

# AN REVIEW OF IMPACT OF FINANCIAL TECHNOLOGY ON CUSTOMER HAPPINESS OF BANKS IN DELHI NCR

## Abstract

**Purpose:** The global economy has shifted from a focus on manufacturing to one that emphasizes services. This new economy is comprehensive, constantly changing, and heavily reliant on digital technology. Globalization, digitization, government initiatives, and competition have compelled businesses to reevaluate their approaches, rules, offerings, and operations. Technology has transformed the business landscape and narrowed the gaps between developed, developing, and underdeveloped economies.

**Design/Methodology/Approach:** The banking sector plays a crucial role in providing financial services to other industries. Financial technology, also known as FinTech, plays a vital role in achieving and surpassing customer happiness in the banking industry. The researchers utilized a structured questionnaire to collect data, gathering responses from 100 individuals in Delhi NCR. The sampling technique employed was non-probability convenience sampling. The authors analyzed the data using frequency distribution to understand the socio-demographic characteristics of the respondents and assess their level of happiness with banking services.

**Finding:** It is clear from data analysis and reviews of national and international research that Financial Technology has grown in importance in the banking industry. On the one hand, it provides advantages in the marketplace such quickness, openness, time savings, and resource optimization. Additionally, it offers significant customer service.

**Research implications:** The intend of this study is to examine how financial technology (FinTech) affects the level of happiness among bank customers in the Delhi National Capital Region (NCR).

**Originality/Value:** From an Indian perspective, the study is crucial for the banking industry's sustained business growth.

**Keywords:** Financial Technology (FinTech), Customer Happiness, E banking, Customer Requirements.

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## **I. INTRODUCTION**

FinTech has evolved into something that is all-encompassing, dynamic, and computerized. Business organizations have been compelled to radically rethink their strategy, policies, products, and services as a result of globalization, digitization, government reforms, and competition. The business and global economies (developed, developing, and underdeveloped) have been revolutionized by technology, which has also reduced the gap that was previously there. One of the prominent industries that offers financial support and services to other industries is banking. The client is king of the market, so banks must develop cutting-edge business models in order to consistently maintain and raise customer happiness. In this sense, financial technology is useful. This study intends to examine how financial technology affects bank customer happiness in Delhi and the National Capital Region. The paper looks at how financial technology can help banks achieve and surpass consumer happiness. The study focuses mostly on Delhi NCR. To collect data, a structured questionnaire is created and used. There were 100 replies gathered from Delhi NCR. The technique is non-probability convenience sampling. The authors used the frequency distribution of data analysis technique to determine their socio-demographic profile and simultaneously attempted to ascertain their level of happiness with it. From an Indian perspective, the study is crucial for the banking industry's sustained business growth.

## **II. BACKGROUND OF STUDY**

FinTech meets the different banking demands of numerous individuals, groups of people, corporations, etc. Any nation's socioeconomic development, social fairness, regional balance, and sustainable development are significantly impacted by banking reforms. More than ever, competition has been fueled by digitization, globalization, privatization, liberalization, changing customer expectations, and worldwide market dynamics. It's getting harder to bring in new clients and keep old ones completely satisfied. This has implications for long-term economic growth. Technology serves as an unseen hand to uncover new markets, close the supply-demand gap, reduce risks, and overcome obstacles. Naturally, financial technology has accelerated in emerging economies like India. This study looks at how financial technology can help banks achieve and surpass customer happiness.

## **III. SIGNIFICANCE OF STUDY**

This study looks at how financial technology can help banks achieve and surpass customer happiness. The study focuses mostly on Delhi NCR. Customers have access to a range of goods and services offered by the banking industry. The bank also provides insurance and investment goods. Before banks existed, people and money lenders engaged in financial transactions. During this time, there was minimal security for public savings and consistency in lending arrangements, and interest rates were extremely high. In order to overcome these problems, a formally organized banking sector was created and closely regulated.

#### IV. OBJECTIVES OF THE STUDY

- Analyze how financial technology helps Delhi NCR banks satisfy client expectations
- Examine the sociodemographic makeup of bank personnel in Delhi/National Capital Region
- To research how bank consumers in Delhi NCR feel about the use of financial technology.
- Examine the elements that affect customer happiness when financial technology is used.

#### V. LITERATURE REVIEW

According to Shin, J. W. (2021), digital banks that use cutting-edge transaction technologies have begun to challenge and compete with traditional banks. As a result, it looked at how customer happiness and reuse intention affected various aspects of customers' digital banking experiences. In order to evaluate full and partial mediation models, structural equation modelling was employed to investigate connections between variables. It was discovered that four customer experience traits strongly influenced the propensity to reuse. These results aid in our comprehension of the client reuse mechanism in online banking. When developing customer and bank management strategies utilizing financial technology models, there are some ramifications.

According to Chen, X., You, X., & Chang, V. (2021), the global COVID-19 pandemic has had a significant unhelpful bang on the financial sector. This could result in the invention of financial technology-based goods and services, along with difficulties and risks. The study's goal was to examine how Chinese commercial banks' performance is impacted by financial technology products (FTP). Additionally, low expectations for support and a poor and considerable influence on customer happiness are caused by the perceived complexity of using FTP (PD). The improvement of work efficiency and service quality can help to offset some of the drawbacks of adopting FTP because PD has a positive and significant link with both. The significance of properly comprehending how FTP affects the performance of non-financial enterprises is acknowledged in this study. This study is the first to examine how workers and customers of Chinese commercial banks view FTP.

(Zameer, H., Tara, et al. 2015) These days, financial technology has an influence on almost every topic, and the development of information technology has also had an impact on the banking industry. The use of branch operations by banks dates back more than 200 years, Tellers have been replaced by automated teller machines (ATMs), bank branches have been replaced by contact centers, credit cards and the post office have been replaced by the Internet, and bank transactions have been replaced by electronic money, to mention a few.

