

**How to Cite:**

Lakshmi, T. V., Rajesh, S., & Balasubramanian, P. (2022). Awareness and usage of digital banking services among scheduled community: A study with reference to Thrissur dist. *International Journal of Health Sciences*, 6(S2), 14272–14281.  
<https://doi.org/10.53730/ijhs.v6nS2.8748>

## **Awareness and usage of digital banking services among scheduled community: A study with reference to Thrissur dist**

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**Abstract---**As the physical inspection has transitioned to the CTS technology, the classical brick-and-mortar banks are extending their services to mobile and internet banking, BHIM and UPI have been launched, and digitalization has become a buzzword within the last few years. There remain challenges for guests within the Indian Banking Industry, given its fierce competition for world-class technology. This paper aims to measure the awareness of scheduled community members about digital banking and relevant issues. The analysis demonstrated that the respondents were not knowledgeable about digital banking services. Digital banking facilitates banking in any place, at your convenience and facilitates allocating of merits to minority sections of society properly.

**Keywords---**digital banking services, awareness, internet banking.

**Introduction**

Science and technological advancements have a wide range of effects on ordinary people's lives. The growth of digitalization has a significant impact on not only ordinary people's day-to-day conditioning but also on profitable conditioning throughout the world. One of the most critical pillars of profitable growth is the banking industry. In the banking industry, technological advancements have functioned as a complement to make financial services more accessible. Scientific

advances have enabled fluent fiscal sales, offered colourful kinds of digital financial services, and assisted the banking industry in providing services more smoothly and effectively. Services for digital banking enable monetary institutions to give introductory fiscal services provided to the people who are financially deprived, particularly in pastoral and remote locations. The financial industry makes extensive use of digital fiscal tools to boost fiscal addition, according to the encyclopaedia. Digital fiscal services can operate as a system via which one can penetrate official financial services fluently, and they give affordable and convenient solutions for banking conditioning. According to the Global Findex database, approximately 80% of adult Indians have a savings account in 2019, and 48% of the country's bank accounts haven't seen any sales so far this year, with the bulk of accounts being dormant. Having a bank account alone does not imply fiscal addition; in order for fiscal addition or People must engage in the banking system in order to develop economically, and e-banking or electronic banking services may perform a key part. Digital financial services may be used in a more efficient and fluid manner.

The state has highlighted the role of internet banking services in improving the country's fiscal status over time. A country's digital transformation may be aided by affordable and accessible internet service, as India has demonstrated over the previous five years. The advancement of digital technology has made the provision of digital banking more inexpensive, and it's become simpler for ordinary people to conduct a financial transaction. Digital banking, sometimes known as e-banking, refers to colourful electronic channels that supply banking services over the internet. The Indian banking sector currently offers a diverse range of innovative products and services, including: i) Mobile banking, ii) Electronic fund transfer system, iii) Internet Banking, vi) UPI, vii) mobile Wallet, and so on.

Kerala has had an advanced chance of people with bank accounts. 81.36 percent of the population formerly had the access to banking installations, meaning that around 18.64 percent of the population didn't have access to financial services (NSSO). Kerala is suitable to achieve such a result only because of the high position of fiscal knowledge in the state. Indian fiscal services geography is now witnessing a technology-driven shift. A person can now indeed open a bank account with a selfie. The traditional conception of branch banking is at the stage of its fustiness because every banking and fiscal installation is now available at the client's fingertips. The government has accelerated its approach to achieving fiscal addition with the help of digital inventions in banking services. The recent way taken by RBI on fiscal addition includes the use of digital structure to reach the unbanked population, which would unfold huge openings for fiscal services. In this scenario, online platforms are anticipated to provide low-cost financial services to both the unbanked population and underfinanced people, particularly in remote areas, and to improve digital fiscal access to provide high-quality, inexpensive fiscal services in the future. Sale expenses might be cheaper if digital channels are used instead of traditional methods. The ministry behind digitalization is always stating that digitalization and new digital inventions are reaching each and every corner of the nation and making a metamorphosis in their lives. Still, it's a serious question as to whether these measures actually reach the nethermost position and marginalized communities similar to

scheduled communities and do the means of digital inventions are familiar to the communities.

