PROBLEMS OF DIGITAL BANKING SERVICES IN TENKASI DISTRICT

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ABSTRACT:

Digital banking is the automation of traditional banking services. Digital banking enables a bank's customers to access banking products and services via an electronic/online platform. Digital banking means digitalizing all of the banking operations and substituting the bank's physical presence with an everlasting online presence, eliminating a consumer's need to visit a branch. Indian Government's vision of a cashless economy and rapid development in improving internet availability throughout the nation, the country recorded over 48.6 billion real-time payment transactions in 2021 (the highest in the world) exceeding China. Digital banking services have made banking activities fast, hassle-free and highly efficient. As much as there are benefits to digital banking there are also problems with digital banking. This study has given problems of digital banking services among digital banking user in Tenkasi district. This research collected data from 715 digital banking users in Tenkasi district. The main objective of this study is to find out the level of problems in digital banking services in Tenkasi district. This study uses spss which is frequency table, cross table and simple ranking method. Finally this study has given suitable suggestion to the user, bank and RBI to increase the use of digital banking services in Tenkasi district and also given some suggestion for reduce the problems in digital banking services.

KEY WORDS: Digital Banking, Problems, Services.

1.1 INTRODUCTION

Digital banking systems are much more flexible and allow banks to add expands features much faster than traditional systems. Digital banking relies on high-level process automation and web-based services to provide banks and their customers with high levels of cost efficiency, security and flexibility. Modern banking solutions enable a fully digital customer journey, generating real-time data streams and accelerating key analytics. 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. Digital banking gives you the luxury of freely accessing and performing all traditional banking activities 24*7 without having to personally go to a bank branch to get your work done. Digital banking can be done either through a laptop, tablet or your mobile phone.

1.2 OBJECTIVES OF THE STUDY

1. To study the demographic profile and account profile of the respondents in Tenkasi district.

2. To find out the problems of digital banking services in Tenkasi district.

3. To provide better suggestions for improving the performance of digital banking services in Tenkasi district.

1.3 SCOPE OF THE STUDY:

This study covers mainly problems of digital banking services in Tenkasi   district. The study is confined to Tenkasi district. In this district are newly established in 2019.This district is developing district in current time. So the researcher decided to fresh data collected from the Tenkasi district.

1.4 AREA OF THE STUDY:

Tenkasi district is a newly establishment district in Tamil Nadu. Tenkasi district are growing in now a days. The district are divided in to eight taluks namely Kadayanallur, Tenkasi, Sankarankovil, Shenkottai, Sivagiri, Veerakeralam Puthur, Alangulam, Tiruvengadam. In this research surely given new data and new thoughts about digital banking services from respondents. Hence Tenkasi district taken as an area of the study.

1.5 SAMPLE SIZE

The sample design refers to the technique or procedure of the research in selecting sample size from the total population. The population of digital banking users is unknown. So the study used simple random sampling for collecting data from digital banking users in Tenkasi district. Finally I have distributed 750 questionnaires to the digital banking users in Tenkasi but only 715 questionnaire are analyzed and also used in the study. Remaining 35 questionnaires are unaswered and wrongly filled questionnaires.

1.6 REVIEW OF LITERATURE

Cumhur Erdem (2008)[1] found that since socioeconomic consequences of credit card debt have become one of the most common problems in Turkey, the problem has received wide spread

attention of media, public policy makers, card issuers and holders and consumer protection agencies. This paper investigates the factors that have impact on the intention of credit card use and probability of default by using data obtained from 474 card users in Turkey. Ordered probit and the structural equation models were used to meet the objectives. According to the findings, the factors that affect probability of credit card user default are total credit card debt to income ratio and the proportional payment of expenses with credit cards. The number of children, level of education, subjective norms, perceived behavioral control and attitude toward the behaviour were found to be effective in the formation of the behavioral intention.

