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Consumer Behaviour Towards Ayurvedic Personal Care Products

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ABSTRACT

Rising purchasing power, changing lifestyles and growing health concern have led to the ayurvedic personal care products' market to grow 70% faster than the overall market and increasing its share in the personal care industry by about 1% every year. This unfolds massive opportunities for the marketers offering or contemplating to offer ayurvedic personal care products. The present study is of high relevance to marketers. The focus of the study is to identify the drivers for users which would assist the marketers in designing their strategies to positively position the brand in the minds of the consumers. The sensitivity of customers towards the price of ayurvedic products was also studied. The study involved both a literature review and secondary data analysis. Secondary data was collected from various sources like websites, e-papers, journals to delve into every aspect that has been established by existing studies. The study found that people are well aware of the availability and use of ayurvedic personal care products. Chemical free products having no side effects, was found to be the major pull for customers preferring these products. Satisfied consumers went on carrying out word of mouth publicity and creating further potential for the marketers to address the untapped needs and grab a larger market share.

KEYWORDS – *Ayurvedic Personal Care Products, Customer Awareness, Consumer Behaviour, Purchase Decision*

INTRODUCTION

Ayurvedic products are gaining in popularity and witnessing a surge in adoption by consumers. Though Ayurveda is an Indian concept, it had lost its sheen in India due to western influence. But today it seems consumers are tracing their roots. Ayurvedic Products is the new consumption and hence marketers are eyeing this big opportunity and coming up various natural offerings. Studies suggest that Ayurvedic personal care products are growing 1.7 times fast as the overall market and make up 41% of India's personal care products.

Due to changing lifestyle and urbanization, people are shifting to herbal products. This shift has been accelerated by the launch of Patanjali personal care products.

The consequent demand for these products has also invited other companies into this arena. There are various buyers of these products as is evident for the natural products' increasing replacement of the chemical based products from the industry. So our study reviews the existing literature in an attempt to assist the marketers. So, the study on Ayurvedic personal care industry has lots to offer – interesting insights on consumer behavior which can aid the marketers very well.

METHODOLOGY

The paper reviews 50 research articles found suitable to our domain. These articles were published in journals nationally and internationally. Magazines and newspaper articles and books were also referred to. Data analysis software NVivo 11 Plus by QSR

International was used as a tool to assist us in our analysis. This software helped us in giving direction to our work. The 50 research articles were analytically studied.

REVIEW OF LITERATURE

Availability at local shops helps ensure good level of awareness for ayurvedic products (Gupta & Garg, 2016). Amongst all, the primary sources of information about herbal products include mass media, posters, banners and retail stores. Doctors, friends and family are also major contributors to enhance information about various brands (Ali & Yadav, 2015). For Himalaya products in particular, it was noticed that friends recommend the usage of the brand. It was found that promotion through media can thus help in enhancing awareness (Dr. B. Charwak, 2016). Advertisements followed by advice from friends and relatives are the dominant means of awareness for Ayurvedic products of Patanjali Brand (K. Subbulakshmi & P. Geethamani, 2017).

According to a TechSci Research report, consumers preference for ayurvedic products can be attributed to factors such as rising health concerns and awareness of benefits of Ayurvedic products (Ali & Yadav, 2015). On similar lines, Ali and Yadav (2015), in their study identified the factors that drive consumer behavior towards natural products include preparation from natural ingredients, free from side effects, fit for health and non-chemical. In addition to this, the TechSci report observed government initiatives towards this sector and rising purchasing power as the major contributors for the rising demand for these products in India.

The usage of words like Natural, Organic, botanical etc. has the power to turn non-users into users (Bhushan & Maheshwari, 2016). A study by Subbulakshmi and Geethamani (2017), suggested that Patanjali products are bought by customers because of natural ingredients, quality, brand and price respectively in their order of priority.

Quality is the primary factor considered by customers while purchasing followed by price (Rekha & Gokhila, 2015). Brand image and awareness have a positive impact on the perceived quality of the product and thereby having a positive impact on the purchase intention (Yang, 2017). Quality as the most important factor under consideration for both urban and suburban customers was reinforced in the study (Nair & Pillai, 2007). Ingredients, durability, functions and

price influence the customers' purchase decision (Kumar & Gupta, 2010). Price and fragrance were the deciding factors for consumers opting for Himalaya products (Sundari & Janki, 2016).

Growth among ayurvedic personal care products is led by toothpaste at 21% p.a., whereas in case of hair oil, growth rate has only been at 5%. Contrary to these trends, sales of ayurvedic toilet soaps have seen a downfall by 1.3%, stated a Nielsen report.

Majority of the customers prefer to buy herbal products from retail stores and medicines shops. The availability of products has a direct bearing on their sales (Ali & Yadav, 2015). In case of Patanjali, exclusive stores are the most popular followed by departmental stores and online shopping sites (K. Subbulakshmi & P. Geethamani, 2017).

Ali and Yadav (2015), states that herbal products are purchased on a monthly basis and are consumed by the consumers on daily basis. For another set of consumers as identified by Gupta and Garg (2016), purchases for these products happen on daily, monthly and fortnightly basis.

Consumers have positive attitude and full confidence in ayurvedic products as they contain natural essence and have no side effects (Gupta & Garg, 2016). Isa Kokoi (2011) found that majority of the women prefer facial skin care products containing natural ingredients perceiving them as better for their skin. Even more confidence in natural ingredients was observed in the case of beauty conscious women.

Less than 10 per cent named the degree of naturalness of a facial skin care product to have an impact on their buying behaviour when asked for three determining factors (Isa Kokoi, 2011). A study conducted with regard to Himalaya skin care products (a leading brand offering Ayurvedic products) reinforced that naturalism, safety and no side effects are the major attributes causing consumers to switch to ayurvedic products. Also, consumers no more conceive cosmetics as a luxury and show increasing concern for the ingredients they contain (Dr. B. Charwak, 2016).

A study by Isa Kokoi (2011) observed that around 25% of the women are willing to pay extra provided the products are fully made of natural ingredients. While one third were found to be price sensitive and unwilling to pay more for these products. Majorly Consumers perceive Himalaya products to be moderately priced (Dr. B. Charwak, 2016).

A Nielsen report titled 'But Naturally!' found that consumers imposed more confidence in local brands as compared to multi national brands and hence they witnessed 4 times more growth than that of multinationals. The reason for this is the belief that local brands use natural ingredients and hence are safer and healthy. Also, brands with their entire portfolio as natural products exceed the growth rate of those which offer natural products in addition to chemical based products. Region of origin has an impact on determining the quality of the products (Yang, 2017).

Consumers are not much loyal towards these products and readily switch to other brands in case of non-availability. They use products of different brands at the same time for different purposes. They consider all comparable brands while making a purchase decision. Not much efforts are made to avail the products of the preferred brand (Ali &Yadav, 2015). On the contrary, Laturkarin her study identified that some customers are also brand loyal who visit other stores if their preferred brand is not available at a particular shop.

FINDINGS AND DISCUSSION



In this word cloud, we find that the word Ayurveda and its synonyms herbal, natural and organic do not feature prominently which suggests that the field of study is relatively new and not much work has been done. Thus more work on this field will help marketers in getting a better clarity of the booming market.

Similarly, In case of word count, our desired words do not feature among the top listed words. However, herbal and natural make it among the top 20. The words organic and Ayurveda are ranked 48 and 74 respectively. So on the overall this is suggestive that ayurvedic personal care product is a new field that needs to be explored and studied by researchers for the benefit of marketers.

Word	Length	Count	Weighted Percentage (%)
products	8	2784	2.25
consumer	8	1649	1.32
brand	5	1674	1.22
market	6	1450	1.16
cosmetics	9	1335	1.09
study	5	1486	0.88
research	8	906	0.7
herbal	6	694	0.58
customers	9	622	0.48
natural	7	571	0.43
behaviour	9	541	0.41
women	5	491	0.41
awareness	9	607	0.41
growth	6	738	0.35
price	5	468	0.32
organic	7	677	0.29
patanjali	9	323	0.27
health	6	346	0.22
ayurvedic	9	256	0.21
industry	8	306	0.21
indian	6	246	0.21
attitudes	9	316	0.2
green	5	234	0.17

CONCLUSION

The market for natural personal care products is no more a niche market. Regarding the awareness level among consumers for these products, it is pretty good. Generally, however, consumers are apprehensive of reliability of the claims made by marketers. The primary factor making consumers go for them is high chemical content in cosmetics otherwise. Another factor that consumers look for is the region of origin of the products. Once decided to go for Ayurvedic products, consumers then, also look for price, quality and ingredients. So, it should be studied if consumers are price sensitive towards Ayurvedic products. In studying price sensitivity, it should be explored what matters more to customers - price or function. Further, do customers equate price with quality is undiscovered. Since many players are emerging in this arena, research on what other factors will ensure brand loyalty needs to be done for the benefit of marketers.

It would be interesting to study if the trend exists in rural areas as well. Will the people in rural areas opt for Ayurvedic products given they are close to their roots. Also the impact of gender, celebrity endorsement and social cultural factors on buying behavior can be explored in future researches.

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Bitcoin: The Next Best Thing or a Bubble?

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ABSTRACT

Technology has the power to change our lives in tremendous ways. With the advent of internet and paradigm shift towards online financial transactions, crypto currency has gained lot of significance recently. Crypto currencies are digital currency based on encryption. Bitcoin is the most popular and widely traded crypto currency. Bitcoin has gained attention worldwide for reasons such as ease of transactions, lack of central authority in the network and its status as money without any limitations. The aim of this paper is to provide comprehensive view about bitcoin by tracing its journey since its evolution. The time period studied is from 2009 to 2017. The paper also covers the legal and regulatory issues related to bitcoin. And attempt has been made to gauge whether bitcoin is the future currency and payment system or it's a bubble waiting to burst. This paper is based on secondary data collected from sources such as various journals, newspapers, government reports etc. The present paper will be important contribution to literature and will be helpful in enhancing understanding about crypto currencies.

Keywords: *Crypto-currency, Block-chain technology, Peer to peer (P2P), Bitcoin, initial coin offerings (ICO)*

INTRODUCTION:

21st century being internet era has lead to rise of advancement in different technologies. Lot of development has been made in scientific, finance, and numerous areas up till now. Recently, blockchain technology with advent of cryptocurrency particularly bitcoin gained lot of significance after the global crisis. Bitcoin is unique not because it is a virtual currency, but because it is proof of concept of a decentralized non-issued electronic currency Bitcoin has experienced a meteoric rise in popularity since its introduction in 2009 .While digital currencies were proposed as early as the 1980s, bitcoin was the first to catchon. The total value of all bitcoins in circulation today is around \$28 billion, and it has inspired scores of competing crypto currencies that follow a similar design. The objective of this paper is to investigate a yet unexplored topic in bitcoin and its future .Therefore, the structure of this paper will be as follow: 1) briefly explain the meaning of cyrptocurrency, bitcoin and block chain technology 2) Evolution of bitcoin since its inception in 2009 3) legal regulations and statement on bitcoin around the world 4) analyzing that Is bitcoin a bubble? 5) Discussing about the future challenges and opportunities of bitcoin.

CRYPTOCURRENCY

A cryptocurrency is digital or a virtual currency that uses cryptography for security. A cryptocurrency is difficult to counterfeit because of this security feature. A defining feature of cryptocurrency, and arguably its most endearing allure, is its organic nature; it is not issued by any central authority rendering it theoretically immune to government interference or manipulation. In laymen terms, cryptocurrency is digital currency like we use virtual coins in video games that use cryptography to prevent fraudulent transaction. It has neither central issuing authority nor any regulating agency. Most popular cryptocurrency bitcoin is widely use term and became most searched word recently.

BITCOIN

Bitcoin is a decentralized (*no central authority ratifying each transaction*) open source (*no owner*) peer to peer crypto (*driven by computer algorithms*) digital currency protocol (*rule based program*) which is the first of its kind globally to gain popularity (NAKAMOTO, 2008). Bitcoin are created through mining process as reward. Since its inception there has been around 200 folds increase in its value serving

as a medium of exchange. Various countries has different stance on the use of Bitcoin, some countries like china have banned Bitcoin, India termed it illegal due to its instability while countries like Japan have been welcoming to Bitcoin. It is the most prominent cryptocurrency and accepted medium of exchange. Bitcoin uses blockchain technology that is digitized, decentralized, public ledger of all cryptocurrency transactions.

