

DOORSTEP BANKING SERVICES: A VALUE ADDITION TO THE BANKING SECTOR

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Abstract

As a part of EASE reforms, banks provides doorstep banking facilities which are designed to provide basic banking services to individuals at their doorstep through customer support centre, website or mobile applications this is a facility introduced to cater both the financial and non financial needs of the customers of all banks under a single umbrella. Doorstep banking services is a kind of value-added services that banks provide to their customers, offering convenience and accessibility by bringing banking services to their doorstep, particularly for people who might have mobility challenges, reside in distant locations, or face other obstacles that make visiting a bank branch difficult. Doorstep banking comprises various transactions such as cash withdrawals, deposits, cheque handling etc. At present these services are only available to senior citizens pensioners and persons with disabilities. The banks provide doorstep banking facilities to their account holders at an affordable cost. But many of the beneficiaries are still unaware about the usage and benefits associated with this service.

Key words:- doorstep banking, value added services, EASE reforms , end-to-end service affordable cost.

The banking industry in India has seen a number of developments. Value generation for customers has emerged as one of Indian banks' primary goals. In the banking industry, creating value entails a variety of tasks, including satisfying the various needs of clients, effectively

managing risks, making sure that regulations are followed, and making money for stakeholders.

It requires a customer-centric approach, innovation, and adaptability to changing market conditions. Doorstep banking service is such a value addition offered by the banks to their clients.

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Doorstep banking is a facility provided to customers that the customers don't have to visit the bank branch for their routine banking activities like cash deposit, cash withdrawal, cheque deposit or making a demand draft. Door Step Banking through Universal touch Point is a service by which customers can avail many of the banking services through a special agent engaged by the Bank. Customers can access several accounts conveniently from the comfort of their doorstep. Through various channels call centers, web portals, mobile apps, etc. customers may also follow the progress of their service requests. On September 9, 2020, the Honorable Finance Minister, Smt. Nirmala Sitharaman introduced the Doorstep Banking Services, which were run by the Indian Banks' Association.

Statement of the Problem

The banking industry has undergone a substantial transition as a result of growing customer expectations, regulatory reforms, and technology improvements. A long-lasting connection with clients depends on meeting their expectations. Banks provide their customers with a range of products and services in an effort to exceed their expectations. Doorstep banking is a proactive approach by banks to adapt to the changing needs and preferences of customers, providing more flexible and accessible banking experience. However, doorstep banking currently targets a specific population and only allows for basic or restricted transactions. However, the vast majority of potential recipients are ignorant of these services' existence and advantages. The lack of awareness and understanding among the target

population can impede the adoption of doorstep banking services.

Significance of the Study

The banking landscape in India is undergoing significant transformations due to technological advancements, heightened customer awareness and evolving demands. In this fiercely competitive environment, banks must meet their customers' needs by offering superior and innovative services. These services are essential not only for retaining their current customer base but also for attracting new clients. One such valuable addition to the banking sector is doorstep banking services, which enables customers, particularly senior citizens, pensioners, and individuals with disabilities, to access a wide range of financial and non financial banking services right from the comfort of their homes. This service offers an unparalleled convenience to customers, allowing them to conveniently utilize various banking facilities. To be eligible for these services, customers must have a KYC compliant account and a valid mobile number registered with the banks and they must reside within a five kilometer radius of their home branch.

Scope of the Study

The present study is concerned to understand the doorstep banking services: a value addition to the banking sector. The study is primarily focused on the idea of doorstep banking, the requirements to be eligible for these services, and the key benefits that clients received from using these services. The study limits only to the doorstep banking services of commercial banks.

Objectives of the Study

1. To understand the concept of doorstep banking.
2. To understand the eligibility criteria and advantages of doorstep banking.

Methodology

The study is descriptive one, which is based on secondary data collected from various books, journals, magazines, newspapers and various websites.

Literature review

Kadur (2020) in her study titled "A study on state Bank of India's Doorstep Banking services" evaluates that SBI has introduced the most innovative and efficient approach to provide their clients with end-to-end service in a modern manner through the doorstep banking services facility. The banks' goals are to support the development of the Indian banking system and the services offered to clients by the State Bank of India, while also offering account holders efficient banking options during these trying times.

Ravinder Kumar (2022) in his study titled "A study of Punjab National Bank Doorstep banking facilities" analyzed that with the doorstep banking services, the bank tries actively to support the country achieve its financial inclusion goals by giving the underprivileged segment of the Indian population access to basic banking necessities. The only bank that charges the same fees for both DSB's financial and non-financial services is Punjab National Bank.

