

A Study on Change in Technological Preferences in Banking Services Post Covid

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Abstract— Banking sectors play a very important role in development of country and its economy also. It helps government to conduct monetary policy and provide financial stability in country. Bank provides money lending facility to youngsters to make new entrepreneurs that result in employment. Bank is an institution which plays very vital role i.e., through banking services poor student can get education, who don't have money can complete their dreams and bank provide useful ways to working class people to complete their daily transaction. In this research paper the change in customer preferences to use the banking services, new innovations products through technology and protects these online services by different ways of technology has been studied.

Keyword— Banking Services, Covid, economy, innovations.

I. INTRODUCTION

Bank is an institution that deals in money and its substitutes and provides other money-related services. Its role is very important in the development of a country. As we know, in the previous year banking services were limited. Many new trends have come up in banking services.

Financial innovation is a very important part of banking sector growth. Different types of new instruments are introduced & it is really affected by technology. This involves new services like automatic bill payments, Remote account opening in 5 minutes, loan application, payment of monthly installments of loans etc. are the services provided by the bank.

In earlier times Bank was limited to keep your money safe, gain interest on saving accounts, pay or write cheque and borrow money but now lots of new innovations are happening due to technology like digitalization, so there are different types of services are coming in the banking sector. It helps banks to increase in customers & gives friendly experience to customer.

In today's scenario, Bank also providing Professional management of customer investment to make their more wealth.

II. REVIEW OF LITERATURE

In the days to come, banks are expected to play a very useful role in economic development and the emerging market will provide business opportunities to harness. As banking in India will become more and more knowledge supported, capital will emerge as the finest assets of the banking system. K.Saravanan et.al (2016)

Financial innovations lower the cost of capital, reduce financial risks, improve financial intermediation, and hence welfare enhancing. The primary function of the financial system is to facilitate the allocation and deployment of

economic resources in an uncertain environment (Merton, 1992).

Aside from all that, the bank also provides a few extra offerings in order to its clients along with solvency certificates, shared finances, coverage products, gold coins. (Dr Bhadrappa Haralayya, (2021).

Covid-19 has been shown to be a catalyst for the uptake of new technologies, accelerating it at a rate that no one could have predicted. For the already tech-savvy demographics like millennials, Gen-Z, Gen-Alpha, and those who had grudgingly followed, this transition was easier. The widespread pandemic forced people to choose digital relationships out of necessity BFSI (2021).

III. RESEARCH METHODOLOGY

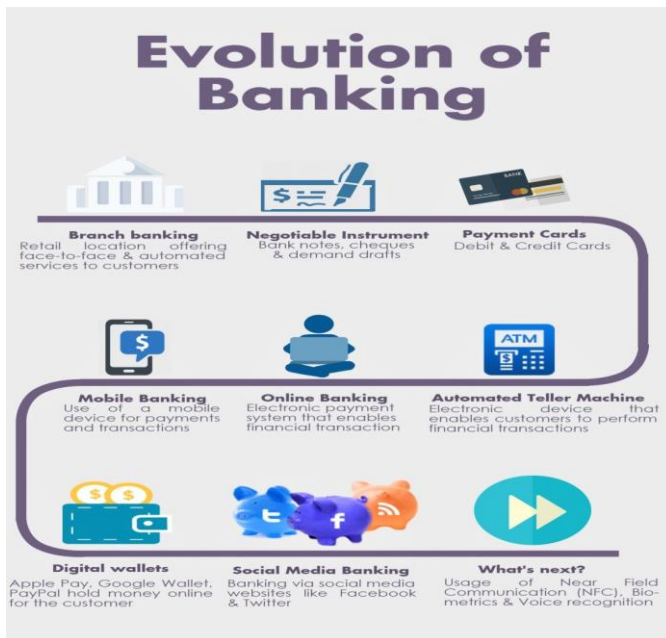
The banking industry, which oversees all financial activity in the nation and provides support to all industries, has experienced a significant challenging force during the pandemic times. The COVID-19 issue had a direct impact on banks, forcing them to reconsider their business model and strategy as well as review and analyse the future course of their current operations. Due to the inadequacy of personal banking during the Covid-19 outbreak, people are now compelled to use contactless payments and limit their exposure to paper money as much as possible.

