

A STUDY OF CONSUMER'S AWARENESS OF ENVIRONMENT-FRIENDLY MOBILE BANKING IN DOMBIVLI

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Abstract:

Today, the use of mobile phones and the internet is an inseparable part of our daily lives. They play a significant role in every walk of day-to-day life, with banking not being an exception to this. Various mobile apps and websites have been developed to provide cost-effective and convenient facilities to customers. In the beginning, it was very difficult for a common man to adjust to this new system as cash transactions were a common and popular mode of making payments. However, the long queues and limited working hours of the banking system meant that a lot of time and energy was wasted on every transaction which led to fewer transactions per day. Further, the amount of paperwork involved meant that a lot of paper was used once and then discarded (Sesame, 2018). This was not environmentally sustainable. In the absence of Mobile Banking and Net Banking, the number of visits of the customers to Banks was significantly larger in number and if customers were using vehicles for these visits, it used to result in air and noise pollution, which was not environmentally sustainable.

Mobile banking has various benefits such as the convenience of checking account balance, and transactions, transferring funds, making and receiving payments remotely at any time, having fraud checking mechanisms, etc, faster than it would take them to do the same activity in person at the bank (Strohm, 2021).

Demonetisation and the COVID-19 pandemic proved that mobile banking is an essential service rather than a novelty (Wisniewski, 2022). This is due to the fact that it is both cashless and contactless.

This paper tries to focus on the customer's awareness in the city of Dombivli of mobile banking in the city of Dombivli, with a special emphasis on its environmentally friendly aspect.

Keywords: Mobile Banking, Environment Friendly, Cashless, Paperless, Contactless, Internet, Dombivli, PIN, OTP.

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Introduction:

Mobile banking is an electronic system that provides most of the basic services of a bank through a smartphone. In simple words, mobile banking means doing bank transactions using a mobile phone. It offers banking services like the transfer of funds as well as services like online and electronic payments. It enables customers to get information regarding their bank balance, bank statement, notifications of upcoming bills, etc. Financial frauds, misuse of account details, difficulty in remembering different codes for different types of transactions, installation of various software, and updating of the same are various issues faced by mobile banking users. Push type and Pull type are the two main types of transactions in Mobile Banking. When our bank sends us information related to our account using SMS is a one-way transaction called a Push type transaction whereas when a customer sends a request and the bank replies

is a two-way transaction called a Pull type transaction.

Mobile banking has seen a surge in popularity as it has the following benefits:

- It is environmentally friendly and encourages paperless transactions for both the banker and the customer.
- Since Mobile Banking reduces the number of visits to banks, and if the customers are required to use vehicles for the same, it reduces noise and air pollution adding to environmental sustainability.
- It is convenient as customers do not need to visit any branch to do their transactions and are free to do it from anywhere at any time.
- It provides 24/7 365-day access to funds, account history, transactions, etc.
- Paying bills, taxes, and loans is convenient and easier when Mobile Banking is used.
- Mobile Banking leads to an improved customer experience as it is available 24/7 which leads to good respectful and healthy relationships between bankers and customers.
- Some of the issues can be fixed by the customers themselves through the app.
- Automated systems used in Mobile Banking allow for storing and processing more data than manual analysis.
- It is time-saving as computers are more efficient at conducting business than humans. Only oversight is required.
- There are fewer mistakes as computers are far more accurate and only occasionally encounter bugs.
- The notifications sent by the app help the user to organize their business more efficiently.
- They offer more security by having multi-level verification like PIN and OTP.

There are also a few disadvantages of mobile banking as follows:

- There is a heavy reliance on internet connectivity and unstable connections may cause transactions to fail.
- When used in insecure internet connections like public Wi-Fi hotspots, hackers can obtain the user's sensitive information.
- Additional apps like antivirus and VPN are required to make mobile banking secure (Hodge, 2022).
- They require smartphones with some minimum requirements and do not run on all devices.
- Chances of receiving fake SMS messages and scams are relatively more in the case of Mobile Banking.
- Banks need to invest in more infrastructure in order to send messages to customers in order to make them aware of such scams.

Objectives:

- To study the level of consumer awareness towards mobile banking in Dombivli City.
- To understand the consumer satisfaction level while using mobile banking services.
- To investigate the consumer's growing preferences towards mobile banking apps.
- To find out the factors driving consumers towards mobile banking.
- To determine whether consumers use mobile banking because it is more environmentally friendly than paper banking.

