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Digital Transformation in Banking sector an Empirical Investigation into the Usage of E-Banking Services - A Cross Country Study in Nepal and India

Archana Mahamuni
Assistant Professor (Sr. Grade) – Marketing and Analytics
SOIL, School of Business Design, Delhi NCR
archanasmahamuni@gmail.com
Ekta Pandey
MSc Management (International Business)
Durham University, United Kingdom
ekta823@gmail.com

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Abstract
Banking has undergone a significant digital transition change. By embracing technology,it has gone far beyond simply switching from a traditional to a digital environment.Digital transformation in banking is a crucial process in how banks interact, functionally operate, connect and satisfy their customers. The fundamental approach of digital transformation in e-banking starts with understanding of your customer, perceived behavior, awareness, and demand for product.The purpose of this to investigate broadly impact of digital transformation particularly the usage of e-banking of Nepalese and Indian customers. A survey was conducted through a structured questionnaire of 546 respondents in Nepal & India. (273 respondents each in Nepal and India). Furthermore, Pearson's correlation analysis and chi-square test were used for data analysis. The research findings indicated that the correlation among the variables in Nepal was statistically significant, and all the variables had a moderate relation with each other. In India, the correlation of all the variables was statistically significant and had moderate relation with each other. Overall, both India and Nepal are moving towards a more digital future, and the adoption of e-banking services is a key part of this transformation. While there are challenges to overcome, the potential benefits of increased digitalization are significant, including greater financial inclusion, improved efficiency, and increased access to financial services.

Keywords: Digital Transformation, E-banking, Awareness, Attitude towards e-banking, Convenience, Perceived usefulness, Security and privacy

Introduction

Digital transformation has had a transformative effect on online banking in India, enabling banks to offer a range of innovative services that meet the changing needs of customers. The world is observing global development in information technology that has influenced all the sectors. Banking is the most significant sectors that supports the economy of a country. Due to these changes, banks are playing a vital role in the advancement of technology. Through the help of e-banking, customers can conduct their banking work through their electronic devices with access to the internet without going to the bank. E-banking is a virtual bank, designed for customers to have safe and easy access to their bank accounts.

E-banking first introduced in the 1980s in the United States and United Kingdom. The customers were operating their bank account and utilize their service from anywhere at any time. While comparing the traditional banking system with the e-banking system, the latter is a faster, safer, cheaper, and more systematic way to use the banking services and the best part was do away with waiting in long queues just to make transactions and know the status of their accounts. They can access their account and check their statements with just a click.

E-banking and its way forward

A new concept called E-banking had been introduced over the last few decades around the 1980s. However, 2010, onwards there was a rapid growth in online banking with the introduction of newer services like mobile check depositing, mobile banking equipment. Also, a rapid growth in PayPal users was noted. In 2011 google, digital wallet was introduced followed by apple pay in 2014. They allowed customers to make payments, redeem coupons and earn points. Following the growth of these wallets, an impact was seen in banks in 2015 as more customers were moving towards groups that offered digital wallets. Hence, banks started making their own digital wallet versions. After the covid pandemic 2021, online banking has become the norm. As of now, there is high competition amongst banks to provide better online banking services.

Literature Review

E-banking refers to a banking method which enables customers to carry out their transactions electronically without any hassle of visiting the bank. In the early 1960s, electronic banking was represented mainly by Automated Teller Machines. (Lin W.R., 2020) Initially, people had to visit the bank except for a handful of services that could be carried out by the ATM. However, in recent years, with the boom in information technology, e-banking has become an integral part of the banking system. The computer system is integrated with banking services, which serves as a stress-free means of business interaction with the banks without visiting the branches. Before delving deep down it's necessary to understand key differences between traditional banks and online banks in terms of scope and functional dimensions.

	Traditional Banks	**Online Banks**
Presence	Banks exist physically for providing services.	Internet Banking provides services online and is not physically present.
Global Coverage	Banks have to be physically visited, with no global coverage.	Internet banking can be accessed by being anywhere in the world.
Accessibility	Customers can only visit banks during working hours.	Customers can use online banking whenever they want, as it is available 24/7.
Contact	Customers can only have face-to-face contact.	Customers can have contact only online.
Time	Traditional Banks are time-consuming as you have to come to the bank for all the work and wait in line as bank staff can only attend one customer at a time.	Online banks save on time as customers can access their bank accounts from anywhere they have internet access.
Paperwork	In traditional banks, the paper works are in a vast amount, as everything requires a paper to be filled.	In online banks, all the data is stored in the cloud and is accessible when required, so less paperwork is required.

