

Customer Acceptance on Mobile Banking

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Abstract: - Mobile banking has become the modern era in almost all countries in the world. Mobile banking refers to the provision of financial services through mobile phones or smartphones with internet connectivity. The people in the country were very much adapted to the new technology in order to be updated with the promising trends in the market. The aim of this study was to examine the customer acceptance of mobile banking. The Research has found out five factors influence the adoption of mobile banking such as Perceived usefulness, Perceived Ease of Use, Satisfaction, Security and Trust and Website Convenience. The study has adopted descriptive research design. The primary data is collected from 135 respondents who are the customers and users of mobile banking by using a questionnaire. Collected data were analyzed with the help of Percentage analysis and Statistical Package for Social Science (SPSS) and the hypothesis were tested using Chi-squared tests & correlations. The people who are Older are not ready to take risks and to trust modern technology and also hesitate to undergo a new adoption. As a huge amount of funds has been spent to develop the Apps for Mobile Banking, Some crucial actions can be taken to familiarize those apps to the Mobile Banking users. The study suggests the banks take some appropriate measures to acquire the trust and satisfaction of Consumers on Mobile banking which leads to the rapid adoption and acceptance and usage of Mobile banking.

Key Words: — *Mobile Banking, Perceived usefulness, Perceived ease of use, Trust, Website facilities, Security, intention to adoption.*

I. INTRODUCTION

Banking sector nowadays undergone an extreme transformation in various developing countries with its new products and services, and new channels appearing practically on a daily basis. Over time, the banking sector has shifted its mode of rendering services from traditional to latest day or branch less modes, where the banks and the customers can avail the services at any time and from anywhere. This enormous change in the sector can be featured to the expeditious advancement of new technologies and also to the growth in mobile penetration in most of the countries in the World. Most of the people in the developing countries also in developed countries use to adapt to the mobile banking in the present modern era to do their business transactions. While technology has modified the modes and channels of delivering the services and the way consumers interact with their financial service providers, it was a shoot up in the use of wireless telecommunications like mobile phones, Internet enabled Smart-phones and PDAs (Personal digital assistants) also hand out to this conversion to a greater extent.

Mobile banking was enabled in the year 1999 and it was completed through text or SMS which was then called SMS

banking. Many European banks were bound to offer mobile banking services with the help of mobile web through Wireless Application Protocol (WAP).

Then, with the evolution of smartphones with iOS or Android operating systems, mobile banking applications set about to progress. And thus, mobile banking services has been expanded to use on a daily basis.

Mobile banking basically refers to the financial services that are delivered through mobile applications in mobile or smart phones with internet facility. This allows the consumers to do all their financial transactions from anywhere at any time. Mobile banking helps the consumers to deposit and withdraw the cash to anyone, make them to be updated with their account status, download the account statements, view the account balance, making investments in mutual funds and portfolio management services and some other facilities like bill payments, ordering a new cheque book from which they use to keep them away from their home, computer and also physical bank branches.

II. REVIEW OF LITERATURE

Laukkanen and Lauronen(2005) have stated that most of the traditional channels are being replaced by the modern ones. The development in the Electronic Service distribution was represented by the Mobile phones. The banks will succeed in

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providing the required services to the customers only when they understand the perception and values of the customers.

Sindhu et al. (2010) have stated that the M-Banking can be adopted most probably in rural areas than urban areas in India. The alternate channels are the biggest challenge which is concerned in Mobile banking adoption in urban areas.

Ching et al. (2011) have stated that some of the factors are acting as a positive associates like perceived usefulness, perceived ease of use, relative advantages, personal innovativeness with the intention to adopt mobile banking services. Some of the factors are considered as negatively related towards the adoption of mobile banking.

Dasgupta et al. (2011) have stated the same eight factors also affecting the adoption of mobile banking services. Nowadays, in the modern era, mobile banking is rising as a channel for banks and also the banking industry to connect with the customers through mobile phones.

Laukkanen (2017) has stated that mobile banking gives a real privilege as they allow the users to avail the services anywhere and at any time and thus Mobile is distinct from mobile payments which implies the use of a mobile device to pay for simpler purchases.

Islam and Hussain (2017) have stated that considering four determinants of M-Banking like Infrastructural facility, Self-Control, Social influence, Perceived risk, the mobile banking adoption is in earlier stage in Bangladesh. And there is good potential in adopting and enhancing the usage of mobile Banking. The current minimal adoption is due to the absence of infrastructural facilities.

Zhang et al. (2018) have stated that banks have to concentrate more on privacy attributes and loyalty while designing and developing the applications of Mobile banking. The banks have to promote the apps in an interesting methods that creates fun and attract the customers to adopt mobile banking.

Lu et al. (2020) stated that acceptance of M-Banking is significantly influenced by the perceived risk and perceived benefits. These factors predict the consumer's intention towards mobile banking.

III. RESEARCH METHODS AND FORMULATION OF HYPOTHESIS

The Scope of this study is to know the intention of customers to adopt mobile banking and to identify the needs & requirements to perform the appropriate measures to improve the adoption and acceptance of services in Mobile banking

and also to understand customer's expectation towards it. This study helps to develop new strategies which are to be formulated by the banks for the development of Mobile banking by considering the needs of the customers. The topics and theories that were covered under this study are Perceived usefulness, Perceived ease of use, Trust, Satisfaction, Website convenience and Barriers of Mobile Banking. Through this study a better understanding of the Customer's intention could be identified towards the acceptance of Mobile Banking and its Services which will make the future mobile banking as a best modern technology.

