

“A Study on Consumer Behaviour Towards Adoption of Mobile Banking Services with Reference to Mysore - Karnataka”

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ABSTRACT

Technology has brought about the efficiency and quality in every sector. The new inventions and innovations have proved that it is a boom for the banking sector and their customers. Mobile banking is an obvious extension online banking as smart phones and cell phones get more powerful than the computers. This service is provided to the customers where they can communicate with the bank via mobile phones. It is used for payment of bills, balance check, and account transactions etc.

This paper mainly focuses on the consumer's behaviour and motivation in and around Mysuru. regarding adoption of mobile banking service. The collection of primary data for the present study by using a structured questionnaire, in addition to the secondary data.

Key words: *Mobile banking, Consumer behaviour, Innovations, Technology.Awareness, Adoption.*

INTRODUCTION

Technology and development has reduced the risk involved in the every sector. The recent developments in banking industry have influenced the financial institution to move towards the mobile banking. It would be increasingly used from “ create better customer relationship, achieve new revenue scheme, reducing cost” etc to that of “ enhance better customer relationship, connect with the new customer segment to reduce attrition and improve the loyalty, generate lead in the process of prospecting and real time experience of customers etc.” Mobile banking through its instant services has benefited both the banks as well as the customers.

Mobile banking is a way where customers interact with the bank through their mobile phones and banks provide them services like short message services, fund transfer, account details, issue of cheque book, etc. now it can be termed as “usage of Smartphone for making banking transactions”

Most of the people now have cell phone and also internet in their cell phone which has made it easier for the individuals to do mobile banking. Mobile and internet has become the part and parcel in everyone's life. And especially the youth of the society who have grown up using internet has made it their lifestyle. Young people get fascinated with new technology and are quick in adopting it. The usage of mobile banking is of no exception among the latest trends.

REVIEW OF LITERATURE

The banks come up the concept of mobile banking that is attracting many people in developed and developing countries. The ratio between mobile user and mobile banking user are very less. The numbers of mobile user are more than that of the bank facility user. It gives an opportunity to the banks to take the advantage of the mobile user and make them adaptive towards mobile banking. It provides the facility of operating the banking transaction from the home as well from office. Internet banking requires a personal computer and an internet connection, which acted as constraints. Mobile banking solved the problem of internet banking and it comes up with the motto to satisfy the need of consumers. It provides the service anytime, anywhere that rules the internet banking. Lack of awareness

among the people, associated cost and lack of accessibility has led to less number of mobile banking users. Cashless banking stated as execution of the transaction with the help of debit card, credit card or electronic payment method. It help the economy in many prospects like removable of black money and complete advantage of welfare programme as the money are transferred in the account of the beneficiary. It has given transparency in performing the transaction and even the flow tracked by the user and government. The researcher has put emphasis on finding the level of consumer awareness and identified the ways through which more awareness created. The literature will light on the prospects on consumer awareness and attitude towards mobile banking.

Singh B S study stated that demographic variables have the impact on attitude and several other factors like technology save motivation and behaviour towards banking technology.

Suresh (2017) author determines the factors responsible for mobile banking adoption. Study is done based on secondary data and it is descriptive study. Customers of barrier need to adopt mobile banking because it is disadvantageous to customers to operate banking activities using mobile banks need to conduct awareness programs for their customer.

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 news, papers, journals, magazines and web links. So it is concluded that banks still need to create awareness to its customers on how use mobile banking services.

Bamoriya and Singh (2012) found that security concern is a significant barrier in using mobile banking, it means banks should focus on the security aspect and need to create awareness that it is a secured as traditional banking channel.

Richardson(2011) found that relative advantage and complexity are most important factors. Perceptions of risk and security concerns appear to slow the adoption rate of mobile banking.

STATEMENT OF PROBLEM

Banks that is providing the various services for the customers in order to retain them based on that expectation of the customer has to be found by the banks to make the services better. The attitude of the customers is varying from period to period based on the up gradation of the technology. The study conducted on the topic of “A Study on Customer behaviour towards adoption of Mobile Banking Services with reference to Mysore – Karnataka.

SCOPE OF STUDY

The study will provide new insight towards the perception towards the mobile banking. The user can be attracted towards the mobile banking because of the facility like ease to use, usefulness and convenience to the users. The response does not fully reflect the mind-set of the user towards the mobile banking, as they may feel shy in answering the question asked directly.

OBJECTIVES OF THE STUDY

- To study the awareness on the availability mobile banking services.
- To study the customer's perception, behavior and motivation regarding the mobile banking services.
- To study the influence of mobile banking services with reference to the bank consumers.

RESEARCH METHODOLOGY

Population: The Study is conducted under the customers in and around Mysore city

Sample Design: Sampling is a technique of selecting individual members or a subset of the population to make statistical inferences from them and estimate characteristics of the whole population .

Size of the sample: 100 respondents.

Sampling technique : Convenience sampling method

Data Collection: The study is based on both primary and secondary data.

- **Primary data:** The primary data was collected from the respondents through questionnaire.

➤ **Secondary data:** The secondary data was collected from various sources such as website, journals, books and articles.