Limitations:

- This study has been undertaken in Dombivli city.
- This study is restricted to the period between 2015 to 2020.
- This study is limited to a sample size of 500 randomly selected respondents.
- Only the 309 respondents who reported that they were using mobile banking have been considered for data analysis.

Research Methodology:

- This study is based on primary data as well as secondary data.
- Primary Data has been collected from 500 randomly selected respondents from the city of Dombivli using a well-structured questionnaire.

- Only the 309 respondents who reported that they were using mobile banking have been considered for the data analysis.
- Various questions relating to various dimensions of mobile banking were included for understanding consumer preferences and challenges faced while using mobile banking.
- Secondary data from various sources has been used to understand the topic.
- Simple statistical tools and techniques have been used for analysing the data in order to reach conclusions.

Data Analysis:

Table 01: Distribution of respondents according to gender

Gender	Number of Respondents
Male	184
Female	125

Source: Primary Data

Table 01 depicts out of 500 respondents, 309 are using Mobile Banking out of which 184 were male and 125 are female.

Table 02: Age-wise distribution of respondents.

Age Group	Number of Respondents
18-25	27
26-30	75
31-40	164
41-50	30
51-60	8
Above 60	5

Source: Primary Data

Chart 01: Age-wise distribution of respondents

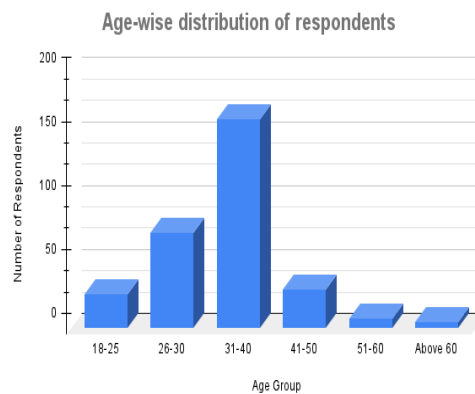
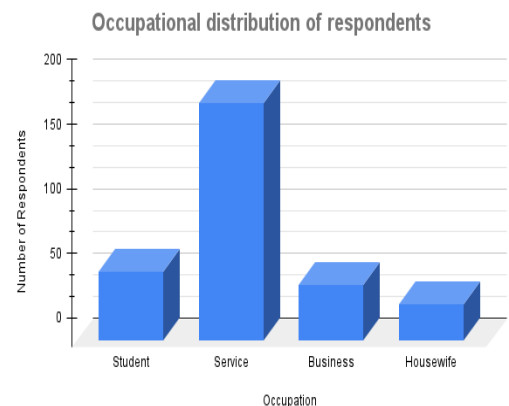


Chart 01: Age-wise distribution of respondents

Source: Primary Data

Table 02 and chart 01 show that the use of Mobile Banking is less among the higher age group (8 in the age group of 51-60 and 5 in the age group of above 60) as compared to the lower age group (27 in the age group of 18-25) The Mobile Banking is more popular among the middle-aged respondents (75 in the age group of 26-30, 164 in the age group of 31-40 and 30 in the age group of 41-50)

<p>Table 03: Occupational distribution of respondents</p> <table border="1"> <thead> <tr> <th>Occupation</th> <th>Number of Respondents</th> </tr> </thead> <tbody> <tr> <td>Student</td> <td>54</td> </tr> <tr> <td>Service</td> <td>184</td> </tr> <tr> <td>Business</td> <td>43</td> </tr> <tr> <td>Housewife</td> <td>28</td> </tr> </tbody> </table> <p>Source: Primary Data</p>	Occupation	Number of Respondents	Student	54	Service	184	Business	43	Housewife	28	<p>Chart 02: Occupational distribution of respondents</p>  <p>Source: Primary Data</p>
Occupation	Number of Respondents										
Student	54										
Service	184										
Business	43										
Housewife	28										

Use of Mobile Banking by housewives, businessmen and students is lesser than people in service as depicted in Table 03 and Chart 02.

