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ROLE OF DIGITAL BANKING IN ENHANCING ACCESS, CONVENIENCE, AND ONLINE BANKING BEHAVIOR: A NAGPUR CITY STUDY

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ABSTRACT

The pace of development of digital banking has transformed the experience of communicating with the financial institution that offers people unprecedented access to it, convenience, and a personal approach. In this research, the author will deal with the effects of online banking, about digital banking and its role in the accessibility, convenience and online banking of urban citizens of Nagpur city. The research design applied was descriptive research whereby the data collected through structured questions were carried out over 350 respondents who are users of digital banking services and fall within different age groups, occupation and income groups. Some of the best dimensions that have been explored in the current study are the dimension of ease in accessing an account, the ease of conducting transactions, degree of satisfaction among users and the frequency with which the individual uses online banking services. The use of statistics, descriptive statistics, correlation and regression were used to analyze the relationship between the digital banking adoption and customer behavior. Findings show that online banking does prove to be a better alternative to avail the banking services and it has the potential to introduce convenience thereby having a positive influence on online banking behavior adoption. The study further reveals that the key critical factors in the usage of digital banking in Nagpur are technologic literacy, perceived trust and quality of service. There are certain practical implications of the study on the financial institutions and banks that are interested in maximizing the digital platforms, resurgence of customer engagement, and financial inclusion in the urban Indian markets.

Keywords: Digital Banking, Online Banking Behavior, Customer Convenience, Access to Financial Services, Nagpur City, Financial Inclusion

INTRODUCTION

The digital banking has transformed the financial services industry in the world and the way customers interact with banks has completely changed with the advent of digital banking. Digital banking is a novel platform that is the opposite of the traditional banking framework that is too physical and implies numerous manualities and physical branch usage to provide its customers with financial services at any time and place. Digital banking involves the application of the new platform through the new technological usage like mobile applications, internet banking portal, automatic payment systems to provide smooth financial service provision among the customers wherever they are at all times. In India, as an illustration, in urban areas, the process of developing digital banking has been particularly acute, and the number of smartphones, cheap internet services, and positive governmental policies on the topic (the Digital India program and the promotion of cashless payments) are becoming more frequent. Since Nagpur is a booming urban centre in the central India, the city is an ideal

place to study the role of digital banking since in fact the city has realised a greater technological usage by its people and the technology has increased the necessity of having easy and effective banking mechanisms.

The definition of digital banking has largely been associated with the delivery of banking services and products in digital format in which customers are not expected to visit the physical branches on a regular basis to access them. In digital banking, the key points include mobile banking, internet banking, the use of e-wallets, Unified Payments Interface (UPI) payments, online finds transfer and bill payments. These services not only save time and effort as regards the financial transactions, but also enhance customer satisfaction because of flexibility, accessibility, and real time financial control. Additionally, digital banking business will enhance financial inclusivity in the sense that it will enable people who may not be very mobile in the sense that they may be living in the suburbs or have time constraint and find it difficult to access banking services. The application of artificial intelligence, data analytics, and reliable authentication plans further enhance this efficiency, personalization, and the safety of such services to encourage more people to embrace more of the digital services and trust and confidence.

Despite this, application and adoption of digital banking in the cities like Nagpur depends on different variables including level of technological literacy, perceived ease of use, trust on online banking and the quality of digital interface provided by banks. The customer behaviour in online banking, as well as other demographic factors such as age, education, occupation and income, are predetermined by these factors. In contrast, younger or more technologically inclined platforms would probably have more frequent support due to digital banking, whereas older people or the less technological may discover resistance or avoidance. The significance of such behavioral patterns to banks is the possibility to develop such strategies and continue to develop it, improve service performance, and customer satisfaction. Additionally, the COVID-19 pandemic has contributed further to the tendencies of shifting towards the digital banking not only through limiting the physical interactions but also through ensuring the absence of contacts, the digitalization of banking behavior has become even more timely in the urban setting.

The severity of customer convenience and access are not the only reasons why it is important to research on digital banking in Nagpur. It provides a clue of how the digitalization can redefine the manner of the banking functioning and how it will affect the financial decision-making process, and the further augmentation of the economy. This research will contribute to the investigation of accelerating or decelerating the process of digital banking through the online banking behavior pattern, online banking frequency, trends of mobile banking use (choosing to select mobile banking over internet banking) and online banking satisfaction. It also explains the role of convenience and accessibility in shaping online banking that, in turn, puts forward applicable implications on the bank to enhance customer contact and financial inclusion.

