A study on perception and awareness about mobile banking

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ABSTRACT

The purpose of this research study is to investigate the customer behaviors and use intentions of young people in the city of Rajasthan with regard to mobile banking. The empirical study design was selected, and the survey technique was used to collect responses from members of the target population through the utilization of the convenience sampling method. Analyses such as percentage analysis, correlation analysis, factor analysis, and multiple regression analysis were performed on the main data once they were compiled and gathered. These analyses were carried out with SPSS Version 23.0 and the relevant statistical tools. According to statistical evidence, the variables that make up mobile banking usage intention have been reduced to five independent factors. These factors are known as the Convenience Factor (CF), the Benefits Factor (BF), the Deliberation Factor (DF), the Safety Factor (SF), and the Trust Factor (TF) in the order of their dominance. Occupation is the factor that has the most significant influence on total mobile banking usage intention, followed by the major source of information about mobile banking service.

Keywords: Mobile banking, paperless transactions, and paperless economies

INTRODUCTION

In today's fast-paced digital age, the financial services industry has undergone a significant transformation, with the emergence of mobile banking playing a pivotal role in reshaping how individuals manage their finances. Mobile banking, which encompasses a wide range of services accessible through smartphones and mobile devices, has rapidly gained popularity due to its convenience, accessibility, and potential to empower users with unprecedented control over their financial affairs. This study aims to delve into the realm of mobile banking, focusing on the perception and awareness levels among individuals. In an era where smart phones have become ubiquitous, understanding how consumers perceive and engage with mobile banking

services is essential for financial institutions, policymakers, and researchers alike. Mobile banking has brought about a profound shift in the way we conduct financial transactions, from checking account balances to transferring funds, paying bills, and even investing in financial markets. It allows users to access their accounts at any time and from anywhere, breaking down geographical and temporal barriers that once constrained traditional banking. Despite the many benefits and conveniences that mobile banking offers, there are lingering questions about its acceptance, security concerns, and whether users are fully aware of its capabilities. As the adoption of mobile banking continues to grow, it is crucial to understand the perceptions, attitudes, and levels of awareness that individuals have regarding these services. Such insights can inform financial institutions, government agencies, and technology providers in optimizing their mobile banking offerings and enhancing user experiences.

OBJECTIVES:

1. To investigate the level of knowledge that clients have regarding mobile banking services.
2. To gain an understanding of the myriad of reasons for which clients utilize mobile banking services.
3. To determine the challenges that clients have while using mobile banking.

Research Methodology

This research study was both descriptive and empirical in its approach to the topic. The researchers used a survey approach to collect information in the form of primary data from bank customers living in Rajasthan. The survey method consisted of a well-designed and structured questionnaire, and the researchers used a convenience sample strategy to choose respondents. The data that were obtained were put through a pilot study in order to investigate the consistency and validity of the instrument. The result of 0.896 for Cronbach's Alpha Reliability Coefficient demonstrates that the scale is more consistent and highly reliable in its natural state. There were a total of 160 questionnaires sent out to bank customers in the locations chosen for the study, however only 148 of those surveys were returned by respondents with all of the required information filled out. The study used a completed sample size of 128 replies from participants.

Questionnaire Design

A percentage breakdown and descriptive statistics were used to understand the personal and banking profile of the respondents, which included their gender, marital status, nature of family, educational qualification, occupational status, monthly family income in rupees, frequency of mobile banking usage, nature of bank account, and primary source of information regarding mobile banking. The results of these analyses are presented in annexure table 1, which can be found below.

