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Impact of Technology on the Banking Sector in India

Aditya Pundhir

Galgotias university

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Abstraction

With the adoption of information technology (IT), the banking industry in India has undergone a significant revolution. This study examines how consumer happiness and banking efficiency are affected by digital advances such as internet banking, mobile banking, and electronic cash transfers. Structured questionnaires were used to poll a sample of 120 respondents. Descriptive statistics, t-tests, regression analysis, and correlation were among the statistical techniques used. The survey concludes that although digital banking improves efficiency and convenience, there are still gaps in customer satisfaction and awareness of software usability and digital security.

Keywords: financial technology, e-payments, digital banking, customer satisfaction, IT in banking, and regression analysis

Overview

Traditional banking methods are giving way to technology-driven services with the emergence of digital banking in India. Banks have been able to lower operating costs and increase service accessibility by integrating digital wallets, internet banking, mobile apps, and ATMs. But there are drawbacks to this shift as well, such as issues with digital literacy and consumer confidence in technology.

The study's goals are to: - Examine the various forms of technology employed in the Indian banking industry - Determine how satisfied customers are with online banking services

To determine the difficulties clients encounter when utilising digital services

Review of Literature

Previous research by scholars such as Anitha K. (2013), B.K. Jha (2008) and Vimala (2015) highlight the increasing significance of IT in improving banking performance. Important conclusions emphasise how technology may improve accessibility, save costs, and speed up services. Nonetheless, issues with cybersecurity, software complexity, and inclusivity for less tech-savvy clients continue to exist.

Methods of Research

The study's design is descriptive. Using stratified random sampling, a Google Forms survey was used to gather primary data. Descriptive statistics, regression, correlation, percentage analysis, and t-tests are some of the statistical tools that are employed. The validity of the questionnaire was established by a reliability test using Cronbach's Alpha, which yielded an average score of 0.733.

Data Interpretation and Findings

- Demographics: 53% of respondents were male, 43.3% held a postgraduate degree, 53% were students, and 65% of respondents were between the ages of 18 and 25.

- App Usage & Satisfaction: Account-to-account transfers and enquiries about due installments were the most popular features among users.

Ease of Use: Transactions free of errors received the highest satisfaction, while transactions that were simple to navigate received the lowest.

Bank Services: The usability of the software and transaction security were deemed unsatisfactory by the respondents.

Results of the T-test: There is no discernible variation in satisfaction levels among educational backgrounds.

The sort of digital payment apps used and education were found to be positively correlated.

Regression Analysis: Especially for well-educated users, factors like system usability and information clarity had a substantial impact on satisfaction

Results and Discussion

According to the report, user satisfaction differs even though digital banking is widely recognised. Notable problems included a lack of support for users with lower levels of education, program complexity, and security concerns. To increase adoption, banks must give user education first priority and streamline digital platforms.

Advice

Enhance the infrastructure for digital security.

Simplify banking app user interfaces.

Organise awareness campaigns for people who are not tech-savvy.

Offer assistance and support in multiple languages.

In conclusion

Service delivery in Indian banking has significantly improved as a result of technology use. However, banks must close the accessibility, security, and usability gaps if they want to see inclusive digital growth. Customer trust and operational efficiency will be further enhanced by a strategic focus on these areas

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