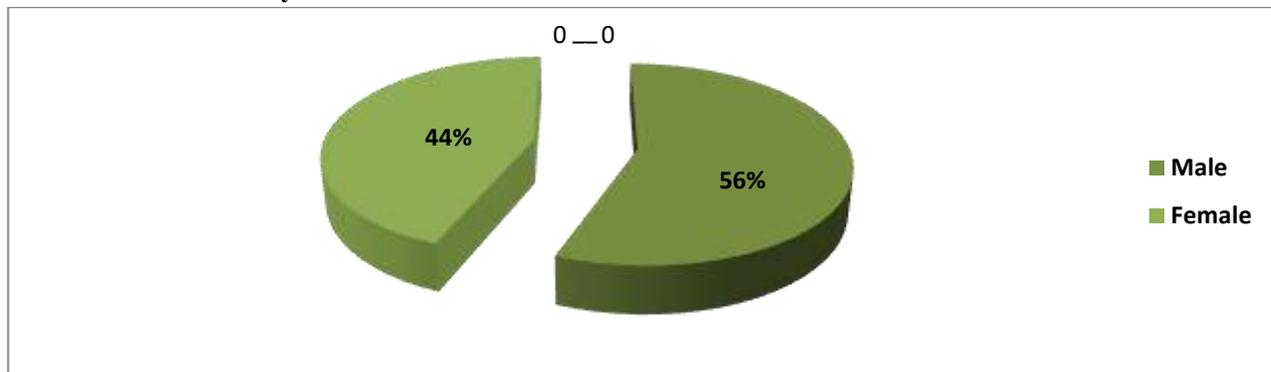
Framework of Analysis: The present study has been conducted to study the behaviour of customers towards the mobile banking services. The tools used for the data analysis are Percentage analysis.

DATA ANALYSIS AND INTERPRETATION

Table 5.1: Showing Gender of the Respondents

Gender	Frequency	Percentage
Male	56	56%
Female	44	44%
Total	100	100%

Source of data: Survey

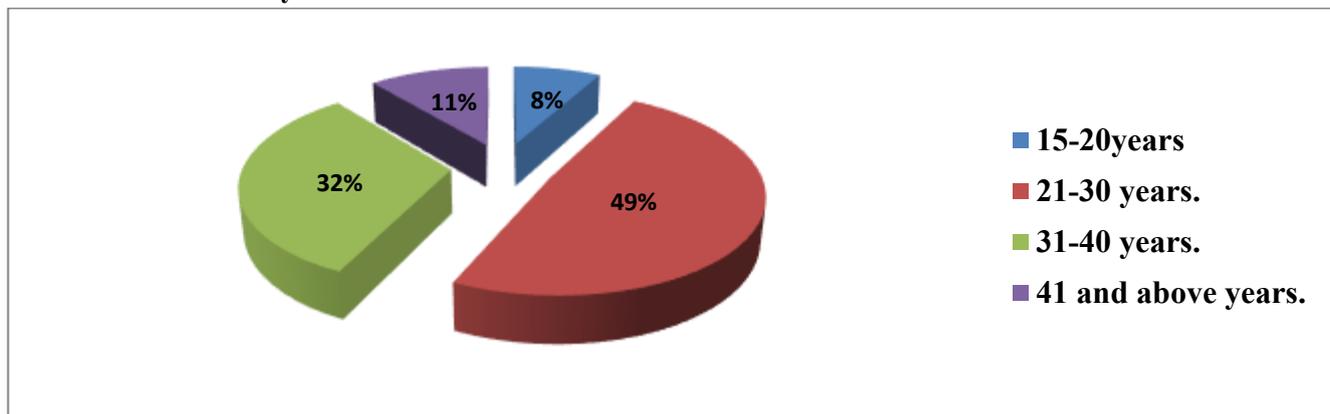


Interpretation: In the above Table and graph majority of the respondents is male i.e.56%.

Table 5.2: Showing the Age of the Respondents

Age	Frequency	Percentage
15-20years	08	08%
21-30 years	49	49%
31-40 years	32	32%
41 and above years	11	11%
Total	100	100%

Source of data: Survey



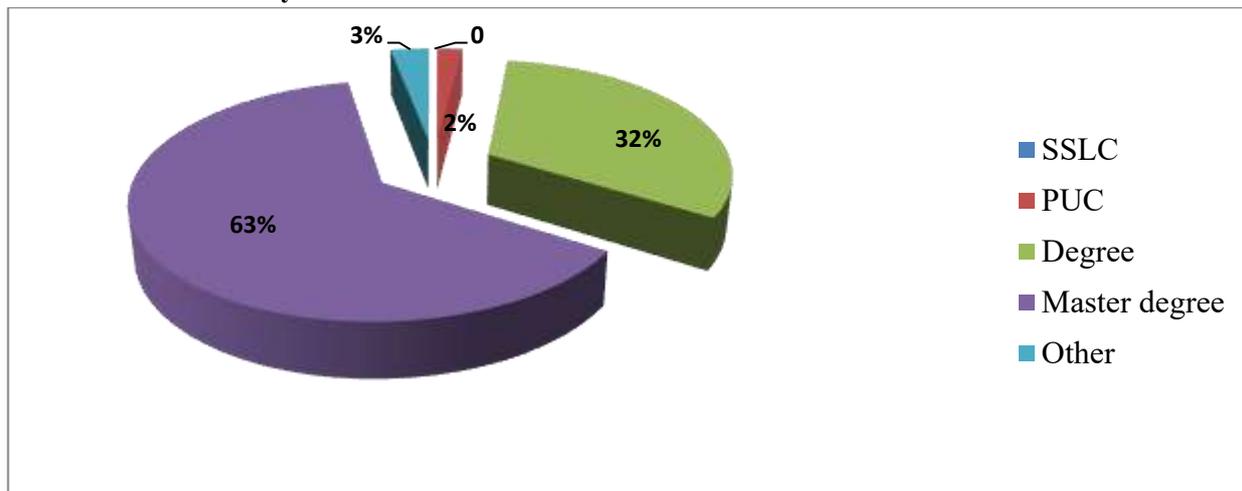
Interpretation: In the above Table majority of the respondents are in the age group of 21 to 30 years 49%). Second largest number of respondents is in the age group of 31-40(32%). Whereas 11% in the age group of 41 years and

above and remaining 08% are in the age group of 15 to 20 years.

