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## A Comparative Study on the Utility of Internet Banking: Youth vs Elderly Population in Tumkur City

**Dr.Mamatha K R**

Associate Professor, Deptt.of Commerce, Government First Grade College (A) Gubbi.

Mamathakr65@gmail.com

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### ABSTRACT

The rapid advancement of digital technologies has revolutionized the financial ecosystem in India, with internet banking emerging as a transformative force for both service providers and clients. Despite its widespread adoption, disparities remain in how different demographic groups leverage these services. This research paper presents a comprehensive comparative study between youth (18–40 years) and elderly (65 years and above) populations in Tumkur City, Karnataka, with regard to their use of internet banking. Adopting a quantitative survey methodology, the study examines core aspects including adoption rates, frequency of use, challenges, satisfaction, perceived benefits and drawbacks, digital literacy, and trust in online banking. Major findings indicate that while the youth dominate internet banking usage owing to better digital literacy and confidence in technology, elderly users face unique challenges mainly centered around technical barriers and security apprehensions. The paper concludes with actionable recommendations for financial institutions to bridge the demographic divide and promote inclusive banking.

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### Introduction

The Indian banking system, marked by a blend of tradition and innovation, plays a vital role in channelling savings, granting credit, and fostering economic growth. In recent decades, an array of technological innovations has fundamentally altered the contours of banking operations, culminating in



the proliferation of internet banking. Internet banking, alternatively termed online banking or e-banking, denotes offering traditional banking services through web-based platforms, allowing customers to transact, invest, and manage finances remotely.

Although India boasts the highest number of digital banking users globally, there exists a marked disparity in internet banking adoption and utility across different age groups. The youth, generally considered more technologically adept, engage with digital platforms more confidently and frequently than their elderly counterparts, who often encounter technical challenges, lower trust, and infrastructural access issues. This study, therefore, seeks to systematically compare the utility, experiences, and obstacles related to internet banking among the youth and elderly populations in Tumkur City, Karnataka.

### **Objectives of the study**

- To analyze and compare the adoption and frequency of internet banking among youth and elderly populations.
- To investigate the challenges and barriers each age group faces.
- To assess the level of satisfaction, perceived benefits, and drawbacks of internet banking.
- To explore digital literacy, security concerns, and help-seeking behaviors in both demographics.
- To offer recommendations for enhancing digital banking inclusivity.

### **Literature Review**

**Lin, Wang, & Hung (2020)** underscored two key processes: organizational readiness and individual customer willingness, with the latter more prevalent among younger segments. Conversely.

**Grech et al. (2017) and Msweli et al. (2020)**, notes that while internet banking is often embraced by younger cohorts, elderly users remain hesitant, citing difficulties in understanding interfaces, security fears, and dependency on traditional branch banking.

**S. et al. (2019) and Harrison et al. (2016)** argue that banks must not only update their technological infrastructure but also prioritize user education and tailored support to foster wider adoption, especially among the elderly.

### **Research Methodology**



## **Research Design**

This study adopts a descriptive, quantitative research design centered on a structured questionnaire-based survey administered among residents of Tumkur City. The approach facilitates direct comparison between the selected age cohorts, ensuring robust statistical analysis.

## **Sampling**

- \*Location:\* Tumkur City, Karnataka
- \*Sample Size:\* 125 respondents (64 youth, 61 elderly)
- \*Sampling Method:\* Random sampling

## **Data Collection**

Primary data was collected via structured questionnaires, administered through in-person interviews. Secondary data was gathered from scholarly articles, official reports, and reputable online sources to contextualize findings.

## **Data Analysis**

Collected responses were subjected to descriptive statistical analysis, with key findings presented through percentage tables and illustrative graphs to clarify patterns and trends.

## **Results and Discussion**

### **Demographic Profile**

- \*Youth (18–40 years):\* 51% of the sample
- \*Elderly (65+ years):\* 49% of the sample

This nearly equal representation provides a reliable basis for comparative analysis.

### **Internet Banking Usage Patterns**

#### Adoption Rate

- \*Youth:\* 99% use internet banking
- \*Elderly:\* 82% use internet banking



This disparity highlights significantly higher digital adoption among young people compared to their older counterparts.

**Frequency of Use**

Frequency	Youth (%)	Elderly (%)
Daily	55	13
Weekly	31	36
Monthly	03	20
Rarely	09	20
Never	02	11

Observation: Youths are more likely to use internet banking daily, whereas elderly users chiefly fall into the weekly or less frequent usage categories.

**Satisfaction and Reliability**

\*Highly satisfied:\* 34% youth | 23% elderly

\*Satisfied:\* 36% youth | 33% elderly

Higher satisfaction among the youth reflects their greater digital fluency and confidence in the system.

