

“A STUDY OF MOBILE BANKING & ITS IMPACT ON CONSUMER SATISFACTION WITH REFERENCE TO NAGPUR AREA.”

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Abstract : India is the second biggest mobile phone user country in the world. In India mobile phones are not only used as a medium of voice communication but also for a mobile services. Mobile services are defined as E-services that helps the consumers to handle financial transactions by using Mobile Devices. Banking is the foundation of each industry and for surviving in the competitive world technology plays a very important role. M-banking is the new way of banking. The reason behind growing trend of M-banking is that, it helps the consumer to perform banking at anytime and anywhere. It makes consumers to access their banking transactions very easily 24X7. In this research study we assess the impact of M-banking on customer satisfaction with reference to Nagpur area.

Keywords : M-Banking, Customer Satisfaction, Internet Banking.

Introduction

In many countries, Mobile banking has risen as a well-known method of banking. Increase in number of smart phone users and internet subscribers, mobile banking is the fastest adopted technology in the world. Mobile banking is the term used for performing banking transactions like balance enquiry, money transfer, investment, paying bills, etc. using cell phone devices.

Adoption rate of M-Banking is highest in developing countries like India and China. In India, for the customer satisfaction banking industry moving their concentration from traditional banking to innovation (technology) banking. Mobile-banking removes the space & time constraints from different banking transactions.

Internet banking also helps the customer to access their banking facility anytime and anywhere. Customers can check their bank statements, get the account details, transfer the money to the other account and also can easily pay the bills sitting anytime, anywhere in the world. But the disadvantage of the Internet banking is that, it requires the Internet connectivity and computer. Cell phone usage has been increasing day by day mainly in Asian countries like India. That's why it can be said that, Mobile Banking has overcome this biggest limitation of Internet Banking because it just requires the Smart Mobile Phone.

Customer satisfaction is a major aspect as to how the services provided by the organizations should meet the expectations as well as should also exceed the expectations of the customer. If the customer expectations of safety, reliability, security & trust etc. is met by the services then we will say that, more consumers will connect with into M-banking (High Customer Satisfaction) and if the expectations will not met then we will say that customer satisfaction is low.

Literature Review

The study by Bharti M (2016) shows innovative virtual environment, immense efficiency, professed security, improved timely updates and Enhanced Personalization were not associated with customer satisfaction related to M-banking, Supportive access is an important factor directly associated with customer satisfaction related to M-banking. The study concentrates on features of electronic banking on customer's expectations and satisfaction. This study also showed that, financial institutions should increase awareness of Mobile Banking for fulfilling the expectations of the consumers.

The study of Jones (2015) revealed that, Mobile-banking offers various useful facilities like fund transfer and bill payments, etc. Mobile banking also affects the customer's behavior. Various applications of mobile phones allows customers to do banking transactions by sitting at home. Customers can also do a money transfer or balance enquiry with a single click. This kind of banking facility is urging customers to utilize mobile banking services. Customers can perform their transactions on Mobile phones to save time and cost.

Kahandawa and Wijayanayake's study (2014) showed that customer satisfaction is influenced by easy accessibility, usefulness, etc. Study showed that in M-banking services, customer satisfaction is influenced by relative advantage, usefulness, perception on risk, ease of use and current needs of consumers. It highlights the factors by bringing out the positive relationship which any financial institution or bank should concentrates on improving M-banking services”.

The study carried out by, Alalwan et al. (2018) clearly shows that edge of trending transactions, new creative ways and perceived satisfaction are the parameters that decide adoption of online banking services amongst customers.

Purnima S. Sangle, Preety Awasthi (2011) the study aims to understand the grounds for acceptance by customers in regards to mobile banking. The findings of the study suggests that the operation must be user friendly/ ergonomics as people are reluctant towards change and complicated technicalities of operation while doing any transactions.

