used is **"**Independent sample T Test and Chi Square Test for Independence".

DATA ANALYSIS

E-Banking plays a vital role in banking industry in India. In this regard to make the topic transparent, it is must to test the hypothesis of the research work. The hypotheses are:

1. "E-Banking is a great enabler for banking industry to be more agile, lean and cost effective."

2. "Expansion and adoption of E-Banking business by customers will depend upon that how soon the legal frame work is framed."

For the testing of hypothesis the data have been collected from the officials and customers of selected banks through well designed questionnaire and it is presented in a tabular form so that it is easy to understand.

Chi Square test for independence

"Case Processing Summary"						
	Cases					
	Valid		Missing		Total	
	N	%	N	%	N	%
gender * qualification	253	100.00%	0	0.00%	253	100.00%

"Gender * qualification Cross tabulation"						
			Qualification			Total
			Graduate	Post Graduate	Ph. D.	
Gender	Male	Count	110	49	3	162
		Expected Count	94.1	65.3	2.6	162
		% within qualification	74.80%	48.00%	75.00%	64.00%
	Female	Count	37	53	1	91
		Expected Count	52.9	36.7	1.4	91
		% within qualification	25.20%	52.00%	25.00%	36.00%
Total		Count	147	102	4	253
		Expected Count	147	102	4	253
		% within qualification	100.00%	100.00%	100.00%	100.00%

"Chi-Square Tests"

	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	18.978[a]	2	.000
Likelihood Ratio	18.920	2	.000
Linear-by-Linear Association	14.682	1	.000
N of Valid Cases	253		

a. 2 cells (33.3%) have expected count less than 5. The minimum expected count is 1.44.

Symmetric Measures"

		Value	Approx. Sig.
Nominal by Nominal	Phi	.274	.000
	Cramer's V	.274	.000
N of Valid Cases		253	

The significance level between gender and qualification is 0.00; therefore, our null hypothesis is rejected so there is a degree of association between gender and qualification.

"Case Processing Summary"

	Cases					
	Valid		Missing		Total	
	N	%	N	%	N	%
qualification * occupation	253	100.0%	0	0.0%	253	100.0%

"qualification * occupation Cross tabulation"

			Occupation				Total
			student	service	business	others	
Qualification	Graduate	Count	82	48	11	6	147
		Expected Count	75.0	51.7	13.4	7.0	147.0
		% within occupation	63.6%	53.9%	47.8%	50.0%	58.1%
	post graduate	Count	47	41	9	5	102
		Expected Count	52.0	35.9	9.3	4.8	102.0
		% within occupation	36.4%	46.1%	39.1%	41.7%	40.3%
	Ph. d.	Count	0	0	3	1	4
		Expected Count	2.0	1.4	.4	.2	4.0
		% within occupation	0.0%	0.0%	13.0%	8.3%	1.6%
Total		Count	129	89	23	12	253
		Expected Count	129.0	89.0	23.0	12.0	253.0
		% within occupation	100.0%	100.0%	100.0%	100.0%	100.0%

"Chi-Square Tests"

	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	28.729[a]	6	.000
Likelihood Ratio	18.699	6	.005
Linear-by-Linear Association	6.452	1	.011
N of Valid Cases	253		

a. 5 cells (41.7%) have expected count less than 5. The minimum expected count is .19.

Symmetric Measures

		Value	Approx. Sig.
Nominal by Nominal	Phi	.337	.000
	Cramer's V	.238	.000
N of Valid Cases		253	

The significance level between qualification and occupation is 0.00, therefore our null hypothesis is rejected so there is a degree of association between qualification and occupation.

"Case Processing Summary"

	Cases					
	Valid		Missing		Total	
	N	%	N	%	N	%
awareness * intentions	253	100.00%	0	0.00%	253	100.00%

"awareness * intentions Cross tabulation"			Intentions		Total
			no	Yes	
Awareness	no	Count	4	12	16
		Expected Count	0.6	15.4	16
		% within intentions	40.00%	4.90%	6.30%
	yes	Count	6	231	237
		Expected Count	9.4	227.6	237
		% within intentions	60.00%	95.10%	93.70%
Total		Count	10	243	253
		Expected Count	10	243	253
		% within intentions	100.00%	100.00%	100.00%

"Chi-Square Tests"	Value	Df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	19.931[a]	1	0		
Continuity Correction[b]	14.452	1	0		
Likelihood Ratio	10.258	1	0.001		
Fisher's Exact Test				0.002	0.002
Linear-by-Linear Association	19.852	1	0		
N of Valid Cases	253				

a. 1 cells (25.0%) have expected count less than 5. The minimum expected count is .63.
b. Computed only for a 2x2 table

"Symmetric Measures"		Value	Approx. Sig.
Nominal by Nominal	Phi	0.281	0
	Cramer's V	0.281	0
N of Valid Cases		253	

The significance level between awareness and intention is 0.00, therefore our null hypothesis is rejected so there is a degree of association between awareness and intention.

