



ATTITUDE TOWARDS MOBILE BANKING IN KANNIYAKUMARI DISTRICT

T. Raisha Pravin Joy *

Research Scholar, Women's Christian College, Nagercoil-1 Affiliated to Manonmaniam Sundaranar University, Abishekapatti, Tirunelveli # 627 012 *Corresponding Author

Dr. Chithra James

Assistant Professor of Commerce, Women's Christian College, Nagercoil-1. Affiliated to Manonmaniam Sundaranar University, Abishekapatti, Tirunelveli # 627 012

ABSTRACT The Mobile phone plays a very important role in the development of mobile commerce and mobile banking. Linking banking business to customers through mobile devices such as mobile phones or PDAs (Personal Digital Assistant) is one of these competitive strategies. The main objective of this article is to find out the reason for using mobile banking and to know the factors considered for using mobile banking. This results shows that the factors considered for using mobile banking are 24*7 service and Time saving as these variables got the highest mean scores, trust in M-banking and security are the least important variable considered for using mobile banking. Factor analysis is used to find out the reason for using mobile banking. The analysis indicate that 5 factors are extracted which account for 71.470 per cent of the total 18 variables.

KEYWORDS : Mobile Banking, Mobile Commerce, Reason For Using M-banking.

INTRODUCTION

Recent innovations in the telecommunication have proved to be a boon for the banking sectors and its customers. One of these is Mobile Banking, where customers interact with the bank via mobile phones and banks provide them the services like short message services, funds transfers, account details, issue of cheque books etc. Presently almost all the banks in the world have started providing their customers "Mobile Banking Services".

Mobile banking refers to provision of banking services with the help of mobile telecommunication devices. The offered services may include facilities to conduct bank transactions, to administer accounts and to access customized information. The launch of mobile banking has a long way to go as majority of the customers prefer banking in traditional ways⁴. The problem of the most customers is that they are not well educated and they are unaware of the technological innovations. Internet banking helps to give the customers access anytime to their banks. Customers can check their account details, get their bank statements, perform transactions like transferring money to other accounts and pay their bills sitting in the comfort of their homes and offices. But the biggest limitation of internet banking is the requirement of a personal computer with an internet connection. Mobile banking addresses this fundamental limitation of internet banking, as it reduces the customer requirement to just a mobile phone. Mobile usage has seen as an explosive growth in most of the Asian countries like India. The main purpose of mobile banking scores over internet banking by providing 'Anywhere, Anytime Banking availability'. Customers don't need a computer terminal to access their bank accounts.

Mobile banking (M-banking) has emerged as a popular mode of banking in many developed and developing countries. In India, there are approximately 13 million mobile banking users and this figure is expected to grow rapidly with mobile transactions exceeding credit card transactions by the end of the decade. By some measures, there are more mobile phones in India than there are bank accounts. The combination of two factors- a large unbanked population and the ubiquity of cell phones-is a catalyst for high mobile banking adoption. Mobile banking is an application of mobile computing which provides customers with the support needed to be able to need anywhere, anytime using a mobile handheld device and a mobile service such as short message service (SMS). Mobile banking facility removes the space and time limitations from banking activities such as checking account balances or transferring money from one account to another and time saving.

OBJECTIVES OF THE STUDY

1. To know the factors considered for using mobile banking.
2. To analyse the reasons for using mobile banking.

METHODOLOGY OF THE STUDY

The methodological approach in this study is exploratory and descriptive in nature. This study was based on field level data. The total

sample size was fixed as 135 customers. Necessary data were collected from different ages of people and analysed in terms of the objectives set for the study. The data for this study were collected by the survey method. Survey is a research technique in which information is gathered from a sample of people by use of a questionnaire. Both primary and secondary data were used for the study. Secondary data were used for providing the theoretical background. Secondary data collected from journal, books, internet etc. Primary data were collected by the researcher herself through the questionnaire.