### **Review of Literature**

K. Hema Divya and K. Suma Vally the article entitled "A Study on Digital Payments in India with Perspective of Consumer's Adoption". The data from the questionnaire was analysed using Chi-square analysis. Primary data was collected from 183 respondents in Hyderabad. The chi-square approach was used to analyse the data acquired through the questionnaire. According to the report, the use of technology for digital payments has enhanced the banking sector's performance and enabled the country to realise its goal of being cashless. In Tejil Thomas and Suresh T. S's (2018) paper, "A Study on Digital Financial Inclusion among Scheduled Castes and Scheduled Tribes", they sought to assess the level of knowledge about digital financial inclusion among these groups in Kottayam district. It was found that most respondents have a basic insight on digital financial inclusion in general. Both groups had the same degree of knowledge based on the results. This suggests that there was no discernible difference in their degrees of expertise.

Dr. Arunangshu Giri and Ipsita Paria (2018) the article entitled "A Literature Review on Impact of Digitalization on Indian Rural Banking System and Rural Economy". The current study reviews and analyses many studies on the influence of digitization on India's rural banking system conducted by various researchers from various locations around the country. According to the findings, digital banking has huge potential to transform the financial inclusion environment. The research also found that, with the features as low cost, simple to use digital banking can accelerate the integration of unbanked economy to predominant

Anthony Rahul Golden S. published an article entitled "Digitalization in Indian Banking Sector" in 2017. A study of the digitalization of Indian banking has been conducted in this article. Our daily lives are significantly impacted by banks, which are not just a part of our daily lives. Hence, banks always strive to improve their customer service through the use of new technologies. As a result of digitalization, the Indian banking sector has faced some remarkable changes and hurdles. Furthermore, because we live in the digital era, it is impossible to ignore the expansion and services of digital banking. "Digitization and Financial Stability: The Impact on Banking and Financial Stability" by Santiago Carbo-Valverde (2017). This article discusses the implications of digitization on banking activity as well as financial stability issues. In the financial services industry, digitization equates to lower marginal costs and higher productivity.

### **Importance**

Banks are providing a variety electronic banking products and services to their clients. However, its use is contingent on public understanding of the many services available. When we use these services, we notice that digital usage is quite low among the scheduled communities. In terms of digital banking, they need a fundamental understanding of the internet and banking services which limit their usage. Some people are totally not aware of these services and are not

intended to usage. In this situation, it's important to look at the use of digital banking among scheduled caste and scheduled tribes.

### **Objectives of the Study**

1. To investigate how digital financial services are used in the Scheduled Community.
2. To investigate the mindfulness position of people in the Scheduled Community about the digital banking services handed.
3. To study the factors that restrain the repliers in the application of Services for digital banking

### **Methodology**

The research is to determine the quantum of digital banking operation and mindfulness within the slated community. The study demanded the sample from a small population of (SC 86696, ST 3130) Slated Gentries and Slated Lines in Kerala's Thrissur quarter. An aggregate of 129 respondents was gathered using multistage arbitrary slice and intentional slice approaches. Only 124 of the 129 repliers had bank accounts. Only 36 of 124 bean repliers said they were using digital banking. Out of 129 people surveyed, 5 do not have a bank account. A methodical questionnaire was employed to conduct the check. The core data was gathered exercising a standardized interview schedule that had been completely vetted. The responses are different. The responses are measured with a five-point scale. Excel and SPSS software were used to analyse the data.

### **Limitation**

- The suggested study was conducted solely in the Thrissur district; thus, the results cannot be generalized.
- The study is based on replies from chosen respondents; therefore, the results cannot be generalized.

