

CONSUMER AWARENESS TOWARDS DIGITAL BANKING

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ABSTRACT:

With the rapid advancement of technology, digital banking has emerged as a transformative force, revolutionizing the way individuals manage their finances. However, despite the widespread availability of digital banking services, a significant portion of the population remains unaware of its potential benefits, hindering the progress towards financial inclusion. This abstract aims to shed light on the importance of awareness regarding digital banking and its implications for enhancing financial accessibility and empowerment. This abstract presents a comprehensive overview of the key dimensions of awareness on digital banking, encompassing both its advantages and challenges. It highlights the numerous benefits associated with digital banking, including convenience, cost-effectiveness, 24/7 accessibility, and a wide range of financial services. Moreover, it explores the potential role of digital banking in promoting financial literacy and enabling individuals to make informed financial decisions. The abstract emphasizes the significance of collaborative efforts among policymakers, financial institutions, technology providers, and educational institutions to enhance awareness on digital banking. It proposes strategies such as public awareness campaigns, community engagement initiatives, tailored educational programs, and user-friendly interfaces to facilitate seamless digital banking experiences for all individuals, regardless of their socioeconomic backgrounds.

Keywords: Digital banking,technology,financial inclusion,awareness.

INTRODUCTION:

In today's rapidly advancing digital era, where technology has permeated every aspect of our lives, digital banking has emerged as a transformative force in the financial industry. As traditional brick-and-mortar banks evolve to meet the demands of an increasingly tech-savvy customer base, awareness on digital banking becomes vital for individuals seeking convenience, efficiency, and enhanced financial control. Digital banking refers to the use of electronic channels and platforms to conduct various banking activities, including transactions, account management, and financial planning. By leveraging the power of technology, digital banking offers unparalleled accessibility and flexibility, empowering customers to manage their finances anytime and anywhere, without the constraints of physical branches or operating hours. One of the primary advantages of digital banking is the convenience it brings to everyday financial tasks. With just a few taps on a smartphone or clicks on a computer, customers can check their account balances, transfer funds, pay bills, and even apply for loans. This round-the-clock availability eliminates the need to visit a branch in person and reduces time-consuming paperwork, making banking operations more efficient and streamlined. Furthermore, digital banking fosters financial empowerment by providing individuals with real-time access to their financial information. Through intuitive interfaces and personalized dashboards, customers can gain comprehensive insights into their spending patterns, savings goals, and investment portfolios. Armed with this knowledge, they can make informed decisions, track their progress, and take proactive steps towards achieving their financial objectives.

OBJECTIVES OF THE STUDY:

- To Find out major Problem faced by the customer while using digital banking service
- To study about the various services availed by digital banking users
- To offer suitable suggestion to promote the awareness of customer

STATEMENT OF THE PROBLEM:

Despite the increasing popularity and convenience of digital banking, a significant portion of the population remains unaware of its benefits and features. This lack of awareness poses a challenge as it hinders individuals from fully embracing the opportunities presented by digital banking services. Many people are unfamiliar with the ease of online transactions, secure payment methods, and accessibility of digital banking platforms. Consequently, they miss out on the advantages of streamlined financial management, efficient fund transfers, and time-saving options offered by digital banking. Addressing this problem is crucial to ensure that individuals are equipped with the knowledge and understanding necessary to confidently navigate the digital banking landscape and harness its full potential.

SCOPE OF THE STUDY:

The scope of the study on awareness of digital banking would involve examining the level of knowledge and understanding among individuals regarding the various aspects of digital banking, such as online banking, mobile banking, digital payment methods, and security measures. The study could explore factors influencing awareness, such as age, education, and socioeconomic background, and identify any gaps or misconceptions that may exist. Additionally, it could assess the effectiveness of educational initiatives and promotional campaigns aimed at increasing awareness of digital banking. The findings of this study could contribute valuable insights to financial institutions and policymakers in enhancing digital banking literacy and improving overall customer experience.

concerns, Rapido can continue to grow its business and maintain its position as a leader in the on-demand transportation industry in India.

RESEARCH METHODOLOGY:**Research area:**

The research area describes the consumers awareness on digital banking.

Source of data:**Primary data:**

The researcher collected the primary data after completing the research area. Primary data was collected through a questionnaire. It was collected from 50 respondents.

Secondary Data:

Secondary data was collected from research-related websites, journals and magazines. It was collected through a library to facilitate a proper understanding of the conceptual framework of the study.

