

# An Empirical Study About Establishing Strong Footprint in Digital Products of HDFC Bank: A Case Study of the City Moga of Punjab

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## ABSTRACT

*In the battle of traditional approaches and digitalization, digitalization tends to conquer traditional approaches and rule the future. From buying vegetables to big things that were done physically are now done digitally. No company or an individual would like to lack behind in this race. So all are learning and giving their best to get on the top. Even banking, a financial institution is coming up with various facilities using digital and analytics in market to provide more satisfaction and simple smooth functioning.*

**Keywords:** *Digitalisation, Banking, Online Products.*

## 1. INTRODUCTION

Digital products are considered are those products which are operated digitally or on digital platform. Every industry in each market is shifting on the digital platform. For their betterment and providing convenient services to their customers, as, customer is the asset of a company on which they rely for their success. Thus banking sector is also now a days giving more emphasis towards the digitalization by providing numerous of services on their respective digital applications like all the physical transactions, amount transfer and other activities are now available on this platform.

## 2. LITERATURE REVIEW

Milind Sathye's, 1999, research says that there are many factors that affect consumer to adopt internet banking. As this research was done by surveying customers either individual or business firms and gave some measures for the migration of customers.

Jayawardhena & Foley, 2000, said there is a high rate of growth and importance of internet banking has been seen and has made an image as a basic need.

Fassnacht & Koese, 2006, defined e-service quality as “the degree to which an electronic service is able to effectively and efficiently fulfill relevant customer needs”

Laukkanen and Kiviniemi, 2010, said that mobile banking is the connection of bank via mobile devices it could be a cell phone or a smart phone. Mobile banking provides customer facilities such as to check the available balance in his or her account, transfer of funds or bill payments.

Graupner Enrico, 2015, explained that impact of digitization on work and life and gave a good example of internet banking. Explained about its impact on consumers.

V.V.S. Rama Krishna, 2015, research reflects about the image of Information Technology in the recent era and development of banking industry on the basis of IT. Customer satisfaction level has been raised with introduction of such facilities.

Aijaz A. Shaikh, 2017, study proposes an updated and better performing Mobile Banking and Payment System as compared to the earlier ones. The new mobile banking and payment system contains many of the other facilities such as value-added services.

### **3. OBJECTIVES OF THE STUDY**

The objectives of the study are:

- To calculate the percentage of the Net Banking or Mobile Banking users in the Moga region. For better research
- To know about the reasons and providing them appropriate solution for not using the digital services of HDFC Bank
- To let people, know about the vastness of the digital platform in HDFC Bank i.e. What they can do digitally in banking?
- To update the customers with all the digital facilities provided by the HDFC Bank

### **4. RESEARCH METHODOLOGY**

Research Design: Descriptive Research Design is in the research.

Target Population: Moga

Sampling Technique: Stratified Sampling Technique. Here, for research the total population of Moga is divided into 5 categories i.e. 5 stratas which are Government Salaried, Corporate Salaried, Professionals, Self-Employed and Others.

Sample Size: 500

Data Collection: Survey was conducted by visiting offices and gathering data from the walk-in customers that were:

- Government Salaried
- Corporate Salaried
- Self-Employed
- Professionals
- Others

### 5. DATA ANALYSIS AND INTERPRETATION

#### Proportion of People Using Net Banking in Moga

Table 1: Proportion of People Using Net Banking in Moga

SEGMENT	PEOPLE USING DIGITAL PLATFORM	TOTAL SAMPLE IN SEGMENT
GOVERNMENT SALARIED	56	130
CORPORATE SALARIED	68	134
SELF-EMPLOYED	55	90
PROFESSIONAL	47	63
OTHERS	29	83

