



The Study on Preference Towards Mobile and Internet Banking

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ABSTRACT

Mobile banking and Internet banking have revolutionized financial management, with global adoption increasing due to their efficiency and accessibility. In Gujarat, India the mobile and internet banking sector has seen substantial growth due to factors such as smartphone, government initiatives, consumer preferences etc. It varies from a wide range of features and products, including account management, fund transfers, mobile wallets, bill payments, investments etc. As technology continues to advance the mobile banking and internet banking sector is likely to see further innovations and increased adoption, cementing its position as an integral part of the financial landscape in Gujarat.

Keywords: fund transfers, mobile wallets, bill payments, investments

Introduction

Mobile banking and internet banking are digital banking that provides customers with the convenience of managing their financial transaction and account through electronic devices. It allows users to access their bank account make transfer, pay bills, and perform various transactions using a mobile application on their smartphone or tablets.

Internet banking is similar service but accessed through a web browser on a computer or laptop. It offers a wide range of services including checking account balances, transferring funds, paying bills, through a secure online platform. Both mobile and internet banking provide a level of convenience and efficiency, allowing users to handle their banking needs without visiting a physical branch.

The security of these platform is paramount and bank employ various measures such as encryption, multifactor authentication, and alerts to ensure the safety of user's financial information and transactions. Both mobile and internet banking have revolutionized the traditional banking experience, offering efficiency, speed, and 24/7 accessibility to customers. These platforms prioritize security through advanced encryption techniques, two-factor authentication, and regular security updates to safeguard user's sensitive financial data and transaction.

Concept- (for e.g. Mobile and Internet Banking)

The research study aims to address the gap in understanding the factors influencing individuals' preference for mobile and internet banking over traditional methods. Key issues include variability in adoption rates, security concerns, demographic and socio-economic factors, service customization, and competitive advantage. The study aims to provide actionable insights for banking institutions and policymakers to enhance digital banking services and ensure accessibility and security for all customers.

The problem statement lays the foundation for the research, addressing the specific issues and questions critical for academic understanding and practical applications in the banking industry. By understanding these factors, the study aims to improve service offerings and attract a broader customer base, ultimately enhancing the banking industry's competitive edge.

The researcher explores and examines some important elements that help in consumer's perception towards e-banking. Banker should understand the need of customer so that they can improve the insufficient of the services. Banker should find out the way to attract more customers to utilize their services. In line with global trends, most customers are not focusing or this internet application. In order to solve this problem customer should learn to use internet banking which can bring conveniences without going to the bank. On the other hand, there are few factors that lead to this problem occurrence.

1.1. Tables

Categories	Total Respondents
Age	96

Gender	99
Education	98
Occupation	99
Income	98
Family size	99
City	56
Experience	65
Factors	61
Aspects	96
1)Level of agreement	98
2) Level of agreement	98
Level of Satisfaction	98
Level of Importance	98
Familiar Concept	97
Yes or No	91
Aware of Security features	98

Literature Review – (Atleast 9-10)

1. **Gianni Fenua, Pier Luigi Paua(2015)** highlighted the services off branch banking Italian banks were analyzed, found out that mobile apps have surpassed the mobile web channel in the completeness of the offer, due to fact that additional capabilities of mobile devices make possible advanced features and applications.
2. **Adewoye., (2013)** in his study entitled “Imapct of Mobile Banking on Service in Commercial Banks”, analyzed that the impact of mobile banking on service in the commercial banks. Mobile banking improves bank’s service in a form of transnational convenience, savings of time, quick transaction alert and reduced service cost which have the customer relationship and satisfaction. The management of banks should create awareness to inform public about the benefits derived from the internet banking service products. Collaboration among banks should perfectly maintain skilled manpower. Finally, provision and maintenance of the public network system such as telephone facilities are basic infrastructure to the efficient functioning of the mobile banking services.
3. **Sultan, Abdulrazza (2017)** analyzed the most well-known and accepted TAM models to provide a comprehensive understanding of their impact towards the adoption of mobile banking applications.
4. **Agrahari, Chandra (2017)** studied the usage of mobile banking applications in various sectors of the society and identified that for different mobile banking application maximum users are private employee and then students. It was also identified that Paytm has maximum users then free charge.
5. **Ram & Singh (2017)** studied about the consumer perception of digital payment and positive impact on it was found that demographic factor except education does not have much impact on the adoption of the digital payment. And it was also found out that there was no significant difference is perceived by the respondent on the basis of gender, age, profession and annual income. The study indicated that person has studied beyond matriculation and internet savvy, he or she will be inclined to use the digital payment mode. It was found that at educational level is high and other metropolitan area, the possibility of acceptance of digital payment is higher.
6. **Bhatnagar (2015)** studied the level of the awareness as well as adoption of banking services by the rural customers. He collected the data which is from 150 respondent through a structured questionnaire. It was found that out of 150 respondents only 120 respondents are aware of technology banking services. It was found that awareness is the highest in the case of ATMs and least in the case of telephone banking and in case of adoption out of 120 respondents who are aware of technology, banking services.
7. **Gerrard and Cunningham (2003)** also identify other factors of paramount importance in ensuring the success of internet banking the ability of an innovation to meet user’s needs using different feature availability on the website. The provision of loan calculators, exchange rate converters, and mortgage calculators on the web site draw the attention of both users and consumers into the bank’s website.