The objective of the study is to understand the new technology emerging in banking services. The second objective is to study the change in customer preference towards banking services post COVID. The present study is based on the online questionnaire method survey through which 100 responses were collected to understand their preferences towards the banking services.

IV. ANALYSIS

Banking sector is becoming backbone of our Indian economy, as we all know banking is all related to money transactions. So, we can say that banking support Finance All financial needs are satisfied by bank. Earlier banking used to work manually all paper works had been done. Lot of difficulties were faced by the banking employees maintaining the records on paper was most difficult task. Now day by day new technologies are introduced after liberalisation many changes occurred in banking services.

In earlier time, there are no more branches of the banks. So, in that first new creation is done that is of new branches are arrived to meet customer needs and reduce congestion. It was help to banks make their procedure easy or flexible.



(Source- By appknox.com)

After that the negotiable instruments are introduced by the bank, it means it involved a signed contract that specified a person or the assignee for a sum of payments. These negotiable instruments are really helpful to the Business customers of banks. A “negotiable instrument” involves promissory note, bill of exchange or cheque payable either to order or to bearer. E.g., If there is contract between person 'A' and person 'B'. B have to pay the 50,000 rupees to the 'A' according to the contract and in the contract due date of payment is mentioned. if 'A' wants that money before due date then by submitting bill of exchange and necessary documents to the bank, 'A' can withdraw money from bank.

- Then banks provide ATM at a different location so customer can easily withdraw money check balance draw statement at any time.
- In India, ICICI bank is the first bank who introduced or provides mobile banking. Mobile banking is a device through banking which we can easily do payment to anyone from anywhere.
- Then digital wallets are coming in India i.e. apple pay, PayPal that holds money online for customers. It is new technology which was implemented in banking sector.
- Banks adopting social media platform for banking it helps to customer to pay or transfer fund through email or mobile number with bank accounts.
- Now, it may be the 7th step of banking evolution where bank may use biometric and voice recognition system in banking services.

Digital Technologies plays a very important role whether it be online payment or mobile banking, debit cards, virtual banking, ATM credit cards, doorstep banking, electronic fund transfer etc are some examples of new techniques which has been used by everyone now a days regularly. Using debit card, credit card, ATM is very easy one has no need to carry cash it

is becoming easy to people to enjoy banking service and consumer are demanding for more advanced digital banking services, so in India the adoption of Advanced technology in the sector has been given boast but banking sector still need to realise the true potential of Technology.

Modern changes which are offering branch expansion, advances to priority sectors, rural branch expansion, use of artificial intelligence, Cloud Technology, oversees operations of Indian banks improving risk management practices. Changes as a branch expansion and rural branch expansion. It is necessary because City are almost fully developed and enjoying banking services, but rural areas are still do not have a knowledge about digital banking. So, to expand digital banking in all over India rural area branch expansion is must because it will help small scale businesses, farmers etc which contribute to Indian economy. Now new technology named cloud-based banking is in existence. It will make easy for customers as well as bank. It transfers their cost efficiency and provides digital experience to customers. It fulfils customer’s needs. Bank have started moving towards Artificial Intelligence and machine learning it helps to detect the frauds, it offers high level of experience.

V. CUSTOMER PREFERENCES FOR BANKING SERVICES

We have taken an online questionnaire method survey through that we get 100 responses to their preferences towards the banking services. The following graph is dependent on this survey.

Due to covid-19 pandemic, At that time there was no permission for direct contact so, mostly people prefer online transaction for banking. It results in people using online banking and thus online banking became their habit. Even for to print the passbook, to deposits or withdraw money people using these online methods. So, it effects to the customer Expectations and priority. People expecting more about digital transformation.

