
Mobile Banking in India: A Customer Experience Perspective

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Abstract: Mobile banking has become the buzz word in the banking industry. The study has been conducted the customers Opinion towards Mobile banking. A self-administrated questionnaire had been developed and distributed among the respondents. Out of the 350 questionnaires, only 267 useable questionnaires were returned. The collected data have tested with SPSS. Demographic profiles and awareness about mobile banking, time taken, Trust, Convenience, ease to use, security and Advantage. Have been analyzed through percentage analysis and chi-square tests. Also examines customer's awareness, mobile banking products and services, and also perception about mobile banking.

Keywords: Banking, Mobile banking, customer satisfaction, Mobile App, Technology

INTRODUCTION

The internet and the mobile phone - two technological advancements that have profoundly affected human behaviour in the last decade - have started to converge (Stuart J. et al, 2003) Now-a-days banking is known as innovative banking. Developments in Information technology have given a rise to innovations in the product and service designing and their supply in the banking sector and finance industries.(Malviya,S.,2016) Mobile banking is growing at a remarkable speed around the world.(Klein, M. U and Mayer, C.,2016) Mobile banking enables customers to access their bank account, check their balance or conduct financial transactions through a mobile device(Bagadia, P. and Bansal, A. 2016) Asia Pacific markets have seen a shift towards digital banking during the past few years.(Weng, W,2017) The number of mobile banking users in four Asia-Pacific (APAC) countries - India, Indonesia, the Philippines and Vietnam - could increase by some 209 million in three years by 2023, according to latest forecasts by international financial group UnaFinancial.(Gayle goh,2020)

REVIEW OF THE LITERATURE

Singh, A. S., Venkataramani, B., & Ambarkhane, D. (2014) the objective of this paper is to highlight the importance of mobile banking in bringing about financial inclusion in a developing country like India. Although we will emphasize its relevance in the Indian context, it should be applicable to the poor in general residing in similar conditions elsewhere. To make it happen we propose a tripartite institutional arrangement involving one of the largest networks in the country i.e. India Post. Malviya, S.(2015) The mobile and wireless market has been one of the fastest growing markets in the world and it is still growing at a rapid pace. Mobile devices are the most promising way to reach the masses and to create stickiness among current customers, due to their ability to provide services anytime, anywhere, with a high rate of penetration and potential to grow. Mobile phones provide a platform for the bank to perform banking transactions in the form of Mobile Banking. The high penetration of mobile phones in India is the biggest driver for mobile banking in India. Most of the leading banks such as ICICI, HDFC, SBI, etc., have successfully launched their mobile banking operations in India. Gutierrez, E., & Singh, S. (2016) Mobile banking services offer great potential to expand financial services, particularly payment services, to the poor. They also provide a convenient and cost effective way to access bank accounts. This paper constitutes a first attempt to explain statistically what factors contribute to mobile banking usage, with a particular focus on the regulatory framework.

Asongu, S., & Nwachukwu, J(2016) The empirical procedure involves first, examining the income-

redistributive effect of mobile phone penetration and then investigating the contribution of mobile banking services in this relationship. The findings suggest an equalizing income-redistributive effect of ‘mobile phone penetration’ and ‘mobile banking’, with a higher income-equalizing effect from mobile banking compared to mobile phone penetration. Poverty alleviation channels explaining this difference in inequality mitigating propensity are discussed. Ashta, A (2020) This paper studies the evolution of the mobile banking regulations in five zones (Kenya, South Africa, Philippines, India and European Union) in different stages of economic development and offers possible reasons for such differing evolutions. Future research directions are also indicated. Shree P.N et al (2020) User friendliness and Users Awareness of Mobile Banking at large has to be thrust at every branch banking units to digitally promote awareness of Government Schemes such as, Jan Dhan Yojana, Digital India, Licensing Small Finance Banks/Payment Banks, Aadhaar Enrollment and etc.

METHODOLOGY

Data was collected through Google forum questionnaire. Process took approx. three months. Questionnaire was administered to 325 respondents where finally 267 responses were received. . The data are analyzed by using SPSS-statistical software. The secondary data was collected through the secondary sources like company records, company Websites, magazine, and Newspaper. In this context, the purpose of the study is to find the customers Opinion towards Mobile banking users with special reference to Chennai city was undertaken.

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.
- ❖ To identify the growth and scope of mobile banking.
- ❖ To find significant factor of mobile banking.