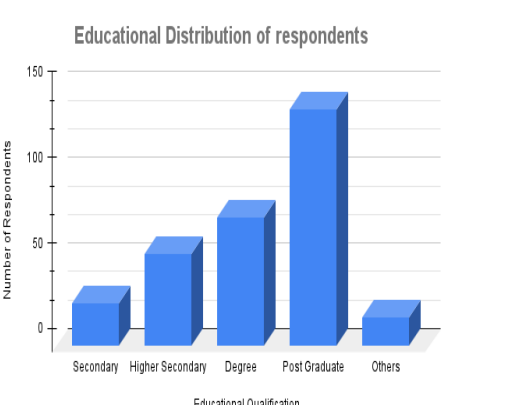
<p>Table 04: Educational Distribution of respondents</p> <table border="1"> <thead> <tr> <th>Educational Qualification</th> <th>Number of Respondents</th> </tr> </thead> <tbody> <tr> <td>Secondary</td> <td>25</td> </tr> <tr> <td>Higher Secondary</td> <td>54</td> </tr> <tr> <td>Degree</td> <td>75</td> </tr> <tr> <td>Post Graduate</td> <td>138</td> </tr> <tr> <td>Others</td> <td>17</td> </tr> </tbody> </table> <p>Source: Primary data</p>	Educational Qualification	Number of Respondents	Secondary	25	Higher Secondary	54	Degree	75	Post Graduate	138	Others	17	<p>Chart 03: Educational Distribution of respondents</p>  <p>Source: Primary Data</p>
Educational Qualification	Number of Respondents												
Secondary	25												
Higher Secondary	54												
Degree	75												
Post Graduate	138												
Others	17												

Table 04 and Chart 03 show that Mobile Banking is more popular among the highly educated as compared to the less educated.

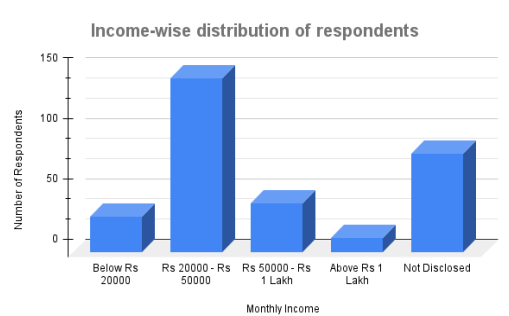
<p>Table 05: Monthly Income-wise distribution of respondents</p> <table border="1"> <thead> <tr> <th>Income</th> <th>Number of Respondents</th> </tr> </thead> <tbody> <tr> <td>Below Rs 20000</td> <td>30</td> </tr> <tr> <td>Rs 20000 - Rs 50000</td> <td>144</td> </tr> <tr> <td>Rs 50000 - Rs 1 Lakh</td> <td>41</td> </tr> <tr> <td>Above Rs 1 Lakh</td> <td>12</td> </tr> <tr> <td>Not Disclosed</td> <td>82</td> </tr> </tbody> </table> <p>Source: Primary Data</p>	Income	Number of Respondents	Below Rs 20000	30	Rs 20000 - Rs 50000	144	Rs 50000 - Rs 1 Lakh	41	Above Rs 1 Lakh	12	Not Disclosed	82	<p>Chart 04: Income-wise distribution of respondents</p>  <p>Source: Primary Data</p>
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Below Rs 20000	30												
Rs 20000 - Rs 50000	144												
Rs 50000 - Rs 1 Lakh	41												
Above Rs 1 Lakh	12												
Not Disclosed	82												

Table 05 and Chart 04 shows that the use of Mobile Banking is higher in lower-income groups as compared to higher-income groups.

Table 06: Distribution of year of commencement of	Chart 05: Year of commencement of mobile
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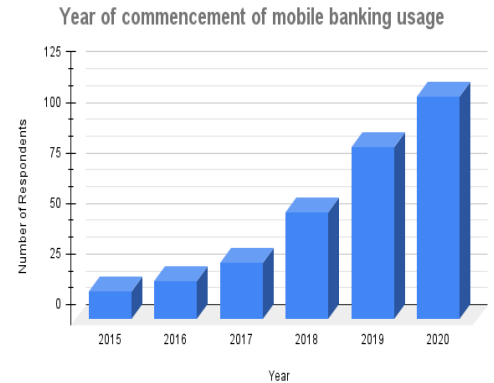
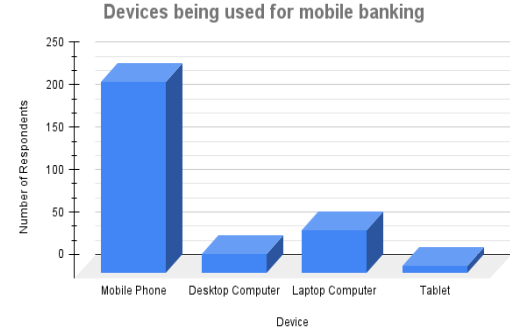
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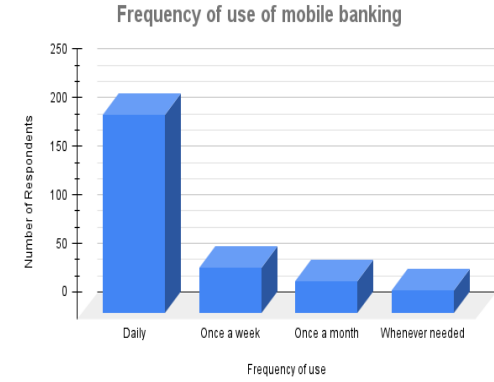
Table 06 and Chart 05 indicate that Mobile Banking is becoming more and more popular with the passing of time.

