



A Study of Adoption of Mobile Banking Apps and its Influence on Banking Customer Financial Behavior

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ABSTRACT

This study investigates the adoption of mobile banking apps and its influence on the financial behavior of banking customers. With the increasing digitization of banking services, mobile banking apps have become integral tools for customers to manage their finances conveniently. This study aims to explore the factors influencing the adoption of mobile banking apps among banking customers and to assess how the usage of these apps affects their financial behavior. Through a combination of quantitative surveys, data will be collected from a sample of banking customers to analyze their adoption patterns, usage levels, and financial behaviors before and after adopting mobile banking apps.. The findings of this research are expected to provide valuable insights for banks and policymakers in enhancing mobile banking app adoption and promoting positive financial behaviours among banking customers.

Key word: Mobile banking apps, Financial Behavior, Adoption

INTRODUCTION

In recent years, the adoption of mobile banking apps has witnessed a significant surge, transforming the way banking customers manage their finances. With the convenience of accessing banking services anytime, anywhere, mobile banking apps have become indispensable tools for customers seeking to streamline their financial activities. However, the impact of mobile banking app adoption on banking customer financial behavior remains a topic of significant interest and scrutiny. This study seeks to address this gap by examining the adoption of mobile banking apps and its influence on banking customer financial behavior. By understanding the factors driving adoption and assessing changes in financial behaviors following adoption, this research aims to provide actionable insights for banks and policymakers to enhance the effectiveness of mobile banking apps in promoting positive financial behaviors among customers. Through a comprehensive analysis of adoption patterns, usage levels, and financial behaviors, this study endeavors to contribute to the ongoing discourse on the role of mobile banking apps in shaping the financial landscape.

REVIEW OF LITERATURE

Fenua and Paua (2015) analyzed the off-branch banking services offered by Italian banks and found that mobile apps offer a wider range of features than mobile web channels. This is due to the additional capabilities of mobile devices, which enable advanced features and applications. The authors also provided an outlook on the near future, remarking that mobile marketing and mobile recommender systems can greatly benefit from being run natively on devices. This makes it desirable for businesses to invest in designing mobile apps.

Sagar Brid, Kajal Agrahari, and Mrs. Priya Chandran (2017) Mobile banking applications are most popular among private employees and students, according to a survey of 500 people that examined age, frequency of use, occupation, and data transfer limit. Paytm is the most popular app, followed by Freecharge. The study will be expanded to include the security and privacy policies of mobile banking applications

Girish, V., & Manu 2020 revealed that mobile banking applications play a crucial role in minimizing social contact by providing all necessary banking services conveniently accessible. It is evident that many consumers in India and various other regions continue to adhere to traditional banking methods and show less interest in mobile banking. Additionally, there has been an observed increase in the number of mobile banking users during the lockdown period.

N. Kalaivani, Dr S. Sundaramoorthy(2021) The study found that mobile banking app users are satisfied with the services because they are convenient and offer a variety of features, such as balance checking, account and card statement access, recent transaction viewing, checkbook ordering, lost card blocking, balance SMS alerts, bill payment alerts, check book requests, status inquiries. These factors have a positive impact on customer acceptance of mobile banking systems.

RESEARCH GAP

The research on the adoption of mobile banking apps and its influence on banking customer financial behavior reveals several notable research gaps that warrant further exploration. While existing literature has identified factors such as perceived usefulness and ease of use as important drivers of adoption, there remains a need for more comprehensive studies that delve into the specific factors influencing adoption among banking customers. Additionally, there is a scarcity of research examining the usage patterns of mobile banking apps among customers, including the frequency and intensity of app usage and the specific features utilized. Furthermore, while some studies have investigated the impact of mobile banking app adoption on financial behavior, there is a lack of robust empirical research that tracks actual changes in financial behaviors over time

OBJECTIVE

- To evaluate the usage level of mobile banking apps among banking customers.
- To study how mobile banking apps have changed the financial behaviors of banking customers.

HYPOTHESIS

H₀ There is no significant difference in mobile banking apps usage level among different banking customers.

H₁ There is a significant difference in the usage level of mobile banking apps among different groups of banking customers

H₀: Mobile banking apps have not significantly changed the financial behaviours of banking customers.

H₀₂: Mobile banking apps have significantly changed the financial behaviours of banking customers

LIMITATIONS OF THE STUDY

1. The lack of empirical investigation to clarify theoretical concepts
2. The study focuses solely on qualitative data
3. Primary data collection: the primary data collected may result in to fall result if the respondents were not fully involved in filling the questionnaire and may have provided misleading data.
4. Area of primary research: the area covered under the research is only taken in part of salaried employees

DATA AND METHODOLOGY

The research primarily relies on primary data, which are collected directly by the researcher conducting the study. This data encompasses various aspects such as demographic and socio-economic characteristics of investors, as well as their behaviors, opinions, awareness, and knowledge regarding the subject matter. The primary method of data collection involves the use of questionnaires administered to the participants. Given the quantitative nature of the study, statistical tools and models are utilized for data analysis. Specifically, the study employs techniques such as the Independent T-test and One-Way ANOVA Test when necessary, to elucidate the theoretical concepts and present the findings in a statistically rigorous manner.

SAMPLE DESIGN

Non-probability sampling is used in this research paper, as this a type of sampling in which not every member of the population has an equal chance of being selected for the sample. Non- probability sampling methods are often used in exploratory research or when it is difficult or expensive to obtain a list of the entire population

DATA ANALYSIS AND INTERPRETATION

INDEPENDENT T- TEST

Independent Samples Test									
	Levene's Test for Equality of Variances		t-test for Equality of Means						
	F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
								Lower	Upper
How often do you use your mobile banking app? Equal variances assumed	13.591	.000	-2.833	111	.005	-.599	.212	-1.018	-.180
Equal variances not assumed			-2.903	110.677	.004	-.599	.206	-1.008	-.190

Interpretation

In this case, since the p-value is less than the significance level of 0.05, we reject the null hypothesis and accept the alternative hypothesis (H1).

Therefore, based on the analysis, there is a significant difference mobile banking apps usage level among different banking customers. This significantly means that the gender of the banking customers significantly affects the usage of mobile banking apps based on the data that was analyzed.

This implies that gender plays a role in shaping how individuals often use the mobile banking apps. For example, female often use mobile banking app from my study.

Overall, the significant independent t test result underscores the importance of considering gender as a factor on how often mobile banking app is used.

ONE WAY ANOVA

ANOVA					
How has your use of a mobile banking app changed your financial behavior?					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	6.056	1	6.056	3.296	.072
Within Groups	203.926	111	1.837		
Total	209.982	112			

Interpretation

The one way ANOVA test shows that the F-value of 3.296 with a corresponding p-value of 0.072 indicates that how mobile banking apps have changed the financial behaviours of banking customers statistically significant at the 5% level. This implies that Age does not significantly affect banking customer's behavior who use mobile banking app. So, we accept the null hypothesis, and reject the alternative hypothesis.

To conclude based on the ANOVA results, the usage of mobile banking app does not change your financial behavior regardless of the age.

CONCLUSION

In conclusion, this research paper aims to shed light on the adoption of mobile banking apps and its influence on banking customer financial behavior. By examining factors driving adoption and assessing changes in financial behaviors following adoption, this study seeks to provide valuable insights for banks and policymakers in enhancing mobile banking app effectiveness and promoting positive financial behaviors among customers. Through a mixed-methods approach, combining quantitative surveys and qualitative interviews, this research endeavors to contribute to a deeper understanding of the role of mobile banking apps in shaping the financial landscape and facilitating financial inclusion and empowerment among banking customers.

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