



A Comprehensive Review Of E-Banking: Unravelling Trends, Challenges, And Future Directions

Sweta Savaliya^{1*}, Dr. Vishal Khasgivala²

^{1*}Research Scholar: Department of Management, FoBC, Atmiya University, Rajkot, Gujarat. sweta.savaliya@atmiyauni.ac.in

²Dean: Faculty of Business and Commerce, Atmiya University, Rajkot, Gujarat. dean.fobc@atmiyauni.ac.in

Citation: Sweta Savaliya, Dr. Vishal Khasgivala, (2024) A Comprehensive Review Of E-Banking: Unravelling Trends, Challenges, And Future Directions, *Educational Administration: Theory and Practice*, 30(6)(s) 164-167

Doi: 10.53555/kuey.v30i6(S).5344

ARTICLE INFO

ABSTRACT

In the ever-evolving landscape of financial services, electronic banking, or E-banking, stands as a pivotal domain that has garnered significant attention from researchers, practitioners, and policymakers alike. As we navigate the digital age, where technological advancements redefine the contours of conventional banking, a comprehensive review of the existing literature on e-banking becomes imperative. This paper aims to synthesize the wealth of knowledge accumulated in this domain, providing a nuanced understanding of the trends, challenges, and future directions that have emerged through extensive research and practical implementations. This review paper will navigate through the key themes that have emerged in the extensive body of literature on e-banking. This paper embarks on a journey to dissect the e-banking services offered by both public and private sector banks in India, unravelling the distinct approaches, challenges, and triumphs that characterize their foray into the digital domain

Keywords— E-Banking, AI-enabled technologies, Digital payment, Fintech

I. INTRODUCTION

India's banking sector is steadily expanding, driven by economic deregulation, which has fostered competitiveness across various service sectors, with a particular impact on the banking industry. The way financial services are provided and used has changed as a result of the internet and technology advancements (Malaquias and Hwang, 2019). Banks and other financial organizations recommend alternative new electronic channels to preserve a competitive edge and meet client expectations. Mobile devices and desktop have rapidly become instruments that clients use to pay for items and services via e-banking (Zhang et al., 2018). As a result, e-banking may adapt to the demands of consumers, such as doing banking tasks without physically visiting an office or an ATM (Malaquias and Hwang, 2019). As a result, e-banking offers significant value for many financial institutions and clients (Baabdullah et al., 2019). The banking sector serves as a cornerstone of progress for any developing nation, as it plays a crucial role in facilitating and implementing economic reforms. Any adjustments made to this industry through the integration of new technologies carry substantial implications for the country's development. E-banking will play a significant role in the Indian financial sector for the next few years as customer awareness of the internet rises, banks play a more important role in the e-banking industry, and the Internet's reach continues to grow.

E- Banking

In the Indian financial sector, electronic banking—also referred to as e-banking—has become a revolutionary force. India's transition to electronic banking has been fuelled by government initiatives to promote digitization, a rise in internet-savvy citizens, and information technology breakthroughs. In India, e-banking refers to a broad spectrum of online and electronic financial services that give users quick and easy access to banking options.

The Technological Revolution in Indian Banking:

As the second-most populous nation hurtles into the digital age, the banking sector has undergone a seismic shift, with technology at its core. E-banking services, encompassing a spectrum from online transactions and mobile banking to digital wallets and fintech collaborations, have become instrumental in reshaping the customer-bank relationship. This transformation is particularly intriguing when viewed through the lens of

India's dichotomous banking sector, where public sector banks, with their historical legacy, coexist with their more nimble private counterparts.

- **India's E-Banking Service Types:**

In India, e-banking services include a range of choices, such as:

Internet Banking: Through safe online banking portals, users may check statements, access their bank accounts, and make transactions.

Mobile Banking: Customers can use their cell phones to access their accounts and conduct transactions through SMS-based banking, USSD services, and mobile banking apps.

ATM Services: India has a large ATM network that provides services like fund transfers, cash withdrawals, and balance inquiries.

Digital wallets: A lot of people use e-wallets, such as Paytm, PhonePe, and Google Pay, to make payments both online and in person.

II. LITERATURE REVIEW

Naranje, (2023) has researched the Future of Digital Payment Systems in India. The digital payments industry in India is at the forefront of rapid innovation, with AI-enabled technologies targeting to replace paper currency and other traditional modes of payment. With an estimated 400 million app users and 14 million merchants already on board, digital payments are becoming the most convenient way for citizens to make transactions. Consumer needs such as speed, safety, convenience, and choice will contribute towards an increasingly user-friendly experience when it comes to choosing the right digital payment method.

Suresh V, (2022) In terms of service dimensions, customers have higher expectations and perceptions of private sector banks compared to public sector banks. The higher expectations placed on private sector banks may be attributed to the increased interest customers have in conducting transactions with them compared to public sector banks. Customer expectations indicate that they believe they can achieve greater satisfaction through private sector banks in comparison to public sector banks. The method adopted with the basic structures of SERVQUAL method to measure the service quality of banks. The sampling methods were used to select 30 respondents from each bank to collect the data.

