"A STUDY ON CUSTOMER PERCEPTION TOWARD MOBILE BANKING SERVICESWITH SPECIAL REFERENCE TO CHENNAI CITY"

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Abstract:

The present study aims at examining the customer perception towards mobile banking services with special reference to Chennai city. Mobile banking reduces cost by providing customers with another means of accessing their accounts without physically visiting a bank. This study is based on descriptive research. The quality and reliability of research study are depending upon the information collected in a scientific and methodological manner. Simple random sampling techniques are adopted in this research. Data were collected from a sample of 50 mobile banking customers of bank, through personal interview method. This method has helped in obtaining data on factors such assatisfaction level, accessibility, usage level, purpose of usage, barriers, privacy and security etc. The study used percentage analysis, One way ANOVA, Chi-Square test, Correlation and t- test to determine relationship between demographic characteristics and mobile banking services. Mobile banking provides faster services, easy to make transfer funds and easy to make a balance inquiry. Finally this study find out customers faced the problem of network and lack of awareness to usage of mobile banking services.

Key words: Customer perception, Mobile banking, Privacy and security, Faster services, Balance enquiry, Money transfer, Awareness.

INTRODUCTION:

The mobile banking is defined as "The provision of banking services to customers on their mobile devices". Mobile banking allows performing many of the same activities as online banking using a smartphone or tablet instead of aDesktop computer. Mobile banking provides various kinds of banking services depending upon the banking regulations such as balance enquiry, statement request, commercial payment, cheque book and card request, mobile recharging, deposit and withdrawal of fund, purpose of savings, money transfer and used for purchasing purpose.

OBJECTIVE OF THE STUDY:
❖ To study customer perception towards mobile banking.
❖ To examine the reasons for adoption of mobile banking services.
❖ To find out purpose of using mobile banking services.
❖ To analyse the usage level of mobile banking services.
❖ To examine the barriers faced by citizen towards mobile banking.

SCOPE OF THE STUDY:

In a dynamic field every bankwants to know their strengths and weakness. In each business customer is aking. The key to success is customer retention. The present study aims at examining the customers' perception towards mobile banking services with special reference to Chennai city.

RESEARCH METHODOLOGY:

This study is based on descriptive research. The quality and reliability of research study is dependent on the information collected in a scientific and methodological manner. The sample size of the present study is restricted to 50 sampling units.Simple random sampling technique is adopted to select the respondents. The data is collected in Chennai city only.

DATA COLLECTION:

The data was collected through the 'personal interview method and some secondary method'. This method has helped in obtaining data on factors such as, satisfaction level, accessibility, usage level, purpose of usage, barriers, privacy and security etc.

REVIEW OF LITERATURE:

Manjula Bai. H (2019)has analysed "Mobile Banking Services and Customer Satisfaction with Reference to ICICI Bank". This paper aims to analyse the recent developments in mobile banking system in India and to determine the optimistic and pessimistic influence of mobile banking on the customers of ICICI bank. The finding of the study shows that majority of respondents are satisfied with the mobile banking services provided by ICICI bank.

Ankita Pathak and Sunil Mishra (2019)has present a study on "Consumer Behavior and Attitude towards Mobile Banking: An Empirical Analysis". This study aims to analysethe attitude and consumer awareness towards the use of mobile banking services. This research study revealed that the various factors such as ease to use, usefulness, and convenience makes the people to use facility of mobile banking. Consumer mindset has been changing frequently based on the changes in technology in banking organization

Romario Gomachab and Bernardus Franco Maseke (2018)has analysed "The impact of mobile banking on customerSatisfaction: commercial banks of Namibia (Keetmanshoop)".In this paper a research on customer satisfaction by impact of mobile banking is analysed.The main objective of the research is to determine the factors of mobile banking thatinfluences the customer satisfaction. The discussionconcludes thatthe majority of the respondents' were FNB customers, who areaged below 25 years and they are influenced by themobile banking advertisements.

Ms. Shilpa D. and Dr. Veena K.P (2018) has examined"Customer Satisfaction on Adoption of Mobile Banking Services: A Study with Special Reference to State Bank of India (SBI)". The present paper attempts to understand the concept of mobile banking services in Indian context and to determine the demographic profile of mobile banking users

of SBI bank. The finding of the study shows that majority of the respondents has strongly agreed and opined the positive usage of mobile banking services provided by the SBI in Mysuru City.