Jasmeet Kamboj (2022) in his study titled "Service Quality in Banks: An

Analysis". This study analyses the perceived and expected service quality of selected public and private sector banks and find out the service quality gap using SERVQUAL model. A good service not only satisfy the customers but also make them loyal towards the service with the increase in the service, the expectation of a customer rises.

Ashoka (2023) in his study titled "Role of doorstep banking services in SBI bank- A case study on Mysore District". The study's main focus was on the value of banking services as well as problems and difficulties using DSB services. It has been determined to create a unique programme to offer doorstep banking services to those with disabilities and senior citizens. This programme will build upon the bank's current programme, making it more user-friendly and easy for those groups of people.

Karuppusamy (2011) in his study titled "Awareness and adoption of value added services offered by the banks in Coimbatore District". The study analyzed that Value added services helps the customers to bank anywhere at any time and in any condition. The value added services involves huge investments so that the operational efficiency of these facility the banks have to encourage the usage of these services.

Doorstep Banking Services

A doorstep banking service is one in which banking transactions and services are conducted at the client's location, usually their home. This strategy aims to improve convenience for clients who might encounter obstacles or would rather not visit conventional brick-and-mortar bank branches.

Doorstep banking services are accessible to individuals who possess a fully compliant KYC (Know Your Customer) savings or current account with a valid mobile number registered at their bank. This service is not available for jointly operated accounts, minor accounts or accounts of a non personal nature. The range of specific services provided as part of doorstep banking may differ from one bank or financial institution to another. To understand the service offered through doorstep banking and any associated fees, it is consult with the banks. Some banks charges to these services while some banks offer free for senior citizens. In this digital age this service has gained greater significance as banks strive to adapt to the changing demands of their customers by offering a combination of in person and online banking options.

Doorstep banking services are offered by a number of banks in India, which includes:

- State Bank of India (SBI)
- Punjab National Bank (PNB)
- Bank of Baroda (BOB)
- ICICI Bank
- HDFC Bank
- Axis Bank etc

Features of door step banking service:

- At the Home Branch, registration is to be completed.
- Until the Contact Center's development is finished, only the Home Branch should be used to submit requests for Doorstep Banking Services.

- Cash deposits and withdrawals are limited to a total of Rs 20,000 per transaction each day.
- The service fee each visit is Rs. 60 + GST for non-financial transactions and Rs. 100 + GST for financial transactions.
- Passbook withdrawals using a check or withdrawal form will be allowed.
- Best efforts would be made to finish the delivery by T+1 working day (holidays excluded), but no later.

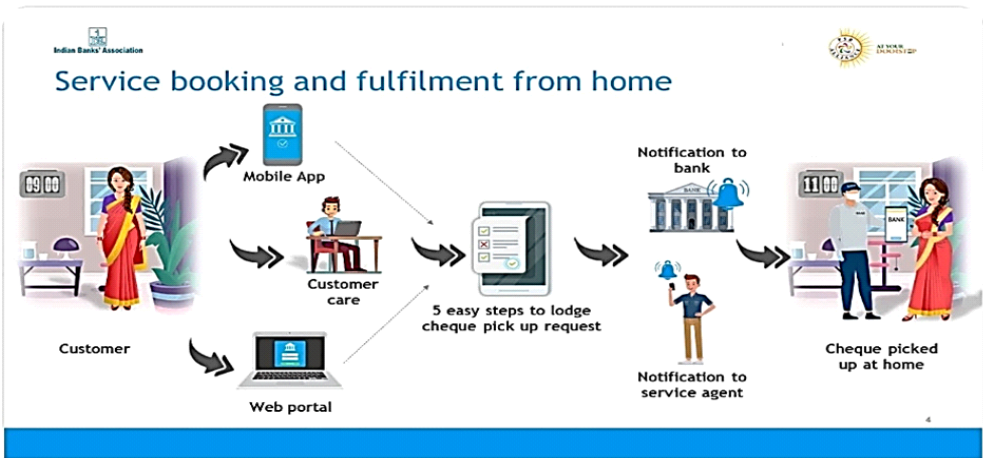
Eligibility for availing door step banking services:

- Senior citizens over the age of 70, as well as people with disabilities or illnesses that have received a medical certification, including those who are visually impaired.
- Account holders with full KYC compliance.
- The account must have a registered valid mobile number.
- Account holders who are single or married to a survivor or a former survivor not applicable to: Jointly operated accounts, minor accounts, accounts of Non Personal nature.
- Customers having registered address within a radius of 5 KMs from the Home Branch.