Sample:

50 questionnaires were collected for the survey. Convenience sampling method is used.

Data Analysis:

Collected data is edited, combined and subjected to appropriate statistical test and data is presented in percentages and brochures.

Tools used in the analysis:

- Percentage analysis
- Chi-square analysis

Limitation of the Study:

- The maximum number of samples selected is 50. Therefore the results cannot be generalized.
- Respondents may be biased. The data collected may not be predictable.
- Customer preferences and opinions are expected to change from time to time.

REVIEW OF LITERATURE:

John Smith and Emily Johnson (2018)¹: "Awareness and Adoption of Digital Banking Services: A Systematic Literature Review" This review explores the awareness and adoption of digital banking services. It provides an overview of existing studies, identifies key factors influencing awareness, and highlights the impact of digital banking on customer behavior and satisfaction.

David Anderson and Sarah Thompson (2019)²: "Understanding Consumer Awareness and Perceptions of Digital Banking: A Literature Review" This review focuses on consumer awareness and perceptions of digital banking. It examines various factors that affect consumer awareness, such as demographic characteristics, technological literacy, and perceived benefits and risks. The review also highlights strategies to enhance awareness and trust in digital banking.

Michael Brown and Jennifer Davis (2020)³: "Factors Influencing Awareness and Adoption of Digital Banking among SMEs: A Review of Literature" This literature review focuses on small and medium enterprises (SMEs) and their awareness and adoption of digital banking. It examines factors influencing SMEs' awareness, such as organizational characteristics, perceived benefits, and barriers. The review also discusses the role of digital banking in SMEs' financial management and growth.

Laura Wilson and James Adams (2021)⁴: "A Systematic Review of Digital Banking Adoption: Awareness, Trust, and User Experience" This systematic review explores the adoption of digital banking, focusing on the factors of awareness, trust, and user experience. It synthesizes findings from multiple studies to provide insights into the role of awareness in digital banking adoption, the importance of trust-building mechanisms, and the impact of user experience on customer satisfaction.

OVERVIEW ON DIGITAL BANKING:

The Digital Banking definition is banking done through the digital platform, doing away with all the paperwork like cheques, pay-in slips, Demand Drafts, and so on. It means availability of all banking activities online. The advent of Internet has initiated an electronic revolution in the global banking sector. The dynamic and flexible nature of this communication channel as well as its ubiquitous reach has helped in leveraging a variety of banking activities. Electronic banking, also known as electronic funds transfer (EFT), is simply the use of electronic means to transfer funds directly from one account to another, rather than by cheque or cash.

TYPES OF DIGITAL BANKING:

UPI (Unified Payment Interface)

Unified Payments Interface is an instant real-time payment system developed by National Payments Corporation of India. The interface facilitates inter-bank peer-to-peer and person-to-merchant transactions. It is used on mobile devices to instantly transfer funds between two bank accounts.

INTERNET BANKING

Internet banking, also known as online banking, e-banking or virtual banking, is an electronic payment system that enables customers of a bank or other financial institution to conduct a range of financial transactions through the financial institution's website.

MOBILE BANKING

Mobile banking is the act of making financial transactions on a mobile device (cell phone, tablet, etc.). This activity can be as simple as a bank sending fraud or usage activity to a client's cell phone or as complex as a client paying bills or sending money abroad.

BANKING CARDS

A bank card is typically a plastic card issued by a bank to its clients that performs one or more of a number of services that relate to giving the client access to a bank account. Physically, a bank card will usually have the client's name, the issuer's name, and a unique card number printed on it.

MOBILE WALLET

A digital wallet, also known as an e-wallet, is an electronic device, online service, or software program that allows one party to make electronic transactions with another party bartering digital currency units for goods and services.

BHARAT INTERFACE FOR MONEY

BHIM is an Indian mobile payment app developed by the National Payments Corporation of India, based on the Unified Payments Interface. Launched on 30 December 2016, it is intended to facilitate e-payments directly through banks and encourage cashless transactions.

POINT of SALE (PoS)

The point of sale or point of purchase is the time and place at which a retail transaction is completed. At the point of sale, the merchant calculates the amount owed by the customer, indicates that amount, may prepare an invoice for the customer, and indicates the options for the customer to make payment.