BLOCK CHAIN AND DISRUPTED LEDGER TECHNOLOGY

A blockchain is a type of distributed ledger, which enables records to be stored and sorted into blocks (investopedia). This might be as simple as using the same open source code as Bitcoin to create a new ledger, or more complex, such as swapping alternative implementations or algorithms. Blockchain can create trust, which may remove the need for third parties. Consequently reducing costs and friction in processes. Distributed ledger technology is a family of technologies that includes blockchain, where a ledger is maintained by a group of peers rather than a single central authority.

MINER

A peer in the Bitcoin blockchain network that confirms or verifies a transaction by solving a challenging cryptographic problem and adds the transaction or 'block' to the blockchain, thus updating the ledger.

EVOLUTION OF BITCOIN

The Bitcoin journey is one marked by excitement, controversy, promise, hope and greed. A lot has been said over the past years, ever since a pseudonymous paper appeared online in 2008 by Satoshi Nakamoto, highlighting a peer to peer electronic cash system.

Seeing its journey from 2009 where it was stated as a peer to peer electronic currency system. Many people also looked at it as a response to global crisis. Then in 2010 first real transaction was recorded where a person paid 10,000 BTC for 2 pizzas worth of \$25 which were worth \$11.47 million in Dec 2014. Later on in 2011 security concerns were raised when bitcoin accounts started getting hacked and found empty. That's when people considered virtual currency to be vulnerable as

fiat currency. Then in 2012 bitcoin's market was gradually growing and largely used for transactions in black market. On the other side, some startups paved the way for its legitimacy. One of the biggest names is Coinbase, Silicon Valley startup. Then in beginning of 2013, bitcoin market skyrocketed and became media sensation. People were tempted with the currency without government regulations. First bitcoin ATM was setup in Vancouver at a coffee shop. Due to rise in transactions and threats for money laundering regulators took bitcoin in consideration later in 2013. Gradually total bitcoin market was worth more than \$7 billion and touched \$1000 mark as predicted by specialist. The community grew bigger each day as many people adopted bitcoin. The paypal announced their integration with bitcoin which became another strong motive for bitcoin adoption. In 2015 Bitcoin revolution took place where global competitors took more interest in blockchain than bitcoin itself. Bitcoin market had steady flow but plunged from \$1000 mark when people saw it as an innovation rather than profit tool. Though some hiccups in the journey bitcoin somewhat seems promising as of now but with blockchain technology has now become a centre of attraction, since more of the cryptocurrency are coming up in market.

GENERAL POSITION AND VIEW AROUND THE WORLD

Central banks and government of across nations have issued official statements regulation and reports on handling of Bitcoin and other significant uses with respect to business transactions. Governments have issued such statements on a wide range of concerns regarding fraud, tax considerations, and possibility of false impacts on national currencies to whether Bitcoin are recognized as legal tender/currency. The following is an analysis of specific statements /rules/ regulations published by governments of major financial nations.

Australia:

In 2013, Australian Bitcoin bank was hacked and theft was worth of around USD 1 million. In 2014 a draft was issued regarding the taxation treatment of Bitcoin and other virtual currencies under goods and services tax. Since then Australian taxation authority was keeping a close watch on Bitcoin's volatility, its interaction with other currencies, and its acceptance.

Brazil:

Through enactment of law in 2013, Brazilian government introduced the creation of Bitcoin and other virtual electronic currencies. “Electronic currency is defined as source stored on a device or electronic system that allow the end user to perform a payment transaction (Ibid article 6).

China:

Recently China has banned the transactions of cryptocurrencies. Before that it has issued stringent warning against Bitcoin use and the risk associated with it. It doesn't classify it as currency but rather virtual commodity owing to this fact, it cannot be traded in currency market.

Canada:

Canada implemented world's first national Bitcoin law. Numerous amendments and been made in it recently about the use of proceeds from such transactions in criminal and terrorist activities. Under the Proceeds of Crime and Terrorist Funding Act, same reporting requirements are mandatory as in money-service-businesses. Failure to comply with the obligations, it can land people in imprisonment with fines.

European union:

No legislation has been passed on the Bitcoin status use or being it currency. Though a report on virtual currencies was analysed and conclusion was it is not a currency and directives and financial institutions are not allowed to deal in it. But European bank has issued guidelines regarding the taxation on the money made from Bitcoin transactions or its use as virtual currency.

UK:

UK has not clarified it's stance on Bitcoin's position. But reports published in the UK customs and tax department has stated that the tax will be levied on sale of Bitcoin's.

United States:

A bill HR5777 submitted to the Congress, proposed a five-year suspension on regulation of digital currency within the US. The bill is titled “The Crypto-currency

Protocol Protection and Moratorium Act” and would hold off any “statutory restrictions or regulations” for a period of five years after 15th June 2015 (<http://www.coindesk.com/us-congressman-submit-Bitcoin-tax-bill>). The draft classified Bitcoins and other virtual currencies as a traditional currency rather asset. But it's an irony that Bitcoin will be treated as currency and will be taxed as property. The proposed has been criticised a lot due it's failure to present various obligations and certain characteristics of virtual currencies that cannot be ignored.

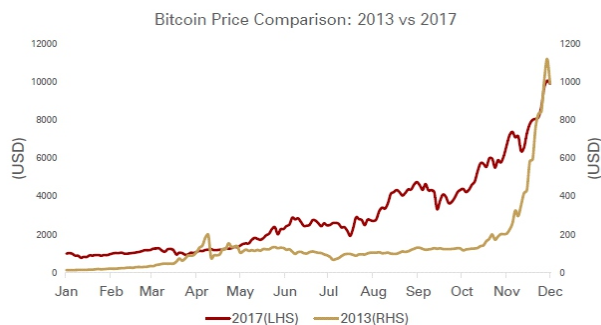
India:

The RBI Act does not specifically define currency, but it does define foreign currency to have the same meaning as in Foreign Exchange Regulation Act, 1973, which has since been replaced by FEMA. 'Currency' has been defined under FEMA to include, 'all currency notes, postal notes, postal orders, money orders, cheques, drafts, travelers cheques, letters of credit, bills of exchange and promissory notes, credit cards or such other similar instruments, as may be notified by the Reserve Bank'.¹⁰² FEMA defines 'foreign currency' as any currency other than Indian currency (Section 2(m) of The Foreign Exchange Management Act, 1999). As per section 13 of the Coinage Act, coins issued under section 6 shall neither be defaced nor lose its value in weight and shall be classified as legal tender for payment. With this it can be argued that the Bitcoin is not legal tender though the income earned with this is liable for tax payment as per Indian income tax.

Bitcoin: Bubble?

If bubble is defined quantitatively as an exponential rise in price over a short period of time. Then yes, it is a bubble. If bitcoin is a bubble, so can we say in similar terms that US dollar, Japanese Yen and Euro is a bubble? No! Because they all are currencies. So what is Bitcoin? It's a digital currency and it has an exchange rate price vs all other currencies. This is not called a bubble, it's called devaluation. Bitcoin represents freedom from fiat currencies which are the thevery cause of financial bubbles. Bitcoin and other crypto currencies represent a global safe-heaven currency.

The below graph has showed that the proponents of bitcoin give the justification by claiming that this is not the first time that its price has shown such growth. In fact, compared to 2013 the growth has been more consistent rather than a sudden jump.



Future challenges and opportunities for bitcoin

From 2013 cryptocurrency enthusiast drove off and it's easy to see an emerging value and utility of bitcoin. The main lacuna behind bitcoin usage is third party involvement for bitcoin conversion. People are finding it as an incentive to not spend bitcoin, instead hold on to them as investment due to exponentially rise in its value. Conversion is the significant obstacle on vendor's side because bitcoin is not a fiat currency and currently monetary value that can be converted to cash or its equivalent. People are looking for payment in dollars for cryptocurrency or in other cryptocurrency.

Bitcoin already poses a lot of legal threat because of its untraceable nature and criminal's choice of currency for terrorism or drug trade. Many powerful financial players have expressed the dim view about bitcoin and expressing it as another economic bubble that will eventually burst.

It's impossible to say with certainty about the future of bitcoin. But as more and more and more companies are embracing bitcoin as payment method soon government will accept cryptocurrency as other way of payment rather fund for illegal activities. For now bitcoin is facing lot of issues to be accepted as payment method. In 2018 smartest move in cryptocurrency market is on the part of companies making ICOs and bitcoin related products that are further boosting the bitcoin demand.

Literature overview

Various research papers and reports have been studied to have a thorough understanding of the topic. **Nakamoto, S. (2008)**, the creator of bitcoin has shown in his research that the major problem with conventional currency today was that trust was required to make the system work. While looking at the

history of fiat currencies, one can see that it is full of breaches of such trust. He introduced Bitcoin as cryptocurrency. Bitcoin software would allow its users to send money over the internet directly to each other without an intermediary, and no outside party could create Bitcoin, entirely cutting out the role of central banks and governments in online transactions. As Nakamoto said, 'everything is based on crypto proof instead of trust'.

Kothari, V. (2017) described in his research that Bitcoin will do to the banking industry what email did to the postal service. The email did not make postal service irrelevant however forced the post office to concentrate on their strengths like their reach to remote rural areas, providing banking to low income population etc. and lesson their weaknesses. That's the technology part of it, as per economics, perfect currency should have limited supply, easily recognizable, durable, as well as portable and that's exactly what Bitcoin is.

Grinberg, R. (2012). Explored the financial capabilities of the virtual currency Bitcoin by comparing it to gold and the American dollar and also showed that bitcoin can be used to minimize risk in the short term and thereby may be useful for risk averse investors.

Godsiff, P. (2015). Emphasized on "A Peer-to-Peer Electronic Cash System" and proposed a solution to the double-spending problem using peer-to-peer network. The network timestamps transactions by hashing them into an ongoing chain of hash-based proof-of-work, forming a record that cannot be changed without redoing the proof-of-work.

Desai, N. (2017). Described in his research about legal perspective on bitcoin around the world. He stated the official statements, regulation and reports on handling of Bitcoin and other significant uses with regard to effecting business transactions.

Some articles, journals, websites (coindesk, zebpay) and newsletters have proposed that cryptocurrency consists a driver for Money laundering while others have proposed that cryptocurrency is next evolution of money and highlighted role of Blockchain in shaping the future of banking, financial institutions and adoption of Internet of Things (IoT).

Research Methodology:

Various research papers have been used to have a review of literature .Also data from secondary sources like government and bank reports, articles have been collected to support our study. In addition Qualitative data analysis by NVIVO 11 is used for analyzing various papers and articles.

Findings and conclusion:

Fifty research papers on bitcoin, cycptocurrency and blockchain technology have been analyzed with the help of word frequency query of NVivo software looking 100 most frequently used words which are minimum 3 letters long. The result is presented below in the form of word cloud.



Figure -1, Word cloud of most frequently used words.

