

Comparative Analysis on Digital Banking Services: With Special Reference to Banks of Mandya City

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ABSTRACT

The present scenario of banking industry needs to meeting customer expectations through digital services is the need of the day. Usage of technology is inevitable to do banking transaction than never before due to shifting customer expectations virtually than traditional mode of banking. The change of technology, high competition, more demanding expectation from the customers shifting banking business from physical branch to digital space in the Indian banking industry. Therefore banks offering digital services to cover the large number of customers is inevitable today and fierce the competition in banking services. The present study focuses on factors influencing on digital banking services and analyze the involvement of customers to usage of digital banking services with special reference to SBI and CANARA bank and AXIS and HDFC Bank in Mandya.

KEYWORD: Axis bank, Canara bank, digital banking, HDFC bank, Mandya City, SBI

INTRODUCTION

A digital bank represents a virtual process that includes online banking. Digital Banking is availing of banking services like balance inquiry, funds transfer, etc. via smart devices over the internet like smartphones, laptop, desktop, etc. The services could be expanded via Open API's, and individuals could even manage their financial portfolio, check credit score, get a preapproved loan, etc. Digitalization is a process of moving to a computerized business. It is nothing but the use of digital technologies to change a business design and give new income and esteem delivering opening. Digitalization impacts everything. Digital banking is a broader, more holistic concept. Digital banking is a new concept in the region of electronic keeping money, which plans to improve standards online and mobile banking services by coordinating

computerized advances. Digital banking is the digitization of all the traditional banking activities and programs services that were historically were only available to customers when physically inside of a bank branch. This includes activities like Money Deposits, Withdrawals, and Transfers, Checking/Saving Account Management, Applying for Financial Products, Loan Management, Bill Pay, Account Services. Digital banking encompasses digitizing every program and activity undertaken by financial institutions and their customers.

OBJECTIVES OF THE STUDY

- To know about the various forms of digitalization in banking sector.
- To find out the customers preference on digital services towards public and private sector banks in mandya city.
- To study the customer usage of digital banking services.

RESEARCH METHODOLOGY

The researcher made a survey. In order to collect the data for the study, the questionnaire is framed accordingly and circulated among the customer of public and private banks. The sample size is 200, 50 from SBI, 50 from CANARA bank, 50 from AXIS bank and 50 from HDFC bank customers. As it only focuses on bank customers the purposive sampling is adopted. The customer of each bank had given their personal opinion.

REVIEW OF LITERATURE

Prof. Mrs. Minakshi Dattatray Bhosale, Prof. Dr. K.M. Nalawade (2012) have explained the emergence of new forms of technology has created highly competitive market conditions for bank providers and the concept of E-banking with advantages and disadvantages, ATM, Net banking, Mobile banking services used by user in that banks.

Prof. (Dr.) Dinesh C. Agrawal & Sakshi Chauhan (2015) have examined how much e-banking used in Public and Private sectors bank in reference to SBI and HDFC bank and to find the consumer satisfaction in respect of e-banking and the perception of employees for using e-banking in Public and Private sectors banks and analyze the working style as comparison between Public and Private sectors banks.

Dr. Kiran Mehta, Bhanuja Mehta (2017) have determined the Digitalization process, the use of digital technologies to change a business design, Digitalization impacts and online banking facilities in both private and public banks. Mobile banking services to fulfill the needs of customer in banking services and payment banking services.

B.Adithya, Dr.T.Priyanka,(2020) have studied to investigate the internet banking in both the public and private sector banks to find which is more efficient and effective in providing a good customer services to the customers and compare the internet banking service offered by both public and private banks and to access the customer satisfaction in both public and private sector banks. The internet banking services offered by both public sector banks and private sector banks whichever is beneficial to the customer.

SAMPLE DESIGN

The sample size of this study is 200 and questionnaire method is used for data collection. For secondary data we take into consideration the journals and publication issued at different sites on internet. The information was collected and analysis according to respondent socio economic background included the factor of gender, education, age, income, marital status etc.