"INDEPENDENT SAMPLE T TEST"

"Group Statistics"	Convenience factor	N	Mean	Std. Deviation	Std. Error Mean
Satisfaction level	No	42	3.4762	1.23443	.19048
	Yes	204	2.8137	1.27678	.08939

"Independent Samples Test(satisfaction & convenience)"

		Levene's Test for Equality of Variances		t-test for Equality of Means	
		F	Sig.	T	Df
Satisfaction level	Equal variances assumed	0.011	0.916	3.079	244
	Equal variances not assumed			3.148	60.457

The significance level between satisfaction and convenience factor is 0.002. Therefore our null hypothesis is rejected and alternative hypothesis is accepted i.e. there is a variance in satisfaction level due to convenience factor as 202 respondents out of 253 are in favors of this statement and the mean and S.D is 2.8 and 1.27 respectively.

Group Statistics					
	Accessibility factor	N	Mean	Std. Deviation	Std. Error Mean
Satisfaction level	No	35	3.3143	1.38843	.23469
	Yes	211	2.8626	1.26682	.08721

"Independent Samples Test(satisfaction & accessibility)"						
		Levene's Test for Equality of Variances		t-test for Equality of Means		
		F	Sig.	t	df	Sig. (2-tailed)
Satisfaction level	Equal variances assumed	0.657	0.418	1.927	244	0.05
	Equal variances not assumed			1.804	43.903	0.078

The significance level between satisfaction and accessibility is 0.05. Therefore there is a variance in satisfaction level due to accessibility factor as 211 respondents out of 253 are in favour of this statement and the mean and S.D is 2.86 and 1.26 respectively.

Group Statistics					
	Wide reach	N	Mean	Std. Deviation	Std. Error Mean
Satisfaction level	No	146	2.8562	1.25390	.10377
	Yes	100	3.0300	1.34431	.13443

"Independent Samples Test(satisfaction & wide Reach)"					
		Levene's Test for Equality of Variances		t-test for Equality of Means	
		F	Sig.	T	df

					Sig. (2-tailed)
Satisf action level	Equal variances assumed	.446	.505	-1.037	244	.301
	Equal variances not assumed			-1.024	202.941	.307

The significance level between satisfaction and wide reach is 0.30 (which is more than 0.05). Therefore our null hypothesis is accepted i.e. there is **no variance** in satisfaction level due to convenience factor as 146 out of 253 respondents are not in favour of this statement and the mean and S.D is 2.85 and 1.25 respectively.

"Group Statistics"	security	N	Mean	Std. Deviation	Std. Error Mean
Satisfaction level	no	136	2.9338	1.26023	.10806
	yes	110	2.9182	1.33500	.12729

"Independent Samples Test(satisfaction & security)"		Levene's Test for Equality of Variances		t-test for Equality of Means		
		F	Sig.	T	df	Sig. (2-tailed)
Satisfaction level	Equal variances assumed	.282	.596	.094	244	.925
	Equal variances not assumed			.094	227.378	.925

The significance level between satisfaction and security is 0.925 (which is more than 0.05). Therefore our null hypothesis is accepted i.e. there is **no variance** in satisfaction level due to security 136 respondents out of 253 are not in favour of this statement and the mean and S.D is 2.9 and 1.26 respectively.

Group Statistics	Access to information	N	Mean	Std. Deviation	Std. Error Mean
Satisfaction level	No	107	2.7570	1.31638	.12726
	Yes	139	3.0576	1.26130	.10698

"Independent Samples Test(satisfaction & access to information)"		Levene's Test for Equality of Variances		t-test for Equality of Means		
		F	Sig.	T	df	Sig. (2-tailed)
Satisfaction level	Equal variances assumed	1.948	.164	-1.818	244	.070
	Equal variances not assumed			-1.808	223.155	.072

The significance level between satisfaction and access to information is 0.70 (which is more than 0.05). Therefore, our null hypothesis is accepted i.e. there is **no variance** in satisfaction level due to access to information as 139 respondents out of 253 are in favour of this statement and the mean and S.D is 2.7 and 1.31 respectively

"Group Statistics"					
	Time saving	N	Mean	Std. Deviation	Std. Error Mean
Satisfaction level	no	51	2.9608	1.26429	.17704
	yes	195	2.9179	1.30164	.09321

"Independent Samples Test(satisfaction & time saving)"						
		Levene's Test for Equality of Variances		t-test for Equality of Means		
		F	Sig.	t	df	Sig. (2-tailed)
Satisfaction	Equal variances assumed	0.12	0.729	0.21	244	0.833
level	Equal variances not assumed			0.214	79.98	0.831

The significance level between satisfaction and time saving is 0.833 (which is more than 0.05). Therefore our null hypothesis is accepted i.e. there is **no variance** in satisfaction level due to time saving factor as 195 respondents out of 253 are in favour of this statement and the mean and S.D is 2.9 and 1.30 respectively.