Table 1: Traditional VS Online Banking

Post Covid, digital transformation has become a buzzword in different business sectors like Information technology, marketing, banking, finance, hospitality and even in the government sector digital transformation has gained increasing focus. The traditional business system has been transforming into digital ecosystems(Diener, Špaček2021). Hence digital transformation is a holistic concept which indulge into technological, and strategic changes in organization (Matt, Hess,Benlian2015) With the advancement of digital transformation banks across the world have faced competitive environment which led them to transform from their approach, business model into a digitalizedcustomer-oriented approach to remain ahead in competition (Lotriet, Dltshego 2020). Digital transformation is a driving factor which improves operational efficiency and provides solutions to the challenges faced by banks. The digital transformation has core dimensions which includes transformation practices, contemporary digital trends, technological advancement to deliver the superior experience to the customer. The lack of literature on digital transformation, e-banking, compelled researchers to delve deep into the usage, behavior, attitude towards e-banking with reference to India & Nepal.

Independent and dependent variables discussion

Awareness of E-banking

Awareness, perceived usefulness, makes an impact positively on the usage of e-banking in

Oman (Ananda, Devesh& Lawati2020). There are several factors which enhance the acceptance and usage of e banking; those are increased awareness of e banking and other important factors such as safety, security and privacy among Indian customers. Furthermore,assurance and guarantee of security of customer accounts enabling adoption of the e-banking system. (Geetha, Malarvizhi 2011).An increased adoption of e banking services by customers in India is driven by various factors such as level of awareness, security and privacy, innovation, trust, and familiarity(Dixit&Datta 2010). Further despite their concern for safety and privacy, adult customers would be willing to take advantage of Internet banking if they were provided with appropriate guidance from banks.

Convenience

In India post demonetization, people are moving towards online banking. But customers satisfaction, convenience and mobility are very important for banks to grow towards online banking. It is necessary for banks to use newer methods of technology to conduct online banking easily (Shaw,Saha 2020).In Malaysian customers convenience is making impact on usage of e-banking. **(**Ahmed,Phin,2016).Convenience,
accessibility, security, uninterrupted service, ease of use, customer relationships and user-friendly interface are the key factors considered when opening an internet account(Elavarasi, Surulivel. 2014). Convenience along with other factors like ease of use, profitability, problem management, security/guarantee, brand perception and responsiveness are major factors for customer satisfaction in electronic banking. It is better for banks, to design & develop their software in sync with customer's expectations, which will improve their operational efficiency. (Kumbhar2011).

Perceived usefulness

Perceived ease of use, apparent risk, security, privacy and information on online banking these factors play a vital role in promoting internet banking among customers in Pakistan. (Hassan,Awan2017). Consumer's perception of risk and their desire to use e-banking services has a moderate relationship(Wang, 2009). Understanding customer attitudes and delivering value propositions in a safer environment is a prerequisite for the growth of Internet banking. Understanding the nuances of customer behavior while implementing online bankingis essential as it gives a bigger picture,and it becomes instrumental while formulating marketing strategy. (Mia, Rahman&Debnath, 2007)

Attitude towards Usage of E-banking

A mediating relation between attitude towards usage of e-banking and calculated risk, behavioral intention,perceived usefulness in Malaysia (Rehman,Shaikh2020).Furthermore, understanding customer attitudes and new values in electronic markets is a prerequisite for the growth of Internet banking (Mia, Rahman,&Debnath, 2007).

For Turkish customers it is easier to use the electronic banking system with higher knowledge and skills in electronic banking. Customers with an excellent knowledge of electronic banking perceive e-banking to be safer and useful and have less perceived risk, which influences their attitude towards using

it.(Polatoglu,Ekin, 2001). A customer's attitude, behavior, perception and satisfaction play a role in adopting and utilizing mobile banking services. (Kelly, Palaniappan, 2019)

Security and privacy issues in E-banking

When it comes to the security and privacy of e-banking**,** trust is the most important factor while using e-banking. More customers will adopt e-banking if they can trust the security protection of the internet banking system (Wan-Rung Lin, 2020). Furthermore, increasing usage of e-banking depends mainly upon the security, usefulness of banking services and perceived user-friendly interface.These factors are notable as barriers while usage of e-banking in Jordan. (Anouze,Alamro, 2019).