8. **Boateng and Molla (2006)** indicated that the operational constraints of internet banking is associated with customer location, the need to maintain customer satisfaction and the capabilities of the bank's main software to act as an influential factors in motivating the decision to enter electronic banking services and consequently influencing the usage affecting the level of satisfaction.
9. **Dr. S. Sangeetha, 2020** studied the customer's satisfaction towards internet banking services and its impact on banks. Electronic banking technology is useful to customers as well as banks and other organizations and there is no significant difference between personal factors like age, profession, annual income, and category of the bank chosen and the satisfaction level of the customers.
10. **Dr. Jagdeep Singh, (2018)** investigates the effect of E-banking on service quality Likert scales with five points have been established. To accomplish this task the service quality model was established in 42 statements. A total of 42 statements were included. Respondents were requested to score these products on a scale of 1 to 5 based on their interactions with E-banking services. The effect of E-banking on service quality was examined using nine factors: connectivity, tangibility, understanding, creditability, stability, access, responsiveness, competence and reliability all of which have a major impact on service quality.

Research Methodology:

4.1 Objectives of the Study:

- To identify the key determinants of customer preference.
- To assess the impact of security concerns.

4.2 Research Design:

A research design is the blue printing and a collection of essential information to prove their hypothesis is a significant and distinctive stage of research in any science.

Types of Research:

- 1) Descriptive Research
- 2) Exploratory Research

Data Collection Method:

This kind of surveys collect information in real time as it being provided by asking respondents open-ended questions as they think of them. This is the information used to achieve the research objective.

In this project primary data is used:

- **Primary data:** Structured Questionnaire
- **Secondary Data:** Journals, Publications. Historical Documents records, and handouts.

Primary Sources of Data:

I obtained data for the questionnaire using the personal interview and the survey. As a researcher, I acted as enumerators on various occasions. I used the structured type of questionnaire where in all precise, concrete, predetermined.

Sample Size- 100

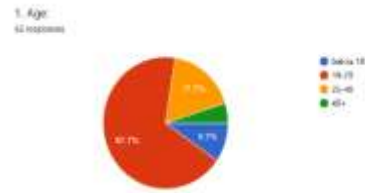
Sampling Area: Covered Nominal and Demographic Questions

Research Instrument: Structured questionnaire

5. Data Analysis

5.1 Demographic Profile :

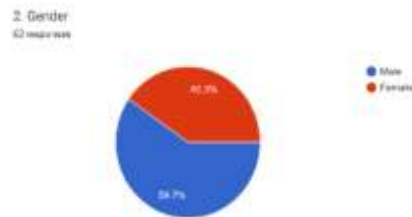
1. AGE OF THE RESPONDENTS



Interpretation:

From the above results shows that 9% respondents are below 18, 67% respondents are between 18-25 years, 17% respondents are between 25-40 years, and 3% respondents are above 45+ years. Out of 100 Customers.

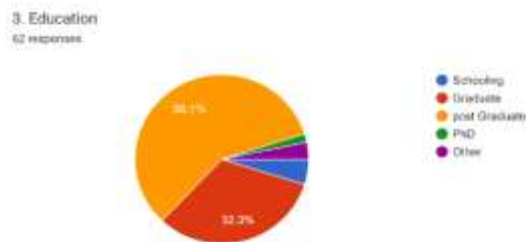
2. Gender of Respondents



Interpretation:

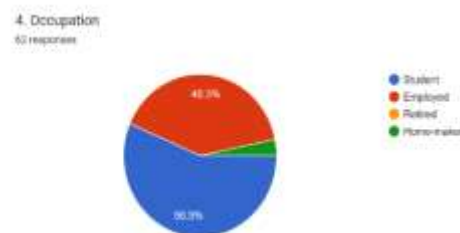
The above results shows that there are 59% males and 40% females out of 100 customers.

