

**Consumer Awareness Towards Usage of Mobile Banking with Special Reference to
Malappuram City**

Vivek C. P., and Syam Prasad A. V.
MTM College of Arts, Science & Commerce, Veliyancode

Abstract

In the Globalized world, banks serve various innovative functions like ATMs, internet banking, Tele-banking and mobile banking through electronic channels. This paper proposes an attempt to study consumer awareness and perception towards usage of mobile banking. The survey was conducted among the bank customers using a structured questionnaire at Malappuram city. Mobile banking means banking transactions using mobile devices such as smartphones, tablets etc. In the digital world it is becoming an inevitable factor in society. Nowadays the majority of transactions take place through electronic devices. One of the cheaper electronic devices that can be used for banking transactions is mobile devices. So we should have awareness towards usage of mobile banking. The study shows that consumers are aware about mobile banking service provided by banks. Majority of the consumers are entered into the mobile banking services because of easy to use, flexibility to do transactions irrespective of time.

Keywords: digital world, mobile banking, transactions

Introduction

Banks are the most important financial institution in the world. Emergence of advanced technologies make tremendous change in the banking sector. All the physical or traditional banking services are replaced with technologies. Mobile banking is one of the innovative services provided by the banks. Mobile banking simply means financial or

banking transactions take place through mobile devices. Mobile banking helps the customers to do banking transactions as well as financial transactions from anywhere at any time.

Nowadays all banks are providing mobile banking services. For smooth functioning of banking transactions banks have developed their own apps. The mobile banking application facilitates seamless transactions between bank accounts, offering numerous benefits to users such as balance inquiries, fund transfers, bill payments, SMS alerts, and more. As a result, customers increasingly prefer mobile banking for its convenience and versatile features. Mobile Banking helps customers to access banking services anywhere. Now people use various mobile apps to save time and money. It is not only used by the individual himself for his personal uses but also used by their business transactions.

Objectives

- To evaluate the level of customer awareness regarding mobile banking.
- To determine the extent of consumer awareness regarding mobile banking services.
- To ascertain the acceptance level of mobile banking among banking customers.

Methodology

Information was collected from both primary and secondary sources. The primary data collection involved the use of a structured questionnaire, while secondary data was obtained from a variety of books, journals, and websites. Sample sizes were determined using both quantitative and qualitative approaches. The research was carried out in the city of Malappuram, with a total sample size of 50 respondents.

Theoretical framework

Mobile banking is an innovative service provided by banks for banking transactions

through a mobile device such as mobile devices like mobile phones, tablets etc. Traditionally mobile banking services were offered over SMS only.

In recent times, mobile banking is predominantly carried out through SMS or the mobile web. It involves accessing banking and financial services using mobile telecommunication devices.

Mobile Banking Services: Banks offering the following services to their customers:

Mobile banking services provided by banks include:

- Inquiry of Account Balance and Statement Inquiries for Accounts,
- Checking Cheque Status
- Requests for Cheque Books
- Transferring Funds between Accounts
- Receiving Credit/Debit Alerts
- Minimum Balance Notifications
- Alerts for Bill Payments
- Bill Payments
- Viewing Recent Transaction History
- Requesting Information such as Interest Rates/Exchange Rates.

Technologies employed in Mobile Banking include: Mobile Banking is operational through mobile applications developed on one of the following four channels: Standalone Mobile Application Clients, IVR (Interactive Voice Response), SMS (Short Messaging Service)

WAP (Wireless Access Protocol)

Advantages of Mobile Banking

- Mobile banking holds an edge over internet banking.

- Mobile banking is characterized by user-friendliness, cost-effectiveness, and time-saving
- Banking through mobile devices reduces the risk of fraud.
- Utilizing mobile banking benefits banks by reducing telecommunication costs and being more economical.
- Mobile banking enables banks to engage with their clients.
- Banks can utilize mobile banking to promote and sell their products and services, such as ATM cards and loans, to customers.
- Various banking services, including checking account balances, receiving credit/debit alerts, facilitating fund transfers, providing bill payment alerts, and offering transaction history, are available through mobile banking.

Data analysis

The data collected were tabulated and graphically analyzed. The details are as follows.

Table 1

<i>Awareness level of customers about Mobile banking.</i>		
Option	No of Respondents	Percentage
Aware	29	52
Average	21	48
Un aware	0	0
Total	50	100

Figure 1

Awareness level of customers about mobile banking.

