

Empirical Study on Changing Customer Behaviour towards the Digital Payments Banks

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Abstract

The Covid-19 had a terrible influence on every industry in every country, and India is no exception. Even if COVID-19 had mostly negative effects in India, there were some beneficial effects as well, one of which would be the adoption of digital payment banks. When the pandemic first broke out, it was challenging for both banks and consumers to carry out all of the tasks offline, so they shifted their focus to the digital or internet banking side. This paper focuses on the core research for the same, specifically how the COVID-19 altered consumer behaviour for Digital Payments Banks. To do this, it is crucial to understand what customers believe their behaviour to be, as well as the advantages that they might derive from it and, most importantly, any potential difficulties that they might encounter. In this study, we have taken into account the empirical study, where we concentrate on the main data collection technique and analyse the data using various pie charts and graphs.

Keywords

Covid-19, digitalization, payments bank, online banking, customer behaviour, banking industry

Introduction

Background of the Study

It is evident that covid-19 was a nightmare for every enterprise in every economic area. The banking industry is one of the most significant sectors affected by covid-19. Prior to and after the conclusion of Covid-19, there was a shift in the level of peace in banking activity. The technological progress has altered the flexibility of businesses, as has the rate of digital transformation (Deloitte, 2022). A significant change in customer behaviour is reshaping it for a new year of financial services. According to a survey by EY, covid-19 has had a global influence on customer behaviour, where the use of innovative financial services is expanding consistently. In this regard, the current research provides a thorough evaluation of the elements influencing customer behaviour in relation to bank payment services (Bellens, 2022). It includes an analysis of customer behaviour in the banking business and the factors that influence it, as well as a comprehension of the banking system in a payments bank and its advantages. It will also assess obstacles in order to develop a critical understanding of the topic.

Problem Statement

The altering client behavior is a big problem for many companies, financial services in particular. The majority of banking services in India are introducing payment Bank gateways and apps that operate independently from the regular banking system. Here, the altering behavior should be assessed in order to have a deeper understanding of it. This subject of changing consumer behavior will be addressed in the research, which will focus on gaining a proper knowledge of the changes while also addressing the associated obstacles and rewards.

Aim and Objectives

Aims

To identify the changes in customer behaviour towards the payments Bank after the covid-19 period in India.

Objectives

- To understand the notion of consumer behaviour in banking industry.
- To evaluate the factors impacting on the consumer behaviour towards the online banking system and how the payments Bank are beneficial for customer.
- To identify the challenges faced by customer while using payments Banks

Research Questions

- What is the notion of consumer behaviour in banking industry?
- What are the factors impacting on the consumer behaviour towards the online banking system and how the payments Bank are beneficial for customer?
- What are the challenges faced by customer while using payments Banks?

Rationale

The reason for selecting this subject is because the banking industry is undergoing a shift as a result of covid-19. The bulk of new technology for banking services has been implemented in India, where the customer behavior is continually evolving. It includes the introduction of the UPI wallet system and other technologies (Nguyen and Mogaji, 2022). This technology is revolutionizing the delivery of financial services and the customer's perception of those services. The current investigation will assist in comprehending how client attitudes regarding an industry are altering as a result of alterations in customer behavior and payment bank system quality in India.

Literature Review

The notion of consumer behaviour in banking industry

The Khanna and Sharma (2017), tries to give different explanations of the behaviour of the consumers who are switching. After going through all this research, it could be concluded that the reason behind the switching behaviour of the consumer could be of different steps, the one would be terminating the partnership with one of the service providers as well as not using their products and then to change them by a different service provider. The author has also mentioned that in this study the behaviour of switching of customers is the outcome of the negative experience related to service which is in regard to any of the discussed factors in the research. mentioned are the key factors that banks should take into account in order to fulfil the needs of their consumers like the satisfaction of the customer, service quality perseverance, competition of effective advertising, the commitment of customers to their bank, feedback given by customers, image and reputation of the bank. Therefore, a bank must take into account all the aforementioned criteria when developing its business strategy which

should be centered on the demands of its clients (Khanna and Sharma, 2017). The current study advances our understanding of consumer behaviour toward banking services and helps service marketers better understand their customer's needs and the factors that influence their propensity to switch services. Every bank has a relationship manager and they should be used to improve client relationships so that each and every aspect that has been mentioned above could be taken care of (Deloitte, 2022). Also, banks must look for ways to improve client happiness, the quality of services, the rates of interest, advertising, and other favourable behavioural reactions. Some of these tactics include providing consumers with the levels of services that they demand, successfully addressing their concerns, with competitive costs. For such groups, the Indian banks could modify their loyalty programs so that there could be an increase in client support. By improving membership and engagement, all the loyalty programs that are already being administered by the company may be made more profitable (Sharma, R., 2022). The crucial aspect is that consumers are more receptive to outside data and trust information they hear from others. Therefore, managers should work to spread positive information in front of the customers by introducing them to the customers who are happy to promote the positive side of the bank. The third crucial aspect would be that the bank executives need to advise clients of current information and disclose any hidden service fees (Deloitte, 2022). According to the present responses, it shows that 41% of the participants think that the banks that they are linked with do not give them proper updates related to the services they have. In order to get the necessary benefits, these challenges have to be solved.