3. Education of Respondents



Interpretation:

The above results shows that 4% customers are of Schooling, 32% Customers are of Graduate, 58% Customers are Post-Graduate, 1% Customers are of P.H.D and 3% customers are of the other.

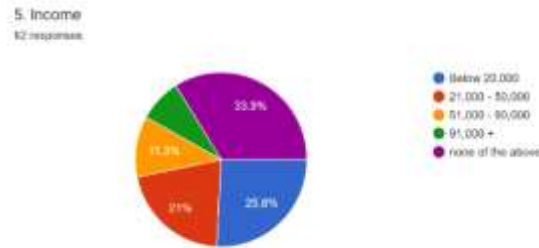


4. Occupation of Respondents

Interpretation:

The above results show that 56% customers are of student, 40% customers are of employed, None of the customers are retired, and 3% customers are of Home-maker.

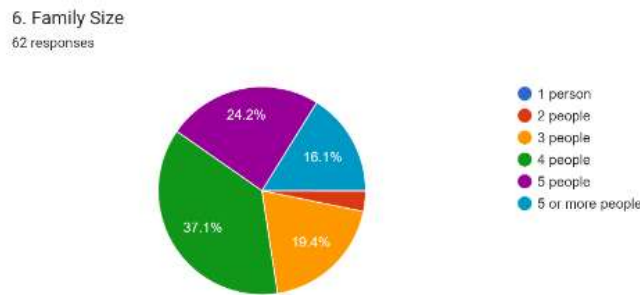
5. Income



Interpretation:

The above results show that 25% customers Monthly income is below 20,000, 21% customer monthly income is upto 21,000 – 50,000, 11 % Customers monthly income is upto 51,000 – 90,000, 8% Customers monthly income is upto 91,000+ and 33% customers monthly income is none of the above.

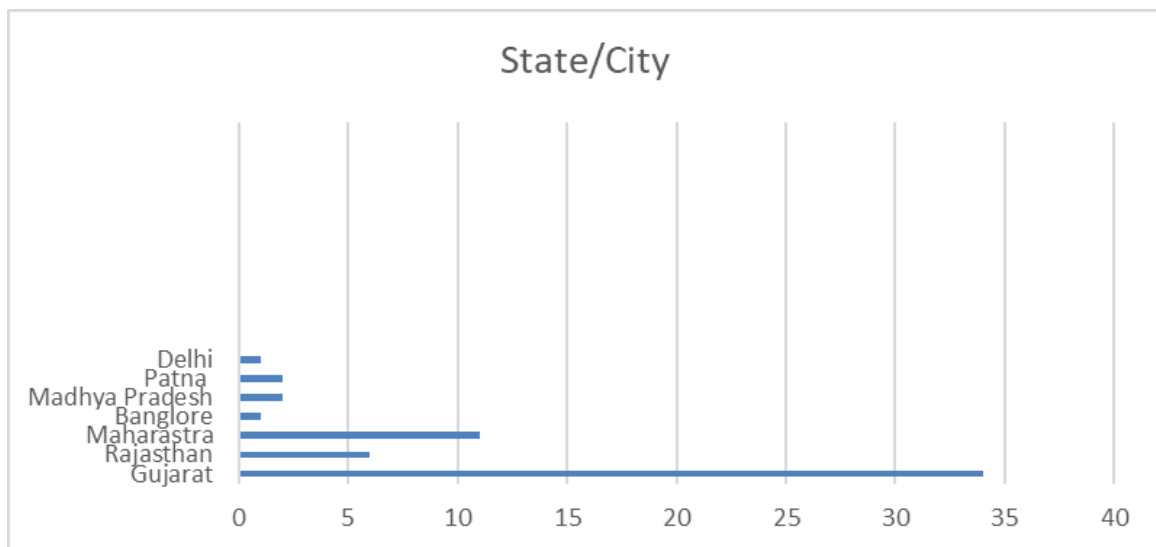
6. Family Size



Interpretation:

The above results shows that 16% of customers have 1 person in their family, 3% of customers have 2 people in their family, 19% of customers have 3 people in their family, 37% of customers have 4 people in their family, 24% of customers have 5 people in their family and 1.6% of customers have 5 or more people in their family.

