

## **A Study on Customer Satisfaction Towards Mobile Banking.**

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### **Abstract**

*In the emerging technology the banks marked around the globe by Mobile banking(m-banking). Banks conduct financial services through wireless and instant as per the convenience of customers between smart phone or tablet The influence of Mobile banking towards the customer satisfaction is the purpose of this research and also identify the key factors of mobile technology. Mobile banking is the interface between financial services and telecoms. In Mumbai,29<sup>th</sup> March 2012, Dr. K C Chakrabarty, Deputy Governor of the Reserve Bank of India, summit “Regulation of cross-border mobile payments and regional financial integration” at the International Banking, out of it the regulations and rationale has been framed for Mobile Banking. Reserve Bank of India (RBI) has authorized 154 banks in the country to undertake mobile banking services. Penetration of Mobile banking in global has increases from 40% to 50%. The research is to conduct the customer satisfactory level towards the m-banking, for that 146Questionnaires are used to conduct data collection and then analyzed using statistical techniques: regression analysis, correlation and factor analysis. The significance of customer’s are concerns about the security, innovative services, customer trust and risk are the key indicators of the technology adoption.*

**Keywords: Mobile Banking, Innovative services, Mobile technology.**

### **1. Introduction**

Mobile banking helps the customers to avoid visiting a bank branch for non-cash withdrawal and deposit transactions. Mobile banking also reduces the cost handling transactions. The transaction which involves cash cannot be handling by mobile transactions such as deposits and withdrawals. In order to extend their customer base the banks adopt latest technology which enabled electronic banking and hence proven the advanced technology transforms like internet banking, online banking now the chief advancement of mobile banking. The financial sector are now competing to increase their profit of share in the market, banks are radically shifted to

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branchless mode of banking from the old banking system. Initially the multinational banks offering m-banking to their customers, now it get spread to local banks, without any discrimination that the people belonging to all income groups can access the mobile banking. The customers can operate their account anywhere mean while the security system is ensured, encrypted and password is protected.

## **2. Review of Literature**

In banking service the use of modern techniques in various aspects is system practiced around the world. The studies relating to this service sector is sometimes in depth and some studies relating to them is narrow. The methodology followed in this study is scientific and not scientific. In this study a review of the literature in the customer satisfaction and experience of mobile banking is given. The users of mobile banking in various sectors have been reviewed. Consumers are demanding services when required. Customers are demanding higher level of easy accessibility and greater convenience as reflect in longer branch opening hours and an increase in the choice of delivery mechanisms. In recent years the customer's lifestyle is extremely changed and become more affluent and spent more on leisure activities. Consumers feel more convenience and grater accessibility of their bank accounts and also not required to adopt the work time of banks generally. Though there is much convenient in banking transactions by the customers, the role of banks is in branch network does not have reduced its role of importance, like the customer personally go for the services like taking DD, deposits cheque, sometimes cash deposits. From this review, research gap is identified and the relevance of the present study is drawn.

## **3. Statement of the problem**

Now a day's most of the withdrawals are happened through debit card, almost everyone aware of ATM. Cost of data access, spending cost for internet in mobile, afraid about security system, storage capacity of mobile apps are the reasons for less users of mobile banking. Guidance provided to the customers is one of the critical features. The desired deliverables of customers are functional features like speed, interactivity, accessibility and security. For proper user satisfaction the feedback and complaint management are the service demanded by customers. For this study the sample size of 146 questionnaire are used in from that the people in business, financial sectors, real estate, IT industry, banking and insurance are the frequent users of money through online and there will be more transaction are incurred around money, other sectors like agriculture, Government employee, private people, small shop runners are the less users of internet, they are not in need to download the m-banking app .

## **4. Objective of the study**

1. To know the level of awareness about the mobile banking
2. To find the satisfactory and convenient of the users of mobile banking
3. To identify the source which influences the different sectors of consumer

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### 5. Scope of the study

The digital elements are really a revolutionizing things, quite quickly and effectively. It becomes even more relevant to take a moment to contemplate the banking sector. The study is confined in Trichy city. Customer satisfaction measurement and awareness about mobile banking is the scope of this study. To find the other potential factors which influenced the behavior of the customer?

### 6. Methodology of the study

The study will gather the consumer behavior in mobile banking adoption process of various primary and secondary qualitative data collection resources. The Inferential approach would be followed in which inferences will be made out from the data collected through various resources regarding the adoption of mobile banking process. Random sampling methods are used for percentage calculation; sample size is 146 respondents are randomly taken for research and correlation coefficient findings for customer satisfaction towards mobile banking.