Table 1 Characteristics of the Respondents' Personal Lives and Financial Situations

Demographic Characteristics (N = 128)	Frequency	Percentage (%)
Gender		
Male	88	68.8
Female	40	31.2
Marital Status		
Married	17	13.3
Unmarried	111	86.7
Nature of Family		
Nuclear/Small Family	99	77.3
Joint Family	29	22.7
Educational Qualification		
Upto HSC	9	7.0
Graduate	48	37.5
Post-Graduate	70	54.7
Professionals	1	0.8
Occupational Status		
Student	25	19.5
Salaried	87	68.0
Self-Employed	11	8.6
Professionals	3	2.3
Home-Makers	2	1.6
Monthly Family Income (Rs.)		
Less Than 15K	37	28.9
15K-30K	51	39.8
30K-45K	28	21.9
Above 45K	12	9.4
Frequency of Mobile Banking Usage		
Hourly	16	12.5
Daily	31	24.2
Weekly	50	39.1
Monthly	31	24.2
Nature of Bank Account		
Public Sector Bank	68	53.1
Private Sector Bank	26	20.3
Both	34	26.6
Major Source of Information About Mobile Banking Service		
Demographic Characteristics (N = 128)	Frequency	Percentage (%)
Banks	26	20.3
Newspapers	27	21.5
Official Websites	20	15.6
Magazines	12	09.0
Social Networks	28	21.9
Others	15	11.7

Age (Years)	
Mean	23. 31
Std. Deviation	2.4 77
Minimum	18
Maximum	30

Table 1 shows that the majority of respondents are male (68.8%), that they are single (86.7%), that they come from nuclear households (77.3%), that they have post-graduate degrees (54.7%), and that they are salaried employees (68.0%). The majority of the people who filled out the survey had a household income that ranges from 15,000 to 30,000 rupees per month. The majority of respondents are customers of public sector banks, and the majority of respondents use mobile banking at least once per week (39.1%). Furthermore, the majority of respondents believe that social network sites are the most important source to learn about the mobile banking services that are available. The standard deviation for the age of the respondents is 2.477, while the average age of the respondents is 23.31 years old. The ages of those who responded to the survey ranged anywhere from 18 to 30 years respectively.

The component analysis was utilized so that the underlying dimensions of eighteen Mobile Banking Usage Intention (MBUI) Variables could be comprehended and the variables could be whittled down to a more manageable and independent quantity. In the component analysis, the Principal Component Analysis of Extraction Method and Rotation Method of Varimax with Kaiser Normalisation were utilized, and the outcomes are presented in Table 1.

Table 2 Analysis of the Variables Contributing to Mobile Banking Usage Intention (MBUI)

Factor Names	Mobile Banking Usage Intention Variables	Mean (SD)	Communalities	Variance (Eigen Value)	Loadings	Reliability
Conv	Becoming skillful at using mobile banking is easy for me	3.73 (1.195)	0.603		0.766	
	Using mobile banking would improve my performance	3.53 (1.094)	0.559		0.745	
	I would find mobile banking useful	4.09 (0.996)	0.594	14.585% (2.625)	0.724	0.747
	I will always try to use mobile banking in my daily life	3.83 (0.923)	0.700		0.595	
		3.83				

Factor	Item	Mean (SD)	Communality	% Variance (Eigenvalue)	Factor Loading	Alpha
	I would find mobile banking is easy to use	(1.095)	0.563		0.578	
Benefits Factor (BF)	Interaction with mobile banking is easy for me	3.97 (0.939)	0.695		0.811	
	Using mobile banking would save my time	4.23 (0.935)	0.535	13.335% (2.400)	0.712	0.718
	My living environment supports me to use mobile banking	3.80 (1.116)	0.547		0.700	
	Learning to use mobile banking is easy for me	3.92 (1.039)	0.565		0.639	
Deliberation Factor (DF)	Using mobile Banking is very entertaining	3.18 (1.038)	0.682		0.803	
	Using mobile banking is fun	3.09 (1.116)	0.589	11.243% (2.024)	0.726	0.574
	I must use mobile banking	3.27 (1.090)	0.450		0.468	
	I am addicted to using mobile banking	2.95 (1.376)	0.542		0.433	
Safety Facto	I believe that mobile banking is trustworthy	3.43 (1.070)	0.689	10.948% (1.971)	0.790	0.612
	I believe that mobile banking keeps users' interests in mind	3.40 (0.975)	0.596		0.767	
	The use of mobile banking has become a habit for me	3.19 (1.234)	0.427		0.523	
Trust Factor (TF)	I intend to continue using mobile banking in the future	4.69 (0.514)	0.671	9.114% (1.641)	0.792	0.50
	I believe that mobile banking keeps its promises	3.33 (1.058)	0.655		0.564	
Total Variance = 59.225% - Meaningfully Extracted into 5 Dimensions **Cronbach's Alpha Value = 0.756 of 18 items**						
KMO and Bartlett's Test **Kaiser-Meyer-Olkin Measure of Sampling Adequacy = 0.649** **(Bartlett's Test of Sphericity Approx. Chi-Square: 632.650; Df = 153;P-Value = <0.001)**						