Hypothesis (H0)

There is no significant difference between gender and awareness about mobile banking

There is no significant difference between gender and factors affect to open mobile bank

There is no significant difference between gender and convenient to mobile bank

There is no significant difference between gender and satisfaction to using mobile banking

There is no significant difference between Educational qualification and awareness about mobile banking

There is no significant difference between Educational qualification and convenient to using mobile banking

Mobile Phone Internet Users In India

Mobile banking is the usage of mobile phones as a platform for banking transactions. The high penetration of mobile phones in India is the biggest driver for mobile banking in India (Sharma, G., and Malviya, S., 2014)

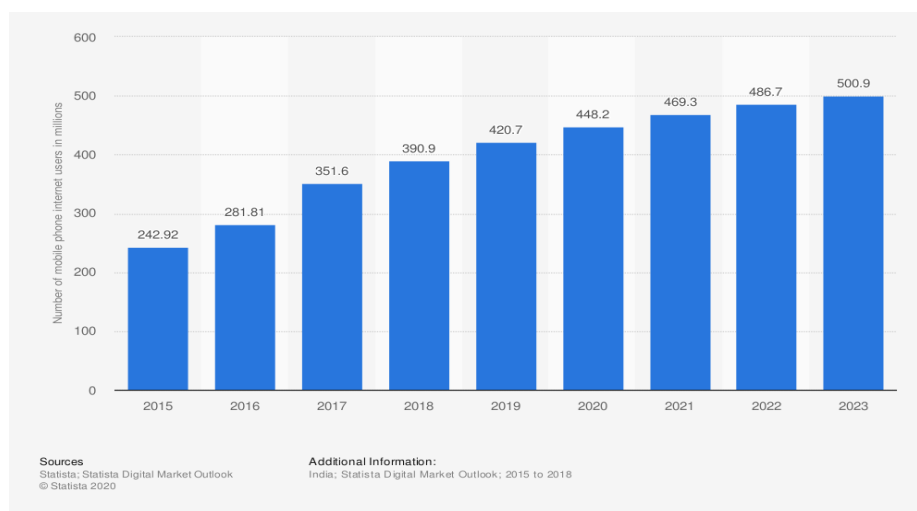


Chart 1: Mobile Phone Internet Users in India 2015-2023

Source: <https://www.statista.com/statistics/558610/number-of-mobile-internet-user-in-india/>

India’s digital journey is one of exuberance. The country had the world’s second-largest internet population at over 483 million users in 2018. Of these, 390 million users accessed the internet via their mobile phones. Estimates suggest that this figure would reach over 500 million by 2023(Keelery, 2020)

Mobile Banking

With technological innovation and changes in life styles, business interactions between consumers and banks are gradually changing from the handling of business by customers in person in physical banks to having access to the financial services they need directly via technologies such as Internet banking or mobile banking (Lin, W., Wang, Y., and Hung, Y. (2020) Mobile banking is the provision of banking services using the mobile phone. In keeping with the advancement in technology, commercial banks have in the recent past undergone major technological leaps in the provision of banking services by adoption of mobile banking technology.(Kato,et al,2014) Mobile is already the largest banking channel by volume of transactions and its adoption by new customers is entering an exceptionally rapid phase.(Singapore, F.,2016) Mobile banking has a lot of advantages for both providers and those who avail the services. It has really become multi beneficial. Banks do not require much investment and they do not even have to modify their existing infrastructure.

The global mobile banking market was valued at \$715.3 million in 2018 and is expected to reach \$1,824.7 million by 2026, registering a CAGR of 12.2% from 2019-2026(Global Mobile Banking Market ,2020) Mobile banking is a service provided by a bank or other financial institutions, allowing users to conduct financial transactions remotely using a mobile device. The devices such as smartphones or tablets are used for mobile banking, primarily for transferring money from one account to another and depositing a check by taking a picture, which is prominently provided features for mobile banking in the market (Formats,www.alliedmarket research.com,2020)

Mobile Banking In India

The Banking industry is one of the oldest in the world. The Indian Banking Industry has not remained a totally passive spectator of the Information Technology revolution that has taken place around the world. Banking industry in India has undergone radical changes under the umbrella term ‘web Revolution’. In the modern computer world, all the activities of banking transactions are made through computers and electronic mediums.(2017) In the year 2002 Mobile Banking was started in India by way of SMS Banking. Now it is becoming a new generation platform in India (Dikit S.V.2012) In India, almost 94% of the people have access to mobile phones.(Sharma, G., & Kulshreshtha, K.,2019) and India is the second largest telecom market in the world, which is having high potential for expanding banking services using mobile(Shetty, K. U., & Kulal, A,2021) In the development of Indian Economy, the Banking sector plays a very important and crucial role. With the use of technology there had been an increase in penetration, productivity and efficiency. It has not only increased the cost effectiveness but also has helped in making small value transactions viable. It also enhances choices, creates new markets, and improves productivity and efficiency. It has been noticed that financial markets have turned into a buyer’s markets in India (Jain, M., & Popli, G. S., 2012) Mobile banking has gained much prominence in the current banking scenario and effectively greater significance has been felt after demonetization.(Thomas, R., & Chaterji, D. A.,2021)