TABLE-10 Most Frequently used words and the number of times

Word	Length	Count	Weighted Percentage (%)
bit coin	7	6297	1.83
block chain	10	2627	0.76
transaction	11	1339	0.39
currency	8	1336	0.39
transactions	12	1312	0.38
mining	6	1212	0.35
network	7	1205	0.35
technology	10	1132	0.33
block	5	1097	0.32
one	3	1080	0.31

According to the results of the query the top three words are bit coin, block chain, transaction which actually sums up and reinforces the central idea of the literature studied. The auto code function of N-vivo 11 has been used to identify the emergent themes in the studies. N-vivo allows users to auto-code based on theme or sentiment. For these automated insights into data, software uses linguistic processes and specialised sentiment dictionary to produce results. The following hierarchy chart summarises the themes identified by auto-coding query of N-Vivo 11.

bitcoin	currency	data	payment	wallet	market	decentr	price	two	value	key	includ	small
						work	hash	make	bank	use	https	govern
	miners	2015	technology	may		money	analysis	imple	goods	humane	develop	increas
	cryptocurrenc			exchange								howev
	figure	2016	digital		2017	inform	make	protocol	provide	large	see	compa
	network			services		issues	since	world	1000	power	org	access
	http	also	2013	proof		major	many	positive	availab	system	design	time
blockchain		transaction	2014	users		major	many	one	platform	regula	set	electro
	mining	com	www	financial	based	rugged	secure	possible	case	first	peer	instituti
												media
												online
												public
												model

CONCLUSION

Overall, it can be said that it is still early days for bitcoin and there are major critics in every domain, countering its future existence. A broader lesson is that bitcoin as an investment or speculation phenomenon is unlike anything that has been seen in a long time. It is behaving even more dramatically than many of the popular bubbles, but there is still doubt whether bitcoin is comparable to other investment manias .With Bitcoin futures due to start being traded on the Chicago Mercantile Exchange (CME) by the end of this year, the main cryptocurrency is entering the formal financial marketplace .The blockchain/crypto story is still at a nascent stage since retail participation at the mass market level is only just beginning to kick in .In the longer-term a lot will depend on whether governments regulate cryptocurrencies out of existence or co-opt blockchain technology for their own purposes. Regulations or regulatory changes typically evolve at a slower pace than innovation thereby killing it by declaring it illegitimate. Also as its not been governed by a central authority Bitcoin tends to fluctuate widely and to be used globally its volatility needs to settle down. So, whether bitcoin is a bubble or next best thing is entirely depend upon the decision regarding future acceptability of cryptocurrency by leading financial institutions, central banks and governments. However, this research has shown that the topic is still immature and leaves the ground for further research.

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Consumer Awareness And Usage Of E-Banking Through Mobile Phones

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ABSTRACT

M— banking has a great potential for extending the provision of financial services .It offers easy access and more control over your money. This study was intended to access how different demographic factors such as education level, income level, occupation and gender affect the awareness and usage of e-banking through mobile phones. By going digital banks have an opportunity to improve the way they are perceived and also the fact that they can focus on different consumers differently. We had collected primary data by using structured questionnaire and conducted empirical study.

Different demographic factors affect the consumer awareness and usage .The problems faced by the consumers vary as per the differences in these groups.

KEYWORDS-E-BANKING, M-BANKING, DEMOGRAPHIC FACTORS

INTRODUCTION

M - Banking is defined as the application of wireless communications networks and devices to the execution of transactions with monetary value-either direct or indirect.

E - Banking means providing banking products and services through electronic delivery channels like ATM, internet banking, telephone banking and other electronic delivery channels.

Internet banking and mobile banking has become the self-service delivery channel that allows banks to provide information and offer services to their customers with more convenience via the web services technology and mobile services. The advent of the mobile phone marked the beginning of a revolution in the ways people communicate and transact. It has redefined communication and has reshaped the way services are provided. The mobile phone has undeniably brought a paradigm shift, affecting both the lives of people and the business environment. It has permeated the lives of billions of people around the world; becoming for many an indispensable device. The mobile phone is also an everevolving device becoming increasingly sophisticated, slimmer, and multifunctional.

It allows performing several activities such as communicating, connecting to the internet, obtaining

services and effecting payments. Across the developing world, there are more people with mobile phones than with bank accounts . In 2007, there were over 3.3 billion phone users, and close to 60% of the subscribers lived in the developing world. Thus, many entities with a global development focus have turned to the mobile phone as a potential platform for delivering financial services to the “unbanked”.

The unbanked are people without formal bank accounts who operate in a cash economy; they are limited in their ability to take out loans, maintain savings, or make remote payments, and these constraints can inhibit their economic opportunities. It is anticipated that these obstacles could be partially overcome if financial services were delivered over mobile phones.

Adoption of m-commerce and banking despite the wide popularity of mobile phones in India and several other countries around the world (70 per cent in Korea, 95 per cent in Finland, and more than 300 million in China) it was found that the usage of m-banking is very low.

Mobile phone banking or m-banking, “is an emerging facet of electronic banking that, unlike traditional phone banking services, which offer very limited functions, is a rich platform for automated banking and other financial services”. M-banking involves the use of a mobile phone or another mobile device to

undertake financial transactions. Consumer skepticism about m-banking is cited one of the major reason apart from legal and regulatory framework for such low penetration. Research into mobile payments is still in its infancy; however there is a need for better understanding of the factors affecting the adoption of mobile payments. The purpose of this research is to identify the factors affecting initial readiness to adopt mobile payments.

LITERATURE REVIEW-

Moutinho and Smith (2000) studied the bank customer satisfaction through mediation of attitudes towards human and automated banking. Their findings suggest that the drive towards 'ease of banking' and convenience is favoured by customers and therefore banks should find alternative strategic routes designed to improve service delivery, either human based or technology based. The study also suggests that Bank customer's attitudes towards the human provisions of services and subsequent level of satisfaction will impact on banks switching more than when the same delivery is made through automation.

Finally, turning to the literature dealing directly with influences on consumer adoption of internet banking services, they discovered a fragmented and inconclusive theoretical base: Demographics may be relevant. Kolodinsky, Hogarth and Shue (2000) in the uptake of electronic banking – which includes ATMs, phone banking, internet banking and other electronic banking forms – found that the likelihood of adoption rose with higher levels of financial assets and education, but that individual consumer attitudes and beliefs were stronger influences than demographics. Shergill and Li's (2005) study of internet banking consumers found that women regarded privacy protection and ethical standards more seriously than men did. Nevertheless, in some countries such as the UK, women now equal men in numbers using internet banking. (Ramsay and Smith, 1999) accessibility, which may be related to convenience, has also been found important.

Factors Affecting E-Banking Usage in India

(Shariq Mohammed, 2008), (Thornton and White, 2001) Security, privacy, trust and risk concerns may impact on consumer internet banking choices. (IDC, 2005) It was found that 80% of global phishing

attacks in the first quarter of 2005 targeted the financial services sector. Chung and Paynter (2002) identified consumer fears regarding transaction security as an inhibitor to the adoption of internet banking. Sathye's (1999) study highlighted consumer security fears while Ramsay and Smith (1999) found privacy to be a key consumer concern. Hainetal (2003) observed that non-internet banking consumers were more concerned about security and privacy issues than internet banking consumers.

Awareness level of mobile banking

(Shariq Mohammed, 2008), Devadevan conducted a survey on 65 respondents, and found that 84.6% of the same had tested the mobile banking facility while the rest were unaware of the same. Li points out a low level of awareness in China as far as mobile banking was concerned. In view of the same, Laukkanen tested the impact of information and guidance offered by the bank. They found that the information and guidance offered by a bank has the most significant effect on perceived functional usability of mobile banking and also significantly increases the positive image associated with the innovation. The results also suggested that information and guidance significantly increase the perceived value added provided by mobile banking and decrease the perceived risks related to the innovation. However, information and guidance have no significant impact of psychological barriers like tradition.

Effect of demographics on usage of mobile banking

(Amolla Bhatt) It is usual to include demographics characteristics in models about technology use and adoption. The impact of demographics on the adoption of various electronic devices has been extensively studied. Howcroft revealed that younger consumers value the convenience or time saving potential of online and mobile banking more than older consumers. These authors further found the educational levels of respondents did not affect the use of telephone or online banking. Capgemini, Goh and Laukkanen also found that younger customers, who are more technology savvy, are placing greater importance on mobile banking than senior people. Further, respondents' level of education was not found to influence mobile banking adoption in China.

According to Crabbe, demographic factors play a significant role in adoption decisions. They find that social and cultural factors, such as perceived credibility, facilitating conditions, perceived elitism, and demographic factors, significantly affect adoption decisions for m- banking in Ghana. Similarly, a survey conducted in Malaysia reveals that both demographic and psychographic variables affect the adoption of new innovations such as m-banking—in particular, age, gender, personal income, and education.

Customer's adoption of technology in banking

(Amolla Bhatt)There are various studies which highlight the customer adoption of technology in banking and map their satisfaction levels thereof. Polatoglu indicates that early adopters and heavy users of internet banking were more satisfied with this service compared to other customers. Others also argued that the delivery of technology services appears to be correlated with high satisfaction where these services were most important to customers. Efficiency, convenience and safety were viewed as desired end-state goals when using mobile banking. Also, trust can play a crucial intervening role in the relationship between perceived value (system and information quality) and customer satisfaction.

In a recent study conducted on adoption of m-banking in China among customers of four state owned banks of China, ease of use was found to have significant impact on trust. Perceived usefulness has been found to have a significant positive effect on both attitude and usage intention toward use of Mobile Banking Services. Thakur found that mobile interface usability (quick response time and easy navigation) and service had a positive effect on customer satisfaction. The results also confirmed that loyalty of m-banking customers was directly affected by satisfaction from m-banking services.

Issues and challenges

(Lissa Wissels,2010)The major reasons behind non-usage of mobile banking were security concerns and technical problems of getting the MPIN . (LI) noted similar results, who stated that among security concerns, hackers and fraud were responsible for non-adoption of online and mobile banking in China. This is also proved in studies done by Brown, Luarn, Chen. Moreover, Chen claims that frequent users of mobile banking were more concerned with psychological risks and the infrequent users were more concerned with financial risk as well as psychological risk. In the case of the mobile phone, the small screen with small amount of information makes the device very difficult to use in fund transfer.

RESEARCH METHODOLOGY

The research design of this paper is exploratory. An extensive analysis of the existing literature on consumer awareness and usage of e-banking transactions has been done. Research papers have been retrieved from various online sources such as JSTOR, Google scholar, Emerald, Inder science and conference proceedings etc. Various related key words such as banking, mobile, services, usage, awareness and combinations of these have been used to locate the relevant studies for analysis.

Keeping in mind the objectives and scope of the study research papers related to the field of internet banking have been included .50 research studies from various double blind peer reviewed journals have been sound suitable for this paper. The highest number of papers have been published in International Journal of Bank Marketing and International Journal of management and Business Research.

Qualitative Data Analysis (QDA) software Nvivo 11 by QSR International has been used for preliminary analysis of literature.Nvivo is a software package that allows users to import sort and analysis text documents and audio files,video files and spreadsheets,data-basis,digitalphotos,documents, PDF'S,bibliographicdata,web-pages and social data.The qualitative analysis using word frequency search query and auto coding of themes,query helped in understanding the literature from a birds eye.The results provided by Nvivo 11 have been summarised in next section of the paper.

FINDINGS AND DISCUSSION

Fifty research papers on consumer awareness and usage of e-banking transactions through mobile phones have been analysed with the help of word frequency of N-vivo software, looking for 50 most frequently used words which are minimum 3 letters long. The results are presented below in the form of a word cloud.



Figure – 1, Word cloud of most frequently used words.

The following table shows the 20 most frequently used words and the number of times they have been used in literature.

TABLE 1- 20 most frequently used words and the number of times.

Word	Length	Count	Weighted Percentage (%)
Banking	7	6236	2.19
Mobile	6	3208	1.12
Services	8	2303	0.81
Internet	8	2093	0.73
Bank	4	1558	0.55
Journal	7	1538	0.54
Use	3	1535	0.54
Service	7	1363	0.48
Adoption	8	1269	0.44
Technology	10	1200	0.42
Vol	3	1172	0.41
Customers	9	1155	0.4
Study	5	1133	0.4
Research	8	1081	0.38
Information	11	1045	0.37
Banks	5	1037	0.36
Perceived	9	1007	0.35
Customer	8	932	0.33
Marketing	9	907	0.32
Commerce	8	844	0.30

According to the results of the query the top three words are Banking, Mobile and Services which actually sums up and reinforces the central idea of the literature studied.

The auto code function of N-vivo 11 has been used to identify the emergent themes in the studies. N-vivo allows users to auto-code based on theme or sentiment. For these automated insights into data, software uses linguistic processes and specialised sentiment dictionary to produce results. The following hierarchy chart summarises the themes identified by auto-coding query of N-Vivo 11.