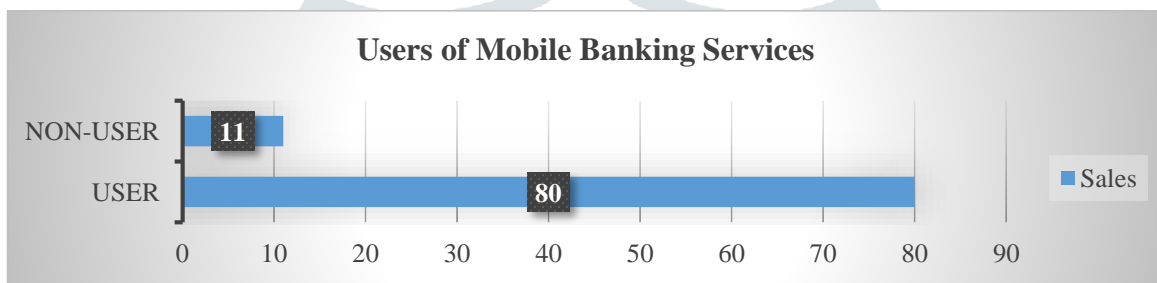
Research Methodology

The paper is based on both Secondary as well as Primary data. Secondary data was collected from different websites, reports of RBI, and also from various research papers & journals. Primary data was collected through Questionnaires. 100 respondents were randomly selected using convenience sampling in different area of Nagpur city and survey questionnaire was sent to user and non-user of M-banking like servicemen, businessmen, students and retired personals, etc. out of 100 respondents 91 responses were received from the respective respondents. It is quite evident that the sample decided for the study represents almost each section of society.

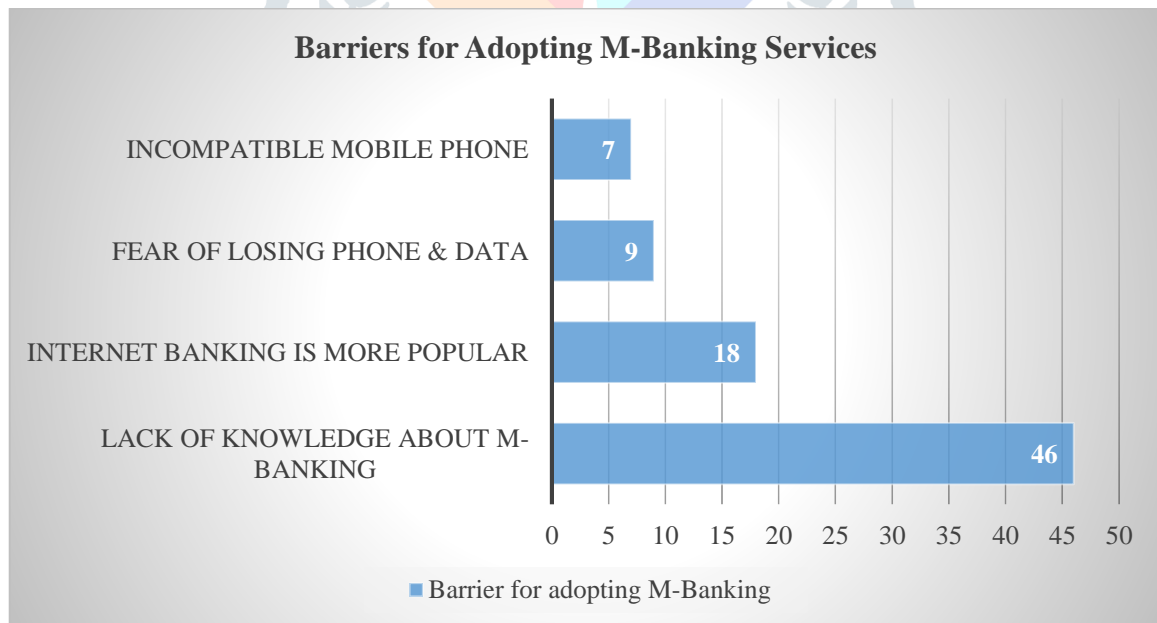
Research Objectives

- 1) To study the Customer awareness for Mobile Banking Services.
- 2) To study the most influential factor of M-Banking for customer satisfaction.
- 3) To study the barriers for adopting Mobile Banking Services.

