

# A Study on Changes in Consumer Perception towards Digital Banking in Dhule City during COVID.19

**Dr. Sachin Karbahri Jadhav**

Assistant Professor in Commerce

SSVPS's ACS College, Shindkheda, Dhule, Maharashtra, India

Email jadhavsk.snk@gmail.com

**Abstract:** Digital banking is an ingredient of the wider context for the move to online banking, where banking services are delivered over the web. The changes of traditional to digital banking have been gradual as well as remain ongoing, and it is also constituted by differing degrees of banking service digitization. Digital banking involves high levels of process automation and web-based services and should include APIs enabling cross-institutional service composition to deliver banking products and provide transactions. It gives the access for users to operate financial data via desktop, mobile, tablets as well as ATM services. There's no question that consumers will be less intense on visiting bank branches under the new normal. The change and therefore the increasing development are being practiced in the Information and Communication Technology which have carried a lot of alterations in almost all aspects of lifecycle. Within the Banking Industry, it's been in the practice of online banking, which now substituting the normal is banking exercise. Present study has investigated consumer perception regarding digital banking with regard to age and gender. Identify factors which led to the usage of digital payment during Covid.19 also as examine satisfaction level of consumer towards Digital Banking. The statistical technique like Cross tab, Frequency and Chart went to analyze and interpret the data. This paper deals with the perception of customers toward the use of digital banking systems during covid-19.

**Keywords:** Introduction, Traditional payment system, digital payment system

## I. INTRODUCTION

Will the pandemic change users' digital behavior over the end of the day, and can it change digital banking as a result? It is significant inquiries now days. Banks round the world over are as of now acknowledging how investments in digital technologies could advantage client obtaining and fulfillment. The corona virus pandemic is majorly affecting the versatile outlays industry, as users and organizations are compelled to definitely change their buying habits and the banking industry attempts to look after this. COVID-19 is quickly reforming Consumer Banking and Payments Behaviors.

The pandemic has faster the digital transformation of banking and trade, which these alterations likely won't be short-term but instead mark a new normal in consumer behavior in a post COVID-19 commercial centre. The RBI and therefore the Government are giving great deal of importance in inspiring Digital Payments. Public can utilize these methods of digital payment from the suitability of their homes over online channels like portable banking, web banking, cards, then on and avoid from utilizing money that may needs going to historical or entertainment places for sending cash or paying bills. Physical cash handling as an everyday routine is being considered as a big reason for worry for risk of infection. Contactless payments might be the route ahead as well as installment modes like UPI, IMPS, RTGS, Mobile wallets and Net banking could contribute efficiently in decreasing human interfaces. Consumers are rushing to mobile wallets and contactless payment techniques to take care of a strategic distance from the trading of paper cash or checks during the present pandemic. Public can use these methods of digital payment from the suitability of their homes through online channels like mobile portable banking, web banking, cards, then on and avoid using cash. Mobile phones are used all over the place during this modern world. The technological progression has made all possible less than one touch. By using the different applications inbuilt or install in the our mobile phones the consumers can be used for pay any kinds bills and also handle their money at their convenience and simultaneously due to Covid -19, it give push to this kind of activities. Due to the COVID-19 emergency, we are likely to see a rise in internet banking movement and a decrease in outings to physical branches. this pandemic has enforced clients who once opposed web based banking to take on digital banking applications as their new

default. The more these customers understand that it's so helpful that bank goes digitally, the less likely they're return to physical branches. What's more, because the significance of digital banking circulation channels increases in the outcome of the COVID-19 crisis, we are likely to see huge increasing speed of key digital tendencies.

### **1.1 Objectives:**

- To know difference is perceived by consumer for various attributes of digital payment on the basis of Age, Gender.
- To identify mode of payment during Covid.19
- To examine satisfaction level of consumer towards Digital Banking

## **II. RESEARCH METHODOLOGY**

The descriptive research design has been used. The study is predicated on primary data; questionnaire collected from Resident of Dhule who are using Digital Banking Facilities and Secondary data collected from different articles, newspapers and journal as well as unpublished and published reports.. Convenient Sampling method is to be use to select sample units. Population of research was Resident of Dhule, Maharashtra state. Samples of research were Resident of Dhule who has using Digital Banking Facilities. Total number of sample was 250. For the purpose of Data collection of this study the questionnaire instruments has to be used. Its different items prepared for data collections. For this purpose questions rating Scale were "Strongly Agree" to "Strongly Disagree" supported Likert Scale has to be used, remainder of the questions on nominal scale. The statistical technique likes Cross tab, Frequency and Chart has to be use to analyze and interpret the collected data.