Mobile Banking Transactions

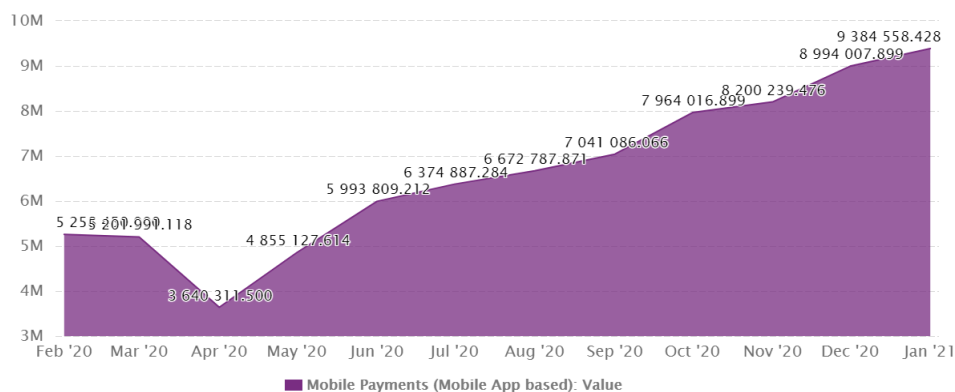


Chart 2: India Mobile Banking Transactions

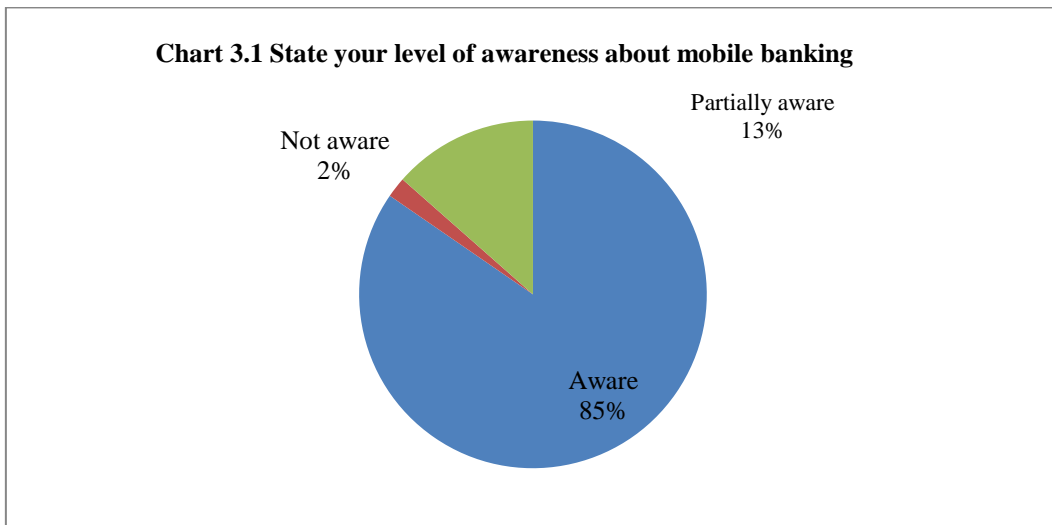
India’s Mobile Banking Transactions: Value data was reported at 9,384,558.428 INR mn in Jan 2021. This records an increase from the previous number of 8,994,007.899 INR mn for Dec 2020. India’s Mobile Banking Transactions: Value data is updated monthly, averaging 532,416.856 INR mn from Apr 2011 to Jan 2021, with 118 observations. The data reached an all-time high of 9,384,558.428 INR mn in Jan 2021 and a record low of 760.000 INR mn in Apr 2011. India’s Mobile Banking Transactions: Value data remains active status in CEIC and is reported by Reserve Bank of India.(<https://www.ceicdata.com/en/india/mobile-payments>)

Data Analysis And Interpretations**Table 1: Percentage Analysis of the Demographic Profile**

