



Customer Perception of Mobile Banking - A Case Study

Namarta Arora

Assistant Professor, Faculty of Commerce, PIET NCR College, Samalkha, Panipat, Haryana, India

ABSTRACT

Technology has turned into an inevitable part of all industries across the globe. This is especially true in the case of banking industry, where the technology plays an important role in fostering the banking sector. Currently banks have adopted wireless services and mobile technology in their operations to provide their customers with upgraded services; from bill payments through mobile phones to receiving marketing updates while they are stuck in a traffic jam. Mobile Banking services provide more personal and near relationships. This paper examines consumer satisfaction of a new electronic payment of service as mobile banking and the factors influencing the adoption of mobile banking services. The advent of internet has great contact on the electronic banking. By using internet, banking is no time limit and geographic. This type of banking is partially web-based banking subsidiary with the difference is that web banking services. Commercial bank was considered first introduced bank and service. Internet banking also extended with the development of web applications. This study focus on the customers' perception towards mobile banking services in Panipat district. It gives the useful suggestions based on the findings to the banks. There are primary and secondary data used for this study. Interview schedule is used for collecting primary data. The primary data was analysed with the various statistical tools. This study gives the useful suggestions to the customers. Finally this study concluded that the maximum customers strongly agreed the various mobile banking services.

ARTICLE INFO

Article history:

Received 10 Sep 2022

Received in revised form
10 Oct 2022

Accepted 30 Nov 2022

Key words: Consumer, Convenience, Ease of Use, Mobile Banking, Technology.

© 2022 Hosting by Research Parks. All rights reserved.

INTRODUCTION

Mobile banking is a service provided by a bank or other financial institution that allows its customers to conduct financial transactions remotely using a mobile device such as a smart phone or tablet. Mobile banking is the act of making financial transactions on a mobile device (cell phone, tablet, etc.). This activity can be as simple as a bank sending fraud or usage activity to a client's cell phone or as complex as a client paying bills or sending money abroad. Advantages to mobile banking include the ability to bank anywhere and at any time. Mobile Banking replaces the computer with Mobile phone. Mobile usage has seen an explosive progress in most of the big cities like Delhi, Mumbai, Kolkata and Chennai in India. The main reason that Mobile banking put back Internet Banking is that it enables 'Anywhere Anytime Banking in your hands'. Users don't need access to a computer device to access their bank accounts. The large number of customers is using the mobile banking services in the digital era. This study clearly analysed that the customers' perception about mobile banking services.

LITERATURE REVIEW

Consumers using these services have been focus in a large body of current research, nevertheless customer behaviour in mobile banking context have remained rather uncharted territory. This paper aims at filling that gap by shedding light on the general usage of mobile services and in particular on influence of demographic characteristics on usage. The survey was conducted among Ghaziabad bank customers. The paradigm shift, from traditional branch banking to electronic banking; the newly emerged channels; rapidly increasing penetration rates of mobile phones are among other the motivators of this study. The approach employed is practical and provides insights drawn from the quantitative empirical survey.

The newly emerged mobile banking services represent an innovation where both intangible service and an innovative medium of service delivery employing high technology are present. Thus, concepts of innovation and diffusion of innovation are even more intricate as technology and service aspects have an effect on the characteristics of mobile banking services.

Traditionally research relating to the customer adoption of innovation has tended to concentrate on socio-demographic and psychographic attributes of potential adopters. Even though these kind of personal characteristics of a consumer have found to be predictors of adoption, an increasing body of research has demonstrated that it is the perceived attributes of innovation itself rather than the personal characteristics that are the stronger predictors of the adoption decision.

According to Rogers (2000) the perceived innovation characteristics are supposed to provide the framework how potential adopters perceive an innovation. Research that has investigated the product characteristics of innovation has generally endorsed evaluating the innovation along the product characteristics that involve five constructs; relative advantage, compatibility, complexity, treatability and observability.

Vyas (2009) stated that Indian banks will target non- online banking users who may lack regular access to desktop internet but are very likely to own a mobile device, thus reporting great potential of Mobile banking in India. This report of Vital Analytics suggested huge potential of Mobile banking in India, as it found that urban Indian customers' checking account balance is the most frequently cited reason for using Mobile banking. 40 million Urban Indians used their mobile phones to check their bank account balances followed by viewing last three transactions.

A multi-phase approach to the literature review process was adopted, following established procedures

and criteria adopted by other scholars in the IS field (Dibbern et al., 2004; Dahlberg et al., 2007; Finney and Corbett, 2007; Dezdar and Sulaiman, 2009; Okoli and Schabram, 2010). The aim of this research was to build on the literature review that was conducted by Dahlberg et al., (2007) as their review of m-payment literature spanned from 1999 to 2006 and it continues to be a highly cited paper.