Table 5.3: Showing Educational Qualification of the respondents

Educational qualification	Frequency	Percentage
SSLC	00	00%
PUC	02	02%
Degree	32	32%
Master Degree	63	63%
Other	03	03%
Total	100	100%

Source of data: Survey

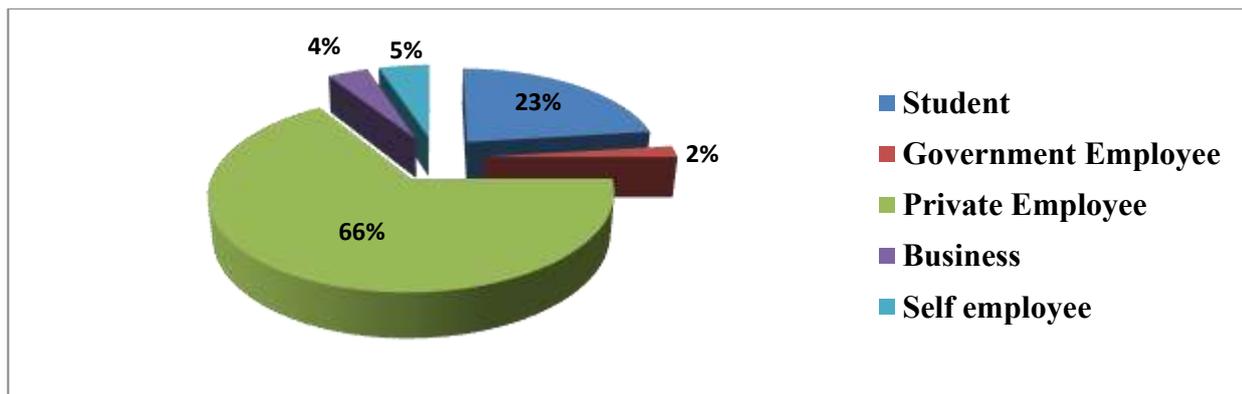


Interpretation: In the above Table shows that out of total respondents, majority of respondents are of Master degree i.e.63%, 32% of Degree, 3% of other and 2% of respondents have only PUC qualification.

Table 5.4: Showing Profession of the respondents

Profession	Frequency	Percentage
Student	23	23%
Government Employee	02	02%
Private Employee	66	66%
Business	04	04%
Self Employee	05	05%
Total	100	100%

Source of data: Survey



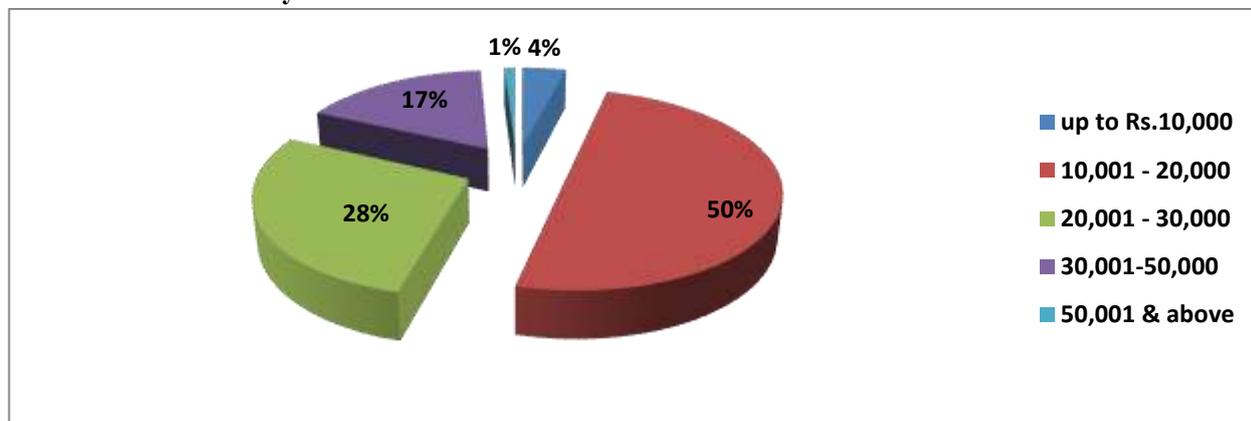
Interpretation: Above Table shows that out of total respondent, 66% of them are private employees, 23% of them

are stand 22 % of them are students and remaining 12% of them is home maker. Therefore it is clear that majority of the respondents are professionals

Table 5.5 : Showing the monthly income of the respondents.

