

EXPLORING USERS' PERCEPTION OF MOBILE BANKING

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Abstract

In the modern financial environment, mobile banking has become essential, providing users with a wide range of options such as cash transfers, bill payments, account management, mobile deposits and even investment management. Due to its convenience and accessibility, mobile banking has become incredibly popular among consumers. The current research addresses the gap created by previous researches in regard to the users' Preference towards mobile banking platform like Specific Bank's Mobile App and Third-party payment apps (e.g., Google Pay, PhonePe, Paytm, Amazonpay, etc.), their opinion towards type of security measures and mobile banking applications' contribution towards financial inclusion. The core objective of this research is to gain an insight into how the users perceive mobile banking services. Data analysis has been done with the help of primary data collected from 128 respondents via google form and secondary data gathered from websites. Collected data have been analyzed using SPSS software. From the study, it is found that the majority of the respondents prefer specific banks' mobile applications to make their transactions. Biometric and two-factor authentications are the most valued security measures that users prefer and they have a positive perception towards the role of mobile banking in contributing to financial inclusion.

Keywords: Banking, Mobile, Customers, Technology, Perception, Satisfaction.

Introduction

The banking industry is essential to all nations. The COVID-19 epidemic and subsequent technological advancements have made digital banking a necessity for all economies. It is one such need that has educated every individual on the use of Internet banking, particularly

m- banking and m-wallets. The term "mobile banking" describes how consumers manage their financial transactions using mobile devices. These days, customers don't want to leave their houses to accomplish anything. More so, people become tired of waiting in line for extended periods when it comes to banking activities. Trading banking is no longer in use, as e-banking and mobile banking have supplanted it owing to technological advancements. Mobile banking makes it easier than ever for customers to conduct financial activities. Online mobile banking procedures can be carried out by customers with a steady internet connection. Today's phones are equipped with Android features. With the help of this, customers may conduct high-speed mobile banking. Consumers can rapidly transfer funds to any number of customer accounts within seconds on their mobile, and they can pay their LIC payments, and book the train, bus, or flight tickets via mobile. Technological advancements like biometric authentication, contactless payments via near-field communication (NFC), and chatbots driven by artificial intelligence for customer service have also contributed to the expansion of mobile banking. These developments keep improving the user experience and broadening the range of services offered by mobile banking.

Review of Literature

Manisha Sharma, Subhojit Banerjee, et al., (2022) "Role of social media on mobile banking adoption among consumers". This study examines the influence of social media on customers' cognitive processes over time and their frequency of usage of mobile banking using the Hierarchy of Effects (HOE) model. The findings indicate that social media influence tends to increase with cognitive level. The four cognitive phases of adopting mobile banking (Attention, Interest, Desire, and Action, or AIDA model) are most impacted by social media in the order of Action and Interest, followed by Desire and Attention.

Irfan Achmad Firmansyah, Rahmat Yasirandi, et al., (2022) "The influence of efficacy, credibility, and normative pressure to M-banking adoption level in Indonesia". The objective of this research is to evaluate Indonesia's rate of acceptance of mobile banking using the Technology Acceptance Model. The results of this study indicated that users of the M-Banking application have self-confidence and trust. However, customers in Indonesia do not perceive the simplicity and use provided by the M-Banking application.

Showkat Ahmad Dar & P.Sakthivel. (2023) "A Study on User's Perceptions on Mobile Banking In Handwara, Kashmir". This study aims to provide an explanation of the growth of

mobile banking and explore user perspectives in Handwara, Kashmir. The results show that the people living in Handwara are increasingly using mobile banking services. According to the findings, People usually believe in mobile banking systems, however there are certain safety challenges.

Neha Dhawan. (2023) “Customers Perception Regarding Security, Privacy and Reliability W.S.R.T. Mobile Banking in India”. This study attempted to investigate Indian consumers' views of safety, confidentiality, and dependability concerns related to mobile banking. The study discovered that there was a considerable disparity in consumer ratings for different banks' security, privacy, and dependability aspects. The study recommended that the Reserve Bank of India (RBI) adopt standards to improve bank privacy, protection of information, and trustworthiness.