Giuseppe Tardivo, Milena Viassone and Gian Luigi Gola(2014)has presented a study on "Young customers' perception of the quality of M-banking services". This study mainly focuseson the diffusion of Mobile banking among young people and to measure their satisfaction towards mobile banking. This research study revealed that a good level of customer satisfaction by young people towards Mobile banking services that prevalently comes from reliability and the possibility of saving time offered by these services.

STATISTICAL TOOLS:

I. ONE WAY ANOVA:
Reasons for adoption of Mobile Banking facilities:
One way ANOVA is to test significant difference among age of the respondents with respect to reasons for adoption of Mobile Banking facilities.

Null Hypothesis (H_0):
There is no significant differenceamong age of the respondents with respect to reasons for adoption of Mobile Banking facilities.

ONE WAY ANOVA TABLE

Reasons	Age of the respondents					F value	P value
	18-25 years	26-35 years	36-45 years	46-55 years	Above 55 years		
Saving of time	4.222 (1.215)	4.320 (1.144)	5.000 (0.957)	5.000 (0.582)	4.000 (1.414)	0.513	0.727
Customer friendly	3.667 (1.337)	4.080 (0.996)	3.250 (0.500)	3.000 (1.057)	4.000 (0.253)	0.997	0.419
Faster/ 24X7 transactions	3.556 (1.199)	3.640 (1.186)	3.750 (0.500)	4.000 (1.016)	3.500 (2.121)	0.058	0.994
Easy to make transfer funds	2.722 (0.958)	3.280 (0.936)	2.500 (1.290)	5.000 (1.370)	3.000 (1.341)	2.233	0.080
Low charges	2.889 (1.131)	3.120 (0.927)	3.250 (0.957)	3.000 (1.026)	4.000 (1.105)	0.626	0.647

Source: Primary Data.

Note: 1. P value - Significant value/Calculated value.   2. F value - Table value.
         3. The value within bracket ( ) refers to standard deviation.

INTERPRETATION:

It is inferred for customer friendly (Calculated value: 0.997 and table value: 0.419) and easy to make transfer funds(Calculated value: 0.080 and table value: 2.233). It is observed from the above test the calculated value of significant value is lower than the table value at 5% level of significance, so the **Null Hypothesis is accepted.** There is no significant difference among age of the respondentswith respect to reasons for adoption of Mobile Banking facilities such as customer friendlyand easy to make transfer funds.

Since for saving of time (Calculated value: 0.513 and table value: 0.727), faster/ 24X7 transactions(Calculated value: 0.058 and table value: 0.994) and low charges (Calculated value: 0.626 and table value: 0.647). It is observed from the above test the calculated value is more than the table value at 5% level of significance, so the **Null Hypothesis is rejected.** There is a significant difference among age of the respondentswith respect to reasons for adoption of Mobile Banking facilities such assaving of time, faster/ 24X7 transactions and low charges.

II. CHI-SQUARE TEST:

Purpose of using Mobile Banking services:

Chi-Square test is to test whether there is significant association between demographic variables and consumer perception towards mobile banking.

Null Hypothesis (H_0):

There is no significantassociation between Educational qualification of the respondents and purpose of using Mobile Banking services.

CHI-SQUARE TEST

purpose	Pearson Chi-Square		
	χ^2Value	df	P value
Deposit and withdrawal of fund	9.602	12	0.651
Payment of Bills	31.363	12	0.012
Purpose of saving	14.740	12	0.256
Money transfer	26.409	12	0.049
Purchasing purpose	32.909	12	0.008

Source: Primary Data.

Note: 1. P value - Significant value/Calculated value.   2.χ^2value - Table value.
       3. df - Degree of freedom.

INTERPRETATION:

It is inferred for deposit and withdrawal of fund (Calculated value: 0.651 and table value: 9.602), payment of Bills (Calculated value: 0.012 and table value: 31.363), purpose of saving (Calculated value: 0.256 and table value: 14.740), money transfer (Calculated value: 0.049 and table value: 26.409) and purchasing purpose (Calculated value: 0.008 and table value: 32.909). It is observed from the above test the calculated value of significant value is lower than the table value at 5% level of significance, so the **Null Hypothesis is accepted.**

There is no significant association among educational qualification of the respondentswith respect to purpose of using Mobile Banking services such as deposit and withdrawal of fund, payment of Bills, purpose of saving,money transfer and purchasing purpose.

III. CORRELATION:

Usage level of Mobile Banking services:

The Correlation test to test whether there is significant relationship between the usage level of Mobile Banking services.

Null Hypothesis (H_0):

There is no significant relationship between the usage level of Mobile Banking services.