Monthly Income	Frequency	Percentage
Up to Rs.10,000	04	04%
10,001 – 20,000	17	17%
20,001 – 30,000	28	28%
30,001 – 50,000	50	50%
50,001 and above	01	01%
Total	100	100%

Source of data: Survey

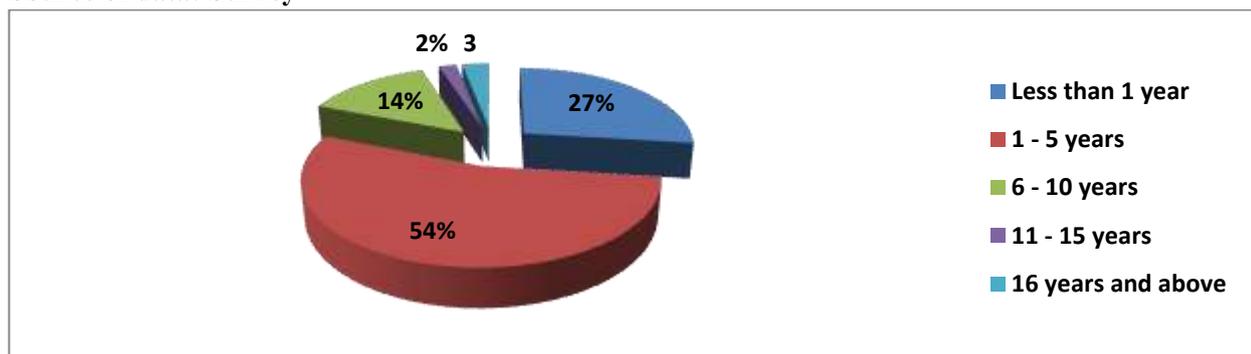


Interpretation: The above Table shows that 50% of the respondents monthly income level is Rs30,000 to 50,000, 28% of the respondents were of 20,001 to 30,000, 17% of 10,000 to 20,000 , 4% of respondents up to Rs.10000 and 1% of the respondents of Rs.50,000 and above.

Table5.6: Showing the usage of mobile banking:

Duration	Frequency	Percentage
Less than 1 year	27	27%
1 – 5 Years	54	54%
6 – 10 years	14	14%
11 – 15 years	02	02%
16 years and above	03	03%
Total	100	100%

Source of data: Survey



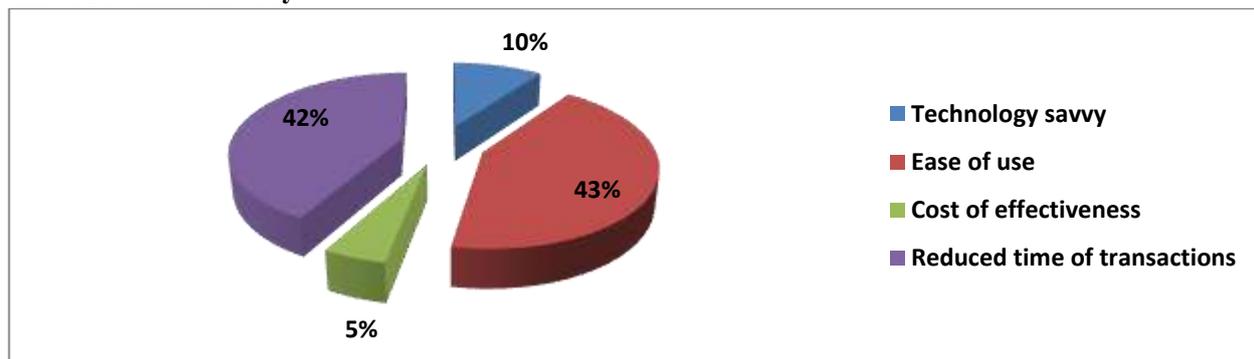
Interpretation: The above table shows that majority 54% respondents using mobile banking from 1 year to 5 years. 27% of the respondents using it for less than 1 year. 14% of the respondents using it for 6 to 10 years duration and 3

% of the respondents for 16 years and above.

Table5.7: Showing the factor promotes to use the new techniques in banking

Factor	Frequency	Percentage
Technology savvy	10	10%
Ease of use	43	43%
Cost of effectiveness	05	05%
Reduced time of transactions	42	42%
Total	100	100%

Source of data: Survey

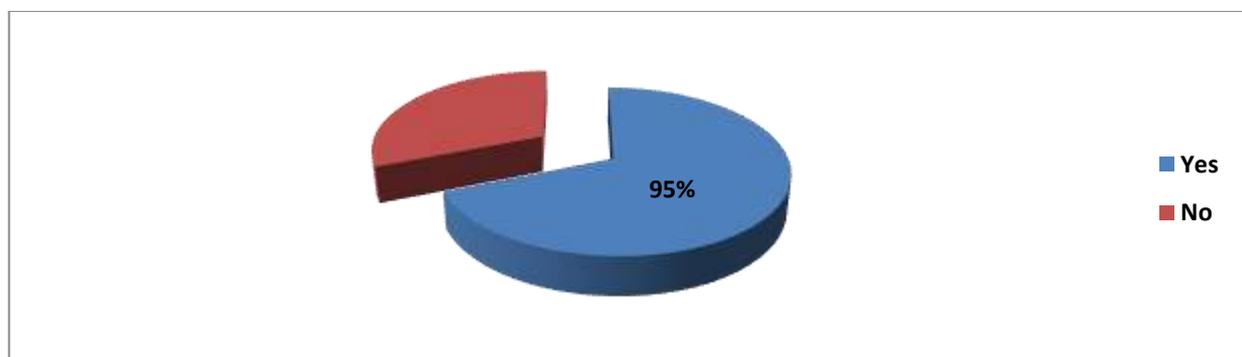


Interpretation: In the above Table 43% of the respondents uses mobile banking that it is ease of use, 42% of the respondents use it for that its reduce the time of transactions, 10% of therespondents says that it is technology savvy and 5% of the respondents agrees that mobile banking is cost effectiveness.