When switching to online banking, security and privacy are key determinants which lead to customer satisfaction. (Ameen, Al-Agaga 2012).While moving towards digital transformation customer readiness, e-banking services to be upheld with encryption innovation that secures the privacy, are extremely important for online trade of cash through e- banking. Security is an important attribute underlying the perceived utility of e-banking services.(Liao, Cheung, 2002). Speed, accuracy, and security while doing online transactions along with a convenient and responsive system enables delivering the best experience to customers.(Islam,Mustafi, Rahman, Nower,Rafi, Asef, Afrin 2018)

Perceived Behavioral Control

Perceived behavior control, perceived usefulness, attitude towards e-banking are significant dimensions which influence usage of e-banking in province of Iran. (Yaghoubi, Bahmani.,2010)

Variables like perceived behavioral control, attitude towards e-banking, usefulness, perceived ease of use affects usage of E-banking services in Ethiopia. (Teka,2020)

Research Problem

Digital transformation has emerged in the banking sector of India and Nepal. While integrating digital technology in operational areas of the bank, a cultural shift towards e banking has been observed due to increased use of smart devices and increased connectivity.

On this backdrop many studies have been conducted in developed nations to know increasing awareness of e-banking, perceived usefulness, convenience, security, privacy and customer's perception towards usage of e-. banking. However, very few studies are available in the context of Nepal and India. Hence, this study strives to investigate if e-banking awareness, convenience, perceived usefulness, security and privacy has any impact on customer's attitude towards e-banking and further tried to do a comparative study between these two capital cities of Nepal and India.

Objective of Study

- To evaluate if there is a relationship between the various factors and the customer's attitude towards the usage of E-Banking services with respect to India and Nepal.
- To conduct a comparative study of customer's attitudes towards usage of E-Banking services in Nepal and India.

Hypothesis of the study

Hypothesis 1

$H_0$1 There is no significant impact of awareness on attitude towards using e-banking of both Nepalese and Indian customers.

H_a1a Awareness has a significant impact on attitude towards usage of e-banking of Nepalese customers.

H_a1b Awareness has a significant impact on attitude towards usage of e-banking of Indian customers.

Hypothesis 2

$H_0$2 There is no significant impactofconvenienceonattitude towards usage of e-banking of both Nepalese and Indian customers.

H_a2a Convenience has a significant impact on attitude towards usage of e-banking of Nepalese customers.

H_a2b Convenience has a significant impact on attitude towards usage of e-banking of Indian customers.

Hypothesis 3

$H_0$3 There is no significant impact of perceived usefulness on attitude towards usage of e-banking of both Nepalese and Indian customers.

H_a3a Perceived usefulness has a significant impact on attitude towards usage of e-banking of Nepalese customers.

H_a3b Perceived usefulness has a significant impact on attitude towards usage of e-banking of Indian customers.

Hypothesis 4

$H_0$4 Security and privacy have significant impact on attitude towards usage of e-banking of both Nepalese and Indian customers.

H_a4a Security and privacy have significant impact on attitude towards usage the e-banking of Nepalese customers.

H_a4b There is a significant relationship between security and privacy and attitude towards using e-banking of Indian customers.

Hypothesis 5

$H_0$5 Control have significant impact on attitude towards usage of e-banking of both Nepalese and Indian customers.

H_a5a Control has a significant impact on attitude towards usage of e-banking of Nepalese customers.

H_a5b Control has significant impact on attitude towards usage of e-banking Indian customers.

Limitation

This study was conducted only in Kathmandu and New Delhi, the capital cities of Nepal and India respectively. The non-willingness, paucity of time and disinterest of respondents to share genuine information could be an additional factor.

Ethical Implications

This study has avoided bias in any way of this research, including the research design, data analysis, or interpretation. The research work has been reviewed carefully to ensure that there are no mistakes. The identification of respondents has been kept in confidence.

