

# MOBILE BANKING ADOPTION IN INDIAN BANKING

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**Abstract :** Mobile banking is a service provided by a bank or other financial institution that allows its customer way to financial transactions remotely using a mobile device such as a Smartphone or tablet. Mobile banking thus differs from mobile payments, which involve the use of a mobile device to pay for small purchases at the point of sale. 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. The banking sector reforms the e-banking has made very structural changes in service quality, managerial decisions, operational performance, profitability and productivity of the banks..

**IndexTerms-** Mobile Banking, Mobile Banking Services, E-Banking.

## I. INTRODUCTION

Mobile banking is an interaction with the customer to connect to a bank through a mobile device such as a cellphone, Smartphone, or tablet. Compared to traditional banking at a branch, or computer-based internet banking, mobile banking offers benefits such as true freedom from time and place, and efficiency for banking transactions. Considering the vast development and global hype around mobile banking, this special issue is highly timely. Transactions through mobile banking include the account balances and lists of latest transactions, electronic bill payments, and funds transfers between a customer's and 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. 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.

## II Mobile banking:

The mobile revolution has transformed the lives of many people in developing countries, providing not just communications, but also basic financial access in the forms of phone-based money transfer and storage. M-banking uses mobile phones to perform various functions like mini statement, checking of account history, SMS alerts, access to card statement, balance check, mobile recharge, etc. Researchers use various terms to refer to mobile banking, including m-banking branchless banking m-payments, m-transfers, m-finance. M-banking, also known as mobile money is used as a broad term to define the usage of a mobile phone to access financial services. It allows customers to use their mobile phone as another channel for their banking services, such as deposits, withdrawals, account transfer, bill payment, and balance inquiry. M-banking helps microfinance institutions to serve existing customers better as well as to reach new customers.

There some of advantages and disadvantage of mobile banking:

### 2.1 Advantages of mobile banking:

Mobile banking is a user can be transferring the funds from bank account to another bank account with a Smartphone with the help of the internet, from anywhere to everywhere. It is available for 24 hours and easy and convenient mode for many Mobile users in the rural areas. Mobile Banking is said to be more secure and risk-free than online Internet Banking. With the help of Mobile, Banking user can transfer funds, and pay bills, checking account balance, study your recent transaction, block your ATM card, etc. Mobile Banking is cost-effective, and Banks offer this service at less cost to the customers.

### 2.2 Disadvantage of mobile banking:

Mobile Banking is not available on all mobile phone. Sometimes, it requires you to install apps on your phone to use the Mobile Banking feature which is available on the high-end Smartphone. If the customer does not have a Smartphone than the use of Mobile Banking becomes limited. A transaction like transfer of funds is only available on high-end phones. Regular use of Mobile Banking may lead to extra charges levied by the bank for providing the service. Mobile banking users are at risk of getting fake SMS messages and scams. The loss of a mobile customer device often means that criminals can gain access to your mobile banking PIN and other sensitive information.

### III Mobile banking services:

Mobile banking services are valued by users because of the inherent time and place independence, and the overall effort-saving qualities. More generally, security and convenience have been suggested as the key drivers for the growth of mobile commerce. The way of mobile banking services were been two types in it

- a. Transaction Based Services
- b. Enquiry Based Services

#### 3.1 Transaction Based Services:

A request for transfer of funds to some other account is a transaction based service. There are two types of alerts Pull Based and Push Based alert. Transaction based Pull Based Services like Fund Transfer, Bill Payment and other financial services can be the other examples.

#### 3.2 Enquiry Based Services:

A request for bank statement is an enquiry based service. Enquiry based services in the sense that they require additional security across the channel from the Mobile phone to the banks data servers. Enquiry Based Push Based Services like Minimum Account Balance Alert, Credit and Debit Alert and other bill payment transaction alert etc. and Pull based services like Account Balance/Statement Enquiry, Cheque status enquiry, Cheque book request and any recently transaction history.

#### 3.3 E- Banking:

Electronic banking, also known as electronic funds transfer (EFT), is simply the use of electronic means to transfer funds directly from one account to another, rather than by cheque or cash. New banking intermediaries offering entirely new types of banking services have emerged as a result of innovative e-business models. Withdraw money from your checking account from an ATM machine with a personal identification number (PIN), at your convenience, day or night.

Buy groceries, gasoline and other purchases at the point-of sale, using a check card rather than cash, credit or a personal check. The person does not have to go to a branch where that service may or may not be offer. A person can print of information, forms, and applications via the Internet and be able to search for information efficiently instead of waiting in line and asking a teller. With more better and faster options a bank will surely be able to create better customer relations and satisfaction.

### IV Conclusion:

Banking apps can make bill paying and bank account management incredibly convenient, but the risk of identity theft is a major downside. Mobile banking is a system that allows customers of a financial institution to conduct a number of financial transactions through a mobile device such as a mobile phone or personal digital assistant. Fortunately, it's easy to avoid most of the pitfall with commonsense solutions like strong password protection and secure connections. By keeping these security tips in mind, you can enjoy a safer mobile banking experience. E-banking has become a necessary survival weapon and is fundamentally changing the banking industry worldwide. Today, the click of the mouse offers customers banking services at a much lower cost and also empowers them with unprecedented freedom in choosing vendors for their financial service needs.

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