

Issues & Challenges in Mobile Banking In Pune: A Customers' Perspective

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INTRODUCTION - In India traditional branch banking method is most widely used conducting banking transaction, at same time commercial banks are undergoing a rapid change majorly driven by the information & telecommunication (ITC) technology.

It is a digital banking using mobile devices and provided by banks and other financial institution that allows its customers to handling financial transactions remotely using an electronic device such as a smartphone or tablet. Unlike the related internet banking or net banking it uses software, usually called an application, provided by the financial institution for the purpose. Mobile banking is usually available on a 24/7 basis. In India, the banks and financial institutions have rules and restrictions on which accounts may be accessed through mobile banking, as well as a limit on the amount that can be transacted. Mobile banking is depend on the availability of an internet or data connection to the mobile device.

Mobile banking is addresses this fundamental limitation of Internet Banking, as it reduces the customer requirement to just a mobile phone. Mobile usage has seen rapidly growth in most of the Asian economies like India. The main purpose of Mobile Banking scores over Internet Banking or net banking is that it enables 'Anywhere Anytime Banking is Available'. Customers or end users don't need access to a computer terminal to access their bank accounts.

NEED OF THE STUDY

1. Improved customer experience: A positive customer experience is paramount to any business, including a bank.

a) 24/7 availability-With mobile banking, your customers aren't limited by working hours and the locations of branches or ATMs.

b) Instant fulfillment of customer needs-The reason people appreciate mobile banking is that it puts all services at their fingertips.

c) Personalization-Almost every business realizes the importance of providing a personalized customer experience. For banks, personalization is significant for building trust with customers. By collecting data on customers preferences, behavior and uses, banks can create unique experiences for their users. This results in customer satisfaction and increased credibility.

d) Full control over customer finances-Mobile banking helps customers keep all finances under control so they're able to monitor their balances, get account alerts, transfer money instantly, check deposits, and do much more.

2. Better security

Security is one of the most important concerns for customers. Internet banking/online banking and mobile banking both bring their own risks, but additional hardware security makes mobile banking more secure than its online counterpart.

SIGNIFICANCE OF THE STUDY

a) Time saving: Instead of allocating time to walk into a bank, you can check account balances, schedule and receive payments, transfer money and organize your accounts when you're on the go.

b) Convenient : The ability to access bank accounts, make payments, and even track investments regardless of where you are can be a big advantage Do your banking at a time and place that suits you, instead of waiting in queues.

c) Secure: Mobile banking applications have a security guarantee or send you a SMS verification code you need to input to authorize a payment for added security.

d) Easy access to your finances: with the introduction of mobile banking, you are able to access your financial information even beyond the working hours. Mobile banking is easy to avail banking services even by making a call to the bank.

e) Increased efficiency: Functions of mobile bankings are functional, efficient and competitive and it also reduces the amount of paperwork for both the banker and the customer

f) Fraud reduction: one very real advantage to implementing mobile banking. "Customers are being authorized in real time to watch their accounts.

g) It utilizes the mobile connectivity of telecom operators and therefore does not require an internet connection.

h) You can check your account balance, review recent transaction, transfer funds, pay bills, locate ATMs, deposit cheques, manage investments, etc.

OBJECTIVES OF THE STUDY

1. To study the basic concept of mobile banking form urban customers' perspective.
2. To Study the Challenges comes in front of customers while adopting Mobile Banking
3. To study and analyze various factors describing the use of mobile banking services by the customers.

LITERATURE REVIEW

This study defines, Mobile phones have become an important communication tool for almost every individual worldwide. In India, where mobile subscribers far exceed fixed line subscribers because of better mobile infrastructure in comparison to fixed line infrastructure has made mobile banking much more appealing in India. Technology plays an important role in banking sector. Mobile device is a emerging technology device that became part of every individual in the information era. Mobile Banking is an arising alternate channel for providing banking services.

This research paper to examine, Mobile Banking refers to usage and provision of banking and financial services with the help of mobile telecommunication devices. It is an electronic or

digital system that helps the customers to conduct a number of financial transactions with the help of their mobile devices. It is used to initiate, authorize and confirm an exchange of financial value in return for goods and services through mobile devices. Electronic devices may include laptop, computer, smartphone, tablets and any other device that connect to mobile telecommunication network and make it possible for payments to be made. The banks and financial institution provides mobile banking services to their customers, wishing to increase their customer share by removing all the hurdles in the way of adoption of mobile banking services (Sharma, Prerna, Bamoriya & Preeti Singh, 2011).

This research paper study analyzes, the role of mobile banking is significant in operating the business as well as industry functions. As the Online banking/Internet banking is still in its growing stage, mobile banking has emerged as the next advance way of doing banking. The scope of mobile banking services are offered may include facilities to conduct bank transactions, to administer accounts and to access customized information (Tiwari & Buse, 2007).

In this research paper, deep information of mobile banking as that type of execution of financial services in the course of which, within an electronic procedure the customer uses mobile communication techniques in combine with mobile devices (Pousttchi & Schurig, 2004).

SCOPE OF THE STUDY

- Mobile handset operability
- Security/Privacy
- Standardization
- Downloading & installing application software
- Customization
- Telecom services quality

LIMITATIONS OF THE STUDY

- Lack of primary data
- Time consuming
- The study is limited to Pune only.

CONCLUSIONS

Mobile Banking 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 rapid growth, the benefits of mobile banking should reach to the common man at the remotest locations in the country. The all stakeholders like Governments, Regulators, telecom service providers and mobile device manufactures along with bankers need to make efforts so that penetration of mobile banking reaches from rich to poor users and from metros to the middle towns and rural areas. Inclusion of non-banking population in financial main stream will benefit all. There is also need to create awareness about the mobile banking so that more and more people use it for their benefit.

One of the major hurdles to overcome for successful consumer acceptance of mobile banking is financial systems security. The idea of managing and using funds through a mobile device or similar device, with a signal that can easily be grabbed by others with the right equipment, is a scary idea for many consumers. The customers and end users must be made to understand the system and explain its safety and make them overcome their fear. If this is done in future there is a possibility the usage of Mobile Banking Will go up to 100%.

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