Research Design

The structured questionnaire was deployed to conduct a survey under a descriptive research design to investigate the usage of e-banking in Nepal and India. The survey was administered to 273 respondents each in Nepal and India, it took place during Nov 2022 to Feb 2023 in Kathmandu and New Delhi, the capital cities of Nepal and India respectively. Sample size

calculation was done through the literacy rate of the population of the capital city of Nepal and India, by using the sample size calculator that had the confidence level at 95% and margin of error at 5%. The quantitative data analysis method was used as it allows a broader study and enhances the generalization of the results. Quantitative research usually involves a few variables to ensure validity and reliability. For this research, the survey instruments were developed using these variables (Awareness, Convenience, Perceived usefulness, security and privacy, control, and attitude towards E-banking) of interest

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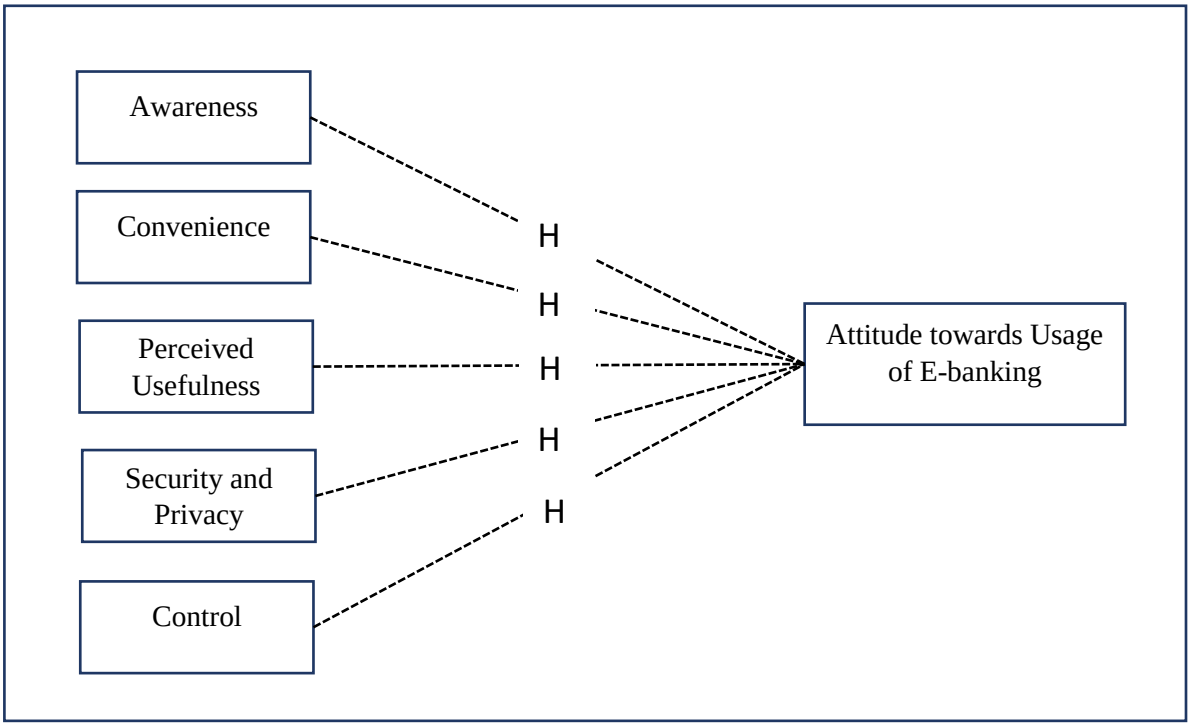

Figure 1: Research Framework (Source: Developed by Researcher)

Research Instrument

To collect the data from field a structured questionnaire survey was circulated to the respondents of Delhi and Kathmandu through an online survey, which was generated from Google forms and sent to the respondents online. To select the respondent a simple random sampling method was used. The questionnaire was divided into two parts, Section A and Section B. Section A had demographics related questions, whereas Section B statements were given where the respondents had to provide responses on a five-point Likert Scale.

Profile of Respondents

A structured questionnaire which was distributed randomly to different people with different age groups. The total number of respondents was 552, 276, each from the capital of Nepal and India. Most respondents were male in both Nepal and India. Most of the people who completed the survey belonged to the age group of 18-25 years. The

majority ofrespondents had an education degree in bachelors, and most people had a job in the private sector. In Nepal, most people use online banking services once a week, whereas, in India, the majority of respondents used online banking services daily.

Descriptive Analysis

	Gender					
			Frequency	Percent	Valid Percent	Cumulative Percent
Nepal	Valid	0	140	51.3	51.3	51.3
		1	132	48.4	48.4	99.6
		2	1	0.4	0.4	100.0
		Total	273	100.0	100.0	
India	Valid	0	164	60.1	60.1	60.1
		1	106	38.8	38.8	98.9
		2	3	1.1	1.1	100.0
		Total	273	100.0	100.0	

Table 2: Frequency Distribution for Gender

Above table shows the gender composition of the research sample of Nepalese and Indian customers. The total sample size was 273 in Nepal and India each. In Nepal, 51.3% of respondents are male, 48.4% are female, and 0.4% areothers.In India, 60.1% of respondents are male. 38.8% are female, and 1.1% areothers.