"Group Statistics"					
	Insecure	N	Mean	Std. Deviation	Std. Error Mean
Satisfaction level	No	113	3.1681	1.30864	.12311
	Yes	86	2.8721	1.18616	.12791

"Independent Samples Test(satisfaction & insecurity)"						
		Levene's Test for Equality of Variances		t-test for Equality of Means		
		F	Sig.	T	Df	Sig. (2-tailed)
Satisfaction level	Equal variances assumed	2.975	.086	1.646	197	.101
	Equal variances not assumed			1.668	191.018	.097

The significance level between satisfaction and insecurity is 0.1 (which is more than 0.05). Therefore our null hypothesis is accepted i.e. there is **no variance** in satisfaction level due to insecurity as 113 respondents out of 253 are in favour of this statement and the mean and S.D is 3.16 and 1.30 respectively.

"T-Test

Group Statistics"

	Time consuming	N	Mean	Std. Deviation	Std. Error Mean
Satisfaction level	No	171	3.0877	1.30087	.09948
	Yes	33	2.9091	1.07132	.18649

"Independent Samples Test(satisfaction & time consuming)"

		Levene's Test for Equality of Variances		t-test for Equality of Means		
		F	Sig.	t	Df	Sig. (2-tailed)
Satisfaction level	Equal variances assumed	2.566	.111	.741	202	.459
	Equal variances not assumed			.845	52.009	.402

The significance level between satisfaction and fear factor is 0.34 (which is more than 0.05). Therefore our null hypothesis is accepted i.e. there is **no variance** in satisfaction due to fear factor as 142 respondents out of 253 are in favour of this statement and the mean and S.D is 2.8 and 1.27 respectively.

Group Statistics					
	Technological Drawback	N	Mean	Std. Deviation	Std. Error Mean
Satisfaction level	No	79	3.0380	1.28545	.14462
	Yes	120	3.0417	1.25287	.11437

"Independent Samples Test(Technological Drawback)"

		Levene's Test for Equality of Variances		t-test for Equality of Means		
		F	Sig.	T	df	Sig. (2-tailed)
Satisfaction level	Equal variances assumed	.080	.778	-.020	197	.984
	Equal variances not assumed			-.020	164.019	.984

The significance level between satisfaction and technological drawback is 0.984 (which is more than 0.05). Therefore our null hypothesis is accepted i.e. there is **No variance** in satisfaction level due to technological drawback as 120 respondents out of 253 are in favour of this statement and the mean and S.D is 3.03 and 1.25 respectively

Group Statistics					
	Age factor	N	Mean	Std. Deviation	Std. Error Mean
Satisfaction level	No	171	3.0000	1.27418	.09744
	Yes	28	3.2857	1.18187	.22335

"Independent Samples Test(Satisfaction & age factor)"

		Levene's Test for Equality of Variances		t-test for Equality of Means

		F	Sig.	T	df	Sig. (2-tailed)
Satisfaction level	Equal variances assumed	.001	.970	-1.111	197	.268
	Equal variances not assumed			-1.172	38.036	.248

The significance level between satisfaction and age factor is 0.268 (which is more than 0.05). Therefore our null hypothesis is accepted i.e there is **no variance** in satisfaction level due to age facor as 171 respondents out of 253 are in favour of this statement and the mean and S.D is 3.0 and 1.27 respectively.

FINDINGS OF THE STUDY

In this study as chi-square and independent sample T Test was used for data analysis and Interpretation. Findings have been observed

➢ It has been found out that there is degree of association between gender and qualification, qualification and occupation, awareness and intention which means that people intend to use digital service if they are aware about services offered by their respective Banks.

➢ The convenience and accessibility factor are most prominent factor in the satisfaction level of customer to avail digital services whereas other factors like wide reach, security, access to information, time savings are not considered to be important factor in the satisfaction level of customer and factor which restrain customer from using digital services is due to lack of technological knowledge.

➢ Also 35% of respondents are not satisfied with the digital services offered by their respective Banks which involves a lot of scope of improvements of digital Services.

➢ In this study 27% of respondents claim that their Banks are not providing enough knowledge about the digital services being offered.

LIMITATIONS OF THE STUDY

➢ The study is limited to one particular area (Mohali, PUNJAB)

➢ The Response given by customers may be biased
➢ Sample size is limited to 253 respondents.

CONCLUSION

Banking sector is the life blood of every economy and in today's scenario we live in the era of unprecedented hopes and promises where people intend to use digital Services. Digital Banking act as a leverage in providing smooth functioning of Banking Transactions as every other transaction took place on digital platform. There is a need to create awareness of digital services by engaging customers on digital Platforms. In this study 35 percent of respondents are not satisfied with the digital services which are being provided by their banks so banks need to be more focused towards the digital services and it should educate their customer from time to time so that people who are interested in using the digital services can avail the benefit of digital banking services. Banks must focus on their technological aspects and should provide utmost security to its customer so that they can easily rely on services being provided which will help them in building trust and can minimize fraud and errors.

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