OBJECTIVES OF THE STUDY

The study aims at the following objectives

- To find out the facilities Mobile Banking Services Provided by bank
- To study consumer's perception on mobile banking.
- To find out which mobile banking service is more popular among consumers.

RESEARCH METHODOLOGY

The present study is empirical in nature and descriptive research design will be used for the study. The population of the study constitutes different bank customers concentrated in Panipat district in the state of Haryana. Purposive sampling techniques will be adopted for selecting the sample respondents. The study is based on both primary and secondary data. Secondary data will be collected from various published and unpublished sources of government of India, study report of RBI, annual report of TRAI etc. The primary data for the study will be collected from 60 sample respondents in various part of Panipat district with the help of a structured interview schedule. The data will be analyzed with the help of suitable mathematical tools such as percentages and averages etc.

MAIN SERVICES OF MOBILE BANKING

- Mini-statements and checking of account history
- Alerts on account activity
- Access to loan statements/card statements
- Insurance policy management
- Pension plan management
- Payments and Transfers
- Domestic and international fund transfers
- Mobile recharging
- Commercial payment processing
- Bill payment processing
- Personalized alerts and notifications on security prices Support
- Check (cheque) book and card requests
- Exchange of data messages and email, including complaint submission and tracking

FACILITIES AVAILABLE ON MOBILE BANKING

1. **Balance Enquiry:** The service provides all customers, the available balance in his/ her default/ operative account that are linked to the customer identification number. The maximum number of accounts one can access is five.

2. **Cost Transactions:** This type of transaction provides the customer with the information about last five debits/ credits made to the account.
3. **Cheque Book Request:** Instead of going personally to the bank, the customer can request for a cheque book to be mailed to his or her address as per the records of the bank. This saves his/ her valuable time.
4. **Bill Payment:** for those companies which register with the bank for this service, the payment is made on request on mobile banking.
5. **Change of Primary Account:** the customer has the option to change the primary account to another new account number for carrying out transactions.
6. **Help:** Customers can know the transaction codes for various types of transactions through this option. Mobile phone bank-users will be alerted about outward clearing cheque realization, classified cheque returns, alert on term deposits qualified, on loan instalment due, standing instructions failed on account of insufficient balance in the account, etc. Bank initiates alert messages on minimum balance in the account and also about the utility bills which are due for payments. The services in mobile banking by each of the cellular service providers are tailor-made and customized for each bank that provides mobile banking service to its customers.

ANALYSIS AND DISCUSSIONS

TABLE 1: PROFILE OF SAMPLE RESPONDENTS

	FREQUENCY	PERCENTAGE
AGE		
20-30	22	36.7
30-40	19	31.7
40-50	11	18.3
50-60	5	8.3
Above-60	3	5
GENDER		
Male	42	70
Female	18	30
EDUCATIONAL QUALIFICATION		
Up to SSLC	2	3.3
Plus Two	10	16.7
Graduate	13	21.7
Post Graduate	18	30
Professional Degree	17	28.3
OCCUPATION		
Business and Self Employed	20	33.3
Agriculturalist	3	5
Service Class	10	16.7
Professional	22	36.7
Home Maker	5	8.3

MONTHLY INCOME		
Below-10000	10	16.7
10001-25000	28	46.7
25001-40000	17	28.3
40001-50000	4	6.7
Above 50000	1	1.6

Table 1 reveals that the profile of sample respondents. On the basis of the age based classification of respondents revealed that majority of the mobile banking service users concentrated in 20-40 age groups that constitutes about 68.4% of total mobile banking service users. Gender based classification of the respondents revealed that about 70% of the mobile banking users are male. Most of the mobile banking users are highly educated. On the basis of occupation based classification most of the users are professionally qualified persons. On the basis of the income based classification of the respondent's reveals that most of the mobile banking customer's income lies between 25001 and 40000.