The factors impacting on the consumer behaviour towards the online banking system
The researchers noted that customer adoption of the IB technology had been impacted by its PU, and they recommended that banks think about providing free trial programs to customers to increase consumer technology acceptance. The relationship between PU, PEU, and the desire to acquire IB is also favorable. Customers are more likely to accept IB if they believe it to be beneficial (Aziz and Dali, 2019). Anxiety and computer efficacy are significant factors affecting the PEU. The study discovered that individuals with higher levels of education were more used to using the internet and had a more favorable attitude regarding IB. as per the view point of Chauhan Yadav and Choudhary (2019), The early users of new technology who have an internet connection and facility expertise are often those who choose it. Some consumers inability to utilize the IB due to lesser accessibility and lack of computer abilities. People with more computer proficiency may accept IB more readily and their proficiency may also increase when using IB. On the other hand, persons without these abilities could not understand the advantages of IB. If people lack internet and IB knowledge and abilities, the rate of adoption of technology will be minimal.

How the payments Bank are beneficial for customer.

According to the Sakpal and Soni (2019), the institutes of finance and banks are the two segments that make up the Indian banking industry. Rural, foreign, rural cooperative, private, urban, and public are the types of public sector banks. Institute of finance includes institutions at different levels like state and central. In the sector of Indian banking, the growth rate is quite good with the increased disposable income. With several government programs that support financial technology and greater use of non-metropolitan and unbanked regions, there has been an improvement in accessibility to banking. As per the view point of Mehta (2020), Demonetisation, the Indian government is increasing cashless transactions which has increase the use of mobile banking payments bank and internet banking. It has been noticed that there is an increase of 22% in the cashless payment in 2016 when compared with 2015. The rate of uses of payment well increase day by day if the digital India initiative will be promoted constantly (Mehta, 2020). The author stated that by 2020,

there will be 150 million online bankers in the nation, up from the current 45 million. Payment banks are increasingly being used as a result of technological improvement and the digitalization of India. It is a recent creation in the banking industry that resembles banks in some ways but offers fewer services than banks do. Cashless transactions and increasing the use of financial services across a range of industries are the primary goals of payment banks in India. It resembles a branchless transaction but is subject to rules. Payment banks are suitable for developing nations when the primary goal is financial. The notion of payment banks has only been the subject of a relatively small number of studies.

The challenges faced by customer while using payments Banks

The Remane et al. (2016), has mentioned several challenges that a customer can face while using payment banks, author also mentioned that payment banks face a variety of difficulties including relying on low ticket account balance for revenue growth, the likelihood that cross-selling will have little financial impact, restrictions on the use of funds, the inability to make loans and fears competition from other payments Bank, institutions of small finance, and commercial bank. The Pramani and Iyer (2022), has discussed some of the major challenges related to payments banks like the model of payment bank is a flawed idea since it only supports payments. Profitability heavily depends on the balance of accounts with modest ticket amounts. Payment banks can cross-sell other goods for profit, although insurance sales and products of a mutual fund are subject to regulation by authorities like IRDA and SEBI, and it also requires qualified personnel. To target the proper people when cross-selling credit goods like loans from banks, a credit assessment is necessary. As per the view point of Damle, Thenuan and Raval (2016), Required from the payment banks to invest about 75% of their CASA holdings in Statutory liquidity ratio qualified T-bills or Government bonds. The choice for the remaining 25% is to be deposited with the remaining SCBs. Depositors thought of it as a safety net, but still, it limits their capacity to streamline options for the treasury

Research Methodology

Research methodology

Research methodology helps in identifying, selecting, analysing and processing and information about the topic. To help the reader grasp the research issue at hand, this section will focus on the study's overall validity and reliability. The research onion approach was used for this investigation. In order to effectively complete the study, it is necessary to have a firm grasp of a variety of facets, such as the research's underlying philosophy, techniques, timeline, and methodology.

Research philosophy

The pragmatism research philosophy will be used since it is founded on the most reliable methods of inquiry and takes into account elements of both interpretivism and positivism. There is an element of subjectivity as well, as the final decision will be based on the respondents' opinions and the debate that ensued.

Research approach

With regards to the current study, we used a deductive methodology. This research strategy aids the researcher in making use of pre-existing theories to finish the investigation and determine results in accordance with the strategy used.

Research strategy

In the current study, the researcher has employed a survey questionnaire approach, with the dual purposes of data collection and study conclusion

Research choice

The present study will be utilising mono method approach. It is because the studies based upon collection of primary information that will be utilised a single method of data collection and does it will be following mono method approach as a research choice.

Research design

In reference to the research design the study will be empirical research it is because the studies based on utilisation of observations and experience and collecting the information by the use of survey questionnaire.

