

A STUDY ON FACTORS INFLUENCING THE MOBILE BANKING SERVICES IN COIMBATORE CITY

Dr. S. M. YAMUNA, Head & Associate Professor, Department of Commerce (BPS), PSG College of Arts & Science, Coimbatore. yamuna@psgcas.ac.in, Mobile. No. 9894334215

Ms. M. SHEELA HEPSIBA, Research Scholar, PSG College of Arts & Science, Coimbatore. sheelahepsiba96@gmail.com, Mobile. No. 9790548786

ABSTRACT

Data breaches are a critical issue for banks, as it leads to losing customer's data and trust. If the customers' data of a bank is compromised, it makes it difficult for customers to trust the bank. Data breaches usually happen due to weak Cyber security strategies. Hence, it is required to have Cyber security essentials for banks and financial institutions to upfront the existing security parameters and protect crucial data. This study is predicated on the topic "A Study on Customer Awareness towards Mobile Banking Services with Reference To Coimbatore City". The aim of this study is to grasp the awareness and opinion of mobile banking among Coimbatore people. So it's of high importance for banks to take preventive measures by knowing the opinion of their customers.

Keywords: Mobile Banking Services, Security, Awareness of Mobile Banking, Opinion of Mobile Banking.

INTRODUCTION

Mobile banking may be a service provided by a bank or different institution that permits its customers to conduct money transactions remotely employing a mobile device like a smartphone or pill, not like the connected web banking it uses software package, typically known as associate app, provided by the institution for the aim. Mobile banking is sometimes accessible on a 24-hour basis. Some money establishments have restrictions on that accounts are also accessed through mobile banking, yet as a limit on the number that may be transacted. Mobile banking relies on the provision of an online or knowledge affiliation to the mobile device.

Some apps conjointly modify copies of statements to be downloaded and generally written at the customer's premises. Employing a mobile banking app will increase easy use, speed, flexibility and conjointly improves security as a result of it integrates with the user inherent mobile device security mechanisms.

From the bank's purpose of read, mobile banking reduces the value of handling transactions by reducing the requirement for patrons to go to a bank branch for non-cash withdrawal and deposit transactions. Mobile banking doesn't handle transactions involving money, associated a client has to visit an ATM or bank branch for money withdrawals or deposits. Several apps currently have a distant deposit option; victimization the device's camera to digitally transmit cheques to their institution.

Mobile banking differs from mobile payments, that involves the utilization of a mobile device to obtain product or services either at the purpose of sale or remotely, associate to the utilization of a debit or master card to result an Electronic Fund Transfer & Point of Sale Payment.

Mobile banking provides the subsequent services

Account data

1. Mini-statements and checking of account history
2. Regular alerts on account activity

Transaction

1. Funds transfers between the customer's connected accounts
2. Paying third parties, together with bill payments and third-party fund transfers

Investments

1. Portfolio management services
2. Period Stock

Support

1. Check (cheque) book and card requests
2. Exchange of knowledge messages and email, together with criticism submission and pursuit
3. Standing of requests for credit, together with mortgage approval, and sum of money

OBJECTIVES

- To study the customer awareness on Mobile Banking.
- To explore the factors that influences people to use Mobile Banking services.
- To know the opinion of people using Mobile Banking.

STATEMENT OF THE PROBLEM

In this growing economy banking transactions has turned up easy with the mobile banking services. Though using these mobile applications are considered to be the easiest way to adopt, there are some technical grievances which are still questionable. Various study has been conducted to know the customer satisfaction and awareness towards the mobile banking yet security measures of mobile banking also have to be considered as it gains the customers trust and belief. Thus, this study focuses not only in awareness and customer satisfaction but also on the security measures adopted by banking applications.

SCOPE OF THE STUDY

The scope of growth in Mobile banking industry is very vast. Carrying money in wallet may be concept of past in future. By using Mobile phone people will be able to perform all kind of financial transactions. Mobile device will serve as a debit and a credit card. Speedy efforts to expand the usage and scope of Mobile banking by banks have been taking place because Mobile banking is now being considered as the easiest, fastest and latest technology to conduct banking transactions. There is a great scope for Mobile banking as the numbers of Mobile users in India are increasing rapidly. Facilities to conduct bank transactions on the stock market and to access customized information are included in the scope of services provided by Mobile banking.