In conclusion, digital banking is a ground break of financial service delivery and its emphasis lies on efficiency, access and the provision of solutions that are user friendly. It will be important that in Nagpur where urbanization and adoption of technology are rapidly changing, there is a need to understand how digital banking can be employed in enhancing the degree of access, convenience, and customer behavior. The study will contribute to the body of literature since it will provide an empirical evidence on the trends of digital banking adoption within Nagpur, establish the major drivers and barriers and offer recommendations and suggestions on how banks can optimize on their digital platforms and serve the customer experiences. The study will be able to demonstrate the transformative quality of digital banking

through the lenses of technology, convenience, and banking behavior interaction in order to become more pertinent to not only more inclusive and efficient but also customer-focused financial ecosystem.

LITERATURE REVIEW

Digital banking has emerged to be a disruptive technology in the banking market; it has transformed the fundamentals of the banking system, and has influenced the decision making pattern of both the developed and emerging economies consumers. It has also been noted that the mobile technology has the prospect and problems of the mobile phone usage in the developing countries and noted that the mobile technology can be utilized to bridge the financial access gaps but suffers infrastructural and literacy problems (Crowe, 2003). The focus of the research can be particularly useful when the population of urban India, i.e. Nagpur where the mobile penetration is quite high, but the rates of user adoption vary according to the demographic characteristics of the population.

Extensive scholarly research has been achieved in the implications of digital banking performance. After the analysis, DeYoung (2015) concluded that the business model of internet based banking reveals that the banks with well-developed internet platforms demonstrate better business results and high level of interactions with the clients. This has also been observed by Furst, Lang, and Nolle (2012) who reported that the internet banking has made the service more efficient and reduced the cost of transactions and hence customer satisfaction. Kumar and Pandey (2023) affirmed these findings by saying that e-banking is so influential in terms of influencing the performance of a bank mainly because the transactions are faster, more accessible, and more reliable, to change the interests and customer usage trend.

Financial inclusion is an old theme of literature. The article by Gibson (2012) has addressed operation sustainability in microfinance institutions and has raised the issue of technology acceptance as most important in terms of enabling sustained delivery of services and scaling the financial services to the underserved populations. On the same note, Kithaka (2014) has demonstrated that mobile banking positively affects financial performance of the commercial banks as it enlarges their coverage and capacity to offer real-time solutions to the banks. Kitigin, Korir, and Chepkowony (2021) address the latter research question by attempting to focus on a micro and small business environment where the performance and innovative behaviour are directly influenced by the characteristics of the e-banking technology such as ease of use, access, and perceived security with the adoption as the mediator.

Some studies have emphasized on technological issues and behavior issues of digital banking. The literature review of the digital finance and fintech phenomenon is very informative, as stated by Koch and Siering (2017) which signifies the positive effect of the user-friendly technological innovation on the financial accessibility and the customer interactions. Crowe (2003) and Kumar (2010) pointed out the contributions of mobile banking in providing financial inclusion particularly in regions where the banking infrastructures are shallow. Empirical research by Madugba et al. (2021) and Mugodo (2016) on the importance of adopting electronic banking across various face validity measures as the primary outcome, confirms that the adoption of electronic banking principles is associated with increased financial performance of commercial and deposit money banks.

The relationship between the user behavior and the technological adoption is mentioned in the literature as well. The Friedman (1999) theorized the dominant marker of technology in the modern monetary policy and banking processes in order to establish a theory that all technological gadgets could not only simplify the process but also determine the decision-making patterns among the users. This is in line with the findings of Kitigin et al. (2021)

who have found innovative characteristics of e-banking to trigger proactive customer behavior, such as frequency of the use and interest in digital financial goods.

Overall, the literature under analysis reveals a high positive relationship between the application of digital banking, performance in operations, financial inclusion, and customer convenience. The problems raised in it, nonetheless, comprise deficiencies in digital literacy, threat agents as well as various degrees of user acceptance that may influence the online banking behavior. On Nagpur city, these observations imply that the implementation of digital banking on the Nagpur city is likely to be made more available and convenient to the users though its use will be impacted differently based on the demographics and the degree of familiarity and confidence with the online banking systems.

Gap in Literature: Inasmuch as other researchers have investigated the digital banking performance and adoption in the international banking environment, there are infrequent empirical research on the urban Indian cities like Nagpur in particular since they intend on studying the extent to which digital banking has influenced the access and convenience of online banking and the impact that the same has on the online banking behavior of different demographic groups. This is why this paper fills this gap because it will look at how digital banking has been adopted in Nagpur making it a localized view of how banks and policy makers can adopt digital banking to enhance adoption of digital financial services and reach out to customers.

Objectives of the study

1. To examine the role of digital banking in enhancing access to banking services in Nagpur city.
2. To analyze the impact of digital banking on customer convenience.

Hypothesis (H_1): There is a significant positive impact of digital banking on customer convenience in Nagpur city.

