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Students Perception on Digital Banking

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Abstract:
The research paper aims to study the perception of students towards accepting digital banking. The study tries to examine whether the students as they are today's generation are comfortable in using digital banking services like online banking, mobile banking through banks customized mobile software application. It tries to examine the relation between the gender of students and their perception about the digital banking.

***Keywords:** Digital Banking services, Gender wise perception.*

I. Introduction

According to Financial institutions, solving banking needs means catering to different generations. In banking sector digitalisation is a new dimension to strengthen the customer relationship, their satisfaction level and transparency towards loyalty. Digitalisation is helping the banks to formulate the strategies relatedto the use of customer data, social media,mobile apps and online capabilities, infrastructure and a seamless experience that can achieve a long term relationship and the profitability. Based on three dimensions of digital services provide by the banks, this research work tries to examine the relation between the gender of students and their perception about the digital banking. The research work walks through the literature survey, the problem definition, research methodology used here, the data analysis and its interpretation and lastly followed by conclusion and suggestion.

II. Literature Survey

The journey of this research work firstly found the potential of the available literature of past 6 years that led the base for the problem definition.

E. Lokanadha Reddy and Shaik Karim,focused on the quality parameter, its influence and the students expectations towards the modernized banking services. According to this study student satisfaction level and qualities of modernized banking services are highly correlated [1]. The study of Uday Singh Rajput revealed that demographic parameters viz.-education, gender and income play an important role in usage of online banking. The major finding determines that if the skills are upgraded, then there will be greater use of online banking among theyoung consumers [2]. The findings of the study conducted by Kevin O. Muluka and et al., established a strong relationship between accessibility and satisfaction.It was recommends that the banks shouldupgrade theirservices frequently to improve digital banking [3].

Surajit Ghosh Dastidar and Rajib Kumar Das have suggested that net banking is primarily used for making various enquiries, online purchases and money transfer. The reluctant attitude towards the digital banking includes non-awareness and ignorance regarding the digital banking procedures, uncertainty regarding security aspect etc. [4]. Chandrawati and Pandey identified the major drivers

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of Digital Banking Transformation for Indian bank. This study found that the digitalization changed the face of branch banking and mobileusage has being increased as a primary channel of banking [5].According to Vishal Kumar, both public and private sector banks are focusing on the needs of value-added services for customers. In addition it was also observed that the people from rural and semi-urban areas are not much aware of the value-added services[6].Esther Ikavbo and et al. have stated that the three most important factors considered by studentswhile selecting any bank are proximity/accessibility, efficient customer service and zero account policy/minimum charges [7].

Cajetan I. Mbama performed research on investigation of digital banking, customer experience and bank financial performance. The major suggestion given in this research stated that the banking halls should be situated as near as possible to students' halls of residence giving the importance of proximity to students while selecting any bank [8]. According to Julien Courbe and David Schiff, the industry is still learning how to solve the banking needs of younger and tech-savvy consumers. The survey reflects the great variety in age-related differences, in terms of relationship, and trust with their banking needs [9].Kiran Jindal and Hasprit Jindal are in opinion that even after the digitalization has created a sense of freedom in the banking services, there are still major security issues which resist a part of the population from using digital banking. Lack of computer related knowledge and discomfort of using these facilities by the uneducated people is another major reason of resistance to digital banking [10]. ICICI Annual Report of 2019 aims to provide its stakeholders a comprehensive view of the organisation's financial and non-financial resources and its strategy to create long-term value. The report provides insights into the Bank's primary activities, its strategic priorities, risks, governance structure, and the manner in which it has leveraged the major capitals [11]. A blog in coursehero.com shows that, among the list of independent variable tested, ease of use was found to be the strongest variable of student perception to use internet banking, followed by responsiveness, trust and accessibility [12].