	Age					
			Frequency	Percent	Valid Percent	Cumulative Percent
Nepal	Valid	0	4	1.5	1.5	1.5
		1	94	34.4	34.4	35.9
		2	75	27.5	27.5	63.4
		3	48	17.6	17.6	81.0
		4	40	14.7	14.7	95.6
		5	12	4.4	4.4	100.0
		Total	273	100.0	100.0	
India	Valid	0	4	1.5	1.5	1.5
		1	82	30.0	30.0	31.5
		2	71	26.0	26.0	57.5
		3	57	20.9	20.9	78.4
		4	41	15.0	15.0	93.4
		5	18	6.6	6.6	100.0
		Total	273	100.0	100.0	

Table 3: Frequency Distribution of Age

Above table shows the age composition of the research sample of Nepalese and Indian customers. The total sample size was 273 in Nepal and India each.

In Nepal, 1.5% of respondents belong to age group under 18, 34.4% belongs to the age group 18-25, 27.5% belong to the age group of 26-30, 17.6% belong to the age group of 31-40, 14.7% of belonging to the age group 41-50 and 4.4% belong to the age group of 51-60.

In, India, 1.5% of respondents belong to age group under 18, 30% belongs to the age group 18-25, 26% belong to the age group of 26-30, 20.9% belong to the age group of 31-40, 15% of belonging to the age group 41-50 and 6.6% belong to the age group of 51-60

	Education Level					
			Frequency	Percent	Valid Percent	Cumulative Percent
Nepal	Valid	0	21	7.7	7.7	7.7
		1	62	22.7	22.7	30.4
		2	131	48.0	48.0	78.4
		3	54	19.8	19.8	98.2
		4	4	1.5	1.5	99.6
		5	1	0.4	0.4	100.0
		Total	273	100.0	100.0	
India	Valid	0	12	4.4	4.4	4.4
		1	47	17.2	17.2	21.6
		2	120	44.0	44.0	65.6
		3	78	28.6	28.6	94.1
		4	13	4.8	4.8	98.9
		5	3	1.1	1.1	100.0
		Total	273	100.0	100.0	

Table 4: Frequency Distribution of Education Level

The graph above shows the education level of the research sample of Nepalese and Indian customers. The total sample size was 273 in Nepal and India each.

In Nepal, 7.7% of respondents have less than a high school diploma, 22.7% have a high school diploma, 48% have bachelor's degree (e.g., B.A., BS), 19.8% have a Master's degree (e.g., M.A., MSc, MEd), 1.5% have a doctorate (e.g., Ph.D.), and 0.4% have other degrees.

In, India, .7% of respondents have less than a high school diploma, 22.7% have a high school diploma, 48% have bachelor's degree (e.g., B.A., BS), 19.8% have a Master's degree (e.g., M.A., MSc, MEd), 1.5% have a doctorate (e.g., Ph.D.), and 0.4% have other degrees.

	Occupation					
			Frequency	Percent	Valid Percent	Cumulative Percent
Nepal	Valid	0	27	9.9	9.9	9.9
		1	80	29.3	29.3	39.2
		2	56	20.5	20.5	59.7
		3	43	15.8	15.8	75.5
		4	24	8.8	8.8	84.2
		5	25	9.2	9.2	93.4
		6	5	1.8	1.8	95.2
		7	13	4.8	4.8	100.0
		Total	273	100.0	100.0	
India	Valid	0	31	11.4	11.4	11.4
		1	91	33.3	33.3	44.7
		2	12	4.4	4.4	49.1
		3	68	24.9	24.9	74.0
		4	31	11.4	11.4	85.3
		5	25	9.2	9.2	94.5
		6	13	4.8	4.8	99.3
		7	2	0.7	0.7	100.0
		Total	273	100.0	100.0	

Table 5: Frequency Distribution for Occupation

The graph above shows the occupation composition of the research sample of Nepalese and Indian customers. The total sample size was 273 in Nepal and India each.

In Nepal, 9.9% of respondents are working in the public sector, 29.3% are in the private sector, 20.5% are in students, 15.8% are self-employed, 8.8% are entrepreneurs, 9.2% are homemaker, 1.8% are retired, and 4.8% are in others.