THE HIERARCHY CHART

CONCLUSION

By critically reviewing the literature on Consumer awareness and usage of e-banking transactions through mobile phones, we found that the research shows significant relationship between demographic characteristics and the influencing source, creating awareness regarding security and risk dimension related to internet banking. The study reveals that consumers are capable of recognizing the existence of personalised banking services delivered by internet. Security and privacy are two elements in perceived risk. Perceived usefulness, ease of use, consumer awareness and risk are the important factors of mobile banking adoption. Moreover, M-banking has the potential to bring basic banking and electronic transactions services to unbanked consumers in developing world.

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Was Demonetisation A Push For Digitalisation

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ABSTRACT

India is a country which relies mostly on paper currency and consumers do not use digital platforms or online platforms for transactions on a large scale. Government is taking steps to make India a digital economy but the growth rate of digitalization is low as compared to other countries. On 8th November 2016 India's Prime Minister Mr. Narendra Modi announced withdrawal of Rs.500 and Rs.1,000 banknotes from circulation. Government said that demonetization would curb black money and counterfeit currency from India. Impact of demonetization on the availability of credit, mode of payment and spending behavior of people and government finances were considered only for short term but the real growth or decline in e-transactions can be analyzed after studying long term data which we have tried to cover in this paper. Our study focused on finding the impact of demonetization on digitalization. It extended further to understand the impact of demonetization on economy and society. The study too explored whether hike in digital transactions was only due to triggering event of demonetization and whether this trend is continued post demonetization period. The hurdles which are coming in the way of becoming a digitally literate society also discussed in the paper.

INTRODUCTION

India is a cash driven economy and mostly transactions are done by people in cash. When government announced demonetization it became more of a part of political agenda, opposition party criticized this move due to the social issues that created problems for people. It was not the first time when demonetization introduced in india, it already happened in 1946 and in 1978 also when the then PM introduced The High Denomination Banks Act (Demonetization) and declared Rs 500 ,Rs 1000 and Rs 10,000 notes illegal. Its objective was to reduce the black money and prevent the use of bogus cash to fund illegal and terrorist activities.. It was criticized and met with protests. But It also acts like a trigger for digital economy, which initially paralyzed economy. Digital payment companies tried to increase their efficiency by accommodating the spike in traffic after the announcement. There was an increase in digital transaction for several months after demonetization.

More people used digital payments and moved towards a cashless economy. India has moved on the path of

digital transactions at a much faster pace. Smartphone market is emerging at a rapid rate in India than any other place in the world. NASSCOM, a non-profit association in the IT-BPM sector, estimates market growth driven by SMAC (Social, Mobile, and Analytics & Cloud) to be \$1 trillion by 2020¹ Volume and value of Digital transactions across various modes has gone triple. Debit card transactions increased more than 870 million in year 2017. lokvir kapoor chief executive officer at pinelabs stated that “The acceptance infrastructure of the country has expanded significantly, which allowed card transactions to report the biggest growth post demonetization”. Government promoted online payment transaction and took several initiatives like BHIM, UPI and Bharat QR etc to pull people for engaging in digital transactions. There was publicity blitzkrieg to promote digital transactions; Digidhanmelas encourage people to accept the digital economy. Demonetization is a greatest positive disruptive move in India.

Villagers, local vendors and farmers are gradually getting used to digital transactions and they will

¹ <https://www.finextra.com/blogposting/13601/india-from-demonetization-to-digitalization>

major hurdle for digitalization is low literacy rate and unawareness among people regarding digital technologies in rural areas. It is said that the growth in the current level of digital transactions would take place in 3 years if demonetization has not happened.

IMMEDIATE EFFECTS OF DEMONETIZATION

The decision of introducing demonetization third time in India has affected mostly the poor and the middle class. Demonetization had created hurdles for society with its inception as people were facing difficulties in exchanging old notes with new ones particularly those people who needed it for marriage purpose. Also, many hospitals at that time denied accepting old currency. In many areas long queues were seen for exchanging old currency but still people were not certain that they will be able to get money as there was shortage of cash at that time. And also many of the ATMs were not calibrated to new currency and some were not even working. The sudden removal of cash has affected almost everyone in the economy. Businesses that operate on cash basis suffered downturn in their revenues. Local shop owner's which operates daily on cash were adversely affected. Many online shopping sites experienced a jump in their revenue after note ban in India. But one aspect is that orders placed with cash on delivery option during demonetization period remained undelivered but it was part of short term effect. To boost their revenue, companies started discount offers. There is a negative effect on the informal sector, especially on the entrepreneurs in small size business and agriculture. It resulted in closure of small factories and business due to cash crunch. The real estate sector also faced lower house prices due to this shock. This was also detrimental for private consumption and housing investment. But data shows that private consumption came back with a strong growth.

The two notes of 500 and 1000 which comprises of 86% of the total notes in circulation by value, created acute shortage of cash in India and resulted millions of jobs lost. The Growth rate of GDP has reduced due to this move and also due to GST. But a positive impact of demonetization on Indian economy that we cannot neglect is that it forced the people to start using digital platforms. Some of the third world countries are way

ahead of India in e transactions usage like Kenya but India is still behind in the adoption of technology as 90% of the transactions are still made in cash. But with demonetization effect India is progressing towards digital transactions. NitiAayog CEO Amitabh Kant made an ambitious announcement that “debit and credit cards and POS machines will become redundant by 2020” and also the world bank world development report 2016 envisages that digital transactions have boosted growth, expanded opportunities and improved service delivery. The announcement of demonetization of currency has provided opportunities to many mobile wallet companies to expand their business and also pushed India for adopting digital ways of making payments. **Shukla.M and Bose.S** (2017) stated that Oxygen's wallet users increased by 167% since demonetization. Mobikwik the payment app experienced a five-fold growth in its downloads of app during demonetization period and free charge seen nine-fold growth in its transactions. Digital transactions reached to a peak value during march 2017 according to data released by RBI. As non-availability of loose money during demonetization period compelled shopkeepers to start doing transactions through paytm. Now customers and shopkeepers both do not have to carry physical currencies for doing transactions. Various digit payment platforms enabled their payment at the click of one button. Digital transactions have doubled from a year earlier. From the 1.3 billion populations, India has an estimated 500 million mobile users but many are reluctant to transact online.³ But after demonetization Paytm one of the first Indian Mobile Wallets company have reached 200 million users in February 2017. Because of low-cost internet and cheaper handsets, accessibility has increased to the middle-class segment that contributes to major part of the Indian population.

Govt also promoted UPI and BHIM for pushing people to digitize their payment transaction and IMPS (Immediate Payment Service) which is the network used by UPI and BHIM of national payment corporation of India has seen a 160% jump with 67 million transactions in march 2017 against 26 million a year earlier. The removal of notes leads to emergence of India's first digital and cashless village “AKODARA” in Ahmedabad.⁴

³ <https://productcoalition.com/mobile-wallets-adoption-in-india-8e4e855d7de7>.

⁴ <http://www.gbim.com/demonetisation-affects-digital-economy-india/>.

realize it as measure to fight fraud and excluding the middle-man commission. It will be instrumental in bridging digital divide between rural and urban India through increased mobile transactions. It helped banks to recover from high dormancy rates (idle bank accounts). Secretary General of confederation of all India traders Praveen Khandelwal stated that government is thinking to take disruptive move i.e. abolishment of the cheque book. Its effects would be huge because 95% of business transactions are conducted through cheques or cash.²

LITERATURE REVIEW

Various research papers and reports have been studied to have a thorough understanding of the topic. **Sahu R** (2016) stated in his paper that Demonetization impacted various factors such as price, demand, economic activity, agriculture, productivity, industrial growth, black economy and digital transactions. A Primary research carried by **Tax research team** in (2016) in four states: Rajasthan, Uttar Pradesh, Madhya Pradesh and West Bengal showed the short and medium-term impact of demonetization on the availability of credit, government finances, mode of payment and spending behavior of people. According to report of **PHD chamber of commerce** (2017) the impact of demonetization drive is seen on those who live in remote areas of country, having no bank accounts and no identification proofs. According **Dash A** (2017) Demonetization has affected almost every sector of economy and social impact of demonetization was more on common man. **Baiju S and Kumari R** (2017) analyse that the urban rich have easy access to the financial services while the rural people are deprived of the same. It took international and national perspective on digitisation and digitalization. **Palanisamy S** in his paper stated that India stock exchange indices fell to six months low in week during demonetization period. **JangidR**(2017) described in his paper that most countries which introduced demonetization, their growth rate had declined in demonetization period and money supply reduction led to fall in interest. **Prabhu M, Girish V and Mamatha R** (2017) proposed in his paper that It temporarily influenced banks in their regular operations and created greater demand for digital banking services. According to a quantitative research by **Save M.** (2017) with a sample size of 147

respondents the findings were that demonetization has led to increased use of mobile wallets and cheques. **Singh P and Mittal A** (2017) described in his paper that It impacted money supply, demand, prices, online transactions and alternative modes of payment but digital literacy is a critical factor faced during demonetization. Banks took initiative towards digital push which led to its transformation majorly. **Mathangi R, Latasri O.T.V and Miencha I** (2017) stated that Government took digital payment drives and private entities also participated in the digital move. **Kaul M and Mathur P** (2017) disclosed in the paper that digitalization brings innovation, ease of working, new job opportunities and growth in the economy. It also talked about obstacles in the process of Digitization and how Jio helped to digitize rural India. A quantitative research in banking sector by **Dhara A** (2017) shows that it highly affected saving accounts. According to his study, 51% bank employees said customers are moving towards online banking. Sales revenue of retail outlet increased during demonetization period but declined after demonetization. **Munjal D** (2017) described in her paper that Shopkeepers started using paytm and cheque facilities. Bank deposits have increased and govt is promoting UPI. **Prajapati N and Kumar S** (2017) in her study stated that inactive debit cards become active and mobile banking transactions have increased. Also e-commerce companies boosted their sales by offering discounts. But language is a barrier in doing online transactions. **Potnuru B** (2017) stated that Expected long-term benefits from demonetization such as growth in tax revenue, digitization, and a decrease in corruption are not convincing. India should reduce its dependence on cash and go digital as it moves ahead in the path of development.

EFFECT OF DEMONETISATION ON DIGITAL MARKETING

Digital marketing is a marketing tact that requires improved technology and digital media for advertising, selling etc. young generation understands digital marketing and its benefits, so it has a large market. As demonetization had its impact on sell and purchase of goods, so it also created scope for digital marketing. There is bright future for digital marketing in India. Demonetization has been a catalyst factor in their growth as even small websites got recognized after demonetization like big basket, grofers etc. But a

² <https://www.newsbytesapp.com/timeline/India/13073/67718/cheque-books-the-government-s-next-target>.

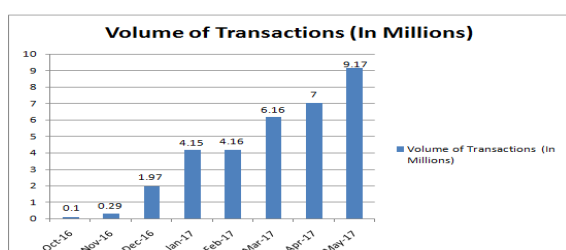
RBI statistics suggested that UPI grew at rate of 100% compounded annually. The chairman of SBI said digital footprints of banks increased post demonetization. Before demonetization 3 out of 10 transactions were made through non-cash mode but after this move transactions increases to 4 out of 10. The bank stated non-cash transactions rose from 30% in March 2016 quarter to 40% in March 2017 quarter and non-cash transactions mainly done through 3 modes - mobile banking, POS and Internet banking.

Post demonetization period witnessed decline trend in prices of consumable commodities like pulse, vegetable and fruit which appeared beneficial for consumer class. Demonetization punched hardly to hawala dealers as their network of circulating black money get broken because of large denomination notes become illegal. The lower economic section of population such as wage-workers who do not have any bank account, got negatively affected because they solely rely on daily wages and earnings. Several financial inclusion initiatives taken in 2014-15 such as Pradhan Mantri Jan Dhan Yojana opened additional 25.82 crore bank accounts.⁵ But Even though, large portion of population do not have bank accounts and some who do have, are dormant accounts, therefore many are unable to use cards.

