

Technological Progress in Banking Sector with Customer Acceptance for E - Banking and Mobile Banking

Dr. Sikandar Ali

Date of Submission: 20-08-2020

Date of Acceptance: 03-09-2020

ABSTRACT- Information technology is increasingly becoming an invaluable and powerful tool driving development, supporting growth, promoting innovation, and enhancing competitiveness. Emerging information technology offers opportunities for developing nations to leapfrog earlier stages of development. It is also important to note that with an increasingly global environment less limited by time or distance, nations around the world need to get connected and join the global networked community. Otherwise, they may fall further behind and the gap they have with the developed world could get wider.

Online banking is a system that allows the individuals to perform banking activities at home, via internet. Almost every bank today provides the service of online banking. This system allows the individuals (the customers of the bank) to perform all routine transactions, such as account transfers, balance inquiries, bill payments, and stop-payment requests, and some even offer online loan and credit card applications.

Mobile Banking means a financial transaction conducted by logging on to a bank's website using a cell phone, such as viewing account balances, making transfers between accounts, or paying bills. It is a term used for performing balance checks, account transactions, payments etc. via a mobile device such as a mobile phone. In recent time Mobile banking is most often performed via SMS or the Mobile Internet.

Keywords: Information technology, Online banking, Mobile Banking ,

I. INTRODUCTION

Information technology (IT) is increasingly becoming an invaluable and powerful tool driving development, supporting growth, promoting innovation, and enhancing competitiveness. Emerging information technology offers opportunities for developing nations to leapfrog earlier stages of development. It is also important to note that with an increasingly global environment less limited by time or distance,

nations around the world need to get connected and join the global networked community. Otherwise, they may fall further behind and the gap they have with the developed world could get wider. Additionally, there is growing evidence that information technology is becoming an increasingly powerful tool when used as part of an overall development strategy coupled with partnerships between governments, business, and civil societies.

Information and communication technology coupled with knowledge management hold much potential for propelling the development process. The vital role information and communication technology is playing is felt across many industries and sectors, affecting both economic development and growth at large in many societies. The resulting implications have had a major role in transforming such sectors and have affected the economic-development process in developing nations.

The banking sector is an example in which information-technology infrastructures have had implications on the economic development of many nations in the developing world. It is important to note that the banking industry was one of the very first to utilize information technology back in the 1960s, and has thus a record of influencing the development process through the technology. There are many examples of information technology applications in the banking sector that have helped build new markets and fuel the economy. For example ATM, Internet banking and mobile banking etc.

Online banking (OB) is a system that allows the individuals to perform banking activities at home, via internet. Almost every bank today provides the service of online banking. This system allows the individuals (the customers of the bank) to perform all routine transactions, such as account transfers, balance inquiries, bill payments, and stop-payment requests, and some even offer online loan and credit card applications. Account information can be accessed anytime, day or night, and can be done from anywhere.

In online banking system the bank has a centralized database that is web-enabled. A few online banks update information in real-time, while others do it daily. Many banks allow for file transfer between their program and popular accounting software packages, to simplify record keeping. Despite the advantages, there are a few drawbacks. It does take some time to set up and get used to an online account. Also, some banks only offer online banking in a limited area. Some services that traditional banks offer are difficult or impossible for online-only banks to offer, such as traveler's checks and cashier's checks.

Online banking is becoming much more common. We can pay our bills online and access a record of our checking account transactions online. Online banking makes everything we do with our finances a bit easier. We can access the information anywhere that we have access to the Internet. It makes our financial life much easier to manage. In short, online bank provides the financial service for the individual client by means of internet.

Mobile Banking (MB) means a financial transaction conducted by logging on to a bank's website using a cell phone, such as viewing account balances, making transfers between accounts, or paying bills. It is a term used for performing balance checks, account transactions, payments etc. via a mobile device such as a mobile phone. In recent time Mobile banking is most often performed via SMS or the Mobile Internet but can also use special programs called clients downloaded to the mobile device.

In general term we can categorized the mobile banking below –

- * Mobile Accounting
- * Mobile Brokerage
- * Mobile Financial Information Services

Most services in the categories designated Accounting and Brokerage are transaction based. The non-transaction-based services of an informational nature are however essential for conducting transactions – for instance, balance inquiries might be needed before committing a money remittance.

Mobile banking can offer services such as the following:

- * 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
- * Pension plan management

- * Status on cheque, stop payment on cheque
- * Ordering check books
- * Balance checking in the account
- * Due date of payment (functionality for stop, change and deleting of payments)
- * PIN provision, Change of PIN and reminder over the Internet
- * Blocking of (lost, stolen) cards
- * Domestic and international fund transfers
- * Micro-payment handling
- * Mobile recharging
- * Commercial payment processing
- * Bill payment processing
- * Peer to Peer payments
- * Withdrawal at banking agent
- * Deposit at banking agent

II. REVIEW OF LITERATURE

In this field few studies were conducted in India. The researcher reviewed many researches conducted in India and abroad to find out the correct area to carry out the research work, which will be valuable for the professionals and country.

