



**A STUDY ON CUSTOMERS' AWARENESS AND KNOWLEDGE ABOUT
ADOPTION OF TECHNOLOGY ENABLED BANKING SERVICES
IN MADURAI CITY**

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ABSTRACT

Today's Information Technology not only impacts the processing of transaction data, but also affects the personnel performing the task and also the business process. Though IT is not panacea for all the organizational ills, it can undoubtedly enhance internal efficiency and competitive edge. The study of enquiry in a descriptive way to analyze the various technology based services giving due consideration to the aspects from the stage of awareness and knowledge towards the problems of using such services, taking into opinion of the bank customers in the study area. This study highlights that different dimension to investigate into the various aspects of the study. With this background, the research has been undertaken to find answers to the above questions and to bring about the important findings for better strategy to be evolved by the banks for effective delivery of technology based banking services to the satisfaction of the customers in the study area.

Keywords: Customer Awareness, Knowledge, Technology Banking Services, etc.,

INTRODUCTION

Banking sector is one of the premier sectors in our country. Banks play a major role in the country's economy and in the sustainable development. Today, banking

may be a flourishing industry, given with technological innovation. Banks play a vital and active role within the economic development of a country. The utilization of

technologies in the banking sector has contributed to the emergence of additional versatile and user friendly Self Service Banking Technologies (SSBT) to cater to the immediate and changing need of bank customers. It is modified the face of world banking sector radically, sterilization the way during which customers conduct their banking transactions 1. Generally, the advancement of technology has accelerated changes leading to higher production of products and services. Information technology has transformed the trend of functioning of business across the world.

A new banking concept is introduced by banking industry in Asian Country referred to as “E-Banking” or “Internet Banking”. It is ever-changing the banking industry and has the foremost effects on banking relationships. Internet banking involves use of internet for delivery of banking products and services. Banks and financial institutions in India are so as to supply net banking to its customers to go online to the banks website with the assistance of bank issued a Personal Identification Number (PIN). Through the internet, customers are ready to access the banks website for viewing the details regarding his accounting or performing the fundamental banking transaction. Thus, the researcher indented to analyse the customer

perception and satisfaction towards technology based banking services.

Sriram Devulapalli and Sai Karthik Oruganti (2017) have analysed the challenges and risk factor involved in E-banking while adopting technology. They have analysed many e-banking services based on the perception of the respondents. The study has found that most of the respondents use e-banking for online shopping and net banking services from their respective bank’s websites. And majority of the respondents feel that time saving is the greatest advantage of e-banking, as it avoids standing in endless queues at the banks. The study has identified that safety and security is the main challenge in e-banking. Even the regular users feel that safe and secure usage of e-banking is not ensured to the satisfaction of the customers. Finally, they have concluded that if the safety measures are adopted by the banks effectively, e-banking will be a phenomenal implementation for the existing and potential customers.

Similarly, Rambabu Lavuri (2018) has examined the perception level of customers towards E-banking services of public and private banks in Hyderabad. Online banking allows people to perform all the banking related activities such as money transfer, past transactional information, cash withdrawals

and deposits etc., with a just one click of a mouse. Online banking also eliminates unnecessary waste, which an organization incurs in the form of office supplies. This facet has also helped in meeting the social concerns. However, using internet for money transaction has never been free from risk. More importantly, security is always being an issue with Internet transactions, despite several counter measures taken by the banks in the form of information encryption, firewalls, encoding etc., but still reluctance prevails in relaying totally at online banking especially in developing countries like India. In Hyderabad city, most of the banks have introduced online banking to build reputation and increase the customer base. In his study a structured questionnaire was developed and a sample of 169 usable respondents was taken from the public and private banks, and the data were tested by an independent sample t-test by using SPSS 20.0 version. The results of the test show that there is no significant difference between public and private banks with respect to all dimensions of E-banking services. Finally, he has concluded that no differences were found in the perceptions of customers of public and private banks. Verma (2019) and Verma and Singh (2020) highlighted the impact on adoption of digital banking technology and need of consumer awareness. Khan (2023) and Singh (2024) highlighted the educational

initiatives and customer awareness through adopted technology in Madurai's Banking Sector. Hence the present study has been planned to examine the level of awareness and knowledge amongst the customers about technology based banking services and to analyse the impact of technology based banking services in Madurai city.

RESEARCH METHODOLOGY

The present study is a descriptive study based on survey method. Though the study is empirical in nature, it has been supported by both primary and secondary data. The primary data were collected with the help of an interview schedule. The secondary data have been collected from the books, unpublished thesis, magazines and reports of RBI and related websites.

SAMPLING DESIGN

The Bank Customers' Awareness and knowledge towards adoption of technology enabled banking services in Madurai city. The population is known to be definite. As the population is large, to consolidate the opinion of the bank customers, the researcher was resorted to convenience sampling method. The researcher conducted survey with 628 bank customers to generate opinion about the customer perceptions and satisfaction towards technology based banking services in the study area.