TRENDS OF DIGITALISATION

UPI (Unified payments Interface)

“The NPCI (National Payment Corporation of India) is the umbrella organisation for all retail payment systems in India”⁶ and its report of June 2017 shows that the Unified Payment Interface (UPI) transactions, which is a single window mobile payment system increased from 1,03,060 transactions in October 2016 to 91,67,277 transactions in May 2017, this was the remarkable 89 times growth and UPI recorded a growth of Rs 0.49 billion to Rs 27.65 billion, which is 56 times more growth of that financial year.

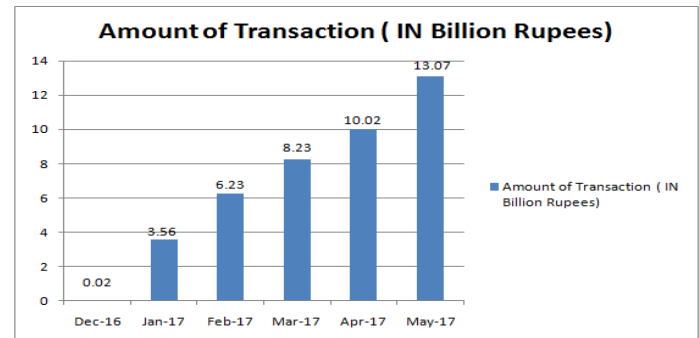


source: <https://thewire.in/business/digital-transactions-demonetisation-detailed-analysis>

5 <http://www.northeastern.edu/rugglesmedia/2016/12/17/the-rural-effects-of-indias-demonetization-efforts/>
 6 <https://www.npci.org.in/>

BHIM (Bharat Interface for Money)

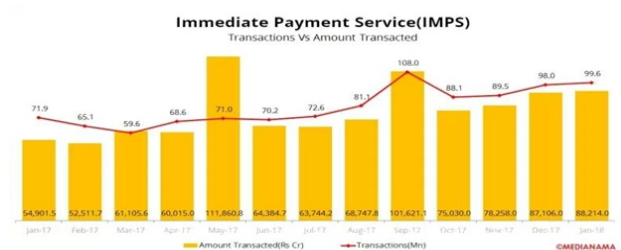
BHIM is an app developed by NPCI which enable customers to make quick payment through 'Unified Payments interface'. Data from January to May, 2017 shows that the transactions of BHIM increasing from 17,17,696 to 39,75,750 transactions, which shows 2.3 times growth, on the other hand BHIM app showing a growth from Rs 3.56 billion to Rs 13.07 billion (amount wise) during the same time period.



source: <https://thewire.in/business/digital-transactions-demonetisation-detailed-analysis>

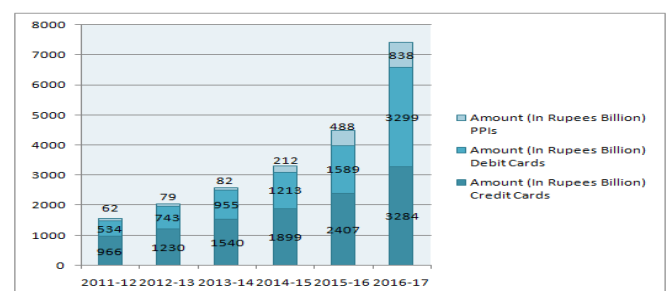
Immediate Payment Service (IMPS)

facilitate fund transfer electronically through mobile phones and other channels such as ATM and Internet Banking. Data of January, 2018 indicate that the volume of IMPS increased to 99.6 million from 71.9 million in January,2017. It shows a substantial increase in IMPS transaction which implies that after demonetisation people started using electronic mode frequently.



source : <https://www.medianama.com/2018/02/223-imps-transactions-january-2018/>

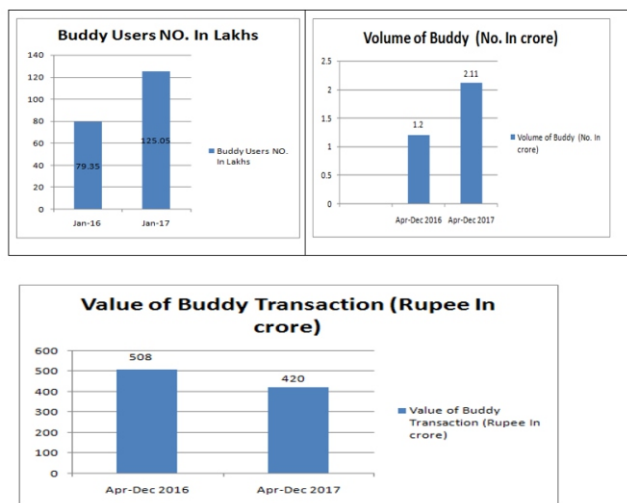
Card payments



source: <https://thewire.in/business/digital-transactions-demonetisation-detailed-analysis>

Credit cards, debit cards and PPIs (Prepaid Payment Instruments) are modes of payment. Card payments showing a continuous growth in the financial year 2016-17. The growth in card payment was due to use of debit card POS (Point of Sale) increased at the time of demonetisation. Demonetisation pushed people to use debit cards instead of using cash for their personal expenses and as a result use of cards was increased during that time. The data given below shows a 136% increase in value of credit card transactions from year 2015-16 to 2016-17 and an increase of 107% in value of debit card transactions for the same years. While PPIS amount is showing a hike of 71% for year 2017 as compared to previous year.

SBI BUDDY



source: <https://www.medianama.com/2018/02/223-sbi-earnings-december-2017-sbi-buddy/>

SBI BUDDY which is a mobile wallet app launched by SBI on 18 August 2015. This app can be used by existing customers as well as non-customers of SBI. This app was launched in 13 languages. SBI Buddy help people to transfer money in seconds by selecting contact from mobile or Facebook. As per the data of December quarter (FY17-18) the registered users of SBI Buddy increases to 125.05 Lakh. Volume of transaction of sbi buddy increases almost doubled from the last year from 2016 to 2017 but value of Buddy transaction decreased by 88 crores from April to December 2017, which is indicating that people using SBI Buddy for their small transactions.

CHALLENGES AHEAD

Besides the cultural habit of using cash, technological limitations and poor mobile connectivity are also deterrent to switching for digital transaction. Psychological barrier of switching to digital

transactions is the major cultural issue. After demonetization central government pushed citizens people for doing digital payments but with over 800 million debit cards & 30 million credit cards it is not showing the trend of digital transactions. Studies are showing there is little evidence of change in behavior of people after demonetization period. The increase in digital payments was due to artificial constraint. In India strategy for financial inclusion requires technology to be reachable to bottom levels of pyramid. Digital transactions grew about 43% between November and December 2016. After December 2016 growth rate declined but March data shows shift to digitalization is still underway. Payments cards had uneven success in India due to limited POS which indicates payment infrastructure is lacking in country. With emergence of UPI and IMPS as infrastructure for digital payments, the number of transactions has increased but to study impact of demonetization on digitalization data for long period will be required. National Payment Corporation also introduced Bharat QR code for consumer's transactions. But the problem lies in the fact that Penetration of Smartphone in India is less than 30% of the population. Demonetization worked as a support activity for digital India vision. But accessibility of Internet is major hurdle in way of vision of digital India as out of a billion mobile subscribers only 350 million are internet users. Digital payments have aspects like connectivity, digital literacy. There was an increase in digital transaction for several months after demonetization but as per the HINDU, the trend got reverse and reason could be the charges for transactions.

There is a "leapfrogging into mobile payments" because millions of people don't have credit cards and even bank account. Financial literacy is must to overcome this problem. Companies should initiate local village-level programs to educate people about the digital payments like paytm pro- (a community program initiated by paytm to market its own product for the masses). These companies should focus on innovative technologies rather than large sales teams to make it easy and approachable for small business and conventional thinker. Digital alternatives should try to provide password-free mechanism like a cash transaction and more simplifications at least for low-risk, small-ticket transactions.

RESEARCH METHODOLOGY

Various research papers have been used to have a review of literature. Also data from secondary sources like reports of government and bank, articles have been collected to support the study. In addition Qualitative data analysis by NVIVO 11 is used for analyzing various papers and articles. NVIVO is a data analysis computer software package used for conducting qualitative research.

FINDING



This is descriptive representation of our finding through various research papers and different articles which were used to emphasize our objective with the use of NVIVO tool. The word cloud picture is the pictorial depiction of what we are trying to convey through our study that demonetization is actually leading India towards the Digital-India. It was a big push for the growth of digitalisation which India would have in 3 years if demonetization has not happened. The large font size of demonetization is showing its effects on Digital payments and banks mostly, other factors have less effects. The following table shows the 20 most frequently used words and number of times they have been used in the previous papers.

Word	Length	Count	Weighted Percentage (%)
demonetization	14	1382	1.6
bank	4	1349	1.42
digital	7	1122	1.3
india	5	987	1.14
payment	7	920	1.07
cash	4	841	0.98
transactions	12	770	0.88
economy	7	807	0.87
money	5	741	0.85
use	3	825	0.77
growth	6	935	0.74
2016	4	618	0.72
impact	6	694	0.69
government	10	763	0.67
make	4	1157	0.64
currency	8	567	0.62
people	6	536	0.61
services	8	654	0.55
market	6	486	0.53

According to results of this finding the most 3 frequently used words are **demonetization ,bank and digital** in various research papers and articles which are consistent with the objectives of our paper that demonetization has pushed the India towards a digital corner and slowly and gradually India will join the pace of rapid advancement. According to this most frequent words we can infer that demonetisation has major impact on banks and digital India, means demonetisation has pushed the India towards digital economy, on the path of digitalisation, which is our focus of this study. These words have almost equal weights which indicates that they all are highly correlated and equally important words in the literature that is there in existence.

CONCLUSION

There are some countries which have only 1% of the total transaction in cash such as Malaysia, Saudi Arabia, Peru and Egypt but it is 13% in a country like U.S. Cash has its own benefit and cost associated with it. Its objective of rooting out black money is not realized, but some key components of digital payments such as Point of Sale (PoS) Debit and Credit purchases, National Electronic Fund Transfer (NEFT), Immediate Payment Systems (IMPS) and mobile banking are better than their pre-demonetization trends. The long-term impact of demonetization will be shifting India towards digital economy. Huge information asymmetry between consumers and providers of financial services is a major hurdle in way of digital economy. Government is working to address this issue by launching a number of initiatives like jhandhan, DBT, rupay cards. Post demonetization period is suggesting that this move is creating positive impact on GDP, tax collection and income tax benefits. Demonetization will have an impact on digital marketing in India as it encourages people to do more cashless transactions.

BHIM has eliminated the need for bank applications and intermediary transfers, allows users with Aadhaar cards to make payments and opens the marketplace to millions of new Aadhaar-enabled bank accounts. India will get impacted with major shift in culture that includes trust factor in digital transaction and new technologies, role of new innovations that remove the longitudinal trend of the blurred lines between commerce and payments. RBI statistics show the

uneven growth in digital payments. Growth rate for UPI is 100% in the first 6 months after demonetization. Mobile banking volumes grew at a CAGR of 75%, and IMPS (Immediate Mobile Payments System) grew at 115%. Data is showing staggering growth in volume and rapid adoption of these digital payments. After demonetization there has been an increase in digital transaction but its proportion is less in relative terms. NPCI claimed 77 times increase in transactions through UPI, but other reports said this hike is only because of lack of cash and not a cultural change because it increased till march 2017 and again fell down in August 2017.

As our Finance minister said that “Our bid to go cashless means less cash, not no cash, and “From a time when 1% of the population had mobile phones, in 20 years it has now come to more than 90% in India”. He was indicating the future of digital India from perspective of mobile accessibility. There are already 21 public sector banks and 26 private sector banks who can issue e-wallets. Many new players are emerging for digital payment platform like Airtel Payments, Paytm, India Post Payments, FINO Pay Tech etc and other telecom players Reliance Jio Payments, Vodafone M-Pesa are also joining the race now. Wharton professor of marketing Z John Zhang said “Mobile money gains currency as the Smartphone becomes more and more versatile in functions and ubiquitous in usage.”