In India, 11.4% of respondents are working in the public sector, 33.4%are in the private sector, 4.4% are in students, 24.9 are self-employed, 11.4% are entrepreneurs, 9.2% are homemakers, 4.8% are retired, and 0.7 are in others.

	How often do you use online banking services?					
			Frequency	Percent	Valid Percent	Cumulative Percent
Nepal	Valid	0	39	14.3	14.3	14.3
		1	67	24.5	24.5	38.8
		2	61	22.3	22.3	61.2
		3	29	10.6	10.6	71.8
		4	56	20.5	20.5	92.3
		5	21	7.7	7.7	100.0
		Total	273	100.0	100.0	

	Valid	**0**	**83**	**30.4**	**30.4**	**30.4**
		1	**65**	**23.8**	**23.8**	**54.2**
		2	**77**	**28.2**	**28.2**	**82.4**
		3	**17**	**6.2**	**6.2**	**88.6**
		4	**26**	**9.5**	**9.5**	**98.2**
		5	**5**	**1.8**	**1.8**	**100.0**
India		**Total**	**273**	**100.0**	**100.0**	

Table 6: Frequency Distribution for How often do you use the online banking service?

The graph above shows the usage of e-banking by consumers' composition of the research sample of Nepalese and Indian customers. The total sample size was 273 in Nepal and India each.

In Nepal, 14.3% of respondents are using online banking services daily, 24.5% are using it weekly, 22.3% are using it more than once a week, 10.6% are using it fortnightly, 20.5% are using it monthly, and 7.7% are using it yearly.

In India, 30.4% of respondents are using online banking services daily, 23.8% are using it weekly, 28.2% are using it more than once a week, 6.2% are using it fortnightly, 9.5% are using it monthly, and 1.8% are using it yearly.

Hypothesis Testing

- $H_0$1 There is no significant impact of awareness on attitude towards using e-banking of both Nepalese and Indian customers.

Chi-Square Tests (Nepal)			
	Value	**Df**	**Asymptotic Significance (2-sided)**
Pearson Chi-Square	125.665[a]	16	0.000
Likelihood Ratio	80.264	16	0.000
Linear-by-Linear Association	41.991	1	0.000
N of Valid Cases	276		
a. 15 cells (60.0%) have expected count less than 5. The minimum expected count is .09.			

Table 7: Pearson's Chi-Square Test for Awareness and its impact on attitude towards usage of e-banking in Nepal

The table above shows Pearson's Chi-Square Test that was conducted to analyze the relationship between awareness and attitude towards using e-banking in Nepal. Since the value of p is 0.000, which is less than 0.05, the null hypothesis is rejected. Hence, there is a significant impact of awareness of e-banking on attitude towards usage of the e-banking of Nepalese customers.

Chi-Square Tests (India)			
	Value	**df**	**Asymptotic Significance (2-sided)**
Pearson Chi-Square	78.894[a]	12	0.000
Likelihood Ratio	89.867	12	0.000
Linear-by-Linear Association	60.441	1	0.000
N of Valid Cases	276		
a. 11 cells (55.0%) have expected count less than 5. The minimum expected count is .01.			

Table 8: Pearson's Chi-Square Test for awareness and its impact attitude towards usage of e-banking in India.

The table above shows Pearson's Chi-Square Test that was conducted to analyze the relationship between awareness and attitude towards using e-banking in India. Since the value of p is 0.000, which is less than 0.05, the null hypothesis is rejected. Hence, there is a significant impact of awareness on attitude towards usage of e-banking of Indian customers.

$H_0$2 There is no significant impact of convenience on attitude towards usage of e-banking of both Nepalese and Indian customers.

Chi-Square Tests (Nepal)			
	Value	**Df**	**Asymptotic Significance (2-sided)**
Pearson Chi-Square	138.217[a]	16	0.000
Likelihood Ratio	97.230	16	0.000
Linear-by-Linear Association	67.780	1	0.000
N of Valid Cases	276		
a. 15 cells (60.0%) have expected count less than 5. The minimum expected count is .05.			

Table 9: Pearson's Chi-Square Test for Impact of Convenience on attitude towards using e-banking in Nepal

The table above shows the Pearson's Chi-Square Test that was conducted to analyze the impact of convenience on attitude towards usage e-banking in Nepal.

