

MOBILE BANKING & CONSUMER BEHAVIOUR IN COCHIN CITY

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Abstract

In the present scenario the use of mobile banking has increased considerably. Government and banks urging the customers to use mobile banking instead of going to banks as well as for purchasing. As per the study Balance enquiry and account information are the most commonly used service in mobile banking. Majority of customer feel that service charges on mobile banking are reasonable. Customers feel that banking transactions are safe through mobile banking. It can be observed that customers feel that it's not too difficult to use. As the study suggest that most of the bank needs to improve on mobile banking. Mobile banking is most commonly adopted by professionals. Most of them are satisfied with mobile banking application. Among the different service provided by the bank, ATM and Mobile banking are the most commonly used service compared to others. A minority of people do not prefer mobile banking because of security fears.

Keywords:

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1. Introduction

Financial transactions remotely using a mobile device such as a mobile phone or tablet. It uses software, usually called an app, provided by the financial institution for the purpose. Mobile banking is usually available on a 24-hour basis. Some financial institutions have restrictions on which accounts may be accessed through mobile banking, as well as a limit on the amount that can be transacted. Transactions through mobile banking may include obtaining account balances and lists of latest transactions, electronic bill payments, and funds transfers between a customer's or another's accounts. Some apps also enable copies of statements to be downloaded and sometimes printed at the customer's premises; and some banks charge a fee for mailing hardcopies of bank statements.

From the bank's point of view, mobile banking reduces the cost of handling transactions by reducing the need for customers to visit a bank branch for non-cash withdrawal and deposit transactions. Mobile banking does not handle transactions involving cash, and a customer needs to visit an ATM or bank branch for cash withdrawals or deposits. Many apps now have a remote deposit option; using the device's camera to digitally transmit cheques to their financial institutions

2 Statement of the Problem

Mobile banking is a service provided by a bank or other financial institution that allows its customers to conduct financial transactions remotely using a mobile device such as a mobile phone or tablet. This is bound to change the nature of relationships of banks with their customers. Customers would no longer be dependent on dedicated systems for each banking relationship. This would be increasing access to low cost electronic service and close integration of bank with web-based service. For performing transactions, mobile phones are most convenient due to lower switching cost, low price that eliminate geographic boundaries. It would be offer the opportunity of a new paradigm to the customers both corporate and retail.

3 Objectives

1. To know the various mobile banking services offered by Banks

2. To know the factors that leads to mobile banking than conventional banking
3. To identify the problems and difficulties faced by mobile banking

4 Research Methodology

This study uses primary data and secondary data. Mainly data is collected through primary source in this study. Secondary source is collected from various sources such as:

- Internet
- Books

5. Results and Analysis

5.1 Usage of mobile

CRITERIA	NOOFRESPONDENTS	PERCENTAGE
YES	70	88%
NO	10	20%
TOTAL	80	100%

88% respondents using mobile banking are interest and 12% respondents are using m-banking are not interest.

5.2 Facilities used by respondents

CRITERIA	NOOFRESPONDENTS	PERCENTAGE
BALANCEENQUIRY	50	63%
FUNDTRANSFR	10	12%
PAYMENT	20	25%
TOTAL	80	100%

It is clear that most of the respondents are using mobile banking for balance enquiry

5.3 Safety of mobile banking

CRITERIA	NOOFRESPONDENTS	PERCENTAGE
YES	64	80%

NO	16	20%
TOTAL	80	100

It can be observed that 80% of respondents feel that their banking transactions are safe in mobile banking. While rest of 20% feel that transactions are not secured.

5.4 Difficulty to transact using mobile banking

CRITERIA	NO OF RESPONDENTS	PERCENTAGE
EXTREMELY DIFFICULT	8	10%
DIFFICULT	16	20%
NOT AT ALL DIFFICULT	8	10%
MODERATE	48	60%
TOTAL	80	100%

From the above table it is clear that 60% respondents as moderate, 20% find difficult, 10% responded as extremely difficult and rest of 10% responded as not at all difficult.

5.5 Need for improvement on mobile banking

CRITERIA	NO OF RESPONDENTS	PERCENTAGE
YES	70	87%
NO	10	13%
TOTAL	80	100%

From the above table it is clear that 70% of respondent's feel that their bank needs to improve on mobile banking and rest 30% needs no improvement.

5.6 Confidence in making fund transfer and payment

CRITERIA	NO OF RESPONDENTS	PERCENTAGE
CONFIDENT	40	50%
VERY CONFIDENT	3	4%
LESS CONFIDENT	24	30%
NOT AT ALL CONFIDENT	13	16%
TOTAL	80	100%

From the above table it is clear that 50% of respondents are confident in making fund transfer and payment through banking while 30% respondents are less confident, 16% are not at all confident and rest 4% are very confident.

5.7 Usage of mobile banking facilities

CRITERIA	USAGE				TOTAL
	DAI LY	WEEKLY	MONTHLY	RARELY	
BALANCE ENQUIRY	5	50	10	15	80
FUND TRANSFER			20	60	80
ACCOUNT INFO		10		70	80
PAYMENT		40	25	15	80
DEMAT SERVICE			10	70	80

From the above table it is clear that out of 50, 5 respondents use balance enquiry daily, 50 use weekly, 10 use monthly, and 15 use rarely. Fund transfer is used mostly by 20 respondents monthly and 60 use rarely. Account information is used weekly by 10 respondents and rarely by 70 respondents. Payment services are used weekly by 40 respondents, monthly by 25 respondents and rarely by 15 respondents. Demat services are used monthly by 10 respondents and rarely by 70 respondents.

5.8 Reasonable service charges

CRITERIA	NO OF RESPONDENTS	PERCENTAGE
YES	16	20%
NO	64	80%
TOTAL	80	100%

From the above table it is clear that 80% of respondents are of the opinion that service charges on mobile banking are not reasonable, while rest of 20% feels that service charges are reasonable.

5.9 Reason for using mobile banking

CRITERIA	NO OF RESPONDENTS	PERCENTAGE
EASE	24	30%
CONVENIENCE	40	50%
SECURITY	0	0%

LESSTIMEOFOPERATION	16	20%
TOTAL	80	100%

From the above table it is clear that 50% of respondents choose mobile banking for convenience, 30% due to ease, 20% due to save time.

5.10 Rate the ease of using the application

CRITERIA	NO OF RESPONDENTS	PERCENTAGE
EXTREMELY SATISFIED	0	0%
SATISFIED	64	80%
DISSATISFIED	16	20%
EXTREMELY DISSATISFIED	0	0%
TOTAL	80	100%

From the above table it is clear that 80% of respondents are satisfied with application, 20% are dissatisfied with application.

SUGGESTIONS

1. Banking operation through Mobile Bankings should be cost effective
2. Authenticity and safety of operations should be ensured by Bank.
3. Proper guidelines should be given to the customers regarding usage of Mobile Banking
4. The banks must ensure to update the software and more services through Mobile Banking

4. Conclusion

In the present scenario the use of mobile banking has increased considerably. Government and banks urge the customer to use mobile banking instead of going to banks as well as for purchasing. As per the study Balance enquiry and account information are the most commonly used service in mobile banking. Majority of customer feel that service charges on mobile banking are reasonable. Customers feel that banking transactions are safe through mobile banking.

It can be observed that customers feel that it's not too difficult to use. As the study suggests that most of the bank need to improve on mobile banking. Mobile banking is most commonly adopted by professionals. Most of them are satisfied with mobile banking application. Among the different services provided by the bank, ATM and mobile banking are the most commonly used services compared to others. A minority of people do not prefer mobile banking because of security fears.

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