



A CASE STUDY ON YOUTH PERCEPTION TOWARD MOBILE BANKING USAGE-WITH REFERENCE TO STUDENTS OF MANGALORE CITY

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ABSTRACT

Banking plays an important role in economic development. Information technology (IT) has evolved and has changed the way the business conducted. Banks are offering innovative technology-based services to their customers. As technology changes banking sectors introduced Digital Banking, which facilitates their customers to use banking services from any place at any time. The banks are connected to their customers using internet. Digital banking is the fastest growing channel of banking. A rapid increase in the usage of smartphones among youths in India with banking applications in mobile device has a development in Mobile banking. Mobile banking usage is increasing in recent days is due to the easy to operate and convenient way of banking. Digital banking allows customers to check account balances, funds transfer, and payment of bills and access to many other banking products and services from anywhere and at any time. Youth plays an important role in building our nation stronger. This paper analyses the key factors attracting youths toward E-banking and problems in adopting E-banking among youths in Mangalore Region.

KEY WORDS: Information Technology (IT), Digital Banking, E-banking

1. INTRODUCTION

The latest innovations in technology are dramatically shifting our economic system as well as society into a different world. These innovations will be further multiplied by emerging technologies in fields such as machine learning, nanotechnology, robotics, energy storage and quantum computing.

RBI (2014) reported that mobile banking transactions are economically compared to traditional banking and therefore there is need for banks to encourage the mobile banking channel in a better way to encourage mobile banking channel keeping in mind long-term economic gains. Mobile banking allows customers to conduct banking activities using mobile phones sitting in remote places. That means customers need not to visit banks.

Youths play an important role in the development of nation. With rapid growth of technology youths are more using the latest technology. They are becoming more digitally literate in a faster rate and they are more exposed to usage of digitalization. Smart phone usage among youths rapidly increased. The study is mainly conducted toward mobile banking usage in the youth group of customers. This paper analyses the key factors attracting youths toward Mobile banking and

problems in adopting Mobile banking among youths in the Mangalore Region.

2. LITERATURE REVIEW

(Ganesan, 2009) E-banking is a generic term that includes internet banking, phone banking, mobile banking, etc. It is a process of delivery of banking services and products through electronic channels such as telephone, Internet, mobile. E-banking has improved efficiency and convenience of banking services, but it still has several problems and challenges in front of it that must be solved.

(Pria, 2009) RBI and government of India have taken several initiatives for developing E-banking in India. RBI has made considerable progress in consolidating existing payment and settlement system and in upgrading technology for establishing efficient, integrated and secure system functioning in a real-time environment. Indian Government has passed the IT Act 2000, which provides legal recognition to electronic transactions.

(Dehaballalaa E I Badrawy, 2012) In study it was found that there was resistance to accept Mobile Banking. Resistance leads consumer's response into three forms. It may take the form of



direct rejection; it may be the postponement of acceptance or opposition.

(Bansar march 2016) it was found that Mobile Banking adoption was a complex and multifaceted process, and considering customer's risk along with it is also important than analysing adoption alone. It was necessary for bankers to study the factors that are suitable and adoptable for customers, which will help them in designing mobile services.

(Aithal, 2016) (Q, 2006) (I, 2003) In this study, a model of an ideal banking system was proposed by considering the ideal characteristics expected under input conditions, output conditions, system requirements, and environmental conditions. Some of the possible technology supported models that support the concept of Ideal banking were identified and analyzed. It was found in a study ubiquitous banking system based on mobile banking technology is a perfect model to realize the ideal-banking system.

3. OBJECTIVES OF THE STUDY

1. To know the demographic profile of customers who use Mobile Banking
2. To know there is no significant relationship between demographic characteristics and mobile banking usage.
3. To study the perception of youth toward Mobile Banking
4. To study the problem faced during Mobile Banking

4. RESEARCH METHODOLOGY

The study is descriptive and empirical in nature. Both Primary and secondary data collected for the study. Primary data are collected from 100 respondents through a structured questionnaire. The structured questionnaire is prepared in Google form and is mainly in the form of five point Likert scale. Respondents were selected based on a random sampling technique. Secondary data are collected from various journals, articles, websites of RBI & other banks.

5. SAMPLE DESIGN

Primary data are collected from 100 respondents through a structured questionnaire. The structured questionnaire is prepared in Google form and is mainly in the form of five point Likert scale. Respondents were selected based on a random sampling technique.

6. STATISTICAL DESIGN

Descriptive statistical tool –Percentage method is used to know findings of the study. SPSS software was used to find the mean and standard deviation of study variable factors.

7. GEOGRAPHICAL AREA

Respondents for the study has been selected from youth group of mobile banking users of Mangalore city.