RESULTS AND DISCUSSION

Age is one of the important factors influencing the perception and awareness of customers towards technology based banking services. It determines the level of perception and awareness towards technology based banking services. For the purpose of this analysis, the respondents are categorized into four age groups. Table 1, shows the classification of the respondents on the basis of their age group.

Table 1 shows the Age of the Respondents

Age	No. of Respondents	Percentage
18-30 Years	213	33.9
31-45 Years	276	43.9
46-60 Years	83	13.2
Above 60 Years	56	8.9
Total	628	100

Source: Primary Data.

It is seen from Table 1 that out of the 628 respondents, 276 (43.9%) belong to the age group of 31-45 years, while 213 (33.9%) are in the age group of 18- 30 years, 83 (13.2%) belong to the age group of 46–60 years and 56 (8.9%) are in the age group of above 60 years. It is inferred from this analysis that technology based banking services are mostly used by the customers belonging to the age group of 31-45 years in the study area.

For the purpose of analyzing the perception and awareness towards technology based banking services among

the selected respondents, the researcher has categorized the gender group of respondents into male and female. Gender is one of the important variables in determining the perception and awareness of customers towards technology based banking services. Table 2, shows the classification of respondents on the basis of their gender.

Table 2 shows the Gender of the Respondents

Gender	No. of Respondents	Percentage
Male	408	65.0
Female	220	35.0
Total	628	100

Source: Primary Data.

It is noted from Table 2, out of the 628 respondents, 408 (65%) are male and 220 (35%) are female. It is inferred from this analysis that technology based banking services are mostly used by the male customers in the study area.

The residential area of the respondents is one of the factors which determine the perception and awareness towards technology based banking services. The perception and awareness towards technology based banking services among the respondents who are residing in urban area will differ from the respondents who are residing in semi-urban areas and rural areas. Table 3 shows the classification of respondents on the basis of their residential area.

Table 3 highlights the residential areas of the Respondents

Residential Area	No. of Respondents	Percentage
Urban	339	54.0
Semi-urban	207	33.0
Rural	82	13.0
Total	628	100

Source: Primary Data.

It is understood from Table 3, out of the 628 respondents, 339 (54%) are residing in the urban areas, while 207 (33%) are residing in the semi-urban areas and 82 (13%) are residing in the rural areas. It is inferred from the analysis that technology based banking services are mostly used by the customers who are residing in urban areas.

The marital status of the respondents is one of the important factors which determine the perception and awareness towards technology based banking services. The perception and awareness towards technology based banking services among the respondents who are married will differ from that of unmarried respondents. Table 4 shows the marital status of the respondents.

Table 4 focuses on Marital Status of the Respondents

Marital Status	No. of Respondents	Percentage
Married	369	58.8
Unmarried	259	41.2
Total	628	100

Source: Primary Data.

It is noted from Table 4, out of the 628 respondents, 369 (58.8%) are married,

while 259 (41.2%) are unmarried. From this, it is concluded that technology based banking services are mostly used by the married members in the study area.

Monthly income is an important factor that decides the level of utilization of technology based banking services that the respondents avail from the banks. Monthly income is an important factor in understanding the perception and awareness of the respondents towards technology based banking services. Perception and awareness towards technology based banking services may differ according to the monthly income of the respondents. Thus, the classification of the respondents according to their level of monthly income is considered indispensable for the study. Table 5, shows the classification of the respondents on the basis of their monthly income.

Table 5 shows Monthly Income of the Respondents

Monthly Income	No. of Respondents	Percentage
Below `20,000	253	40.3
`20,000-35,000	222	35.4
`35,001-45,000	39	6.2
`45,001-60,000	90	14.3
Above `60,000	24	3.8
Total	628	100

Source: Primary Data.

It is observed from Table 5, out of the total 628 respondents, 253 (40.3%)

belong to the monthly income of below ₹20,000, 222 (35.4%) belong to the monthly income between ₹20,000 – 35,000, 39 (6.2%) are in the monthly income between ₹35,001 – 45,000, 90 (14.3%) belong to the monthly income between ₹45,001-60,000 and 24 (3.8%) respondents are in the monthly income group of above ₹60,000. It is observed from this analysis that a majority of the respondents belong to the monthly income of below ₹20,000.

Banks offer various technology based banking services to the customers such as ATM/Debit Card, Mobile Banking, Telephone Banking, Internet Banking, NEFT, RTGS, Credit Card, Point of Sale

banking, SMS Banking, Smart Card, E-Cheque, E-Deposit, E-Bill Payment, Website of the bank, Online Banking services and information & enquiries. As the banks offer variety of services, the customers should be aware of the services in order to avail those services. The report of the present study supports the fact of Karthikeyan and Soniya (2015) who reported that the dimension of customer satisfaction in quality services with reference to adoption of/ usage of technology in banking services. Awareness of such services leads to greater usage of those services. Awareness about technology based banking services is formed among the respondents through various sources. Table 6 shows awareness of the respondents on various technology based banking services.