III. Problem Definition

The insight from the above literature provides a base to perform the research study based on the student perception towards the digital baking. The demographic variable of only student gender can be considered as major factor for this research work. The hypothesis set for this research study is-

H_0: There is no significant difference between Genders of the student customers regarding their perception toward the services of Digital banking.

vs

H_1: There is significant difference between Genders of the student customers regarding their perception toward the services of Digital banking.

IV. Research Methodology

The facts and figures reflected in the available literature help us to build the list of variable viz., usability, utility, preference, awareness, security, future prospect, accessibility etc. Based on these parameters a Google form has been designed for the students' perception. A convenient sample survey was conducted where-

Universe: Student who use online banking or mobile baking apps.

Sample Size (N): N = 270.

The scope of this study render around the students of current batch of our college campus.

The overall model design of this research study is given in the following figure.

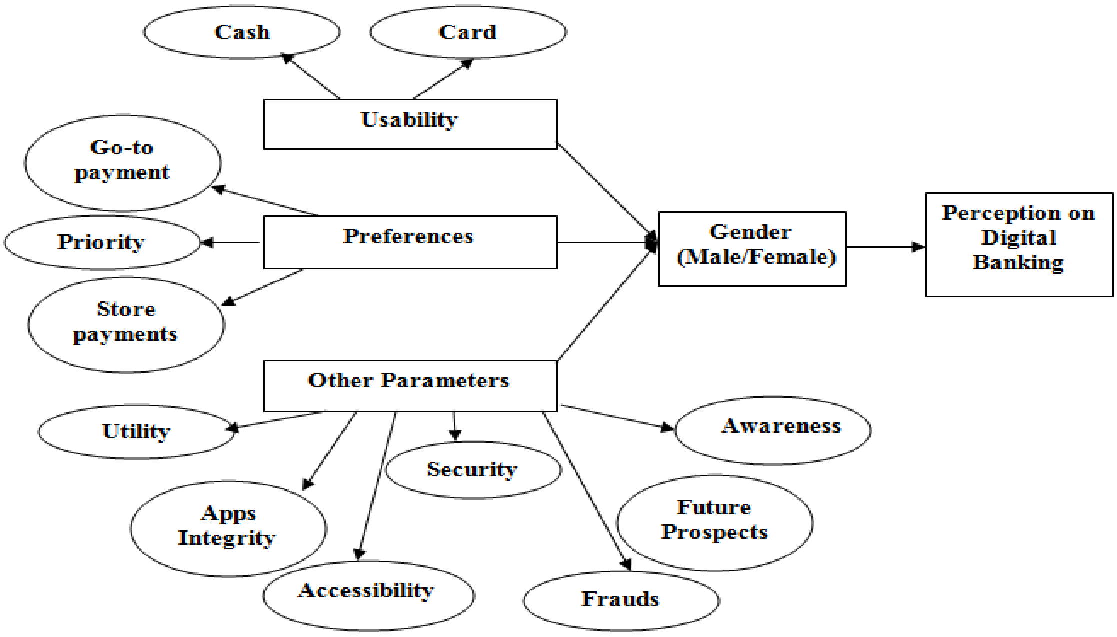


Figure 1: Model Description under study

V. Data Analysis and Interpretation

The Data analysis process begins with the pilot survey of the collection data. The details data analysis and its interpretations are given below stepwise as-

1. Reliability Test:

To check the consistency and reliability of the model design, an initial pilot survey was conducted using 25 samples. The Cronbach's alpha test was applied using SPSS software. The results are given in the following table.

Table 1 : Cronbach's Alpha Reliability Test

Sr. No.	Parameters	Levels	No. of Questions	Cronbach's α value	Remarks
1	Usability	6	2	0.755	Acceptable
2	Other parameters	2	7	0.824	Good

Since both the α value are greater than 0.75, the model under consideration is reliable to conduct the research study, without any modification in the question design.

