

## **DIGITAL' THE WAY OF FUTURE IN BANKING**

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### **Introduction**

Banking as we know it will appear quite different in the future because of evolutionary processes. As far as the future of banking is concerned, "Digital" is a given. Many aspects of our daily lives have been affected by the COVID-19 epidemic - from how we buy to how we travel to how we bank - and this has led to an overall change in consumer behaviour. Customers' needs and expectations are constantly changing as a consequence of the epidemic, which has altered the social and economic environment drastically.

Consumers have become more discerning when it comes to digital interactions. The epidemic has only increased the need for fast access to financial goods, services, and information. Given that internet channels are currently used by the majority of consumers with easily, personalization and customization supplied through digital services may now affect conventional "customer loyalty" for physical proximity of branch. The 'Ease of purchase and convenience,' 'Safety and security,' and the 'Guest experience', and customization' are some of the primary purchase reasons.

A fresh wave of expanding neo banks has overwhelmed the market around the world. Neo is a new kind of bank, Traditional banks are not like this, have higher agility since they don't have to deal with old technologies, allowing them to provide the personalized experience and seamless contact that a generation that expects a smart digital experience craves. Customers still rely on traditional banking channels for main banking because neo banks have not yet established themselves as a primary banking service. Traditional banks, on the other hand, businesses will need to increase their offerings and services to keep up with changing customer preferences, which may be done by turning "Digital."

Security and cost-cutting are key motivators for most traditional institutions to adopt digital. With the growing number of specialized banks and FinTech's, the fight for new consumers and customer retention has never been stronger. Traditional banks have an edge over specialized banks and FinTech's in that they can provide a full range of products and services. To stay on top of the market, they simply in this ever-evolving environment, companies must adopt a customer-first approach.

**Keywords:** Digital, Banking, e-banking, SupersApps, Payment technologies.

## Technologies in their Development

Several developing technologies will come together to completely reshape the bank-customer relationship. It is expected that open banking approaches and models will be adopted more quickly as people become more aware of their benefits for consumers and small businesses, including the ability to quickly understand their financial situation and explore alternatives, as well as to make better financial decisions. There are several ways in which technology will alter the way we live and interact, including a more networked world, open banking, engagement as a service, and the rise of the ‘Super-Apps’.

### Super Apps



As a new technology, super apps are essentially a single app that links users to a large variety of virtual goods and services. The most complicated applications include online chat, social networking, markets, and services. A single app, a single sign-in, and a single user experience are accessible for practically every product or service a client desire or requires.

### Emerging Payment Technologies

Traditional banks were the rulers of payments for a long time. Banks had a virtual monopoly over the payment ecosystem during early days of debit cards via the digital age. This market is also changing, with the emergence of several other new payment service providers in recent years, as well as UPI becoming a key payment option for most Indians. Online presence and relationships with major platform players have allowed them to gain a broader audience, several payment platforms have built vast ‘merchant’ networks. Others have gained a foothold for themselves, frequently in response to specific payment-related client pain issues. Several payment solutions might dominate the business in

invisible payments, voice-activated payments, facial recognition payments, QR code payments, and other biometric authentication innovations will dominate the future.

Innovative ideas like virtual reality and distributed ledger technology are poised to dramatically alter financial services in the next years as technology advances at breakneck speed. The technologies mentioned above will work together to reimagine creating a more customized banking experience for customers on any device. Since low-code development and cloud computing have made integration easier than ever before, the technology component of digital transformation has become less of a challenge. Retail banking is undergoing a transformation as a result of these signals, and our research shows that banks will need to make the switch to a digital business model ecosystem in order to expand profitably.

## **Conclusion**

Banks used to be primarily focused on transactions and money handling, but today, banking has shifted from transactions to experiences that are driven by data management—the more insight you can gain from data, and thus the better your ability to deliver engaging client experiences," we discussed and commented. Consumer and corporate connections with their banks are evolving in dynamic ways as a result of the mobile internet, and digital banks not only provide in-depth education and background on the digital revolution in banking.

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