

# **A STUDY ON DIGITAL BANKING AND ITS IMPACT**

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## **INTRODUCTION**

Digital banking is the part of the online banking. Customers are making banking services mostly through the internet. The customers are getting financial data and their transaction details through digital banking. Digital Banking performs all services getting from head office, branch, online service, bank cards, ATM even point of sale machines. It is more than or beyond the level of Mobile Banking and Online Banking. Majority of the customers now using smart phones for the advancement of Digital Banking.

To attain many customers Banks are using the tool Digital Banking in recent era. The main benefits of Digital Banking are Pay bills such as EB bill, Phone bill etc., To see the mini statements, transfer funds, see the loan details and more services which is offered by the Banks. Nowadays, Banks are offering coupons and discounts those who are using transactions more through digital Banking.

In India, Internet are getting cheap and everywhere than other countries. so, People prefer digital banking to fulfill their needs within a second. It saves time and reduce travel cost to the customers. It also avoids the long standing queues in the Banks. This is also available even 24 hours and 7 days. This also provides to check the records at any time through Internet Banking.

It also gets pros and cons. The disadvantages of digital banking are less security. Through the internet banking customer data are stolen by many fraudulent. Sometimes the net connections are hacked in the important transaction time.

## REVIEW OF LITERATURE

**Pappu Rajan, G. Saranya**(Dec 2018). “Digital Banking Services: Customer Perspectives” In this research concluded that accessibility of digital banking feel that are deemed physically fit in the society.

**Varda sardana, shubham singhania**(Nov 2018) “Digital technology in the realm of Banking” Digital banking not only through internet access but also some other tools are also introduced by the banks for facilitating banking services.

**Manisha Varma** (Nov 2018) “A Rise of digital banking in India- A case study of HDFC” To study the digital banking services provided by HDFC bank and to measure the awareness of customer using digital banking services. It finds that the customers are prefer digital banking services was better than traditional banking.

**Donald R.Mascato; Shosana**(2012)”International perceptions of banking security concerns” Digital Banking are very useful for security policies about their storage encryption and also customer prefer the same for convenient purposes.

**Kevin ogonji mulka ; Prof. Harriet Kidombo Wycliffe munyolo** (Nov 2015)” Accessibility of digital banking on customer satisfaction, national bank of Kenya”. To know the awareness of Digital banking by the customers. Customer feels it is moderate and accessible one for their services at anytime and anywhere.

**Akram jalal,Jassim marzooq,Hassan nabi**(2011)”Evaluating the impacts of online banking factors on motivating the process of e-banking.” This study finds that customers are feel digital banking disturb the customers for personal information are hacked by the hackers. Finally it concluded that this is risky and safe less to the customers.

**Githiku wanjiku Margaret, Dr. reuben njuguna kinyuru**(2018)”Digital banking and customer relationship in banking industries”. This article finds that commercial banks imposed digital banking for reduce the cost and retain market share in high level in the competitive era.

## OBJECTIVES OF THE STUDY

1. To identify the transactions made by the customers through digital banking
2. To know the impact of digital banking on customer satisfaction

## HYPOTHESES OF THE STUDY

1. There is no significant difference among the transactions made by the customers through digital banking
2. There is no significant difference among the impact of digital banking on customer satisfaction

### Influence on Digital Banking on Customer Satisfaction

The reliability consist of five variables and it subsequent influence over customer satisfaction is measured through linear multiple regression analysis. The results are presented below

**Table – 1 Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.978 <sup>a</sup>	.956	.956	.289

a. Predictors: (Constant), D5, D3, D2, D1, D4

Source –Computed data

From the above table it is found that R=.978 R square = .956 and adjusted R square .956. This implies the Digital Banking variable create 96% variance over the customer satisfaction. The cumulative influence of five variables of Digital Banking over customer satisfaction is ascertained through the following one way analysis of variance.

**Table – 2 ANOVA<sup>a</sup>**

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	909.239	5	181.848	2172.367	.000 <sup>b</sup>
Residual	41.353	494	.084		
Total	950.592	499			

a. Dependent Variable: Customer satisfaction

b. Predictors: (Constant), D5, D3, D2, D1, D4

Source –Computed data

Table 2 presents that F = 2172.3672 p=.000 are statistically significant at 5% level. This indicates all the five variables cumulatively responsible for customer satisfaction. The individual influence of all this five variables is clearly presented in the following co-efficient table.

**Table – 3 Coefficients<sup>a</sup>**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	-.056	.046		-1.229	.220
1 Money withdrawals	.204	.033	.189	6.110	.000
Deposits	.171	.034	.139	4.959	.000
Transfers	.283	.023	.346	12.212	.000
Pay Bills	.359	.032	.361	11.067	.000
Record summary	-.015	.041	-.014	-.370	.712

a. Dependent Variable: Customer satisfaction

Source –Computed data

From the above table it shows that Money withdrawals (Beta=.189, t=6.110, p=.000), Deposits (Beta=.139, t=4.959, p=.000), Transfers (Beta=.346, t=12.212, p=.000), Pay Bills (Beta=.361, t=11.067, p=.000) are statistically significant at 5% level. Record summary (Beta=-.014, t=-.370, p=.712) are not statistically significant at 5% level. This clearly shows that the customers are using digital banking for transfers followed by Pay bills. It creates reliability among the customers and they measure them during the realization of customer satisfaction while using digital banking.

## FINDINGS AND CONCLUSIONS

1. The customers are using Digital Banking frequently for the transactions of Transfers, Money Withdrawals, Deposits, Pay bills and view the summary.
2. The customer are satisfied the digital banking applications mostly for the transaction of Transfers and Pay bills.
3. The Impact of Digital Banking are Banks gets more customer than the traditional Banking methods.
4. The Records maintenance are minimized because of digital banking and the customers are done most of the transactions by digital banking.
5. Finally, it concludes that digital banks facilitates convenient to the customers as well as the Banks.

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