Table5.8: Showing the opinion about the convenient of mobile banking

Opinion	Frequency	Percentage
Yes	95	95%
No	05	05%
Total	100	100%

Source of data: Survey

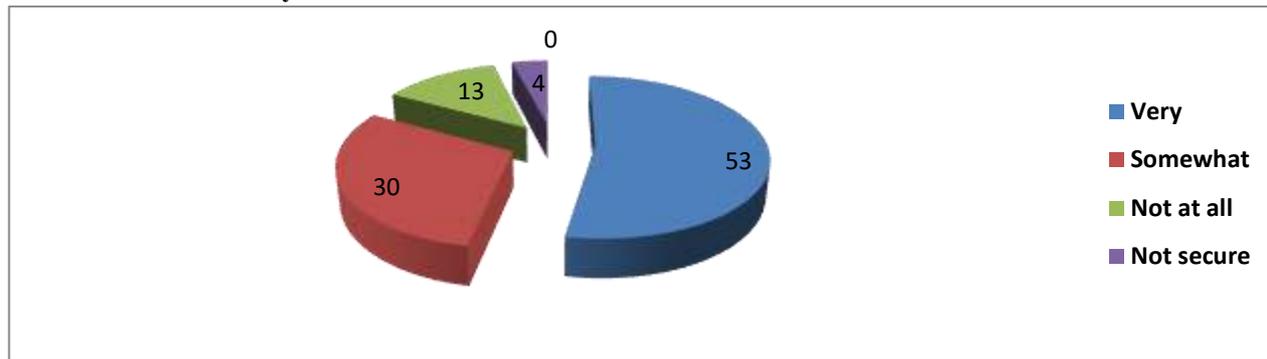


Interpretation: The above diagram shows that the majority 95% of the respondents opinion that the mobile banking service is very convenient to them. And rest of the 5% respondents says that it is not more convenient to them.

Table5.9: Showing the opinion about the security of mobile banking

Opinion	Frequency	Percentage
Very	30	30%
Somewhat	53	53%
Not at all	13	13%
Not secure	04	04%
Total	100	100%

Source of data: Survey

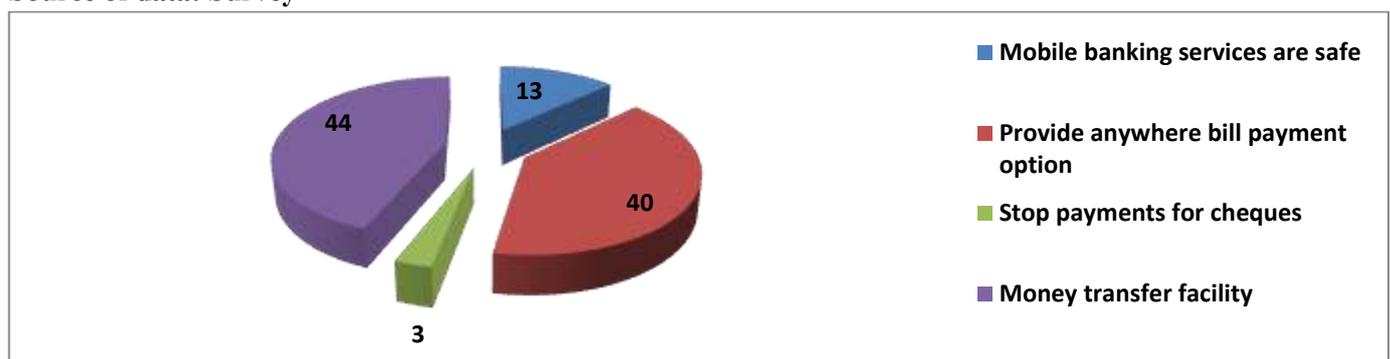


Interpretation: The above table shows that majority of the respondents agreed that mobile banking service is somewhat secure, 30% respondents says that its very secure, 13% respondents says that not all secure and 4% respondents agrees that mobile banking service is not secure.

Table 5.10: Showing the reasons for using the mobile banking

Opinion	Frequency	Percentage
Mobile banking services are safe	13	13%
Provide anywhere bill payment option	40	40%
Stop payments for cheques	03	03%
Money transfer facility	44	44%
Total	100	100%