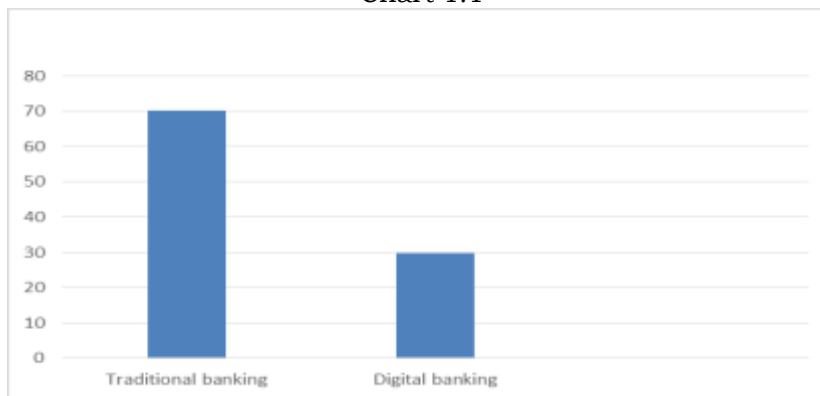
### **Analysis and Recomendation**

As the factors are scored, this study takes an experimental approach. Data is gathered in both qualitative and quantitative formats. As a result, the researchers used both qualitative and quantitative methodologies to assess the data. The statistical analysis was divided into two sections. Based on the statistics of the objects' descriptive statistics, we examined the legitimacy and dependability of the measuring items at the start of the study. The suggested research model was then assessed. The study used an exploratory strategy based on the scoring of the factors. A variety of quantitative and qualitative information was gathered. As a result, the study's data is analysed both subjectively and statistically. There are two levels of statistical analysis in this process. The first step looked at the measurement items' descriptive statistics and evaluated the measure's legitimacy and trustworthiness in this study. The suggested research paradigm was put to the test in the second step. SPSS 20.0 for Windows was used to analyse the data. The qualities of a massive amount of information obtained from the people who responded were described and summarised using descriptive statistics for the

purpose of comparing the variables studied amongst various levels in terms of population data, parametric statistics such as chi-square and one-way analysis of variance were utilised. A priori, a significance 0.05 was used as the cut-off. Set for establishing relevance in statistics. Adoption is the study's primary goal, awareness and amid the scheduled community's use of e-banking services. The survey was carried out among the 129 customers out of which 5 of them were not having a bank account

### **Type of banking service preferred**

Chart 1.1

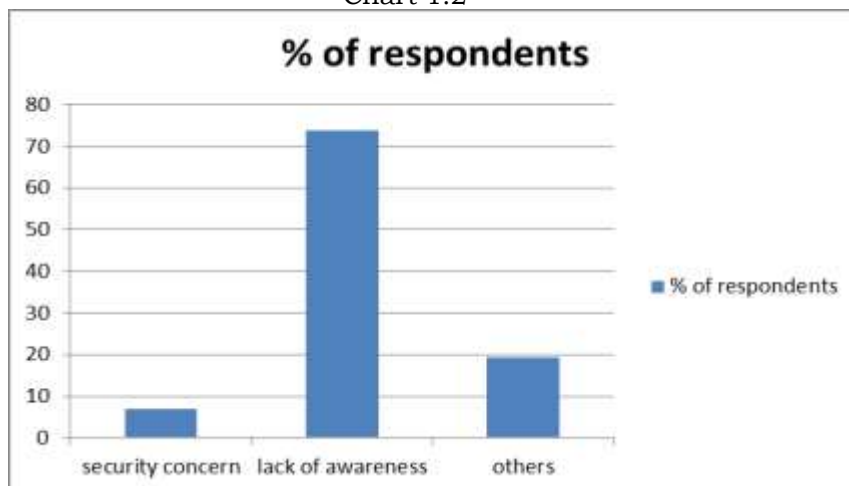


Source: primary data

The chart 1.1 reveals that out of 124 respondents who are availing banking services only 29.8 % are using services of online banking and the rest of the 70.2 % are using traditional banking. In short majority of respondents are belongs to traditional banking users.

