

A Study on Mobile Banking and Its Impact on Client's Banking Transactions

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ABSTRACT:- India, we have in excess of 900 million portable clients yet at the same time versatile managing an account is utilized by 40 million clients roughly. There can be different explanations for this, for example, need of dynamic joint effort among banks and Telecom Company, absence of availability to clients, cost, and mindfulness about the versatile keeping money application and so on. Banks have to take a shot at making versatile keeping money mindfulness among the clients. They have to advance the benefits of portable managing an account and its viability. Client has diverse perspectives on portable saving money administrations given by their specialist co-ops. This study is about client observation about portable keeping money administrations of banks and to ascertain the desires for clients from banks towards versatile saving money framework. Also it helps to assess the effect of portable putting money on client encounter in the wake of utilizing versatile saving money and it mirrors the adjustment in exchanges method of clients through versatile managing an account.

Key Words: Versatile Saving Money, Mobile Banking, E-Banking

1. INTRODUCTION

The portable clients' base in India is required to zoom to 893 million by 2012. This is a 150 million increment of what was anticipated before. India is currently the second biggest versatile market on the planet after China, which has more than 650 million supporters, with India having 400 million portable clients. There will be 1.24 billion versatile clients in 2015 - which implies one telephone for each Indian. With this solid base Mobile managing an account is relied upon to be effective if the Banks persuade the clients with security. Portable keeping money as a budgetary instrument has been seeing its season of acknowledgment happen particularly on account of expanding portability offered by advanced cells. Telephones basically pack the capacity of a fundamental PC and Internet access into a specialized

gadget. The innovative push for expanded versatility and capacity by means of a telephone has started to come to fruition with expanded capital venture into systems and frameworks that can bolster these highlights. Portable saving money is an electronic framework that gives a large portion of the fundamental administrations accessible in every day, conventional saving money, yet does as such utilizing a versatile specialized gadget, generally an advanced mobile phone. Now and again, an all around created portable managing an account framework can all things considered give purpose of-offer capacity like an ATM or Visa, with the exception of the buyer purchases by utilizing their mobile phone

2. CONCEPT OF MOBILE BANKING

Mobile banking is defined as doing bank transactions using mobile phone or devices (Lin and Lu, 2001). The term "mobile banking" means that the use of mobile as a channel of offering and delivering banking services which includes traditional services such as funds transfer, as well as modern services such as online and electronic payments.

Mobile banking (m-banking) is an application of mobile commerce that enables customers to bank virtually at any convenient time and at any convenient place (Suoranta, 2003). Mobile banking can be carried out using mobile phones by connecting mobile networks to facilitate financial services. Normally, e-banking services include depositing, withdrawing, sending and saving money, as well as making payments.

With the constant development of information technology in recent years, the number of users of mobile phones and other wireless devices is constantly growing at high rates. Mobile network operators invested significantly in improving communications and the development of new technologies and services. Mobile banking (m-banking) is seen as a model of e-business of banks and mobile network operators using the mobile telecommunication networks in order to provide banking services to customers via their mobile devices. This model allows mobile banking payments, control of account balances, taking loans and a range of other financial services and transactions. In fact, to say, the development to make payments and transfers via mobile money instead of cash or credit cards has proliferated widely in Africa and lowers transaction costs for many market participants and citizens.

3. OBJECTIVES OF THE STUDY

- To comprehend the impression of clients about portable saving money framework.
- To find about different variables depicting the utilization of portable managing an account benefits by the clients.
- To know the challenges facing by the customers in using mobile banking.
- To analyse the customer perceptive about the features of mobile banking
- To suggest the suitable measures to improve the mobile usage for financial purpose.

4. RESEARCH METHODOLOGY

The study is descriptive in nature and it is based on secondary data. The secondary data was collected from books, annual reports, journals, periodicals, conference reports, projects, banking websites etc. The collected data was analysed and necessary solutions drawn to improve the facilities of m-banking services.

5. LIMITATIONS OF THE STUDY

- This study was primary focusing on the examination of the challenges facing by the customers using mobile banking.
- The data gathered only from secondary sources and the period of study is very short.

6. REVIEW OF LITERATURE

Advancement in Mobile technology has made extensive growth in telecommunication industry to introduce more new services in order to continue retaining and attracting new customers. Activity in

mobile payment service is now accelerating in many emerging market (Nyakiha, 2009). Banks offering m-banking services has changed the business of retail banks significantly in terms of cost reduction and increased convenience for the customers.

Barnes (2002) indicated that WAP banking is another form of the Electronic banking that enables the user to communicate interactively with the bank. For this communication the client uses only GSM mobile phone with WAP service. With its options and the method of controlling WAP banking reminds an easy form of Internet banking. WAP is a universal standard for bringing Internet-based content and advanced value-added services to wireless gadgets, for example, telephones and individual advanced colleagues (PDAs).

