

An Empirical study on Customers' Opinion towards Mobile Banking in the City of Erode at Tamilnadu, India

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ARTICLE DETAILS

Article History

Published Online: 05 February 2018

Keywords

Mobile Banking, Wireless Banking, Electronic Banking

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ABSTRACT

Technology is evolving every new day and has its impact on everything. It is considered as the key driver for the changes taking place around the world. In the world of banking, technology has brought about a complete paradigm shift in the functioning of banks and delivery of banking services. Gone are the days when every banking transaction required a visit to the bank branch. But now, most of the transactions can be done from the comforts of one's home and customers need not visit the bank branch for anything. Technology would be the key to the competitiveness of banking system. The growth of the mobile banking has added a different dimension to banking. Mobile banking could be a revolution in banking.

INTRODUCTION

Technology plays an important role in banking sector. Mobile phone is a common technology device that became part of every individual in the information era. Mobile Banking is an emerging alternate channel for providing banking services. India is the second largest telecom market in the world, which is having high potential for expanding mobile banking services. Mobile banking is a good option for the banking industry to increase their customers. With the help of mobile telecommunication technology the customers make numerous transactions in the bank at any time. There are many researches which show that India is moving fast towards mobile users as well as mobile internet users which are also a bigger strength to the banking industry to promote the mobile banking. This paper shows that there is a big need of adoption of new technology especially in banking industry which promotes the bank account holders in our country.

STATEMENT OF PROBLEM

Banking services is the most once of the business activity. It helps us to safeguard our future activities. Every bank many introduce a new specialty in day to day activity. Even though the banking services having some weakness. Hence the problem is

- What the factor that induces the customer to perform the mobile banking services?
- What type of mobile banking services are mostly used by customer?
- What is the level of opinion on mobile banking services?
- What are the problems faced by the mobile banking customers?

OBJECTIVES OF THE STUDY

- To identify the reasons for preferring mobile banking.

- To find out opinion of the respondents regarding mobile banking.
- To identify the problems faced by the respondents while using mobile banking.

STATISTICAL TOOLS USED FOR ANALYSIS

Data collected through questionnaire were presented in a master table. From the master table, sub tables were prepared. In order to analyze and interpret the data, the following tools were applied.

- ✓ Simple percentage analysis has been done for the profile of the respondents.
- ✓ Weighted average score ranking technique is used to determine the factors influencing the customer's to use the mobile banking services.
- ✓ Chi square test has been applied to establish the relationship between their opinion level and independent factor.

LIMITATION OF THE STUDY

- The samples are drawn on convenience; the results are based on the data.
- As the study is based on Questionnaire, the results vary according to the opinion of the customer.
- Due to lack of time, the study has been restricted to 100 respondents only.
- The study is carried out in Erode city only, so the findings of the study may not be appropriate to this area.

HYPOTHESIS

There is no significant relationship between age, gender, occupation, educational qualification, marital status, monthly income and level of opinion of respondents.

FINDINGS OF THE STUDY

Table1: Profile of the Respondents

Factor	Factors	Percentage
Bank Account	Private Sector Bank	36
	Public Sector Bank	64
Types of Bank Account	Savings	58
	Current	25
	Both	17
Purpose of Use	Balance enquiry	21
	Bill payment	31
	Fund transfer	23
	Mini statement	7
	Recharging	14
	Other services	4
Source of Information	Advertisement	26
	Bank(Personal)	21
	Internet	20
	Friends	25
	Bank(Boucher)	8
Frequency of Use	Daily	18
	Once in a weak	28
	Twice in a weak	32
	Once in a month	22
Problem Faced by the Respondents	Security	29
	Compatibility	12
	Heavy charges for transaction	21
	Network availability	28
	Inadequate guidance	10

- Higher percentages (64%) of the respondents have their account with private sector bank.
- Higher percentages (58%) of the respondents are using their savings account.
- The majority (31%) of the respondents are using mobile banking for the purpose of bill payment.
- The majority (26%) of the respondents are aware from advertisement
- The majority (32%) of the respondents are using a mobile banking twice in a weak.
- A majority (29%) of respondents are affected from the problem of security.

Table 2: Reason for Preferring Mobile Banking

WEIGHTED SCORE POINTS(W)	RANK FACTORS	6	5	4	3	2	1	TOTAL SCORE (Σwx)	WEIGHTD AVERAGE SCORE X	RANK
		I	II	III	IV	V	VI			
Save customer's time& energy	X	20	25	25	15	5	10	410	19.52	I
	WX	120	125	100	45	10	10			
Reduces dependency on bank branch	X	16	20	21	22	13	8	380	18.10	III
	WX	96	100	84	66	26	8			
Generate more transactions	X	23	18	16	17	15	11	384	18.29	II
	WX	138	90	64	51	30	11			
Become more education	X	10	7	15	24	25	19	296	14.10	VI
	WX	60	35	60	72	50	19			
Aware of their money	X	13	17	11	14	25	20	319	15.19	V
	WX	78	85	44	42	50	20			
Access their account(24X7)	X	18	13	12	8	17	32	321	15.29	IV
	WX	108	65	48	24	34	32			
Total		100	100	100	100	100	100			

From the above table 2 , it is observed that the most important reason for using a mobile banking is save time& energy with weighted average score of (19.52) followed by

transaction (18.29),bank branch (18.10),access their account (15.29),aware money (15.19), more educated (14.10).

CHI-SQUARE TEST

Table3: Association between Level of Opinion and Demographic Variables

Factor	Calculated Value	Degrees of Freedom	p-Value	Result
Age	2.08	6	12.592	Insignificant
Gender	5	2	5.991	Insignificant
Occupation	3.544	6	12.592	Insignificant

Educational Qualification	2.867	6	12.592	Insignificant
Marital Status	4.657	2	5.991	Insignificant
Monthly Income	4.627	4	9.488	Insignificant

The calculated value of chi-square is less than the table value the null hypothesis is accepted. Hence it is inferred that, the respondents' level of opinion is not influenced by age, gender, Occupation, educational qualification, marital status and monthly income.

SUGGESTIONS

- ✓ The banks must improve its service quality in terms of communication, responsiveness, reliability and understanding.
- ✓ To provide various effective modes for promotional schemes interaction with the customer, more accuracy in billing, financial security and privacy in transaction is needed.
- ✓ The sample respondents have low level of opinion; hence banks should enhance level of services in

punctuality, transparency and accountability, quality of customer service, safety and confidentiality of transaction.

CONCLUSION

The role of technology is increasing day by day. The various sectors of India are growing at much faster rate with the help of technology. Mobile banking is also a big mobile telecommunication platform of new technology, which promotes the banking functions in India. Mobile banking also helps the banks to increase their customers. Today, everyone has a mobile phone in his hands. The number of mobile users in India got second position in the world. The increasing frequency of mobile internet users gives the boost energy to the mobile.

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