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Framing In Advertising

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⁴H K DANGI & ⁵RUTIKA SAINI)

ABSTRACT

Framing in advertising is widely used phenomena today be it print media, television or radio, or on social media platform, by the advertisers and the marketers. Advertisers and marketers aims to absorb the perception and behavior of their customers into a specific frame, through the message or information designed by them for their product or service. This research paper summarizes what various researchers have to say about framing in advertising and how the customer's behavior is being affected by changing the frame of the message. Various experiments and researches have been conducted in this field where positively framed ad messages and negatively framed ad messages have been studied widely under different moderating factors. The study conducted by researchers and the results drawn have been inconsistent. According to the findings of various researchers, it has been seen that the positively framed ad messages proposes the benefits a customer gets from the purchase or the usage of the product i.e. it shows the positive outcome a customer face by purchasing the product. Whereas on the other hand, a negatively framed ad messages underlines the negative consequences or proposes the benefits that are not derived by the customer by not purchasing the product. Under some moderating factors the positively framed ad messages have come out to be stronger in influencing the behavior of the customers, while in other moderating factors the negatively framed ad messages have been proved to be stronger. Hence the real challenge for the advertisers is that whether they should frame the messages in the gain terms (gain framing i.e. positively framed ad messages) or in loss terms (loss framing i.e. negatively framed ad messages). The advertisers should frame their messages according to the needs of the customer that will prove to be advantageous for the advertisers or the marketers.

Keywords: Advertising, Framing, Gain-Framing, Loss-Framing, Message

1. Introduction

The dictionary meaning of advertising is: the act or practice of calling public attention to one's product or service. Advertising is the means of communication with the users of the product or service. This communication is done through messages being floated on print media, television, radio, social media platform, etc. The main or sole purpose of advertising is to induce the customer's behavior to buy the product. The advertisers or marketers are able to achieve this purpose through setting a specific frame in the minds of the customers and this in turn is done through framing of messages into positive or negative contexts. The dictionary meaning of framing is: to form or compose. Framing technique is widely used by the advertisers or the marketers today.

They use this technique in framing the messages in such a way that influence the perception of the customers that ultimately determines the buying behavior of the customers. Thus, 'how the messages are being provided' is more important than 'what

message is being provided'. This is what Framing in Advertising mainly focuses on. An article by Kobe Ben It amar proposes that, Framing is template or data structure that organizes various pieces of information. He also included that Framing is how things are put or words or concepts are presented. The message farming in advertising tends to influence the cognitive thinking and the perception of the customers, due to which customers react to a particular offering in different ways depending on how the information is being presented. The message framing is done mainly in two contexts i.e. positively framed ad messages (gain framing) and negatively framed ad messages (loss framing). The framing effect in framed messages tend to work because a particular frame or a border is being created in the minds of the customers by the advertisers that the decision taken is based on the conclusion drawn from the perceived information that falls within the set or designed frame.

Gain Framing

Gain framing is when messages are framed in positive way i.e. the message shows what a customer gain by purchasing or using a product. Gain framing reflects the positive consequences or the positive outcomes of purchasing a product or what benefits a customer will derive if he/she purchases the product.

Loss Framing

Loss Framing or negatively framed messages are the one that highlights the negative consequences of not purchasing the product. It shows what benefits the customer loses by not complying with the message or by not purchasing the product. It proposes the potential losses a customer stands to get by not buying or using the product.

Victor, a Philadelphia based researcher, in one of his article, defines framing as: how you say something, using a “frame of communication”. He says that Frames are story lines that make an issue relevant to a particular audience and Framing Effects occur when the message framed is changed and that alters the customer's opinion. This shows that how customer perceptions and decisions are changed with changing frames and thus have a likely impact on the decision making process as well, even though all the framed messages reflect the same underlying meaning. This is because the perceptions and the interpretations of the customers changes when they are introduced to a new framework (i.e. placing the message in a different frame). Hence it becomes very important and challenging for the advertisers and marketers to decide the frame in which message should be constructed, so that the customers are likely to buy or use their products. So accordingly the advertisers come to a conclusion to either form a positively framed ad messages or a negatively framed ad messages.

2. Literature Review

This section reviews the literature and talks about the research done in the field of framing in advertising. Framing in Advertising generally means how a message is being presented and constructed into various forms yet having the same logic and meaning. And this practice is widely used by the advertisers of the product where they frame a particular message for

their target customers and influence their decision making behavior. The messages framed by the advertisers are either positive or negative and each form of framed message influences the customer's behavior accordingly. With these framing of messages, the advertisers usually sets or constructs a frame in the mind of the customers and hence influences the behavior of the customers in the most desired way. The researchers have talked about how advertisers manipulate the assumptions and the perceptions of the customers.

Kobe Ben Itamar (2015) stated in his study that framing is how things are put or the way words and concepts are presented and slanted so that they will produce a wished-for effect. This means that it is not what the advertisers are saying but how they are saying it. The messages may be presented in the positive context or in the negative context. Positive framing is the message presentation which highlights the positive aspects of the advertiser's product that provides happiness to the customer and results in the purchase of that product. And in negative framing of message, it concerns about the unpleasant consequence derived from not purchasing a product as it is based on the principle of avoidance of pain. The customer's choice differs under both the contexts of the message framing, the reason being the difference in the construction of the messages. In addition to this, Chingching Chang (2008) in his study stated that advertising research usually shows that positively framed ad messages are more effective, which is different from the tradition of framing literature inspired by Kahneman and Tversky's (1979) prospect theory. This theory proposes that preference for an option depends on how the option is framed. Tversky and Kahneman(1981) in their study asserted that one reason why negatively framed message appeals more effectively is that people react more strongly to potential losses than to potential gains because the displeasure of losing is perceived to be more consequential than the pleasure of gaining. Thus, positively and the negatively framed ad messages may have varying influences on the decision making process of the customers. To understand more precisely that how the positively framed ad messages and the negatively framed ad messages address the perception and cognitive thinking of customers, Kobe Ben Itamar(2005)in his article mentioned a very famous example of framing, where different words are used to describe a car

accident. Participants in a study watched a video of a car accident. A question about the speed of the vehicles as they touched, was framed in two separate ways :as they touched, was framed in two separate ways:

1. How fast were the cars going when they contacted each other?
2. How fast were the cars going when they collideded, or smashed?

Participants who were intercepted using the first question said that the cars were going at a lower speed, when compared to participants who were asked the second question. This shows how the perception of people differs with the usage of a different word even though the underlying meaning of both the questions was the same.

Framing in Advertising can be studied under various moderating variables:

State of Mood

Parkinson, Totterdell, Briner, and Reynolds(1996) in their study stated that "Mood is an undirected evaluative mental state which temporarily predisposes a person to interpret and act toward a variety of events in ways according with its affective content" Moods have been seen as an influential factor in Decision-Making. Many theories have been proposed (the mood-maintenance/mood-repair theory, the hedonic contingency theory) which elaborates how people in positive or negative mood may react differently to framed messages. Therefore, Chun-Tuan Chang (2007) in his study summarized that gain framed messages induces favorable result for consumer products when they are induced to advertisements in positive mood. Also, inducing advertisements in negative mood may even negate the impact of message framing. An illustration in the same research paper highlights that, advertisers can create a tranquil scene of enjoying a holiday with friends or family, stimulating audience associations with previous good experiences in trips and encouraging a positive mood, and then introduce the product properly. On the contrary, a negative mood can be stimulated through a miserable scene happening in a disorganized trip without appropriate preparation, which results from not using the advertised product. Advertisers should know how to create suitable scenes for matching the desired mood with appropriate frames in the delivered message.

Expert and Novice Judgment

Wing Hong Loke and Kai Foong Tan (1992) stated in their study that experts use the knowledge of the framing effects to influence the decision taken by them. Experts take due consideration that how messages are framed. On the other hand, Novices exhibit a greater degree of personal involvement while making judgment compared to experts because of lack of Decision Making skill. Thus, Experts are less affected by Framing of messages. Both Experts and Novices are more willing to take a chance when the information is framed positively instead of the same information being framed negatively.

Regulatory Focus

There are two self-regulation strategies, one which focus on attainment of gains and aspiration towards ideals, termed as Promotion Focused, other which focuses on avoidance of losses and fulfillment of obligations, termed as prevention focused. by Angela Y. Lee and Jennifer L. Aaker (2004) in their study said that persuasion occurs when the end state as defined by desirability is compatible or not with people's perception. This implies a message framed in terms of gain is more influential when it aims as being promotion focused, while loss framed message being more when a message is prevention focused. For example, an advertisement for Energy drink that focuses on getting energized should be more persuasive than a message that focuses on not getting energized.

Consumer behavior and framing

In marketing or advertising a product, every advertiser makes sure that he is able to influence the consumer behavior in his advantage that leads to buying of product by the customer. This is done by framing the message to the target customers either in gain terms or in loss terms. Yoav Ganzachand Nili Karsahi (1995) in their paper have taken an example of a credit card company where the company wants to encourage the use of credit cards amongst customers. For this, should the company frame message in terms of benefits they gain by using a credit card or in terms of benefits they lose by not using a credit card? A detailed study was conducted and it was found that customers responded more to the message that was

framed in loss terms. Hence a credit card company was successful in encouraging more use of credit cards by influencing the behavior, through the usage of message framed in loss terms. Meyerowitz and Chaiken (1987) in their research also examined the impact of gain and loss framing of a message for breast self-examination and found that loss framing had a stronger impact.

Message Framing and Price Performance Risk Perceived

The researchers have suggested that there are many factors that affect the willingness of the customers in buying of a new product. The main underlying factor is the perceived risk of the customers. A new product design and the way its information is presented is likely to affect the perception of the customers and the performance risk. The price of the new product directly affects the customer's willingness. Dhruv Grewal, Jerry Gotlieb, Howard Marmorstein (2000) in their depicted that price had a significant effect on perceived performance risk when the message was negatively framed. They also concluded that the relationship between the price of the new product and perceived performance risk is based on how the information of the new product is being presented or put to words.

Emotion and Message Framing

The various emotions embodied in the human are likely to affect how the message is perceived. The advertisers make sure that the message construction is in such a way that customers take only that decision that the advertisers have thought or wants them to take. This is done by manipulating the given information regarding the product. Customers associate their emotions whenever they are taking a decision of buying a product. James N. Druckman and Rose McDermott (2008) in their paper stated that individuals tend to act risk-averse when the problem is in terms of gains (e.g., saving lives, making money) and risk-seeking when problem is framed in terms of losses (e.g., deaths, losing money). To explain this a random sample of 214 individuals was taken by the researchers where they were introduced to a case study of deadly disease taking place in U.S. which is expecting to kill 600 people and two programs were framed. The primary interpretation made was that the underlying message in both the programs was same. The difference lies just in the way messages had been

framed. Both the programs aims at saving 200 people in expectation, but program A had certain or risk-averse outcome and on the other hand program B had uncertain or risk-seeking outcome.

3. Methodology

The paper presents an in-depth analysis of the available literature on framing in advertising. Secondary Research had been done through various online sources including e-journals and articles. Data for secondary analysis had been primarily extracted from websites such as Wiley, Google Scholar, Jstor, Research Gate, Psycnet, Science Direct, Emerald, Springer etc. Findings were initiated with the key phrase 'Framing in Advertising'; further using key words such as positive-gain framing and negative-loss framing for related matter. These key words were used to locate the relevant studies for analysis. 50 Research Papers were found most suitable providing insights on the topic, Framing in Advertising. Both Secondary data and Literature Review of these papers available had been taken into account while formularizing the paper.

Qualitative Data Analysis software Nvivo 11 Plus by QSR Internationals has been used to analyze various qualitative factors supported by Nvivo. This software provides a handsome package of Qualitative analysis tools such as 'word count', represented through tree charts, cluster analysis. This gives an option to the user to customize the selection of words. Another tool being 'Auto-coding and Manual coding' used for identification of themes. This is done by importing, sorting and analyzing text documents, audio files, video files, spread sheets, databases, digital photos, PDF's, Bibliographical data, web pages and social media data. The results found by the Nvivo Software has been included in the Section Findings and Discussions.