## **III. REVIEW OF LITERATURE**

Rajas Saroy, Sakshi Awasthy, Naveen K. Singh, Sonali M. Adki, Sarat Dhal has been reveals in there paper entitled "*the impact of covid-19 on digital payment habits of indian households*" reveals that the COVID-19 induced lockdown in India has been an inflection point for on-boarding of new mobile app users into digital payments. By using a huge survey dataset, they examine the driving factors of this shift for those who used modern digital payments for the first time. From the demographic drivers of payment choice traditionally explored in the literature, we find that this shift was significantly shaped by the degree of awareness of digital modes, access to mobiles as well as debit cards, and also pandemic-relief welfare transfers. The users who have been dumped digital payments due to prior bad experiences that switched back to such available modes.

"*Digital Payment and Its Growth in the Time of COVID – 19*" research paper by Dr. S. Mahoharan, Saravanan MP, Paneerselvam S has been depicted that The Indian payments landscape has undergone a makeover in the recent past with the decision to demonetize leading to a shortage of physical currency. The COVID-19 pandemic has been established a contamination fear while exchanging as well as using currency. Hence, the customers started adopting digital payments. Research was conducted in this context to investigate the behavior intentions of the customers regarding digital payment usage through application of the Unified Theory of Acceptance and Use of the Technology-2 (UTAUT2) model. This paper explores the behavior intentions of using digital payments during the pandemic.

The paper published in International Journal of Creative Research Thoughts (IJCRT) 2021 by Rashi Singhal and Abhilasha Gupta entitled "*Impact of COVID-19 on Digital Payment Services at Towns and Villages*" has been deals with Digital payment, which is now an emerging points of that offer a financial transaction between more than one persons by applying online and/or digital platform instead of having exchanging money physically. This platform has no physical interaction is needed to pay and/or receive sum of money that can be done via mobile or computer across globe round the clock. The main objective of using payments digital is to have true and fair recording of all monetary transactions which deals in cash and safeguarding the people from loss of theft of their earned money. COVID-19 globe was declared implementing worldwide lockdown by governments of every nation in order to safeguard health's and lives of common people suffering to which numerous individuals lost their existence.

Rajput, U. S. (2015) have investigating customer's views regarding e-banking. Data collected through questionnaire. Researcher has approached 285 respondents who are using regularly online banking services. The statistical techniques indicated that there' has been significant variations existed between the views of respondents belonging to different income

group and age group. Here it can be concluded that people have around 45 %people have positive perception & are satisfactory with E-Banking.

"Impact of Covid-19 on Digital Payments in India" paper of V. Achutamba and Dr. CH. Hymavathi has been indicated that in the current situations, COVID-19 pandemic is bringing second thoughts about reaching cash as the cases rise up. Due to theses reason some want to go cashless to have contactless transactions. The prime objects of this study are to understand how individuals have made a greater move for the digital payments and it is going to be applicable by various people from different age groups, gender, and occupation. This study deals the awareness, perception as well as the behavior of the public towards the fluctuation in payment system from traditional to digital mode. The purpose of this study is to disclose the change which has been overcome in the old payment system in India.

Mariyappan Narayanan and Sridevi Saravanan written the paper "*the impact of covid -19 on digital payment system with reference to chennai city*" has been reveals the covid-19 pandemic can hasten the world's transition to digital payments. The paper deals with the Payment systems which have proven to be dependable as well as long-lasting, and the general public which continues to have a massive degree of confidence in them. However, due to pandemic the lockdown implemented which results the closing of so many businesses and have resulted in lower average transaction volumes. So many individuals also assume that many troubles toward money transaction among peers and/or other purpose. It is too much typical for the digital payments ecosystem to establish quickly and also help form the post-covid duration in order to play a vital role in recovery and lead the disclosure into this new normal. The digital payments methods have been used in the pandemic situation are portrayed in this paper.

#### IV. DATA ANALYSIS AND INTERPRETATION:

To know difference is perceived by consumer for various attributes of digital payment on the basis of Age, Gender.

**Table 1:** How do people typically (most often) pay your bills during Covid.19? (Age)

Types of Transactions	Age			Total
	20-40	41-60	>60	
Online Payment (UPI, Credit Card, Debit Card, Internet banking)	114	72	19	205
Cash	8	27	5	40
Cheque	0	2	3	5
Total	122	101	27	250

Source: SPSS

**Interpretations:** Table 1 indicate that all age group typically pay bills via online during Covid.19 and from table one can understand that age group of 20-40 are majorly using online payment (UPI, Credit Card, Debit Card, Internet banking). And secondly the age group 41-60 has been use online payment system i.e. 72 respondents. On the other hand more then 60 years age group has often use less online banking during Covid-19.