ANALYSIS AND INTERPRETATION

Table: 1 Gender Wise classification of the respondents

Gender	No. of respondents in public bank				No. of respondents in private bank			
	SBI	%	CANARA	%	AXIS	%	HDFC	%
Male	28	56	32	64	29	58	28	56
Female	22	44	18	36	21	42	22	44
Total	50	100	50	100	50	100	50	100

Interpretation: The above table shows that the majority of the respondents were male in both the banks and the least were female.

Table: 2 Age Wise classification of the respondents

Age	No. of respondents in public bank				No. of respondents in private bank			
	SBI	%	CANARA	%	AXIS	%	HDFC	%
Below 20	5	10	4	8	3	6	4	8
21-30	11	22	12	24	15	30	12	24
31-40	12	24	13	26	12	24	15	30
41-50	14	28	15	30	13	26	13	26
Above 50	8	16	6	12	7	14	6	12
Total	50	100	50	100	50	100	50	100

Interpretation: The above table reveals 28 percentage of the respondents belong to the age group of 41 to 50 in SBI, 30 percentage of the respondents belong to the age group of 41 to 50 in CANARA bank and the least were above the age of 50 and 30 percentage of the respondents belong to the age group of 21-30 in AXIS bank, 30 percentage of the respondents belong to the age group of 31-40 in HDFC bank and the least were above the age of 50.

Table: 3 Income Wise Classification of the respondents

Monthly Income	No. of respondents in public bank				No. of respondents in private bank			
	SBI	%	CANARA	%	AXIS	%	HDFC	%
Below 20,000 Rs	8	16	7	14	6	12	5	10
20,001-40,000 Rs	22	44	19	38	24	48	23	46
40,001-60,000	11	22	16	32	14	28	14	28
Above 60,001 Rs	9	18	8	16	6	12	8	16
Total	50	100	50	100	50	100	50	100

Interpretation: The above table shows that the majority of the respondents are earning monthly income of Rs 20,000 to Rs 40,000 in both banks and few respondents earn monthly income of Rs 61,000 in public bank and in private banks.

Table: 4 Qualification wise Classification of the respondents

Occupation	No. of respondents in public bank				No. of respondents in private bank			
	SBI	%	CANARA	%	AXIS	%	HDFC	%
Graduate	18	36	19	38	16	32	15	30
Post Graduate	28	56	24	48	27	54	29	58
Others	4	8	7	14	7	14	6	12
Total	50	100	50	100	50	100	50	100

Interpretation: The above table shows qualification wise distribution of the sample respondents. The majority of the respondents are post graduate few of the respondents are others. It is found that most of the respondents are Post graduate.

Table: 5 Marital Status wise Classification of the respondents

Marital Status	No. of respondents in public bank				No. of respondents in private bank			
	SBI	%	CANARA	%	AXIS	%	HDFC	%
Married	38	76	42	84	39	78	41	82
Un Married	12	24	8	16	11	22	9	18
Total	50	100	50	100	50	100	50	100

Interpretation: The above table shows marital status wise distribution of the sample respondents. 76% of the respondents are married in SBI bank and 84% of the respondents are married in CANARA bank, 78% of the respondents are married in AXIS bank, 82% of the respondents are married in HDFC bank. It is observed that maximum respondents are married

Table: 6. Aware about digital banking services

Particulars	No. of respondents in public bank				No. of respondents in private bank			
	SBI	%	CANARA	%	AXIS	%	HDFC	%
YES	42	84	44	88	45	90	43	86
NO	8	16	6	12	5	10	7	14
Total	50	100	50	100	50	100	50	100

Interpretation: The above table shows that the aware about digital banking services of the sample respondents 84% respondents have aware about digital banking services in SBI bank and 88% have aware about digital banking services in CANARA bank and 90% have aware about digital banking services in AXIS bank and 86% have aware about digital banking services in HDFC bank. Some of the respondent does not have aware about digital banking services in both public bank and private bank. It is observed that maximum respondents have aware about digital banking services.

