

## DIGITAL BANKING: NEED OF THE HOUR

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### **ABSTRACT**

*Today's demand of banking is: anytime anywhere banking: this requires innovative, robust, secure, optimized and ready to meet the expectations of empowered and tech-savvy customers Digital Transformation is far beyond just moving from traditional banking to a digital world. It is a vital change in how banks and other financial institutions learn about, interact with and satisfy customers. An efficacious Digital Transformation begins with an understanding of digital customer behavior, preferences, choices, likes, dislikes, stated as well as unstated needs, aspirations etc.. And this transformation leads to the major changes in the organizations, from product-centric to customer-centric view. This Paper is a modest attempt on the study of digitalisation of banking and its impact.*

**Key Words:** *Digital Banking, Online Transaction, Online Hacking.*

### **INTRODUCTION**

If you are a banker, online shopper, tech savvy person or even a regular bank customer, you must have definitely heard the word “digital banking”. Interestingly, most people have a different take on digital banking. There is a lot more to digital banking than just a few features that we can see on the surface. Digital banking is converting the brick and mortar banks into more greener and efficient places to operate. There are a plethora of options that people can opt for when it comes to banking. Now people can check their bank account details, pay their bills online, transfer money to other accounts, and all of this can be done from the very comfort of their home. All that the people need for banking these days is an internet connection.

## THE EVOLUTION OF DIGITAL BANKING

The ATM cards and credit cards were pioneers in digital banking so to speak; these cards prepared the way for further development in digital banking. It was the introduction of internet in the early 90's that brought about the revolution in the banking sector. The traditional banks on the street side started to think about various ideas that could help them to cut down on their operating cost and provided restricted online bank services.

The efforts in this area proved to be beneficial, and so the banks took another leap towards creating their own space on the internet by designing a website. The website opened up a way for many features like opening new accounts online, downloading the necessary forms, and also applying for online loans. Under the digital banking umbrella, with time, there were many new features added, such as income tax filing, bill payments, transfer of funds, opening recurring accounts, fixed deposit, etc.

With the advent of technology, many people prefer to do everything online. From online shopping to online dating, people just love to do everything from their couch. Digital banking has offered many comfortable features and possibilities to people. The mentioned below advantages of Digital banking highlight the importance of this crucial technology in our times.

## REASONS WHY ONLINE BANKING IS IMPORTANT IN TODAY'S TIME

When every day is a race against time in our busy lives, we are looking at saving time everywhere possible. When it comes to daily errands, online banking has made the visits to bank a rare occurrence. Here's a short list on the benefits of **online banking** :

### **Security Assured**

Since online banking is one of the major services offered by banks, it is also a highly secure platform. Banks generally use encryption devices to ensure that all client information is protected and there is no security breach. It ultimately provides you security from online frauds and account hacking.

### **Access: No Problem**

Even if it is the last day of your bill payment and you are minutes away from being levied a penalty, you can rely on online banking. Online transactions can be performed anytime of the day from the convenience of your home.

Not just that, instead of being physically present for huge amount of transactions, you can safely transfer funds at any time, completely hassle-free.

### **No Hidden Fees**

Despite the convenience being provided, there are no hidden fees associated with making online transactions. All you are charged is a nominal transaction convenience and the rest is managed by your bank.

### **Convenience Guaranteed**

While easy access is one of the many benefits of online banking, it also makes banking highly convenient. The need of waiting in long queues at the bank is completely eliminated. Moreover, with **mobile banking** option available for most banks, transfers and payments have become easier. Transactions can be completed on the go, whether you are stuck in a traffic jam or in the midst of work. This makes it even easier to check your balance before making cashless purchases to avoid embarrassment if your account doesn't have the balance to purchase everything on your shopping list.

### **Monitor Your Accounts Closely**

Lastly, budgeting and managing your account is made simpler when you have access to e-banking and a good budgeting application at your fingertips. Real time expenses can be monitored while making purchases or estimating your monthly savings and expenses.

With all these benefits and many more adding to the list, it is difficult to opt out of using facilities like online banking for smoother banking transactions.

### **CONCLUSION:**

Online banking has become an accepted norm of monetary transactions for millions in India over the past decade. The ease with which a customer can check his account, make payments online and transfer money between accounts has made this mode of banking hugely popular among Indians who are perpetually short of time to visit the bank physically. Online banking also provides a host of non transactional features which are quite handy to the customer. However along with the world of conveniences this method of banking has a few inherent pitfalls which need to be understood in order to protect your money and avoid complications subsequently.

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