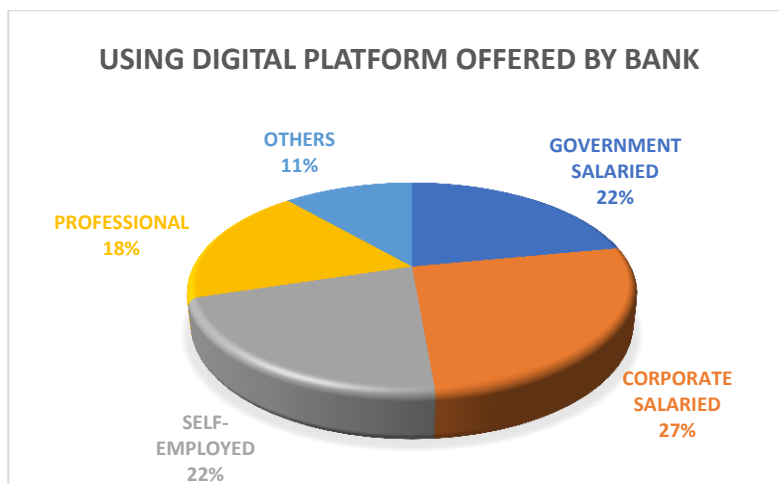


Figure 1: Proportion of People Using Net Banking in Moga

Source: Field Survey, Moga (Punjab), June 2018

Data generated by Microsoft Excel 2016

It has been seen that usage of net banking was maximum by the people falling in the segment of Corporate Salaried i.e. 68 people (27% of the total count) followed up by the people of the Government Salaried segment i.e. 56 people (22% of the total count).

**Proportion of People Not Using Net Banking in Moga**

Table 2: Proportion of People Not Using Net Banking in Moga

SEGMENT	PEOPLE NOT USING DIGITAL PLATFORM	TOTAL SAMPLE IN SEGMENT
GOVERNMENT SALARIED	66	130
CORPORATE SALARIED	59	134
SELF-EMPLOYED	31	90
PROFESSIONAL	16	63
OTHERS	43	83

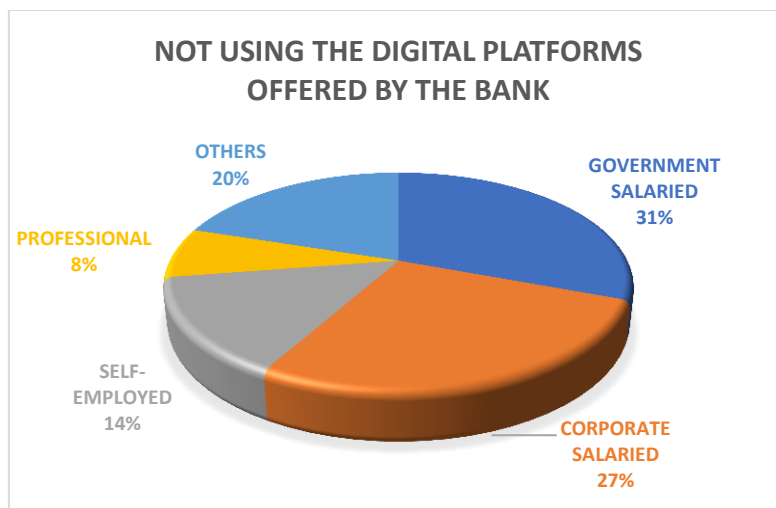


Figure 2: Proportion of People Not Using Net Banking in Moga

Source: Field Survey, Moga (Punjab), June 2018

Data generated by Microsoft Excel 2016

It is clearly seen that the people from the Government Salaried segment are maximum in the count for the non-users on the digital platforms i.e. 66 (31% of the total count), Corporate salaried with count of 59 (27% of the total Count) on the second position.

### Purpose of Using Digital Platform by The Users

Table 3: Purpose of Using Digital Platform by The Users

SEGEMENT	USERS FOR THE FACILITIES ON THE DIGITAL PLATFORM					
	ONLINE SHOPPING	BILL PAYMENTS	TAX PAYMENTS	FUND TRANSFER	RTGS/NEFT	STATEMENT
GOVT SALARIED	31	23	19	33	35	52
CORP SALARIED	52	54	19	52	40	73
SELF-EMPLOYED	36	36	18	32	33	31
PROFESSIONAL	35	37	15	35	17	46
OTHERS	25	24	0	18	5	68