Since the value of p is 0.000, which is less than 0.05, the null hypothesis is rejected. Hence, there is a significant impact of convenience on attitude towards usage of e-banking of Nepalese customers.

Chi-Square Tests			
	Value	**Df**	**Asymptotic Significance (2-sided)**
Pearson Chi-Square	90.284[a]	12	0.000
Likelihood Ratio	91.713	12	0.000
Linear-by-Linear Association	49.809	1	0.000
N of Valid Cases	276		
a. 10 cells (50.0%) have expected count less than 5. The minimum expected count is .05.			

Table 10: Pearson's Chi-Square Test for Impact of Convenience on attitude towards usage of e-banking in India

The table above shows the Pearson's Chi-Square Test that was conducted to analyze the impact of convenience on attitude towards usage of e-banking in India.

Since the value of p is 0.000, which is less than 0.05, the null hypothesis is rejected.

Hence, there is a significant impact of convenience on attitude towards usage of e-banking of Indian customers.

$H_0$3 There is no significant impact of perceived usefulness on attitude towards usage of e-banking of both Nepalese and Indian customers.

The relationship between perceived usefulness and attitude towards using e-banking in Nepal has a p value of 0.000, which is less than a=0.05, so the null hypothesis is rejected. Hence, there is a significant impact of perceived usefulness on attitude towards usageofe-banking of Nepalese customers.

The relationship between perceived usefulness and attitude towards using e-banking in India has a p value of 0.000, which is less than 0.05, so the null hypothesis is rejected. Hence, there is a significant impact of perceived usefulness on attitude towards usageofe-banking of Indian customers.

$H_0$4 Security and privacy have significant impact on attitude towards usage of e-banking of both Nepalese and Indian customers.

The relationship between security and privacy and attitude towards using e-banking in Nepal where the value of p is 0.000, which is less than our chosen alpha level (a=0.05), so the null hypothesis is rejected. Hence, security and privacy have significant impact on attitude towards usage of e-banking of Nepalese customers.

The relationship between security and privacy and attitude towards using e-banking in India which had a value of p as 0.000, which is less than our chosen alpha level (a=0.05), so the null hypothesis is rejected. Hence, security and privacy have significant impact on attitude towards usage of e-banking of Indian customers.

$H_0$5 Control have significant impact on attitude towards usage of e-banking of both Nepalese and Indian customers.

The relationship between control and attitude towards using e-banking in Nepal has p value

of 0.000, which is less than our chosen alpha level (a=0.05), so the null hypothesis is rejected. Hence, there is a significant impact of control on attitude towards usage of e-banking of Nepalese customers.

The relationship between control and attitude towards using e-banking in India l where the value of p is 0.000, which is less than our chosen alpha level (a=0.05), the null hypothesis is rejected. Hence, there is a significant impact of control onattitude towards usage of e-banking of Indian customers.

Correlation Analysis

A: Awareness
C: Convenience
PU: Perceived usefulness
ATU: Attitude towards using e-banking.
SP: Security and Privacy
CT: Control

Correlations							
		A	C	PU	ATU	SP	CT
A	Pearson Correlation	1	.412**	.405**	.410**	.409**	.480**
	Sig. (2-tailed)		0.000	0.000	0.000	0.000	0.000
	N	276	276	276	276	276	276
C	Pearson Correlation	.407**	1	.508**	.502**	.473**	.456**
	Sig. (2-tailed)	0.000		0.000	0.000	0.000	0.000
	N	276	276	276	276	276	276
PU	Pearson Correlation	.494**	.511**	1	.468**	.455**	.472**
	Sig. (2-tailed)	0.000	0.000		0.000	0.000	0.000
	N	276	276	276	276	276	276
ATU	Pearson Correlation	.413**	.509**	.415**	1	.432**	.434**
	Sig. (2-tailed)	0.000	0.000	0.000		0.000	0.000
	N	276	276	276	276	276	276
SP	Pearson Correlation	.408**	.452**	.464**	.429**	1	.572**
	Sig. (2-tailed)	0.000	0.000	0.000	0.000		0.000
	N	276	276	276	276	276	276
CT	Pearson Correlation	.473**	.466**	.472**	.447**	.572**	1
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000	
	N	276	276	276	276	276	276
**. Correlation is significant at the 0.01 level (2-tailed).							

