

A Study of M-Banking and Customer Satisfaction in Aurangabad

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Introduction

M-Banking (Mobile banking) is the performing of finance interrelated functions on a mobile device like a Smartphone or tablet universally at anytime and from everywhere. With the utilization of a mobile device, the client can execute online banking errands while not using computer, such as monitoring account balances, transferring funds between accounts, bill payment and locating an ATM. M-banking will endow with a new strait for banking services, particularly for certain far-flung areas where online internet is not available. Initially mobile banking services were accessible over SMS, a service acknowledged as SMS banking. With the prologue of smart phones with WAP prop up enable the use of the mobile web in 1999, the first European banks were in full sway to put forward mobile banking on this podium to their consumers.

Objectives of the study

There are following point having chalk out for detail analysis and observation:

1. To discuss the M- Banking services for customers.
2. To study about the awareness among customers about m-banking services.
3. To evaluate the role of m- banking for customer satisfaction through benefits.

Mechanism of M-Banking

Mobile banking typically operates through three ways:

- **SMS messaging**- Mobile text and alert is the simplest, allowing the user to transfer funds or access account information via text message. Texting terminology varies from bank to bank, but the overall function is generally the same.
- **Mobile web**- Mobile web is the second mobile banking option. Similar to online account access from a home-based computer, this option allows for checking balances, bill payment and account transfers simply by logging into the user's account via a mobile web browser.
- **Applications developed for iPhone, Android or Blackberry devices**- Mobile banking applications for Android, iPhone and Blackberry, connect the user directly to the bank server for complete banking functionality without having to navigate a mobile web browser. These applications can be downloaded through the bank's website.

M-Banking services

Some well-known M-Banking services are as follows –

- Mini-statements and checking of account history
- Alerts on account activity or passing of set thresholds
- Monitoring of term deposits
- Access to loan statements
- Access to card statements
- Mutual Funds / equity statements
- Insurance policy management
- Funds transfer between the customer's linked accounts
- Paying third parties, including bill payments and fund transfer

Cheque Remote Deposit-Remote deposit refers to the ability to deposit a cheque into a bank account

- Portfolio management services
- Real-time stock quotes
- Personalized alerts and notifications on security prices
- Check (cheque) book and card requests
- Exchange of data messages and email, including complaint submission and tracking

- ATM Location
- Immediate Payment Services (IMPS)
- Demat Account Services
- Bill Pay (Utility bills, credit cards, Insurance premium), Donations, Subscription.
- Top up / Recharge (Mobile /DTH /MobiCash wallet Top up.
- M Commerce (Merchant payments, SBI life insurance premium)

Benefits of E- Banking

Benefits to Customers

- **24/7/365 hour banking:** Through mobile banking, customers have online admittance to their bank accounts. Customers have no longer to linger in banks lines of wait for opening branches. Mobile banking is available round the clock 24/7/365.
- **Easy and convenient:** It is easy and expedient and a superlative choice for access financial services for mobile phone owners in the bucolic area.
- **Anytime anywhere banking:** Unlike traditional banking, consumers can perform banking dealings at anytime and from anyplace.
- **Safe and secure transaction:** Mobile banking reduces the risk of deception. An SMS is forward by bank whenever consumer withdraws money from his/her bank account. It has secured pin code which is known by the customer, and also has a check digit lacking it no one can deposit capital.

Benefits to Banking Sector

- **Reduces transaction cost:** Mobile banking enable banks to reduce charges of rep, statement, document work, etc. It reduces costs in setting up a branch and the resources to process transactions.
- **Helps in improving services:** Since there is a straight contact between customers and banks, banks can improve their services on the basis of consumers feedback.
- **Increases customer trustworthiness:** Via M-banking customers need not to go in banks branches for fund transfer or for information, which creates a fine rapport between banks and customers which helps in escalating loyalty towards the banks.
- **Broader customer base:** With mobile banking banks can achieve a broader customer base beyond their ecological base and area of operations.
- Mobile banking is a luminous chance to concurrently encourage new clients while paring functioning overheads.

Source of data collection

To achieve above objectives the secondary data is collected from the official records of the banks like weekly abstracts, circulars and statistics of various banks published by RBI bulletins, the annual reports of the Banks, Annual Action Plan prepared by lead Bank Officers, and Banking journals published by Indian Banks Association etc. The detail information about e-banking and customer satisfaction has been collected with help of questionnaire. The collected data are presented with the help of suitable diagrams and tables.