Clark (2008) expressed that the versatile as a channel conveys accommodation, quickness and decision to buyers. Be that as it may, there are an expansive number of various cell phone gadgets and it is a major test for banks to offer Portable saving money arrangement on a gadget.

Sharma and Singh (2009) In his study found that the portable saving money clients in India were progressively worried about security issues like monetary fakes, account abuse and ease of use issue, trouble in recalling the distinctive codes for distinctive sorts of exchange, application programming establishment and updation because of absence of institutionalization.

Hayat (2009) proposed that for a saving money controller it's critical to give satisfactory security for purchasers, guarantee financial solidness, give interoperability of electronic frameworks and

certification security of exchanges and Anti-Money Laundering and Know-Your-Customer standards should likewise be connected to versatile installments.

Further, Banzal (2010) found that another serious issue is the income sharing understandings between portable specialist co-ops, banks, content suppliers, aggregators and other specialist organizations like utilities, travel organizations, lodging industry, retailers and so forth. Gupta and Mittal expressed that the network with imaginative methods of exchange in managing an account like ATMs, Internet Banking also, versatile managing an account constantly required parcel of considerations from the side of specialist co-ops since a little intrusion in the framework may spread an awful verbal exchange and dread to the clients.

Weber, Rolf H; Darbellay, (2010) this article focuses on the legal issue of MBS. The growth in mobile financial services not only depends on technological advances, but also on consumer confidence in the provided services. Mobile financial services can be divided into mobile banking and mobile payment; therefore, legal certainty must be established as to what supervisory regime applies to the various activities involving banks and non-banks.so, the legal aspects also play a role in the evolution of mobile banking as far as the need to enhance customer trust in the offered services is concerned. Major issues arise in relation to data security and consumer protection.

Beiginia et al (2011) conducted a study aimed at identifying the type of customers' attitudes toward mobile banking and factors affecting their attitudes to behaviour using the extended theory of the planned

behaviour model. They found that influential factors such as quality of mobile banking services and its related factors such as quality of information, network security, and ease of use, the bank's reputation and the speed of transactions also had a role in explaining the users' behaviour. The results of statistical analysis have revealed that adding factors related to the quality of the network into the basic model, significantly increases the determination power of "attitudes to behaviour" and also increase the determination power of "behavioural intention"

Slavoljub Milovanović (2016). The study entitled "Development and Application of Mobile Banking Concept, Nis: The Faculty of Economics in Niš,(p., 125) given a detailed analysis of models and services of mobile banking, their advantages offered to customers in the form of architecture and applications of mobile banking. In addition to this, the author of this study provides the latest trends in mobile banking in the developed countries and points out the problems and challenges of mobile banking faced by the developing countries.

6. IMPORTANCE OF MOBILE BANKING

Security: Mobile banking is very secure, risk free and safe with reference to mobile pin (m-pin). Mobile banking security helps you monitor your own bank account balance, transaction history effectively. In this mobile banking does not provide access to unauthorized users.

Speed: With the help of 4G technology, the customers make their banking transaction through mobile in the fraction of second.

Less expensive: Mobile banking is very less expensive or cost effective and banks provides this services in low cost or free of cost to customers.

Convenient: Mobile banking provides the customers to anywhere, anyplace and anytime banking transaction with the help of services. This service is very fast, easy and convenient by each mobile or smartphone users.

Save time: Mobile banking saves a lot of time.

Identify Ability: Mobile phone provides to support the secure mobile phone transactions where personal computers are almost unknown (no name). The person one who always uses mobile devices and it is ideal for Personal -based target marketing, service providers can recognize a user carefully through the technology of Global Positioning System (GPS).

Economic development: More population In India, which has no bank account but with the help or reference of mobile banking awareness especially youth generation will open the bank account in any bank and helps in economic development.

7. HINDRANCES OF MOBILE BANKING

- Mobile managing account clients are in danger of getting phony SMS messages and tricks.
- The passing of an individual's cell phone regularly implies that offenders can access your versatile managing an account PIN what's more, other touchy data.
- Modern cell phones like Smartphone and tablets are more qualified for portable managing an account than old models of cell phones and gadgets.

- Regular clients of versatile keeping money after some time can amass noteworthy charges from their banks.
- Even however there are 1.5 billion PCs on the Web and 4.5 billion individuals utilizing cell phones, there's at present no noteworthy working framework supporting the portable space. "Programmers need to do the least measure of work for the greatest gain.
- Most portable saving money applications require a web association to have the capacity to work, so on the off chance that you live in a country territory or encounter issues with your Web Association at that point you won't have the capacity to get to your record. The equivalent applies if your cell phone comes up short on battery.