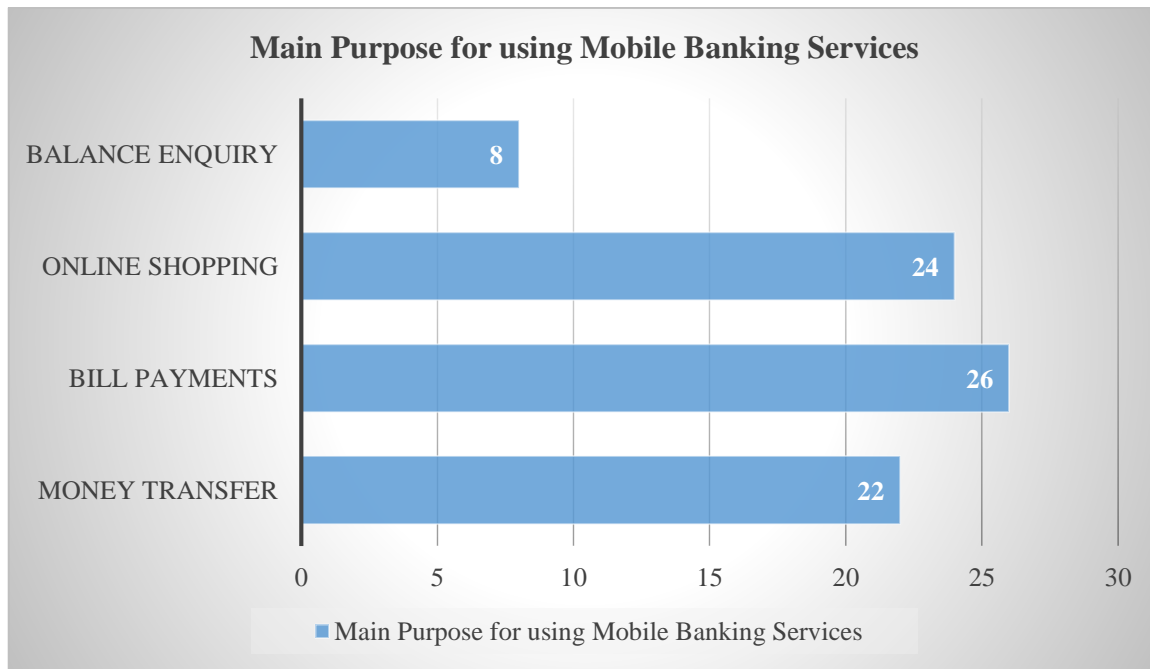
Findings & Interpretation of Data



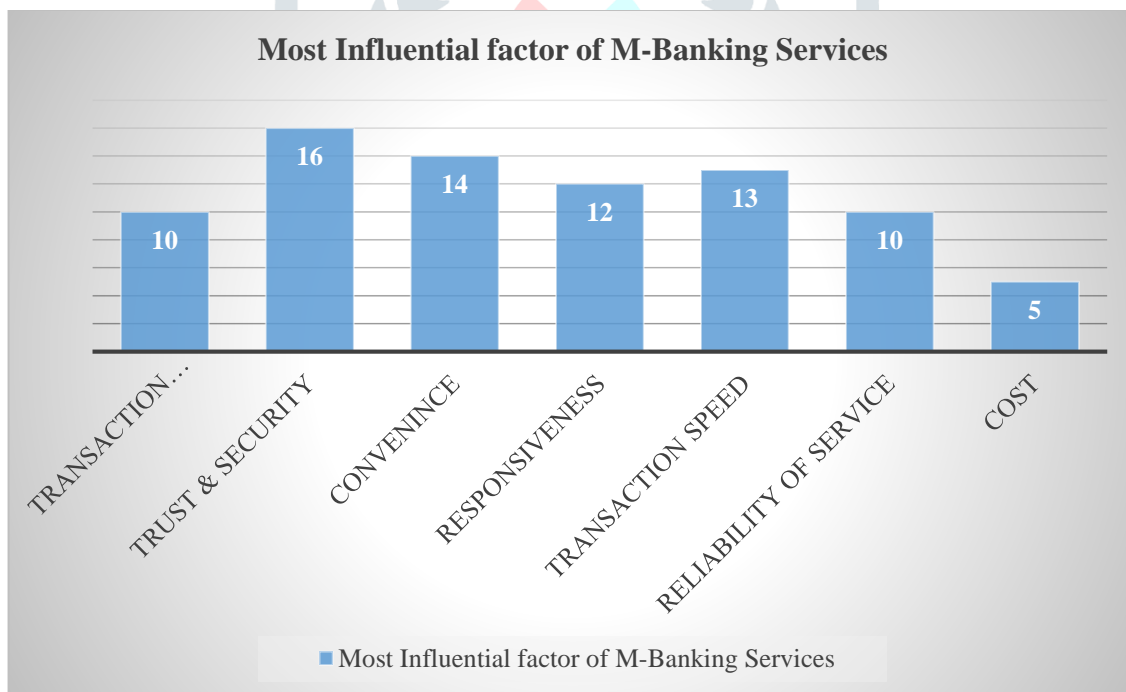
Interpretation: out of 91 respondents 88% are the user & 12% are non-user of M-Banking services. Therefore we will consider only 80 respondents (user of Mobile Banking Services) for further analysis.



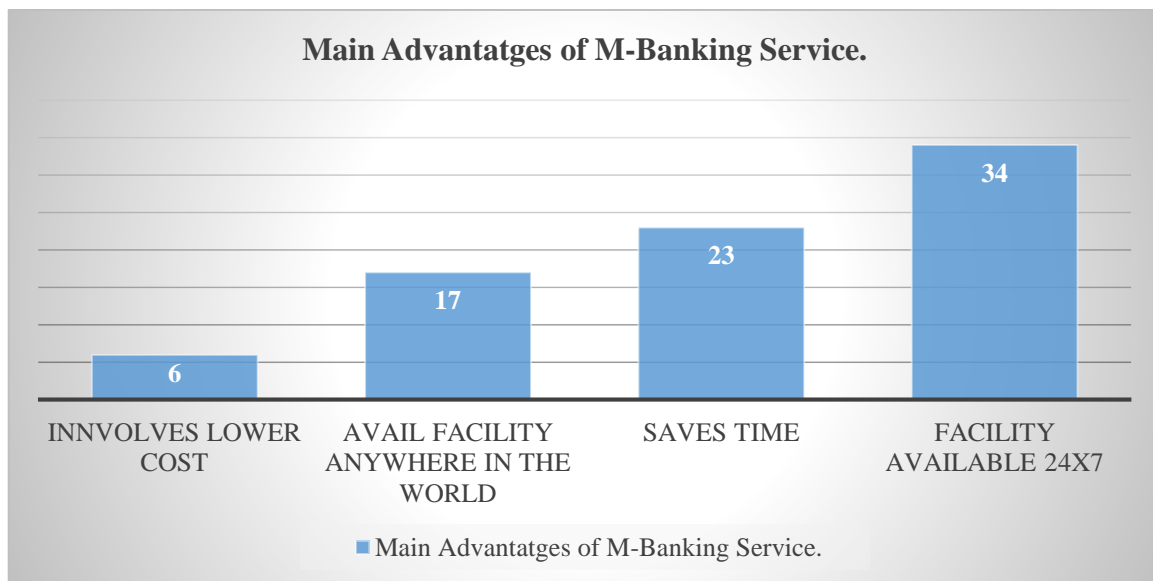
Interpretation: Above chart shows, out to 80 respondents (user of M-banking service) 46 respondents thinks that insufficient knowledge is the major barrier for adopting M-banking service, according to 18 respondents Internet Banking is more Popular, 9 respondents thinks that Fear of Losing Phone & Data is the barrier while according to remaining 7 respondents, reason behind barrier is Incompatible Mobile Phones.