7. City

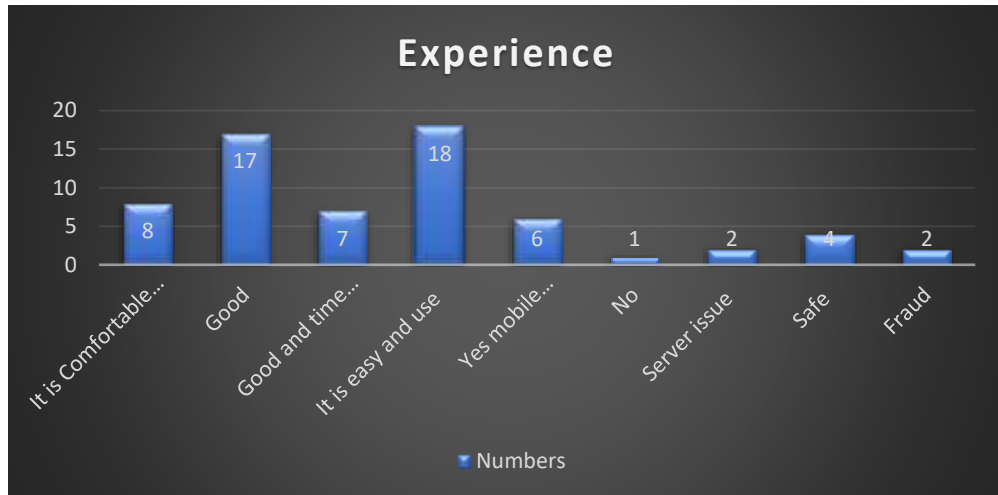


Interpretation:

The above results shows that 34% of customers are from Gujarat , 6 % of customers are form Rajasthan, 11 % customers are from Banglore & Delhi , 11 % of customers are from Maharashtra, 2% are from Madhya Pradesh, 2 % are from Patna.

5.2 Nominal Questions:

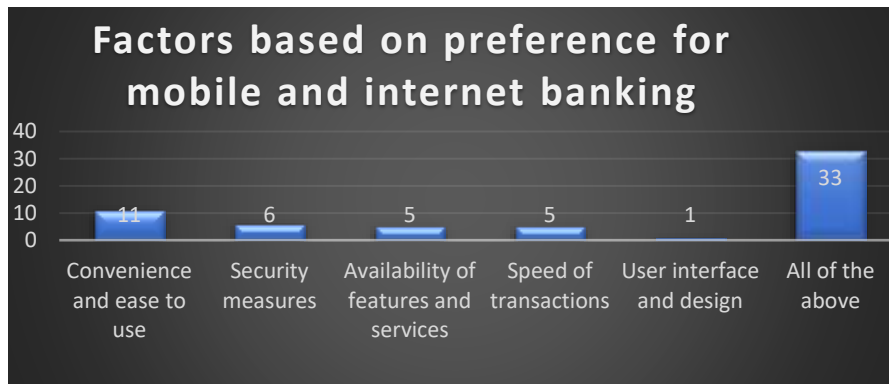
8. Experience and Preferences



Interpretation;

The above results shows that customers have their experience and preferences regarding the use of mobile banking and internet banking services are 8% of customers says that It is comfortable in use when cash is not available at the time , 17% of customers says that it is Good, 7% of customers says that it is Good and time sufficient, 18% of customers says that it is easy and use, 6% of customers says that Yes mobile banking services is good but internet banking is very helpful, 1% say Nothing & Safe , 2% says that having server issue & Fraud.