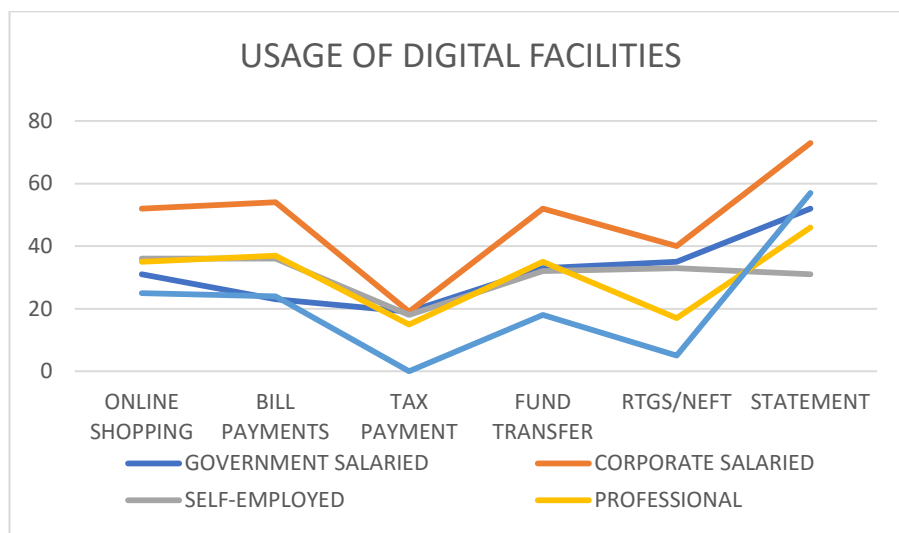


Figure 3: Purpose of Using Digital Platform by The Users

Source: Field Survey, Moga (Punjab), June 2018

Data generated by Microsoft Excel 2016

This line graph depicts that customers commonly use the facility of checking the statements on the net or mobile banking as 52 out of 130 customers use net/mobile banking for the purpose of checking the statements only in government salaried segment. Similarly, in corporate salaried, professionals & others segment i.e. 73 out of 134, 46 out of 63 & 68 out of 83 respectively. In Self-Employed segment people more preferably use Online Shopping & Bill Payment facilities on digital platform i.e. 36 out of 90 same in both the facilities.

### Non-Users for The Facilities On the Digital Platform

Table 4: Non-Users for The Facilities On the Digital Platform

SEGEMENT	NON-USERS FOR THE FACILITIES ON THE DIGITAL PLATFORM					
	ONLINE SHOPPING	BILL PAYMENTS	TAX PAYMENTS	FUND TRANSFER	RTGS/NEFT	STATEMENT
GOVT SALARIED	91	99	103	89	87	70
CORP SALARIED	75	73	108	75	87	53
SELF-EMPLOYED	50	50	68	54	53	55
PROFESSIONAL	28	26	48	28	46	17
OTHERS	47	48	72	54	67	26

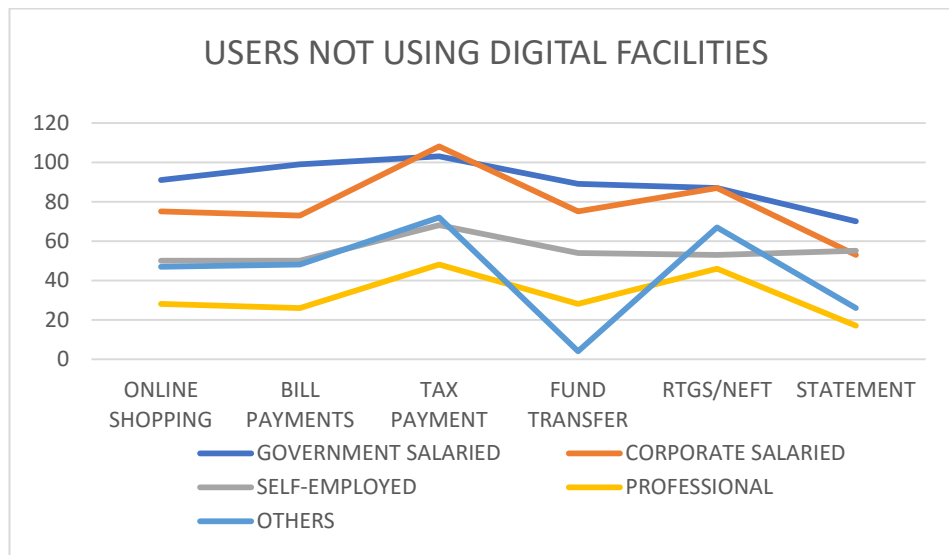


Figure 4: Non-Users for The Facilities On the Digital Platform

Source: Field Survey, Moga (Punjab), June 2018

Data generated by Microsoft Excel 2016

This chart depicts that the Tax Payment is the facility that is commonly not used by each segment which is 103 out of 130 in Government Salaried, 108 out of 134 in Corporate Salaried, 68 out of 90 in Self-Employed, 48 out of 63 in Professional & 72 out of 83 in Others. Followed up by Bill Payments in Government Salaried i.e. 99 out of 130; RTGS/NEFT in Corporate Salaried, Professionals & Others i.e. 87 out of 134; 46 out of 63 & 67 out of 83 respectively; for checking Statements in Self-Employed i.e. 55 out of 90.