Behin, M. H, (2022) The findings of this poll emphasize that customers of private sector banks face more notable challenges with E-banking services compared to customers of public sector banks. However, the poll indicates that customers from both public and private sector banks express satisfaction with online banking services.

Tyagi, M., & Fatima, (2022) have made a comparative study that aims to study about the factors that affect the customer perception towards e-banking of SBI and ICICI bank and current and future prospects of E-Banking to the customers. The methodology adopted to achieve the project objective involved a descriptive research method. For Conducting this research, a structured questionnaire is prepared and a sample of 150 customers is taken from SBI and ICICI bank. The study concluded that the best E-banking service is provided by the SBI Bank while comparing it with the ICICI Bank. In the future, the availability of technology to ensure the safety and privacy of e-transactions and the RBI guidelines on various aspects of Internet banking will definitely help in rapid growth of Internet banking in India.

Khizerulla, M. (2022) has made a comparison of the digital banking service quality provided by the ICICI bank with SBI in Bangalore. The research design for the study is descriptive. The sample for the study was collected using a structured questionnaire with the help of Google form and the sample size was 101. The sample was collected from selected branches of SBI and ICICI banks in Bangalore. Responses were collected and examined using a 5 point Likert scale ranging. It has been derived from the overall analysis that SBI is the clear winner as compared to ICICI with respect to factors such as Efficiency, System availability, Fulfillment, responsiveness, and website design and ICICI is strong in the case of Privacy and Website design is concerned.

Dhanya B K, & V .P Velmurugan, (2022) have researched to examine the position of demographic factors on measures of service quality of Internet banking, customer value, satisfaction and trust. A sample of 290 Customers were selected from 3 banks, Canara, Punjab National, and Indian Overseas Bank in Thiruvananthapuram district, Kerala, India and surveyed selected bank customers through an interview schedule. The results of the research revealed that higher-educated, huge-income clients who utilize Internet banking for much of their financial accounts and who have been using it for extended periods appear to have more positive views and attitudes against e-banking services. The analysis revealed that gender and age will not have any effect on consumer expectations of the measurements of efficiency, value, satisfaction and trust of the Internet banking service.

Rahulkumar, M., & Dhruv, M., (2021) have undertaken a relative study on E-banking services provided by selected public and private sector banks in Gujarat. The primary data required for this research has to examine the perception of E-Banking services provided by selected public and private banks in the North Gujarat Region as per Customers' views. The major evolutions are been brought in this sector by analysing customers' perceptions. As per the research study, customers prefer the E-banking services of Private sector Banks more when compared with Public Sector Banks.

Nithya, C., & Maheswari, P., (2021) summarize the present position of E-banking in the Indian banking Sector. The study is based on the data collected from annual reports of RBI, reports on trends and progress of banking in India, and websites of RBI. The advent of current technologies such as Artificial intelligence language (AI-MML), big data, blockchain, cloud computing, robotic process computerization, and others allow banking companies to provide customer-centric assistance to varied clusters of people. The scope of frauds in banks is minimized through the use of passwords, dual verification in virtual banking. Technology also leads to compete among the banks which lastly offer better facilities to people.

Nagadeepa, C. (2020). studied to find out E-banking acceptance on Demographic differences among rural customers with respect to Tumkur Taluk. The study focuses on the impact of demographic characteristics such as gender, age, and occupation of the customers on e-banking services of Tumkur district, Bangalore. The study employed structured questionnaires to collect primary data. The questions on the questionnaire were developed on a 5-point Likert scale. A total of 100 questionnaires were collected. The results of this study revealed that demographic factors such as gender, age, and occupation of the customers have significant difference while accepting e-banking services. Most of the services were accepted by the young group of people. The people who are home are comfortable with the traditional banking system. The research suggests that more awareness needs to be created among the aged people and should gain the trust and belief of all types of customers.

S.P. DHANDAYUTHAPANI, (2020) The study reveals that Private segment banks as far as administration quality, straightforwardness, and level of fulfilment are superior to the nationalized banks. It is seen that all the administration workers have a pay account in a nationalized bank. Most of the administrations given by nationalized and private division is the same still the inclination of the respondent is for Nationalized banks is more when contrasted with private banks.

Kolte, D. M., & Humbe, D. V. R. (2020) researched to know the awareness and use of UPI/BHIM services in students of Aurangabad. To conduct the research, 200 students were selected from Aurangabad city. It was found that students are passionate about real-time payments and its settlement in bank accounts and observed that students commonly use UPI/BHIM for payments up to Rs. 10,000/-. The researcher reveals that the most commonly used UPI/BHIM Apps are the 3rd Party Apps like PhonePe.