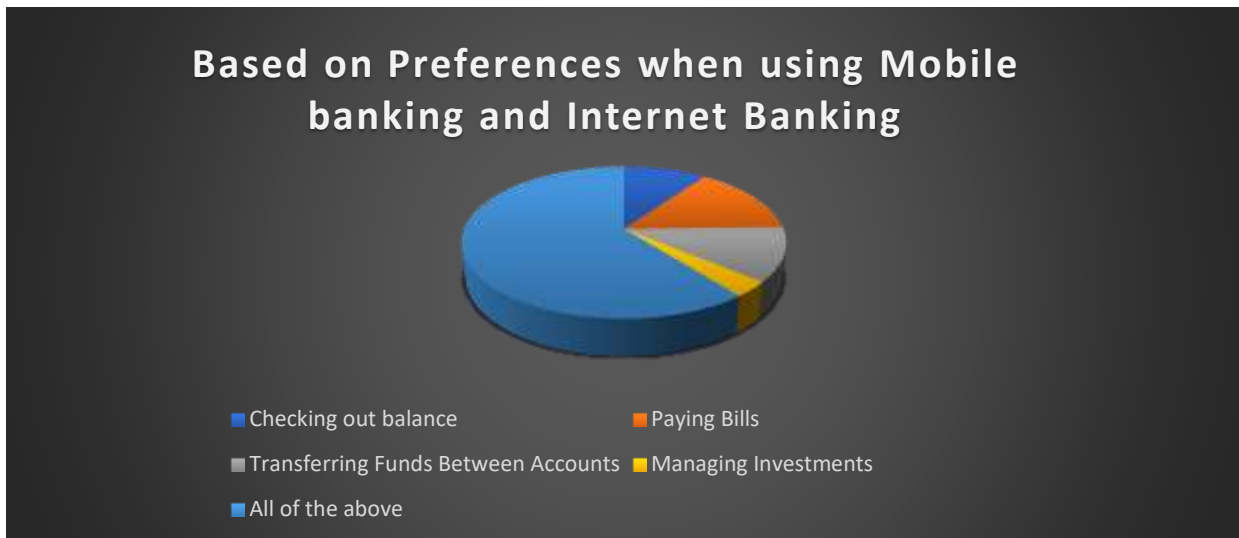
9. Factors based on their influence on your preference



Interpretation;

The above results shows that Factors based on customers preference for mobile banking and internet banking are 11% of customers says that it is convenience and ease to use, 6% of customers says that it has security measures, 5% of customers says that Availability of features and services & Speed of transactions, 1% customers says that it is Use interface and design and 33% customers says that it is all of the above.

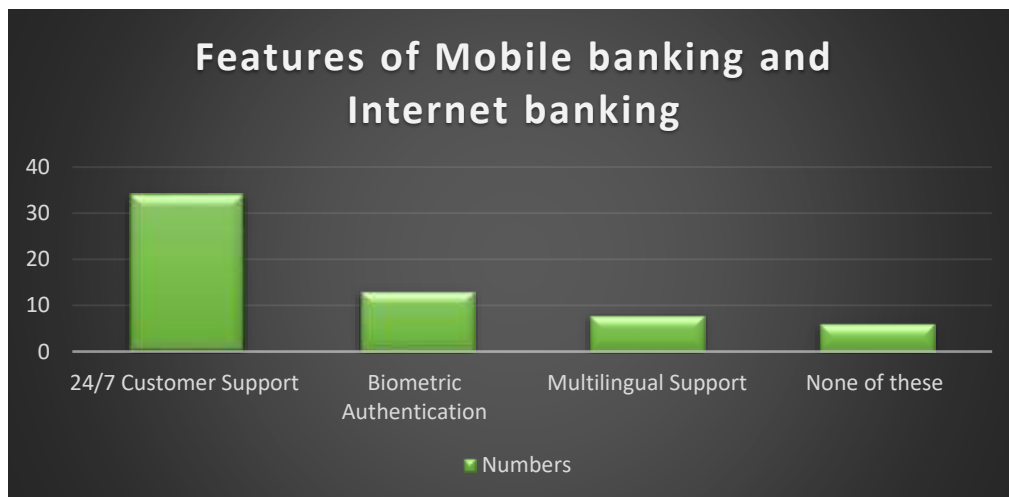
10. Aspects Based on your preference



Interpretation:

The above results shows that aspects based on their customer preference: 9% is of checking out balance, 14% is of paying bills, 11% is of transferring funds between accounts, 2% is of Managing investments, 60% is of All of the above.

11. Features in Mobile banking and Internet banking

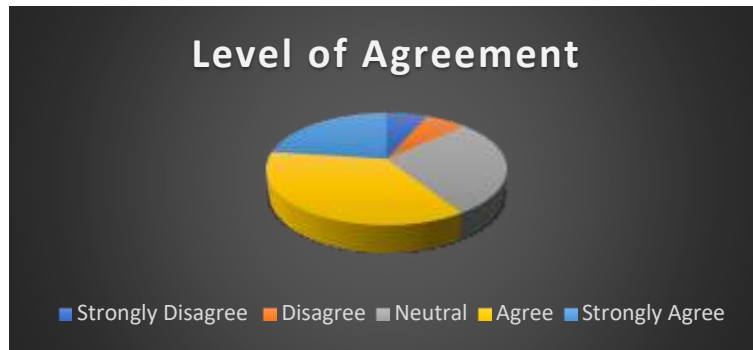


Interpretation:

This above result shows about the Features of Mobile Banking and Internet Banking : 35% of customers says that feature that provide by both banking is 24/7 Customer Support , 15% of customers says that it has Biometric Authentication , 5% of customers says that it has Multilingual Support and 6% of customers says that None of these.