Table: 7. Opening bank account

Types of account	No. of respondents in public bank				No. of respondents in private bank			
	SBI	%	CANARA	%	AXIS	%	HDFC	%
Saving bank account	24	48	25	50	23	46	26	52
Current account	12	24	11	22	14	28	15	30
Fixed deposit account	10	20	9	18	9	18	5	10
Others	4	8	5	10	5	10	4	8
Total	50	100	50	100	50	100	50	100

Interpretation: The above table shows that the types of account opened in both public and private banks. Maximum respondents of SBI bank, CANARA bank, AXIS bank, HDFC bank are opened saving bank account and few respondents are opened others types of bank account. It is observed that maximum respondents are opened saving bank account.

Table: 8. know about the internet banking services

Particulars	No. of respondents in public bank				No. of respondents in private bank			
	SBI	%	CANARA	%	AXIS	%	HDFC	%
YES	41	82	38	76	43	86	44	88
NO	9	18	12	24	7	14	6	12
Total	50	100	50	100	50	100	50	100

Source: Primary data

Interpretation: The above table shows that the about the internet banking services of the sample respondents 82% respondents know about the internet banking services in SBI bank and 76% have know about the internet banking services in CANARA bank and 86% have know about the internet banking services in AXIS bank and 88% have know about the internet banking services in HDFC bank. Some of the respondent does not know about the internet banking services in both public bank and private bank. It is observed that maximum respondents have know about the internet banking services.

Table: 9. Types of digital banking services using

Particulars	No. of respondents in public bank				No. of respondents in private bank			
	SBI	%	CANARA	%	AXIS	%	HDFC	%
ATM/Debit card service	19	38	18	36	20	40	16	32
Online banking service	15	30	14	28	17	34	15	30
E- payments	12	24	13	26	8	16	10	20
EFT/NEFT/RTGS	4	8	5	10	5	10	9	18
Total	50	100	50	100	50	100	50	100

Interpretation: The above table shows that the types of digital banking services using of the sample respondents 38% respondents using ATM/Debit card service in SBI bank and 36% using ATM/Debit card service in CANARA bank and 40% ATM/Debit card service in AXIS bank and 32% ATM/Debit card service in HDFC bank. Some of the respondent using online banking service, E- payments, EFT/NEFT/RTGS services in both public bank and private bank. It is observed that maximum respondents using ATM/Debit card services.

Table: 10. The respondents were asked about how frequently they use the following banking services.

Particulars	No. of respondents in public bank				No. of respondents in private bank			
	SBI	%	CANARA	%	AXIS	%	HDFC	%
Branch banking	12	24	17	34	11	22	12	24
ATM	18	36	16	32	16	32	15	30
Internet banking	8	16	7	14	11	22	10	20
Tele phone banking	7	14	6	12	7	14	8	16
Mobile banking	5	10	4	8	5	10	5	10
Total	50	100	50	100	50	100	50	100

Interpretation: The above table shows that respondents were asked about how frequently they use the banking services of the sample respondents 36% respondents using ATM service in SBI bank and 32% using ATM service in CANARA bank and 32% ATM service in AXIS bank and 30% ATM service in HDFC bank. Some of the respondent using Branch banking, Internet banking, Tele phone banking, and Mobile banking services in both public bank and private bank. It is observed that maximum respondents using ATM services.