Table 11: Correlation Table for Nepal

Correlations							
		A	C	PU	ATU	SP	CT
A	Pearson Correlation	1	.469**	.407**	.470**	.381**	.421**
	Sig. (2-tailed)		0.000	0.000	0.000	0.000	0.000
	N	276	276	276	276	276	276
C	Pearson Correlation	.473**	1	.569**	.433**	.309**	.454**
	Sig. (2-tailed)	0.000		0.000	0.000	0.000	0.000
	N	273	273	273	273	273	273
PU	Pearson Correlation	.515**	.554**	1	.456**	.353**	.345**
	Sig. (2-tailed)	0.000	0.000		0.000	0.000	0.000
	N	276	276	276	276	276	276
ATU	Pearson Correlation	.478**	.423**	.469**	1	.365**	.424**
	Sig. (2-tailed)	0.000	0.000	0.000		0.000	0.000
	N	276	276	276	276	276	276
SP	Pearson Correlation	.369**	.309**	.368**	.351**	1	.485**
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000	0.000
	N	276	276	276	276	276	276
CT	Pearson Correlation	.435**	.449**	.390**	.419**	.491**	1
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000	
	N	276	276	276	276	276	276
**. Correlation is significant at the 0.01 level (2-tailed).							

Table 12: Correlation Table for India

Results and Discussion

The study measures the relationship between attitudes towards using e-banking, the dependent variable, with each of the five independent variables. All the five hypotheses regulate the above-mentioned relationship that has been proven, which means that the relationship of the dependent variables is significant with the reach of the five independent variables, both in Nepal and India.

The Correlation among the variables in Nepal was statistically significant, and all the variables had a moderate relation with each other. The variables that had the most moderate relation were Security and Privacy and Control, which had the Pearson's Correlation value as .572 and Awareness and Perceived Usefulness had the least moderate relation as their Pearson's Correlation value was .407.

In India, the Correlation of all the variables was statistically significant and had moderate relations with each other. However, Awareness with Security and Privacy, Convenience with Security and Privacy, Perceived Usefulness with Security and Privacy, Perceived Usefulness with Control and Attitude Towards Using E-banking with Security and Privacy had a weak relationship with each other. The strongest relation is between Convenience, and Perceived Usefulness that have their Pearson's Correlation value as .569 and the weakest

relation is between Security and Privacy that have their Pearson's Correlation value as .309.

Conclusion

Digital transformation and the usage of e banking have been growing in both India and Nepal, although at different rates and levels of adoption. This research was conducted to analyze the nuance of digital transformation in banking and furthermore to specifically investigate the usage of e-banking in Nepal and India. For this research, the source of primary data was a structured questionnaire with factors that affected the usage of e-banking in Nepal and India.

Analysis of this study revealed that all the independent variables (awareness, convenience, perceived usefulness, security and privacy, and control towards e-banking) had a statistically significant relationship with the dependent variable (attitude towards using e-banking) both in Nepal and India. The variables had a better correlation with each other in Nepal rather than in India. In Nepal, all the variables had a moderate relation with each other, whereas, in India, some variables had a weak relation with specific variables. The attitude towards using e-banking was mostly affected by convenience in Nepal and perceived usefulness in India. Thus, India has made significant progress in its digital transformation journey, with initiatives such as the Digital India program aimed at providing a digital infrastructure and digital services to citizens. The government has also launched several initiatives to promote cashless transactions, such as the BHIM (Bharat Interface for Money) app and the Unified Payments Interface (UPI) system, which have gained significant popularity among users. Compared to India, adoption of e-banking has been slower in Nepal, however, there has been a steady increase in the usage of digital banking services in recent years. Many banks now offer online banking and mobile banking services which have made significant impact and led to increasing usage of digital payment systems such as e-wallets and mobile money. There are still challenges to overcome, such as a lack of digital infrastructure and low levels of financial literacy among the population.

Recommendation

In this research, the sample size of 273 for Nepal and India each has been selected randomly, so it cannot be generalized and might not be accurate for the entire population. Many other aspects that make an impact on the usage of e-banking in Nepal and India still need to be explored. Banks should provide better privacy and security since issues with hacking have been increasing, which has created a negative impact on the customers regarding e-banking. In Nepal, banks can advertise more about e-banking services and make them trust that it is safe to use online banking. After COVID-19 situation, the usage of digital payment and transactions have increased as people want to go cashless. In this situation, banks can provide attractive deals to customers like cashback and coupons which would attract them towards using online banking. It is inevitable for the banks to upskill with technology and provide better banking experience to the customers to reflect in new normal.

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