

Awareness, adoption and challenges of mobile banking app: An empirical study

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Abstract

The transformation rate is increasing in the way of banking transactions due to the innovations and new technology, which has become necessary in the competitive era. Now banks have been giving more emphasis on technology and innovation to provide better quality services with convenient and fastest speed to their customers. Banks no longer constrained themselves to old-fashioned banking activities but discovered novel paths to increase industry and capture the new markets. The aim of the study is to observe the awareness and adoption of the mobile banking app among the customers. The study is based on primary data and concluded that the awareness is more than the adoption of the mobile banking app. The study also tried to explore the challenges in a mobile banking app.

Key words: *digital banking,mobile banking app,digital India*

I. INTRODUCTION

Banking sector has become flourishing in India, focusing on new technology and innovation. Today banking has become an essential part of financial movement and digitization in banking in India is becoming highly advanced.[1] Net banking, mobile banking is playing vital role in “Digital India”.Banks have adopted new technology in their operation. They are offering tech-based services for the customers with channels such as ATM, smart, credit card and debit card, mobile banking. Now majority of the banks are focusing on paperless mode of payment. New techniques offer many opportunities for the banking and non-banking institutes to improve the path they adopt and provide better experience to customer.[2]

II.LITRATURE REVIEW

1. It is seen more users are aware but actually using mobile banking app is less. In India, there are 900 million mobile users but use of mobile banking is only by 40 million customers approx.The reason behind this , need of

active association with Telecom Company, lack of user-friendliness and awareness, cost etc. Banks have to work on creating mobile banking awareness among the customers. They need to promote the benefits of mobile banking and its effectiveness.[3]

2. Banking has becoming technology savvy industry mostly due to mobile technologies. The smartphone users are growing and are expected to cross more than 3 billion by 2020. Since 2017 customers' visit to banks physically is down by 33%. [4]

3. As per survey by Statista mobile banking involves use of smart phone or tablet to carry out banking transaction using bank app. E.g. bill payment, money transfer, recharge, balance checking etc. Mobile banking usage is increasing steadily. This article also surveyed some advantages of mobile banking like less banking charges, 24/7 availability and anytime anywhere service, prompt service, security than PC, easy to gather customer analytics and also help in retaining user without human intervention.[5]

4. Mobile banking users have become more valuable customers among the financial institutions, The study stated that more returns on the mobile investment related to use of product, frequency in transaction, and income generated. Mobile banking helps to increase usage by customer and ROI .[6]

5. Digital banking includes internet banking. Where bank gives service online to their customer. Customer can perform banking transaction online. The first bank was ICICI, offering internet banking since 1996. After that other banks also came in this route. As the advent of internet banks have started to connect together and core banking concept existed. Core banking allowed customer to access and make banking transactions from any branch. The features like 24/7 availability, on line bill payment from anywhere saves customers' expenses and time a lot. Customers need not have to present in queue and carry cash for any kind of payment . [7]

III. OBJECTIVE OF THE STUDY

1. To figure out the awareness of the mobile banking app.
2. To evaluate the percentages of adoption of the mobile banking app.
3. To examine the difficulties before customers in using mobile banking apps.

IV. RESEARCH METHODOLOGY

The questionnaire was prepared based on observations and secondary data. The structured questionnaire was dispersed among the 85 respondents. The sampling method was used as convenient. The respondents from diverse professions of Jhalgaon District were considered. Collected data was analysed with SPSS software.

V.LIMITATIONS OF THE PRESENT STUDY

Respondents are from specific areas of Jalgaon District. This pilot study is limited to that extent which may not be represented entire Jalgaon District. There may be variances in the perception of the people from different areas.

VI.DATA ANALYSIS AND RESULT

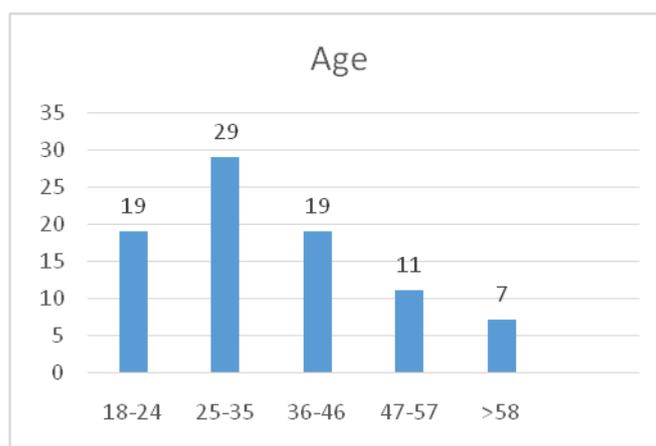
Collected primary data from the survey showed 96.5% respondents have smart phone and 97.6% respondents have bank account. 54.1 % of total respondents have bank account for more than 5 years (54.1%) followed by 2-3 years (18.8%), 4-5 years(14.1%).This study also shown that maximum respondents are preferring the m-Banking app because of anytime and anywhere use (44.7%), quick transaction(42.4%) followed by easiest way (36.5) and secure transaction(30.6%). 80% respondents have heard about their bank's app and 36.5% respondents operate bank transaction through M-Banking App. Age wise max. Respondents are from group 25-35 (34.1%) followed by 18-24 and 36-46(22.4%). [8]