Source of data: Survey

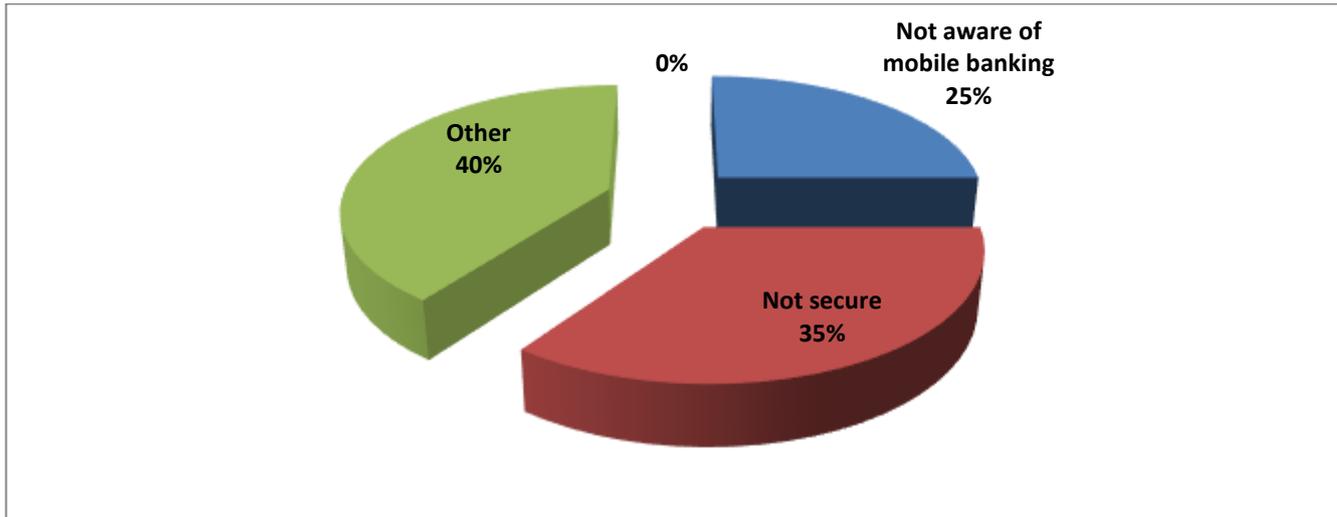


Interpretation: The above diagram shows that the majority 44% of the respondents say that they are using mobile banking service for money transfer, 40% of the respondents use it for payment of bills , 13% were used it for that its very safe mode of payment, and 3% of the respondents use it for stop payments for cheques.

Table5.11: Showing the reason for not using the mobile banking services

Reason	Frequency	Percentage
Not aware of mobile banking	25	25%
Not secure	35	35%
Other	40	40%
Total	100	100%

Source of data: Survey

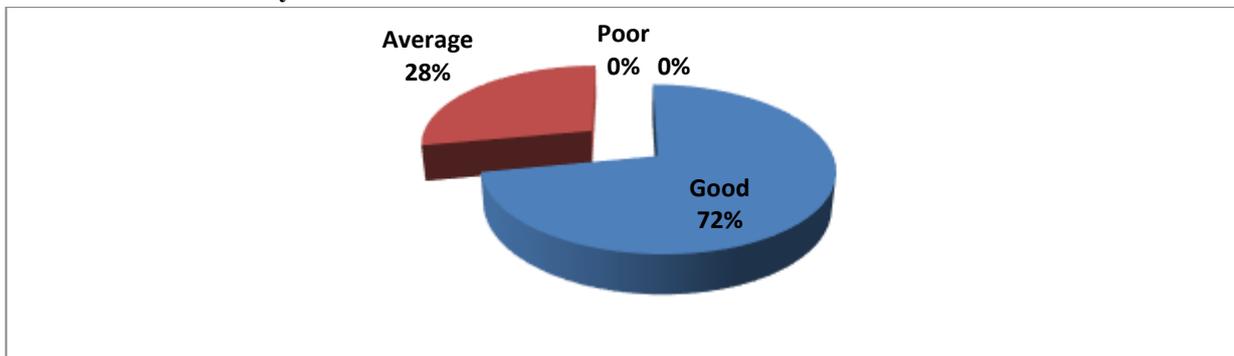


Interpretation: The above diagram shows that the majority 40% of the respondents are not using mobile banking because of their own personal reasons, 35% of the respondents says that it is not secure and remaining 25% of the respondents given the reason that they have no any awareness of using mobile banking.

Table5.12: Showing the rate for the facility of balance enquiry by mobile banking service

Rate	Frequency	Percentage
Good	72	72%
Average	28	28%
Poor	00	00%
Total	100	100%

Source of data: Survey

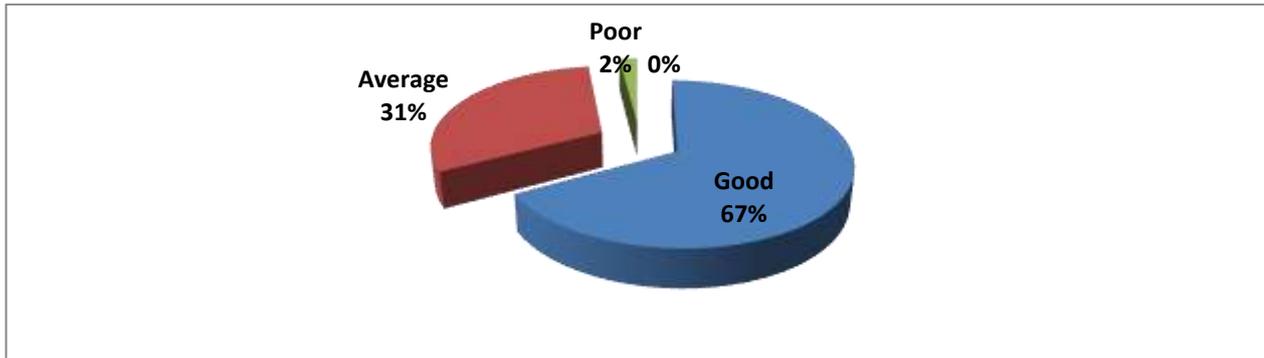


Interpretation: The above table shows that the majority 72% of the respondents opinion that balance enquiry facility is good in mobile banking, and 28% respondents has given an average response.