**Reasons for Not Using Digital Platform by The Users**

Table 5: Reasons for Not Using Digital Platform by The Users

REASONS	GOVERNMENT SALARIED	CORPORATE SALARIED	SELF-EMPLOYED	PROFESSIONALS	OTHERS
AFRAID OF FRAUD	7	3	6	2	2
NO KNOWLEGDE	23	15	10	5	18
DEPENDENT ON SPOUSE	6	1	0	1	1
NEVER NEEDED	22	28	9	6	16
NOT WILLING TO USE	2	1	0	1	0
LESS AWARENESS	4	4	5	1	2
LOW INCOME	5	3	0	0	3

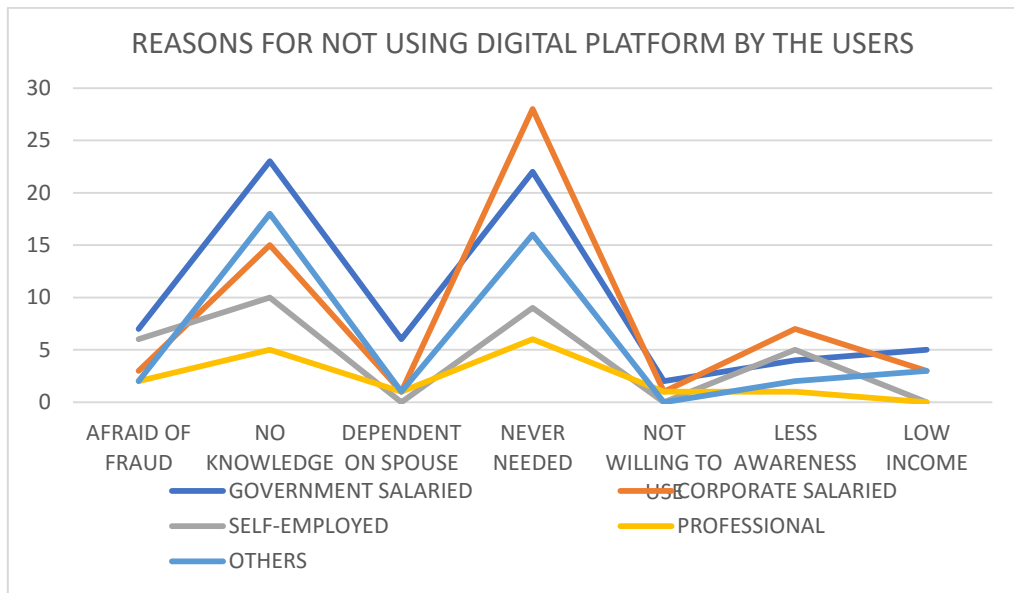


Figure 5: Reasons for Not Using Digital Platform by The Users

Source: Field Survey, Moga (Punjab), June 2018

Data generated by Microsoft Excel 2016

It is clearly seen from the chart that the most common reason for not using the digital platform provided by the bank is Never Needed & No Knowledge, as the customers said that they don't need the digital banking & some say that they don't know how to operate it. It is found that in Government Salaried, Self-Employed & Others segments maximum reason for not using digital platform is No knowledge about these platforms i.e. 23 out of 130; 10 out of 90; 18 out of 83 respectively and in segment of Corporate Salaried & Professionals Never Needed is the reason which came out to be maximum in count i.e. 28 out of 134; 6 out of 63

respectively. Followed by various other reasons like dependent on spouse, less awareness, low income, not willing to use these digital services are also seen in each segment.

## 6. CONCLUSION

It is seen that out of sample of 500, only 255 customers were using the digital facilities provided by the bank which makes 51% of the total sample space which includes all the segments. This count is observed in the Moga region and 43% people are not using the digital banking so to reduce this count there is a need to put awareness to the people about the net banking. Remaining 6% is the count which shows the count of the 30 people shifted to the digital platform provided by the bank.

The main reasons which came into notice due to which people are not using the digital banking provided by the banks:

**Never Needed:** This reason was maximum in the which people tend to say that they know about what digital banking is about but they don't really felt any need of using this digital platform of the bank. As they have their own accountants who deal with these things or they are happy with this traditional banking method.

**No Knowledge:** Second main reason which means that people don't have knowledge about this platform what they can do on it, what are the benefits of using this platform.

**Fear Factor:** People are afraid of using this platform as they are afraid if any transaction goes wrong, any fraud could happen. These were a few points due to which people are afraid of using the digital platform.

**Security Risks:** External threats such as hacking, sniffing and spoofing expose banks to security risks

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