Data collection and Analysis

Utilization of first-time data collecting by the researcher is included among the major sources of data acquisition. Specifically for this research, we are relying heavily on survey questionnaires as our major source of in-depth primary data. The researcher has also relied on secondary data sources in order to fully grasp the topic at hand. This is done through secondary sources, such as books, journals, web articles, and so on. These materials are drawn from Google Scholar, a collection of digital libraries and search results developed by Google.

There are two further forms of data used by the researcher in addition to primary and secondary sources. Data from a variety of primary and secondary sources may be broken down into qualitative and quantitative categories. Weather Specifically, a survey questionnaire is used to obtain quantitative data from 120 participants in the current study. Within this, a total of 103 usable replies have been collected for further research. These are all the completed replies we got, meeting our criteria to launch the study and be used as research data. In addition, when data collecting is complete, the right analysis methodology must be used to assist successfully evaluate the findings and complement the data collection methods.

Ethical considerations

The researcher's first priority is to ensure that they get the necessary permission from all respondents using a consent form. And no sensitive questions about respondents' identities or backgrounds will be asked in this study. A further ethical factor taken into account by the researcher is the implementation of all necessary standards and regulations under general data protection policies to ensure the confidentiality of the data.

Data Analysis

Theme 1: Demographic questions

Question 1) What gender do you identify as?

103 responses

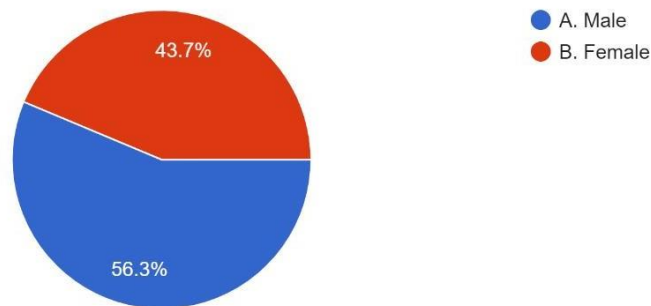


Figure 1: Gender

(Source: Google form)

Interpretation: The preceding demographic question about gender suggests that the majority of respondents are male, while only 43.7% of the overall population is comprised of female respondents. This indicates that the gender distribution among responders is diverse.

Question 2) What is your age?

103 responses

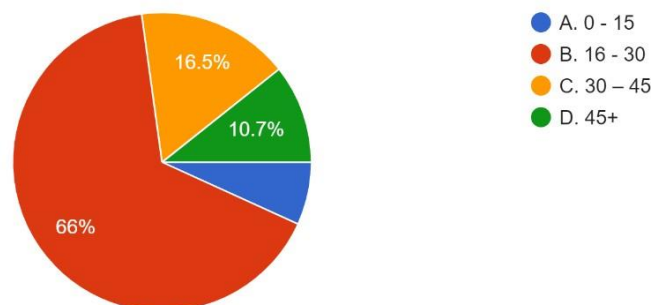


Figure 2: Age

(Source: Google form)

Interpretation: It has been deduced from the preceding pie chart that there are various individuals from various age groups. The oldest participants in the study range in age from 16 to 30.

Question 3) What is the highest degree or level of education you have completed?

103 responses

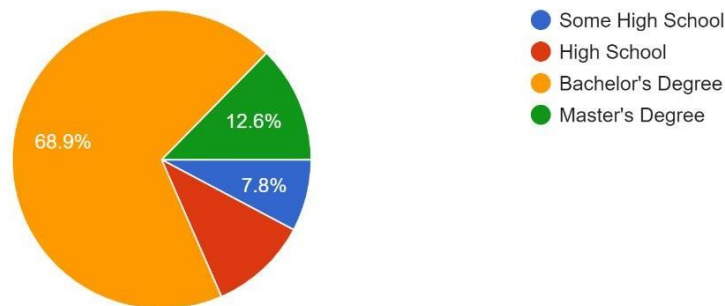


Figure 3: education qualification

(Source: Google form)

Interpretation: It has been interpreted from the above mentioned information that majority of individual holds bachelor degree with 68.9% of the total population. 12.6% of the total individual has master degree where some are from high school and lower than High school.

Theme 2: the notion of consumer behaviour in banking industry.

Question 4) Do you use any payment Bank application?

103 responses

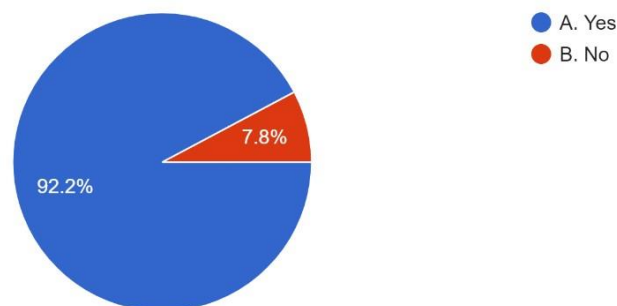


Figure 4: User Payment Bank application

(Source: Google form)

Interpretation: According to the aforementioned pie chart, the majority of individuals supported their payment bank apps. It includes 92.2% of the total population, which is a substantial proportion. Only 7.8% of the whole population do not use a payment Bank application, according to the respondents. This indicates that the bulk of individuals are related to the financial business.

