

# FACTORS DETERMINING INFLUENCE OF CUSTOMERS ON M-BANKING

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## INTRODUCTION

M-Banking or Mobile Banking means performing the Banking services by the use of Mobile Phones. Customers are getting the services such as Fund transfer to home Bank or Other Banks, View account balances, Pay the bill etc.

M-Banking is entirely different from Internet Banking. Customers are getting the services from smart phones is called M-Banking whereas Internet Banking is called getting the services from by computer through browsing.

## M-BANKING SERVICES OFFERED BY THE BANKS

- Balance enquiry
- Statement enquiry
- Transfer Funds
- Loan statement
- Loan balance
- Credit details
- Overdraft limits

In the competitive world the Banks are updated their services into innovative way to attract many customers. All the Banks Private Banks and Public sectors also providing these services. This is most admirable by many customers. Because no need to standing on queue in front of Banks for fund transfer, withdrawal and other services.

Anyway, M-Banking also have some risks to the Bankers and customers. In the Bank side, it has the risk of Poor app design, Configuration of corrupting, Capture Fraud and unsecure Wi-Fi coverage whereas the customers are getting the risk of Capture account details, Amount credited to other accounts, Poor network coverage etc., Banks Provides these services at least cost to their customers.

## **TYPES OF M-BANKING**

- M-Banking over WAP
- M- Banking over SMS
- M- Banking over USSD

WAP is a communication protocol getting wireless data access through most wireless networks.

M- Banking over SMS is a services delivered by the Banks to their customers to send messages regarding the financial services.

M- Banking over USSD can avail these services by dialling 99#.

## **REVIEW OF LITERATURE**

Yi-Shun Wang(2003) “Determinants of user acceptance of Internet banking: an empirical study. Using the technology acceptance model (TAM) as a theoretical framework, this study introduces perceived credibility” as a new factor that reflects the user’s security and privacy concerns in the acceptance of Internet banking. It also examines the effect of computer self-efficacy on the intention to use Internet banking. Based on a sample of 123 users from a telephone interview, the results strongly support the extended TAM in predicting the intention of users to adopt Internet banking”.

Zohra Saleem and Kashif Rashid(2011)Relationship between Customer Satisfaction and Mobile Banking Adoption in Pakistan. The main aim of this study is to identify the main factors influencing Mobile technology customer satisfaction. The results indicate that customers are admired by the factors of security, authenticity and reliability of the technology and also emphasis upon IT application, innovative services, security, customer trust and risk as these are the important pointers of technology adoption.

Renju Chandran(2014) Pros and cons of Mobile banking. “The basic objective is to identify the advantages and limitations of mobile banking and the problems faced by customers in mobile banking. The banking sector reforms and introduction of e-banking has made very structural changes in service quality, managerial decisions, operational performance, profitability and productivity of the banks. There are various factors which have played vital role in the Indian banking sector for adoption of technology. So in order to run the mobile banking effectively, proper care has been taken care of and take adequate steps to improve the quality services.

Umbas Krisnanto (2018) DIGITAL BANKING MADE TRANSACTION MORE TRUSTED AND SECURED. *International Journal of Civil Engineering and Technology (IJCIET)* Volume 9, Issue 11, November 2018, pp. 395–407. This research was conducted to find out customer's response in digital banking era using TAM and UTAUT model. Questionnaires filled bank account owner who have often used digital banking. Results based previous research most customers have been able to adjust to the digital banking. There is short comings facilities in digital banking i.e. small banks still use digital banking as window dressing to attract customers, the front-page display is too confusing, often broken, security is not guaranteed”.

Ayoobkhan (2018) Factors contributing to the adoption of Mobile Banking in Sri Lanka: Special reference to Sampath Bank in Ampara District. “This research study examines the factors that affect Mobile banking adoption in Sri Lankan context and the relationship between these factors. The study revealed that the key determinants are having positive and significant influence in the adoption of Mobile Banking. The R squared value of the model was 0.631. It illustrates that the dependent variable is described by 63% through independent variables. The results would assist to the investors with a better understanding of customer insights of Mobile banking services”.

Mohammed Nusari et al (2019) Mobile Banking Adoption among Customers within Private Commercial Banking Sector in Yangon, Myanmar. *International Journal of Management and Human Science (IJMHS)*, Volume 3, Issue 2, Pages 44-59, 2019. This study was carried out to explore the effects of important factors that affect that adoption of mobile banking technology by customers of Private Commercial Banking Sector in Yangon, Myanmar. “The study establish that both perceived usefulness and perceived ease of use positively and affects the adoption of mobile banking technology positively. On the other hand, Perceived Risk and Perceived transaction costs were found to have a negative correlation with the adoption of mobile banking”.

Mohammad Khasawneh, Talal Abd Alkareem Alquraan (2019) Factors Influencing Consumers' Intention to Adopt and Use Mobile Banking Applications in Jordanian Islamic Banks. *European Journal of Scientific Research* ISSN 1450-216X / 1450-202X Vol. 152 No 4 April, 2019, pp. 384-393. The main challenge of the study is to provide such an understanding on the ICT usage by applying the Technology Acceptance Model (TAM) and knowledge-based trust literature. The results indicate that perceived ease of use, usefulness, competence and integrity significantly influence attitude, which in turn lead to behavioral intention to adopt mobile banking.