Table5.13: Showing the rate for bill payment facility offered by bank through mobile banking service

Rate	Frequency	Percentage
Good	67	67%
Average	31	31%
Poor	02	02%
Total	100	100%

Source of data: Survey

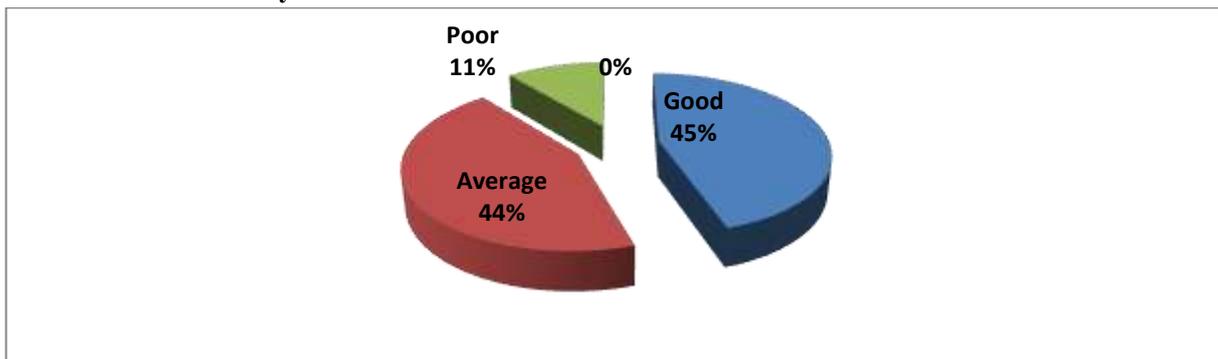


Interpretation: The above table shows that the majority 67% of the respondents opinion that bill payment facility is good in mobile banking, 31% respondents has given a average response and 2% respondents says its poor.

Table5.14: Showing the rate about the stop payment service offered by mobile banking service

Rate	Frequency	Percentage
Good	45	45%
Average	44	44%
Poor	11	11%
Total	100	100%

Source of data: Survey

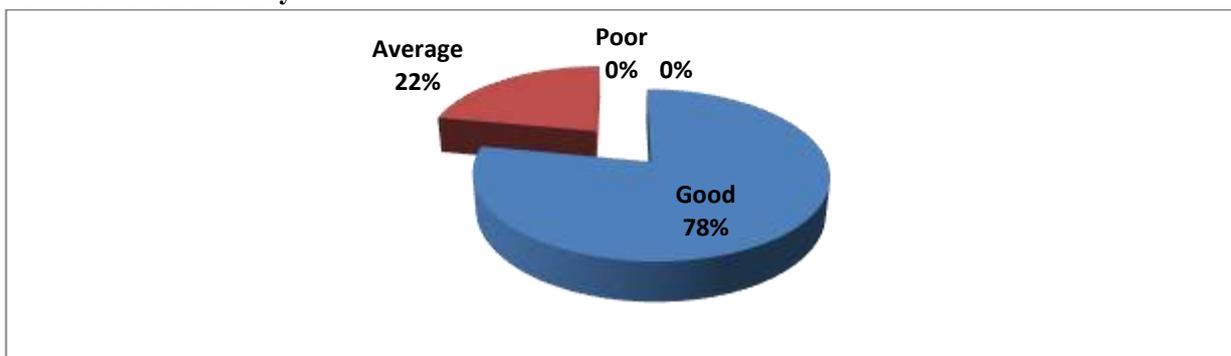


Interpretation: The above table shows that the majority 45% of the respondents opinion stop payment facility is good by mobile banking, 44% respondents has given a average response and 11% respondents opinion that its poor.

Table5.15: Showing the rate about the Money Transfer service offered by mobile banking service

Rate	Frequency	Percentage
Good	78	78%
Average	22	22%
Poor	00	00%
Total	100	100%

Source of data: Survey

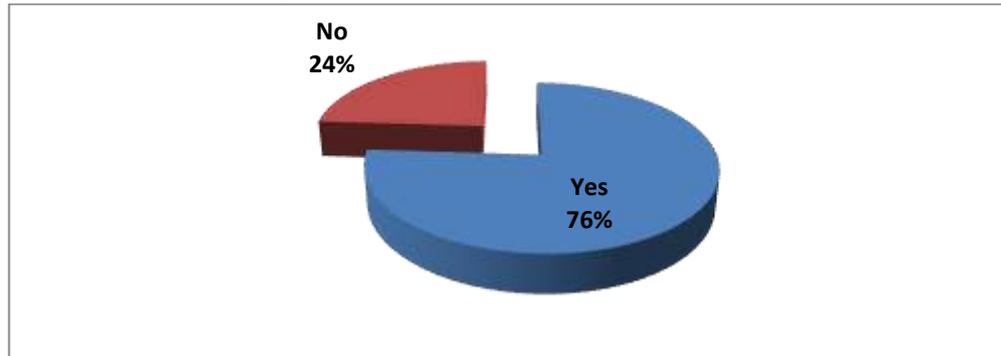


Interpretation: The above table shows that the majority 78% of the respondent’s opinion that money transfer facility is good by mobile banking, and 22% respondents have given a average response.

Table5.16: Showing the opinion about mobile banking service is safe than other banking services

Opinion	Frequency	Percentage
Yes	76	76.0
No	24	24.0
Total	100	100.0

Source of data: Survey

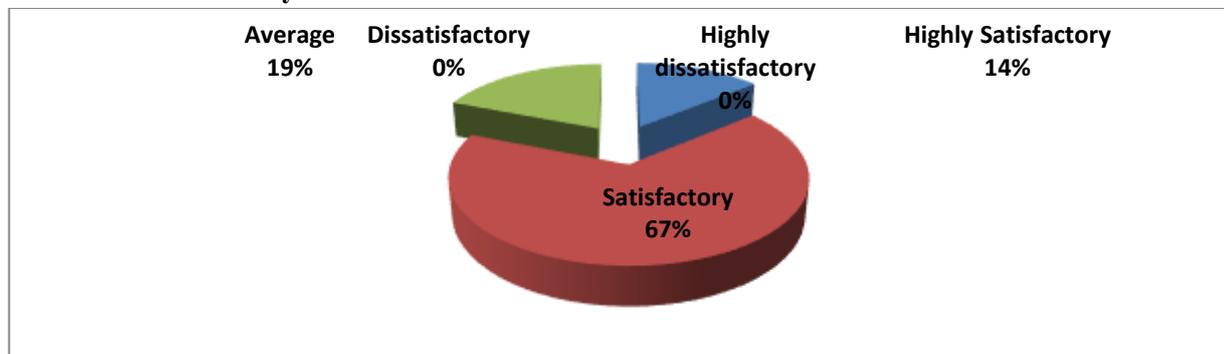


Interpretation: The above table shows that the majority 76% of the respondents opinion that mobile banking service safe than other and 24% respondents says it is not safe.