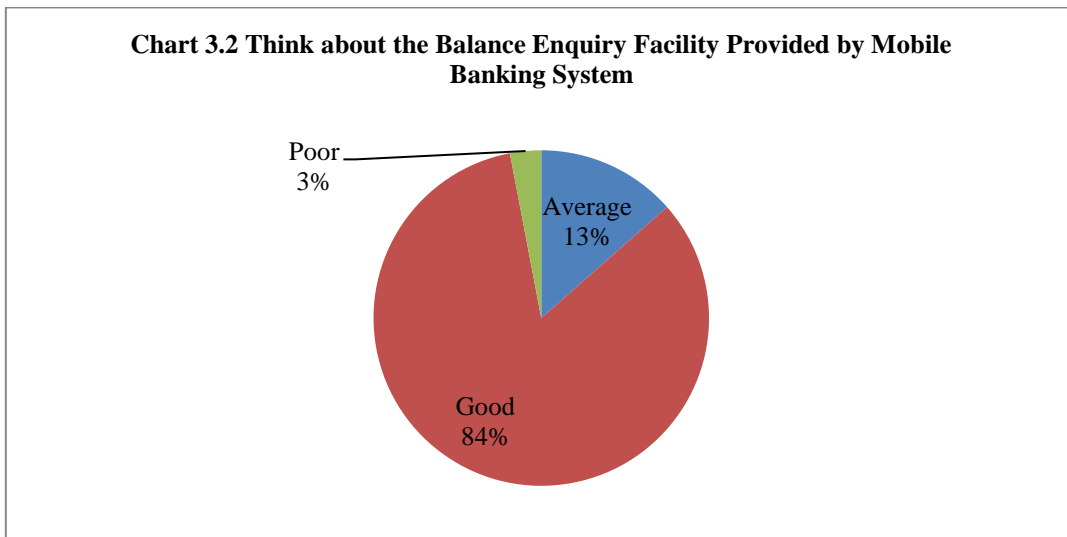
Variables	Category	No. of Respondents	Percentage
Gender	Male	194	72.7
	Female	73	27.3
	Total	267	100.0
Age	31-40	102	38.2
	41-50	33	12.4
	Above 50	34	12.7
	Upto 30	98	36.7
	Total	267	100.0
Education	Degree	50	18.7
	Diploma/ITI	1	.4
	P.G and above	198	74.2
	Upto H.Sc	18	6.7
	Total	267	100.0
Occupation	Agriculturist	7	2.6
	Business	53	19.9
	Employed	180	67.4
	Student	27	10.1
	Total	267	100.0
Monthly income (Rs.)	15001-25000	63	23.6
	25001-35000	56	21.0
	Above 35000	77	28.8
	Up to 15000	71	26.6
	Total	267	100.0
Type of bank	Private sector bank	106	39.7
	Public sector bank	161	60.3
	Total	267	100.0
Type of account	Current account	8	3.0
	Savings bank account	259	97.0
	Total	267	100.0
Location of the bank	Rural	81	30.3
	Urban	186	69.7
	Total	267	100.0
Sources: collected and computed through Questionnaire			

- The table shows out of 267 respondents, 72.2% respondents are male and 27.3 respondent female. Thus, it is inferred that the majority of the respondents are male.
- Thus, majority of the respondent's age ranges 31-40years (38.2%)
- Mostly 74.2% of the respondents' literacy level at the PG and above.
- 67.4% of the respondents are employed.
- From the above table noted that the out of 267 respondents thus, it is found that the majority of respondent's monthly income level Above 35000.
- Mostly 60.3% of the respondents are using Public sector bank.
- Mostly 97.0 % of the respondents are using Savings bank account
- 69.7 % of the respondents are Urban

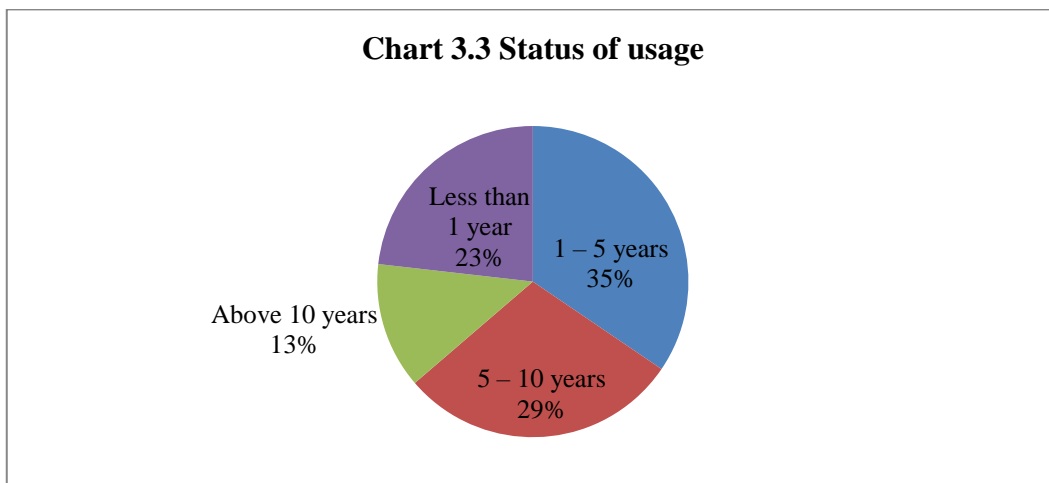
Chart 3: Survey Questioners Data Analysis And Interpretations