Question 5) When you have started utilising payment Bank facilities?

103 responses

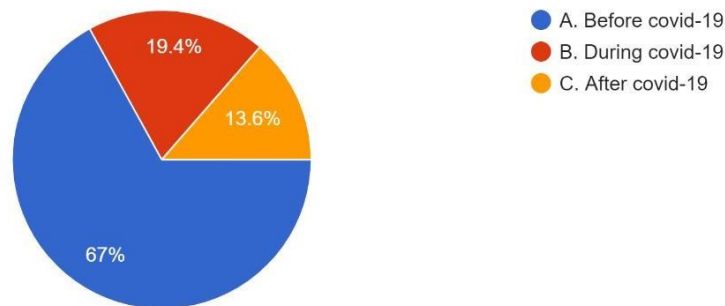


Figure 5: utilising payment Bank facilities

(Source: Google form)

Interpretation: According to the interpretation of the above pie chart, the majority of individuals are aware of payment bank services before the covid-19 era when asked about them. It consists of 67% of all replies, of which 19.4% were exposed to payment bank facilities during covid-19 and 13.3% were aware of this following covid-19.

Question 6) Which of the following payment Bank services you are using currently?

103 responses

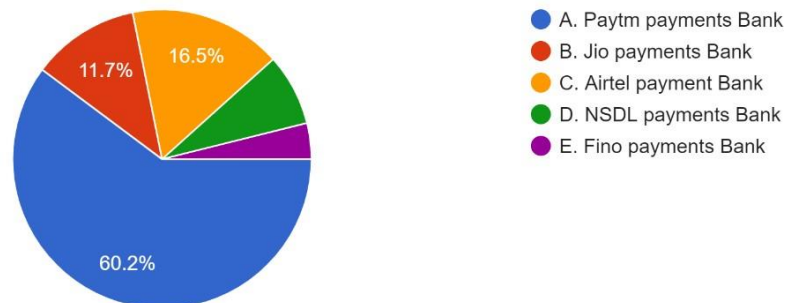


Figure 6: payment Bank services you are using currently

(Source: Google form)

Interpretation: When users or responders are asked about their present payment Bank services, the majority favor Paytm payment Bank. It contains 62% of all replies. Airtel payment Bank is the second most used payment bank service by customers. Third is Jio payment Bank, followed by others.

Theme 3: The factors impacting on the consumer behaviour towards the online banking system and how the payments Bank are beneficial for customer.

Question 7) Do you think that expansion of rural banking finance inclusion is the benefit of utilising payments Bank?

103 responses

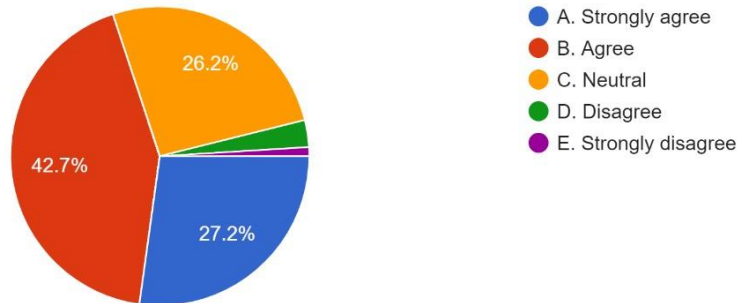


Figure 7: Expansion of rural banking finance inclusion is the benefit

(Source: Google form)

Interpretation: According to the following pie chart, the growth of rural banking financial inclusion is a significant advantage of payment banks, as 42.7% of respondents agree and 27.2% strongly agree. This is the largest proportion of affirmative responses and indicates that rural banking finance inclusion is attainable.

Question 8) Do you think that formal financial system is a benefit of utilising payments Bank?

103 responses

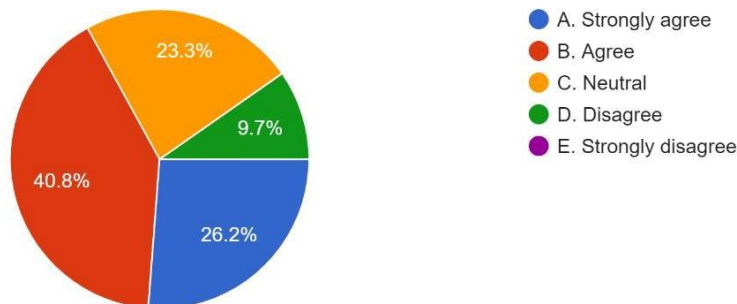


Figure 8: formal financial system is a benefit of utilising payments Bank

(Source: Google form)

Interpretation: The aforementioned graph has led to the conclusion that payments banks are serving as a formal financial system for their clients since 67% of all respondents indicated a favorable response by agreeing or strongly agreeing with the question. Just the highlights the significance of payments Bank to the clients in the present as a formal financial system.