The study adopts the Descriptive research design. Data is collected from the users and customers of mobile banking and its services in Chennai city. In this study sampling is done in simple random sampling and Snowball Random Sampling. The sample size of the study includes about 135 respondents.

A. Research Model

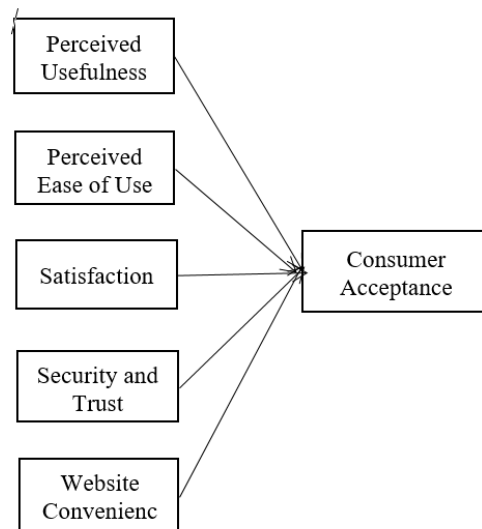


Fig.1. Showing the Dependent and Independent Variables of the Research

B. Sources Of Data

The primary data is collected through questionnaire and had systematically recorded from the respondents. The main sources of secondary data are websites, articles, and journals.

C. Structure Of Questionnaire

In this study, a questionnaire is used to collect the primary data from the sample. In the questionnaire, likert scale is used in most of the questions. Firstly, the demographic factors

occupy the first part of questionnaire, followed by the questions related to the variables used for the study.

IV. RESULTS

In this study, the regression analysis has used to analyses the factors influencing the mobile banking. In Statistical modeling, Regression is a set of statistical processes for calculating the correlation between a dependent variable and one or more independent variables.

A. Hypothesis-1:

Null Hypothesis (H0): There is no significant influence between the Factors Affecting Mobile Banking and Consumer Acceptance on Mobile Banking.

Alternate Hypothesis (H1): There is significant influence between the Factors Affecting Mobile Banking and Consumer Acceptance on Mobile Banking.

Table 1. Showing the Regression between the Factors Affecting Mobile Banking and Consumer Acceptance on Mobile Banking

Model	B	S.E	Beta	T Value	Sig.
(Constant)	1.171	.381		3.070	.003
PU	.112	.081	.111	1.383	.169
PEU	.054	.078	.059	.697	.487
Satisfaction	.090	.076	.085	1.176	.242
Security and Trust	.316	.075	.354	4.199	.000

All the constructs taken for the study including *Perceived Usefulness*, *Perceived Ease of Use*, *Satisfaction*, *Security and Trust*, *Website Convenience* are significant and hence positively influences the Customer Acceptance of Mobile Banking. From the above table showing the results of Linear Regression, the study infers that *Security and Trust* is the highest predictor of Customer Acceptance of Mobile banking having a beta value of 0.354 followed by *Website Convenience* (0.218) and *Perceived Usefulness* (0.111). *Perceived Ease of Use* is the least predictor of intention of Customer accepting the Mobile banking. The R-Square Value is 0.383. Adjusted R² value 0.359 denotes that 36% of the intention of the Customers to accept the Mobile Banking was

influenced by the above constructs and the variation of 64% was due to the other variables outside the regression model.

V. CONCLUSIONS AND IMPLICATIONS

Banks can increase the security measures to avoid the hesitance of the aged users to use Mobile Banking. Banks can conduct awareness programs about the Mobile banking services and its usage. Banks or the Banking industry can make more demonstration in using and learning to avail the services. Banks can conduct a survey on a regular basis to know the interests and needs of the customers and provide the services according to their needs which also make the banks and customers to maintain a cordial relationship. Grievance Redress-al Process can be more effective by timely response from the Banks to identify the issues faced by the users of Mobile Banking. The people who are Older are not ready to take risks and to trust modern technology and also hesitate to undergo a new adoption. The bank may take measures to reduce the fear of Risks in transactions in Mobile Banking. As a huge amount of funds has been spent to develop the Apps for Mobile Banking, some crucial actions can be taken to familiarize those apps to the Mobile Banking users. The study suggests the banks take some appropriate measures to acquire the trust and satisfaction of Consumers on Mobile banking which leads to the rapid adoption and acceptance and usage of Mobile banking. The bank may take the necessary steps to put an end to the money losing in Mobile Banking by the Customers.

The study on Customer Acceptance of Mobile Banking focuses to identify the behavior of the customers in adopting the mobile banking services. The study has revealed that five factors are influencing the adoption of mobile banking such as perceived usefulness, perceived ease of use, Satisfaction, Security and Trust and Website Convenience. The perceived usefulness and perceived ease of use are significantly affecting the intention to the adoption of mobile banking. The results of analysis also say that there is positive correlation between the website efficiency in speed and website is error free to use. So the customers are availing good website facilities from the Mobile banking which help them to make transactions error free and also in a faster way which builds a trust on Mobile banking. The banks can also make measures to make awareness about mobile banking by conducting more programs and demonstrations. Also as a huge amount of funds has been spent to develop the Apps for Mobile Banking, some crucial actions can be taken to familiarize those apps to the Mobile Banking users. So that, the future of Mobile banking

will be paved in the positive path which gives useful and secured services.

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