Laforet and Li (2005)[2] in their study investigated the market status of online and mobile banking in China. The objective of the study was to identify the target customers for online and mobile banking, and to compare the attitude of users and non-users towards e-banking with respect to a number of factors such as technology, security, convenience, etc. The authors selected a sample of 300 respondents from six major cities of China. The results showed that online and mobile banking users were predominantly males not necessarily young and highly educated. The main problems faced by the customers of Chinese banks in online banking were perception of risks, computer and technological skills and lack of awareness.

1.7 ANALYSIS AND INTERPRETATION OF THE DATA

Analysis of data is a general way which involves a number of closely related operations, which are performed with the source of summarizing the collected data, organizing these in such a manner that they answer the research questions. The data collected are systemically processed, tabulated and made suitable for analysis and interpretations.

Table No. 1.1

Demographic Profile

S.No	Particular	Category	Frequency	Percentage
1.	Age	Below 25 Years	323	45.2
		25Years – 35 Years	191	26.7
		36 Years – 45 Years	96	13.4
		46 Years – 55 Years	76	10.6
		Above 55 years	29	4.1
		TOTAL	**715**	**100**
2.		Male	344	48.1

	Gender	Female	371	51.9
		TOTAL	**715**	**100**
3.	Marital Status	Single	328	45.9
		Married	387	54.1
		TOTAL	**715**	**100**
4.	Residential Location	Urban	162	22.7
		Rural	553	77.3
		TOTAL	**715**	**100**
5.	Taluk	Kadayanallur	95	13.3
		Tenkasi	338	47.27
		Sankarankovil	84	11.7
		Shenkottai	40	5.6
		Sivagiri	21	2.9
		Veerakeralam puthur	50	7.0
		Tiruvengadam	34	4.8
		Alangulam	53	7.41
		TOTAL	**715**	**100**
6.	Bank Name	Canara Bank	259	36.2
		State Bank of India	89	12.4
		Indian Overseas Bank	167	23.4
		City Union Bank	87	12.2
		Axis Bank	74	10.3
		Equitas Bank	39	5.5
		TOTAL	**715**	**100**

Source: Computed Data

The above table 1.1 revealed that, majority 45.2 per cent of the respondents belong to the age group of below 25 years, 26.7 per cent of the respondents belonging to the age group 25 Years – 35 Years, 13.4 per cent of the respondents belonging to the age group 26 Years – 45 Years, 10.6 per cent of the respondents belonging to the age group 46 Years – 55 Years, 4.1 per cent of the respondents belonging to the age group Above 55 Years.

Out of 715 respondents, 51.9 per cent of the respondents are Female, 48.1 per cent of the respondents are Male.

With respect to marital status it is seen that 54.1 per cent of the respondents are Married categories, 45.9 per cent of the respondents are Single categories.

The residential location distribution shows that of 77.3 per cent of the respondents lives in rural area, 22.7 per cent of the respondents lives in urban area.

The place of taluk reveals that 54.7 per cent of the respondents being in Tenkasi taluk, 13.3 per cent of the respondents being in Kadayanallur taluk, 11.7 per cent of the respondents being in Sankarankovil taluk, 7.0 per cent of the respondents being in Veerakeralam puthur taluk, 5.6 per cent of the respondents being in Shenkottai taluk, 4.8 per cent of the respondents being in Tiruvengadam taluk, 2.9 per cent of the respondents being in Sivagiri taluk.

The data clearly shows that, 36.2 per cent of the respondents having bank account in canara bank, 23.4 per cent of the respondents having bank account in Indian overseas bank, 12.4 per cent of the respondents having bank account in state bank of india, 12.2 per cent of the respondents are having bank account in city union bank, 10.3 per cent of the respondents having account in axis bank, 5.5 per cent of the respondents having bank account in equitas bank.

Table No.1.2
Simple Ranking Method
Problems of Digital Banking Services

S.No	Problems	N	Std. Deviation	Mean	Rank
1.	Annoying	715	4.67616	11.1259	I
2.	Illiteracy	715	3.23516	6.8811	III
3.	Security breaches	715	3.68239	7.8280	II
4.	Charges	715	1.55496	5.1524	IV

Source: Computed Data

The above table 1.2 revealed that, problems of digital banking services factors such as annoying problem in digital banking services are occupies first place the value of mean is 11.1259, the security breaches occupies second place the value of mean is 7.8280, the illiteracy occupies third place the value of mean is 6.8811, the charges occupies last place the value of mean is 5.1524.