DATA ANALYSIS AND INTERPRETATION

Garrett Ranking

Factors considered while using mobile banking

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. For inclusive growth, the benefits of mobile banking should reach to the common man at the remotest locations in the country.

$$\text{Percent Position} = \frac{100(R-0.5)}{N}$$

Where, R = Rank given by the respondents
N = Number of factors i.e., 8.

The ranks thus obtained are converted into scores with the help of Garrett's table. For each criterion, the scores of individual respondents are added together and divided by the total number of respondents. The mean scores for all the criteria's are arranged in the ascending order and ranks are given in the order of importance.

TABLE 1
Factors for using Mobile Banking

S.No	Criteria	Garrett Mean Scores	Rank
1	24x7 service	69.72	I
2	Time Saving	63.64	II
3	Convenience	58.92	III
4	Modern Technology	50.36	IV
5	Attractive Facility	46.32	V
6	Economy in Cost	39.48	VI
7	Trust in m-banking	32.47	VII
8	Security	29.81	VIII

The above table 1 explicitly explains the top eight factors that are considered for using mobile banking. The most important criteria to use mobile banking is '24x7 service' since it scores the highest mean score of 69.72. The second important factor is 'Time Saving' which got the mean score of 63.64. The next important factor is 'Convenience' which has the mean score of 58.92. The least important factors are 'Trust in m-banking' and 'Security' as the mean scores for these variables are 32.47 and 29.81 respectively.

Reason for using Mobile Banking

Factor analysis

Factor analysis is a very useful method of reducing the complexity of the data by reducing the number of variables. It is an excellent way in identifying the latent factors by analysing correlation among variables and it explains the variables that influence much to the base or dependent variables.

In this study Factor Analysis is applied for the reason for using mobile banking and the results are given one by one.

In order to find the appropriateness of this analysis Kaiser Meyer Olkin and Bartlett's Test of Sphericity is used and the results are shown below.

In this study eighteen variables relating to the reason for using mobile banking have been analysed with the help of factor analysis.

TABLE 2 Rotated Component Matrix

S. No	Factors	Social Influence	User Friendly	Secured Usage	Additional Benefit	Modern Technology
1	Helps to maintain social status	.894				
2	High Interest in newer technologies	.863				
3	My family and colleagues are also using	.825				
4	Mobile phone is an easy to use device	.787				
5	Easy Process		.918			
6	Easy Access		.897			
7	Saves Time		.650			
8	User Friendly		.558			
9	No need to go bank			.745		
10	Physical Security			.741		
11	24*7 service			.688		
12	Secure from fraud			.616		
13	Speedy transactions				.589	
14	Additional Facility				.913	
15	Credibility				.608	
16	Low Cost					.821
17	Differ from traditional banking					.609
18	Hassle Free					.554
	Eigen Value	6.052	2.496	1.801	1.445	1.070
	Percent of variation explained	33.623	13.864	10.007	8.030	5.946
	KMO measure of sampling Adequacy: 0.721	Bartlett's test of sphericity: Chi-square value: 1484.895 Df:153 Significance Value: .000				

Extraction method: Principal Component analysis
Rotation method: Varimax with Kaiser Normalisation

The KMO measure of sampling adequacy and Bartlett's test of sphericity have been conducted to test of validity of data, since their KMO measure is greater than 0.5 i.e (.721) and the chi-square value is 1484.895 degrees of freedom which is significant at 5% percent level. The above table indicates the related factor loading for the eighteen variables that have been extracted into five factors.

The number of variables in each factor, Eigen value and the percent of variance explained by the factor are presented in the table.

