

UNDERSTANDING THE EFFECTIVENESS OF MOBILE BANKING SERVICES AMONG THE USERS IN POLLACHI TALUK

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ABSTRACT

The digital banking landscape in Pollachi Taluk has undergone a significant transformation, driven by the proliferation of smartphones and government initiatives for financial inclusion. This study examines the effectiveness of mobile banking services by evaluating user awareness, perceptions, and satisfaction levels. Utilizing primary data collected from 120 respondents via a structured questionnaire and convenience sampling, the research employs percentage analysis, weighted average ranking, and Chi-square tests for data interpretation. The socio-economic profile reveals a predominantly young, female (54.16%), and rural-based (66.66%) demographic with high educational attainment. Findings indicate that users primarily value mobile banking for its functional efficiency, with "Time-saving" (Rank I, 4.467) and "Fast and reliable" transactions (Rank II, 4.435) emerging as the top perceived benefits. While overall satisfaction is high—evidenced by a strong "Ease of login" (4.44) and a 53.55% recommendation rate—a significant technical gap persists, as 47.5% of respondents remain unaware of advanced features. Chi-square results confirm that satisfaction and awareness are independent of annual income and age group, respectively. The study concludes that while mobile banking is effectively utilized for routine transactions, enhancing digital literacy and technical awareness is essential to maximize the potential of modern financial ecosystems in semi-urban regions like Pollachi.

KEYWORDS

Mobile Banking, User Perception, Customer Satisfaction, Pollachi Taluk, Financial Inclusion, Digital Awareness.

1. INTRODUCTION

In recent years, rapid advancements in information and communication technology have transformed the way financial services are delivered, with mobile banking emerging as a key innovation in the banking sector. Mobile banking allows users to conduct a range of financial transactions such as fund transfers, bill payments, balance inquiries, and account management conveniently through mobile devices without the need to visit a bank branch. This digital shift has especially gained momentum in India, driven by the widespread use of smartphones, improved internet connectivity, and supportive initiatives by the government and banking institutions to promote financial inclusion.

Investigating the effectiveness of mobile banking services is essential not only for banks and policymakers, but also for users who rely on these platforms for daily financial activities.

This study aims to explore users' perceptions, satisfaction levels, and the challenges they face while using mobile banking services in Pollachi. By identifying key factors that influence user experience and service effectiveness, the findings can help improve mobile banking offerings, encourage wider adoption, and contribute to a more inclusive and efficient financial ecosystem in the region.

2. STATEMENT OF THE PROBLEM

The rapid growth of mobile banking services has significantly transformed the traditional banking system by offering customers greater convenience, speed, and accessibility. Banks have invested heavily in digital platforms to encourage users to adopt mobile banking for routine financial transactions. However, despite the increasing availability and promotion of these services, the level of effectiveness experienced by users varies widely due to factors such as technological awareness, security concerns, network reliability, ease of use, and trust in digital platforms.

In a semi-urban Taluk like Pollachi, where users come from diverse educational, occupational, and economic backgrounds, the adoption and effective usage of mobile banking services may face unique challenges. While many users have access to smartphones and internet connectivity, issues such as lack of digital literacy, fear of fraud, technical difficulties, and limited customer support can hinder the optimal utilization of mobile banking services. As a result, some users may not fully benefit from the features and advantages offered by mobile banking applications. Therefore, it becomes essential to examine the effectiveness of mobile banking services among users in Pollachi Taluk.

3. REVIEW OF LITERATURE

Sahar Alayli (2023) conducted the study on The Impact of Mobile Banking on Banking Performance throughout the COVID-19 Pandemic. The objective of the study is to Adopting and satisfaction levels might grow if customers learn to invest in digital banking services. Building and sustaining client confidence in online banking platforms might give financial institutions a strategic advantage. The sample size of 432 respondents. The findings shed light on the pivotal role of mobile banking in enhancing efficiency, customer engagement, and financial stability for banks navigating the challenges of the pandemic.

Sushil Prasad Panthi (2023) conducted the study on Customer Satisfaction Towards Mobile Banking Service Quality. The objectives of the study is to measure the relationship between tangibility, reliability, assurance, empathy and responsiveness with customer satisfaction. To examine the effect of tangibility, reliability, assurance, empathy and responsiveness on customer satisfaction. The sample size was 385. The study's findings indicated that out of five variables, tangibility and responsiveness have the greatest significant impact on customer satisfaction with mobile banking, and this research has the potential to offer theoretical, managerial, and methodological advances to service quality analysis.