Table5.17: Showing the Rate the overall satisfaction with the mobile banking service of bank

Rate	Frequency	Percentage
Highly Satisfactory	14	14%
Satisfactory	67	67%
Average	19	19%
Dissatisfactory	00	0%
Highly dissatisfactory	00	0%
Total	100	100%

Source of data: Survey

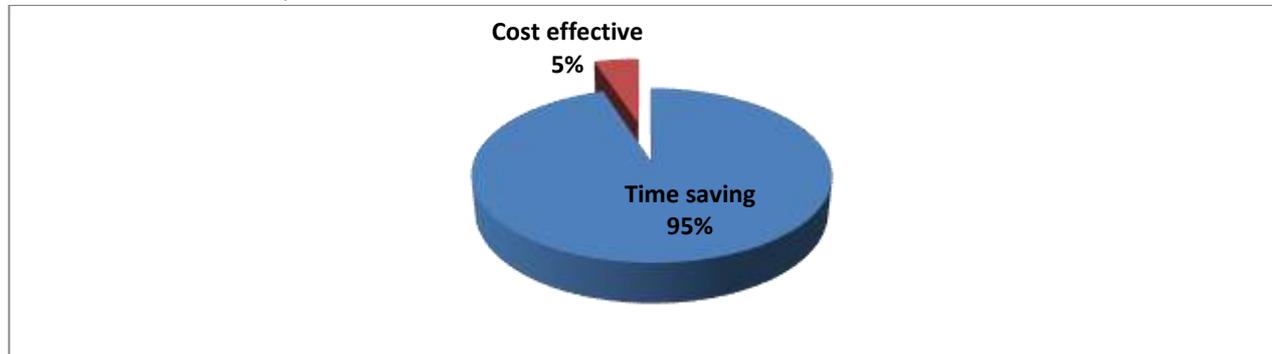


Interpretation: The above table shows that the majority 67% of the respondents are satisfied by mobile banking service, 19% of the respondents satisfied at the average rate and 14% of the respondents are highly satisfied.

Table 5.18: Showing the factor effect you to use mobile banking service offered by the bank

Factor	Frequency	Percentage
Time saving	95	95%
Cost effective	05	05%
Total	100	100%

Source of data: Survey



Interpretation: The above diagram shows that the majority 95% of the respondents opinion that they can save time by using mobile banking service and 5% of them opinion that it is cost effective.

FINDINGS AND SUGGESTIONS

MAJOR FINDINGS:

- The study shows that the majority of the respondents are have experience of 1 to 5 years usage of mobile banking.
- It shows that majority of the respondents says the usage of mobile banking service is very easy.
- The study shows that the majority of the respondents opinioned that the mobile banking service is convenient to them.
- It reveals that the majority of the respondents not using mobile banking for their own personal reasons.
- The study reveals that the majority of the respondents say that the balance enquiry facility by mobile banking is good.
- The study shows that the majority of the respondents opinioned that the bill payment option in mobile banking is good.
- It shows that majority of the respondents agrees that the stop payment facility is good (payment through cheque)
- The study reveals that the majority of the respondents say that the money transfer facility by mobile banking is good.
- It shows that majority of the respondents agreed that the mobile banking facility is safer than other services.
- It is clear that majority of the respondents are satisfied with the mobile baking services which is provided by the bank.
- The study reveals that the majority of the respondents are using mobile banking because they can save more time and need to go to the bank every time.

GENERAL FINDINGS

- The study reveals that majority of the respondents are male.
- It is clear that majority of the respondents belonging to 21 to 30 years age group.
- It shows that the majority educational qualification of the respondents is Master Degree (Post graduation).
- The majority of the respondents are Private employees.
- The study reveals that majority of the respondents monthly income is Rs.30,000 to Rs50,000.

SUGGESTIONS:

- The financial institutions should ensure the privacy and safety of bank transactions.
- The banks should avoid sending the unnecessary information to the customers through mobile banking.
- There is a need to create awareness of mobile banking among the customers through different Programme.
- Easy accessibility of mobile banking should be ensured.
- Banks should minimize the charges on amount transfer through mobile banking.
- There should be effective grievance mechanism in mobile banking service.
- The government should create bank friendly environment.
- The customers should utilize the mobile banking services efficiently.
- The customers should be vigilant while making transactions.
- Customers should not indulge in unethical transactions using mobile banking.

CONCLUSION

Mobile banking is popular among all customers. It plays a vital role in increasing the profits of the banking sector. And even increase the satisfaction level, improve the loyalty and also maintain better relationship with the customers. The findings of the study fulfilled the main objective which was to identify the factors that influenced mobile adopted by the customers. The study finds out the various factors like awareness, motivation and influence that effect the adoption mobile banking in and around Mysuru, Karnataka. Further study is required to check the reality of the result in other places and to generalise the result to a broader extent.

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