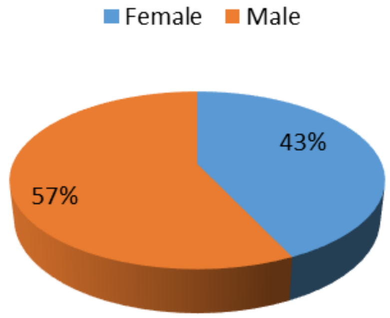
2. Validity Test:

Since all the questions were compulsory for the respective defined options, the work of converting the option in numeric form was done using find and replace in excel sheet. This violets the data from outliers and hence the results can be properly executed.

3. Exploratory Statistics:

Use of pie charts and bar graph are used to study the trends of the respondents which reflect their perception towards the digital banking.

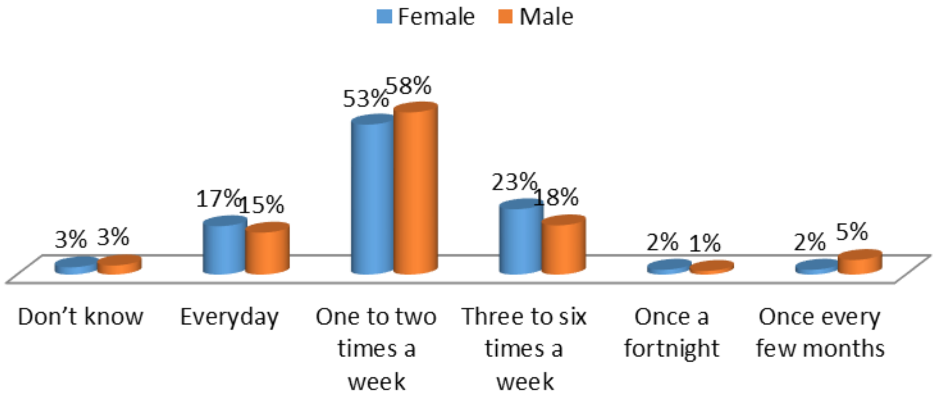
(i) Gender wise Distribution



57% are Male and 43% are the Female were tested for this research study.

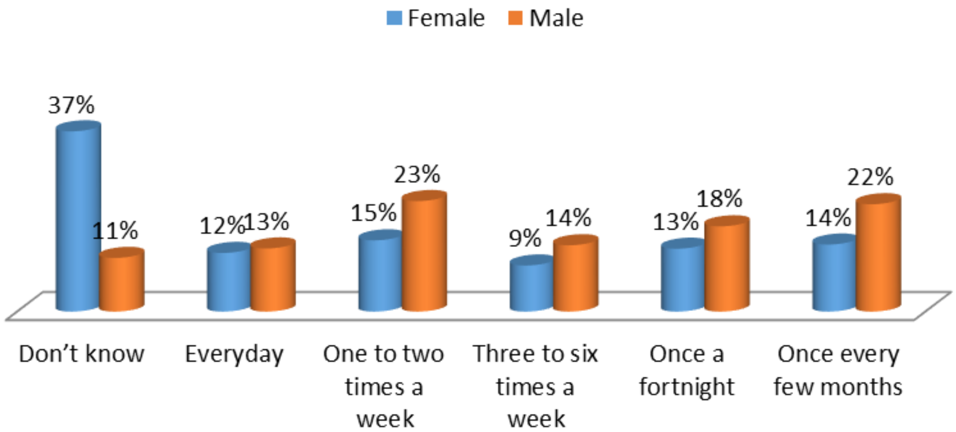
(ii) Usability parameters

(a) Student Cash Transactions



The maximum of cash transaction by students are reflected in category of one to two times a week. The cash transaction of female students seems to be more as compared to the male students except.

(b) Students Card Transactions



The Card transactions by male students are more as compared to the female students except in first category of don't know. This indicate that the female student find to be reluctant to do the card transaction.