Question 9) Do you think that alternative commercial banking is a benefit of utilising payments Bank?

103 responses

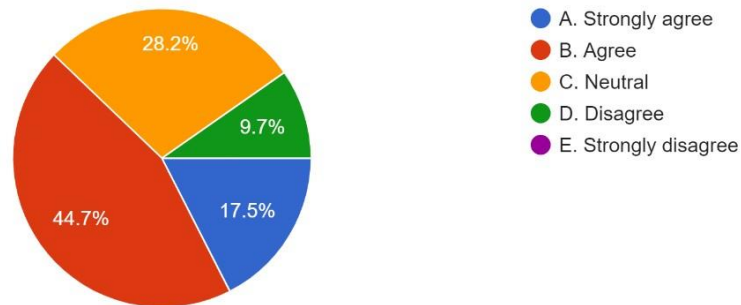


Figure 9: alternative commercial banking

(Source: Google form)

Interpretation: It has been interpreted from the above mention chart that payments Bank are being commercial banking alternatives as per the customers. Because majority of the respondents positively agreed or strongly agreed on the question. Only 28.2% are neutral and 9.7% are disagree which is again a small number.

Question 10) Do you think that low value and high-volume transaction is a major benefit of a using payments Bank?

103 responses

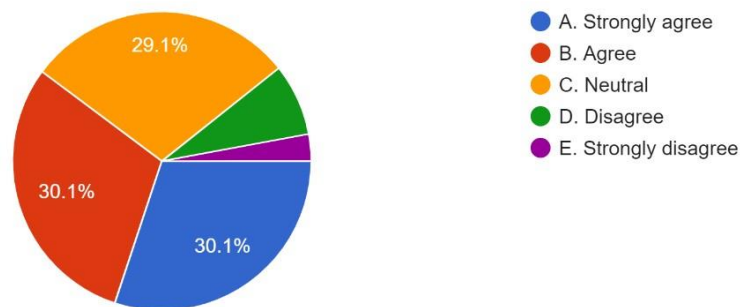


Figure 10: low value and high-volume transaction

(Source: Google form)

Interpretation: When the question of using payments banks for low value and large volume transactions arises, a resounding 60.2% in favor of doing so is provided, with 30.1% of the general public agreeing and the same percentage of strongly agreeing persons.

Question 11) What is your opinion about the large number of services at single place is a major benefit of utilising payments Bank?

103 responses

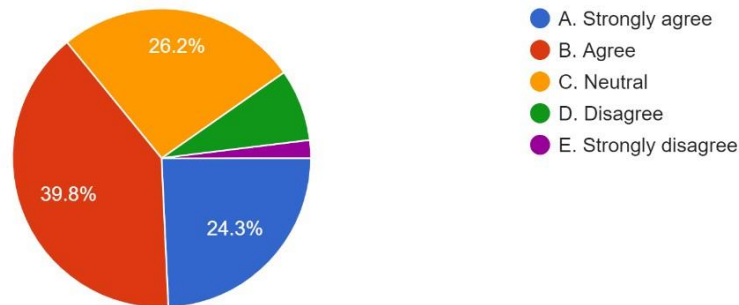


Figure 11: the large number of services at single place

(Source: Google form)

Interpretation: When it is ask about the benefit of payments Bank which is linked with the large number of service is that single place then the people in the majority agreed. 28.2% are neutral that states that majority of the person has knowledge about the benefit of payments bank which is changing their behaviour.

Question 12) Do you think that utilisation of payments bank is beneficial for you?

103 responses

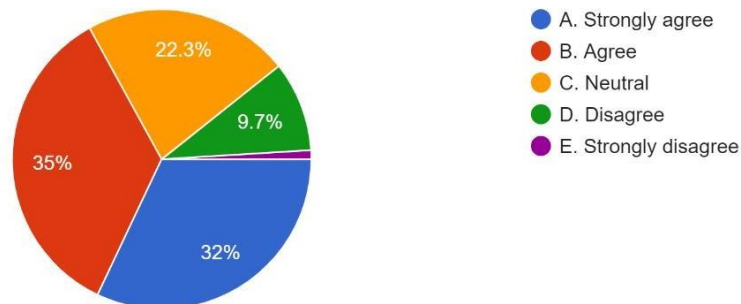


Figure 12: utilisation of payments bank

(Source: Google form)

Interpretation: When asked if the use of a payment bank is advantageous for the consumer, the majority of respondents (67%) responded positively. Other than this, 22.3% of respondents are indifferent on this subject, indicating that individuals are utilizing the payments bank to their advantage.

Theme 4: To identify the challenges faced by customer while using payments Banks

Question 13) Do you think that failure of transaction is a major challenge that a consumer face while using payments Bank services?