Ghouse, S. M., et al., (2025). “Driving financial inclusion: exploring mobile wallet adoption among rural Omani millennials”. The goal of this research work is to look at how mobile wallets are adopted by Omani millennials dwelling in rural areas. Social variables, perceived security, belief issues, and the moderating factors have an impact on technology self-efficacy on attitudes and adoption intentions were examined. 544 randomly selected people from rural Oman participated in a survey. The findings validate the effect of perceived security, subjective norms, and technical self-self assurance on opinions and intentions to apply cell wallets, supporting 5 hypotheses. Moreover, a robust mediator that strengthens the hyperlink between behavioural intentions and high-quality perspectives is mobile wallet self-efficacy.

Research gaps

Even though some prior research studies were focused on customer perception towards mobile banking, the current research focuses on customer perception towards updated mobile banking applications with new features. The following gaps found in the previous researches are filled with the current analysis.

- Preference towards mobile banking platform
- Opinion towards type of security measures

Objectives

- 🚦 To study the socio - economic profile of the respondents
- 🚦 To explore the users' perception towards mobile banking

- ✚ To understand the awareness and satisfaction level of the respondents towards mobile banking and to examine the challenges and problems in mobile banking faced by the users.
- ✚ To offer suggestions to improve mobile banking services.

Research Methodology

This study uses both primary and secondary data. Primary data have been obtained from mobile banking customers in Tiruchirappalli City, Tamilnadu state, India via Google Forms and the sample respondents (128) are selected by using convenience sampling technique. One-way ANOVA and Regression analysis have been used to evaluate the data. Secondary data have been collected from the websites and journals.

Data Analysis and Discussions

Table 1
Demographic profile of the Respondents

Particulars	Categories	No. of Respondents	Percentage
Gender	Male	72	56
	Female	56	44
	Total	128	100.0
Age	Under 20 Years	25	19.5
	21 – 30 Years	85	66.4
	31 – 40 Years	7	5.5
	41 – 50 Years	5	3.9
	Above 50 Years	6	4.7
	Total	128	100 .0
Educational Qualification	S.S.L.C	4	3.1
	H.Sc	7	5.5
	UG	46	35.9
	PG	50	39.1
	Doctorate	15	11.7
	Others (CA, ITI)	6	4.7
	Total	128	100.0
Occupation	Student	73	57.0
	Govt. Employee	8	6.3
	Pvt. Employee	30	23.4

	Business	7	5.5
	Others (Home maker, Research Scholar)	10	7.8
	Total	128	100.0
Monthly Family Income	Upto Rs. 10,000	5	3.9
	Rs. 10,001 - Rs. 20,000	25	19.6
	Rs. 20,001 - Rs. 30,000	31	24.2
	Rs. 30,001 - Rs. 40,000	20	15.6
	Rs. 40,001 - Rs. 50,000	17	13.3
	Rs. 50,000 and above	30	23.4
	Total	128	100.0

Source: Primary Data

56 percent of the users are male and 44 percent are female, 66.4 percent are between the ages of 21-30 years, 19.5 percent is under the age of 20. 39.1 percent of users have completed postgraduate degree. 57 percent of respondents are students. 23.4 percent of them earn more than Rs. 50,000 per month, while 24.2 percent of the users earn between Rs. 20,001 and Rs. 30,000 per month for their family.

Table 2
Users' Perception Regarding Mobile Banking

Particulars	Categories	No. of Respondents	Percentage
Awareness of Mobile banking	Aware	128	100
	Not Aware	-	-
	Total	128	100
Sources of Awareness	Bank advertisement	20	16
	Word of Mouth	18	14
	Social Media Platforms	60	47
	Through the bank's staff or website	30	23
	Total	128	100
Usage of Mobile banking	Yes	128	100
	No	-	-
	Total	128	100
Preference of Mobile banking platform	Specific Bank's Mobile App	86	67.2

