



An Empirical Study on the customers Opinion towards Mobile banking

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Abstract

After Internet Banking, Mobile Banking or M-Banking has become the buzz word in the industry. The study has been conducted to investigate the perception of customer on different services of mobile banking. A self-administrated questionnaire had been developed and distributed among the respondents. Out of the 100 questionnaires, only 72 useable questionnaires were returned, yielding a response rate of 72 percent. The respondents' opinion is analyzed under different factors of adopting mobile banking such as Performance Risk, time taken, Trust, Convenience, ease to use, security and relative Advantage.

Key Words: mobile banking, perceived risk, Security.

Introduction

It's a fact that Internet Banking has given a boost and has shown a successful way to consider it as a good alternative procedure against physical branch banking. But the major limitation of internet banking in developing countries is availability of internet connectivity. The introduction of mobile banking has eliminated this limitation. Now-a-days mobile phones have increasingly become tools that consumers use for banking, payments, budgeting and shopping. Mobile banking differs from mobile payments, which involve the use of a mobile device to pay for goods or services either at the point of sale or remotely, analogously to the use of a debit or credit card to effect an EFTPOS payment.

The earliest mobile banking services were offered over SMS, a service known as SMS banking. With the introduction of smart phones with WAP support enabling the use of the mobile web in 1999, the first European banks started to offer mobile banking on this platform to their customers.

The Federal Reserve survey defines mobile banking as "using a mobile phone to access a bank or credit union account. This can be done either by accessing your bank or credit union's web page through the web browser on your mobile phone, via text messaging, or by using an app downloaded to mobile phone".

The various services that are offered by mobile banking are mini-statements and checking of account history, alerts on account activity or passing of set thresholds, monitoring of term deposits, access to loan statements, access to card statements, Mutual funds / equity statements, Insurance policy management, cash Deposit etc.,

Based on the 'International Review of Business Research Papers' from World business Institute, Australia, following are the key functional trends possible in world of Mobile Banking. With the advent of technology and increasing use of smart phone and tablet based devices, the use of Mobile Banking functionality would enable customer connect across entire customer life cycle much comprehensively than before. With this scenario, current mobile banking objectives of say building relationships, reducing cost, achieving new revenue stream will transform to enable new objectives targeting higher level goals such as building brand of the banking organization. Emerging technology and functionalities would enable to create new ways of lead generation, prospecting as well as developing deep customer relationship and mobile banking world would achieve superior customer experience with bi-directional communications. Among digital channels, mobile banking is a clear IT investment priority in 2013 as retail banks attempt to capitalize on the features unique to mobile, such as location-based services.

Literature Review

Cheah et.al (2011) argue that factors such as perceived usefulness, perceived ease of use, relative advantages and personal innovativeness were found positively related with the intention to adopt mobile banking services.

Abdul Kabeer Kazi and Muhammad Adeel Mannan (2013) found that perceived ease of use, perceived usefulness, social influence are showing the positive factors influencing the adoption of mobile banking among low-income sector in Pakistan. Whereas perceived risk negative impact.

Objectives of the Study

The present study is conducted with the objectives which include:

- To know the perception of individuals towards mobile banking.
- To find out the satisfaction levels of users towards mobile banking.

Research Methodology

The investigation was conducted in Nandyal by distributing the questionnaire among 100 individuals. The sample was drawn by using judgmental sampling method. Questionnaire was designed in two parts; the first part was used to

record the demographical characteristics of individuals whereas the second part records the attitude of individuals about mobile banking by using a Likert scale from 1 being highly satisfied and 5 being highly dissatisfied.

Limitations of the Study

The present analysis was conducted on small sample which was collected by using non- probability sampling method. The findings will be more adequate if chi-square test was used to analysis data.

Data Analysis

Table 1 depicts the demographical characteristics of the respondents

Variable	Classification	Frequency	Percentage
Gender	Male	58	58
	Female	42	42
Age	18-25 years	39	39
	26-35 years	47	47
	> 35 years	14	14
Qualification	Intermediate	19	19
	UG	64	64
	PG	17	17
Mobile banking	Users	28	28
	Non-users	72	72

On the positive side, the individuals are feeling that the mobile banking provides quick services, easy to use, convenient, saves much more time and can be used from anywhere whereas the negative part they believe that it is highly unsecured, maintenance charges are high, dependents upon the network and used to make bill payments only.

Scope for Future Research

Some of the demographic variables have interrelations which might have influence on the usages of mobile banking as Lee (2005). Thus the analysis can be conducted by focusing on specific demographical characteristics of individuals and specific bank.

Conclusion

The study successfully identified the perception of customers towards mobile banking. The findings of the study reveals that time, convenience, ease to use are factors which are making the customers to adopt mobile banking. On the other hand it is observed that the customers does not have awareness about the benefits of mobile banking and many of them who are aware are feeling that it not much more secured. Thus, the bankers and service providers has to create more awareness about mobile banking among different age groups. The customers are thinking that it is good to make bill payments but not for banking transactions. This negative perception has to be removed by take necessity steps.

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Appendix

Questionnaire

A. Personal Details:

1. Name:
2. Gender : Male Female
3. Age : 18 to 25 years 26-35 years >35 years
4. Qualification : Intermediate UG PG
5. E-mail Id :
6. Do you have mobile bank account ()
a) Yes b) No
7. In which bank you have your bank account ()
a) HDFC b) SBI c) Andhra Bank d) others
If others please specify _____

B. Please give your response with respect to mobile banking:

1. Mobile banking provides quick services ()
a) Highly satisfied b) Satisfied c) neutral d) Dissatisfied e) highly dissatisfied
2. It is easy to use mobile banking ()
a) Highly satisfied b) Satisfied c) neutral d) Dissatisfied e) highly dissatisfied

3. All types of mobiles and networks support mobile banking ()
a) Highly satisfied b) Satisfied c) neutral d) Dissatisfied e) highly dissatisfied
4. It provides high security ()
a) Highly satisfied b) Satisfied c) neutral d) Dissatisfied e) highly dissatisfied
5. Maintenance charges are very less to mobile banking ()
a) Highly satisfied b) Satisfied c) neutral d) Dissatisfied e) highly dissatisfied
6. Transaction limit for mobile banking are ()
a) Highly satisfied b) Satisfied c) neutral d) Dissatisfied e) highly dissatisfied
7. Mobile banking saves time ()
a) Highly satisfied b) Satisfied c) neutral d) Dissatisfied e) highly dissatisfied
8. It is more convenient ()
a) Highly satisfied b) Satisfied c) neutral d) Dissatisfied e) highly dissatisfied
9. Mobile banking services depends on mobile signal quality ()
a) Highly satisfied b) Satisfied c) neutral d) Dissatisfied e) highly dissatisfied ()
10. Mobile banking is more effective for payment of bills than banking transactions
a) Highly satisfied b) Satisfied c) neutral d) Dissatisfied e) highly dissatisfied ()