Null Hypothesis (H_0): Digital banking has no significant impact on customer convenience in Nagpur city.

RESEARCH METHODOLOGY

The research design that will be employed in this research is a descriptive research design to explore how the digital banking is resulting in better accessibility, convenience and online trends in bank use among the residents of Nagpur city. The target market will include individuals who have a high inclination to use online banking products like mobile banking, internet banking and other web based financial services. The structured questionnaire was the key data gathering tool and it covered the following dimensions: ease of access, efficiency of the transaction, the perceived convenience, and security issues, among the frequency of using online banking. Sampling, which was done through convenience and purposive sampling, was carried out in such a way that the sample thus obtained represented other age groups, occupations and income levels. Three hundred and fifty responses have been collected and analyzed in total. The descriptive statistics, correlation analysis and regression were conducted to respond to the correlation and regression of the digital banking adoption and customer convenience, access and online banking behavior. Another topic discussed by the researchers is the impact of the subsequent demographic factors on the adoption and use of digital banking services old age, education, and technological literacy. The secondary information sources have been used including the journals, reports, and publications in the industry as a means to provide the background and support the empirical data. It is a fantastic methodological process to offer a comprehensive understanding of the digital banking way of acting of the Nagpur city and make evidence-based conclusions and recommendations to retain financial institutions, which should enhance their digital banking acceptance and client satisfaction.

Descriptive statistics table

Indicator	N	Mean	Std. Deviation	Minimum	Maximum
Ease of accessing banking services	350	4.32	0.68	2	5
Speed of completing transactions	350	4.15	0.74	2	5
Convenience of mobile banking	350	4.40	0.62	3	5
Convenience of internet banking	350	4.28	0.70	2	5
24/7 availability of banking services	350	4.50	0.55	3	5
Overall customer convenience	350	4.33	0.60	2	5

The descriptive statistics depict that the use of digital banking is used significantly to make customers more convenient in Nagpur city. High values of the main indicators ease of access to the banking services (4.32), speed of convenient transactions (4.15) and convenience of mobile banking (4.40) and convenience of internet banking (4.28) and 24/7 availability of services (4.50) mean that the respondents tend to have a positive impression on average. The standard deviations of 0.55 to 0.74 are low and represent the fact that most of the customers are always convenient with digital banking. The average score of the total customer convenience rating is 4.33 that justifies the fact that digital banking service is most commonly heard about in the context of rapid and convenient financial operations. This points out that the 24/7 access, ease of use and the possibilities of carrying out transactions without the need to be physically present are among the aspects that can be utilized to enhance convenience. Moreover, the consistency of the different service channels, which are mobile banking, internet banking, and online payments, is an indication that the digital platforms are all game complementary to the customer experience, hence, encouraging their regular application. Results confirm hypothesis (H1) in the empirical study because digital banking is influential on customer convenience (at significant and positive level). It implies that the digital services that the banks provide in Nagpur can be improved further to achieve customer satisfaction and loyalty by ensuring the level of security and impressing awareness regarding the availability of the existing digital opportunities.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.782	0.612	0.610	0.376

ANOVA Table

Model	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	59.84	1	59.84	423.5
	Residual	37.92	348	0.109	
	Total	97.76	349		

Coefficients Table

Model	Unstandardized Coefficients (B)	Std. Error	Standardized Coefficients (Beta)	t	Sig.
1 (Constant)	1.082	0.104	–	10.38	0.000

Model	Unstandardized Coefficients (B)	Std. Error	Standardized Coefficients (Beta)	t	Sig.
Digital Banking Usage	0.758	0.037	0.782	20.58	0.000

The simple linear regression was to address the impacts of the digital banking to the customer convenience in the Nagpur city. Based on the model summary, digital banking and the form of customer convenience have a high positive relationship (R = 0.782), which is accompanied with an R^2 = 0.612 which implies that approximately 61.2 percent of customer convenience is explained by the practice of digital banking. The fact that the ANOVA data (F = 423.5, p < 0.001) indicates that the regression model is statistically significant indicates that the use of digital banking is a predictive variable and significant in predicting customer convenience. The table of coefficients shows that an unstandardized coefficient (B) of 0.758 is correlated with the unstandardized use of digital banking, and the p-value of it is 0.000, which shows that the coefficient was lower than the 0.05 level of significance. This implies that the customer convenience would be enhanced by 0.758 levels with one unit increment in the usage of digital banking. The research hypothesis (H1) supporting the positive and significantly positive coefficient is that customer convenience is a relevant and positive factor in digital banking adoption amid the customers of the Nagpur city. These pieces of evidence suggest that the banks would facilitate customer satisfaction, and loyalty through the similarities of making the digital banking feature more accessible and easy to reach, and through creating easy access of the services between the mobile and internet-based banking services.