(Rexha et al. 2003) For its customers worldwide, several banks and financial institutions are currently developing innovative e-banking systems. When manual transactions were employed, they want their preferred delivery method to be used to send them their banking information and services. If they are unable to offer their clients a hands-on or IT-based service, it will have an effect on their business. Variety and speed are required by the expanding demand for IT. Banks offer a range of distribution channels to solve this. Today's customer has the option to use tailored products for fast service.

Customer acquisition, happiness, retention, loyalty, and referral are all closely related. Everything is based on the management's business model and the caliber of the provided services. The essence of financial goods and services is intangible. Financial products and services also have legal, environmental, economic, social, and psychological aspects. When it comes to bank client happiness, a number of variables are damaging. Time, openness, ease of access, communication, and record-keeping updates are all bad. The most crucial elements that significantly impact the consumer experience were determined to be company innovation, perceived value, transaction speed, and customer assistance. Customer loyalty is further interwoven with them.

Mobile banking is regarded as the world's best business technology; claim Saleem, Z., and Rashid, K. (2011). Their investigation focused on Pakistan and consumer happiness.

## VI. RESEARCH METHODOLOGY

<b>Problem Statement</b>	In terms of size, revenue, and market size, the Indian banking industry is sizable. Both possibilities and difficulties exist. In the age of digitalization, it is going through a transformational phase. in terms of customization and user-friendliness. Very few scholars have made a substantial contribution by dealing with financial technology integration with banking during this paper-based to paper-based revolution for banking sectors in Delhi NCR. Customers are also the primary stakeholders. For sustained growth, their contentment is crucial. This study found a hole and coupled banking with technology to examine how it affected consumer happiness.
<b>Sample Size</b>	The author gathered 100 samples from various areas of the Delhi NCR in order to explore how bank clients perceive the use of financial technology in banking operations.
<b>Sampling Technique</b>	Non-Probability a practical sampling method.
<b>Social Implications</b>	This research primarily focuses on how financial technology should be implemented to improve banking operations' performance and banking personnel' job happiness. The study's findings will therefore aid bankers in understanding what bank clients anticipate from them in terms of the effectiveness of their banking services and the cost-effectiveness of their operations.

**VII. DATA ANALYSIS AND INTERPRETATION****Table 1: Demographic Profile of Bank Customer**

<b>Demographic Profile</b>	<b>Parameters</b>	<b>Frequency</b>	<b>% of Frequency</b>
<b>Gender</b>	Male	44	44.00%
	Female	56	56.00%
<b>Age</b>	< 25 Years	4	4.00%
	25 - 40 yr	30	30.00%
	41 – 50 yr	44	44.00%
	51 – 60 yr	19	19.00%
	> 60 Years	3	3.00%
<b>Education Qualification</b>	Schooling	6	6.00%
	Graduates	30	30.00%
	Post Graduates	30	30.00%
	Doctorate	23	23.00%
	Others	11	11.00%
<b>Zone of Residence</b>	North Zone	14	18.00%
	South Zone	18	18.00%
	East Zone	32	32.00%
	West Zone	24	24.00%
	Central Zone	12	12.00%
<b>Occupation</b>	Business	18	22.00%
	Government employee	7	7%
	Private Employee	45	45%
	Retired Person	11	11%
	Student	13	13%
	Not Employed	6	6%
	Others	0	0%

(Sources: Research Outcome)

**Table 2: Perception of Banking Consumers towards the Implementation of Financial Technology in the Banking Operations**

<b>Statements on collision of Fin-Tech on Customer Happiness of Banks</b>	<b>Mean Value</b>
Banks provide top-notch computer/IT services to their customers.	3.57
Electronic banking uses equipment that appears to be up-to-date.	3.73
Represent the service using a plastic card, credit card, or Debit Card.	3.46
Customers can use electronic banking 24 hours a day, 365 days a year.	3.67
It helps in reducing lineups at bank branches.	3.55
Customers have more physical banking options.	3.68
He pays unique attention to each consumer.	3.54
It gives customers the information they need.	3.91
The bank's website is tailored to the needs of its customers.	3.59
It guarantees that the customer receives all relevant information.	3.73
E-banking understands the individual requirements of the customer.	3.50
Physical security of the transaction is provided by electronic banking.	3.48
Young people believe it.	3.71
The use of a password protects the secrecy of the transaction.	3.84
It also improves financial stability.	3.59
Keeping your privacy simple.	3.79

(Sources: Research Outcome)

## **VIII. FINDINGS & CONCLUSION**

It is clear from data analysis and reviews of national and international research that Financial Technology has grown in importance in the banking industry. On the one hand, it provides advantages in the marketplace such quickness, openness, time savings, and resource optimization. Additionally, it offers significant customer service. Younger people are increasingly technologically aware. As a result, they are happier and more comfortable than the older generation. On the other hand, bank clients continue to have worries about security, trust, and data confidentiality. The ease and degree of happiness at any particular time are also influenced by age, gender, and other variables. According to demographic data, the majority of bank clients are men between the ages of 25 and 50. In terms of age and education, the most of them fall into the category of graduates who are looking for work, or

Graduate level education. While most banking customers in Delhi NCR confirmed that yes, banking applications are tailored and people fully trust them if there is a trust factor attached to them, at the same time E-banking facilities are also capable of understanding specific customer requirements, it is important to consider the impact of financial technology implementation on customer happiness in the banking sector. Financial technology may assist consistently meet and exceed client expectations through awareness, training, diligent inspections, and cautious planning.

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