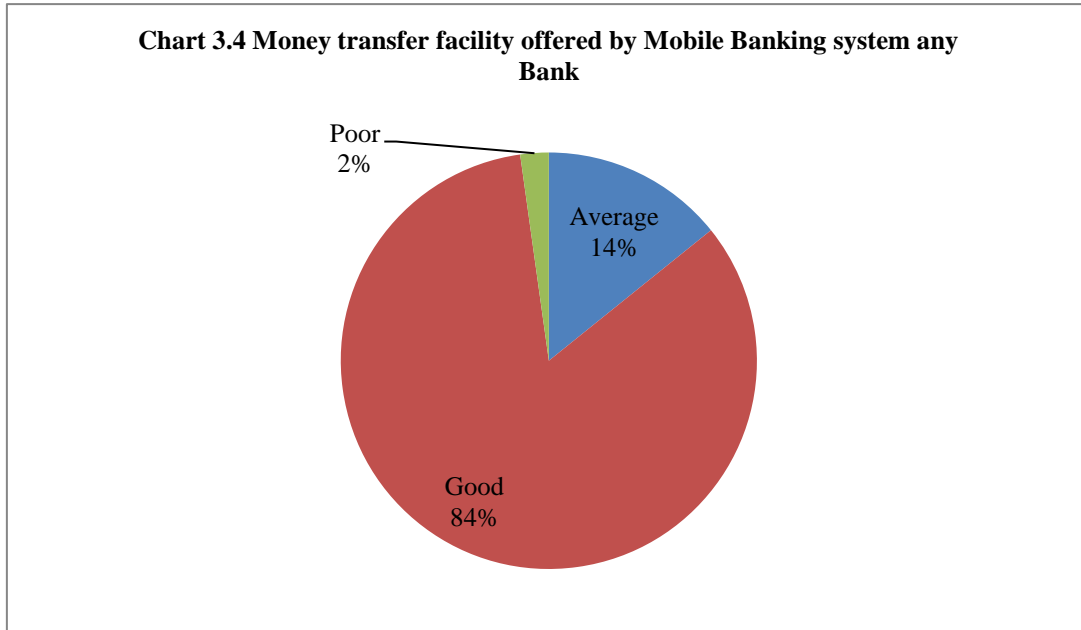
From the above chart 3.1 noted that the out of 267 respondents, Thus, it is found that the majority of respondents (85%) are aware about mobile.



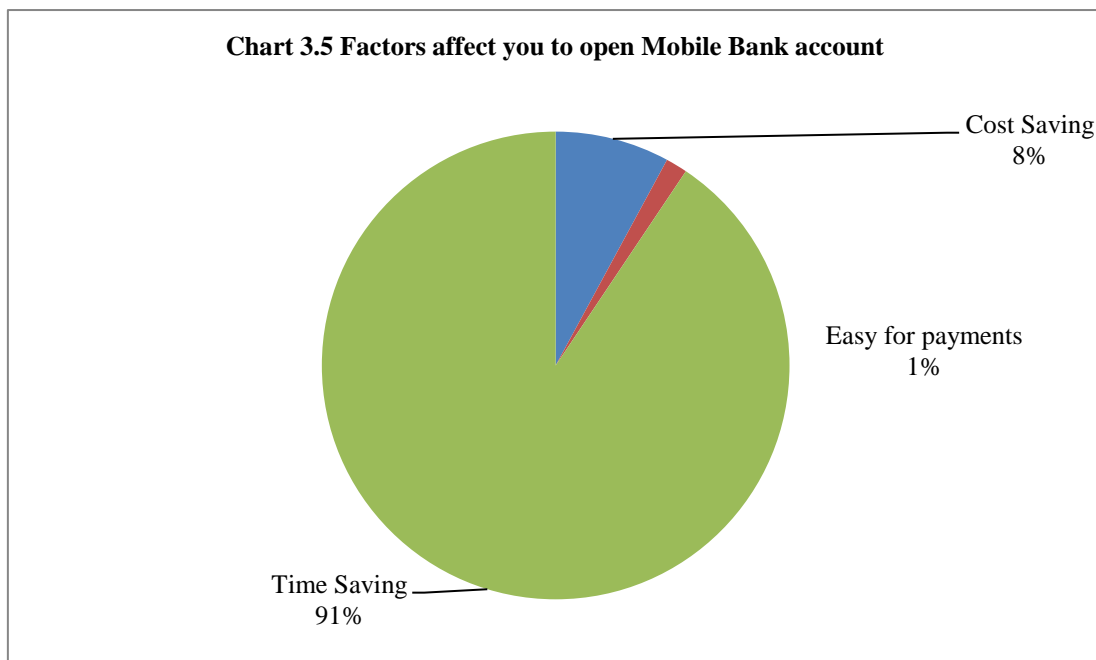
The chart 3.2 shows that out of 267 respondents, the most (84%) of the respondents opinion about balance enquiry facility provides by mobile banking system is good.