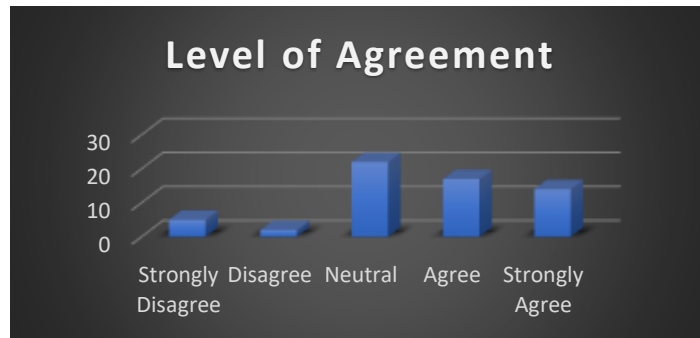
12. Level of Agreement

“ I find mobile banking more convenient than traditional in-person banking”

**Interpretation:**

The above results shows that the Level of Agreement : 6% of customers are with strongly disagree , 6% of customers are with Disagree , 27% of customers are with Neutral , 37% of customers are with Agree , 22% of customer are with strongly agree.

13. “ Internet Bnaking offers a secure way of managing my finances compared to other methods”



Interpretation:

The above results shows that Level of Agreement of Secure features: 8% of customers are with strongly disagree , 3% of customers are with Disagree , 37% of customers are with Neutral , 27% of customers are with Agree and 23% of customers are with Strongly Agree.

14. Level of Satisfaction

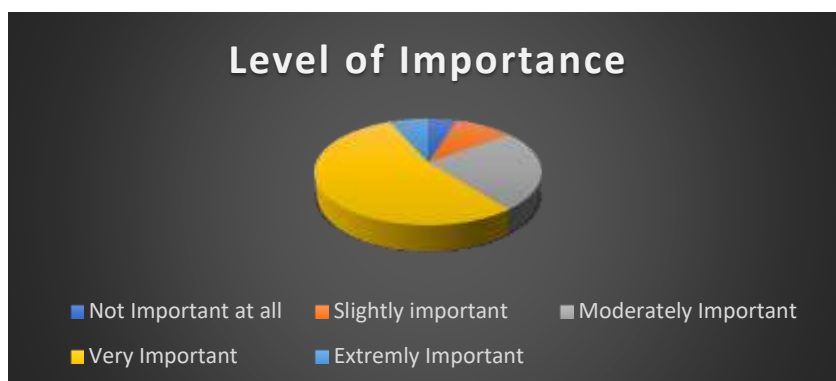
“ Use of interface of the Mobile banking or website you use (Internet banking)”



Interpretation:

The above results shows that the Level of Satisfaction : 9% of customers use of interface of mobile banking app or website is very satisfied , 50% of customers use of interface of mobile banking app or website is Satisfied , 35% of customers use of interface of mobile banking app or website is Neutral , 3% of customers use of interface of mobile banking app or website is Dissatisfied , 1% of customers use of interface of mobile banking app or website is Very Dissatisfied.

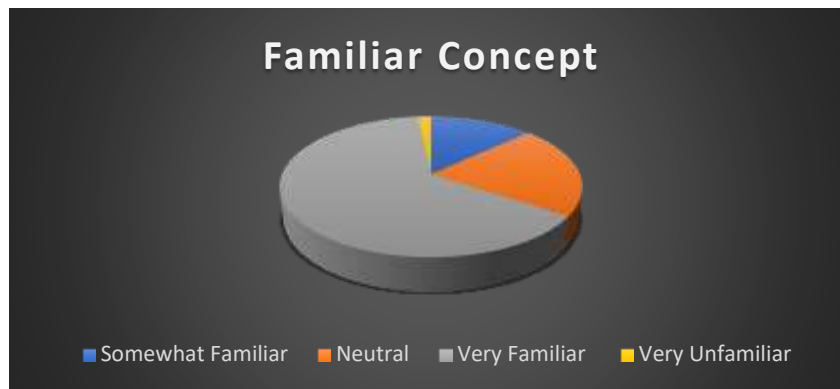
15. Important factors influencing towards mobile banking and Internet Banking



Interpretation:

The results shows above the Level of importance influencing your choice of mobile banking and internet banking services: 4% are not important at all with the services , 11% have slightly important with the services , 24% are moderately important with the services , 53% are very important with the services , 6% are extremely important with the services.