(iii) Preference Parameters

(a) Students Priority for Transactions

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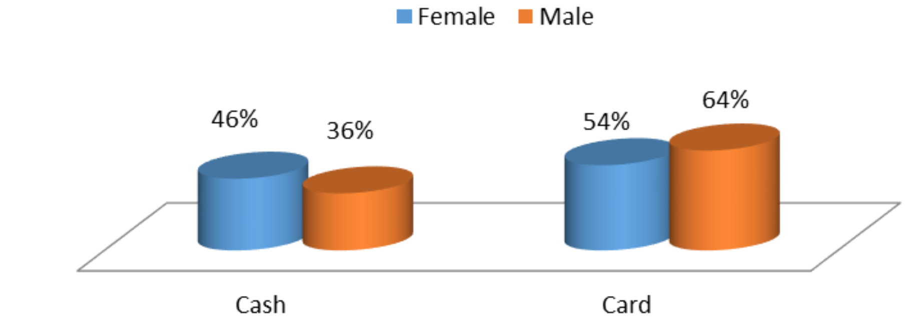
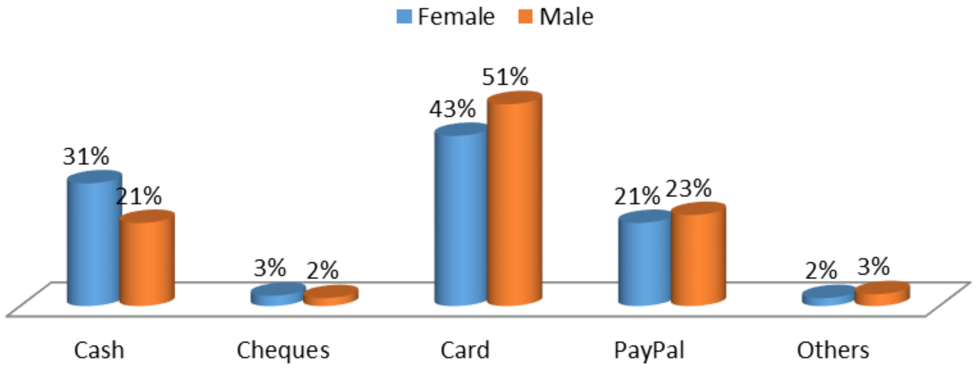


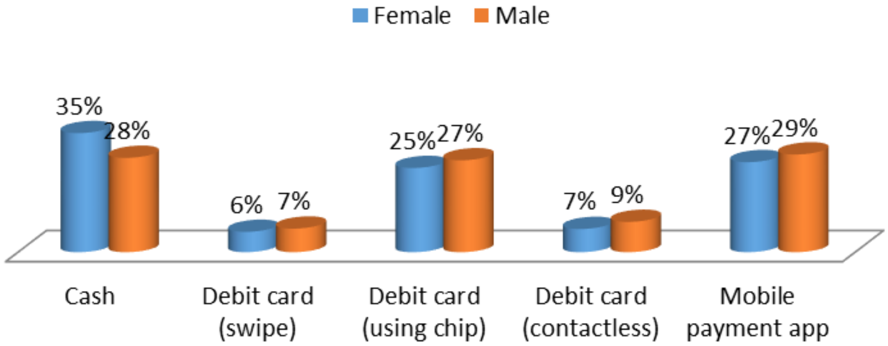
Students prefer card i.e. online transaction as compared to use of cash. But gender wise female students prefer cash transaction as compared to the male students.

(b) Students go-to payment option



Online transactions for go-to payment option seem to be more preferred by the students. Manual options viz. cash and cheques are more preferred by female student as compared to male students.

(c) Students purchases in store/shopping



Online transactions for purchases in store/shopping seems to be more preferred by the students. Manual options of cash are more preferred by female student as compared to male students.