Raman Kumar et al. (2023) conducted the study on Effects Of Online Banking Services On E-Bank Users's Behaviour. The objective of the study is primarily concerned with how online banking services impact consumers' behavior and how they adapt to the digital age. An examination of the factors that are crucial in influencing the decisions and behaviors of users, such as perceived utility, trust, and simplicity of use. The sample size was 68. The findings reveals a significant shift in user behaviour with the advent of online banking services, leading to trust building for the bank's online services, recommendations on proliferation of e-banking users and customer engagement.

Bharathi Reddy (2024) conducted the study on Impact of Mobile Banking on Expansion of Banking Services. The objective of the study is to encourage the customers to use mobile banking and to create awareness among public so that their banking work will become easy for them. To suggest strategies to enhance M-banking services provided by SBI. Sample of 50 customers were considered for the study. The suggested investigation would recommend and effect to find out how mobile banking affects profitability. Through this research, we will learn about the advantages of mobile banking as well as whether or not mobile banking is truly beneficial.

Sachin Singh et al. (2025) conducted the study on A Descriptive Study of Mobile Banking Adoption and Financial Inclusion Outcomes in Developing Countries. The objective of the study is to examining the current state of mobile banking adoption in developing economies and to analysing the impact on financial inclusion metrics in developing nations . Providing policy recommendations for enhancing mobile banking's contribution to financial inclusion. This study finds that mobile banking has significantly enhanced financial inclusion rates, particularly in sub-Saharan Africa and South Asia. However, challenges including regulatory frameworks, digital literacy, and infrastructure constraints continue to limit its full potential.

4. OBJECTIVES OF THE STUDY

The research is based on the objectives. Following are the research objectives framed for the study.

1. To understand the socio-economic profile and educational background of the respondents.
2. To assess the level of awareness the effectiveness of mobile banking services.
3. To analyze users' perceptions regarding the effectiveness of mobile banking services.
4. To measure the level of satisfaction of users with mobile banking services.

5. RESEARCH METHODOLOGY

5.1 Research Design

This study relies on primary data. It comprises of respondents from Pollachi Taluk. The primary data was collected from 120 respondents through questionnaires. The respondents were taken on convenient sampling method. The area of study was taken with reference to Pollachi Taluk.

5.2 Sources of Data

The primary data was collected from 120 respondents through structured questionnaires. The secondary data like articles and theories were collected from various sources such as Magazines, Journals and Websites.

5.3 Sampling and Sample Size

A sample design is a definite plan for obtaining a sample from a given population. It refers to the technique or the procedure the researcher would adopt in selecting items for the sample. Sample design is determined before data are collected. The population of this study is huge, out of which 120 respondents were taken as samples. In this study, the “Convenient sampling” method was opted.

5.4 Hypotheses of the Study

The study is based on the hypothesis that there is no significant difference in the Following are the hypotheses framed to be tested using Chi-square test.

H_0 There is no relationship between age group and level of perceptions towards mobile banking services.

H_0 There is no relationship between family income and level of satisfaction towards mobile banking services.

5.5 Statistical Tools

The statistical tools viz. Simple percentage, weighted average ranking and Chi-square test were used to analyze the data in the study.

6. THEORETICAL FRAMEWORK

6.1 Mobile Banking

Mobile banking is a modern service that allows customers to perform banking activities using their mobile phones. It helps users to check account balances, transfer money, pay bills, and view transaction details easily. This service is provided through mobile applications and SMS facilities. It enables people to access banking services anytime and anywhere. It reduces the need to visit bank branches frequently. Thus, mobile banking saves time and makes banking more convenient.

With the rapid development of technology and internet connectivity, mobile banking has become very popular. It offers fast, safe, and secure financial transactions. Customers can easily manage their accounts and track their expenses through mobile banking apps. It also reduces paperwork and waiting time in banks. This increases efficiency and customer satisfaction. As a result, mobile banking is widely used in daily life.

Mobile banking plays an important role in promoting digital payments and financial inclusion. It helps people in both urban and rural areas to access banking services easily. It supports cashless transactions and encourages smart money management. It also improves the overall performance of the banking system. With continuous technological advancements,

mobile banking is becoming more innovative. Therefore, mobile banking is an essential part of today's digital world.