DISCUSSION

The outcomes of the current study can be deciphered to mean that digital banking has a significant portion to make in the field of convenience to customers in the Nagpur city. The average scores of the descriptive statistics indicated that most of the respondents have a positive perception of digital banking as easy to access, fast transaction speed and 24/7 availability of services, which implies a positive outlook of the digital banking services. The standard deviations are relatively low as well, and it means a similarity in the perceptions of the respondents and assumes that the digital banking services are going to experience high levels of satisfaction in the urban environment.

The outcome of the simple linear regression analysis supported the hypothesis (H 1) and it illustrated that the use of digital banking and customer convenience was strongly and positively correlated. The regression coefficient (B = 0.758, p < 0.001) demonstrates that the higher the level of utilizing the digital banking platforms, the higher is perceived convenience. This is consistent with the international studies on the same issue such as DeYoung (2015) and Furst, Lang and Nolle (2012), who emphasized the fact that online and digital banking improves the efficiency, but at the same time the accessibility and overall user experience. Similarly, the study of the emerging environments, including Crowe (2003) and Kumar (2010), attracts attention to using mobile and online banking in order to overcome the limitations of the infrastructures and reach financial inclusion.

The other some interesting facts in the discussion are that the usage and adoption of digital banking is the decision of demographics such as age, educational attainment, or the level of technological advancement. The more active users in the digital platforms were the younger users who are more tech savvy, as it agrees with the past research work on the use of technology and its use. The findings show level of convenience of

digital banking to be a product of the functionality of the platform itself, and user familiarity and confidence to use digital financial services. In addition, the COVID-19 pandemic appears to have caused movement towards digital transactions, which proves the topicality of digital banking in the urban population.

Concerning the managerial outlook, the results suggest that the banks in Nagpur should continue to enhance their digital systems and act more towards the user-friendliness of the platforms and offer services that are secure and reliable. The ability to access via mobile, real time transactions and 24/7 availability are also among the factors that make significant contribution to the levels of user satisfaction and adoption of behavior. Keeping these factors in mind, the banks cannot simply make the experience more convenient to the customers, but also make them loyal and use digital channels more frequently.

In recap, the study can note that the concept of digital banking has dominated the issue of customer convenience in making it one of the key factors in an urban Indian environment as empirical evidence of the beneficial impact of digital banking. Such conclusions are consistent with the broader meaning of how technological innovations can be used by the financial institutions to enhance their service delivery, financial inclusion and the ability to ensure that they address the evolving needs of their customers. More research could be oriented at study more aspects that influence the use of online banking such as trust, online banking security perception, and quality of services as being an additional exposition concerning the dynamics of digital banking adoption.

CONCLUSION

The study currently conducted has examined the effect in which digital banking enhances access, convenience and online banking behavior among the population residing in Nagpur city. The study observes that the convenience of customers to digital banking is increased significantly where most section of the banking activities are executed by the initiative of the banking project where the customers can carry out their financial activity conveniently, safely and at any time without necessarily relying on the traditional banking where they operate within the limitations of the physical branch. To find out that the customer demands of the urban banking providers are satisfied, the descriptive analysis revealed that the customers are extremely satisfied with the services delivered by the various dimensions (ease of access, speed of transaction, 24/7 availability, etc.) as per the digital platforms.

The hypothesis of the research (H 1) was verified because when the simple linear regression was performed, it was discovered that the correlation between the use of digital banking and customer convenience is significant and positive. It implies that the perception of the convenience will directly increase with the increase in exposure to digital banking, and it might be possible to increase the adoption and satisfaction with digital services by guaranteeing the ongoing enhancement of digital payables offered by the bank. Additionally, the research determines the effects of these demographics such as age, education, and technological literacy, that is, the special awareness campaign and user-friendly interface can contribute to additional adoption and use among the diverse categories of customers.

Overall, the paper deals with such a fact as digital banking is a significant enabler of the current financial service delivery, which helps not only to ensure customer convenience but also other activities of the financial (inclusion) and operational (efficiency) inclusion or liberalization. As it has been observed in the case of banks in Nagpur, the nature of the findings shows that banks should invest in secure, efficient and convenient digital systems and improve the technological literacy of end-users. Through the process, the banks would become capable of engaging the customers, acquiring loyalty and satisfaction at

an increasingly digitalized financial environment.

To conclude, online banking has transformed the banking landscape of Nagpur urban setting that offers a better and more convenient experience and alters behavior towards online banking to their benefit. The study also provides viable information to financial institutions with the intention of maximizing the use of digital services and opens up further research prospects in the future by financial institutions, including the role of trust, the feeling of security, and the impact of newer technology, including AI and fintech advances, on the adoption of digital banking.

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