Data collection & Methodology

The primary data collected from sample customers from sample branches of PNB, SBI, UNION, ICICI and HDFC bank through questionnaires with special reference to , Aurangabad. Thus the universe of this research project is city. These five banks were randomly selected from the total banks in , Aurangabad.100 respondents were taken as sample i.e. 20 respondents from each banks in in Aurangabad. Due to shortage of time and money and being a women researcher sample size is small and limited to only one city of Aurangabad. Sample is taken on the basis of stratified sampling.

Interpretation of the Data

Table: 1 M-Banking provide quality services

Time	No. of Respondents	% of Respondents
Agree	86	86%
Disagree	03	3%
Same	11	11%
Total	100	100%

Source: Field Survey

M-Banking provide quality services

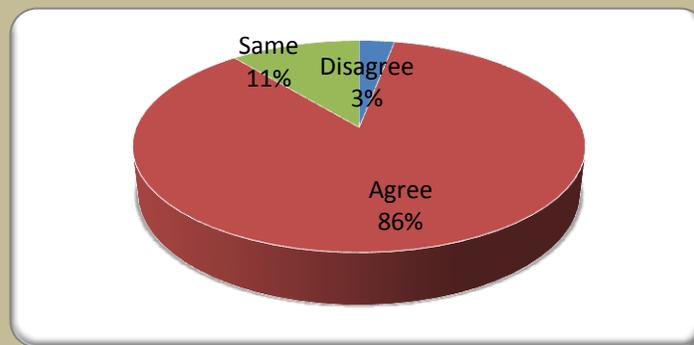


Fig.-1

Table & Fig. 1 shows that the majority of the bank customers i.e. 86% accept that m-banking provide quality services and 11% of respondents assumes that service is same in m-banking and normal banking. While only 03% of respondents were disagree with the view.

Table: 2 M-Banking services reduces paper work

Mode of Responses	No. of Respondents	% of Respondents
Agree	88	88%
Disagree	09	09%
Indifferent	03	03%
Total	100	100%

Source: Field Survey

M-Banking services reduces paper work

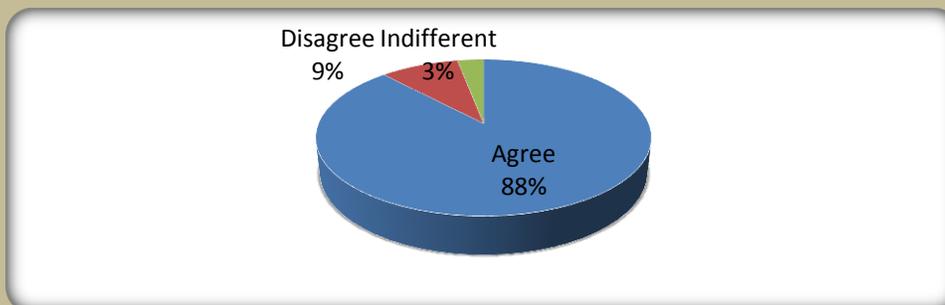


Fig.-2

Table & Fig.2 reflects that most of the respondents i.e. 88% were agree that m-banking services reduces paper work, 09% were disagree while 03% customers were totally indifferent .

Table: 3 M-Banking enhances the speed of Services

Mode of Responses	No. of Respondents	% of Respondents
Agree	91	91%
Disagree	0	0%
Indifferent	09	9%
Total	100	100%

Source: Field Survey

M-Banking enhances the speed of Services

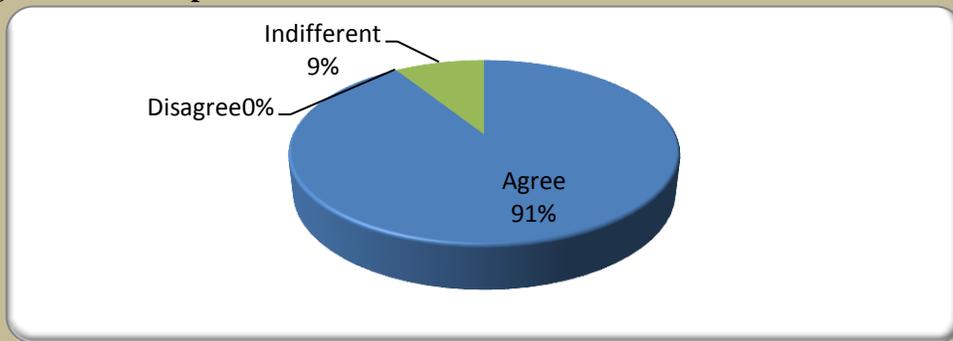


Fig.-3

Table & fig. 3 pointed out that maximum number of respondents, i.e. 91% found m-banking enhance the speed of services whereas 9% respondents were totally neutral.