	Third-party payment apps (e.g., Google Pay, PhonePe, Paytm, Amazonpay, etc.)	41	32.0
	Both Bank's Mobile app and Third-party payment apps	1	0.8
	Total	128	100.0
Motivational factors	Lower transaction fees	12	9.4
	Speed of transactions	56	44.0
	Availability of customer support	8	6.3
	Rewards or Discounts	5	4.0
	Ease of use	46	36.0
	Total	128	100.0
Frequency of using mobile banking services	Daily	54	42.2
	Weekly	36	28.2
	Monthly	19	14.8
	Rarely	19	14.8
	Total	128	100.0
The most valued Security measures in mobile banking	Biometric authentication (fingerprint/face recognition)	48	38.0
	Two-factor authentication (SMS code/OTP)	40	31.0
	Secure encryption of data	15	12.0
	Real-time transaction alerts	10	8.0
	Fraud detection and monitoring	15	11.0
	Total	128	100.0
Respondents' Perception towards Mobile Banking	Excellent	36	28.0
	Good	81	63.3
	Fair	8	6.3
	Poor	2	1.6
	Very poor	1	0.8
	Total	128	100.0
Perception towards the level of innovation and technological advancement in mobile banking	Higher	51	39.8
	Medium	73	57.0
	Lower	4	3.2
	Total	128	100.0
Perception of the respondents about the role of mobile banking in contributing to the financial inclusion and accessibility of banking services	Positive Contribution	51	39.8
	Neutral	72	56.3
	Negative Contribution	5	3.9
	Total	128	100.0

Respondents' Satisfaction towards the overall performance of mobile banking services	Highly satisfied	23	18.0
	Satisfied	75	58.5
	Neutral	28	21.9
	Dissatisfied	2	1.6
	Highly Dissatisfied	-	-
	Total	128	100.0
Recommending others to use Mobile Banking	Yes	118	92.2
	No	10	7.8
	Total	128	100.0

Source: Primary Data

100 percent of the respondents are aware of mobile banking. 47 percent are aware through social media platforms, 23 percent are aware of mobile banking through bank's staff or website. 100 percent of the respondents are using mobile banking. 67.2 percent of the users preferred specific bank's mobile app. 43.8 percent of the respondents are motivated to use mobile banking transactions due to its speed. 35.9 percent of the respondents use because of ease of use. 42.2 percent are use mobile banking daily, 28.2 percent are use mobile banking weekly. 37.5 percent of the respondents conveyed that Biometric authentication (fingerprint/face recognition) is the most valued security measures in mobile banking. Majority 63.3 percent of the respondents have good perception towards mobile banking, 28.0 percent of them conveyed excellent. 56.3 percent of the users have neutral perception towards the role of mobile banking in contributing to the financial inclusion and accessibility of banking services. Majority 58.5 percent of the customers are satisfied with the overall performance of mobile banking services. Majority 92.2 percent of the respondents have recommended mobile banking to others and only 7.8 percent of the respondents conveyed that they will not recommend others to use mobile banking.

Table 3
Purposes of using Mobile Banking

S. No	Purposes	No. of Respondents	Percentage
1.	Checking account balances	66	51.6
2.	Transferring money between accounts	92	71.9
3.	Paying bills	72	56.3

4.	Depositing cheque	5	3.9
5.	Making investments	9	7

Source: Primary Data

71.9 percent of the users are primarily using mobile banking for the purpose of transferring money between accounts, 56.3 percent of the respondents are primarily using mobile banking for payment of bill and only 3.9 of the respondents are primarily using mobile banking for the purpose of depositing cheque.

Table 4
Challenges faced while using m-banking services

S. No	Challenges	No. of Respondents	Percentage
1.	Network Connectivity issues	99	77.3
2.	Security concerns	26	20.3
3.	Phishing attempts	13	10.2
4.	Lack of awareness about security practices	25	19.5
5.	Limited service options	29	22.7
6.	Lack of trust in mobile banking	13	10.2
7.	Complex authentication processes	5	3.9

Source: Primary Data

77.3 percent of the users have faced network Connectivity issues while using mobile banking. 10.2 percent of the respondents have faced Phishing attempts and another 10.2 percent of the respondents have opined that they have lack of trust in mobile banking.

HYPOTHESIS I

Null Hypothesis: There is no significant difference between Age and Determinants of User Perception of Mobile Banking

Table 5
One-way analysis of variance for Age of Respondents and Determinants of User Perception of Mobile Banking

Particulars		Sum of Squares	df ^a	Mean Square	F ^b	Sig. ^c
Awareness of Mobile banking	Between Groups	12.571	4	3.143	270.600	0.000**
	Within Groups	1.429	123	0.012		

