CHAPTER – 6
SUMMARY, CONCLUSIONS & RECOMMENDATIONS

After having discussed the “the customers perspectives towards mobile banking services, problems faced by the customers while availing mobile banking services and after analyzing the growth, trends and emerging issues in the mobile banking” this chapter presents the summary, conclusion and recommendations of the study under the following heads:

6.1 Summary
6.2 Findings
6.3 Recommendations
6.4 Conclusion

6.1 SUMMARY

The thesis started with the chapter “INTRODUCTION” which highlights the insights of the subject matter. It attempts to highlight Banking system in India, The chapter also highlighted the position of Indian Banking in Global perspective Phases of development in Indian Banking, Current stage of Information Communication Technology in Indian Banking and Some aspects of mobile banking and mobile banking services. The chapter also discussed History and evolution of mobile banking in India.

Chapter two entitled ‘REVIEW OF LITERATURE AND RESEARCH METHODOLOGY’ This chapter takes into account various papers, articles and studies that have been carried out in different fields that are however related to the subject. It mentions researchers, who have carried out similar aspects of the study such as challenges of Mobile Banking and Customers’ perspectives etc. Furthermore the chapter takes note of what promoted this research and how it was carried out. It features the presumptive analysis of the problem, objectives of the study, the hypotheses, importance of the study, scope of the study, sources of
information, and techniques of gathering information, sampling, sample composition and limitations.

The objectives of the study were:

1. To study and analyze the customers perspectives towards mobile banking services and suggest possible measure to make mobile banking effective.

2. To suggest strategies to enhance M-Banking services.

3. To study and analyze the growth, trends and emerging issues in the mobile banking.

This study is conducted to study emergence and growth of Mobile Banking concept, analyzing the customers’ perspectives towards mobile banking services, to study and analyze the growth, trends and emerging issues in the mobile banking and evaluating the customer’s problem and suggest possible measure to make mobile banking more effective. The survey has been conducted with the help of questionnaires specially designed for the study and with the secondary and other qualitative inputs that directly measure the corporate governance measures adopted by the companies. Different sampling techniques have been employed for selecting representative samples from respondents.

The chapter three of the study entitled “SERVICES PROVIDE BY MOBILE BANKING” highlighted Present condition of Mobile Banking in India, Technologies Enabling Mobile Banking, Process of Registering For the Mobile Services and Future Functionalities in Mobile Banking.

The Chapter four of the study entitled “CHALLENGES OF MOBILE BANKING” highlighted Advantages of Mobile Banking, Challenges of Mobile Banking, Disadvantages of Mobile Banking and Financial Inclusion through Mobile Banking

The Chapter five of the study entitled “DATA ANALYSIS AND INTERPRETATION” has highlighted customers’ perspectives and perception towards mobile banking and their satisfaction level of various dimensions of mobile banking services.
Having discussed the summary of the previous chapters above, the findings thereof are hence forth being presented below.

6.2 FINDINGS:

The findings of the study are presented hereunder:-

- As per table 5.6, Majority of bank employees’ admitted that they feel service efficiency is improved after mobile banking has been introduced.

- As per table 5.7, On asking to employees if specific training is required for handling mobile banking, 50% respondents have strongly agreed that specific training is required for employees to tackle new technology. 40% have also agreed whereas 4% respondents have denied this fact, it means that specific training is not essential for employees. And 6% respondents give neutral reaction towards this question.

- As per table 5.8, Opinion regarding traditional banking has presented that 48% employee’s feel that traditional banking is still not the best option whereas very few percentages that are 14% strongly agree to traditional banking as a best option for their customers. 20% give neutral response. Means 32% respondents agree that traditional bank still remain best option for their customers.

- As per table 5.9, when the respondents were asked about the profitability of mobile banking, 64% were in favor of mobile banking. They were in strong agreement with this while 10% of the respondents were neutral. 24% were agreeing that mobile banking is more profitable. Very few i.e. only 2% disagree that is mobile banking is not profitable.

- As per table 5.10, Majority of bank officials also indicated that mobile banking has reduced the transaction cost which therefore in turn will enhance the profitability and efficiency of the respective bank.

- As per table 5.12, Majority of Bank officials (44% = Agree) and (40% = strongly agree) feels that mobile banking reach the remotest client
because mobile banking provides facility at home comfort, at work place. 14% give neutral response regarding this question.

- As per table 5.13, Majority of respondents i.e. 52% are agree that mobile banking change the scenario in banks. 36% also strongly agree were in strong agreement with this statement. Whereas very few declined this.

- As per table 5.14, Majority of bank respondents feel that mobile banking increases banks’ productivity. In addition to this around 82% of the respondents indicated that efficiency and working speed of banks increased due to mobile banking. Furthermore Majority of respondents feels that mobile banking increased customer satisfaction level. Very few (4%= disagree) that mobile banking has not increased customer satisfaction level. It was also found that bank officials feels that mobile banking has improve service quality to a larger extent.

- As per table 5.24, 65% of the total respondents asserted that mobile banking is useful for them. Only 28% of the respondents found mobile banking of no use. This clearly shows the growing usefulness of the mobile banking. This may further improve with more number of people will start using mobile banking services.