**Table 2:** How often do people make digital payment transaction? (Age Cross tabulation)

		Age			Total
		20-40	41-60	>60	
Daily-once	Count	38	32	13	83
	% within How often do you make digital payment transaction?	45.78%	38.55%	15.66%	
Daily – Several times	Count	25	23	5	53
	% within How often do you make digital payment transaction?	47.17%	43.40%	9.43%	100%
Weekly-Once	Count	21	18	4	43
	% within How often do you make digital payment transaction?	48.84%	41.86%	9.30%	100%
	Count	17	15	3	35

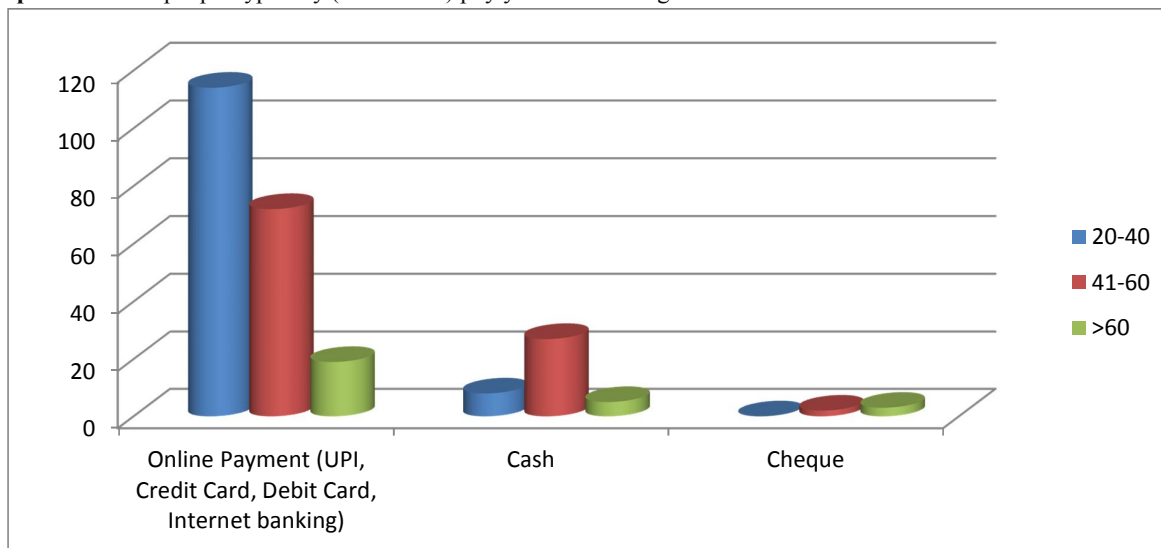
Weekly-several times	% within How often do you make digital payment transaction?	48.57%	42.86%	8.57%	100%
Monthly-once	Count	9	7	2	18
	% within How often do you make digital payment transaction?	50.00%	38.89%	11.11%	100%
Monthly-several times	Count	7	4	0	11
	% within How often do you make digital payment transaction?	63.64%	36.36%	0.00%	100%
Occasionally (less than once a month)	Count	5	2	0	7
	% within How often do you make digital payment transaction?	71.43%	28.57%	0.00%	100%
Total	Count	122	101	27	250
	% within How often do you make digital payment transaction?	48.80%	40.40%	10.80%	100%

Source: SPSS

**Interpretations:** Table 2 indicate that majorly consumers whose age 20 – 40 make digital payment. If we identify from variables then Consumer whose age 20 – 40 make digital payment transaction daily once where as on second position age 41-60 make digital payment transaction weekly once, Monthly-several times, Weekly-several times where from table. It is clear that consumer whose age >60 make less digital payment transaction.