103 responses

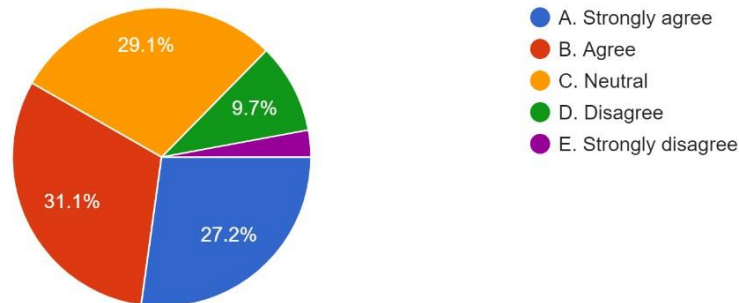


Figure 13: failure of transaction is a major challenge

(Source: Google form)

Interpretation: It has been interpreted from the chart that failure of transaction is a major challenge faced by the customer values in the payment Bank services. It is because 21.1% is agree and 27.2% is strongly agree. This note I he which population is giving their consent that it is a challenge faced by them while using the payment Bank services.

Question 14) Do you think that long process to clear amount is a major challenge faced by the users while using payments Bank services?

103 responses

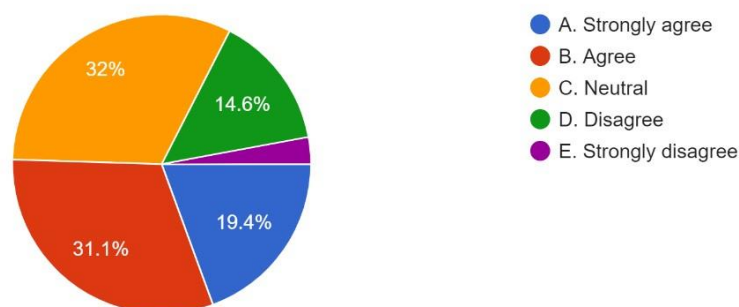


Figure 14: long process to clear amount is a major challenge

(Source: Google form)

Interpretation: According to the pie chart, another difficulty experienced by the populace is the lengthy procedure of clearing the money. There are fifty percent of the public that either agree or strongly agree that a lengthy procedure to clear funds is a barrier they experience while using payment bank services.

Question 15) Do you think that increased rate of cyber-attacks is a challenge faced by the users while using the payments Bank services?

103 responses

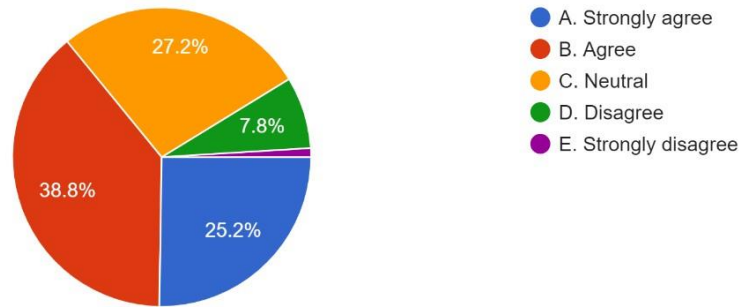


Figure 15: increased rate of cyber-attacks

(Source: Google form)

Interpretation: It can be interpreted from the above mention pie chart that the increased rate of cyber attack is a challenge faced by the uses that has given a huge response in either agree and strongly agree term. It denotes that there are challenges while using the payment Bank services due to the cyber-attacks.

Question 16) Do you think that limited personalization and personal interaction as a problem faced by the customer while using the payments Bank services?

103 responses

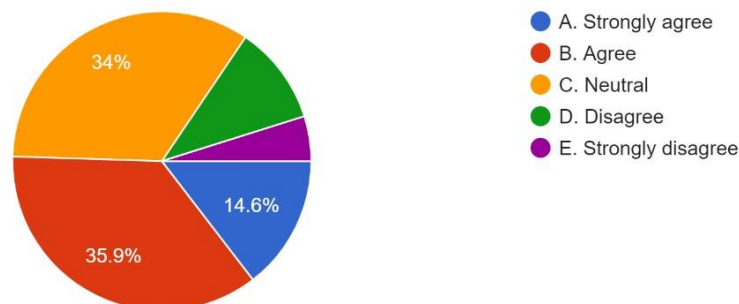


Figure 16: limited personalization and personal interaction

(Source: Google form)

Interpretation: It has been interpreted from the above-mentioned information that personalization and personal interaction is not a major problem because majority of the people are neutral. But some of the individual stated that it is a problem that include 35.9% who are agree and 14.6% was strongly agree. 34% of neutral on this factor where did don't think that personalization is a problem or not a problem.

Question 17) Do you think that non-availability of credit cards and non-acceptance of time deposit and NRI deposit as a major challenge faced by the...stomers while using the payments Bank services?