(iii) Other parameters

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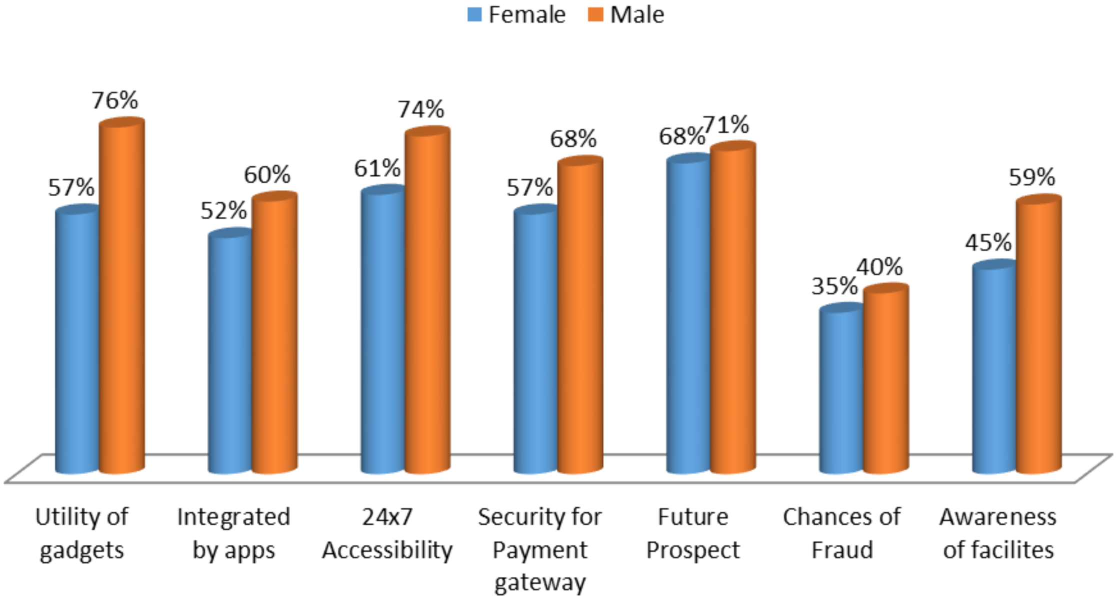

In all the 7 given parameters, male student share major contribution as compared to female students. In view of the chances of fraud in online transaction is the lowest as compared to the other parameter. The financial institutions should take some steps to increase the awareness of their facilities.

4. Inferential Statistics:

The previous section of exploratory statistics revealed that the male students are much better than the female students in case of usability, preference and other parameters. The positive responses for other parameters can be used to examine the intensity of the online banking services and their impact on the students.

Chi-square statistics at 5% level of significance is used to test the gender significance with respect to the parameters of online banking services. The use of SPSS software provides the following result.

Table 2: Chi square Statistics

Sr. No.	Parameters	D.F.	Chi sq. Value	Sig. p value	Remarks
1	Utility of gadgets	1	11.026	0.001	Reject H_0
2	Integrated by apps	1	17.728	0.189	Accept H_0
3	24x7 Accessibility	1	5.040	0.025	Reject H_0
4	Security for Payment gateway	1	3.210	0.073	Accept H_0
5	Future Prospect	1	0.224	0.636	Accept H_0
6	Chances of Fraud	1	0.512	0.474	Accept H_0
7	Awareness of facilities	1	0.540	0.020	Reject H_0

Interpretation: In case of Utility of gadgets, 24x7 Accessibility and Awareness of facilities we reject the Null hypothesis H_0 and Accept H_1 to say that at 5% level of significance, there is some significant difference between Genders of the student customers regarding their perception toward the services of Digital banking services. For the remaining four parameters there stands no significance difference as we can accept the H_0.

VI. Conclusion and Suggestions

On the basis of exploratory and inferential statistics we can conclude that-

- Both the categories have started using the online transaction, but still female students contribute more cash transaction as compared to male students.
- Male students are more conversant towards the services of Digital banking in case usability as well as preferences of online transaction.
- In case of parameters like Integrated of apps, Security for payment gateway, Future prospect and Cases of Frauds, both the

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categories agree that the online banking services are beneficial.

Since the current state of internet banking has not reached perfection yet, this research study highlights some suggestions as follows-

- The banking sector should promote their facilities and updates, especially to the female students.

Bank authorities should keep on innovating new ideas and policies to make internet banking more attractive to young customers.

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