Table 2 demonstrates that the communalities of the eighteen mobile banking usage intention variables range from 0.427 to 0.700. Additionally, the KMO measure of Sampling Adequacy Value is 0.649, and the Chi-Square value of 632.650 at d.f. of 153 with a P-Value of 0.001 in Barlett'sTest of Sphericity supports the idea that factor analysis is applicable for factorization of mobile banking usage intention variables. The data was analyzed, and the results showed that there were five factors that together explained 59.225% of the variance in the eighteen mobile banking usage intention variables. Therefore, all of the mobile banking usage intention variables have been reduced to a total of five independent factors, with the Convenience Factor

(CF) being the most dominant of the bunch. Following the Convenience Factor (CF) in order of dominance are the Benefits Factor (BF), the Deliberation Factor (DF), the Safety Factor (SF), and the TrustFactor (TF).

RELATIONSHIP OF MOBILE BANKING USAGE INTENTION FACTORS

The results of applying correlation analysis in order to understand the relationship between the five dominant factors of Mobile Banking Usage Intention variables, namely the Convenience Factor (CF), the Benefits Factor (BF), the Deliberation Factor (DF), and the Safety Factor (SF), are displayed in table 3.

Table 3 How Mobile Banking Usage Intention Factors Are Related to One Another

Dimensions	Mean (SD)	F1	F2	F3	F4	F5
Convenience Factor (CF)	19.00 (3.75)	1				
Benefits Factor (BF)	15.93 (2.97)	0.270** (0.002)	1			
Deliberation Factor (DF)	12.48 (3.08)	0.078 (0.384)	0.091 (0.310)	1		
Safety Factor (SF)	10.02 (2.47)	0.211* (0.017)	0.231** (0.009)	0.374** (0.000)	1	
Motivation Factor (MF)	8.02 (1.30)	0.204* (0.021)	0.196* (0.026)	0.392** (<0.001)	0.179* (0.043)	1

According to Table 3, all of the factors that influence a person's desire to use mobile banking have substantial relationships with one another, with the exception of the Deliberation Factor (DF). There is no significant association between the Deliberation Factor (DF) and the other elements that determine mobile banking usage intention.

INFLUENCE OF RESPONDENTS' PERSONAL AND BANKING PROFILE ON THEIR INTENTION TO USE MOBILE BANKING

The relevance of the effect of personal and banking profile of the respondents on total Mobile Banking Usage Intention (MBUI) was investigated using the Multiple Regression Analysis, and the findings are presented in Table 4 below.

Table 4 The Respondents' Personal and Financial Profiles and Their Influence on Whether or Not They Intend to Use Mobile Banking

Dependent Variable	Significant Predictors	Mean (SD)	F-Value	R	R_2	Adjusted R^2	β (t-Value)	P-Value
Mobile Banking Usage Intention		65.44 (8.40)	12.591	0.409	0.168	0.154		
	Occupational Status	1.50 (0.869)					-0.308 (-3.780)	<0.001 **
	Major Source of Information About Mobile Banking Service	3.25 (1.734)					0.269 (3.300)	<0.001 **
Constant with t value of 35.044 at P Value of <0.001* - (Age (Years) (β = 0.038; t-value = 0.399; Sig = 0.691), Gender (β = 0.114; t-value = 1.397; Sig = 0.165), Marital Status (β = -0.003; t-value = -0.035; Sig = 0.972), Nature of Family (β = -0.068; t-value = -0.802; Sig = 0.424), Educational Qualification (β = 0.106; t-value = 1.256; Sig = 0.212), Monthly Family Income (Rs.) (β = -0.156; t-value = -1.885; Sig = 0.062), Nature of Bank Account (β = 0.085; t-value = 1.035; Sig = 0.303), Frequency of Mobile Banking Usage (β = 0.031; t-value = 0.372; Sig = 0.710) are Not significantly influencing the MBUI)								
Notes: ** Significant @ 1% level								