8. CUSTOMER PERCEPTIVE ABOUT THE FEATURES OF MOBILE BANKING

Awareness: It evaluates the mindfulness level of customer about portable saving money administrations and highlights. This factor clarifies responsiveness of clients towards portable managing an account.

Value augmentations: This factor judges the new plans and advantages given by the versatile managing an account. This factor assesses different new offers and offices gave under versatile managing an account and its advantages to clients.

User Friendly: Mobile managing an account is considered to be simple and perfect with the circumstance. Easy to understand is the factor which decides the effectiveness of the portable saving

money framework. This factor incorporates proclamations which clarify the kind disposition of portable application and structure.

App-similarity: This is the most vital factor in versatile saving money. This factor evaluates the adequacy and similarity of versatile saving money framework.

Feasibility: This factor demonstrates the suitability of the portable managing an account framework. It additionally decides the bank's job in pushing client to use the portable managing an account application by give demo video or programming

Security: Security is the real worry in the versatile saving money. This factor incorporates factors which analyze security issues of versatile saving money administrations. Under this factor, we broke down the security of application from infection or on the other hand hacking. Through WAP customer can realize more functionality of internet banking.

Accessibility: This factor decides the accommodation of portable application. This factor tells us the handiness highlight of versatile managing an account application.

Authentication Risks and Issues: One of the authentication method used in mobile banking is the login method. Though the PINS authentication method is an old method and many security issues such as password and id theft were discovered in this method. In such cases, the secret may be revealed and this results in customer's distrust on the security service company.

VERSATILE BANKING IN INDIA AND ITS IMPACT

Clients Presentation of versatile keeping money in 1980 made a difference keeping money industry to accomplish exponential development in the expanded versatile exchanges and enhanced client benefit. In India, portable keeping money is still in its incipient stage. Banks truly need to distinguish different components affecting client's conduct about cell phone to develop portable managing an account in India. The scope of frauds in banks is being minimized through the use of passwords, double authentication in mobile banking

A Report on Mobile dealing with a record says, "By 2015, \$350 billion in portion and keeping cash trades could flow through mobile phones, pondered with about \$235 billion of hard and fast credit-and charge card trades today in India". This report includes the headway of convenient trades in India. "India starting at now has more than 700 flexible supporters. Of the families more than 40 percent have something close to one compact phone even doesn't have money related adjusts. We have just 240 million individuals with budgetary adjusts, 20 million credit cards, 88,000 bank workplaces, and 70,000 ATM's." This illuminates the advancement slant and chooses huge potential to make pay from adaptable trades. Compact portion is seen as invaluable for customers and this will extend the utilization of mobiles for various setting aside some cash trades by customers

All through the accompanying five years it is expected that unbanked natural market could go about as a risk for urban market similar to estimate. Massive open entryway is there for banks. Adaptable Banking is grabbing pervasiveness in India with time. Essential clarification for this can be enhanced use of adaptable by the customers. Versatile dealing with a

record has risen through and through in latest 10 years which symbolize improvement in dealing with a record where both organization and movement mode is development based. Along these lines progression and use of advancement influence the uniqueness of flexible dealing with a record organization.

RECOMMENDATIONS TO IMPROVE THE MOBILE BANKING SERVICES

- To educate the customers about the variety of services offered as well as the importance of using mobile banking in their daily activities.
- It is essential that because of changing needs of clients new creative arrangements ought to be adjusted in managing an account administration.
- Bank can offer EMI or rental based cell phone handsets to destitute individuals with doing tie up with portable handset organization. It might offers access to them through m-keeping money benefit.
- Building client mindfulness and illuminating the general population on utilization of M-keeping money modes is required
- Every bank should make sure that reliability in providing network facilities and continuity in offering services to attract more customers to register for the mobile services.
- The bank should give assurance to provide security to remove the doubts and fear from the customers.
- To reduce charges of using the mobile services and increase the quantum of money

to be transacted daily so that customers can utilize various services as they can.

- The bank should invest more money on installation of many ATMs to reduce the between their residence and ATM point. Also Bank should take steps to setup more ATM's especially in rural areas for the purpose of attracting many customers in using mobile banking services.

9. CONCLUSION

It is well recognized that mobile phones have immense power of conducting financial transactions that leads to financial growth with lot of convenience and much reduced cost. For inclusive growth, the benefits of mobile banking should reach to the common man at the remotest locations in the country. For this all stakeholders like Regulators, Govt., telecom service providers and mobile device manufactures along with bankers need to make efforts so that penetration of mobile banking reaches from high-end to low-end users and from metros to the middle towns and rural areas. Inclusion of non-banking population in financial main stream will benefit all. Research so far has outlined a diversity of thinking and innovation that exists in the m-payments arena. Hence there is also need to generate awareness about the mobile banking so that more and more people use this facility for their benefit.

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