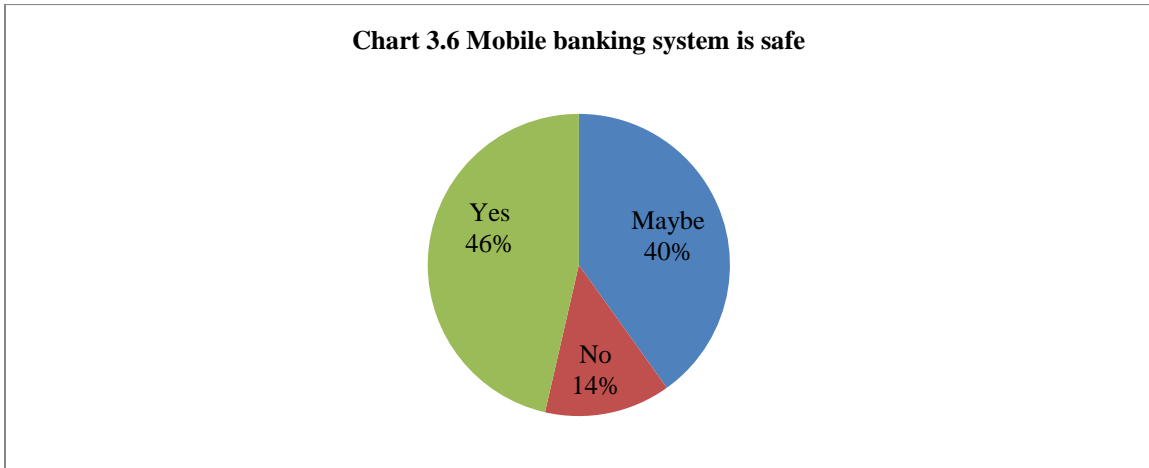
The chart 3.3 shows that out of 267 respondents, the most (35%) of the respondents using Mobile banking system above 5-10 years.



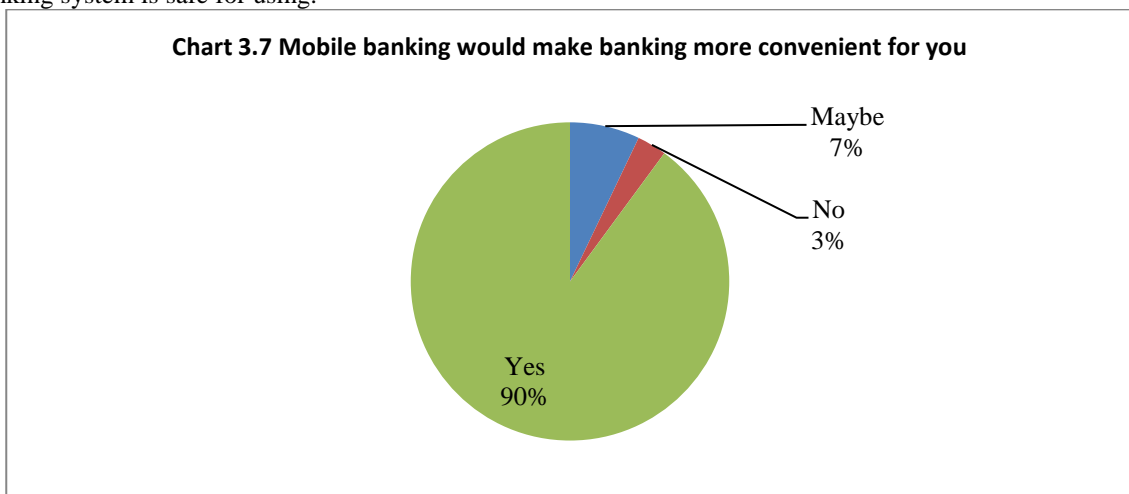
The chart 3.4 shows that out of 267 respondents, the most (84%) of the respondents opinion about money transfer facility offered by mobile banking system is good.