### **Reason for choosing traditional banking**

Chart 1.2

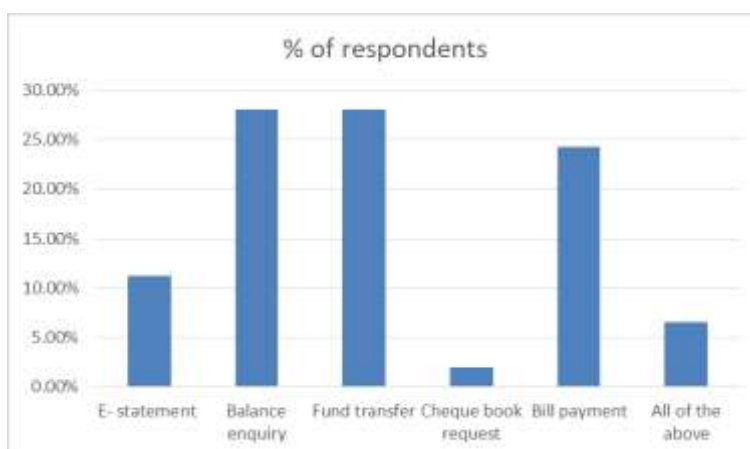


Source: primary data

From the chart 1.2 we can easily understand that 6.8 % respondents are not using digital banking because of security concern, 73 % respondents don't use because of lack of awareness and remaining 19.4% doesn't use because of other factors like poor internet connectivity,

### Mostly used online service

Chart 1.3



Source: primary data

The chart 1.3 reveals that 11.21 % of respondents use online services for taking e-statement, 28% respondents for checking their account balances, 28.02% use for transferring the fund ,1.92% respondents use online services for requesting cheque book, 24.30% respondents use bill payment and only 6.2% of people are using all of the services. In short majority of the respondents are using online service for balance enquiry, fund transfer and bill payment and only a least number of respondents are using online services for cheque book request and taking an E-statement.

### Chi-Square Tests

#### Type of banking service and knowledge online banking.

H0: knowledge regarding online banking is independent of type of service preferred.

H1: knowledge regarding online banking is dependent of type of service preferred.

| Table 2.1            |                      |    |                     |
|----------------------|----------------------|----|---------------------|
|                      | Value                | df | Asp. Sig. (2-sided) |
| Pearson Chi-Square   | 109.890 <sup>a</sup> | 3  | .000                |
| Source: primary data |                      |    |                     |

The following table shows the results of the chi-square test, which show that the test is significant since the p value is 0.05, implying that knowledge of online banking is not independent of the type of service selected.

### Education and Adaptability

H1: E-payment system is more beneficial and easily adaptable for highly educated people.

H0: E-payment system is not more beneficial and easily adaptable for highly educated people.

Table 3.1

| ANOVA                                             |                |                |    |             |       |      |
|---------------------------------------------------|----------------|----------------|----|-------------|-------|------|
|                                                   |                | Sum of Squares | df | Mean Square | F     | Sig. |
| e-payment system is more beneficial and adaptable | Between Groups | 1.509          | 2  | 0.755       | 2.876 | 0.07 |
|                                                   | Within Groups  | 8.923          | 34 | 0.262       |       |      |
|                                                   | Total          | 10.432         | 36 |             |       |      |

Source: primary data

The result of one-way ANOVA, as shown in table 3.1, indicates that the computed value ( $F=2.876$ ) is significant since the p value is  $> 0.05$ , which is significant at the 5% level. As a result, the H0 is accepted, and the conclusion is that persons who are primarily educated may also adapt to digital banking services.

### Age and Adaptability

H1: E-payment system is more beneficial and easily adaptable for young people.

H0: E-payment system is not more beneficial and easily adaptable for young people.

