



Vol. 1, No. 4; Oct – Dec (2021)

## Quing: International Journal of Commerce and Management

Available at <https://quingpublications.com/journals/ijcm>



# Customer Awareness about the Advancement of Technology in Banking Industry in Kanchipuram District



**Dr. R. Mayakkannan\***

Associate Professor, Department of Commerce, Sri Sankara Arts and Science College, Enathur, Kanchipuram. TN, IND.

ARTICLE INFO	ABSTRACT
<p><b>Received:</b> 07-10-2021 <b>Received in revised form:</b> 11-11-2021 <b>Accepted:</b> 15-11-2021 <b>Available online:</b> 30-12-2021</p> <hr/> <p><b>Keywords:</b> ATMs; Banking Services; Customer Awareness; Customer Satisfaction; e-Banking; Electronic Banking; Information Technology; Technology.</p>	<p>We are currently living in an age of globalisation. Globalization has become a top strategic priority for multinational corporations throughout the world. The advancement of technology has also assisted in the process of globalisation. Changes, inventions, and advancements in technology have always increased today's standards. Society has gained new dimensions as a result of this development. As a result, services are now delivered differently. In the past two decades, information technology has been a significant factor influencing financial systems all around the world. Its effect has also been seen strongly in the banking industry. The introduction of technology into the banking industry has a lot of benefits and implications. Legal action begins when there are negative consequences for the broader public or a person in particular. Banking has several difficulties as a result of legal requirements on the one hand, and the development and acceptance of new technologies on the other. As a result, the RBI will have to issue new rules.</p>

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**DOI:** <https://doi.org/10.54368/qijcm.1.4.0006>

## 1.0 INTRODUCTION

According to the RBI, one of their top priorities is promoting financial inclusion for all citizens. Banks cannot reach the banking services if financial inclusion is not implemented. Approximately, out of 87000 bank branches in the country only 37% is currently situated in rural areas. A Brick & Mortar Model would not allow the banks to build branches in all of the towns and villages they want to serve. Technology can play a critical role in making branchless banking a reality, and it has the potential to do so quickly. Additionally, the Reserve Bank of India (RBI) has mandated that banks serve regions with a population greater than 2,000 by providing financial services. According to the RBI, the goal of financial inclusion is to make financial products and services available to the unbanked Indian people. As a result, financial inclusion refers to providing low- and moderate-income people with access to banking services at a reasonable price. Internet, mobile, and other types of financial services that are

\* Corresponding author's e-mail: [maya1984kannan@gmail.com](mailto:maya1984kannan@gmail.com) (Dr. R. Mayakkannan)

based on financial transactions such as ATM cards and debit/credit cards are examples of financial-based banking services. The awareness and the frequent usage of technology-based banking services led to its success in the financial environment. Hence the topic entitled Customer awareness about technology-based banking services in Kanchipuram districts was undertaken for the present study.

### 1.1 Statement of the Problem

In the modern world, 'technology' is the key to financial inclusion. Technological advancement has allowed the financial industry to provide a wider range of products and services while simultaneously increasing quality and lowering costs. As a result, technological advancement is a key facilitator for inclusive development to continue. Inclusive growth is possible only when the number of bank account increases in rural bills of the country. Banking for a wide range of populations is unviable and unmanageable without the help of technology. Using technology to reduce the cost of opening a bank account in India's rural areas is an effective way to promote financial inclusion in the country. With the advancement of contemporary banking technologies such as ATMs, Internet banking, smart cards, and telebanking, these services are becoming more popular. In addition, information technology has made it possible to handle the increasing transaction volume that comes with a large customer base in an efficient, accurate, and timely manner. All these technologies have to reach the poor for achieving inclusive growth in India.

### 1.2 Objectives of the Study

- To study the respondents' awareness about the availability of technology-based banking services.
- To examine the usage of technology-based banking services by the respondents
- To find out the reasons for using technology-based banking services.
- To examine the satisfaction of the respondents towards technology-based banking services.

### 1.3 Hypothesis

Socio-economic variables don't have an impact on the level of customers' satisfaction.

### 1.4 Review of Literature

According to [Daniel \(1999\)](#) e-banking is the latest transfer of funds provided by retail banks in several developing countries. To establish and manage e-banking services, it was determined that the organization's restrictions and limitations in operating the services, as well as its market share or strength, were critical considerations.

[Seranmadevi and Saravanaraj \(2012\)](#) investigated the role of information technology (IT) in the Indian banking sector. ATMs, Internet banking, mobile banking, telebanking, credit and debit cards, smart cards, customer care support, customer relationship management, data warehousing, and other technologies are being extensively invested in by Indian banks. It is critical to assess the effect of information technology on the performance of Indian banks in terms of expanded value-added services and customer satisfaction as a result.

Research done by [Paul et al., \(2016\)](#) found that the "factors such as knowledge of the product, ability to solve questions, fast service and response to need to have a positive influence on satisfaction

whereas factors like appearance and follow up have a negative impact on satisfaction in private sector banks”.

Suresh (2019) emphasised that newly developed e-banking technology has opened up previously unimagined possibilities for banks to arrange their financial products, profitability, service delivery, and marketing for the benefit of the Indian economy's future.

Arora and Singh (2020) found that the level of customer awareness about the usage of e-banking services offered by the private and public sector banks has differed. The study revealed that the factors such as language problems, lack of awareness regarding services among employees, and communicational issues are the major reason behind the lack of awareness among the customer about e-banking services.

## 2.0 METHODOLOGY

Primary and secondary data were used to compile the research. An interview schedule was used to gather primary sources of data. The secondary data was gathered from publications such as magazines, newspapers, and books, as well as online resources. Respondents were drawn at random from villages around Kanchipuram using a convenience sampling method.