PEARSON CORRELATION COEFFICIENT TEST

Usage level factor	Balance enquiry	Statement request	Commercial payment	Cheque book & card request	Mobile recharging
Balance enquiry	1.000	0.035	0.475	0.566	0.122
Statement request	0.035	1.000	0.037	0.194	0.308
Commercial payment	0.475	0.003	1.000	0.350	0.041
Cheque book & card request	0.566	0.194	0.350	1.000	0.019
Mobile recharging	0.400	0.308	0.041	0.019	1.000

Source: Primary Data.

INTERPRETATION:

Since it is cleared from the above table, the correlation coefficient between the balance enquiry and balance enquiry is 1.000, which indicates 100% positive relationship between the factors.

The correlation coefficient between balance enquiry and statement request is 0.035, which indicates 3.5% positive relationship between the factors. The correlation coefficient between the balance enquiry and commercial payment is 0.475, which indicates 47.5% positive relationship between the factors. The correlation coefficient between balance enquiry and cheque book and card request is 0.566, which indicates 56.6% positive relationship between the factors. The correlation coefficient between balance enquiry and mobile recharging is 0.122, which indicates 12.2% positive relationship between the factors.

It is inferred that the correlation coefficient between statement request and commercial payment is 0.037, which indicates 3.7% positive relationship between the factors.The

correlation coefficient between statement request and cheque book, card request is 0.194, which indicates 19.4% positive relationship between the factors. The correlation coefficient between statement request and mobile recharging is 0.308, which indicates 30.8% positive relationship between the factors.The correlation coefficient between commercial payment and cheque book, card request is 0.350, which indicates 35% positive relationship between the factors. The correlation coefficient between commercial payment and mobile recharging is 0.041, which indicates 4.1% positive relationship between the factors.The correlation coefficient between cheque book, card request and mobile recharging is 0.019, which indicates 1.9% positive relationship between the factors.

Hence the correlation coefficient for balance enquiry and cheque book, card request is high at 56.6% positive relationship between the factors. The all above factors are positively correlated with each other. So the **Alternative Hypothesis is accepted** at 5% level of significance.There is a significant association between the usage level of Mobile Banking services such as balance enquiry, statement request, commercial payment, cheque book, card request and mobile recharging.

IV. INDEPENDENT SAMPLE T TEST:

Barriers faced by citizen towards Mobile Banking:
Independent sample t test to test significant difference between the Monthly income of the respondents with respect to barriers faced by citizen towards Mobile Banking.
Null Hypothesis (H_0):
There is no significant difference betweenMonthly income of the respondents with respect to barriers faced by citizen towards Mobile Banking.

INDEPENDENT SAMPLE t TEST

Barriers	t test for equality of means						
	t-value	df	P value	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
						Lower	Upper
Problem of safety and security	0.274	37	0.786	0.137	0.500	1.150	0.876
High cost	0.293	37	0.771	0.129	0.439	1.019	0.762
Fake transactions	0.017	37	0.987	0.008	0.646	1.474	1.490
Technical problem during transaction	0.933	37	0.357	0.411	0.440	0.481	1.304
Lack of knowledge and internet skills	1.389	37	0.173	0.604	0.435	0.277	1.487

Source: Primary Data.

Note: 1. P value - Significant value/Calculated value.   2. t value - Table value.
            3. df - Degree of freedom.
INTERPRETATION:

It is inferred for technical problem during transaction (Calculated value: 0.357 and table value: 0.933) and lack of knowledge and internet skills (Calculated value: 0.173 and table value: 1.389). It is observed from the above test the calculated value of significant value is lower than the table value at 5% level of significance, so the **Null Hypothesis is accepted.** There is no significant difference among monthly income of the respondentswith respect to barriers faced by citizen towards Mobile Banking such as technical problem during transaction and lack of knowledge and internet skills.

Since for problem of safety and security (Calculated value: 0.786 and table value: 0.274), high cost (Calculated value: 0.771 and table value: 0.293) and finally fake transactions (Calculated value: 0.987 and table value: 0.017). It is observed from the above test the calculated value is more than the table value at 5% level of significance, so the **Null Hypothesis is rejected.** There is a significant difference among monthly income of the respondentswith respect to barriers faced by citizen towards Mobile Banking such asproblem of safety and security, high cost and fake transactions.