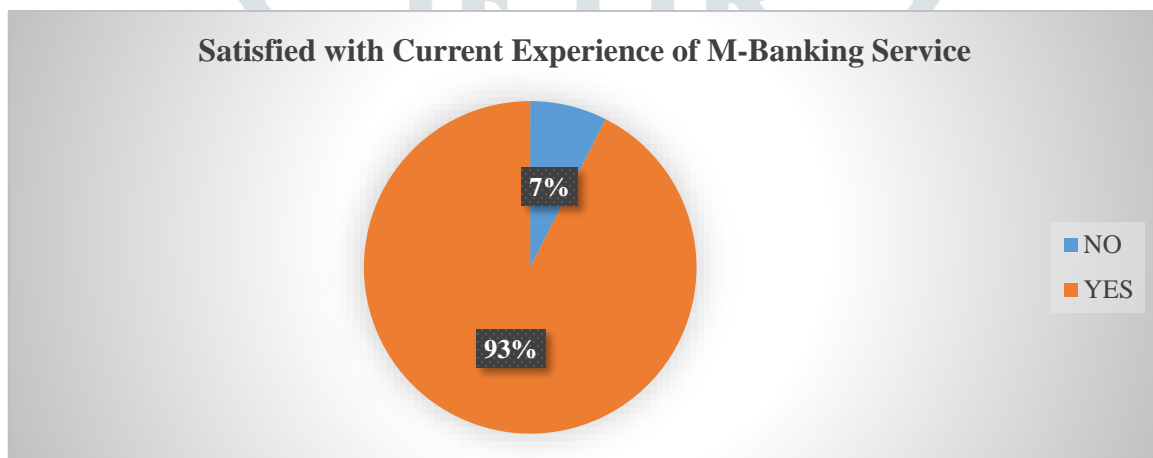
Interpretation: Above graph shows, Highest 33% Respondents uses Mobile Phone Services mainly for the purpose of Bill Payment, 30% Respondents uses for Online Shopping, 27% for the Money Transfer and least 10% Respondents uses M-Banking service for the Balance Enquiry.



Interpretation: Above graph shows, Out of 80 Respondents, for customer satisfaction the most influential factor of M-Banking service is Trust & Security, as per 20% Respondents. 18% Respondents says that Convenience is the influential factor, 16% says that Transaction Speed, 15% says that Responsiveness, According to 12% respondents, Reliability of Service is the influential factor while other 12% respondents said that Transaction accuracy is the influential factor, as per least 5% respondents, costing of transaction is the influential factor of M-Banking service.



Interpretation: Out of 80 Respondents, 34 Respondents said that, most beneficial thing about M-Banking service is, it is available for the customers 24X7. 23 Respondents said that, it saves time, as per 17 Respondents the main advantage of M-banking is, they can avail facility anywhere in the world. According to 6 Respondents, M-Banking involves lower cost than normal banking.



Interpretation: Above graph shows, out of 80 Respondents, 93% Respondents are satisfied with current experience of M-banking service, while 7% Respondents said that, they need some more improvement in the M-banking service.

Conclusion

As per the study, it can be concluded that Mobile Services is transforming the Banking Industry by providing convenience to their customers in emerging market of India. It is observed that, smart phones have very huge potential of conducting many transactions with lot of convenience and at reduced cost. It is also seen that the most influential factors of Mobile Banking are Trust & Security, Convenience and Transaction Speed with respect to customer satisfaction. Hence the implication of the study very clearly pin pointed the need of adoption of online Banking Services as it is inevitable, indispensable and need of the hour to overcome the geographical barriers along with time constraints. Moreover the parameters highlighted in the study affecting customer preferences must be considered while designing and providing online services

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