Table: 4 Awareness of M-Banking services among customers

Mode of Responses	No. of Respondents	% of Respondents
Aware	83	83%
Not Aware	11	11%
Indifferent	06	06%
Total	100	100%

Source: Field Survey

Awareness of M-Banking services among customers

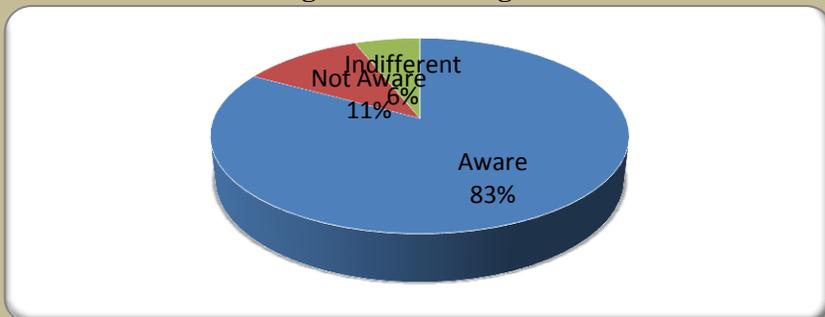


Fig.-4

Table & fig.4 envisage that 83% customers were aware about m-banking services and 11% customers were not aware while 6% customers were indifferent. Hence it is clear that maximum customers were aware with the m-banking services which are provided by the banks for the benefit of customers.

Table: 5 M-Banking and Customer Satisfaction

Mode of Responses	No. of Respondents	% of Respondents
Strongly agreed	64	64%
Agreed	30	30%
Undecided	04	4%
Disagreed	02	2%
Strongly disagreed	--	--
Total	100	100%

Source: Field Survey

Cross Table

Chi-square	Calculated Value	Degree of Freedom (df)	Tabulated Value	Remarks
Chi-square	150.8	04	9.48773 at 0.05	Significant

(At 0.05 significant levels)

The calculated value of chi square test is 150.8 while the tabulated value at the degree of freedom level 04 is 9.48773 which are lower than calculated value. So our hypothesis is accepted that there is a significant relationship between M-banking and customer's satisfaction. And many customers are satisfied with m-banking services.

Major Findings

Major findings of this study are following:

1. The majority of the bank customers i.e. 86% accept that m-banking provide quality services and 11% of respondents assume that service is same in m- banking and normal banking. While only 03% of respondents were disagree with the view.
2. Most of the respondents i.e. 88% were agree that m-banking services reduces paper work, 09% were disagree while 03% customers were totally indifferent .
3. Maximum number of respondents, i.e. 91% found m-banking enhances the speed of services whereas 9% respondents were totally neutral.
4. 83% customers were aware about m-banking services and 11% customers were not aware while 6% customers were indifferent. Hence it is clear that maximum customers were aware with the m-banking services which are provided by the banks for the benefit of customers.
5. There is a significant relationship between m-banking and customer's satisfaction. And many customers are satisfied with m-banking services.

Suggestions

After analysing the whole study some effective suggestions are given below:

1. Banks would require adopting a pioneering, customer-friendly approach to enlarge their powerful reach.
2. Banks should ensure that m -banking is safe and secure for financial transaction like traditional banking.
3. Banks should arrange colloquium and convention to teach the customer concerning use of m- banking as well as safety and solitude of their financial records.
4. Banks must emphasize the ease that m- banking can offer to people, such as avoiding lengthy row, in order to inspire them to utilize it.

Conclusion

Hence, it is evident that mobile banking would be a remarkable mode of providing banking services and it also could contribute to the growth of the country through promotion of enhanced financial services. Instead of roving to the bank to formulate their loan disbursement, customers can now text their loan payment directly to the bank and this will save their travel time and money both.

Mobile banking has become one of the most recognizable banking qualities all over the globe. M-banking through mobile phones can be the correct preference for the proficient banking sector.

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