However these services are not available to-

- a. Minor including under Guardianship.
- b. Savings Bank Account opened under MACT Claims SB Account.

Figure 1



Source: psballiance.com

- c. Joint Account operated jointly.
- d. Account operated through Power of Attorney.
- e. Accounts of Non-Individual Customers.
- f. Account of illiterate Customers.

The following are the doorstep service charges charged by different banks:

SBI

As per PSB DSB services, each call or service charges Rs 75 + GST for both financial and non-financial operations. The withdrawals made using a passbook can only be made by cheque or withdrawal form. A cash withdrawal or deposit cannot exceed Rs 20,000/-per day for each transaction.

HDFC Bank

Doorstep Banking Services are provided free of charge to senior citizen account holders aged 70 and above. Customers under the age of 70 have to pay the following fees.

Cash pickup costs Rs 200 + taxes.

Cash delivery costs Rs 200 + taxes.

Instrument pickup costs Rs 100 + taxes.

Canara Bank

Three methods are available to customers to receive DSB: the DSB web portal, mobile app, or customer care. DSB services are available to all clients in each particular category, with the exception of minors, connected, barred, and non-KYC compliant accounts. The total service charge for each transaction is Rs 88.50, which is Rs 75.00 + GST.

ICICI Bank

The services provided under the DSB facility are free of charge for ICICI bank customers.

Advantages of doorstep banking services

- **Convenience:** Since consumers may access necessary financial services from the comfort of their homes

or businesses, doorstep banking offers a high level of convenience while also saving time and effort.

- **Accessibility:** It makes sure that people with limited mobility, such as the elderly, people with disabilities, or people who live in rural places where it is difficult to get to a bank branch, may receive banking services.
- **Time-Saving:** By avoiding the need to visit to a physical bank branch and wait in long lines, customers can save time. Professionals that are employed will find this very helpful.
- **Personalised Assistance:** Doorstep banking frequently includes personalised assistance, in which a bank employee can walk clients through various services, respond to their inquiries, and provide information specific to their need.
- **Safety and Security:** Customers' safety and security can be improved by avoiding journeys to the bank by lowering their risk of theft or fraud, which can occasionally happen while carrying big sums of money.
- **Financial Inclusion:** By making banking services more accessible to persons who may have been denied access to traditional banking because of hurdles related to geography, economics, or physical infrastructure, doorstep banking can help promote financial inclusion.
- **Help with Technology:** Representatives can provide consumers with guidance on how to

use online and mobile banking services, improving their digital literacy and financial management skills.

- **Customer support:** Through doorstep services, customers can get prompt answers to a variety of banking-related questions and difficulties.
- **Elderly and Vulnerable Clients:** This service is especially beneficial for elderly and vulnerable people who might need assistance with financial concerns but find it difficult to go to a bank in person.
- **Emergency Services:** In an emergency, clients can immediately seek demand draughts, issue checks, and other important services.
- **Increased Customer Loyalty:** By offering doorstep banking services, banks can forge closer bonds with their clients, fostering a sense of loyalty and trust.
- **Documentation and Form Filling:** Bank employees can help customers complete paperwork, such as loan applications, account opening papers, and other documentation, which will streamline the process.
- **Cash Handling:** As an alternative to using an ATM, some doorstep banking services allow for cash deposits, withdrawals, and currency exchange.

Suggestions

- In order to wide spread the usage of doorstep banking banks have to

promote customer awareness programmes through various channels to inform the customers about the benefits and functionalities of doorstep banking services.

- Expand the range of services offered through the doorstep banking to cover a broad spectrum of financial transactions.

Conclusion

The banking sector in India is highly competitive and aiming at providing high quality services to their customers. Doorstep banking service is a value addition to the banking industry. Customers of a bank can take advantage

of door-step banking services, such as cash withdrawals and deposits of cash and checks, from the convenience of their homes. Cash and checks are deposited into your bank account on your behalf by specialised CIT agents. Along with the cheque pickup services, consumers can now ask for cash to be delivered to their homes in exchange for a self-drawn cheque. Typically, customers with varying levels of ability and older adults over the age of 70 are offered this service. Doorstep banking services are the value addition to the range of services offered by banks, providing customers with greater convenience and accessibility and also contributing to customer loyalty and satisfaction.

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