4. Findings and Discussion

Thirty Nine research papers were referred on Framing in Advertising and analyzed through Word frequency query of NVivo 11 plus software, looking for 100 most frequently used words and their exact matches. The results have been presented below in the form of word cloud.



The following table has been used to present the twenty most frequently used words along with the number of times they have been employed in the literature and its percentage amongst 100 words.

Table 1: Twenty most frequently used words in the literature

Word	Frequency of Word Used	Percentage of Frequency
framing	1746	1.04
message	1368	0.81
framed	1233	0.73
positive	921	0.55
risk	912	0.54
product	897	0.53
negative	885	0.52
information	858	0.51
research	851	0.5
frame	829	0.49
effects	816	0.48
effect	678	0.4
journal	648	0.38
participants	605	0.36
Loss	581	0.34
perceived	571	0.34
advertising	532	0.32
Affect	532	0.32
messages	521	0.31
May	517	0.31

According to the results of the query the top four most frequently and prominently used words are framing, message, framed, positive, which reflects the wholesome scenario and the basic underlying thought of the various paper studied. After critically examining and analyzing the papers through various tools of NVivo 11 Plus, the following are the major findings;

The messages are either framed negatively or positively depending upon the needs of the customer's behavior. The advertisers very beautifully constructs the message and represent it in such a way that it grabs the attention of the customers, and embrace the conclusion drawn from the perceived data. The ultimate decision should fit within the parameters of the message framed, that would prove to be in the favor of the advertiser. Whether the message is framed in the terms of gain or loss, in both the cases customer's behavior is influenced and is at the discretion of the advertiser. The reason being that the tactic used in framing of the message is done after a proper understanding and thorough research conducted by the advertiser to reason out the state of mind of customer and prove to be influential on the decisions made by them.

5. Conclusion

Today people come across innumerable messages through various media such as print media, social media or audio-visual media; increasing the concern of message effectiveness for advertisers as how to put best foot forward in providing the most suitable and influential information to their target customers. Through all the research conducted under this paper, it has been concluded that framing is how advertisers understands the behavior of their target customers and accordingly designs the messages in gain or loss terms, so that the ultimate customer response is favorable to the advertiser. From the study, an observation has been made that different moderating factors have different influence on the customers, hence giving inconsistent results. Present paper highlights moderating factors such as emotion, consumer behavior, regulatory focus, price perceived risk, state of mood, etc. and their effect on the results which are drawn from differently framed messages. Literature review covered here, proclaims varying results for positively or negatively framed messages.

Many academicians have tried to reconcile this contention, that positively framed messages are more persuasive than negatively framed messages or vice-versa, yet no conclusion has been found.

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Future of Digital Banking- Indian Context

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ABSTRACT

Banking in India is shifting from branch-centric model to digital-centric model in a way that it is not so far for Indian banks to face revolutionary transformation. The future of Digitalization is very vibrant in Indian banking. It will deliver a range of services across the world using artificial intelligence and machine-based technologies promoting consumer welfare and upliftment. Digital banking is substituting retail banking and facing exponential growth due to the affordable mobile phones and internet access, which has been available at low-price that even a low wage earner is having a Smartphone & internet connection. These two factors (Smartphone & internet connection) and the busy life schedule has induced the growth of digital platforms. This is the consequence of new digital era which has forced the people as well as whole market to go digital for each and everything. Our study focused on how digital banking is a disruptive technology and how it is beneficial for its different stakeholders. It also analyzed how the growth of mobile phones has induced the growth of digital banking and the relationship of Digital Banking with various other factors like e-commerce, e-governance etc. is studied as well.

Keywords: *digital banking, digital India, financial technologies, payment infrastructure, artificial intelligence, UPI.*

1. Introduction

Banking is the crucially important part of an economy. The whole economy depends upon the success and performance of banking sector. In the age of competition & technological advancements, the goals of high profitability and growth cannot be fulfilled with the conventional banking services, thus adaptation of the digital technologies become necessary. Now-a-days Indian banking industry is facing an IT (Information Technology) revolution driven by the change in nature of money from the fiat money to plastic money then to digital & electronic money, integration of the banking functions with other sectors such as financial sector, governance etc. and increasing scope beyond just lending and depositing of funds. The banks are moving on the track of digitalisation although it is very challenging as it requires a total change in the mindset of employees, the structure of banks, products offered and customer servicing.

The journey towards E-banking began in the 1980s, but it took shape only in 1990s when the technology unfolded its arms. In the 1990s, the private sector banks have started the non-branch banking services through the use of information technology and this marks the beginning of digital banking in India, but the banks were having the limited number of product and services and it was considered insecure at that time due to the lack of awareness and lack of exposure to the information technology and communication. The growth period starts from the 2000s when the government & the RBI promoted the introduction of some information technology which got more space and exposure in various fields. Then the online banking has enhanced the satisfaction level of customer with various benefits & convenience. New technology gave the new areas of functions which banks follow now.

2. Literature review

E-banking relationship with e-governance.

PRASAD. K (2012)⁷ has focused in his study that how digital banking helps in e-governance. Digital Banking is one of the sectors that facilitate e-governance. The governance is now shifted to e-governance concept which means governing through electronic mode. The digital banking also emerges from e-banking concept which means banking through electronic mode, so both e-governance and e-banking involve the same base of electronic mode. The e-banking supports e-governance by helping the government in payments of salaries through electronic mode, by transfer of pension directly into the bank accounts, by payment of registration fee and other things through e-banking products and services under the e-governance regime.

E-banking relationship with e-finance.

Goswami. H (2013) stated in his study that the revolution in the technology bring the new concept of online banking and consequently helped in the emergence of e-financing. E-finance is the new areas of finance in India, consists of internet banking, brokerage, payment and other services. He defined E-finance "as an electronic financial transaction that depends on internet or similar network to which household or non-financial enterprises have access to". The scope of Financial sector with the technology adoption become large and its large size calculation is now done in seconds with electronic means and transfer of funds for various transactions has become easy and more convenient due to the technological adoption. Digital banking has made financial services more famous, especially in the developing countries where people are conservative in nature to adopt the new technology and investment in financial products. It might be possible that one day each and every person is investing in financial products due to digitalization of things. Finance has been shifting to e-finance with the advent of technology and internet. The advancement in technology has changed the face of financial service industry, now it includes online banking, online verification, online brokerage etc. which has widen the area of financial industry and reduced the cost of the transaction.

Banks can do their own transactions more conveniently, the transactions which earlier require physical transfer of huge payments among banks, now just needs a device & reducing the risk of money security as well⁸. Sabhaya. R in his paper titled "Study on pre & post impact of e-banking on banking operations" has focused on major time stages in banking system such as the nationalisation in 1969 and recommendation of the committee on the financial system, both has large impact on the use of information technology in the Banking sector. As he mentioned that today's world cannot think of without the information technology and communication in the banking system. A bank which has adopted more developed and innovative technology will be more successful in future and will generate higher profits in comparison to others⁹.

Benefits of digital-Banking

From the customer's perspective, the usage of e-banking provides various benefits:

E-banking gives rise to a new wave in banking. It provides various benefits and comforts to the customers. It ensures transparency in the banking transactions by giving the consumer quick and continuous access to the information and data. Any information required by the customer is just available in few clicks and real-time data is also available for checking the status of the payment, credit card details, ATM transactions, interest payment for the loans etc. The facility of easy portability or changing banking partner is also provided to the customer in digital banking. The digital services are economical in nature as it saves time and money. Customers get the benefits of no lines, no queues, as they do not require to go to a bank, which provides them with a lot of conveniences. Customers are also reap the benefits of 24 hours services through net banking, ATM etc which eliminate the time limitations. The consumer can any time file a complaint or submit any grievances against any discrepancy in any banking transactions. It also offers speedy solutions for any grievance or complaint online and even chances or probability of error in the technological process become less than in comparison with the process which is done earlier. The new innovations in the banking and payment system

⁷Prasad. K (2012).E-governance policy for modernizing government through digital democracy in India.*JOURNAL OF INFORMATION POLICY* 2 (2012)183-203

⁸Goswami.H (2012).E-finance:opportunities& challenges to India's financial landscape.*RJBFA* Vol 2.

⁹Dr. Sabhaya R. J, Bhalala. A &Chavotiya.P (2014), *Study on pre and post impact of e-banking on banking operation*, International Interdisciplinary Research Journal. vol 2(3)

provide a lot of tools and techniques for the effective management of money using e-wallets, apps, giving much convenience and choices to the consumer. The range of banking services provided by various bankers not only got wider but the comparison of the quality and prices of the services offered becomes easy and thus the customers can enjoy the benefits of high-quality services even at the affordable rates.

From the banker's perspective, the usage of e-banking provides various benefits:

The bankers achieve high efficiency in delivering the financial services as digitalisation reduce a lot of paperwork and ensures transparency, giving them much relief from the inconvenience and inefficiency in handling the operations of the bank. The bankers cost of conducting the transactions and delivering services lowered because of reduction of paperwork and shifting from traditional methods to new and innovative methods which are economical in nature. With the help of cloud computing, easy management of data and information, grievances and other digital services the banks nowadays enjoy more efficient control thus improving their performances. (kaur, kamaljit & Rajneesh 2014).

Drivers of digital banking in India

The following are the major supporting factors affecting India's journey of transformation to bankless banking from the conventional reckless banking practices

Smartphone penetration

India is one of the fastest growing markets of smartphone which enables the customer to use all the services without any need to go to the bank or even using the desktop. As with the devices in the hands in just a few clicks a range of banking services are being available. This serves as a base for the digital revolution in banking.

Data

Accessibility for the 3G and 4G networks at the affordable cost enable a customer to check any information and collect data very easily and this impacted the whole system involving e-commerce,

education, healthcare and banking also. It increases the popularity among tech-savvy customers for using digital banking as well .

Payment infrastructure

Earlier the ATM and debit cards are used for the payments but nowadays motivated by the cashless India drive, various payment apps like Rupay, IMPS, UPI, Bhim App, Aadhaar Pay & NACH, Bharat Billpay System, Bharat QR code are used for payment giving much convenience and economy to the customers

Government initiatives support of digitalization

Govt. has launched various regulations in support of digitalization of banking. Some of them are as follows:

Aadhar

(UIDAI) has highly contributed in making the base infrastructure for using digital-banking. Aadhar makes the authentication procedure much easier, with just an Aadhaar number the identity of a person is being verified. Nowadays Linkage of Aadhar to mobile number make the transactions much safer and authenticate.

UPI

The introduction of UPI by NDCI is a revolutionary step that would totally change the manner of handling payments. UPI is an open architecture that combines all services from IMPS and ACH to RuPay on one common platform. For using UPI, customers can use any virtual address (mobile no., Aadhar ID, email ID, etc). It provides good user experience and easy payment solutions. It may also be used by PSP (Payment Service Providers), banks, and other financial institutions. It is very easy to operate as it requires only Aadhaar no and a fingerprint. The UPI platform can be used for multiple payments such as peer to peer payment, person to merchant payments and business to business payments.

BBPS

Bharat Bill Payment System is another step taken by the government towards the cashless economy. It is an

integrated bill payment system which connects all the banking and non banking organisation to the single central unit. In this system payment can be made either online or through an agent, the agent can be banks and other fintech companies. It offers a lot of benefit to the consumers which are cost effective and allows payment through multiple modes. It is reliable and secure also. In this system there is mechanism for handling and solving complaints as well (BCG REPORT¹⁰)

Current trends in digital banking in India

Open Banking System

Open banking system has become a norm and widely followed by the banks. It is an integrated system of providing all financial and non-financial services through multiple providers. The role of API is remaining in open banking initiatives. In India, UPI is the major step in this area taken by the government which allows the users to transferring payments and avail other financial and non financial services without using any bank. This open banking system needs a total change in culture, strategies, business environment and models which is challenging. These open banking solutions help the banks to increase their profit and offer much better customized services.