## 3.0 ANALYSIS AND INTERPRETATION AWARENESS ABOUT TECHNOLOGY-BASED BANKING SERVICES

Awareness of the respondents towards the technology-based banking services is given in Table 1.

*Table 1 – Aware about Technology-Based Banking Services*

Awareness	Count	%
Aware	38	76.0
Unaware	12	24.0
<b>Total</b>	<b>50</b>	<b>100.0</b>

**Source:** Data compiled from the field

It was found from Table 1 out of 50 respondents, 38 respondents (76.0%) were aware of technology-based banking services, whereas 12 respondents (24.0%) were unaware of technology-based banking services. Hence, it was inferred from Table 1 that 76.0% of the respondents were aware of technology-based banking services.

### 3.1 Awareness about the Type of Technology-Based Financial Products

Awareness of the respondents towards the various types of technology-based financial products is given in Table 2.

*Table 2 – Awareness About the Type of Technology-Based Financial Products*

Technology-Based Financial Products	Count	%
ATM card & Debit card	20	40
Credit card	7	8
Smart card	15	30
Internet Banking	4	14
Mobile Banking	4	8
<b>Total</b>	<b>50</b>	<b>100</b>

**Source:** Data compiled from the field

From Table 2, it can be concluded that 40% of respondents were aware of ATM cards, 30% were aware of smart cards, 14% were familiar with internet banking, 8% were familiar with mobile banking, and 8% were aware of credit cards. Hence, it was found from Table 2 that the majority of the respondents were aware of ATM cards & Debit cards.

### 3.2 Technology-Based Banking Services Availed

The technology-based banking services availed by the respondents are given in Table 3.

*Table 3 – Technology-Based Banking Service Availed*

Technology-Based Banking Service Availed	Count	%
Card banking	35	70
Internet banking	10	20
Mobile banking	5	10
<b>Total</b>	<b>50</b>	<b>100</b>

**Source:** Data compiled from the field

In accordance with Table 3, it was discovered that 70% of those who answered the survey questions used card banking, 20% used Internet banking, and 10% used mobile banking respectively.

### 3.3 Justifications for the Use of Technology-Based Banking Services

Justifications for the use of technology-based banking services of the respondents are given in Table 4.

*Table 4 – Justifications for the Use of Technology-Based Banking Services*

Justifications	Count	%
Transfer of fund at the international level	8	16
Speedy transactions	11	22
Anytime and anywhere banking	5	10
Easy formalities	3	6
More saving time	7	14
Safety in handling funds	10	20
Sufficient management of fund	6	12
<b>Total</b>	<b>50</b>	<b>100</b>

**Source:** Data compiled from the field

Table 4 shows that out of 50 participants who used technology-based banking services, 22.0% used it for "speedy transactions". The "safety in handling funds" factor drew 20.0% of the responders. 16.0% of those polled said they used technology-based banking services because of "international money transfers." 14.0% of those polled said they did so because it "saved their time". 12.0% of those who responded said they used technology-based banking services because they had "sufficient management of funds," 10.0% said they used technology-based banking services because they had "anytime and anywhere banking", and the remaining 6.0% said they used technology-based banking services because they had "easy formalities."

### 3.4 Satisfaction towards Technology in Banking and Personal Variables of the – Respondents

The relationship between the satisfaction towards technology in banking and the personal variables of the respondents are tested by framing the following null hypothesis "satisfaction towards technology in banking is independent of the personal variables of the respondents".

Table 5 – Satisfaction towards Technology in Banking and the Personal Variables of the Respondents

Personal Factors	Sources of Variance	Sum of Squares	DoF	Mean Sum of Squares	Calculated Value	Table Value	Inference
<b>Marital status</b>	Between variance	0.2313	1	0.2312	1.2504	5.9874	NS
	WITHIN variance	1.7346	6	0.2891			
<b>Age</b>	Between variance	1.2208	3	0.4069	3.58215	3.4903	S
	within variance	9.7585	12	0.1320			
<b>Educational Qualification</b>	Between variance	0.4276	3	0.1425	1.02736	3.4903	NS
	Within variance	1.7569	12	0.1464			
<b>Occupation</b>	Between variance	1.2208	3	0.4069	3.0825	3.4903	NS
	Within variance	9.7585	12	0.1320			
<b>Monthly income</b>	Between variance	0.0052	1	0.0052	22.47	5.9874	S
	Within variance	0.2288	6	0.0381			

For the personal variables of age and monthly income of the respondents, it was concluded from Table 5 that the computed values (22.47 and 3.58) were higher than the table values at a 5% significance level. As a result, it was concluded that respondents' happiness with banking technology was based on their age and monthly income.

#### 4.0 FINDINGS

- The vast majority of those surveyed (76.0%) were aware of the presence of technology-based banking services.
- The awareness of ATM cards was known to 40.0% of those who answered the survey's questions.
- It was found that card banking is used by 70.0% of those who answered the survey questions.
- 'Speedy transactions' was the major reason for using technology-based banking services by the majority of the respondents.
- Satisfaction towards technology in banking was dependent on the age and monthly income of the respondents

#### 5.0 CONCLUSION

Financial inclusion is a key problem in development from the perspectives of growth, reducing poverty, socioeconomic development, and equity. Access to financing Only a small percentage of the population in most developing countries has access to banking services, which has a negative impact on both economic and inclusive development. Because low-income individuals who do not have access to financial services have a significant effect on their families' well-being and contribute to the creation of a more equal society than would otherwise be the case, this problem must be tackled straight on to promote equitable growth and inclusive development.

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