

Customer Opinion On Mobile Banking Services Provided by Private and Public Sector Bank

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Abstract: *Fierce competition in the banking industry in India has compelled the banks to be creative and innovative by offering value added services. In an attempt to cater to the ever increasing consumer expectations and demand, the banking industry has adopted mobile banking to offer banking services at the convenience and comfort of its customers.*

Mobile banking in India is still at a nascent stage. At the same time, many service providers are making substantial investments to take advantage of the business opportunities offered by wireless technology. So there is a need to understand the bank customers' acceptance of this service and to examine the factors affecting their intentions to use mobile banking. But, none of the researches contributes to compare the mobile banking services in public and private sector banks.

This study was undertaken to understand the difference in customer perception regarding mobile banking services provided by public and private sector banks and to predict the relationship of usage of mobile banking services with its determinants separately in both public and private sector banks. Regression Analysis and Anova were used for data analysis.

Keywords: Nascent stage and investments, customer acceptance & Determinants, Fierce Competition, Customer Satisfaction, Security & compliance, Future Trends

I. INTRODUCTION

Implications:

This comprehensive survey regarding the perception of customers regarding mobile banking services in banks, will be of great use for those banks which have still not fully adopted mobile banking services.

They can concentrate on relevant factors for increasing the usage as per the requirements of the customers; it will further be helpful in improving the customer relationship management in banks. This study will be more useful for the planners, policy makers, banking industry and those who are interested in banking studies.

Problem of the study:

The rapid digitalization of banking services has transformed how customers interact with financial institutions. While mobile banking offers convenience, accessibility, and efficiency, several challenges persist in both public and private sector banks.

Rising cyber threats, phishing attacks, and data breaches pose risks to customers using mobile banking. Public sector banks often lag in implementing cutting-edge security measures compared to private banks. Public banks face delays in adopting new technologies, leading to slower and less user-friendly mobile applications.

Many users, especially in rural areas, struggle with understanding and using mobile banking services effectively. Lack of awareness and trust in digital transactions affects adoption rates, particularly in public sector banks. Frequent downtime, transaction failures, and technical errors frustrate users and reduce confidence in mobile banking.

Objective of the study

- Evaluate customer satisfaction with private and public sector bank mobile banking services.
- Measure the accessibility and availability of mobile banking services.
- Evaluate the customer perception regarding mobile banking services offered by Public and Private sector banks.



II. LITERATURE REVIEW

Delvin (1995), customers literally have very limited time for activities like visiting a bank and want a higher degree of accessibility and convenience.

Parasuraman et al. (1988) introduced the SERVQUAL model, which measures service quality. This model is frequently used to assess customer satisfaction with mobile banking services, particularly in comparing public and private sector banks.

Oppewal, Harmen & Vriens, Marco. (2000) conducted a study and proposed the use of integrated conjoint experiments to measure perceived service quality. They also demonstrated the process of modeling the hierarchical relations between operationally defined service attributes, strategically relevant service dimensions, and overall preference for banks or banking products. The proposed method, which is based on hierarchical information integration theory, avoids some of the limitations and problems of SERVQUAL and traditional conjoint analysis.

Jun and Cai (2001) carried out a research in order to study the scale measurement for Internet banking service quality with customers of USA. The scale included 17 dimensions and classified into three broad categories namely customer service quality, banking service, product quality, and online systems quality. Furthermore, out of seventeen dimensions, the key factors effect satisfaction or dissatisfaction were reliability, responsiveness, access and accuracy.

Nsoui Saleh M. and Schaechter Andrea (2002), Even though customers benefit a lot through electronic banking, there are lots of risks such a regulatory risk, reputational risk and operational risk.

Rao & Prathima (2003), Indian banks offering m-banking services still have a long way to go but there is huge potential of Mobile banking in India

Kolodinsky, Hogarth & Hilgert (2004) in their study suggested that relative advantage, simplicity, compatibility, risk tolerance, observability and product involvement are associated with adoption in Mobile banking

Laforet and Li (2005) on consumer attitude and adoption of Mobile banking showed there are several factors that affects and influences the consumer's attitude towards online banking They are person's demography, individual acceptance of new technology, motivation and behavior.