	Total	14.000	127			
Sources of Awareness of the Respondents	Between Groups	64.493	4	16.123	79.304	0.000**
	Within Groups	25.007	123	0.203		
	Total	89.500	127			
Preference of Mobile banking platform	Between Groups	45.456	4	11.364	65.860	0.000**
	Within Groups	21.224	123	0.173		
	Total	66.680	127			
Motivational factors to use mobile banking	Between Groups	128.646	4	32.161	23.897	0.000**
	Within Groups	165.534	123	1.346		
	Total	294.180	127			
Frequency of using mobile banking services	Between Groups	97.683	4	24.421	58.613	0.000**
	Within Groups	51.247	123	0.417		
	Total	148.930	127			
Respondents' Perception towards Mobile Banking	Between Groups	44.645	4	11.161	106.340	0.000**
	Within Groups	12.910	123	0.105		
	Total	57.555	127			
Perception towards the level of innovation and technological advancement in mobile banking	Between Groups	18.362	4	4.590	29.134	0.000**
	Within Groups	19.380	123	0.158		
	Total	37.742	127			

Source: Statistically analyzed data

Note: ^aDegrees of Freedom, ^bF-Statistic, ^cSignificance

The F-value and significance (Sig.) value are presented for each factor of user perception. All determinants have a significance value of 0.000, which is lower than the normal alpha threshold of 0.05. This suggests that the null hypothesis can be disproven for any determinant. Put simply, there is a notable and meaningful difference between the age of participants and their perceptions of several features of mobile banking.

The F-value is 270.600, and the significance level is 0.000. Given that the significance value is below 0.05, there exists a notable disparity in the level of knowledge of mobile banking depending on the age of the participants.

The F-value is 79.304, and the significance level is 0.000. There is a notable disparity in the sources of knowledge on mobile banking depending on age.

The F-value is 65.860, and it has a significance level of 0.000. Age has a substantial impact on the choice of mobile banking systems.

The F-value is 23.897, and its significance level is 0.000. Various age groups are motivated by different variables when it comes to adopting mobile banking.

The F-value is 58.613, and the significance level is 0.000. The frequency of mobile banking service use is greatly influenced by age.

The F-value is 106.340, and it has a significance level of 0.000. Various age groups have distinct perceptions on mobile banking.

The F-value is 29.134, and the significance level is 0.000. The impression of innovation and technical development in mobile banking is influenced by age.

HYPOTHESIS II

Null Hypothesis: There is no significant difference between Educational Qualification of Respondents and Determinants of User Perception of Mobile Banking

Table 6
One-way analysis of variance for Educational Qualification of Respondents and Determinants of User Perception of Mobile Banking

Particulars		Sum of Squares	df ^a	Mean Square	F ^b	Sig. ^c
Awareness of Mobile banking	Between Groups	13.143	4	3.286	471.500	0.000**
	Within Groups	.857	123	0.007		
	Total	14.000	127			
Sources of Awareness of the Respondents	Between Groups	45.918	4	11.479	32.398	0.000**
	Within Groups	43.582	123	0.354		
	Total	89.500	127			
Preference of Mobile banking platform	Between Groups	61.932	4	15.483	401.142	0.000**
	Within Groups	4.747	123	0.039		
	Total	66.680	127			
Motivational factors to use mobile banking	Between Groups	275.976	4	68.994	466.182	0.000**
	Within Groups	18.204	123	0.148		
	Total	294.180	127			
Frequency of using mobile banking services	Between Groups	125.508	4	31.377	164.780	0.000**
	Within Groups	23.421	123	0.190		
	Total	148.930	127			
Respondents' Perception towards Mobile Banking	Between Groups	34.051	4	8.513	44.549	0.000**
	Within Groups	23.504	123	0.191		
	Total	57.555	127			
Perception towards the level of innovation and	Between Groups	19.972	4	4.993	34.561	0.000**
	Within Groups	17.770	123	0.144		

technological advancement in mobile banking	Total	37.742	127			
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Source: Statistically analyzed data

Note: ^aDegrees of Freedom, ^bF-Statistic, ^cSignificance

The F-value and significance (Sig.) value are provided for each determinant of user perception. 0.000 is the significance value for all determinants, which is less than the conventional alpha level of 0.05. This implies that the null hypothesis can be rejected for each determinant, indicating a substantial disparity between the determinants of mobile banking perception and educational qualifications.

The significance level is 0.000, and the F-value is 471.500. This substantial finding suggests that respondents' levels of cognisance of mobile banking are contingent upon their educational backgrounds.

With a significance level of 0.000, the F-value is 32.398. The sources through which respondents become aware of mobile banking are significantly influenced by their educational qualification.