16. Familiar with the concept of Mobile Banking

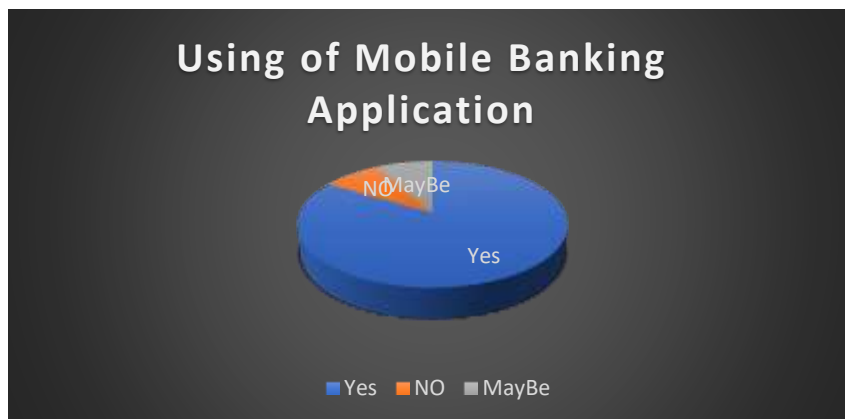


Interpretation:

This result shows about the concept of Familiar with Mobile Banking : 12% shows that customer are somewhat familiar with the concept of Mobile banking , 22% shows that customers are Neutral with the concept of Mobile Banking , 62% shows that customers are very familiar with the concept of Mobile Banking , 1% shows that customers are very unfamiliar with the concept of mobile banking.

17. Yes or No Questions

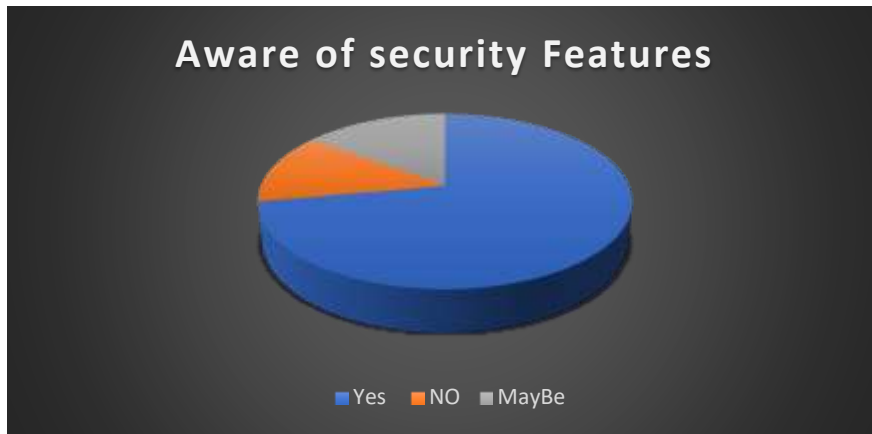
“ Have you ever used Mobile banking application or accessed your bank through a mobile device”



Interpretation:

This result shows yes or no about using of mobile application or accessed your bank through a mobile device: 83% use this mobile application and accessed through mobile device , 8% are rarely using this mobile application & none of them are using this application.

18. Aware of Security Features



Interpretation:

This result shows above the security features available of both banking applications: 72% are aware of these security feature of both banking services , 12% doesn't know about the security features , 14% are somewhat knowing about these features.

19. Is there anything else you would like to add or any specific thoughts you have regarding your preference for mobile and internet banking

1. No
2. Yes it is useful
3. Not aware
4. Online payment transaction history not on passbook request because of little entry create very much space
5. It is all perfect
6. Money should be refunded if we send money to unknown person
7. Internet banking should be more influenced
8. Solution for server issue
9. Scams are happening these days so security measures to be increased
10. Reliable

These are common and same answers given by more than 2, 3 customers their specific thought regarding preference for mobile banking and internet banking.