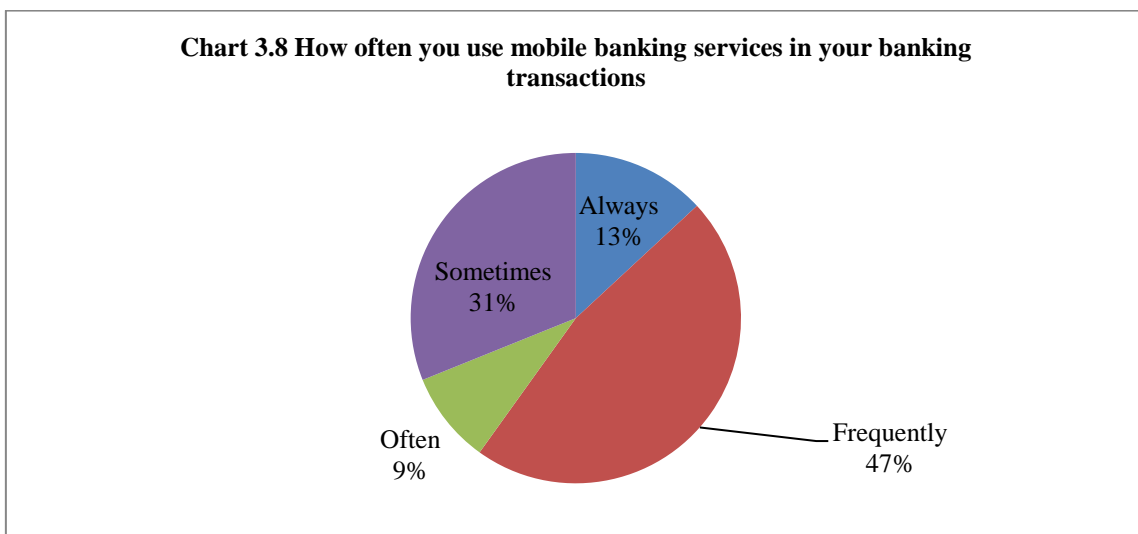
The chart 3.5 shows that out of 267 respondents, the most (91%) of the respondents opinion about by factor affecting the mobile banking system is time saving.



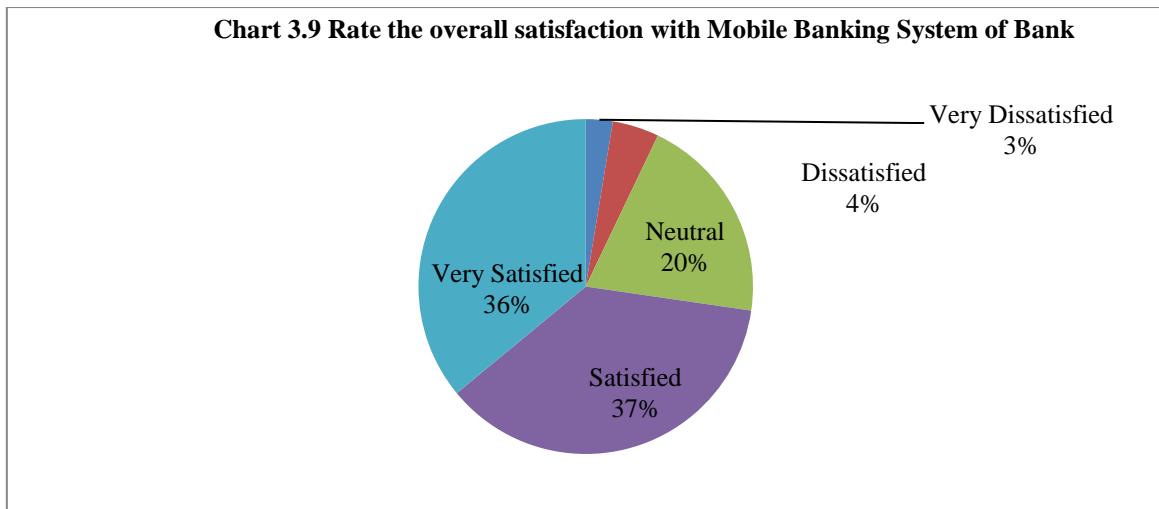
The chart 3.6 shows that out of 267 respondents, the most (46%) of the respondents opinion about by mobile banking system is safe for using.