Rakesh H M & Ramya T J (2014) In their research paper titled "A Study on Factors Influencing Consumer Adoption of Internet Banking in India" tried to examine the factors that influence internet banking adoption. Using PLS, a model is successfully proved and it is found that internet banking is influenced by its perceived reliability, Perceived ease of use and Perceived usefulness. In the marketing process of internet banking services marketing expert should emphasize these benefits its adoption provides and awareness can also be improved to attract consumers' attention to internet banking services.

Objective Of The Study

1. To study the opinion of the customer about OB and MB
2. To compare the opinion of the customer about MB and OB with reference to gender, socio economic status, education and age.

Hypotheses:

Ho1. There is no significant difference in the opinion of the customer about MB and OB.

Ho2. There is no significant difference in the opinion of customer about MB and OB with reference to gender, age, education and socio economic status.

III. RESEARCH METHODOLOGY

Data Collection:

Primary Data: This study dealt with the opinion of customers about MB and OB in Jaipur city i.e. 'what exists' thus it was a descriptive research. The

survey method was used to collect data. The data was collected with the help of structured questionnaire.

Sample: Sample is a part of population which represents the entire population. For this study, the sample size is 250. The purposive technique was used to collect data. The researcher collected data as his convenience.

Research Design:

Research methodology is a way to systematically solve the research problem. It may be understood as a science of studying how research is done scientifically. In short research methodology is the underlying theory of how research should be conducted. The research is of three types i.e. Experimental research, Descriptive research and Historical research. This research had given the answer 'what exists', thus it was Descriptive research. The research further classified as qualitative or quantitative. This study was quantitative research. This research was descriptive and statistical research as it compared the customer opinion about MB and OB with respect to age, gender, qualification and socio economic status. This study also dealt with the correlation between MB and OB with respect to age, gender, qualification and socio economic status.

Sampling Technique:

For this study, the researcher will use random sampling. The researcher will give questionnaire to the customer of the bank who is easily available.

Scope of the Study:

The present study dealt with the extent of using MB or OB or both by the bank customers of scheduled bank. This study also compared the opinion of the customers about MB and OB. The study also examined the customers' opinion about MB with reference to age, qualification, gender and socio economic status. The study also dealt with the customer's opinion about OB with reference to age, qualification, gender and socio economic status.

This study is conducted to find out the correlation between

- a. Age and MB
- b. Gender and MB
- c. Qualification and MB
- d. Socio economic status and MB
- e. Age and OB
- f. Gender and OB
- g. Qualification and OB

- h. Socio economic status and OB

Utility of the Study

The study is conducted to assess the opinion of the customers about MB and OB. This study also examines the correlation between the use MB and OB with respect to age, qualification, gender and socio economic status. Thus, this study will help a lot in

1. The bank personnel to framing such policies that creates positive opinion about MB and OB so the use of MB and OB will increase.
2. To promote technology in banking business
3. To encourage the customers to use MB or OB
4. To aware the customers, so that banking work will become easy for them
5. To help the financial institutions, commercial banks to identify the people who are not using this facility.
6. To help RBI to make policy to promote technology.

REFERENCES

- [1]. Ahmed S. M, Shah J. R., Md. A. I., Samina M., (2011), "Problems and prospects of mobile banking in Bangladesh", Journal of Information Engineering and Applications, Vol. 1 (6).
- [2]. Aladwani A. M. (2001), "Online banking: a field study of drivers, development challenges, and expectations", International Journal of Information Management, Vol. 21 (3), pp. 213 - 225.
- [3]. Avinandan M., Prithwiraj N., (2003) "A model of trust in online relationship banking", International Journal of Bank Marketing, Vol. 21 (1), pp. 5 – 15.
- [4]. Crabbe M., Standing C., Standing S., Karajaluoto, (2009), "An adoption model for mobile banking in Ghana", International Journal of Mobile Communications, Vol. 7 (5), pp. 515 - 543.
- [5]. Dube T., Kosmas N., Collins M., Lloyd C., (2011), "Adoption And Use of SMS/Mobile Banking Services in Zimbabwe: An Exploratory Study", Journal of Internet Banking and Commerce, Vol. 16 (2).
- [6]. Khan M. S., Mahapatra S. S., (2009), "Service quality evaluation in internet banking: an empirical study in India", International Journal of Indian Culture and Business Management, Vol. 2 (1), pp. 30 - 46.
- [7]. V. Raja, Joe A. (2012), "Global e-banking scenario and challenges in banking system",



- Asian Journal of Research in Banking and Finance, Vol. 2 (3), pp. 92 - 101.
- [8]. Yousafzai S. Y., Pallister J. G., Foxall G. R., (2003), "A proposed model of e-trust for electronic banking", Technovation, Vol. 23(11), pp. 847 - 860.