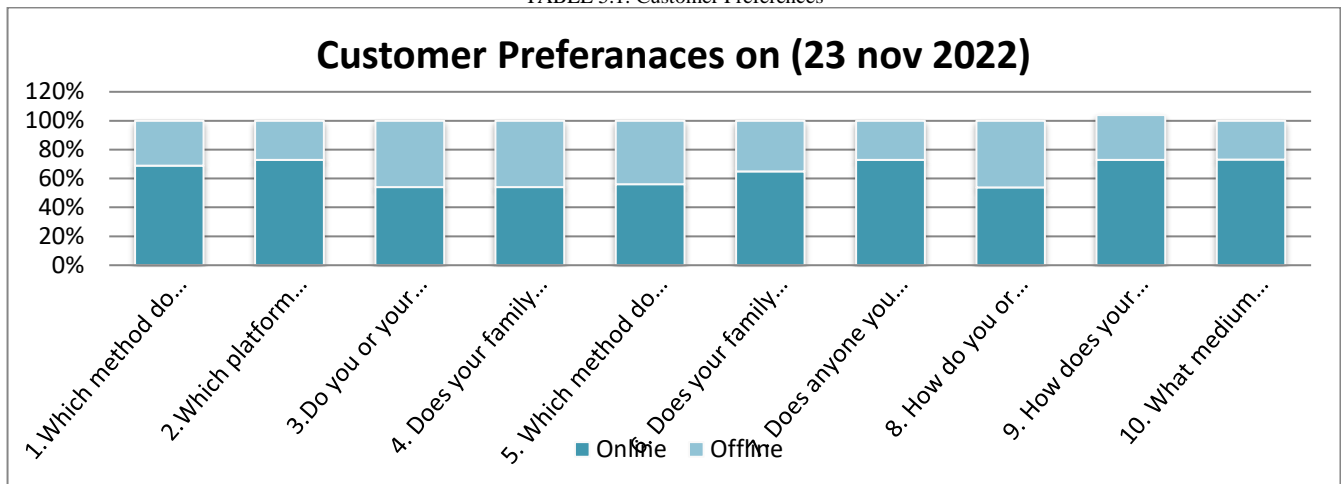
The customer expectation will increasing the demand Intuitive experience, access to service at any time on any device, customised preposition, and instant decisions.

From the below table, it shows that people use 70% online banking services and 30% offline banking services. That means people prefer online banking.

These online banking services involves online shopping payments, transfer funds, short term lending, payment of EMI through online, print the passbook, apply for loans, pay the daily bills etc. People still prefer for offline mode for some services that involves purchase insurance, to withdraw cheque and some people are still not aware or not have more knowledge about investment so they invest through agents it results in no use of online investment services provided by bank.

The new technologies are transforming customer Expectations towards the bank system. That's why the innovation and investment in finch-Tech start-ups have been growing up in the sector, bringing an ever-wide range of highly competitive offering in credit risk management also.

TABLE 5.1. Customer Preferences



Some platforms like NerdWallet, bankbazaar.com, these types of websites offering loans, credit cards, money deposits, insurance etc. to customers by online. In a few years in the current younger generation from the technology field will be the major revenue contributor to the banks. Moneymarket.com begin by offering a sole product but has been extended its services into the financial product. These instruments for make opening account and switching among providers much easier as compared to the past for access service at any time. The bank will need to rethink the entire organisation from a digitalised customer experience perspective.

VI. CONCLUSION

Digital banking is a very easy and convenient for Businessman, employees, farmers. Technology will take banking at the greater height. Just appropriate investment and decision making for most usable Technology must be done by the banking sector. Customers also have to accept the new technology for better experience. It is clearly visible banking is always growing and helping its customers. More new researching and Idea will have good and strong impact on Indian banking system.

The study shows that people prefer online services especially after covid-19 pandemic. Customer are expecting about security and transparency while doing transaction with quick responses. 30% of people still using offline services they should have to advantage of online services.

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