

## **A Paradigm Shift from Brick and Mortar Approach to Digital Footprint- A Case Study of HDFC Bank**

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### **ABSTRACT**

The changing habits of consumers and the new competitive environment are forcing banks to revamp their digitalization process as a matter of urgency if they are to retain their share in a market which requires adaptability similar to that of a disruptive business model. Increasingly, E-banking provides a vast opportunity for banks and their customers. The electronic delivery channels increase transparency. Banking through internet has developed a new competitive strategy to achieve customer delight. The customization of financial product and services have become available over the Internet making Internet an important distribution channel for the banks. The purpose of present study is to analyze such effect of Digitalization on HDFC customers. The use of Internet banking is gaining significance all around the world. People who are accepting this technology get faster processing of banking requirements. The digitalization of

transactions can help to reduce costs for banks too. But at the same time online frauds like phishing, spoofing, SMSing, card skimming has caused embarrassment to the banks and a jolt to the emerging faith of common man.

**Keywords:** E-banking, technology, digitalization.

## **REVIEW OF LITERATURE**

1. **Aijaz A. Shaikh (2017)** study conceptualizes and proposes a well-regulated and designated mobile banking and payment system (MBPS) with the potential to strengthen the banking system, foster the regulatory framework, and to be integrated across various platforms and mobile devices.
2. **V.V.S.Rama Krishna (2015)** has opined that Information Technology has been one of the most important factors for the development of mankind.
3. **Dutta, Shomnath (June 2015)** in the study has observed that Globalization, deregulation and world-wide economic integration has raised current business panorama into a new height with the emergence of 3G, Broadband, WAP technology and resulted a quantum leap change in customer-savvy business approaches.
4. **Graupner, Enrico (2015)** in the study explained service digitization increasingly impacts work and life and to explore the role of information requirements and process specific characteristics in detail.

## **INTRODUCTION**

In present times, the decision of the customer to choose a bank is affected by many factors with service quality is the most crucial one. The Housing Development Finance Corporation Limited (HDFC) received an 'in principle' approval from the Reserve Bank of India (RBI) to start a private sector bank as part of the liberalisation policy adopted by RBI in the year 1994. With the focus of the bank on customer interests smooth operational delivery, it has delivered a very robust performance on the financial front. HDFC Bank has been able to adopt the challenges of disruptive technology and is not offering a wide variety of financial products and banking services. The customisation of investment advisory services has helped the bank too in penetrating the market share. HDFC Bank has been able to transform itself from a brick-and-mortar entity into a virtual bank. It has opened Micro-ATMs in rural areas across the country and helped in financial inclusion initiatives of the government as well. Under the digital banking initiative, the bank has introduced different mobile applications and reduced the turnaround time for the execution of majority of banking operations.. HDFC Bank can offer customised products with the use of technology which is not capitalised by the nationalized banks. At the same time, the bank should lay focus on protecting the customer from internet frauds by communicating the precautions to be used while using the internet banking. The usage of PayZapp of the bank is at nascent stage and the aggressive promotion of the same through marketing and advertising campaign will definitely help the bank to reach greater heights.

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