### Data Analysis and Interpretation

**Table:1 AGE OF THE RESPONDENTS**

S.NO	AGE OF THE RESPONDENTS	NO OF RESPONDENTS	PERCENTAGE
1	18 – 25 Years	26	18
2	25 – 35 Years	33	23
3	35 – 45 Years	32	22
4	45 – 55 years	31	21
5	Above 55 years	24	16
	Total	146	100

Source: Primary data

**Table:2 DIFFERENT SEGMENTS OF RESPONDENTS**

S.NO	DIFFERENT SEGMENTS OF PROFESSIONALS	NO OF RESPONDENTS	PERCENTAGE
1	Government	12	8
2	Information technology	15	10
3	Financial services	13	10
4	Construction	11	7
5	Banking and Insurance	13	10
6	Consulting and Franchising	12	8
7	Retail sales	13	10
8	Healthcare/hospitals	11	7
9	Real estate	11	7
10	Education	11	7

11	Pharmaceuticals	12	8
12	Hospitality/Tourism	12	8
	Total	146	100

Source: Primary data

**Table:3 INTERNET BANKING AND MOBILE BANKING USERS**

S.NO	INTERNET BANKING AND MOBILE BANKING USERS	NO OF RESPONDENTS	PERCENTAGE
1	Internet banking users	55	38
2	Mobile banking users	38	26
3	Non users of online users	53	36
	Total	146	100

Source: Primary data

**Interpretation**

Table:1 reveals that the 23% of respondents are the age group of below 25 years, 16% of the respondents are above 55 years, 18% of the respondents are between the age group of 18 -25 years. Table:2 reveals that the different professionals of respondent in different ratios, the IT professionals shows 21% of respondent. The percentage of values which is nearest to the .5 has rounded off. Table:3 shows that the mobile banking users are 26% and the internet banking users are 38% and the non users of online is 36% which is almost equal to the internet banking users.

**TABLE:4 REASONS FOR NONUSERS OF MOBILE BANKING**

S.NO	REASONS OF NON USERS OF MOBILE BANKING	RESPONDENTS	PERCENTAGE
1	Concern about the security of mobile banking	14	21
2	Low trust	12	18
3	Convenient in using internet banking	11	16
4	Significant charges are applied for using over a time	9	14
5	Problem in internet connection in rural areas	11	16
6	Banking activities are very less	10	15
	Total	67	100

Source: Primary data

**Interpretation**

Table:4 the concern about the security of mobile banking is 21% and problem in internet connection in rural areas is 16%, significant charges are applied for using over a time is 14%.

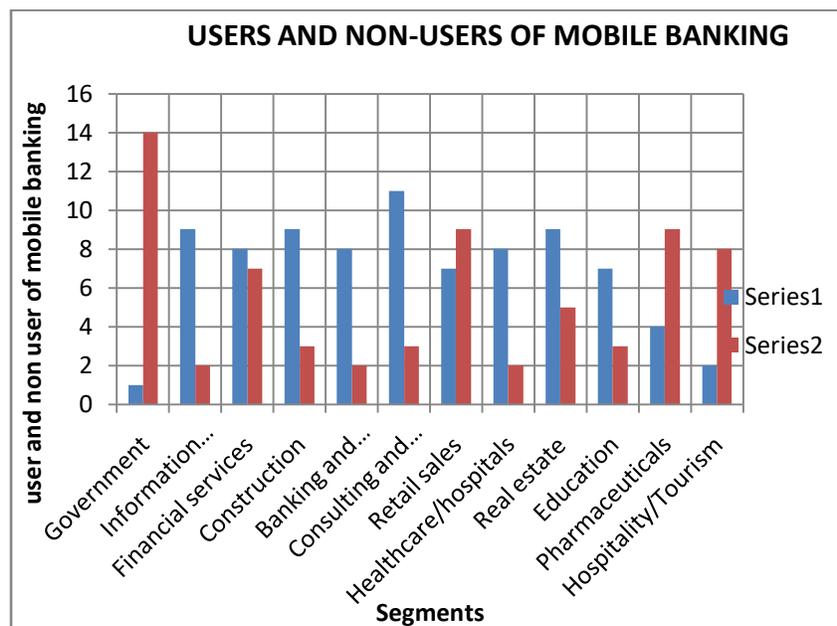
**Table:5 DIFFERENT SEGMENT AND THE USER OF MOBILE BANKING**

S:NO	SEGMENTS	USERS OF MOBILE BANKING	NON-USERS OF MOBILE BANKING
1	Government	1	14
2	Information technology	9	2
3	Financial services	8	7
4	Construction	9	3
5	Banking and Insurance	8	2
6	Consulting and Franchising	11	3
7	Retail sales	7	9
8	Healthcare/hospitals	8	2
9	Real estate	9	5
10	Education	7	3
11	Pharmaceuticals	4	9
12	Hospitality/Tourism	2	8
	Total	83	67

Source: Primary data

**Interpretation**

Table: 5 the users of mobile banking are more in the sectors of IT industry, Consulting and Franchising. The users of mobile banking are average in financial services, Construction, Real estate. The non users of mobile banking are the employees of government sector.