To identify mode of payment during Covid.19

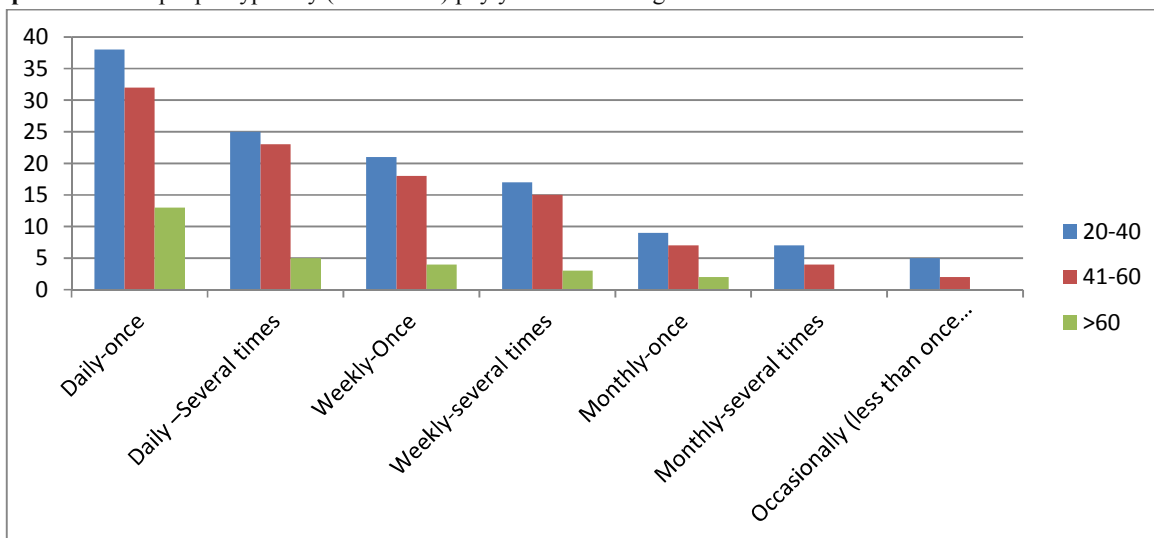
**Graph 1:** How do people typically (most often) pay your bills during Covid.19?



**Interpretations:** From Graph 1 it is clear that 114 consumer from age of 20-40 like to pay their bills via digital mode viz. UPI, Credit Card, Debit Card, Internet Banking rather than via Cash and Cheque. On the other hand only 2 and 3 prefer cheque from the age group of 41 to 60 and more than 60 respectively. during this pandemic situations.

To examine satisfaction level of consumer towards Digital Banking

**Graph 2:** How do people typically (most often) pay your bills during Covid.19?



**Interpretations:** From Graph 2 it is clear that most of consumers from the all age groups are very satisfied with digital banking especially during this pandemic situation. It is also disclose from the above chart that young generation are mostly use the digital payment as compare to elder generation. This is happen due to proper access of Smartphone's by young generation.

## V. CONCLUSION

Digital wallets or “e-wallets”, as we call them, have seen an enormous growth in popularity during the last few years. The Covid-19 crisis has also led to a rise in the use of digital payments, as buyers prefer safe and contactless methods of transaction. Although most folks have already adapted to the change in payment methods, the elderly are yet to completely embrace the concept of digital transactions. an outsized number of seniors still prefer the traditional method of cash payment, which may prove to be quite a challenge in the long run, as we move closer towards a cashless economy. So, here are some main reasons why seniors must go cashless and knowledge the benefits of digital payments. Present Study has made an effort to understand consumer satisfaction level towards Digital Banking as well as mode of payment during Covid – 19. This study has also focused on Age and Gender preferences. It had been found that Majority of consumers are satisfied with digital banking and large portion of Dhule respondent like to do payment online; UPI mastercard, open-end credit, Internet Banking during this pandemic situations. The majority of consumer also thinks that Banks have to make digital banking more User-Friendly. Age bracket of 20-40 are majorly using online payment (UPI, Credit Card, open-end credit, Internet banking).

## VI. SUGGESTIONS

For the better development of digital payment system, it is very essential to increase the security for reducing the online theft. On the other hand for the promotion of use of digital payment system government has to provide more discount as well as offer to users. For future study researchers can consider country as well as can does comparison study with rural areas regarding digital banking awareness and use of it. most vital thing is that banks still need to work on digital banking area specially for making it user friendly. Marketing, training and awareness program should be organize for non-users and who are time of life .

## REFERENCES

- [1]. Rajas Saroy, Sakshi Awasthy, Naveen K. Singh, Sonali M. Adki, Sarat Dhal has been reveals in there paper entitled “the impact of covid-19 on digital payment habits of indian households”

- [2]. Digital Payment and Its Growth in the Time of COVID – 19" research paper by Dr. S. Mahoharan, Saravanan MP, Paneerselvam S
- [3]. International Journal of Creative Research Thoughts (IJCRT) 2021 by Rashi Singhal and Abhilasha Gupta entitled "Impact of COVID-19 on Digital Payment Services at Towns and Villages
- [4]. "Impact of Covid-19 on Digital Payments in India" paper of V. Achutamba and Dr. CH. Hymavathi
- [5]. Mariyappan Narayanan and Sridevi Saravanan written the paper "the impact of covid -19 on digital payment system with reference to chennai city"