**OBJECTIVES OF THE STUDY**

1. To study the socio-economic profile of customers
2. To find the factors influencing customers on M-Banking
3. To find the relationship between influencing factors of M-Banking and customer Engagement

**HYPOTHESES OF THE STUDY**

1. There is no significant difference among the factors influencing customers on M-Banking
2. There is no significant relationship between factors of M-Banking and customer Engagement

**ANALYSIS AND DISCUSSION**

In this descriptive the researcher identified socio economic profile of customers who are using M-Banking frequently. The results are as follows

**Table – 1 Gender**

	Frequency	Percent	Valid Percent	Cumulative Percent
Male	260	52.0	52.0	52.0
Valid Female	240	48.0	48.0	100.0
Total	500	100.0	100.0	

Source – Primary data

In the above table shows that 52% of male customers and 48 % of female customers are using M-Banking frequently. The data dominates the male customers than female customers.

**Table – 2 Income**

	Frequency	Percent	Valid Percent	Cumulative Percent
Above 50,000	146	29.2	29.2	29.2
Rs.40,000-50,000	92	18.4	18.4	47.6
Rs.30,000-40,000	84	16.8	16.8	64.4
Valid Rs.20,000-30,000	89	17.8	17.8	82.2
Rs.10,000-20,000	89	17.8	17.8	100.0
Total	500	100.0	100.0	

Source – Primary data

It was shown in the above table shows that the customers getting more than Rs. 50,000 income group are 29.2%, 18.4% of Rs.40,000-50,000, 16.8% of Rs.30,000-40,000 and 17.8% of Rs.10,000 - 30,000 are represented in this analysis. The data dominates that above Rs.50,000 income group. They are using M-Banking frequently than the others.

### **INFLUENCE OF GENDER OF THE CUSTOMERS ON FACTORS INFLUENCING M-BANKING**

Gender is the main factors that determining usage of M-Banking. The following table shows the influence of gender on M-Banking

**Table - 3 ANOVA**

		Sum of Squares	df	Mean Square	F	Sig.
Personal determinants	Between Groups	867.949	1	867.949	1586.898	.000
	Within Groups	272.379	498	.547		
	Total	1140.328	499			
Security	Between Groups	564.911	1	564.911	780.296	.000
	Within Groups	360.537	498	.724		
	Total	925.448	499			
Technology	Between Groups	590.034	1	590.034	1114.420	.000
	Within Groups	263.668	498	.529		
	Total	853.702	499			
Cost	Between Groups	527.593	1	527.593	727.095	.000
	Within Groups	361.357	498	.726		
	Total	888.950	499			
Trust	Between Groups	394.477	1	394.477	472.177	.000
	Within Groups	416.051	498	.835		
	Total	810.528	499			
Easy of use	Between Groups	834.935	1	834.935	1552.263	.000
	Within Groups	267.865	498	.538		
	Total	1102.800	499			
Integrity	Between Groups	659.088	1	659.088	1191.549	.000
	Within Groups	275.462	498	.553		
	Total	934.550	499			

Source – Computed data

## Descriptives

		N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
						Lower Bound	Upper Bound		
						Personal determinants	Male		
	Female	240	1.82	.933	.060	1.70	1.94	1	4
	Total	500	3.19	1.512	.068	3.06	3.32	1	5
Security	Male	260	4.37	.484	.030	4.31	4.43	4	5
	Female	240	2.24	1.120	.072	2.10	2.38	1	4
	Total	500	3.35	1.362	.061	3.23	3.47	1	5
Technology	Male	260	4.36	.480	.030	4.30	4.42	4	5
	Female	240	2.18	.924	.060	2.07	2.30	1	4
	Total	500	3.31	1.308	.058	3.20	3.43	1	5
Cost	Male	260	4.48	.500	.031	4.42	4.54	4	5
	Female	240	2.42	1.114	.072	2.28	2.56	1	4
	Total	500	3.49	1.335	.060	3.37	3.61	1	5
Trust	Male	260	4.57	.497	.031	4.50	4.63	4	5
	Female	240	2.79	1.214	.078	2.63	2.94	1	4
	Total	500	3.71	1.274	.057	3.60	3.82	1	5
Easy of use	Male	260	4.36	.520	.032	4.30	4.43	3	5
	Female	240	1.78	.910	.059	1.66	1.89	1	4
	Total	500	3.12	1.487	.066	2.99	3.25	1	5
Integrity	Male	260	4.37	.485	.030	4.31	4.43	4	5
	Female	240	2.08	.948	.061	1.95	2.20	1	4
	Total	500	3.27	1.369	.061	3.15	3.39	1	5

It was observed in the above table Personal determinants ( $F=1586.898$ ,  $P=.000$ ) Security ( $F=780.296$   $P=.000$ ), Technology ( $F=1114.420$ ,  $P=.000$ ), Cost ( $F=727.095$ ,  $P=.000$ ), Trust ( $F=472.177$ ,  $P=.000$ ), Easy of use ( $F=1552.263$ ,  $P=.000$ ), Integrity ( $F=1191.549$ ,  $P=.000$ ) are statistically significant at 5% level. This established to the mean comparison of gender of the customers who are using M-Banking. It is found that Male customers strongly agree for the existence of Personal determinants (Mean=4.39) Security (Mean=4.31) Technology (Mean=4.30), Cost (Mean=4.42), Trust (Mean=4.50), Easy of use (Mean=4.30) and Integrity (Mean=4.31) are admired by the M-Banking.

## FINDINGS AND CONCLUSIONS

1. M-Banking is the Banking services offered by all the Banks to their customers to get the services from their Mobile Phones. There are many factors which is admired or influenced to the customers usage of M-Banking.
2. The main factors are Personal determinants, security, Technology, Cost, Trust, Easy of use and Integrity.

3. The customers are most influenced for Personal determinants and least one is security.
4. The male customers are using M-Banking more than the Female customers.
5. Customers are getting Income more than Rs. 50,000 are using M-Banking frequently than the other Income groups.
6. Finally, it concludes that Banks are more services to the customers in M-Banking app and they avoid the risk which is account details are hacking by the some virus apps.

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