- As per table 5.26, Majority of respondents (Percentage=82%) were agreed that mobile banking helps customers manage their finance efficiently. Remaining 18 % of the respondents were neutral about this phenomenon.

- As per table 5.29, As far as reliability factor is concern 43 % of the total respondents were agree that reliability influence use of mobile banking, 25 % respondents strongly agree for this 26% were neutral and remaining 6 % respondents disagree that reliability influence the use of mobile banking. The above mentioned facts reinforce the fact that reliability is one of the major factor influencing the use of mobile banking.

- As per table 5.30, 30 % of the total respondents were strongly agreed and 22 % were agreeing that mobile banking is a financially risky mode of banking to use. Remaining 24% were neutral for this question. This
clearly shows that customer perceive mobile banking to be financially risky mode of banking to used.

- As per table 5.31, Most of the respondents found (41%) mobile banking to be a complex mode of baking to use. This clearly shows that still a large portion of population perceive it to be quite difficult and complex mode while using.

- As per table 5.32, Overall 26 percent of the total respondents were having opinion that that banks do not have ability in mobile banking to protect their privacy. Therefore Privacy issues must be given top priority so that they can have favorable perception towards mobile banking.

- As per table 5.36, 48% respondents were satisfied with mobile banking services provided by banks and 25% respondents were highly satisfied with mobile banking service. More 3% respondents dissatisfied with mobile banking services. Remaining 24% respondents were neutral when asked about their opinions.

- As per table 5.37, various underlying variables indicated the benefits of using mobile banking in saving time, like faster logins, bill payments and clearing services. At the same time, it also indicates the smooth functioning of this platform. Majority agreed that mobile banking services are time-effective and this factor can influence the usage of the same. Furthermore ease of use and no need to visit branch again and again were important benefits being received due to use of mobile banking services.

- As per table 5.38, When it was assumed what type of problem felt due to use of mobile banking the top most problem was that of “server down” with 72.71% respondents supporting this. Second rank was given to “complication of security” with 71.29%. Third rank was given to “delay in service “with 71% respondents supporting this. Next problem was “employees are not techno savvy” 68.57% respondents reported this problem and fourth rank was obtained by this problem. Fifth rank was the problem of” power down” 63.43% reported this problem. At sixth rank was the problem of “much more confusion “with 63.14% and the problem
at the bottom was “high charges “only 53.43% respondents reported this problem.

- As per table 5.39, The mobile banking service which is used by maximum no of customers was “balance check “with majority of respondents followed by “ deposit/withdrawal alert”, mobile recharge and transferring money.

- Table 5.40 indicated that, as far as source of information for mobile banking is concerned maximum respondents come to know about mobile banking services through banker (72%). Then friends (66.60%), then through bank promotion (60%) on third rank, on fourth rank the source of information was relative (56.20% ) and the last source of information was newspaper on 5th rank with 55.40% respondents supporting this.

- As per table 5.41, The most important factor that play role in deciding use of mobile banking services was time saving with 92% supporting this. Next important factor was easy access; avoid dealing with cash, compact to carry etc.

6.3 RECOMMENDATIONS:

The recommendations are presented hereunder:-

- Study shows ‘mobile handset operability ’ is an important issue in mobile banking, due to availability of various handset models (supporting different type of technology) in the market. To resolve it service provider’s i.e. banks must coordinate with mobile handset manufacturers so that all handsets irrespective of manufacturer and technology (GSM or CDMA) become compatible with single mobile banking technology.

- Majority customers perceived ‘privacy and security’ a critical issue. Here banks are advised to educate customers on this issue to raise their awareness. Especially for the customers’ worries like losing money if once mobile handset is lost (substantial number of respondents worried about it). Secondly banks and telecom operators are suggested
to draft comprehensive joint policy regarding security & privacy so that customers can be assured at both banks and telecom operator’s levels while doing mobile banking. ‘Standardization’ is another major issue as lack of standardization of mobile banking services in the country resulted in increased complexity while using mobile banking services (especially when using mobile banking services of multiple banks). For resolving this issue banks are advised to developed mobile banking standards in guidance of RBI.

- Banks must make mandatory disclosures of risks, responsibilities and liabilities of the customers in doing business through Mobile, through a disclosure template. The banks should also provide their latest published financial results over the net.

- The bank should take responsibility for audit, fraud management, account security etc. under its normal banking license. Banks should ensure that the service operates entirely within the RBI framework.

- Banks should be responsible for ensuring the identity of the sender and the receiver of funds. Banks can design the process of verification of sender and receiver as per the existing guidelines. In case where the existing process of KYC compliance cannot be met, new methods of verification such as mobile based PIN verification and transaction limit fixation can be considered.

- As banks have started offering mobile banking services at different points of time, there are differences in procedures adopted by banks for registering customers for mobile banking as well as in the channels of delivery and authentication process. Generally, banks are offering mobile banking services through the SMS, Application-based solutions and USSD channels. Lack of awareness as well as standardization of procedures at banks also adds to the problems which have led to a situation of slow pick-up of mobile banking services despite the high mobile density in the country. This is of particular importance when customers are using inter-operable mobile banking platforms.
• There is a need for greater degree of standardization in procedures relating to on-boarding of customers for mobile banking (new customers, existing account holders whose mobile numbers are available with the bank but not registered for mobile banking, and existing account holders where mobile number is not available with the bank), as also the subsequent processes for authentication, including accessible options for generation of MPIN by customers.