401.142 is the F-value, with a significance level of 0.000. This finding implies that there is a substantial disparity in the preference for mobile banking platforms based on educational qualifications.

The significance level is 0.000, and the F-value is 466.182. The factors that motivate respondents to use mobile banking are significantly influenced by their educational qualifications.

The significance level is 0.000, and the F-value is 164.780. The frequency with which respondents utilise mobile banking services is significantly influenced by their educational background.

The significance level is 0.000, and the F-value is 44.549. Mobile banking is perceived differently by individuals with varying levels of education.

The significance level is 0.000, and the F-value is 34.561. The perception of innovation and technological advancement in mobile banking is significantly influenced by respondents' educational qualifications.

Findings

- 56 percent of the respondents are male and the remaining 44 percent are female.
- 66.4 percent of the users are in the age group of 21 – 30 years.

- 39.1 percent of the respondents have completed Post Graduate degree, 35.9 percent of the users have qualified under graduate degree.
- 57 percent of the respondents are students.
- 24.2 percent of the users' monthly family income is between Rs. 20,001 - Rs. 30,000.
- 100 percent of the respondents are aware of mobile banking.
- 47 percent of the respondents are aware of mobile banking through social media platforms.
- 100 percent of the respondents are using mobile banking.
- 67.2 percent of the respondents prefer specific bank's mobile app and 32 percent of the respondents prefer third-party payment apps (e.g., Google Pay, PhonePe, etc.).
- 43.8 percent of the respondents are using mobile banking for the payment of electricity bill, 42.2 percent of the respondents are using mobile banking for payment of all the bills.
- Majority 77.3 percent of the respondents have faced network connectivity issues while using mobile banking.
- 43.8 percent of the respondents are motivated to use mobile banking transactions due to its speed.
- 42.2 percent of the respondents use mobile banking daily and 28.2 percent are use mobile banking weekly.
- 37.5 percent of the respondents conveyed that Biometric authentication (fingerprint/face recognition) is the most valued security measures in mobile banking.
- Majority 63.3 percent of the respondents have good perception towards mobile banking.
- 57 percent of the users have the perception that average level of innovation and technological advancement is found in mobile banking.
- 56.3 percent of the respondents have neutral perception towards the role of mobile banking in contributing to the financial inclusion and accessibility of banking services.
- Majority 58.5 percent of the users are satisfied with the overall performance of mobile banking services.
- Majority 92.2 percent of the respondents have recommended mobile banking to others.

Suggestions

- Most of the respondents prefer specific bank's mobile app. So the bankers should concentrate more to expand the existing features of mobile banking services.
- Majority of the respondents are facing network connectivity issue while using mobile banking applications. So the mobile network companies are suggested to focus more on network connectivity and to employ advanced technologies to avoid this kind of problem.
- Majority of the users opined that biometric authentication (Finger prints, Face recognition) is the most valued security measures in mobile banking applications. So the mobile banking companies should:
 - I. Provide more concentration on biometric authentication to satisfy the users' needs and to avoid the problems like, Hacking of data, Cyber attacks, Identity theft, etc.
 - II. Invest continuously in advanced security measures to protect consumer data and transactions from constantly developing cyber threats such as biometric authentication, behavioral analytics, and encryption technology.
 - III. Solicit feedback from customers through surveys, evaluations and user testing sessions to uncover pain points, preferences and areas for improvement and then prioritize improvements based on customer insights.
 - IV. Encourage transparency by giving customers clear, concise information about expenses, terms and conditions by immediately informing them of any updates or modifications to services or policies. This will increase customer loyalty and confidence.

Conclusion

The exploration of users' perception of mobile banking in Tiruchirappalli City reveals a predominantly positive outlook among respondents. The majority of respondents are satisfied with the simplicity, accessibility, and efficiency of Mobile banking services. Furthermore, it is clear from the high levels of satisfaction shown with mobile banking's overall performance that it is successful in fulfilling customers' expectations and financial demands. To continue enhancing service quality and accessibility, banks and policymakers must have a thorough grasp of customer perceptions and satisfaction levels as they increasingly adopt digital

methods for financial transactions. Stakeholders may further improve the acceptance and use of mobile banking by identifying and addressing the elements that contribute to positive perceptions and satisfaction with the technology. Consequently, this has the potential to promote financial inclusion, empower individuals, and provide increased accessibility to financial services for all segments of society.

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