Cloud Computing

The forces like demonetization, Jan Dhan Yojana, UPI, pushing the Indian economy towards the digital India which is giving rise to the big data, artificial intelligence & machine learning. For such a large data cloud computing brings better management of various transaction of banks like data analysis, cash management, securities management etc even at a lower cost. In cloud computing there is no need of specialised softwares and hardwares, as number of programs, hardwares, softwares are available on internet on demand after paying some charges they can be used. It makes the banks easily adapt themselves in the changing environment thus giving them competitive edge.

Artificial Intelligence

AI has the complete potential of changing the way of

¹⁰Digital payment 2020 by Boston Consulting Group & Google.

¹¹Financial foresights (digital banking) (2017) by FICCI

¹²<http://special.ndtv.com/cashless-bano-india-14/news-detail/india-sees-55-increase-in-digital-transactions-in-a-year-mobile-banking-jumps-122-1724624/7>

bank operations. Improvement in AI will improve the back office work as well as front office work. It provides good customer experience and security. Artificial Intelligence is not only used for providing services, but can also be used as a tool for data collection of information, for making different automation models based on information technology and for inferences and communication in natural ways as we do now. According to Forbes India " the key components of Artificial Intelligence are machine learning, computer vision, natural language progression and natural language generation.

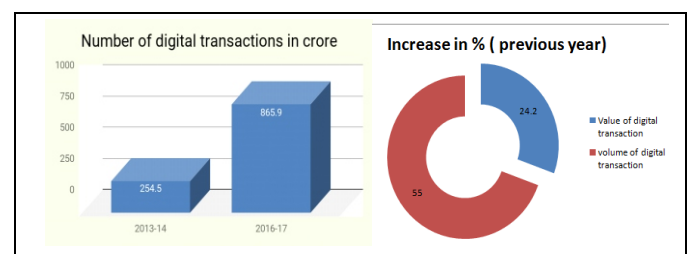
Banking services with a human touch

The smartphone penetration in Indian economy makes the banks and other fintech companies launch various banking apps to provide real-time speedy access to the information. Not only this but initiatives are also taken to make the experience more personal through virtual personal assistants helping and guiding the customers.

Blockchains

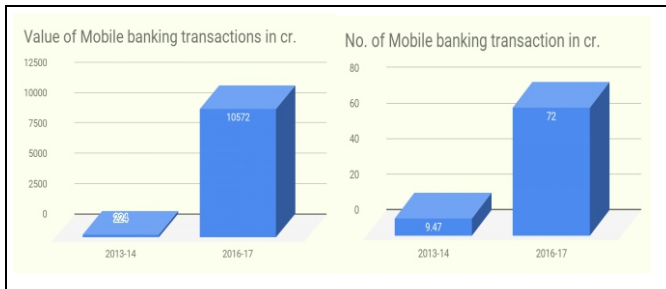
Blockchains are the open ledgers which are being shared by the various participants involved, this ledger shows the dealings, current status and the performance enabling greater transparency, no duplication of work and less fraud. As a global trend, banks are moving towards BTC (Blockchain Technology) for the secure documentation & payments process. It helps avoiding any human interventions and thus prevent fraud and increases the transparency of process. (Nambodiri, AKS)¹¹.

Current Scenario of digital transactions



The data shows that how value of digital transactions had increased from rupees 254.5 cr. in 2013-14 to rupees 865.9 cr. in 2016-17. According to Ratan Watal (Niti Aayog principal advisor), digital payments have increased 55% and value of these transactions has increased 24.2% over the last year.¹²

Current Scenario of mobile banking transactions



The figure shows that mobile banking transactions have increased from rupees 9.47 cr. (2013-14) to rupees 72 cr. (2016-17) in previous 3 years which is approximately 660% increase. Value of mobile banking transactions has increased from Rs. 224 cr. to Rs. 10572 cr. in the same horizon which accounts for approximately 4619% increase.¹³

Challenges

Resource Building

There is a need to build up an internet-based infrastructure requiring the enhancement of human resource skills & expertise and investment in software research & development for keep innovating and launching more user-friendly, personalized and customized products, thus increasing the public trust level and accessibility.

Cyber risk

Cyber crime have become a buzzword in these days. In the last two years it is increasing alarmingly, as per the PWC global survey more than 50 percent of the companies are affected by cyber attacks and frauds. Since the cyber risk is there in the digital transactions, therefore in the eyes of customers these services have a lack of confidentiality, integrity and authentication. So, to reduce and control the risk, the banks would spend on high investment in the softwares and mechanisms for the security.

Low scalability

The range of services which are being provided in India through digital banks are less it includes peer to

peer payment, application for opening an account, filling any complaints and some other transactions as well but here are a lot of services that are not being provided and for which the consumer have to visit the bank, thus there is need to enlarge the scope of the services provided through the digital banks.

Lack of personalisation and customisation

The Indian customer needs a personal touch and special treatment in availing the banking services that's why the model of Indian banking is based on the relationships. For Indian customers the long term relationship is based upon the trust and believe which is builded through the constant interaction and human touch These apps, digital banks, online services and digital financial products lack personal touch making them unattractive for many Indian customers.

Under utilised assets

According to Ascentius Consulting estimates, “only 10%-15% of the digital data is being analysed for new insights. As the volume of new data rises exponentially, banks are falling behind in their capability to gain from this new asset” therefore Indian banking system need some more sophisticated software for proper utilization of data. (Financial foresights (2017) by FICCI)

The Future of digital banking in India

As Bill Gates famously said: “People don't need banks, they need banking” the changes in technology impact every walk of life, including digital banking as well. The future of banking will expected to become more personalized and customized experience for customers, the banks will face much higher competition from the financial technology firms as they provide much better, efficient services, banks must need to adapt themselves to these fintech as these companies are threat to their potential market and system the following will be the future trends of the Indian digital banking sector

Robotics has not gained much space now in Indian banking system but in future it would be the integrated part of banking sector as whole Indian banks are

¹³<http://special.ndtv.com/cashless-bano-india-14/news-detail/india-sees-55-increase-in-digital-transactions-in-a-year-mobile-banking-jumps-122-1724624/7>

taking some steps towards deploying robotics for some base level functions like customer queries pertaining to transactions, demat account, locker and loan facilities etc. Indian banking system using humanoid robots for customer service & software robotics for the function like retail banking operations.¹⁴ In future the banking services, payments and purchase and sale of financial products will be enabled through the wechat apps giving the customer a personal touch in the services .a company in China , currently launched this service and this technology is expected to come in India also .¹⁵

In the future, the customer will be able to check the balances in deposits and credit cards in just one swipe without fulfilling the pre-login formalities through mobile and apple watch, the touch id including iris scan and fingerprints will be used for logging into the accounts and for the more personalized experience customised quick links will be created in future in which the services that the customer use more and the payment links that are favourable for the customer can be quickly accessed.¹⁶ The branches will give only value-added services to the bank involving the creation of the brand name, goodwill or franchise and the main banking services will be provided without the branches. But at last branches will survive as in India as there is a need for concrete structure to develop a confidence for large branchless transactions.

SBI's proposed initiatives in digital banking

As per the recent news, SBI is going to build up a new innovation centre at Mumbai which will about 1500 square feet large and holds different divisions of artificial intelligence, machine learning, Blockchain etc. Right now SBI has its own it innovation team which has 12 members SBI will be going to increase it to 30. SBI take an initiative to build up a forum in collaboration with Prime chain (a Pune based startup) for different banks and fintech firm to come together and work at innovative solutions for banking ,the forum is known as bank chain. SBI has also kept aside rupees 50 crores for the software procurements and rupees 50 crores for the procurement of financial tech start-ups.¹⁷ SBI will be going to launch a common platform named "YONO" in which only one platform where a customer can even use banking services like opening a bank account, insurance, mutual funds ,

¹⁴<http://www.forbesindia.com/blog/digital-navigator/emerging-technologies-in-digital-banking-in-india/>

¹⁵<https://www.fastcompany.com/3065255/china-wechat-tencent-red-envelopes-and-social-money>

¹⁶DBS breaks new grounds in digital banking(www.dbs.com)

¹⁷SBI to set up india's largest innovation centre at Mumbai(www.economictimes.indiatimes.com)

¹⁸SBI launches digital lifestyle and banking services platform, YONO(www.vccircle.com)

advisory , applying for credit cards etc. as well as other services for online retail shopping , for this SBI make a collaboration with 60 merchants across 14 categories like lifestyle, hospitality, healthcare centres, entertainment, booking cabs etc. The platform will help the bankers for leveraging predictive analytics, machine learning and artificial intelligence . The platform will provide much user-friendly experience for the customers also.¹⁸

3. Research methodology

Research methodology include the secondary data analysis using various research paper, articles and reports of various entities like FICCI, Google and Boston consulting group, etc. It includes the NVIVO tools which is a software to measure the qualitative data in different forms for example through word cloud showing what is the focus of the previous literature & on what topics authors has emphasised more and through word-frequency table identifying the frequency of words i.e. how many times different authors have used the same words etc.

4.FINDINGS



This shows descriptive representation of our finding through various research papers and different articles which were used to emphasis our objective with the use of NVIVO tool. The word cloud picture is the pictorial depiction of what we are trying to convey through our study that the future of digital banking would lead to the digital India, although it is challenging for a country like India , where people are more afraid of adopting digital or technological mode out of the insecurity they feel while transacting. This word cloud is showing that our past papers on digital banking has more focused on the concepts like how digital banking or e-banking would lead to more or customer

satisfaction, how e-banking has become the mandatory conditions for trading in today's finance world either domestically or internationally i.e how e-banking is helping in e-financing, and how this digital concept of banking helps government in better facilitation of e-governance, how it helps in moving more towards transparency and how it prevent human interruption and corruption through direct transfer of benefits into the beneficiaries' accounts. This all finding ultimately shows how Digital Banking is leading or contributing towards digital India and this word cloud depicts the same which we discussed above.

Table: showing word frequencies in the literature review papers

Word	Length	Count	Weighted Percentage (%)
banking	7	3159	2.3
internet	8	1467	1.07
customer	8	1103	0.8
service	7	1026	0.75
digital	7	1018	0.74
India	5	906	0.66
mobile	6	599	0.44
financial	9	596	0.43
quality	7	563	0.41
sector	6	541	0.39
technology	10	517	0.38
online	6	499	0.36
information	11	419	0.31
transactions	12	389	0.28
journal	7	385	0.28
business	8	383	0.28
private	7	373	0.27
use	3	360	0.26
data	4	359	0.26
account	7	357	0.26
experience	10	339	0.25
India	6	336	0.24
public	6	307	0.22
electronic	10	298	0.22
management	10	294	0.21

The table is showing the frequency that how many times different words are appeared in the paper of literature review. As the frequency of words indicates the importance of word, we can see that first two words - banking and internet, have most number of frequency, they are appearing 3159 times and 1467 times in literature review. So it shows that banking is more related to internet than any other words, means banking will have the future which consists more of internet banking i.e. digital banking. Next two words are customer & service, which highlights the focus of previous papers that how digital banking makes

customer service easier than earlier. Subsequent two words i.e. digital and India, show the focus of our paper, which emphasis that digital banking would lead the path for digital India. India is moving rapidly on this path with the emergence of digital banking.

5. Conclusion

The banks are now shifting from the trend of providing the current product and services more better and efficient to the trend of making new customised and personalised services through predictive analytics and digital footprints. Digital banking will bring revolutionary changes .In the future digitalisation will be embedded in the all spheres of banking sector. There are a lot of challenges regarding digital banking in India. There is need to understand in depth these challenges and therefore find the viable solutions for that. Different perceptions are there among the masses about digital banking. The consumers give mixed response ,Yet the future is promising and there are potential & numerous opportunities available but it required joint efforts from the side of public as well as private banks To make it widely acceptable among masses all the concerned parties have to come forward in support including Businessmen, merchants and consumer and even the govt. and industrial organisations have to take certain steps to make it widely acceptable. The adoption of high tech software, high skilled creative employees, government actions and making an organised system for the use of technology will hopefully enable the banks to overcome the risks and barriers in digital banking and giving personalised and sophisticated services and switching from mass to class banking. With the RBI's support, increasing customer awareness and increasing trend e-commerce the future of digital banking look vibrant.

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