TABLE 3 factor Loading Reason For Using Mobile Banking

S.No	Reason	No.of variables	Eigen Value	Percent of Variance	Cumulative Percent
1	Social Influence	4	6.052	33.623	33.623
2	User Friendly	4	2.496	13.864	47.487
3	Secured Usage	4	1.801	10.007	57.494
4	Additional Benefit	3	1.445	8.030	65.524
5	Modern Technology	3	1.070	5.946	71.470

Source: Computed data

The highly influencing reason is 'Social Influence' since its Eigen value is 6.052 'Social Influence' has the variance of 33.623 percent. 'Helps to maintain social status', 'High Interest in newer technologies', 'My family and colleagues are also using', 'Mobile phone is an easy to use device', have higher loadings of .894, .863, .825, .787 respectively are the variables included in this factor.

The second reason for using mobile banking is 'User Friendly' which has a percentage of variance of 13.864 and its Eigen value is 2.496. 'Easy Process, Easy Access, Saves Time, User Friendly these variables are included in this factor.

The third reason is 'Secured Usage' which has a percentage of variance 10.007 and its Eigen value is 1.801.This factor is combination of variables such as 'No need to go bank', Physical Security, 24*7 service, Secure from fraud

The fourth reason is 'Additional Benefit' since its Eigen value is 1.445. This factor explains the variables considered in 'Additional Benefit' to the extent of 8.030 percent. 'Speedy transactions', Additional Facility, Credibility are the variables included in this factor.

The last reason for adopting mobile banking is 'Modern Technology' since its Eigen value is 1.070. This factor explains the variables considered in 'Modern Technology' to the extent of 5.946 percent. These factors have the variables 'Low Cost', 'Differ from traditional banking' and 'Hassle Free'.

Thus 18 factors are reduced to five variables and are given different names by using factor analysis.

FINDINGS

Mobile banking is an application of mobile computing which provides customers with the support needed to be able to bank anywhere, anytime using a mobile handheld device and a mobile service such as Short Message Service (SMS). Mobile banking facility removes the space and time limitations from banking activities such as checking account balances or transferring money from one account to another and time saving by going to bank and doing some banking activities. This article explains clearly factors considered for using mobile banking services and reason for using Mobile Banking. By applying Henry's Garrett Ranking technique it is found that the important factors considered for using mobile banking are 24*7 service, Time saving and Convenience as these variables got the highest mean scores, trust in M-banking and security are the least variable in considering the use of mobile banking. Factor analysis is used to find out the reason for using mobile banking. The analysis indicate that 5 factors are extracted which account for 71.470 per cent of the total 18 variables. Hence 18 factors are summated to 5 factors named as Social Influence, User Friendly, Secured Usage, Additional Benefit and Modern Technology.

SUGGESTION

1. The banks should give awareness about the mobile banking services to their customers and try to remove all the doubts of the customers regarding mobile banking services.
2. The banks should demonstrate to their customers about the advantages of mobile banking services then the customers prefer to use mobile banking over other conservative methods.

CONCLUSION

Mobile Banking allows the user to access any time at anywhere. Customers can check balances, statement of information, transfer funds from one account to another etc. For this purpose the bank set this system and it is accessible to anyone using mobile. So visiting of banks can be avoided. Mobile banking services accessible from anywhere in the globe provides various banking and financial services under single umbrella and gives complete freedom of banking anywhere anytime on 24x7x365 basis. Through mobile banking, you can keep an eye on your transactions and account balance all the time. This facility also keeps your account safe.

REFERENCES

1. Bindu.T. (2014). A Study on Mobile Banking Services and their Potential Security Risks. Sai Om Journal of Commerce & Management, Vol.1 (9), September, pp.22-29.
2. Nitin Nayak et al. (2014). A study on adoption behaviour of Mobile banking services by Indian Consumers. International journal of research in Engineering and Technology, Vol. 2 (3), March, pp.209-222.
3. Singh.S & Srivastava & Srivastave.R. (2010). Customer Acceptance of Mobile Banking; A Conceptual framework. SIES Journal of Management, pp.55-64.
4. T.Velmurugan and Dr.M.Ramesh. (2014). Uses of Mobile Banking Services- An Empirical Study. International Journal of Scientific Knowledge, Vol. 5 (3), 23-26.