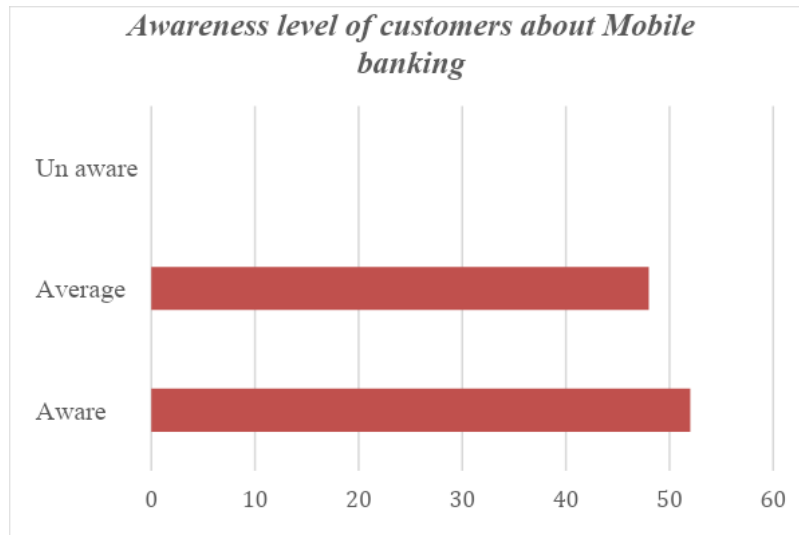


Table 2

Uses of mobile banking.

Option	No of Respondents	Percentage
Cash withdrawal	5	10
Cash transfer	45	90
To make deposit	0	0
To make human equity	0	0
Total	50	100

Figure 2

Uses of mobile banking

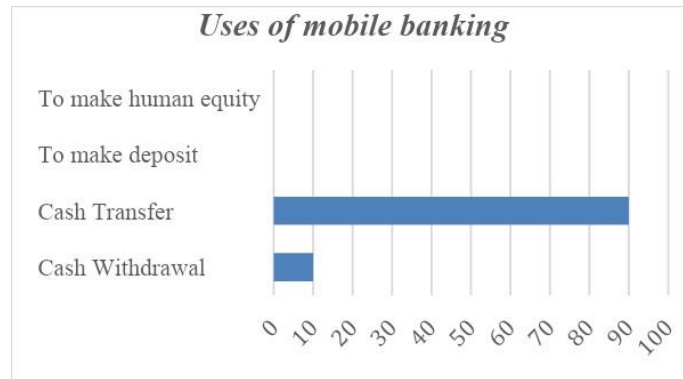


Table 3

Transfer of money

Option	No of Respondents	Percentage
Automatic teller machine	0	0
Mobile banking	48	96
Online banking	2	4
Total	50	100

Figure 3

Transfer of money

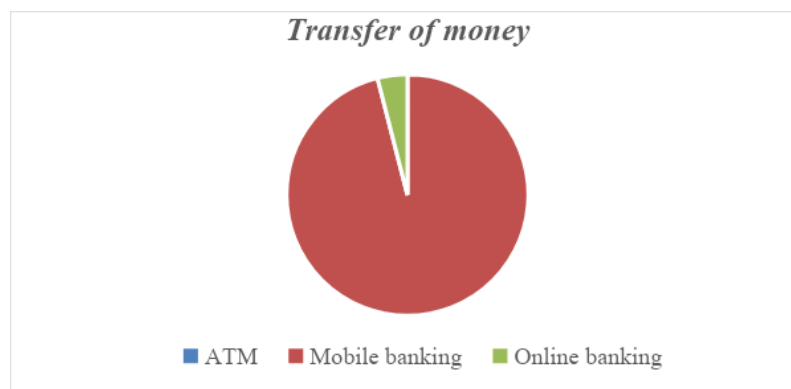


Table 4

Sources of awareness about mobile banking services

Option	No of Respondents	Percentage
Mass media	4	8
Bank directly	26	52
SMS from mobile operator	0	0
Friends or family	20	40
Total	50	100