Table 6 shows Awareness of Respondents about Technology Based Banking Services

Technology Based Banking Service	No. of Respondents	
	Aware	Not Aware
ATM / Debit Card	628 (100%)	-
Mobile Banking	628 (100%)	-
Telephone Banking	370 (58.9%)	258 (41.1%)
Internet Banking	628 (100%)	-
NEFT	470 (74.8%)	158 (25.2%)
RTGS	470 (74.8%)	158 (25.2%)
Credit Card	470 (74.8%)	158 (25.2%)
Point of Sale banking	249 (39.6%)	379 (60.4%)
SMS Banking	551 (87.7%)	77 (12.3%)
Smart Card	470 (74.8%)	158 (25.2%)
E-Cheque	249 (39.6%)	379 (60.4%)
E-Deposit	551 (87.7%)	77 (12.3%)
E-Bill Payment	628 (100%)	-
Website of the bank	628 (100%)	-
Online Banking Services, information & enquiries	628 (100%)	-

Source: Primary Data.

It is noted from Table 6 that all the 628 respondents have 100% awareness about ATM / Debit Card, Mobile Banking, internet banking, e-bill payment website of the bank and about online banking services and enquires. A total of 370 (58.9%) respondents are aware of Telephone Banking, 470 (74.8%) have awareness over NEFT, 470 (74.8%) are aware of RTGS, 470 (74.8%) are aware of Credit Card, 249 (39.6%) have awareness over point of sale banking, 551 (87.7%) are aware of SMS Banking, 470 (74.8%) have awareness over Smart Card, 249 (39.6%) are aware of E-Cheque, 551 (87.7%) have awareness over E-Deposit, while 379 (60.4%) respondents have not awareness on Point of Sale banking and e-cheque. Recently, mobile communication

and wireless technologies has made significant impact in rapid process for banking services. The present findings also corroborated with the report of Kumar and Reddy (2019) who analysed the factors influencing customer knowledge in adopting technology in banking services in Madurai. Table 7, shows the reasons for low level of awareness over technology based banking services. Sometimes, it may be due to technological illiteracy among the people, mindset of the people not to accept modern banking, non-possession of sophisticated devices and inadequate initiatives of the banks. Table 7 shows the reasons for the low level of awareness towards technological based banking services.

Table 7 highlights the Reasons for Low Level of Awareness over Technology Based Banking Services

Reason	No. of Respondents			
	Highly Important	Important	Not Important	Total
Technological illiteracy among people	122(19.4)	260(41.4)	246(39.2)	628(100)
Not ready to accept modern banking	131(20.9)	219(34.9)	278(44.2)	628(100)
Needs of the customers are basic	119(18.9)	214(34.1)	295(47)	628(100)
Not in possession of sophisticated devices	115(18.3)	244(38.9)	269(42.8)	628(100)
Not proper initiatives by the banks	113(18)	270(43)	245(39)	628(100)

Source: Primary Data

It is revealed from Table 7, out of the 628 respondents, 382 (60.8%) have stated

that it is due to technological illiteracy among people. 350 (55.8%) have opined

that people are not ready to accept modern banking. 333 (53%) respondents have expressed that 'needs of the customers are basic' is the reason for low awareness level. 359 (57.2%) have opined that they are not in possession of sophisticated devices for interacting with modern services. 383 (61%) respondents have expressed that there are no proper initiatives by the banks.

The result of the present study highlights that technology based banking services are mostly used by the customers belonging to the age group of 31-45 years in the study area. These kinds of services are mostly used by the male customers in the study area, the customers who are residing in urban areas and mostly used by the married members in the study area. A majority of the respondents belong to the monthly income of below `20,000.

Based on the result analysis, authors suggested that much need is to be done in the areas of creating awareness about the availability of technology based banking products and services, how they operate and their benefits. Banks should organize public exhibitions and talk shows and make technology based banking products accessible to all customers. The bank should come forward with more meaningful advertisements and awareness campaigns to

create awareness about technology based banking services. The bank staff must know all the features of technology based banking services so that they can tell about the technology based banking facilities to the customers properly. Smith (2015 and 2017) and Patel and Gupta (2016 and 2018) have studied the need of digital banking and customer awareness in Madurai District. Banking sectors need promotion of their services and they need to create awareness among the customers regarding the benefit of technology based banking services. The banks should make technology based banking services completely hassle free and easy to the customers.

It is concluded that most of the customers have high level of awareness and high level of knowledge about technology based banking services. Finally, the researcher has concluded that the bank customers and the bankers have adapted to technology based banking services in one way or other in tune with current requirements and also with current trends at the domestic and global level. This has made Indian banking to carry out its operations financially and socially as well. In this respect, the RBI plays a very important role in giving a confirmative direction to the banks to be of digital technology conscious.

Therefore, this will enable the customers to understand the knowledge about technology based banking services in the new electronic era.

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