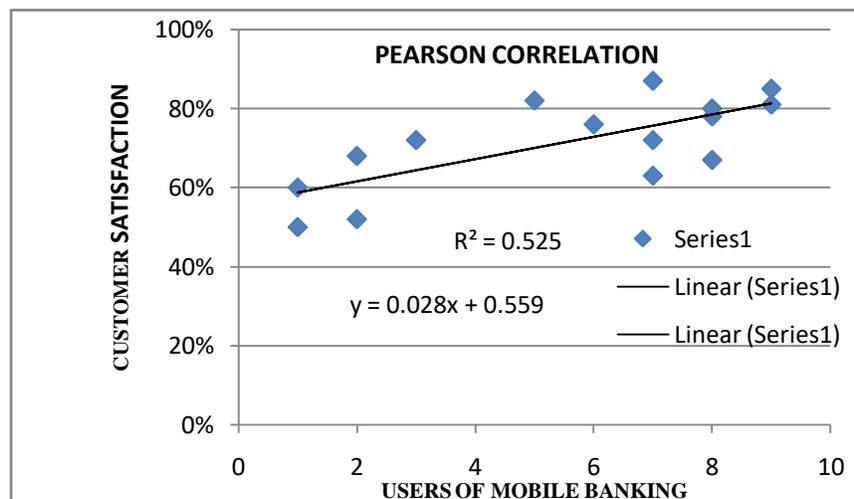
**Table: 6 CORRELATION BETWEEN FACTORS OF MOBILE BANKING ADOPTION AND CUSTOMER SATISFACTION**

SEGMENTS	USERS OF MOBILE BANKING	CUSTOMER SATISFACTION OF MOBILE BANKING
Government	1	60%
Information technology	9	85%
Financial services	8	78%
Construction	7	63%
Banking	8	80%
Consulting	7	72%
Insurance	5	82%
Retail sales	8	67%
Franchising	9	81%
Real estate	7	87%
Education	1	50%
Pharmaceuticals	2	52%
Hospitality/Tourism	6	76%
Healthcare/hospitals	3	72%
Public health	2	68%
TOTAL	83	72%

Source: Primary data

Pearson correlation co-efficient technique is used to find the customer satisfaction of mobile banking

**CORRELATION BETWEEN FACTORS OF MOBILE BANKING USERS AND CUSTOMER SATISFACTION**



## Interpretation

Table 6: shows that success of customer satisfaction towards mobile banking. It measures the two variables of customer satisfaction towards mobile banking, the results show that there is a positive correlation i.e  $r=0.724620041$ .

## 7. Findings

The results showed that mobile bank users were predominantly more in the professionals of IT industry, financial sectors, real estate, banking and insurance professionals are users more of mobile banking. The users are very less in numbers in government sector employees, pharmaceuticals. The major barriers of online banking were lack of perception towards the upgrades of technological skills, risk of the security systems and traditional way of cash carrying culture to the banks. The barriers to mobile banking adoption were lack of knowledge about its usage and understanding of the benefits provided by mobile banking.

### 7.1 Suggestions

The banks now-a-days believe in paperless transaction, though the trust and technological security will increase the users of mobile banking. In mobile banking we can avail the financial services with-in seconds wherever and whenever we want. In this application the user has to enter through user id and password, sometimes due to frequent usage they forget to logoff wrong manipulation of accounts. In remote areas the internet connection is weak and in some times the network may stop while the user is in processing, this may sometimes lead to fault. If the Customers mobile phones theft means, automatically hackers can reveal all their transaction details very easily. This will become a very big issue. Banking Sector has to avoid this type of problems by using new emerging technologies.

## 8. Conclusion

In fast growing era the customers should have even much aware of mobile banking to enjoy the benefit fully. As the mobile banking is the technology of future, most of the customers understand the needs and necessity of mobile banking. The service of mobile banking has increased day by day in various services as telephone bills, transfer of payment through 3<sup>rd</sup> party and fund transfers etc. Hence it is one of the most important motivations among the customers to use the mobile banking services. The penetration of mobile banking has highlighted various important factors regarding the usage, awareness, benefits, barriers and motivation for using the mobile banking services. Hence banks and customers need to put their efforts in order to make the best use of the mobile banking services. The duty of Banks needs to create more motivation factor for the customers, about the awareness of mobile banking services in order to enjoy the better way of banking.

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