Table: 11. Easiness of internet banking services

Particulars	No. of respondents in public bank				No. of respondents in private bank			
	SBI	%	CANARA	%	AXIS	%	HDFC	%
Checking Account with no monthly fee	10	20	9	18	8	16	9	18
Credit card facilities with low rates	11	22	10	20	12	24	11	22
24-hour account access	19	38	20	40	18	36	19	38
Quality customary service	8	16	7	14	8	16	6	12
Easy online applications on personal loans	2	4	4	8	4	8	5	10
Total	50	100	50	100	50	100	50	100

Interpretation: The above table shows that Easiness of internet banking services of the sample respondents, 36% respondents said that 24-hour account access in SBI bank and 40% respondents said that 24-hour account access in CANARA bank and 36% respondents said that 24-hour account access in AXIS bank and 38% respondents said that in 24-hour account access HDFC bank. Some of the respondent said that checking Account with no monthly fee, credit card facilities with low rates quality customary service easy online applications on personal loans in both banks respectively. It is observed that maximum respondents easily access the 24-hour account access.

Table: 12. Satisfaction of customers in over all services of bank

Particulars	No. of respondents in public bank				No. of respondents in private bank			
	SBI	%	CANARA	%	AXIS	%	HDFC	%
Branch Banking Services	15	30	14	28	16	32	15	30
ATM services	12	24	11	22	11	22	12	24
Internet Banking services	9	18	10	20	14	28	13	26
Telephone banking services	6	12	7	14	4	8	4	8
Mobile banking services	8	16	8	16	5	10	6	12
Total	50	100	50	100	50	100	50	100

Interpretation: The above table shows that Satisfaction of customers in over all services of bank of the sample respondents, 30% respondents are satisfied with branch banking services in SBI bank and 28% respondents are satisfied with branch banking services in CANARA bank and 32% respondents are satisfied with branch banking services in AXIS bank and 30% respondents are satisfied with branch banking services in HDFC bank. Some of the respondents are satisfied with above services. It is observed that maximum respondents are satisfied with branch banking services.

Challenges:

Banking is considered by most as the business of money. However, talk to a banking veteran and he or she will categorically instruct you that banking is a business of customers. This realization is what ensured that customer centricity is an important value adopted by banks; and it has stood us in good stead. It then follows, that if we are in the business of customer, then our business is shaped by evolving changes in customer behavior

Security: - This is one of the first things that come into one's mind when keeping money is mentioned anywhere. It is, however, sad to say that hackers are still giving financial institutions a run for their money. Therefore, some customers are not willing to take any chances. Note that banking security is nothing like downloading and installing an antivirus.

Sustainable competitive advantage:-One of the most important challenges that has been thrown into focus is the amount of digital banking initiatives that have incremental to no impact on business.

Understanding customer context:-The other area where organizations have suffered is trying to superimpose digital solutions on traditional customers. We were fortunate to identify this challenge early and craft a tech centric consumer segmentation approach called DISC (Digital Native, Intelligent, Social, Connected). This allowed us to think of fresh, agile and relevant solutions that are helping us consolidate our digital leadership.

Fully digitized bank, brick, and mortar or both: - Although many people are embracing digital banking, there is still a good portion of people who don't trust it. Also, some people are not convinced about digital banking unless they have proof that a bank exists in brick and mortar form. This makes it hard for digital banking to become completely digitized.

To buy or build the banking system: - With the demand for digital banking on the high, some banks are desperate to take the leap and adopt digital banking. However, most banks are not quickly adopting digital banking because they don't know which kind of system will work correctly. Some prefer purchasing such systems because they want to work with a system that has been tested. Others prefer having a system built specifically for them. Don't forget that both kinds of systems have their pros and cons.

CONCLUSION

In this paper comparative study of comparative analysis on digital banking services with special reference to banks of public sector (SBI and CANARA) and private sector (AXIS and HDFC) in Mandya city. It focus on Factors influencing on digital banking services and analyze the involvement of customers to usage of digital banking services with special reference to SBI and CANARA bank and AXIS and HDFC Bank in Mandya. As per the comparison there is not a huge difference among each bank. But compare to private bank public sector banks provides various digital services to customers and they satisfied with digital services like internet banking, mobile banking, online banking etc.

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