103 responses

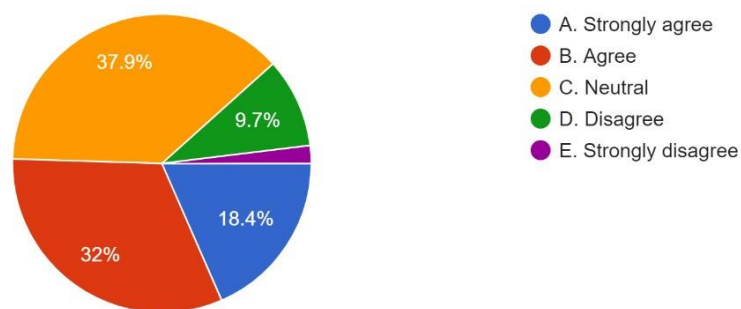


Figure 17: non-availability of credit cards and non-acceptance of time deposit and NRI deposit as a major challenge

(Source: Google form)

Interpretation: According to some of the respondents, the issue encountered by the clients is the recognized availability of credit cards and the non-acceptance of deposits designated as NRI deposits. Due to the fact that payment institutions are not permitted to utilize these services, they pose a problem for clients.

Question 18) Do you think that payments Bank are the future of banking transactions in India?
103 responses

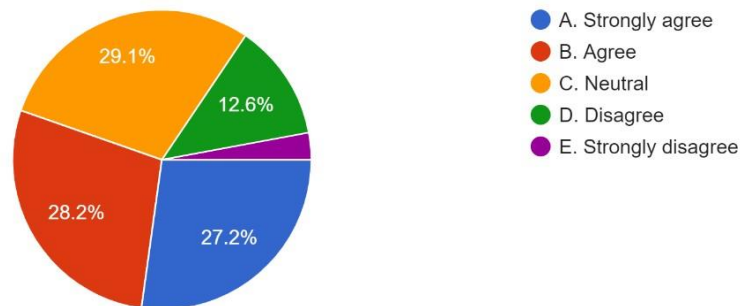


Figure 18: payments Bank are the future of banking transactions

(Source: Google form)

Interpretation: When it is asked about the payments bank as a future for banking transaction in India a majority responded positively. The 28.2% has stated that there agreed about the fact and 27.2% are strongly agreed. This the note a huge population thing that it is a future of transactions in banking sector with in India.

Question 19) On the scale of 1to 5 what will be your rating to the payments Bank services you are using?
103 responses

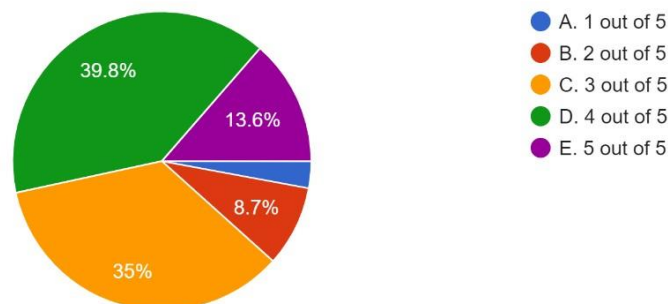


Figure 19: Rating

(Source: Google form)

Interpretation: It is identified that there is a scattered rating system but majority stands with four out of 5 with 39.8% of the total response. On the other side three out of five is the second highest with 35% of the total responsive. The third one is 13.6% which is five out of 5 rating.

Findings and Discussion

Findings

Theme 1: the notion of consumer behaviour in banking industry.

According to the main data and secondary data gathered in the aforementioned chapter, it has been determined that the motion of consumer *behaviour* in the banking business is extremely obvious where there are continual changes noted. It has been explored from the perspectives of that the banking sectors are changing as a result of digitization and the constant introduction of new methods and techniques. Covid-19 is one of the key elements that have been noticed. This may be inferred from question 4, which inquired about the payment bank application and to which 92.2% of the whole population indicated that they use the payment bank apps in the poll. When asked when they first began utilizing payment bank facilities, the majority of respondents said that they had been doing so before to COVID-19, but that a significant number of people had begun doing so during COVID-19 and later.

In order to provide clarification, it has been determined from the survey questions that Paytm Payments Bank is a significant service used by respondents and consumers. Additionally, several respondents mentioned Jio Payments Bank and Fino Payments Bank. It makes it obvious that both the volunteers and a local person were informed of the payment options and services offered. Customers benefit from the idea of a payment bank, which is assisting them in embracing a new age of financial services.

Theme 2: The factors impacting on the consumer behaviour towards the online banking system and how the payments Bank are beneficial for customer.

It has been determined in the second topic that the element influencing consumer behaviour toward the online banking system and the payments bank, as well as its advantages for the client, exists. The majority of respondents expressed favourability toward the advantages, with consumers loving each and every perk offered by the payment bank service at the time of the survey. It is mentioned in question 7, where respondents said that access to rural banking services is an advantage. The upcoming questions will also touch on the advantages offered by the payments Bank, such as the advantages to the financial system, commercial banking benefits, high volume transactions with low value, and the availability of many services in one location without having to physically visit a bank, all of which indicate that people's attitudes toward using the services of the payments Bank are changing. This can be seen even more clearly in question number 12, where the majority of respondents gave positive answers when asked if using a payment bank is advantageous for the consumer. Very few people dispute with the reality that the services are plainly beneficial and why it is altering customers' attitudes about financial services, and there are very few objections to this.

