

USE OF DIGITAL BANKING SERVICES AMONG THE FEMALE WORKERS IN THE ORGANIZED SECTOR: A CASE STUDY OF LADY TEACHERS IN KERALA

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Abstract

Banking plays a vital role in our day-to-day life. Today it has become one of the fastest-growing sectors in the service sector that mainly focuses on the banking technological innovations which changed mass services into customised services. Adoption of the newer technologies has led to the migration from paper-based transactions to paperless transactions and has a positive impact on the payment system in India. It increases the productivity and efficiency of the banks to be more competitive.

This paper seeks to examine the extent of awareness and usage of digital banking and financial services among lady teachers. An attempt is also made to explore the nature of usage and problems related to the use of digital banking and financial services. The study takes a sample of 40 respondents. Data were collected using the questionnaire method. Analysis was done using SPSS.

Keywords : Digital Banking, Digital Financial Services

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Introduction

Women are suggested (Holloway et al 2017) to be laggards in banking and financial inclusion in comparison to their male counterparts. Laforet & Li (2005) asserts that online and mobile banking users were predominantly males not necessarily young and highly educated. According to a report 'Fintech in India - Powering mobile payments' acceptance of digital payments among merchants has increased from 1.5 million to 10 million between 2017 and 2019. The compound annual growth rate of digital payments in India is 12.7 percent in the number of non-cash transactions (KPMG 2019) In 2016 Indian banknote demonetisation is widely (Economic Times 2017) attributed as one of the reasons behind this.

In this present scenario, what is the stand of the educated and working women in digital payments? Do all women think the same? Is a general perception right or wrong? If they use digital payment services, what are the major concerns? All of these get answered through the study.

The government of India has been taking several measures to promote and encourage digital payments in the country. The declaration of demonetisation in India by PM Narendra Modi on 8 November 2016 was a forward step taken to carry on the Digital India and Financial Inclusion mission in the economy. As part of the Digital India campaign, the government aims to create a 'digitally empowered economy' that is 'Faceless, Paperless, Cashless'.

Literature Review

Laforet and Li (2005) in their study "Consumer's attitudes towards online & mobile banking in China" investigated the market status of online/ 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 to several 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. Security was the most important factor that motivated Chinese consumers to adopt online banking. However, 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.

Objectives

1. To measure the extent of the spread of digital banking services among the lady teachers in the study area.

2. To examine the perception of lady teachers in using digital banking services and to identify the major determinants influencing the adoption of digital banking services among them.
3. To identify the factors constraining the adoption of digital banking services among the lady teachers.

Data Sources and Methodology

The data was collected directly from 40 lady teachers from both colleges and schools working in 10 different disciplines from 13 educational institutions spread across Kottayam, Ernakulam and Thrissur districts of Kerala using a survey schedule adapted from Abraham et al (2018) administered using Google forms during January 2020. 72% of the respondents were from the aided stream while 28% were from the self-financing stream.

Results and Discussion

The respondents reported a mean salary of Rs.50024 (with SD: 33723). They had an average distance of 2.3 km to the nearest bank and 1.7 km to the nearest ATM. Unsurprisingly all the respondents held bank accounts.

Table 5.1: Use of digital banking

	Frequency	Percent
Use digital banking	26	65.0
Others	14	35.0
Total	40	100.0

Source: Primary Survey

Two-third of the respondents were using digital banking services. Easy access and Convenience in transactions were reported as the most important reasons for the use of digital banking. The single most prominent reason for non-users of digital banking services was their trust in direct transactions. This signifies the importance of building trust in digital financial services.

Table 5. 2: Reasons for the use of Digital Banking

Item	Rank
Easy accessibility	9
Convenience in transactions	8
Fast transactions	5
Round the clock access	4

Source: Primary Survey

Table 5.3: Reasons for non-use of Digital Banking

Item	Rank
Fear of doing it/Loss	0
Heavy Bank charges	0
Lack of knowledge	1
They are Complicated	2
They are insecure	2
I trust direct transactions	8
Network unavailability	1

Source: Primary Survey

Regarding the mode of use of digital banking services, almost half of the users preferred the platform of a mobile app. Over a third of the respondents had multiple mode of usage of digital banking.

Table 5.4: Mode of use of Digital Banking

		Frequency	Percent	Valid Percent
	Website	5	12.5	20.0
	Mobile App	11	27.5	44.0
	Both	9	22.5	36.0
	Total	25	62.5	100.0
Missing	System	15	37.5	
Total		40	100.0	

Source: Primary Survey
Note: Multiple responses

Table 5.5: Platforms used for Digital Banking

		Responses		Percent of Cases
		N	Percent	
App	Google Pay	7	28.0%	38.9%
	PayTM	5	20.0%	27.8%
	PayPal	1	4.0%	5.6%
	Mirror	1	4.0%	5.6%
	YONO	6	24.0%	33.3%
	SIB microapp	1	4.0%	5.6%
	BHIM	1	4.0%	5.6%
	Amazon	3	12.0%	16.7%
Total		25	100.0%	138.9%

Source: Primary Survey
Note: Multiple responses

Table 5.6: Frequency and amount of use of digital banking services: Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Avg use	24	1.00	15.00	4.9167	3.07750
Avg amount	21	1500	50000	12500.00	14113.823

Source: Primary Survey

Google Pay was the most widely used digital platform with a subscriber base of 28 percent which was followed by YONO, the banking platform of SBI which had a subscriber base of 24 percent. A fifth of the respondents used PayTM. The average monthly frequency of use of digital banking services was 5 while the average amount was 12500 with much dispersion.