Figure 4

Sources of awareness about mobile banking services

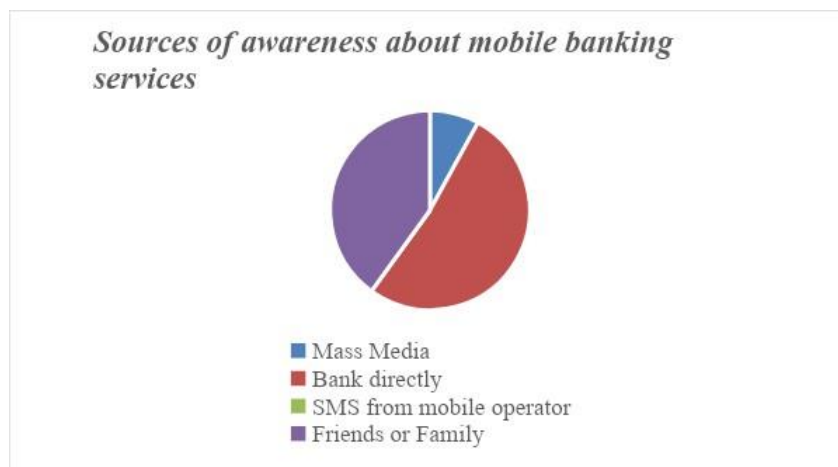


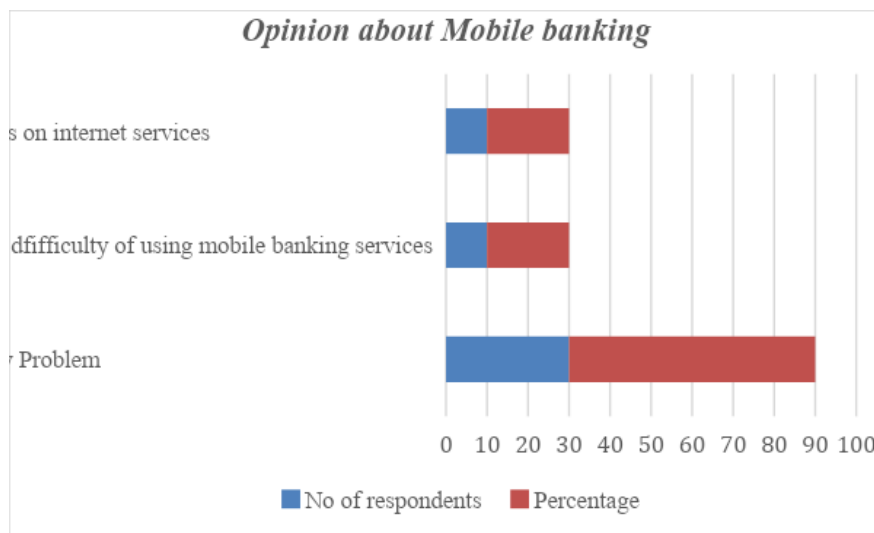
Table 5

Opinion about Mobile banking.

Option	No of Respondents	Percentage
Security problem	30	60
Over all difficulty of using mobile banking services	10	20
Depends on internet services	10	20
Total	50	100

Figure 5

Opinion about Mobile banking



Findings

- Majority of banking customers are highly aware about mobile banking now.
- Majority of customers typically transfer money in mobile banking.
- 8% of customers hear about the mobile money services from the mass media, 52% of

customers hear from the bank directly and 10% of customers hear from friends or family.

- Most of the mobile banking customers believe that using mobile banking is safe.
- The security problem is the main disadvantage of mobile banking.

Conclusion

This study centered on examining customers' attitudes toward mobile banking services. The analysis revealed that a majority of customers responded positively, expressing that mobile banking is easy to understand and use. They appreciated the faster services, ease of fund transfer, and simplicity in making balance inquiries through mobile banking. However, the study also identified that customers faced security concerns. Therefore, the study suggests that banks should prioritize ensuring security and create awareness among customers regarding technical aspects. By addressing these concerns, it is anticipated that more customers will embrace mobile banking services in Malappuram city.

References

- Yavas, V & Yasin, M.M (2001), "*Enhancing organizational performance in banks a systematic approach*," Journal of Services Marketing, No.6, pp.444-453.
- Pavithra, S. & Latha, A. , *A Study On Customer Awareness And Usage Of E-Banking Transaction Through Mobile Banking Applications (Apps)With Special Reference To Coimbatore City*" IJCRT| Volume 6, Issue 1 March 2018 | Issn: 2320-2882
- Al-Ashban, A. A. & Burney, M. A. 2001. *Customer adoption of tele-banking technology: the case of Saudi Arabia*. International Journal of Bank Marketing. Vol. 19 (5), pp. 191- 200
- Nancy B, Lockett A & Winklhofer H and Christine E (2001) *the Adoption of*

Internet Financial Services: A Qualitative Study. International Journal of Retail and Distribution Management Vol. 2 No. 8 pp. 390-39

Sathye M (1999) *Adoption of Internet Banking by Australian Consumers: An Empirical Investigation* .International Journal of Bank Marketing, Vol. 17 No. 7 pp.324-334.

Raghurama,S. A & Chandramma, M . (2011) *Modeling the Adoption of Basic E-banking Services in Urban and Semi-Urban Regions in India* The IUP Journal of Bank Management Vol. X No. 3 2011 pp 98-114.