Amin, Hamid, Tanakinjal and Lada (2006) in their study analyzed the adoption usage of Mobile banking of the students' future willingness to use Mobile banking. 250 Questionnaires were administered in two universities. Quota sampling technique was used to select the respondents. The results indicate that attitude and expectation were the factors which are useful to predict the willingness of the under graduate students to adopt Mobile banking in the future.

Liao and Cheung (2007) found that individual expectations regarding accuracy, security, network speed, user-friendliness, and user involvement and convenience were the most important quality attributes in the perceived usefulness of Internet-based e-retail banking

Clark (2008), mobile phone as a channel is capable of giving customers more low cost service options such as access to banking information, funds and making payments. Comminos (2008) recommended that consumers will only transact electronically (Online/Mobile banking) if there is security and convenience.

III. RESEARCH METHODOLOGY

Research Design

The research design for the study on consumer opinion on Mobile Banking Services Provided by private and public sector banks is Descriptive type of design where it is the framework of research method and technique chosen by the researcher to conduct a study.

Source of Data

The sources for the data collection are Primary and Secondary sources.

Primary Data – The primary data is collected from the customers. For this purpose direct personal interview and a structured questionnaire was prepared.



Data Collection Method

Google form questionnaires that include close – ended questions with predefined answer choices and circulated through what’s app. Academic Database such as Google scholar, shodhganga to search for relevant research papers, article.

Population

The population includes all customers who currently use mobile banking services from both public and private sector banks. This could include various demographic segments such as age, income level, education, and geographical location.

Sampling Methods

Convenience Sampling Method which is part of Non-Probability sampling method. I distributed questionnaires by meeting peoples and through online platform like social media. I approached individuals who were convenient to reach or willing to participate.

Sampling Frame

Instead of choosing participants at random from a larger population, convenience sampling is a qualitative research sampling strategy that involves choosing participants based on their accessibility and availability of the research. To analyze the perception of customers towards the Banking Service provided by the private and public sector banks.

Data Collection Instrument

Questionnaires: A structured questionnaires was used to collect data from respondent. Survey: An online survey was conducted to reach wider audience.

IV. RESULT AND DISCUSSION

Demographic Analysis:

The Survey Include Age Group Distribution (highest respondents from 18-24 years: 39.2% and Lowest respondents From 35-44 years). Gender Distribution (59.4% male, 40.6% female). Occupation (Students: 39%, Employed: 37.3%, Business: 13.5%, Retired: 10.2%).

Tables Related to Objective

1. Which bank do you use for mobile banking?

		Frequency	Percent
Valid	Public sectorbank	159	37.8
	Private sector bank	146	34.7
	Both	83	19.7
	Neither	33	7.8
	Total	421	100.0

(Source: SPSS Output)

Interpretation:

The data collected showing the usage of mobile banking services provided by public and private sector bank in this which bank customer used for mobile banking. In public sector bank 37.8%, in private sector bank 34.7%, In both 19.7% and Neither 7.8% customer used mobile banking.



2. How satisfied are you with your mobile banking experience?

		Frequency	Percent
Valid	Verysatisfied	17.1	37.8
	Satisfied	38.0	34.7
	Neutral	23.3	19.7
	Dissatisfied	21.6	7.8
	Total	100.0	100.0

(Source: SPSS Output)

Interpretation:

The above data interpret that how satisfied customer using their mobile banking experience. And the Interpretation show that 38.0 % are very satisfied , 23.3% are satisfied, 21.6 % are Neutral and 21.6 % are Dissatisfied from the data collected.

