CHAPTER 6

RESEARCH FINDINGS AND DISCUSSION

This research work has been carried out to understand the customer perception towards m-banking in the state of Punjab in India. After conducting the data analysis and interpretation based on the objectives of the study in the previous chapter, the research findings and discussion based on the analysis have been presented further.

6.1 Findings of the Study

The major findings of the study are as follows:

1. It is found that m-banking service is growing in India as there is continuous increase in the number of m-banking transactions from past few years.

2. It has been observed that majority of the respondents were aware about different m-banking services. The respondents were having higher awareness about railway ticket booking, mobile top up, balance enquiry and movie ticket booking services and comparatively lower awareness about demat enquiry and stop cheque services.

3. In terms of the general views, the respondents somewhat disagreed to the view that traditional banking is still the best way to do banking in comparison to m-banking and were unsure whether traditional banking is preferred over m-banking due to less security threats.

4. Further, the respondents on an average agreed that customers are pleased to receive communication from the banks on their mobile phones and spend a lot of time in planning a visit to bank. Apart from this, it was also found that customers feel excited to perform banking transactions using mobile phone and rate m-banking even better than online banking. It was further revealed that m-banking could still be used even when the bank’s branch is located near to the customers. The respondents somewhat agreed to the view that m-banking is easy to use for new users and its usage is considered as a matter of status for the customers. These findings have shown a great potential for m-banking service in India.
5. It has also been found that respondents perceive m-banking as a service that generates efficiency, supports during customer problems, maintains service availability, fulfills customer requests, provides ease of contact and ensures security of information.

6. Respondents feel m-banking to be a stylish, reliable and ubiquitous service after its usage. The perceptual maps reveal that attributes relaxed, appealing to others, safe, economized and easy are strongly related with the dimension reliable whereas the attributes, confident, fresh, prestigious, young, re-energized, amused and amazed are strongly associated with the dimension stylish. Further, the attributes present everywhere, time efficient are strongly related with the dimension ubiquitous. These attributes carry similar image in the minds of respondents in terms of each dimension.

7. It is also revealed that respondents feel high level of satisfaction in carrying out personal banking transactions using mobile phone.

8. It has been observed that overall the variables age, occupation, education and income have significant effect on the usage of m-banking service except the variables gender and marital status. This shows an important association of m-banking usage with the segmentation based on these variables apart from gender and marital status.

9. In case of age, it is found that the respondents between 18 to 30 years and 31 to 45 years of age have significant effect on the usage of m-banking which is not true in case of respondents with 46 years and above age. Among the three age groups, respondents between 18 to 30 years are found to be highest users of m-banking followed by respondents between 31 to 45 years and respondents with 46 years and above age. This shows that young people are higher users of m-banking than elderly.

10. In case of marital status, it is found that no single category of this variable considerably affects the m-banking usage.

11. In case of occupation, it is found that the categories business, professional, service/job, student have significant effect on the usage of m-banking except the category housewife. Further, it is revealed that category professional is the highest user of m-banking followed by categories service/job, student, business, housewife and retired.
12. In case of education, it is observed that the overall effect of this variable is significant but none of its individual category significantly affects m-banking usage. However, post graduates are found to be highest users of m-banking followed by graduates, higher secondary and matriculates in the sample.

13. In context of gender, it is found that no individual category of this variable significantly affects the m-banking usage.

14. In case of income, it is observed that respondents having income between INR 5,00,001 to 10,00,000/- and 10,00,001 & above have significant effect on the usage of m-banking which is not true in case of respondent having income between 2,00,001 to 5,00,000/-. It is also found that income category 5,00,001 to 10,00,000/- is the highest user of m-banking followed by categories having income of 10,00,001 & above, 2,00,001 to 5,00,000/- and up to 2,00,000/-. This shows that m-banking usage varies as per income of respondents in case of which higher income leads to higher usage.

15. Further, in case of the association of the demographic segmentation with the usage of different m-banking services, it is revealed that variables age, occupation, education, gender and income have significant effect on the usage of various m-banking services except the variable marital status in case of which the effect is insignificant.

16. In case of age, the three categories differ significantly in terms of the usage of various m-banking services which include funds transfer, immediate payment services (IMPS), mobile top up, DTH top up, shopping from mobile, utility bills, paying credit card bills, railway ticket booking, airline ticket booking, movie ticket booking, donations payment, paying subscriptions, balance enquiry, mini statement, cheque book request, message to relationship manager and demat enquiry services. This shows an association of age with the usage of these services.

17. In case of occupation, the categories differ significantly in terms of the usage of funds transfer, immediate payment services (IMPS), mobile top up, DTH top up, shopping from mobile, utility bills, movie ticket booking, paying subscriptions, balance enquiry, mini statement, cheque book request, message to relationship manager and demat enquiry services. This reveals the association of occupation with the usage of these m-banking services.
18. In case of education, various categories differ significantly in terms of the usage of funds transfer, mobile top up, DTH top up, shopping from mobile, movie ticket booking, balance enquiry and mini statement services. This shows the association of education with the usage of these services.

19. In case of gender, categories males and females differ significantly in terms of the usage of shopping from mobile, paying credit card bills, airline ticket booking, and movie ticket booking services. This depicts the association of gender with the usage of these services.

20. In case of income, various categories differ significantly in terms of the usage of funds transfer, immediate payment services, mobile top up, DTH Top up, shopping from mobile, utility bills, railway ticket booking, movie ticket booking, paying subscriptions, balance enquiry, mini statement, cheque book request, message to relationship manager services. This tells about the relationship between income and usage of these m-banking services.