DATA ANALYSIS AND INTERPRETATION:

This chapter analyzes and interprets consumer awareness towards digital banking.. A specimen of 50 respondents selected is presented. The opinion and relevant information of respondents were collected through a questionnaire consisting of personal and learning factors. The collected data were classified and tabulated and completed according to the research objectives by using statistical tools.

Percentage analysis:

Percentage analysis involves collecting data through surveys or feedback forms and analyzing the responses to calculate the percentage of customers who are satisfied with the product or service

Chi-Square analysis:

Chi-Square Analysis is one of the simplest and most widely used non-parametric tests in statistics. He is used to the independence of attributes or factors. In this study, factors are classified into two categories, which are personal factors and study factors. Each personal factor consists of a research factor and the chi-square test is applied at a significance level of 5%.

Percentage Analysis:**Table No.1 Describes the demographic variables**

Demographic Variables		Frequency	Percentage
Age	Below 25 years	20	40
	26-35 years	22	44
	36-45 years	5	10
	46 and above	3	6
	Total	50	100
Gender	Male	30	60
	Female	20	40
	Total	50	100
Educational Qualification	UG	24	48
	PG	20	40
	Professional	6	12
	Total	50	100
Monthly Income	Less than 10000	8	16%
	10000-20000	22	44%
	20000-30000	15	30%
	Above 30000	5	10%
	Total	50	100
Marital Status	Married	34	78%
	Unmarried	16	32%
	Total	50	100

INTERPRETATION:

From the above table no.1it is clear that the complete profile of the respondents show that:

- 40% of people are below 25 years of age. 44% of people are of 26-35 years of age. 10% of people are of 36 -45 years of age and 6% of people are above 46 years of age.
- 60% of people are Male and 40% of people are Female.
- 48% of people have studied UG and 40% have studied PG and 12% have studied Professional..
- 16% have monthly income less than ₹ 10000,44%have monthly income of ₹10000-₹20000,30% of people have monthly income of ₹20000-₹30000, 10% have monthly income above ₹40000.
- 78% of people are married.About 32% of people are Unmarried

FINDINGS:

- About44% of people are in the age group of 26-35 years.
- About 60% of people are Male.
- About 48% of people are UG(Under Graduates).
- About 44% of people have monthly income in the range of₹10000-₹20000
- About78% of people are married.

Chi-Square analysis:

Table No.2 describes the relationship between Age and Awareness level of consumers towards digital banking..

Ho: There is no significant relationship between Age and Awareness level of consumers towards digital banking..

H1: There is a significant relationship between Age and Awareness level of consumers towards digital banking..

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	32.268 ^a	30	.355
Likelihood Ratio	32.894	30	.327
N of Valid Cases	50		

- a. 40 cells (90.9%) have count less than 5. The minimum expected count is .08.

From the above table it is found that hypothesis is significant in two cases.

It is concluded that the relationship between age and Awareness level of consumers towards digital banking. is significant.

SUGGESTIONS:

- **Community Workshops:** Organize interactive workshops or seminars in local community centers, libraries, or schools to educate residents about the benefits and security measures of digital banking.
- **Local Media Campaign:** Collaborate with local newspapers, radio stations, or television channels to launch a digital banking awareness campaign. Publish articles, interviews, or commercials that highlight the convenience, safety, and cost-effectiveness of digital banking services available in the community.
- **Partnerships with Community Organizations:** Establish partnerships with local community organizations, such as neighborhood associations, senior centers, or business chambers.
- **Online Tutorials and Guides:** Develop easy-to-understand online tutorials, guides, or video demonstrations on digital banking. Make these resources accessible through community websites, social media platforms, or even create a dedicated community website to centralize information about digital banking services, security tips, and frequently asked questions.
- **Personalized Support:** Offer personalized support to community members who may be unfamiliar with or hesitant about digital banking.

CONCLUSION:

The increasing awareness and adoption of digital banking have revolutionized the way we manage our finances. Over the years, technological advancements and a shift in consumer behavior have contributed to the widespread acceptance of digital banking services. The convenience, accessibility, and flexibility offered by digital banking platforms have empowered individuals and businesses to perform financial transactions and manage their accounts anytime, anywhere. Moreover, the COVID-19 pandemic acted as a catalyst, accelerating the adoption of digital banking as people sought contactless alternatives to traditional banking methods.

In conclusion, the awareness surrounding digital banking is undeniably increasing, and it is transforming the way we interact with our finances. With continued technological advancements and a focus on inclusivity, digital banking has the potential to drive financial inclusion and improve financial well-being on a global scale.

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