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Research Paper Commerce

New Era of Technology: Mobile Banking

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ABSTRACT

The role of technology is moving very rapid. The trend of new technology has now become a fashion in the group of new generation. The new generation is very affectionate of using the new technology. Mobile Internet is the part of new technology and its features are changing very fast. Already there are lots of features provided by the mobile technology providers. Mobile Banking is the new innovation in the field of internet. These days banking operations have become part of our regular day to day work. The need of banking services specially to businessman is very essential. So, mobile banking has an option to the mobile internet users to use the banking facilities anywhere and anytime with the help of mobile internet. Basically, this paper studies the role of mobile banking in the new era of technology.

KEYWORDS : Mobile, Banking, Technology.

Introduction

Mobile Banking is a modern technique of new technology which helps the customers to operate their bank accounts from their mobile phones. Mobile Banking is a way for the customers to perform their banking functions on their mobile phones with the help of mobile internet. It is not as much of popular method of banking because it needs some understanding to operate this from their mobile phones. It is also popular with the name of SMS banking but it is only part of the mobile banking.

Mobile Banking refers to provision and availment of banking and financial services with the help of mobile telecommunication devices. The scope of offered services may include facilities to conduct bank and stock market transactions, to administer accounts and to access customized information.

Mobile banking is a system that helps the customers to conduct a number of financial transactions with the help of their mobile devices. There are also lots of mobile banking applications and software is available in the market for mobile banking. The banking companies itself introduced their mobile banking apps and software which are also protected with the passwords. Often people took mobile banking as the mobile payment but it differs in its function. Mobile Payment is understood with the payment of sale and purchase of any goods and services through debit or credit cards and mobile money transfer.

Literature Review

Mobile Banking builds a cornerstone for mobile commerce (Tiwari et al., 2006). This paper studies the concept of mobile banking and mobile payment which helps the country to develop (Donner Jonathan, 2007). In today's business, technology has been on the prime indicators of growth and competitiveness. The banking industry today is in the industry of its revolution (Sharma Archana, 2011). This paper studies the various factors which influence the customers towards using mobile services. Mobile banking needs understanding of mobile functions properly for succesful transaction in banking (Son-Yu Chian, 2012). Mobile banking has emerged as new alternative way of banking which is more convenient and user-friendly than traditional form of banking. It is covering the concept of anytime, anywhere banking into reality (Kaur & Madan, 2013). Mobile banking is one of the alternative channels available to customer for quick and efficient service or anytime and anywhere. It also studies the various incentives and gain by the customers with the usage of mobile banking (Mishra & Sahoo, 2013).

Mobile Banking in India

Mobile Banking in India is now being provided by number of banking houses. Some banks also launched their mobile banking app and software for different software mobiles like android, iphone, blackberry, and window based phones which helps the customer to easy operation of their banking account. Mobile banking is also used in many countries of the world with very less infrastructure, especially for remote and rural areas. This aspect is also very popular in those countries where most of their population is unbanked. In most of these places, banks can only be found in big cities, and customers have to travel hundreds of miles to reach the nearest bank. But, in India, Reserve Bank of India started the Regional Rural Bank's to increase the banking operations in rural or remote areas also.

The overall position of banking sector in India is not good as comapred to global level. There are still some areas where banking facilities are not available. There are also various regulations prescribed by the banks for opening a bank account which is also a big drawback for the common man and other set of laws like maintainance of minimum balance in their account. But now the new era of technology provides an opportune moment for banks to focus on the internal processes and strengthen their IT platforms across functionalities to use technology as an effective strategic tool.

The use of technology in India has undergone rapid transformation. The last two decades have witnessed a sea change in the nature of services offered by not only banks but also the financial sector and even the Government, all of which have had a positive impact on the customers of these organizations and the general public at large. The various studies shows that there are maximum number of mobile internet users from the world, exist in India. So, mobile banking provides a new opportunity to Indian banking industry for capturing the new customer.

Role of Reseserve Bank of India in Mobile Banking

The growth rate of mobile banking in India is very low. The Reserve bank of India took necessary measures to promote the mobile banking but there were very less number of banks including a few regional rural banks, urban cooperative banks who offer mobile banking services in the country. The Reserve Bank has also expressed its disappointment over the lower than projected spread of mobile banking in the country. The central bank said in its half-yearly financial stability report, "Mobile banking channel has the potential to be one of the key tools for achieving financial inclusion, the growth and acceptance of mobile banking as a channel of accessing banking service has been below expectations".

Various Services Provided By The Banks Under Mobile Banking

The following various services can be availed by the customers through the Mobile Banking application:

- Funds transfer (within and outside the bank)
- Immediate Payment Services (IMPS)
- Enquiry services (Balance enquiry/ Mini statement)
- Demat Account Services
- Requests (Cheque book request/Generate OTP)
- Bill Pay (Utility bills, credit cards, Insurance premium), Donations, Subscriptions

- Top up/Recharge (Mobile /DTH /MobiCash wallet Top up)
- M Commerce (Merchant payments, SBI life insurance premium)

Conclusion

The technology is the lifeline of today's life predominantly youth. They are very affectionate with new technology particularly with mobile phones. Every one has a mobile phone in his hands. So, it is not wrong to say that, the mobile banking is the banking of young operaters. The emergence of mobile banking has implications for the more general set of discussions about mobile telephony in the developing world. It is well recognized that mobile phones have immense potential of conducting financial transactions thus leading the financial growth with lot of convenience and much reduced cost. Mobile Banking seems to possess the potential to become one of the widely spread and accepted application in the field of Mobile Commerce.

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