3. How would you rate the speed of transaction processing?

		Frequency	Percent
Valid	Very fast	74	17.6
	Fast	135	32.1
	Average	132	31.4
	Slow	80	19.0
	Total	421	100

(Source: SPSS Output)

Interpretation:

The above data show that the speed of transaction .In the data 17.6%very fast , 32.1%fast, 31.4% Average and 19.0%slow the speed of transaction provided response from the respondent .

Hypothesis Testing

Data analysis of the collected data was done through the use of SPSS software it also includes test Anova method for hypothesis testing.

Hypothesis

How satisfied are you with the Mobile Banking Services Provided by private and public sector Banks?

H0: Null Hypothesis

There is no significant difference between occupation of respondent and perception toward Satisfaction of mobile banking services.

H1: Alternative Hypothesis

There is significant difference between occupation of respondent and perception toward Satisfaction of mobile banking services.

ANOVA TEST

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	38.326	3	12.775	13.559	.000
Within Groups	392.909	417	.942		
Total	431.235	420			



Interpretation:

The analysis suggest that there is no significant difference in perception based on occupation for being very satisfied or not satisfied with the Mobile Banking services provided. So, the hypothesis is not rejected because the significance value is >0.05 .

V. RESULT AND FINDINGS

- Male respondent were 59.4 % of the total 421 respondents. Highest student respondents 39.0% in the occupation and lowest is 10.2% they are retired person using mobile banking services .
- Public sector banks had higher customer satisfaction due to their ease of transactions, security, and reliability. However, private sector banks were rated better in terms of user experience, speed, and security measures. Private sector banks are generally seen as having lower accessibility regarding mobile banking services and it mean the customer used public sector banks service because of providing better services, transactions ,security , Improve customer satisfaction , Transaction become more faster and multiple services under single mobile. Public sector banks customer are more satisfied and have good transaction processing , less technical issues and security as compare to private sector bank .

Limitation :

Although this research is primarily based on the primary data from the users of mobile banking services offered by banks, the findings cannot be generalized, as the research is based on non-probability sampling.

Begin by conducting a thorough literature review to understand existing studies, reports, and articles related to Mobile Banking Services Provided by banks. This will help you identify gaps in the research and formulate your research questions. Design a survey or questionnaire to gather quantitative data on customer opinions about mobile banking Services. Include questions about accessibility, security, cleanliness, convenience, and overall satisfaction.

Conduct interviews or focus groups with bank customers to gather qualitative insights into their experiences related mobile banking Services .This approach can provide deeper insights into customers' perceptions and preferences.

Analyze online reviews, comments, and discussions on social media platforms to gauge customer sentiment towards mobile banking services provided by different banks. Look for recurring themes and trends in customer feedback.

Future Scope

The future scope of mobile banking services in public and private sector banks in India is vast, with several emerging trends and technological advancements set to shape the industry.

AI-powered chatbots and virtual assistants for real-time customer support.AI-based personalized financial recommendations. Secure and transparent digital transactions using blockchain Smart contracts for automated and secure banking operations. Fraud prevention and enhanced compliance with decentralized ledger technology.

Enhanced Digital Payment Ecosystem Growth of UPI (Unified Payments Interface) and real-time payment solutions. Integration of digital wallets and payment gateways with mobile banking apps. Expansion of cross-border payment services through mobile banking.

Biometric and Voice Authentication Adoption of facial recognition and fingerprint authentication for secure transactions. Voice-based banking services for increased accessibility.

VI. CONCLUSION

Mobile banking services have increased convenience and accessibility for customers, allowing them to perform banking transactions anywhere, anytime. Customers generally perceive private sector banks to offer better services measures for mobile banking services compared to public sector banks.This perception is influenced by factors such as advanced technology, stringent access controls, and proactive security protocols.



Public sector banks were found to have more user-friendly mobile banking apps, while Private sector banks were found to have more functional apps. The study highlights the need for public sector banks to innovate and improve their mobile banking services to compete with private sector banks. Feedback regarding service quality varies, with some customers praising the personalized service and responsiveness of private sector banks, while others appreciate the affordability and reliability of public sector banks.

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