A.Demographic Factors

Gender wise Male respondents are (55.30%) and female are 44.70%. Education wise Graduate are more (38.8%) followed by collegian respondents(34.1%). Profession wise maximum respondents are student (24.7%), self-business(17.60%), employees(16.50%), farming(15.30%), retired(4%) and others(21.20%). [8]

Frequencies of demographic factors are shown in the chartas follow.

Chart-1



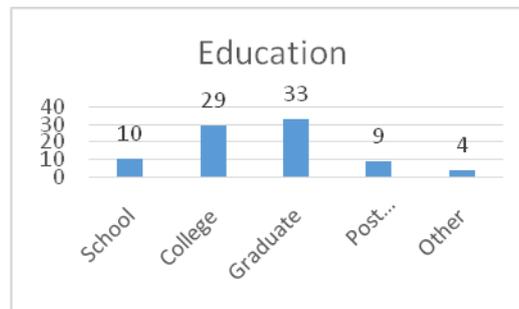
Source=[Primary Data]

Chart-2



Source=[Primary Data]

Chart-3



Source=[Primary Data]

Chart-4



Source=[Primary Data]

B.Awareness

Table-1

Have you heard about Mobile Banking App of your Bank?		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	No	17	20.0	20.0	20.0
	Yes	68	80.0	80.0	100.0
	Total	85	100.0	100.0	

Source=[Primary Data]

Interpretation: As per Table-1 80% respondents are aware about their bank's mobile banking app.

Table-2

C.Adoption

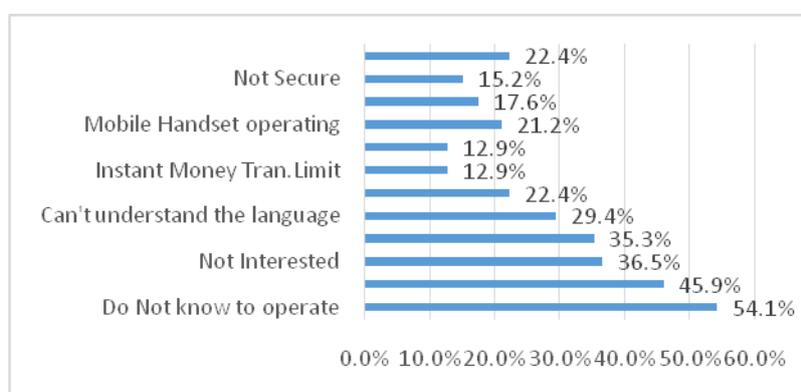
Do you operate your bank transactions through Mobile Banking App?		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	No	54	63.5	63.5	63.5
	Yes	31	36.5	36.5	100.0
	Total	85	100.0	100.0	

Source=[Primary Data]

Interpretation: From the above Table-2it is seen that36.5 % of the total respondents are operating their banking transactions through bank's mobile banking app.

Chart-5

D.Challenges



Source=[8]

Interpretation: From the above Chart-5 major challenges found from the study as maximum customers do not know how to operate m-banking app(54.1%), difficulty in operating (45.9%) while using m-banking app, not interested(36.5%), difficulty in downloading App(35.3%), not understanding the language of App(29.4%) , difficulty in remembering username and password(22.4%).

VII. CONCLUSION AND SUGGESTION

The study concluded that awareness is more than the adoption of the mobile banking app. It shows scope for improvement in both areas: awareness as well as adoption. Maximum customers do not know how to operate m-banking app (54.1%) and they have difficulty in operating (35.3%) while using m-banking app. Banks should facilitate in operating mobile banking app. They should conduct training programs for their customers to increase the adoption level. There should be continuous survey of their customers' satisfaction towards the mobile banking application. Changes should be incorporated from time to time.

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