FINDINGS:
➢ A majority of 72% of the respondents are Female followed by 28% of Male. This shows that majority of the customers are Female.
➢ On the basis of the age 50% belongs to the age group of 26-35 years, followed by 36% in age group of 18-25 years, 8% in the age group of 36-45 years, 4% in the age group of Above 55 years and 2% in the age group of 46-55 years. This shows that majority of the customers are 26-35 years of age.
➢ In a Mobile banking survey Married customers constitute 84% of the respondents surveyed and Unmarried constitutes 16% of the respondents. So Married customers have more preference for mobile banking.
➢ Major shares of 64% of the respondents are under graduates followed by 18% of Post graduates, 12% are Professionals, 4% are Diploma holders and 2% are other categories of people. This shows that majority of the customers are under graduates.
➢ A majority of 56% of the respondents are Salaried employees, followed by 16% of Government employees, 12% are Private employees, 10% are Business owners and 6% are other categories of people. Salaried employees are more inclined towards mobile banking.
➢ A majority of 52% of respondents earn Rs.30,001-Rs.60,000 per month, followed by 20% of the respondents in the income range of up to Rs.30,000, 16% of the respondents earn Rs.60,001-Rs.90,000, 8% of respondents earn Rs.90,001-Rs.1,20,000 and 4% of respondents earn Above Rs.1,20,000. This shows income of Rs.30,001-Rs.60,000 a greater preference for Mobile banking.
➢ Majority of 34% of the respondents choose mobile banking by the reference of Internet/Websites, followed by 30% of the respondents by the reference of Advertisement, 24% of the respondents by the reference of Friends/Relatives, 8% of the respondents by the reference of Self motivated and 4% of respondents are others.

- On the basis of the Factors, it is evident that a majority 52% answered Convenience of Mobile banking services, 22% are believe Security and trust factor, 16% are believe Faster service, 6% of the respondents are considered cost saving and finally 4% of the respondents are believe mobile banking services are time saving.

- On the basis of the Influencing factor majority of the respondents are 28% choosing the Services are easily accessible options for mobile banking services, 24% of the respondents considered Trustworthy services, 20% of the respondents considered Transaction speed services, 18% of the respondents considered Accuracy of transaction services and 10% of the respondents considered Reliability of mobile banking services.

- On the basis of the Usage of Mobile banking services majority of the respondents 52% are using Weekly once,18% are using Monthly once, 14% are using Occasionally, 10% are using Fortnightly and finally 6% are using Daily.

- On the basis of the satisfaction level majority of the respondents 50% are satisfied, 20% of the respondents are highly satisfied, 14% are dissatisfied, 12% are Neutral and finally 4% of the respondents are highly dissatisfied of Mobile banking services.

- ONE WAY ANOVA:

  There is no significant difference among age of the respondentswith respect to reasons for adoption of Mobile Banking facilities such as customer friendlyand easy to make transfer funds.

  There is a significant difference among age of the respondentswith respect to reasons for adoption of Mobile Banking facilities such assaving of time, faster/ 24X7 transactions and low charges.

- CHI-SQUARE TEST:

  There is no significant association among educational qualification of the respondentswith respect to purpose of using Mobile Banking services such as deposit and withdrawal of fund, payment of Bills, purpose of saving,money transfer and purchasing purpose.

- CORRELATION:

  There is a significant association between the usage level of Mobile Banking services such as balance enquiry, statement request, commercial payment, cheque book, card request and mobile recharging.

- INDEPENDENT SAMPLE T TEST:

  There is no significant difference among monthly income of the respondentswith respect to barriers faced by citizen towards Mobile Banking such as technical problem during transaction and lack of knowledge and internet skills.

  There is a significant difference among monthly income of the respondentswith respect to barriers faced by citizen towards Mobile Banking such asproblem of safety and security, high cost and fake transactions.

SUGGESTION:

- The banks should maintain the safety and security transactions for the customers.
- The banks try to develop the highly satisfaction level of customers towards every mobile banking services
- The banks should increase their service quality in means of accuracy of transaction, transaction speed, trustworthy, easily accessible services and reliability of services.
- Customers must be given individual training regarding the usage of the mobile banking services who want to avail such services as they may not be technically sound and also it takes some time for understanding the technology.
- Bank should give clear information to the customers about charging of service cost while the mobile banking transactions.
- Bank should give more advertisement to attract the mobile banking customers.

CONCLUSION:

The current study focused on customer's perception towards mobile banking services. From the analysis majority of the customers were positively opinioned, mobile banking is very easy to understand and navigate. Mobile banking provides faster services, easy to make transfer funds and easy to make a balance inquiry. Finally this study find out customers faced the problem of network and lack of awareness to usage of mobile banking services. Therefore this study suggests bank will provide a training and create awareness to customers regarding the technical aspects definitely more customers are adapting the mobile banking services in Chennai city

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