Sankararaman, G., Suresh, S., & Thomas, (2020) studied user's opinions towards Unified Payment Interface (UPI) transactions. Descriptive research design has been adopted and 119 samples have been collected through structured questionnaires. The researcher has adopted the Convenience sampling technique to collect the samples. Among the respondents, the majority of them are aware of UPI as a digital payment mode and have chosen Google Pay as their preferred Virtual Payment Address. Some of the respondents have chosen UPI as their first choice among the different digital payment tools and have practiced using UPI in all of the places given in the questionnaire such as grocery shops, medical shops, e-commerce sites, hotels, and textile showrooms.

M.VAIRAVI, (2017) According to research, the perceived dangers and security-related worries have a big impact on how satisfied customers are with e-banking. Customers are reluctant to use e-banking services because of their fears of hacking occurrences and the possible loss of their funds. Banks are working hard to provide their clients with the best security choices, nevertheless. Banks even offer free internet banking services to draw customers. According to the study's findings, clients of various ages have diverse opinions about e-banking services and use them to varying degrees. To improve the e-banking experience, banks should concentrate on meeting the demands of all age groups. Additionally, it was shown that clients with various occupational backgrounds have diverse perspectives on e-banking services.

Agrawal, D. C., (2017) The study shows that the majority of people have accounts with private banks. The problems faced by people having account with public banks are more as compared to private banks. The Study concludes that the majority of people are satisfied with banking services provided by Private sector banks.

PADMAVATHI, D., & RESHMAA, (2016) This study has conducted a comparative analysis of the customers' perception of e-banking services in both public and private sector banks. The success of e-banking relies on the commitment of banks to embrace e-banking and develop a comprehensive understanding of customer needs. Ultimately, the goal of e-banking is to enhance the user-friendliness and security of online financial transactions, leading to customer satisfaction.

III. CONCLUSION:

As India's banking sector stands at the crossroads of tradition and innovation, the synthesis of research findings carries implications for policymakers and practitioners. Regulatory frameworks must evolve to foster innovation while safeguarding consumer interests. Practitioners must heed customer expectations, enhance service quality, and invest in robust technological infrastructures. In essence, this comprehensive review provides a panoramic view of e-banking in India, transcending the dichotomy of public and private sectors. As we navigate the future, the insights presented here serve as a compass, guiding stakeholders in the banking ecosystem towards a future where electronic banking is not just a service but a seamless, secure, and inclusive financial experience for all.

REFERENCES

1. Agrawal, D. C., Chauhan, S., & Kukreti, A. (2017). A Comparative Study of E-Banking in Public and Private Sectors Banks (with special reference to SBI and HDFC Bank in Haridwar). *Asian Journal of Research in Business Economics and Management*, 7(8), 370-389.
2. Behin, M. H., Melvin, C. J., Haralayya, B., Khan, B., & Mishra, R. Technical impact of e-banking on operational performance service quality on customer satisfaction in private and public bank.
3. Dhanya, B. K., & Velmurugan, V. P. (2022). Satisfaction Level of Customers in Demographic Variables in Public Sector Banks. *Webology*, 19(1), 1017-1027.
4. Khizerulla, M. (2022). Factors influencing Digital Banking Service Quality: A comparative study between SBI and ICICI bank in Bangalore. *Journal of Contemporary Issues in Business and Government Vol*, 28(03).
5. Kolte, D. M., & Humbe, D. V. R. (2020). Study of UPI/BHIM Payment System in India. *International Journal of Science and Research (IJSR)*, 9(12), 228-232.
6. Nagadeepa, C. (2020). E-Banking Acceptance: A Study on Demographic differences among rural customers with respect to Tumkur Taluk. *Journal of Information and Computational Science*, 10(2), 714-721.
7. Naranje, A. G. Future Of Digital Payment System in India: An Overview.
8. Nithya, C., & Maheswari, P. A study on central depository services (india) limited. *Turkish Journal of Physiotherapy and Rehabilitation*, 32, 3.
9. PADMAVATHI, D., & RESHMAA, M. Utility and Satisfaction of E-Banking Services in Public Vs. Private Sector Banks.
10. Rahulkumar, M., & Dhruv, M. (2020). A relative study on e-banking services provided by selected public and private sector banks in gujarat. *Palarch's journal of archaeology of egypt/egyptology*, 17(9), 2424-2432.
11. Sankararaman, G., Suresh, S., & Thomas, T. C. A study on users'opinion towards unified payment interface (upi) transactions.
12. Suresh, V. A study on service quality perception and satisfaction of e-banking with selected public and private sector banks in chennai district.
13. Tyagi, M., & Fatima, M. A. E-Banking Facilities A Comparative Analysis Of State Bank Of India (SBI) & Industrial Credit & Investment Corporation of India Bank (ICICI). *IJFMR-International Journal For Multidisciplinary Research*, 5(2).
14. UNIVERITY, A., & CAMPUS, B. A study of e-banking services provided by nationalized and private sector banks in trichy district.
15. VAIRAVI, M. M., & KRISHNAMURTHY, K. A study on customer satisfaction of e-banking services in public sector bank in vellore district-an empirical study.