It could be noted from the chart, the most (91%) of the respondents opinion about mobile banking would make banking more convenient.



The chart 3.8 shows that out of 267 respondents, the most (47%) of the respondents are use mobile banking services for frequently.



The chart 3.9 shows that out of 267 respondents, the overall satisfaction with using mobile banking, 36% of the respondent very satisfied and 37% of the respondent satisfied.

Chi-Square Test

H0: Gender and awareness about mobile banking

Chi-Square Test			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	2.872 ^a	2	.238
Likelihood Ratio	2.718	2	.257
N of Valid Cases	267		
Significant at 5% (P<0.05) –Rejected, Non-Significant at 0.05–(P>0.05) -Accepted * - Significant, ** - Highly Significant.			

Inference

The calculated chi square value is greater than table value and the result is no significant at 5% level. Hence, the null hypothesis is accepted. There does not exist significant association between Gender and awareness about mobile banking.

H0: Gender and factors affect you to open Mobile Bank

Chi-Square Test			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	5.347 ^a	2	.069
Likelihood Ratio	7.150	2	.028
N of Valid Cases	267		
Significant at 5% (P<0.05) –Rejected, Non-Significant at 0.05–(P>0.05) - Accepted * - Significant, ** - Highly Significant.			

Inference

The calculated chi square value is greater than table value and the result is no significant at 5% level. Hence, the null hypothesis is accepted.

H0: Gender and mobile banking would make banking more convenient

Chi-Square Test			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	1.417 ^a	2	.492
Likelihood Ratio	1.568	2	.457
N of Valid Cases	267		
Significant at 5% (P<0.05) –Rejected, Non-Significant at 0.05–(P>0.05) -Accepted * - Significant, ** - Highly Significant.			

Inference

The calculated chi square value is greater than table value and the result is no significant at 5% level. Hence, the null hypothesis is accepted. There does not exist significant association between Gender and mobile banking more convenient.

H0: Gender and overall satisfaction with Mobile Banking

Chi-Square Test			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	18.531 ^a	4	.001
Likelihood Ratio	18.492	4	.001
N of Valid Cases	267		
Significant at 5% (P<0.05) –Rejected, Non-Significant at 0.05–(P>0.05) -Accepted * - Significant, ** - Highly Significant.			

Inference

The calculated chi square value is less than table value and the result is significant at 5% level. Hence, the null hypothesis is rejected. Hence, it is concluded that there is significant association between gender and overall satisfaction with Mobile Banking.

H0: Education and awareness about mobile banking

Chi-Square Test			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	17.015 ^a	6	.009
Likelihood Ratio	13.979	6	.030
N of Valid Cases	267		
Significant at 5% (P<0.05) –Rejected, Non-Significant at 0.05–(P>0.05) -Accepted * - Significant, ** - Highly Significant.			

Inference

The calculated chi square value is less than table value and the result is significant at 5% level. Hence, the null hypothesis is rejected. Hence, it is concluded that there is significant association between Education and awareness about mobile banking.

H0: Education and mobile banking would make banking more convenient

Chi-Square Test			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	19.869 ^a	6	.003
Likelihood Ratio	14.646	6	.023
N of Valid Cases	267		
Significant at 5% (P<0.05) –Rejected, Non-Significant at 0.05–(P>0.05) -Accepted * - Significant, ** - Highly Significant.			

Inference

The calculated chi square value is less than table value and the result is significant at 5% level. Hence, the null hypothesis is rejected. Education and mobile banking more convenient.

CONCLUSION

Mobile Banking is well recognized that mobile phones have huge potential of conducting money transactions therefore leading the money growth with a great deal of conveniences and much-reduced value. For zoom, the advantages of mobile banking ought to reach the soul at the remotest locations within the country. For this, all stakeholders like Regulators, Governments, and medium service suppliers, and mobile device makers have to be compelled to build efforts in order that penetration of mobile banking reaches from high-end to low-end users and from metros to the center cities and rural areas. The inclusion of the non-banking population within the money thought can profit all. There's additionally a necessity to get awareness regarding mobile banking in order that a lot of and a lot of individuals use it for their benefit.

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