21. Further, it has been found that m-banking usage is associated with the purpose of transaction as there has been significant difference in the usage of services based on the purpose. In terms of individual services, balance enquiry is found to be the most important purpose of m-banking usage followed by mobile top up, movie ticket booking and shopping from mobile services whereas demat enquiry, stop cheque request, paying credit card bills, paying insurance premium and donations payment are found to be the less important purposes of service usage.

6.2 Suggestions

Different suggestions related to the appropriate delivery of m-banking service are presented below. These suggestions may further help in increasing the popularity and growth of m-banking.

1. M-banking provides a cost effective medium of banking in India and all the stakeholders related to this service must make more efforts to promote its usage even in remote areas. This may further help in realizing the objective of financial inclusion.
2. Banks and mobile service providers should take benefit from the growing number of mobile phone subscribers in India and should work on aggressively promoting m-banking service in the country.

3. The banks need to work on making the service available on all types of handsets including the basic mobile phones.

4. The stakeholders involved in delivery of m-banking service must take full advantage of the future prospects of m-banking highlighted in this study.

5. Based on the current study, banks must work on increasing the awareness of less aware services such as donations payment, demat enquiry and stop cheque request.

6. Banks should launch promotional campaigns based on the factors constituting perception of customers identified in this study.

7. The banks must take into account the dimensions stylish, reliable and ubiquitous highlighted in this study while deciding the content of advertising messages.

8. Banks should consider the association of demographic variables with the m-banking usage before launching any new service or modify the existing one.

9. The banks must create different marketing strategies by showing the utility of m-banking service to the different demographics based on the findings of this study.

10. They also need to work on increasing the usage of m-banking among the demographic categories such as old age customers, housewives, retired, lower income customers and people with less education.

11. Banks must focus on finding out the reasons of variation in m-banking usage as per the purpose of transaction and should work on increasing the usage of those services which have lower m-banking usage.

**6.3 Implications for Further Research**

The current study has following implications to conduct future research in the field of m-banking:
1. The literature review conducted during the current research work has revealed a shortage of studies related to the usage behavior of m-banking customers which should be addressed with more future research in this field.

2. M-banking in India is thought as a medium to connect the unbanked with banking services. Future research studies could be conducted to evaluate the success of this objective.

3. Present study is carried out in the state of Punjab in India. However in future, this research work could be extended to other geographical areas in order to have a comparison of the customer perceptions.

4. In addition, the studies related to difference in customer perception based on the classification of m-banking services also demand some research attention.

5. In future, comparative studies of the consumers belonging to private and public sector banks or urban and rural background could also be conducted in the field of m-banking.

6. Furthermore, the constructs used in this study could also be tested in other application areas of m-commerce apart from m-banking. They may include the location based services, entertainment services, travel services and retail industry related services.
CONCLUSION

The success of any organization in the era of hyper-competition will depend upon how well it understands the customer perception towards its products and services. In fact the result of entire marketing effort depends upon the organization’s understanding of customers’ preferences and this view also holds true in case of m-banking. In India, m-banking is seen as medium to extend the scope of banking to the unbanked population. It is also considered as one of the latest banking service and requires more attention of the service providers. M-banking is treated as a powerful channel through which the banks can reach their customers in an efficient manner. As a cost effective mode of banking, it helps the customers to avail the banking services from distant places even without visiting their banks’ branches. Taking view of this scenario, in the current study an effort was made to throw light on the important issue of customer perception in the field of m-banking. Previous research has shown that m-banking lacks attention in terms of the studies related to consumer behavior and this study was an attempt to address this gap.

During the study, important issues of customer perception were analyzed along with the understanding of satisfaction and association of m-banking usage with the demographic segmentation and purpose of the transaction. Findings of the study have revealed important implications for the industry and academia to conduct future research in the field of m-banking. Based on the findings related to customer perception, it is advised that the service providers involved in the delivery of m-banking must focus on increasing the awareness level of services which were lesser known to the customers. They should also take full advantage of the positive view of customers regarding m-banking highlighted in this study. In the current research work, it was found that m-banking is perceived as a service that generates efficiency, supports during customer problems, maintains service availability, fulfills customer requests, provides ease of contact and ensures security of information. The service providers involved in the delivery of this service can launch their marketing campaigns based on these factors constituting the perception of customers. In addition to this, the service providers should also give due weightage to the feelings of the customers which arise after using the service. Thus, the dimensions stylish, reliable
Conclusion

and ubiquitous reflecting the feelings of customers highlighted in this study could be considered while making some advertising decisions. In case of the satisfaction, it was found that the customers feel higher level of satisfaction while carrying out m-banking transactions and further it is recommended that the efforts should be made to maintain the same level for a longer period of time. Further, talking about the association, it is suggested that the service providers should consider the significant relationship of demographic variables age, occupation, education and income with the overall m-banking usage found in this study. In addition, the relationship of variables age, occupation, education, gender and income with the usage of various m-banking services should also be considered before formulating any marketing strategies. Finally, the service providers should also work on increasing the usage of those services which are treated as less important purpose of using m-banking. The current study has shown a promising future for m-banking in India which further provides immense opportunities for the banks and mobile service providers. They must leverage on this on-going growth trend in the service. Finally, it is concluded that m-banking is still a new service which requires more focus of the banks and other service providers engaged in its delivery. The service providers must work on promoting the service in all the segments of society so that the goal of financial inclusion could be achieved in lesser time frame. These service providers must formulate marketing plans to create more knowledge about m-banking service and clarify doubts in the minds of present and prospective customers. This will further enable them to support the m-banking revolution and contribute towards its future growth.