Table 3.2

Source: primary data

| ANOVA                                             |                |                |    |             |       |       |
|---------------------------------------------------|----------------|----------------|----|-------------|-------|-------|
|                                                   |                | Sum of Squares | df | Mean Square | F     | Sig.  |
| e-payment system is more beneficial and adaptable | Between Groups | 1.697          | 3  | 0.566       | 2.137 | 0.114 |
|                                                   | Within Groups  | 8.735          | 33 | 0.265       |       |       |
|                                                   | Total          | 10.432         | 36 |             |       |       |

The result of one-way ANOVA, as shown in table 3.2, indicates that the computed value ( $F=2.876$ ) is significant since the p value is  $> 0.05$ , which is significant at

the 5% level. As a result, the H0 is accepted, and the conclusion is that persons in their middle years are more adaptive to digital banking services.

### Education and Security Concerns

H1: highly educated people believe that digital banking provides secure payment system

H0: highly educated people do not believe that digital banking provides secure payment system.

Table 3.3

| ANOVA                                                           |                |               |    |             |       |       |
|-----------------------------------------------------------------|----------------|---------------|----|-------------|-------|-------|
|                                                                 |                | sum of Square | df | Mean Square | F     | Sig.  |
| e-payment system provides secure payment and handles proceeding | Between Groups | 6.667         | 2  | 3.333       | 6.974 | 0.003 |
|                                                                 | Within Groups  | 16.252        | 34 | 0.478       |       |       |
|                                                                 | Total          | 22.919        | 36 |             |       |       |

Source: primary data

The result of one-way ANOVA is shown in table 3.3, which indicates that the estimated value ( $F=6.974$ ) is significant since the p value is 0.05, which is significant at the 5% level. As a result, the H0 will be rejected, and the conclusion is that highly educated people think digital banking offers a safe payment mechanism.

### Findings

- There is a lack of awareness about digital banking among scheduled community.
- Most of the people of scheduled community are availing services from private sector
- banks
- Out of 129 respondents 4% among them are not having bank accounts
- Majority of business owners use digital banking services for their business purpose
- Majority of the respondents are using online service for balance enquiry, fund transfer and bill payment and only a least number of respondents are using online services for cheque book request and taking an E-statement.
- Most of the people prefer using debit card payment
- Easy to use is the main factor that influence people to use digital banking service
- The knowledge regarding online banking is dependent of type of service preferred by the respondents.
- The primarily educated people are also adaptable to digital banking services.
- The middle-aged people are more adaptable to digital banking services.

- The highly educated people believe that digital banking provides secure payment systems

### **Suggestions**

- To make e-banking more common among all age groups and income levels, banks must come up with more meaningful ads and insights campaigns.
- In order for bank staff to explain the usefulness of digital banking correctly to customers, they must be well-versed in all the features of digital banking.
- Age, gender, occupation, etc., should be taken into consideration when customizing e-banking services. In this way, people's needs and requirements can be met.

### **Conclusion**

In recent years, technological advances have become an increasingly vital tool for accelerating financial growth. In recent years, digital banking has received a lot of attention since digital banking services benefit both financial institutions and regular individuals. Although the state's ongoing attempts to promote digitalization in India, the number of individuals using internet banking services remains exceedingly low. Indian commercialization demonstration programmes must result in an increase in online payments and aid the country's transition to a paperless society. With India, the vast majority of the projected population still transacts in cash. The state has established digitalization a top priority in order to combat corruption and increase collection of revenue. This effort is being done to assess the planned community's level of knowledge in the Thrissur District. The majority of respondents had a basic understanding of the many components of digital banking in general, according to the survey. It was shown that roughly 68 percent of those polled do not utilise internet banking. Debit cards were used by the majority of the respondents, but not online banking or newer developments like UPI. It was also discovered that some respondents are financially secure yet do not use digital banking services for a variety of reasons. Respondents are still hesitant to use digital banking services due to a lack of information and the possibility of being scammed.

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