RESEARCH METHODOLOGY

Research methodology is a way to systematically solve the research problem; it is how research is done scientifically. It consists of different steps that are generally adopted by a researched to study the research problem along with logic behind them.

a) Sources of data

Both Primary and secondary data were used for the study.

b) Collection of data

Primary data

Structural Questionnaire were prepared for the purpose of collection of primary data from the respondents. The questionnaire was prepared in simple and understandable way so as to express their views of opinion freely and frankly.

Secondary data

Secondary data was collected through magazines, newspaper, journals and websites.

c) Area of the Study

Area of the study is confined to Coimbatore city only.

d) Sample size and population

The sample size is 100 questionnaires collected from the different respondents.

Convenience random sampling method is used for the study.

e) Statistical needs of the study

The following statistical tools were used in the study for the purpose of analysis.

- Simple Percentage Analysis
- Rank Correlation

LIMITATIONS OF THE STUDY

Following are the limitations of the study

- The sample is confined to 100 respondents.
- The data is obtained through questionnaire and it has its own limitations.
- The respondents will have difference of opinion irrespective of present scenario to the future.
- There could be a possibility of slight error in data collection procedure because some of respondents might not have provided the actual answer to the asked question.

REVIEW OF LITERATURE

Nilay Yildirim and Asaf Varol (2019)¹ “Security Vulnerabilities in Online and Mobile Banking Systems” Mobile and online banking becomes one of the most important technologies that will not lose its popularity with new technology features added every day for the convenience of the user. Most of the financial companies offer mobile and online banking applications to their customers. Security, privacy and customer privacy in online and mobile banking have become important. Security risks in mobile and online banking, especially in mobile banking is a major problem for the banks and the users because of the innovations brought by the technology and security gaps in every innovation. The banking system offers various security solutions for mobile and online banking security. In this research paper, security threats and security measures in mobile and online banking systems are examined.

Sindhu Singh & R. K. Srivastava (2020)² “Understanding the intention to use mobile banking by existing online banking customers: an empirical study” The Indian banking sector can take advantage of the proliferation of smartphones as well as the government’s

encouragement of cashless transactions to accelerate the use of mobile and online banking. The purpose of this study is to understand the initial acceptance of mobile banking by existing online banking users. Few studies have focused on online banking users' behavioural intention to use similar services (such as mobile banking) in India. To this end, a theoretical model was developed using the technology acceptance model, which was extended to cover the adoption factors that influence users of online banking to use mobile banking. These adoption factors comprise perceived ease of use, perceived security, mobile self-efficacy, social influence and customer support. The dependent variable is customers' behavioural intention to use mobile banking. A partial least squares structural equation modelling analysis was used to test the theoretical model with sample data from 420 online banking customers of various public, private, foreign and co-operative banks in India. The study found that the adoption factors had a significant impact on customers' behavioural intention to use mobile banking. The findings of this study provide insight into digital banking channels, contribute to existing research on digital banking adoption and will educate banks and financial institutions on the adoption of mobile banking in India.

ANALYSIS AND INTERPRETATION

TABLE 1 SHOWING THE DEMOGRAPHIC PROFILE OF THE RESPONDENTS

S. No	Demographic		No.of Respondents	Percentage (%)
1	Gender	Male	57	57
		Female	43	43
2	Age group	Below 20 years	4	4
		20 – 30 years	48	48
		31 – 40 years	41	41
		Above 40 years	7	7
3	Qualification	School Level	2	2
		Diploma	3	3
		Under Graduation	68	68
		Post-Graduation	17	17
		Professional	10	10
4	Number of family members	2	26	26
		3	10	10
		4	44	44
		Above 4	20	20

5	Employment Status	Self Employed	21	21
		Government employee	21	21
		Private employee	56	56
		Unemployed	-	0
		Others	2	2
6	Annual Income	Below Rs. 2,00,000	4	4
		Rs. 2,00,000 – Rs3,50,000	7	7
		Rs. 3,50,001 – Rs. 5,00,000	70	70
		Above Rs. 5,00,000	19	19

Source: Primary Data

INTREPRETATION

It is inferred that from the above table 57% of respondents are Male, 48% of respondents are under the age category of 20 – 30, where in those 68% of respondents are Under graduates and mostly of 44% respondents has 4 members in the family, 56% of respondents are of Private Employees whose majority of their Salary are of between Rs. 3,50,001 – Rs. 5,00,000.

