



“A STUDY ON MOBILE BANKING SERVICES AND ITS CHALLENGES IN INDIA”

Dr. M. Sumetha, Assistant professor, Faculty of Management Studies, Parul University.

Grishma Khandelwal, Faculty of Management Studies, Parul University.

Kharva Divyang, Faculty of Management Studies, Parul University

Abstract :-

Technology plays an important role in banking sector. Banking is one of the largest financial institutions constantly explores the opportunity of technology enabled services to provide better customer experience and convenience. Mobile phone is common technology device that became part of every individual in the information era. Mobile banking is an emerging alternate channel for providing banking services. India is the second largest telecom market in the world, which is having high potential for expanding banking services using mobile. However, mobile banking has not become the choice of millions of people. The main objective of this study is to identify the mindset and analyse the security issues in mobile banking among the banking customers in India.

Keywords :- Mobile Banking Services, Mobile Banking in India, and Its Difficulties in india.

Introduction:-

In the USA, mobile banking was introduced in 2006 by Wachovia bank. And in 2007 it was predicted by the AITE group that the mobile users are reached to 1.6 millions in end of the 2007.

Mobile banking before 2010 was most often performed via SMS or the mobile web. Apple's initial success with i-Phone and the rapid growth of phones based on Google's Android (operating system) have led to increasing use of special mobile apps, downloaded to the mobile device.

In 2014 RBI allowed mobile banking in the to the 10 to 14 year age group child. now is became essential part of banking facility and society. All the banks are now moving toward the mobile banking because of the convenient use.

Literature Review:-

Cudjoe, Anim, and Nyanyofio (2015) in their study examined the determinants of Mobile banking adoption among bank customers in Ghana, with specific emphasis on Access Bank. He investigated 150 customers of access bank to find out the determinants of Mobile banking adoption in the Ghanaian banking industry. The results indicate that each factor measured had some level of significant effect on consumer intention to adopt and use Mobile banking services provided by Access Bank. Further perceived credibility and perceived financial cost were the major factors that formed a negative behavioral pattern towards Mobile banking of Ghanaians. It also found that perceived financial cost and perceived credibility have a stronger effect on consumer intention to use and adopt Mobile banking service than perceived ease of use and perceived usefulness.

Parul (2015) the study examines the consumer adoption of new electronic payment of mobile banking in India. It is an exploratory research study. Data collected through a structured questionnaire and also secondary data with newspapers, journals, magazines and web links. So it is concluded that banks still need to create awareness to its customers on how to use mobile banking services.

(Deshwal, 2015) in her, study discussed about how mobile phones have been immensely providing financial services in India and its contribution to the economic growth at reduced costs. She believes that a good way to PJAEE, 17 (6) (2020) 9464 ensure inclusive growth of the common man is by reaching out to the remotest locations of the country. The collaborations among various organizations are necessary to increase the penetration of mobile banking from high end users to low end users and from big metropolitan cities to rural areas. She further points out how the customers could be driven towards mobile banking with the help of various advertising campaigns.

Objectives:-

1. To understand the basic concept of Mobile Banking Services in India.
2. To study the challenges comes in front of users while adopting Mobile Banking Services.
3. To analyze the positive and negative factors of Mobile Banking Services.
4. To study the various purposes of using Mobile Banking Services.

Problem of Statement:-**Factor 1: Access Problem**

It is the most important factor, Accessing Problem statements such as ‘Possibility of error is higher than Internet Banking, Using key code list with mobile phone is complicated and Mobile Phone is an unpractical device for banking emerges with good positive correlations. The great influence on the adopters not to have mobile banking services.

Factor 2: Dissatisfaction

Four variables load on this factor. ‘Dissatisfaction’ is the second significant factor, which accounts of the variations. The statements ‘Data transmission is very slow, Mobile banking services are risky and not secure, Mobile banking services are not enough versatile and its use has been a disappointment by others signify that the non-adopters have seen the dissatisfaction among the users of mobile banking services.

Data Analysis by Anova: Single Factor: -

Question1: - Understanding of Banking service [I prefer traditional banking service]

Question2: - Understanding of Banking service [I feel convenient when I use mobile banking]

1. Result**Anova: Single Factor**

SUMMARY

Groups	Count	Sum	Average	Variance
Column 1	5	39	7.8	75.2
Column 2	5	99	19.8	286.2
Column 3	5	49	9.8	41.7
Column 4	5	14	2.8	9.2

ANOVA

Source of Variation	SS	df	MS	F	P-value	F crit
Between Groups	763.75	3	254.5833333	2.469884388	0.09925661218	3.238871517
Within Groups	1649.2	16	103.075			
Total	412.95	19				

Interpretation :-

- The Anova analysis shows a significant difference in banking service level amongs different group (column 1 to column 4)
- The F- Value of 2.4698 with a p-value of 0.0992 indicates that there is a statistically significant difference between the group in terms of mobile banking service.
- The different group variance (254.588) in larger than the within group variance (103.075) , supporting the presence of significance difference among the group

2. RESULT**Anova single Factor****SUMMARY**

Groups	Count	Sum	Average	Variance
Column 1	5	39	7.8	23.7
Column 2	5	100	20	177.5
Column 3	5	47	9.4	30.3
Column 4	5	13	2.6	5.8

ANOVA

Source of Variation	SS	df	MS	F	P-value	F crit
Between Groups	799.75	3	266.5833333	4.493608653	0.01805605922	3.238871517
Within Groups	949.2	16	59.325			
Total	1748.95	19				

Interpretation :-

The Innova analysis also revise a significance difference in mobile banking level among difference group (column 1to column 4).

The F- value of 4.493 With a p-value of 0.01805 suggest that there is no statistical significant difference between the group in the scenario.