Table No.1.3

Bank and Problems of Digital Banking Services

S.No	Bank Name	Low	Medium	High	Total
1.	Canara Bank	123	71	65	**259**
2.	State Bank of India	18	43	28	**89**
3.	Indian Overseas Bank	54	57	56	**167**
4.	City Union Bank	39	30	18	**87**
5.	Axis Bank	32	23	19	**74**
6.	Equitas Bank	11	13	15	**39**
Total		**277**	**237**	**201**	**715**

Source: Computed Data

The above table 1.3 explained that, the Canara bank customers in 123 respondents are faced low level problems by using digital banking services, 71 respondents are faced medium level problems by using digital banking services,65 respondents are faced high level problems by using digital banking services, State Bank of India customers in 18 respondents are faced low level problems by using digital banking services, 43 respondents are faced medium level problems by using digital banking services, 28 respondents are faced high level problems by using digital banking services, Indian Overseas Bank customers in 54 respondents are faced low level problems by using digital banking services, 57 respondents are faced medium level problems by using digital banking services, 56 respondents are faced high level problems by using digital banking services, City Union Bank customers in 39 respondents are faced low level problems by using digital banking services, 30 respondents are faced medium level problems by using digital banking services, 18 respondents are faced

high level problems by using digital banking services, Axis Bank customers in 32 respondents are faced low level problems by using digital banking services, 23 respondents are faced medium level problems by using digital banking services, 19 respondents are faced high level problems by using digital banking services, Equitas Bank customers in 11 respondents are faced low level problems by using digital banking services, 13 respondents are faced medium level problems by using digital banking services, 15 respondents are faced high level problems by using digital banking services.

1.8 FINDINGS AND SUGGESTIONS OF THE STUDY

Findings of the Study

- ✓ Most of the respondents belonging to the age group of Below 25 Years (45.2 per cent).
- ✓ It is observed that among 715 respondents, majority of the respondents are Female (51.9 per cent).
- ✓ The study revealed that most of the respondents are Married (54.1 per cent).
- ✓ Most of the respondents survived in the Rural area (77.3 per cent).
- ✓ Among the respondents, most of the respondents survived in the Tenkasi taluk (47.27per cent).
- ✓ It is observed that among 715 respondents, majority of the respondents are having bank account in canara bank (36.2 per cent).
- ✓ Majority of the respondents given first rank for annoying the mean value is(11.1259).
- ✓ Majority of the 65 canara bank respondents are faced high level problems of digital banking services.

Suggestions of the Study

- ✓ Majority of the 65 canara bank respondents are faced high level problems of digital banking services. So Canara bank must identify the problems of its customers and come forward to fix them. Most of the customers are reporting that mobile banking and internet banking are not easy to use, so RBI and the bank need to understand the needs of its customers and design digital banking in a simple way.
- ✓ The network is major role in digital banking services. So the government must provide quality network to all places. The RBI need to introduce in future, the digital

banking apps designing offline mode for transaction so that people in hills area will happily carry out their transactions, as network problem is more there as compared to people living in other areas.

1.9 CONCLUSION

The number of customers in digital banks, which are intermediaries between electronic stores and shoppers, is increasing day by day and they rely on encrypted digital money which is not like a banknote. Digital banking proliferation the level of efficiency and performance of the bank, save time and effort for the customers as well as the employees of the bank, as well as accessible 24 hours service, including public holidays, and strict control of banking activities, and sending and receiving documents quickly. This study examined the problems of digital banking services in Tenkasi district. As easy as it is to use digital banking, it also has many problems. Therefore, RBI need to give proper guidelines to the banks and designing digital banking to the extent that they can take immediate action to correct any problems in it. Similarly, banks should be helpful to their customers and also customers should follow RBI and bank's guidelines to carry out money transaction. This study has provided necessary advice to the customer and bank. So the customers can use the valuable suggestions provided in this study to make their money transactions safe and enjoyable.

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