6.2 Services of Mobile Banking

Balance Enquiry: Mobile banking allows customers to check their account balance instantly without visiting the bank or ATM. This helps users keep track of their available funds and manage expenses effectively.

Fund Transfer: Customers can transfer money easily to their own accounts or to other bank accounts using services like NEFT, RTGS, IMPS, and UPI. These transfers are fast, safe, and available 24/7.

Bill Payments: Users can pay utility bills such as electricity, water, gas, telephone, internet, and credit card bills through mobile banking. This ensures timely payments and avoids late fees.

Mobile and DTH Recharge: Customers can recharge prepaid mobile numbers, data packs, and DTH services instantly. This service is quick, easy, and saves time.

Mini Statement and Transaction History: Mobile banking provides access to recent transaction details and account statements. Users can view, download, and share statements for record-keeping and financial planning.

UPI Payments and QR Code Scanning: Customers can make cashless payments using UPI and QR codes at shops, online platforms, and service centers. This promotes digital payments and reduces dependency on cash.

Cheque Services: Users can request cheque books, stop cheque payments, and track cheque status through mobile banking apps, reducing the need to visit bank branches.

Account Management: Customers can update personal details, change passwords, manage beneficiaries, and handle multiple accounts easily through mobile banking platforms.

Loan and Deposit Services: Mobile banking allows users to view loan details, pay EMIs, apply for loans, and open or manage fixed deposits (FD) and recurring deposits (RD) conveniently.

Alerts and Notifications: Instant SMS and app notifications are sent for every transaction, balance change, bill reminder, and important bank updates, helping users stay informed and secure.

7. DATA ANALYSIS AND INTERPRETATION

Table 7.1 Socio-economic profile of the respondents

Category	Particulars	No. of Respondents	Percentage (%)
Gender	Male	55	45.84
	Female	65	54.16
Age Group	Below 20 Years	20	16.67
	21–40 Years	85	70.83
	41–60 Years	15	12.5
	Above 60 Years	0	0.0
Area of Residence	Rural	80	66.66
	Semi-Urban	28	23.34

	Urban	12	10.0
Educational Level	Up to School Level	10	8.33
	Undergraduate (UG)	45	37.5
	Postgraduate (PG)	48	40
	Professional Degree	3	2.5
	Diploma	10	8.33
	Others	4	3.34
Occupation	Student	50	41.67
	Govt. Employee	6	5
	Pvt. Employee	45	37.5
	Agriculture	6	5
	Homemaker	6	5
	Professional	7	5.83
Marital Status	Unmarried	79	65.84
	Married	41	34.16
Family Type	Nuclear Family	68	56.67
	Joint Family	52	43.33
Family Size	3 members & below	68	56.67
	4–6 members	38	31.66
	7–9 members	10	8.33
	10 members & above	4	3.34
Earning Members	1 Member	35	29.17
	2 Members	43	35.83
	3 Members	22	18.33
	4 & Above	20	16.67
Annual Income	Up to Rs. 1,00,000	46	38.34
	Rs. 1,00,001 – Rs. 2,00,000	42	35
	Rs. 2,00,001 – Rs. 3,00,000	22	18.33
	Above Rs. 3,00,000	10	8.33
Total		120	100

Source: Primary data

The socio-economic analysis of the 120 respondents reveals a demographic predominantly composed of young, educated females residing in rural settings. A majority of the respondents are female (54.16%) and fall within the highly active 21–40 age group (70.83%). The educational profile is robust, with 40% holding postgraduate degrees and 37.5% being undergraduates, which correlates with the finding that 41.67% are students and 37.5% are private employees. Socially, the sample is characterized by a majority of unmarried (65.84%) individuals living in nuclear families (56.67%) with a small family size of 3 members or below (56.67%). Economically, while 35.83% of households have two earning members, the financial status remains largely within the lower-to-middle income bracket, as 38.34% earn up

to Rs. 1,00,000 and 35% earn between Rs. 1,00,001 and Rs. 2,00,000 annually. This suggests that the respondents represent a rural yet academically qualified and digitally aware segment of the population.