Table 5. 7: Awareness and Use of Digital Financial Services

Service	Awareness			Use		
	Responses		Percent of cases	Responses		Percent of Cases
	N	Percent		N	Percent	
Fund transfer	36	12.7%	92.3%	22	16.5%	88.0%
Mobile/DTH recharge	38	13.4%	97.4%	20	15.0%	80.0%
Pay tax	25	8.8%	64.1%	7	5.3%	28.0%
Book tickets	39	13.8%	100.0%	18	13.5%	72.0%
Online shopping	38	13.4%	97.4%	23	17.3%	92.0%
Pay utility bills	31	11.0%	79.5%	13	9.8%	52.0%
Information gathering	25	8.8%	64.1%	11	8.3%	44.0%
Enquiry/complaints	28	9.9%	71.8%	11	8.3%	44.0%
Request for services	23	8.1%	59.0%	8	6.0%	32.0%
Total	283	100.0%	725.6%	133	100.0%	532.0%

Source: Primary Survey
Note: Multiple responses

While a quarter of the respondents were cautious about keeping the secrecy of password (23%), the use of the virtual keyboard (2%) and periodical resetting of password (8%) was least concerned about. In 2016, Indian banknote demonetisation is widely (Economic Times 2017) attributed as one of the reasons behind this.

Table 5. 8: Precautions taken while using Digital Financial Services

Precautions		Responses		Percent of Cases
		N	Percent	
Precautions	Secrecy of password kept	18	23.1%	72.0%
	Verify transactions periodically	13	16.7%	52.0%
	Frequent reset of password	6	7.7%	24.0%
	Log off after every transaction	13	16.7%	52.0%
	Ensure personal devices are secure	10	12.8%	40.0%
	Virtual keyboard	2	2.6%	8.0%
	Beware of Card info/OTP/Email frauds	16	20.5%	64.0%
Total		78	100.0%	312.0%

Source: Primary Survey
Note: Multiple responses

Over 60% of the respondents reported failed transactions implying the major cause of lack of trust in digital banking. Poor response to complaints (15%) and Spams (12%) were the other prominent problems faced.

Table 5.9: Problems faced while using Digital Financial Services

		Responses		Percent of Cases
		N	Percent	
Problems	Transaction failed	21	61.8%	91.3%
	Refund not received	1	2.9%	4.3%
	Money deducted more than once	3	8.8%	13.0%
	Poor response to complaints	5	14.7%	21.7%
	Spam emails/sms/calls	4	11.8%	17.4%
Total		34	100.0%	147.8%

Source: Primary Survey
Note: Multiple responses

Table 5. 10: Perception on whether Demonetisation promoted Digital banking

	Perception on whether Demonetisation promoted Digital banking	Perception on the beneficial effect of Digital banking on customers	Perception on the slow pace of Digitalisation	Satisfaction with Digital Financial Services
	Frequency	Frequency	Frequency	Frequency
Strongly Disagree	3(7.5)	0(0)	4(10.0)	1(2.5)
Disagree	1(2.5)	1(2.5)	3(7.5)	2(5.0)
Neutral	21(52.5)	10(25.0)	21(52.5)	13(32.5)
Agree	11(27.5)	13(32.5)	8(20.0)	13(32.5)
Strongly Agree	4(10.0)	16(40.0)	4(10.0)	11(27.5)
Total	40(100.0)	40(100.0)	40(100.0)	40(100.0)

Source: Primary Survey
Note: Multiple responses Figures in parenthesis give percentages

Half of the respondents had a neutral perception towards the promotional influence of demonetisation on digital banking. While the lion share of the respondents agreed on the beneficial effects of digital banking and was satisfied with Digital Financial Services, they also believed that digitalisation is a slow process in the country.

Concluding Remarks

People do have a common perspective on women that anyone can play a trick on women say by collecting information via fake phone calls or email irrespective of their social or economic status, and that is why they are far behind men when it comes to the awareness and use of technological innovations. However, our study concludes on a contradictory note on this general perception. More than half of the respondents use digital banking services.

This paper examines the choice, perception, attitude of the respondents on using digital banking services. Even though the whole respondents are aware of most of

the digital banking services, the usage is comparably lower. The most important thing to consider here is that even when most of the respondents were government employees only seven are using digital banking services to pay tax. The non-users of digital banking services strongly believe in direct transactions. They think that these services are unsecured and may be hacked. These naïve assumptions question the validity of the cashless economy and there is a chance of going back to a cash-based economy again.

Suggestions

1. Banks must find out why there exist constraints on the use of these services and should take remedies on that.
2. To make digital banking more effective and build trust in digital banking, security threats and technical errors should be reduced.
3. People must recognise that traditional payment methods are time-consuming than digital payment methods.

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