

“STUDENTS ATTITUDE TOWARDS MOBILE BANKING WITH REFERENCE TO BANGALORE”

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Abstract – This Study has been undertaken to understand the viability of m-banking as an option for delivering financial services. M-banking provides financial transactions services such as balance check, fund transfer, and bill payment via a mobile device such as cell phone, PDA, and smart phone. The study is aimed to students' awareness and acceptance of mobile banking and the factors affecting them. Primary data for the study is collected by administering a structured questionnaire. The use of mobile banking has increased substantially in the past year and appears likely to continue to increase as more consumers use smartphones or recognize the convenience of this service, and as more financial institutions offer mobile banking. The main factors limiting students from the adoption of mobile banking and payments are security concerns and the belief by some that these services fail to offer any real benefits to the user over existing methods for banking or making payments.

Keywords: M-Banking, Financial Services, Internet, Convenience.

I. INTRODUCTION

With rapid advance of Internet technologies and diffusion of mobile phones, mobile banking (m-banking) has gained attention as a viable option in delivering financial services. M-banking provides financial transactions services such as balance check, fund transfer, and bill payment via a mobile device such as cell phone, PDA, and smart phone. From a managerial point of view, m-banking provides new cost-saving opportunities for banks. Benefits include reducing operation costs, minimizing transaction errors and potential for fraud, generating additional revenue through commissions and service fees, and improving customer retention and brand loyalty. For the purpose of these Guidelines, “mobile payments” is defined as information exchange between a bank and its customers for financial transactions through the use of mobile phones. Mobile payment involves debit/credit to a customer's account's on the basis of funds transfer instruction received over the mobile phones. Most retail banks in India is providing online banking as add-on services to the existing branch activities while mobile banking is in the initial stage of implementation. This service is enabled here by the use of bank agents that allow mobile account holders to transact at independent agents locations outside of the bank branches.

According to TRAI, mobile banking involves the use of mobile phones for banking transactions like fund transfer, balance check, etc. As per the extant guidelines of RBI, banks that are licensed, supervised and have a physical presence in India, are permitted to offer mobile banking services. Mobile Banking policies in India aim to enable funds transfer from an account in any bank to any other account in the same or any other bank (interoperability) on a real time basis irrespective of the mobile network the customer has subscribed to (TRAI, 2013). The Mobile phone plays a very important role in the development of mobile commerce and mobile banking. However the biggest limitation of Internet banking is the requirement of a PC with an Internet connection, not a big obstacle if we look at the US and the European countries, but definitely a big barrier if we consider most of the developing countries of Asia like China and India. Mobile banking addresses this fundamental limitation of Internet Banking, as it reduces the customer requirement to just a mobile phone.

II. REVIEW OF LITERATURE

There is a growing body of academic research examining the **determinants of m-banking acceptance and its utilization (Donner and Tellez, 2008; Mattila, 2003)**. Studies have been conducted in various countries to better understand consumers' attitudes toward this emerging mobile technology. For example, Mattila (2003) focused on the drivers and inhibitors of m-banking services. The author found that complexity, compatibility, relative advantage, observability, and trial ability are the significant factors influencing consumer decision