TABLE 2: CONSUMERS PERCEPTION ABOUT MOBILE BANKING

Factors Affecting Consumers Perception	Strongly Disagree	Partly Disagree	No Option	Partly Agree	Strongly Agree
Incapability of mobile phones	29(48.3)	4(6.7)	8(13.3)	2(3.3)	17(28.3)
Inconvenient for using	16(26.7)	8(13.3)	20(33.3)	7(11.7)	9(15)
More preference to traditional banking	10(16.7)	3(5)	11(18.3)	7(11.7)	29(48.3)
Lack of support from bank employees	19(31.7)	4(6.7)	10(16.7)	5(8.3)	22(36.6)
Un awareness about technologies	10(16.7)	7(11.7)	13(21.7)	10(16.7)	20(33.3)
Required facility is not available	30(50)	4(6.7)	17(28.3)	5(8.3)	4(6.7)
Fear of use	17(28.3)	9(15)	18(30)	10(16.7)	6(10)
Time saving	5(8.3)	4(6.7)	1(1.7)	2(3.3)	48(80)
Any time anywhere banking	5(8.3)	6(10)	6(10)	4(6.7)	39(65)
Security issues	13(21.7)	3(5)	20(33.3)	11(18.3)	13(21.7)

Figures in the parentheses shows percentage

Table 2 shows consumer's perception about mobile banking services. Most of the customers (about 48.3%) strongly disagreed that incapability of mobile phones is not affecting the perception of the customers. A majority of customers (33.3%) are no opinion about inconvenience for using mobile banking. About (48.3%) of customers give more preference to traditional banking, it also affect the perception of mobile banking in a negative way. 36.6% says that lack of support from bank employees is a major issue while using mobile banking services. About 50% of customers say that required facility is not available in mobile banking this also affect their perception in negative way. Fear of use is also affecting negatively the perception of banking customers. Time saving is a major factor influencing the customers for using the mobile banking services. Any time anywhere banking is also help to enhance the mobile banking services.

TABLE 3: MOST POPULAR MOBILE BANKING SERVICE

Mobile Banking Services	Rank
Account Balance Enquiry	1
Check Recent Transactions	2
Alert on Account Activity	3
ATM Location	4
Branch Location	5
Fund Transfer	6
Bill Payment	7
Mobile Recharging	8
Ordering Check Book	9
Review of Credit Card Balance	10

Table 3 shows the most popular mobile banking service. On the basis of the analysis of the data reveals that most popular mobile banking service used by the customers is Account balance enquiry and least popular service is review of credit card balance.

CONCLUSION

The result of the present study shows that most of the younger age group and those who doing professional activities more depending mobile banking services. They positively perceive mobile banking service due to time saving, it helps to reduce cost, convenience for using and any time anywhere banking is possible etc. The most popular mobile banking service identified in the study is account balance enquiry.

REFERENCES

1. R. Tiwari and S. Buse, *The Mobile Commerce Prospects: A Strategic Analysis of Opportunities in the Banking Sector*. Hamburg University Press, Hamburg, 2007.
2. A. Ashta, "Evolution of Mobile Banking Regulations," *Journal of Internet Banking and Commerce*, vol. 10(7), pp. 12-16, 2003.
3. Y. Wang, Y. Wang, H. Lin and T. Tang, "Determinants of user acceptance of internet banking: an empirical study," *International Journal of Bank Marketing*, vol. 14(5), pp. 501-519, 2010.
4. A.A. Al-Ashban and M.A. Burney, "Consumer adoption of tele-banking technology: the case of Saudi Arabia," *International Journal of Bank Marketing*, vol. 19(5), pp. 191-200, 2001.
5. S. Dasgupta, R. Paul and S. Fuloria, "Factors affecting behavioral intentions towards mobile banking usage: Empirical evidence from India," *Romanian Journal of Marketing*, vol. 3(1), pp. 6-28, 2011.
6. M. AL-Majali and N.K. Mat, "Modeling the antecedents of internet banking service adoption (IBSA) in Jordan: A Structural Equation Modeling (SEM) approach," *Journal of Internet Banking and Commerce*, vol. 16(1), pp. 1-15, 2011.
7. A. Patel, *M-Banking and M-Payments: The Next Frontier*. Delhi: Deloitte, 2013.
8. Agarwal, O.P. (2006). *Innovations in Banking and Insurance*. New Delhi: Himalaya Publishing House.

9. Asha Singh, M.S. Gupta, and Shandilya, T.K. (2010). Banking and Financial Sector Reforms in India. New Delhi: Serials Publications.
10. Chris Skinner (2007). The Future of Banking in a Globalised World. England: John Willy and Sons.
11. Gorden, E. and Natarajan, K. (2006). Banking Theory Law and Practices. Mumbai: Himalaya Publishing House.
12. Uppal, R.K. (2008). Banking and Information Technology. New Delhi: Anmol Publishing.
13. Uppal, R.K. (2008). E-Banking in India. New Delhi: New Century Publications.
14. Uppal, R.K. and Neethi Khanna (2012). Banking Sector Reforms- A New Perspective. New Delhi: Sorup Books Publishers.

WEBSITES

1. www.iba.org
2. www.rbi.org.in
3. www.traf.gov.in