Theme 3: To identify the challenges faced by customer while using payments Banks

According to the data analysis, there are some difficulties that customers encounter when using payment bank services that are related to the lack of some trust issues due to the limited person-to-person interaction. This is evident from the responses to question number 14, where respondents were very clear about the lengthy wait times they experience when using payment bank services and gateways for their amounts. Due to the lengthy time it takes to

create an alert, several users also described transaction failure as a big difficulty. The majority of respondents expressed worry about the rise in cyberattacks while using payment banks since they might result in transaction failure and money theft. Personalization and little interpersonal connection are some of the contributing variables, although they are not the main culprits. There are certain problems, but when questioned about the future of banking transactions, the majority of respondents said that payments banks are the ones that would play a big role in it. They also gave them a good grade, which is above average.

Discussion

Theme 1: The notion of consumer behaviour in banking industry.

The majority of individuals have begun using payments bank services, as noticed in the section on findings. In addition, covid-19 has had a detrimental influence on the banking industry, since it assists clients in migrating to a new banking system. According to the literature published by Khanna and Sharma (2017), there has been a shift in the behavior of customers toward the traditional banking system in 2017. This is due to digitalization and the ongoing adaption of technology, which makes financial services viable. In addition, clients' attitudes toward the banking business are negatively impacted by the lengthy wait times required while using an offline banking system.

It has been noted in the major interpretations that the number of persons using payments bank services continues to rise. In addition, the demographic segmentation of the population covered is adequate, indicating that persons of all ages are using the services and those whose behavior is changing. Therefore, it will be simpler to comprehend customer behavior in the banking business, and there is evidence of a gradual shift in consumer behavior. This is supported by the opinions of Bellens (2022), who asserts that the introduction of digital technology, such as the payment bank system, is effective in bringing a new system to banking clients who are fed up with the previous system.

Theme 2: The factors impacting on the consumer behaviour towards the online banking system and how the payments Bank are beneficial for customer.

It has been determined that the introduction of payments banks is a significant factor in the rise in consumer comfort. This is due to the fact that the main research indicates that there are many advantages to utilizing the payments bank system as opposed to the conventional banking system. Additionally, it makes the client experience more tailored and aids in their grasp of the crucial components of the banking sector. This aspect has received support in Nguyen and Mogaji's argument (2022), According to the other, there were several issues that customers had to deal with before online banking was introduced since the banking industry was only comprised of personnel, who had little awareness of customers' needs and procedures. By introducing transparency to the financial system and educating the public, the payments bank transformed these features. Further analysis has shown that some of the key advantages are the expansion of alternative commercial banking, the formation of low value and high volume transactions, and the provision of several services via a single channel. According to Bechlioulis and Karamanis (2022), all of these advantages have been for the establishment. Together, these features aid in resolving the problems the banking industry has had and have influenced how customers behave toward payment banks.

Theme 3: To identify the challenges faced by customer while using payments Banks

The obstacles that the consumer has encountered while utilizing the payment bank services have been reevaluated in the finding section. Among them are the lack of personalisation and interpersonal engagement as well as the protracted wait for the dispute amount. Additionally,

several of the people mentioned the problems with credit card unavailability and time deposit non-acceptance. Understanding these crucial criteria and this fact's success. The opinions of Chauhan, Yadav, and Choudhary are included in this (2019), Has acknowledged that there are certain difficulties with the technological elements of payment bank systems and gate methods. These elements are locked by payment bank services, while Paytm updated its system to provide support 24 hours a day, seven days a week using chatbots and AI. It will offer security as well as assist with payment-related problems. A new, innovative firewall and cyber security system has been deployed, minimizing cyber security risks and boosting client confidence in payment bank services.

Conclusion and Recommendations

Conclusion

The results and discussion part of the current research have led to the conclusion that there has been a significant change in consumer behaviour toward the use of new technologies in the banking system. Because of its many advantages, the consumer prefers the payments bank. Even while using payments banks has several difficulties, it is more practical than the conventional banking system. Along with this and the present, the payments bank is embracing new technology and methodical techniques that provide customers a variety of products and banking system expertise. With this transfer, the consumer is becoming more interested in the payments bank and more confident in the system it offers. This is a significant change in the banking sector and is shaping the sector's future.

Recommendations

According to the changing customer behaviour, it has been determined from the aforementioned facts that specific suggestions must be implemented by payment banks. The suggestions are listed below:

As individuals often have problems while transferring money online, the organization must first concentrate on online payment gateways by using chat bots and AI technology. This will make the process easier and enable any problems to be resolved more quickly.

Second, not every consumer is comfortable with the internet approach, therefore the payment bank should also think about creating physical locations. To start, they may replicate Airtel Payments Bank's strategy of building their largest locations in the biggest cities.

Thirdly, all payment institutions need to concentrate on providing excellent customer service and listening to the input their clients provide, since this is the key driver of bank switching. A client would also want to be associated with a bank where they get superior services and where their concerns are answered as soon as feasible.

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