5.3 Hypothesis Testing :

ONEWAY Age Gender Education Occupation Income familysize Experience Factors Aspects Features Agreement VAR00002 Satisfaction Important Accessed Security BY Familiar

ANOVA

		Sum of Squares	Df	Mean Square	F	Sig.
Age	Between Groups	.574	3	.191	.250	.861
	Within Groups	45.172	59	.766		
	Total	45.746	62			
Gender	Between Groups	.498	3	.166	.663	.578
	Within Groups	14.772	59	.250		
	Total	15.270	62			

Education	Between Groups	2.579	3	.860	1.529	.216
	Within Groups	33.167	59	.562		
	Total	35.746	62			
Occupation	Between Groups	2.712	3	.904	3.149	.032
	Within Groups	16.938	59	.287		
	Total	19.651	62			
Income	Between Groups	6.871	3	2.290	.828	.484
	Within Groups	163.129	59	2.765		
	Total	170.000	62			
family size	Between Groups	.564	3	.188	.161	.922
	Within Groups	69.087	59	1.171		
	Total	69.651	62			
Experience	Between Groups	37656270158812698 00.000	3	12552090052937566 70.000	1.109	.354
	Within Groups	58848868853315340 000.000	52	11317090164099104 00.000		
	Total	62614495869196610 000.000	55			
Factors	Between Groups	11.018	3	3.673	.814	.491
	Within Groups	266.061	59	4.510		
	Total	277.079	62			
Aspects	Between Groups	15.921	3	5.307	1.375	.259
	Within Groups	227.793	59	3.861		
	Total	243.714	62			
Features	Between Groups	7.111	3	2.370	2.483	.070
	Within Groups	56.317	59	.955		
	Total	63.429	62			
Agreement	Between Groups	13.767	3	4.589	4.277	.008
	Within Groups	63.312	59	1.073		
	Total	77.079	62			
Agreement	Between Groups	14.123	3	4.708	4.177	.010
	Within Groups	65.361	58	1.127		
	Total	79.484	61			
Satisfaction	Between Groups	5.731	3	1.910	4.413	.007
	Within Groups	25.539	59	.433		
	Total	31.270	62			
Important	Between Groups	9.191	3	3.064	3.899	.013
	Within Groups	46.364	59	.786		
	Total	55.556	62			

Accessed	Between Groups	3.499	3	1.166	1.363	.263
	Within Groups	50.501	59	.856		
	Total	54.000	62			
Security	Between Groups	1.921	3	.640	1.205	.316
	Within Groups	31.349	59	.531		
	Total	33.270	62			

Findings

1. From the study conducted it is the most of the customers are aware of mobile banking and internet banking.
2. Here, I found 59% males and 40% females customers are using mobile and internet banking services.
3. I found that 83% of customers using mobile and internet banking services
4. The younger age 18-25 and 25-40 are using application and site of banking services.
5. Through this I found that 72% are aware of this both mobile and internet banking services.
6. The most of the customer are using this mobile and internet banking to checking out balance, Paying bills, Transferring funds and somewhat are using to managing investment.
7. Here, I found that 35% of customers says that both banking services provide 24/7 customer support.
8. Here , 50% of customer are rating satisfied, 35% of customers rating neutral, and 9% of customer rating satisfied.
9. 72% are aware of security features in mobile and internet banking, 12% doesn't know about the security feature in mobile and internet banking
10. Here , 8% says that experience and preferences regarding mobile banking and internet banking is comfortable, 17% of customer says good, 18% says it is easy to use, 2% of customers says that it has server issue and fraud.
11. The 15% of customers are from Vadodara, 9% are from Nashik, 8% are from Ahmedabad, 3% are from Dahod and 2-1 % are from Ajmer, Vapi, Patna, Rajkot, Surat etc.
12. Here, 56% of customers are student, 40% of customers are employed and only 3% of customers are home-maker and 0% of customers are of retired.

Conclusion:

From the above findings, we can conclude that majority of the customers are using mobile banking as long as it is ease and convenience and make easy by transferring funds and checking balances.

Most of the customer preferred the mode of mobile banking and internet banking. The reason behind customer preferred both the banking services because it provide 24/7 customer support and also Multilingual Support.

In internet banking some security threats are personalized to the customer. The benefits are not only the major factor which influence the customers for using digital banking but also the other factors which is demotivating the customers for using digital banking like technical issue, security, fraud case, connectivity and other.

Acknowledgements:

With immense pleasure, I would like to present this project report on THE STUDY ON PREFERENCE TOWARDS MOBILE AND INTERNET BANKING. It has been enriching experience for me to undergo my Comprehensive Project, which would not have been possible without the goodwill and support of the people. As a student of PARUL UNIVERSITY, I would like to express my sincere thanks to all those who helped me during my practical training program.

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