TABLE 2 SHOWING THE CUSTOMER AWARENESS OF MOBILE BANKING

S. No	Factors		No. of Respondents	Percentage (%)
1	Number of family members who have Bank Account	2	26	26
		3	10	10
		4	44	44
		Above 4	20	20
2	Type of Bank Accounts	Savings Account	68	68
		Current Account	32	32
3	Awareness of Mobile Banking	Yes	100	100
		No	0	0
4	Source of awareness	Advertisement	66	66
		Friends / Relatives	15	15
		Own interest	18	18

Source: Primary Data

INTREPRETATION

It is inferred that from the above table 44% of respondents who has 4 members of the family has Bank Account, 68% of them having Savings Bank, all are having the awareness of mobile banking in those 66% of respondents source of awareness is Advertisement.

**TABLE 3 SHOWING THE FACTORS INFLUENCING THE CUSTOMER USING
MOBILE BANKING**

S. No.	Factors influencing the usage of Mobile Banking	Mean Rank	Rank
1	Time Saving	5.68	5
2	Accuracy	5.72	6
3	Easy and Convenient	5.82	7
4	No Physical Cash required	5.32	4
5	Transparency	5.90	8
6	Social Status	6.48	10
7	Confidentiality	6.43	9
8	Exchange of Information	4.31	2
9	Security	4.17	1
10	Time out feature	5.17	3

Source: Primary Data

INTREPRETATION

It is inferred from the above table that factors like Security followed by Exchange of information and Time out feature ranked the top places where Social status, Confidentiality ratio are considered least ranking factors that influence the customers to use the Mobile Banking.

**TABLE 4 SHOWING THE OPINION OF CUSTOMERS USING MOBILE BANKING
SERVICES**

S. No.	Factors		No. of Respondents	Percentage (%)
1	Mobile Banking makes it easier for customer to conduct their banking transaction	Yes	67	67
		No	33	33
2	It allows customers to manage their finances more efficiently	Yes	63	63
		No	37	37
3	It is more user friendly than other existing channel	Yes	72	72
		No	28	28
4	It helps them access (24*7)	Yes	96	96
		No	4	4

5	It gives up to date information regarding the account	Yes	82	82
		No	18	18
6	The Customer trust the technology that the banks using	Yes	78	78
		No	22	22
7	The trust the ability of bank to protect their Privacy	Yes	78	78
		No	22	22
8	The bank can take advantage of the customers weakness or problems	Yes	68	68
		No	32	32
9	On using Mobile Banking, it is easy to steal the money	Yes	68	68
		No	32	32
10	The bank may use the customers information to its advantage	Yes	52	52
		No	48	48
11	The customer should protect the personal identification, numbers, username, password etc.,	Yes	93	93
		No	7	7
12	The customer should change password periodically, the password should be in such a way that it could not be easily guessed.	Yes	96	96
		No	4	4

Source: Primary Data

INTREPRETATION

It is inferred from the above table that 67% of respondents opinion is of the mobile banking makes it easier for customers to conduct their banking transaction, 63% of respondents thinks that it allows customers to manage their finances more efficiently, 72% of respondents are telling that it is user friendly than the other existing channel, 96% of respondents says that it helps to access 24 X 7, 82% of respondents thinks that the mobile banking gives up to date information regarding the account 78% of respondents trust the technology that their banks are using and their banks are protecting the customers privacy, 68% of respondents are thinking that the bank take advantage of the customers weakness and they also think it is easy to steal money, 52% says that the information to its advantage, 96% strongly believes that the customer should protect their personal identification, numbers, usernames, passwords etc.,96% of respondents says the customer should periodically change their password and the password should be in such a way that it could not be easily guessed.

SUGGESTIONS

The following suggestions are recommended for enhancing mobile banking services to customers.

- Banks should take necessary steps to create awareness among the people about mobile banking services in rural areas.
- The Banks can provide services like giving suitable Guidance for Account Opening, procedures for education loan, pension scheme through Video Chat or videos should be customized within Mobile Banking Application itself.
- The Bank can use Block chain Technology to enhance the security of mobile banking.

CONCLUSION

The study is concluded in such a way that there is many opinions and security threads that breach the confidentiality of the customers where here there are some measures that are to be concentrated on security measures in order to strengthens the technology of the bank as well as the trust among the customers of the bank, the banking sector also helps in efficient growth of the country. The bank yet have to adapt some strategies by conducting some surveys that should determines the key points to attract the customers and also the study or survey should establish a positive relationship between the quality services and customer satisfaction.

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Website

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