The results of multiple regression analysis, which are presented in Tables 4, indicate that the OLS Model has a degree of goodness of fit of F = 12.591, p 0.001. Following occupational position as the most important factor influencing total mobile banking usage intention is the largest source of knowledge about mobile banking service, and these two factors combined account for 16.8% of the variation in total mobile banking usage intention. Those who consider social networks to be the most important source of information regarding mobile banking have greater mobile banking usage intention than those who consider students and paid employees to be the most important source. In addition, those who consider other sources to be less important have higher mobile banking usage intention. Other personal and banking factors, such as age, gender, marital status, type of family, educational qualification, monthly family

income (in Rs.), kind of bank account, and frequency of mobile banking usage, have no significant impact on a person's propensity to use mobile banking.

MAJOR FINDINGS OF THE STUDY

- The majority of those who filled out the survey were men (68.8%), were unmarried (86.7%), came from nuclear households (77.3%), had post-graduate degrees (54.7%), and were salaried (68.0) employees. A large proportion of those who participated in the survey had a household income that ranges from 15,000 to 30,000 rupees per month. The majority of respondents are customers of public sector banks, and the majority of respondents use mobile banking at least once per week (39.1%). Furthermore, the majority of respondents believe that social network sites are the most important source to learn about the mobile banking services that are available.

- The standard deviation for the age of the respondents is 2.477, while the average age of the respondents is 23.31 years old. The ages of the people who answered the survey vary from 18 to 30 years old, respectively.The elements that make up users' intentions to use mobile banking have been simplified down to five distinct components, with the convenience factor (CF) emerging as the most influential of the bunch. This is followed by the benefits factor (BF), the deliberation factor (DF), the safety factor (SF), and the trust factor (TF), in that order.

- The intention to use mobile banking is most strongly influenced by the individual's occupational position, which is followed by the primary information source about mobile banking service. Those who see social networks as an important source of information about mobile banking have a greater mobile banking usage intention than those who are students or salaried employees. In addition, individuals who view social networks as an important source of information regarding mobile banking have a higher mobile banking usage intention than those who obtain their information from other sources.

CONCLUSION

After reviewing the primary findings of the study, the report provides a plethora of suggestions and ideas for how the benefit might be extended to a variety of beneficiaries working within the Indian banking sector. The purpose of this study was to investigate people's intentions about

their use of mobile banking in the city of Rajasthan. The purpose of this exploratory study was to examine consumer perceptions with regard to their intended usage of mobile banking. This current study investigates whether or whether bank customers have higher usage intention with respect to mobile banking as a result of the development of technology, increased internet access, and improvement in the customers' socio-economic status. It has been advised that the regulatory authorities apply the new technical upgradation as well as the block chain technology in the delivery of mobile banking services to their consumers in order to make banking transactions that are safer and more secure. It has been suggested that financial institutions raise customers' awareness of the benefits of mobile banking by distributing handsets and setting up live demonstration counters in certain branches. These steps are intended to encourage the banks to engage in a variety of promotional activities that contribute to improvements in digital literacy and financial inclusion in conjunction with other government programs. Friendliness toward users and users Awareness of Mobile Banking in general has to be pushed at every branch banking unit in order to digitally raise awareness of government schemes such as Jan Dhan Yojana, Digital India, Licensing Small Finance Banks/Payment Banks, Aadhaar Enrollment, and other similar programs. Banks have the ability to develop new low-cost Android handsets that can only be used for mobile banking and distribute them to all of their clients as part of the account opening package. Banks have a responsibility to raise awareness among those who use smart phones about the different mobile payment programs available, such as BHIM, PhonePe, and others, so that customers may conduct banking on their own palms.

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