Table 7.2
Level of Awareness towards Mobile Banking

Mobile banking securities	Weighted Average	Ranking
Saves time	4.467	I
Easy to use	4.325	IV
Fast and reliable	4.435	II
Safe and secure	4.216	VI
Manage finance effectively	4.334	III
Availability	4.25	IX
Works smoothly without errors	4.191	VII
App loads quickly	4.217	V
Improve financial planning	4.175	VIII

Source: Primary data

The analysis of consumer awareness regarding mobile banking services highlights that efficiency and speed are the most prominent benefits recognized by the respondents. "Saves time" emerged as the most significant factor with a top-ranked weighted average of 4.467, followed closely by the "Fast and reliable" nature of transactions (4.435, Rank II), indicating that users primarily value mobile banking for its ability to optimize their daily schedules. The study also shows that respondents find these services helpful to "Manage finance effectively" (4.334, Rank III) and appreciate the platforms for being "Easy to use" (4.325, Rank IV). While technical performance attributes like "App loads quickly" and "Safe and secure" received moderate scores, the lower rankings for "Works smoothly without errors" and "Improve financial planning" suggest that while users are aware of the functional benefits, they may still encounter occasional technical friction or underutilize the advanced financial management features. Overall, the findings suggest that the perceived value of mobile banking is rooted more in immediate transactional speed than in long-term financial strategy or absolute technical perfection.

CHI-SQUARE ANALYSIS

(i) Annual income and Satisfaction towards mobile banking

Annual income and Satisfaction towards mobile banking were compared. The calculated chi-square value (4.475) is less than the table value (12.592) at the 5% level with 6 degrees of freedom, indicating that the result is not statistically significant. Therefore, the null hypothesis is accepted, and it can be concluded that there is no significant relationship between annual income and satisfaction level.

(ii) Age group and level of awareness on mobile banking

Age group and level of awareness towards mobile banking were compared. The calculated chi-square value (1.272) is less than the table value (9.488) at the 5% level of significance with 4 degrees of freedom. Therefore, the result is not statistically significant, and the null hypothesis is accepted. This means that there is no significant association between age group and level of awareness, and any differences observed are likely due to chance.

8. MAJOR FINDINGS

The study reveals a comprehensive socio-economic and functional profile of the respondents, characterized by a female majority (54.16%) primarily within the 21–40 age group (70.83%), most of whom reside in rural areas (66.66%). The demographic is largely academic and transitional, with 40% holding postgraduate degrees and 41.67% identifying as students. Socially, the sample consists mainly of unmarried individuals (65.84%) living in nuclear families (56.67%) of three members or below (56.67%), typically supported by two earning members (35.83%) and a family annual income of up to Rs. 1,00,000 (38.34%). While awareness of mobile banking is broadly high, with 77.5% acknowledging general usage and 75% aware of security features, a significant 47.5% remain fully unaware of specific technical features, often relying on friends and family (41.66%) for information. Users prioritize efficiency and ease, ranking "saves time" (4.467) as the most critical security-related awareness factor and "ease of login" (4.44) as the top driver of satisfaction. Consequently, user experience remains positive, as evidenced by the 53.55% of respondents who would definitely recommend mobile banking services to others.

9. SUGGESTIONS

It also considers user satisfaction levels, which are influenced by convenience, service quality, and overall experience while using mobile banking applications. In addition, the study can explore important concerns like security and trust, as these play a crucial role in determining whether users feel confident in performing financial transactions digitally. The research may further investigate usage patterns, including the frequency of transactions and the types of services commonly used, such as fund transfers and bill payments. By identifying both the benefits and challenges faced by users such as network issues, lack of technical knowledge, and security risks the study will provide a comprehensive understanding of the effectiveness of mobile banking among users in Pollachi.

10. CONCLUSION

The study on mobile banking effectiveness in Pollachi shows that it is widely accepted, particularly among young adults, students, and rural users. Most respondents are educated and rely on friends and family to learn mobile banking, indicating the importance of informal guidance. Users are generally aware of security features and customer support services, but many are not fully familiar with all available features, suggesting partial awareness. Mobile banking is mainly valued for its convenience, time-saving nature, and ease of login, which contribute to overall user satisfaction. The findings also show that users have a positive attitude toward mobile banking and are willing to recommend it to others. However, there is still a need to improve awareness about advanced features and safe usage practices. Providing proper education and guidance can enhance user confidence and usage. Overall, mobile banking in

Pollachi is effective, but improving user knowledge can further increase its benefits and efficiency.

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