

IMPACT OF MOBILE BANKING

(With special reference to Kanyakumari District)

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Abstract

The innovative technology in the banking industry has been constantly evolving. Innovative technology based activities in the banking sector enable customers to avail banking services from the comfort of their own home. It enhances home based transaction of banking activities such as exchange of money. Also the customers do not have to go to bank for each transactions. Different mobile apps of different banks are coming up with new services from time to time. There applications that can be easily installed on mobile devices for providing services and facilities to customers. Nowadays, mobile apps offered by banks are working as a financial supermarket. Paperless and card less transaction are offered by many banks via mobile apps. However, customers are not utilizing mobile banking apps in a full-fledged manner. The present study analyses the impact of mobile banking in kanyakumari district.

Keywords: Mobile banking, innovative technology, mobile-Apps, financial supermarket

Introduction

Technology advancement is more vital in all segments of banking industries and, hence, adopts technological changes to sustain and achieve in their area. The banking sectors are changing from traditional to modern methods of banking operation. In India, most of the banks are adopting modern banking services like online banking, automated depositing machine and automated pass book entry machine, mobile banking. Mobile Banking is one of the major elements of modern banking services. Mobile Banking means undertaking banking operation through Mobile devices.

Mobile Banking services comprises of services like balance enquiry, m-pass book, m-statement, fund transfer, utility bill payment, ATM locator, SMS services. Today most of the people in India are using smart phones to deal with bank transactions. However, the crowd in banks and time spent in banks to access banking services is not reducing on one hand; mobile banking is associated with their customers and on the other hand, is associated with other firms that are active in the field of electronic commerce. It provides effective financial services to their customers. India there is a rapid growth in the usage of mobile phones. Banks have been exploring the feasibility of using mobile phones as an alternative channel for delivery of banking services.

Objectives to know about the impact of mobile banking.

- To determine the benefits of mobile banking.
- To understanding the problem faced by the customer towards mobile banking services.

Review of Literature

Gupta, Haejung Yun, Heng Xu and Hee-Woong Kim, (2017). "An exploratory study on mobile banking adoption in Indian metropolitan and urban areas: a scenario-based experiment" The

objective of this paper is to investigate how the levels of security affect perceived risk and control and ultimately, adoption of mobile banking by Indian customers. This paper further examined moderating influence of the type of city on the relationship between the level of security and the risk perceptions of adoption of mobile banking. An online survey was used for data collection. The dataset consisted of 176 responses (metropolitan 70; urban 106). The findings reveal that perceived risk and control influencing customer's intention to adopt mobile banking. More-over in urban areas perceived risk and control influenced significantly whereas in metropolitan customers only perceived control significantly influenced mobile banking adoption.

Iman E and Emhamad E (2017), "Dynamics Impacting Libyan Customers to Adopt Mobile Banking in Libya" The study is intended to examine various factors effecting mobile banking adoption in Libya. The researcher has used extended Technology Acceptance Model (TAM) model for the study. A Survey was done on 100 Libyan bank customers and findings showed that customers do m-banking transactions, perceived usefulness, Perceived ease of use, Perceived Credibility the most important factors and has positive affect behavioral intention to adopt mobile banking in Libya.

Statement of the Problem

Innovation is one of the important things that affect the activities of every country. In today's world all sectors are working as innovation acceptors. Mobile banking may prove to be an important innovation in developing world. Banking sector's profitability depends on better customer relationship. Nowadays consumer's needs are getting more complex and the demands are for innovative products are increasing. Thus banks have introduced a profitable technology called mobile banking. Indian banking has undergone a tremendous change and several banks have introduced the latest technology. Mobile banking is one of the newest innovations introduced by banking industry. In the present world every person has a personal mobile rather than having a computer at home. Even rural persons also have mobile phones. Mobile banking (also known as M-banking, SMS-banking) is a term used for performing balance checks, account transaction, payments etc. via a mobile device such as a mobile phone m-banking is a service that the banks make it available for the customer is and whenever the customer needs. M-banking is known as "anytime, anywhere banking". M-banking can help in reducing cost and saving time. It is beneficial for both customers and banks as well. This study mainly focuses on the impact of mobile banking services in kanyakumari district.