The different groups variance (266.5833) in smaller than the within groups variance (59.325), indicating less variability between the groups compared to within the group.

Research Methodology:-

For the present research, the paper is based on Exploratory Research. The major emphasis of Exploratory Research is on the discovery of ideas. Through Exploration, the researcher develops concepts more clearly, establish priorities, develop operational definitions, and improve the final research design. This research is both quantitative and qualitative. This Research is based on the data collected through “Questionnaire” with Mobile banking user and Non-user.

Research Design:-

Exploratory Research Design is chosen for the research. Exploratory research is defined as a research method that describes the characteristics of the population or phenomenon that is being studied.

Sources of Data:-

Primary Data- The primary data has been generated with the help of questionnaires containing open ended questions.

Secondary Data- The secondary data has been generated with the help of internet and its multiple websites, journals, research papers.

Populotion:- All the mobile banking users are using various services of mobile banking in India.

Sampling Method:- Convenient sampling method used as sampling design under Non-probability method.

Sampling Frame:-

The research has been conducted in the India. The wide states where the research will take place were Gujarat, Maharashtra. The wide areas where the research will take place were Akota, Waghodia, Manjalpur, Borivali, Bandra. For the purpose of study,200 people were administered with questionnaire based on the study of literature.

Data Collection Instrument:-

Initially, a rough draft has been prepared keeping in mind the objective of the research. A study has been undertaken in order to know the accuracy of the questionnaire. The final questionnaire has been arrived at only after certain important changes are incorporated. Convenience sampling technique has been used for collecting the data from different mobile banking service users. The users are selected by the convenience sampling method. The selection of units from the population based on their easy availability and accessibility to the researcher is known as convenience sampling. Convenience sampling is at its best in surveys dealing with an exploratory purpose for Generating ideas.

Result and Finding :-

1. Banks should create awareness about the mobile banking services through Advertisements,Pamphlets, Demo Fares, Campaigning etc. So that the customer feel informed and it may Create interest among them.
2. Trust is also an important point of concern. Trust between the customers and the service Provider is very important, without security and privacy users will not use mobile for Financial transactions.
3. Perceived ease of use and perceived usefulness are found to be important factorsto influence The consumer intention to adopt mobile banking. Hence, the main attention of management Should be focused on the

development of usefulness of system, trust building and cost Reduction.

4. Perceived cost is also an important factor; therefore, this study suggests that the creative Promotional and pricing strategies, including cost reduction should be implemented to attract More price-conscious customers.
5. It is also found that customers will adopt mobile banking if they find it easy to use And understand.

Conclusion: –

It is well recognized that Mobile phones have immense potential of Conducting financial Transactions thus leading the financial growth with lot of convenience and much reduced Cost. For inclusive growth, the benefits of mobile banking services should reach to the Common man at the remotest locations in the country. For this all stakeholders like Regulators, Govt., telecom service providers and mobile device manufactures along with Bankers need to make efforts so that penetration of mobile banking reaches from high-end To low-end users and from metros to the middle towns and rural areas. Inclusion of non- Banking population in financial main stream will benefit all. There is also need to generate Awareness about the mobile banking services so that more and more people use it for their Benefit. Research so far has outlined a diversity of thinking and innovation that exists in the m-payments arena. Numerous solutions have been tried and failed but the future is promising with potential new technology innovations.

Reference :-

1. A. S. Yang, “Exploring adoption difficulties in mobile banking services,” Canadian Journal Of Administrative Sciences, vol. 26, 2009, pp. 136-149.
2. A. A. Shaikh and H. Karjaluo, “Mobile banking adoption: a literature review,” Telematics and Informatics, Vol. 32, 2015, pp. 129-142.
3. W. M. To and L. S. L. Lai, “Mobile banking and payment in China,” IT Pro, May/June 2014, pp. 22-27.
4. “Mobile banking,” Wikipedia, https://en.wikipedia.org/wiki/Mobile_banking
5. D. Weerasinghe, V. Rakocevic, and M. Rajarajan, “Security framework for mobile banking,” Proceedings of the 8th International Conference on Advances in Mobile Computing and Multimedia, Nov. 2010.
6. L. Nosrati and A. M. Bidgoli, “A review of mobile banking security,” Proceedings of IEEE Canadian Conference on Electrical and Computer Engineering, 2016.
7. Vaidya (2011): “Emerging Trends on Functional Utilization of Mobile Banking in Developed Markets in Next 3–4 Years”
8. Tiwari, Rajnish and Buse, Stephan(2007): The Mobile Commerce Prospects: A Strategic Analysis of Opportunities in the Banking Sector
9. Tiwari, Rajnish; Buse, Stephan and Herstatt, Cornelius (2007): Mobile Services in Banking Sector:

The Role of Innovative Business Solutions in Generating Competitive Advantage, in: Proceedings of the International Research Conference on Quality, Innovation and Knowledge Management, New Delhi, pp. 886–894.

14. Tiwari, Rajnish; Buse, Stephan and Herstatt, Cornelius (2006): Customer on the Move: Strategic Implications of Mobile Banking for Banks and Financial Enterprises, in: CEC/EEE 2006, Proceedings of the 8th IEEE International Conference on E-Commerce Technology and The 3rd IEEE International Conference on Enterprise Computing, E-Commerce, and E-Services (CEC/EEE'06), San Francisco, pp. 522–529.
15. Tiwari, Rajnish; Buse, Stephan and Herstatt, Cornelius (2006): Mobile Banking as Business Strategy: Impact of Mobile Technologies on Customer Behaviour and its Implications Banks, Technology Management for the Global Future – Proceedings of PICMET '06.

Websites :-

www.ssrn.com
http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1087863
www.emreld.com