8. RESULTS

- Table 1 shows demographic profile of respondents. Most respondents are male, majority respondents are graduated and 33% Majority of respondents family income level is between Rs.50000 to Rs.1 Lakh. From the above table, there is no significant relationship between demographic characteristics and mobile banking usage.
- Table 2 shows 43% of respondents using Mobile Banking for 2–5 years and 38% of respondents using Mobile Banking less than 2 years and 19% respondents using more than 5 years.
- Table 3 shows that 45% of respondents are at high level usage of Mobile Banking, 35% respondents at a moderate level of usage and 20% respondents are at low level usage of Mobile Banking.
- Table 4 shows that, the mean for factors were from (4.62) to (2.95). In which 24/7 banking got the highest mean (4.62) and SD (.693), easy to operate (4.56) mean and SD (.756), quick transaction got mean (4.33) and SD (.995), user friendly (4.18) mean and SD (1.038). Lowest mean is for Reliable and safe factor with mean (2.95) and SD (1.417). The data were interpreted using Likert's scale with 5 point scale ranging from strongly agree (5) to strongly disagree (1).
- Table 5 shows the mean for the study variables was high from (4.71) to (3.84). To recharge mobile majority of respondents use Mobile banking with highest mean (4.71) and S.D is (0.461), online shopping with mean (4.46) and S.D (0.846) and to check balance moderate mean (3.84) and SD (1.161). The data were interpreted using Likert's scale with 5 point scale ranging from strongly agree (5) to strongly disagree (1).
- Table 6 shows that most 20% of respondents agree to a great extent Mobile Banking is secured and 7% have opinion of not at all secured.
- Table 7 shows the highest mean (4.65) and S.D (.479) for a complicated procedure, which shows that most of them are selected not at all. With lowest mean (2.22) and S.D (1.151) shows most respondents facing



network issues during Mobile Banking. The data were interpreted using Likert's scale with 5 point scale ranging from very much (1), somewhat (2), a little (3) very little (4) and not at all (5).

9. SUGGESTION

1. Banks should charge less transaction fees to encourage more usage.
2. Transparent service is important in Mobile Banking.
3. To develop enhanced security in transactions.
4. Introduce the preferred language of consumers while operating Mobile Banking.
5. Enable self-service options with clear instructions to solve problems by themselves.

10. CONCLUSION

Mobile banking are most convenient mode of banking, which allows customers to conduct transaction from anywhere at any time using their smartphone with provided internet facilities. Youths are more effective ways to reach digitalization. They are more compatible with using smartphone with the latest technology. The younger consumers are increased in Mobile Banking Usage and they prefer to continue mobile banking services than Branch banking. Therefore, banks should encourage more usage of mobile banking among youths for all types of transactions. In turn youths can create more awareness among their family members and surrounding people.

11. TABLES

Table-1: Demographic characteristics of sample with frequency distribution

Variables	Frequency	Percentage
Gender		
Male	60	60%
Female	40	40%
Total	100	100%
Education		
SSLC	00	0%
P.U.C	05	5%
Graduation	66	66%
P.G	29	29%
Total	100	100%
Family Income		
Less than Rs. 25000	10	10%
25000-50000	29	29%
50000-100000	33	33%
Above 100000	28	28%
Total	100	100

Table 2: Mobile banking usage for the years

Variables	Frequency	Percentage
Less than 2 years	38	38%
2 to 5 years	43	43%
More than 5 years	19	19%
Total	100	100%

Table 3: Level of usage of Mobile Banking

Variables	Frequency	Percentage
Low level	20	20%
Moderate level	35	35%
High level	45	45%
Total	100	100%

Table 4: Mean and Standard deviation for the study variables

variables	Mean	Std. Deviation
easy to operate	4.56	.756
less cost	3.61	1.205
quick transaction	4.33	.995
24/7 banking	4.62	.693
anywhere banking	3.91	1.272
user friendly	4.18	1.038
status	3.06	1.530
reliable and safe	2.95	1.417
Valid N (listwise)		

Source: The above table was developed using SPSS software.

Table 5: Purpose of Mobile Banking Usage

variables	Mean	Std. Deviation
Bill payment	3.99	.835
online shopping	4.46	.846
fund transfer	4.21	.988
Check balance	3.84	1.161
Recharge mobile	4.71	.461

Source: The above table was developed using SPSS software.

Table 6: Do you think Mobile Banking is secured

Variables	Frequency	Percentage
To a great extent	20	20%
Somewhat	13	13%
Very little	14	14%
Not at all	07	7%
Total	100	100%

Table 7: Problems faced during Mobile Banking

variables	Mean	Std. Deviation
Network issues	2.22	1.151
Security problem	2.30	1.185
complicated procedure	4.65	.479
other problems	3.70	1.185
Valid N (listwise)		

Source: The above table was developed using SPSS software.



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