• Banks should strive to provide options for easy registration for mobile banking services to their customers, through multiple channels, thus minimizing the need for the customer to visit the branch for such services. The time taken between registration of customers for mobile banking services and activation of the service should also be minimal.

• Banks are also advised to undertake customer education and awareness programme in multiple languages through different channels of communication to popularise their process of mobile banking registration/activation and its usage etc.

• Banks can encourage customers to use mobile banking by implementing adequate security mechanisms and prompt customer service through which they can engender trust. The empirical findings of this study can provide guidelines to banks and other financial institutions to know the key drivers influencing mobile banking usage intention and; therefore, what aspects to highlight to increase the usage.

• To enhance customer trust, efforts have to be made to build relevant policies, regulations and legal framework. Business practitioners have to make a great effort to improve their services in data transmission and ensuring privacy protection to the user data. Periodical analyses of sound managerial and technical procedures are required to protect the transaction data and user information.

• All the banks must fully computerize their branches within limited period. Spread awareness among customers through different approachable
channels. Mobile and tele-banking should be introduced with new schemes and services because these are much cost effective for the banks. The most important aspect is management of IT. The banks should make efforts to proper manage IT with the support of successors. Because, better and enhanced IT usage help to improve efficiency and enable the banks to compete around the globe.

- Insecurity is a key concern because the customers ignore electronic system due to fear of hacking of accounts, wrong transfers of funds, and fraudulent entries in case of theft or otherwise. The banks must employ latest technological systems for providing security and privacy to the customers. Because technology is progressing at a fast pace, timely upgradation by the bankers can check these crimes at a great extent.

- To attract new customers to these services, a guideline for practice will be of implementing mechanisms for customer awareness and offering technical support to these services. For accelerating the usage of mobile banking in India, banks should build a mobile banking system that is easy to use, which has a clear explanation of the banking services and simple interface. To increase the confidence of the customers about using mobile banking which is represented as self-efficacy beliefs, banks should increase the awareness of mobile banking by putting demonstrations on the internet banking website or by providing the instructions to use in various mass media.

- The negative impact of financial cost incurred by using mobile banking can be eliminated by displaying the charges on the bank website. Mobile banking is relatively new to the Indian banking customers so banks should increase the awareness among customers using various promotional strategies. The study revealed that there is no significant difference exists between different age categories towards the intention to use mobile banking. Banks can use this as an added advantage by targeting all age categories and encouraging them to use mobile banking more for conducting banking services.
• In the online environment, the customer expects an accurate response and personalized attention during mobile banking transaction and post transaction. It is very important to give accurate, friendly and helpful customer service to the mobile banking users. The banking operations carried through internet banking might vary for individual customers depend on their needs. Mobile banking plays a facilitating role to conduct traditional banking operations.

• Network problem is a serious problem in the view of majority customers. Therefore, the banks should provide fast network facilities.

• The public sector banks must improve its service quality in terms of communication, responsiveness, reliability and understanding. If the private sector intends to improve its service quality level, it must improve its service quality in terms of access, credibility, tangibility, security and competence where there is significant gap between two sectors and mean score of public sector in all these dimensions are high.

This study helps bank managers to focus on initial trust building in order to facilitate and accelerate the usage of mobile banking. The study findings related to mobile banking can be used by banks to improve the service quality of mobile banking and attract more customers towards using this service. The findings provide practically useful information to improve the service quality of mobile banking. Commercial banks and financial institution should implement best practices in the industry in order to strengthen the confidence in customers to use and continued to use mobile banking services. The Study has identified the areas of concern and pointed out the suggestive measures to remove bottlenecks and the operational lacunae in rendering of customer services and satisfaction. This would really help the appropriate bank authorities to evolve suitable strategy for the enhancement of customer satisfaction by providing efficient service and to put forth best performance level in future.
6.4 CONCLUSION

Employees

People still want traditional banking besides mobile banking.

Bank employees agree that service efficiency as well as productivity and service quality increases hence customer satisfaction also increased after mobile banking. Also bank employees agree that mobile banking reduce transaction cost. In the opinion of bank employees with the use of mobile banking remotest consumers of bank can be reached quickly.

Customers

Through customers are well aware about mobile banking and they agree that mobile banking is useful for them and they will be able to manage their finance easily and efficiently through mobile banking but still there are some issues from customers point of view which prevent use of mobile banking at large scale. The issue of concern an problem of less efficient network connection disconnection, reliability in major factor of concern, around 50% customers see it as complex mechanism to deal with nearby 50% customers see mobile banking as risky mode of financial transaction & they are more concerned with their privacy through mobile banking.

Hence concluding by it can be said that through people are well aware of mobile banking and see its benefits but due to issues of privacy, safety & reliability most of the customers are reluctant to use it.