RESEARCH METHODOLOGY

The data required for the present study has been collected from both primary and secondary sources. The primary data was collected from the mobile banking customers. A well-planned questionnaire was constructed for collecting primary data from the customers. Stratified Random Sampling method is used in this study. A sample of 100 respondents has been selected for this study. The secondary data was collected from associated research publications in books, journals and periodicals, dailies and reports available on the chosen topic.

SCOPE OF STUDY

This study dealt with the extent of using Mobile Banking by the bank customers (both public and private) and the awareness of mobile banking among the public. The study also examined the customer's perception about Mobile Banking. Thus, this study will aid in

- ♣ Making policies that creates a positive opinion towards m- banking and hence increasing its adoption.
- ♣ promoting technology in banking business
- ♣ Creating awareness among public for easier banking services.
- ♣ The research can be used as a base for post-doctoral research work.

ANALYSIS AND INTERPRETATION

Benefits of Mobile Banking:

M-Banking gives the customers with various benefits. The major four benefits are selected and they are speedy transactions, saves time, Easy service and No need of visiting physical branch was used to analyse the data.

Table No: 1

THE BENEFITS OF MOBILE BANKING

BENEFITS	Percentage (%)	Rank
Speedy transactions	64.50	IV
Saves time	77.25	I
Easy to use	72.00	II
No need of visiting physical branch	69.75	III

Source: Primary Data

On the basis of ranking it was found that the first priority was given as “saves time” is reacted as number as 77.25 percent respondents agreed to this option. The next benefit was “easy to use” with 72 percent and the third benefit was “no need of visiting physical branch” with 69.75 percent and last priority was given to “speedy transactions “ with fourth rank as only 64.50 percent respondents are support this statement.

PROBLEMS FACED BY THE CUSTOMERS IN MOBILE BANKING

In m-banking various problems affected by the customers. They are Login / Sign off are not easy, Risk by hackers, Virus attack the mobile banking App, Outdated Apps often mean out of date security and Poor connectivity lead to poor security. Weighted average ranking method has been used to analyse the problems faced by the customers.

TABLE NO: 2

PROBLEMS FACED BY CUSTOMERS IN MOBILE BANKING

S.No	Problems	Total Score	Mean Score	Rank
1.	Login / Sign off are not easy	366	3.66	I
2.	Risk by hackers	154	1.54	V
3.	Virus attack the mobile banking App	232	2.32	IV
4.	Outdated Apps often mean out of date security	346	3.46	III
5.	Poor connectivity lead to poor security	357	3.57	II

Source: primary data

The above table 3 reveals that the problems faced by customers in mobile banking services. The main problems regarding-banking service is “Login / Sign off are not easy” since it is secured first rank with mean score (3.66), second rank goes to ‘Poor connectivity lead to poor security ‘as it scored (3.57), third rank goes to ‘Outdated Apps often mean out of date security’ as its score (3.46), followed by “Virus attack the mobile banking App” scored (2.32) and “Risk by hackers” (1.54).

Findings

- The factors leading to the benefits of mobile banking are examined with the help of major four variables. The highly viewed variables are mobile banking is saves time and easy to use respectively.
- The weighted average method reveals that the respondent’s most influential factor for the problems faced by customers in mobile banking is there is “Login / Sign off are not easy”.

Suggestions

- ❖ The rate of usage of mobile banking services among the respondents is not at an appreciable level. This defect can be eliminated by banks provide demonstration and training to customers to explain about the usage and effectiveness of mobile banking services. .
- ❖ Banks are also advised to undertake customer education and awareness programme in multiple languages through different channels of communication to popularise their process of mobile banking registration/activation and its usage.
- ❖ The customer’s main problem is login and sign off. Banks should be take necessary steps to remove for this problem by the customers.

CONCLUSION

This study briefly explains the impact of mobile banking. It also presents the traditional services as well as the modern services provided by the banks. The present generations is attracted more by the modern services as it is more attractive and time saving. From this study the researcher has learnt most of the people are using mobile banking services and the level of the customers is good. This study clearly shows the usage of modern services and its advantages. The variables related to the benefits of mobile banking and the problem faced by the customer towards mobile banking services derived from this study. If the bankers are take necessary steps to take remedial measures to promote the customers about the usage of new technologies in mobile banking.

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IJFANS INTERNATIONAL JOURNAL OF FOOD AND NUTRITIONAL SCIENCES

ISSN PRINT 2319 1775 Online 2320 7876

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