**Barriers and Challenges**

Key challenges faced include:

Barrier/Challenge	Youth (%)	Elderly (%)
Lack of technical knowledge	20	33
Limited internet access	50	41
Language barriers	10	16
Accessibility issues	20	10

Interpretation: Lack of technical knowledge and language barriers disproportionately affect elderly users. Limited internet access remains a concern across both groups but is slightly higher among the young, possibly due to more dependent living or educational factors.

**Difficulty Understanding Banking Processes**



\*Yes:\* 31% of youth | 74% of elderly

A substantial majority of elderly respondents report difficulty understanding banking jargon and processes.

### Utility and Devices Used

\*Most frequently used service:\* Transfer funds (47% youth, 59% elderly)

\*Device of preference:\* Smartphone (85% youth, 88% elderly)

Observation: Despite generational differences, smartphones dominate as the preferred device for internet banking, underscoring the importance of intuitive mobile interfaces.

### Experience and Encountered Issues

\*Very satisfied:\* 39% youth | 16% elderly

\*Encountered issues:\* 62% youth | 90% elderly

The gap in satisfaction is mirrored by a much higher incidence of technical or procedural issues among the elderly.

### Motivations and Recommendations

\*Primary reason for use:\* Time-saving (39% both)

\*Recommend to others:\* “Very likely”/“Likely” – 73% youth | 64% elderly

Time efficiency is the principal motivating factor for both groups.

### Potential Benefits and Drawbacks

Benefit	Youth (%)	Elderly (%)
Any time, anywhere transactions	47	49
Account info. accessibility	23	23
Convenience	16	15
Drawback	Youth (%)	Elderly (%)
Security/risk	69	66
Technology barrier	23	26



## **Digital Literacy and Training**

Comfortable/Very comfortable with technology:\* 70% youth | 49% elderly

Interested in digital literacy workshops:\* 83% elderly | 83% youth (“Yes” or “Maybe”)

## **Support Seeking Behaviors**

Youth:\* Prefer peer or online sources (23% ask friends, 31% search online)

Elderly:\* Prefer formal support (54% customer support, 30% visit bank)

## **Trust in Security Measures**

Trust bank security:\* 92% youth | 75% elderly

A notable trust gap persists among the elderly, highlighting the need for targeted interventions to build confidence in digital systems.

## **Findings**

1. Adoption Disparity:\* Youth overwhelmingly lead in internet banking usage and digital comfort.
- 2.Barriers for Elderly:\* Elderly users perceive greater technical, cognitive, and linguistic barriers, impacting adoption and satisfaction.
- 3.Security Concerns:\* Both cohorts rank security risks as the key drawback; however, the elderly exhibit higher apprehension.
- 4.Device Usage:\* Smartphones are the preferred device for both groups, indicating mobile banking should remain a development priority.
- 5.Help-Seeking:\* Youth rely more on informal channels, while elderly users prefer institutional support.
- 6.Training Interest:\* There is high interest in digital literacy workshops among both groups, but especially among the elderly.

## **. Recommendations**

Based on the findings, the following recommendations are made to promote inclusive internet banking:

- 1.Digital Literacy Programs



Develop modular, age-friendly digital literacy workshops focusing on hands-on training for the elderly, covering basics of device use, safe navigation, common transaction types, and security best practices.

## 2.Simplification and Localization

Simplify internet banking interfaces, minimize jargon, and incorporate vernacular language options to enhance accessibility for users with limited English proficiency, especially the elderly.

## 3 User-Centered Mobile App Design

Continue optimizing mobile banking apps for clarity, intuitive navigation, and accessibility, given their centrality across age groups.

## 4 Robust Security Communication

Proactively communicate security measures through trusted channels, offer guidance on safe practices (passwords, two-factor authentication), and provide real-time alerts to reinforce confidence.

## 5 Responsive Support Structures

Augment customer support via easily accessible helplines, in-branch digital help kiosks, and video-assisted support, with particular attention to the needs of the elderly.

## 6 Personalized Banking Experience

Consider introducing customized features or incentives for different age groups, such as simplified UIs for seniors and integrated financial tools for youth.

## **Conclusion**

The evolution of internet banking marks a significant milestone in India's financial modernization journey. This study reaffirms that youth in Tumkur City are at the forefront of internet banking adoption, benefiting from high digital literacy, regular usage, and trust in technology. However, elderly populations, while increasingly adopting digital banking, remain encumbered by technical, cognitive, and security-related obstacles. The findings underscore the vital need for banks to harmonize technological advancement with human-centric strategies, thus ensuring a more inclusive, secure, and user-friendly banking environment for all. By championing targeted education, simplification, and trust-building, financial institutions can bridge the digital divide and empower every segment of society to harness the advantages of internet banking.



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