<p>Table 07: Distribution of devices being used by respondents for mobile banking</p> <table border="1"> <thead> <tr> <th>Device</th> <th>Number of Respondents</th> </tr> </thead> <tbody> <tr> <td>Mobile Phone</td> <td>226</td> </tr> <tr> <td>Desktop Computer</td> <td>23</td> </tr> <tr> <td>Laptop Computer</td> <td>51</td> </tr> <tr> <td>Tablet</td> <td>9</td> </tr> </tbody> </table> <p>Source: Primary Data</p>	Device	Number of Respondents	Mobile Phone	226	Desktop Computer	23	Laptop Computer	51	Tablet	9	<p>Chart 06: Devices being used for mobile banking</p>  <p>Source: Primary Data</p>
Device	Number of Respondents										
Mobile Phone	226										
Desktop Computer	23										
Laptop Computer	51										
Tablet	9										

Use of mobile phones is more as compared to other devices for Mobile Banking as shown in Table 07 and Chart 06.

<p>Table 08: Reasons for using mobile banking</p> <table border="1"> <thead> <tr> <th>Reason</th> <th>Number of Respondents</th> </tr> </thead> <tbody> <tr> <td>Time Saver</td> <td>96</td> </tr> <tr> <td>Cost-Effectiveness</td> <td>10</td> </tr> <tr> <td>Ease of use</td> <td>102</td> </tr> <tr> <td>Paperless</td> <td>36</td> </tr> <tr> <td>Privacy</td> <td>125</td> </tr> <tr> <td>Flexibility</td> <td>82</td> </tr> <tr> <td>Compatibility</td> <td>60</td> </tr> <tr> <td>Connectivity</td> <td>28</td> </tr> </tbody> </table>	Reason	Number of Respondents	Time Saver	96	Cost-Effectiveness	10	Ease of use	102	Paperless	36	Privacy	125	Flexibility	82	Compatibility	60	Connectivity	28	<p>Table 09: Purpose of using mobile banking</p> <table border="1"> <thead> <tr> <th>Purpose</th> <th>Number of Respondents</th> </tr> </thead> <tbody> <tr> <td>Online fund transfers</td> <td>82</td> </tr> <tr> <td>Request for card or cheque book</td> <td>65</td> </tr> <tr> <td>Online shopping payment</td> <td>115</td> </tr> <tr> <td>Online balance inquiry</td> <td>29</td> </tr> <tr> <td>All of the above</td> <td>18</td> </tr> </tbody> </table> <p>Source: Primary Data</p>	Purpose	Number of Respondents	Online fund transfers	82	Request for card or cheque book	65	Online shopping payment	115	Online balance inquiry	29	All of the above	18
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All of the above	89	
Source: Primary Data		
Majority of the respondents opted for Mobile Banking due to privacy, ease of use and time-saving nature of Mobile Banking along with other reasons such as flexibility, compatibility, connectivity, cost-effectiveness and paperless nature of Mobile Banking as shown in above Table 08.		Mobile Banking is found more popular for online shopping payments and online fund transfers and also used for online balance inquiry and request for a card or cheque book as depicted in Table 09.

<p>Table 10: Frequency of use of mobile banking</p> <table border="1"> <thead> <tr> <th>Frequency of use</th> <th>Number of Respondents</th> </tr> </thead> <tbody> <tr> <td>Daily</td> <td>205</td> </tr> <tr> <td>Once a week</td> <td>47</td> </tr> <tr> <td>Once a month</td> <td>33</td> </tr> <tr> <td>Whenever needed</td> <td>24</td> </tr> </tbody> </table> <p>Source: Primary Data</p>	Frequency of use	Number of Respondents	Daily	205	Once a week	47	Once a month	33	Whenever needed	24	<p>Chart 07: Frequency of use of mobile banking</p>  <p>Source: Primary Data</p>
Frequency of use	Number of Respondents										
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Whenever needed	24										

A sizable number of respondents (205 out of 309) use Mobile Banking daily as compared to once a week, once a month, or whenever needed as depicted in Table 10 and Chart 07.

<p>Table 11: Distribution of respondents according to the convenience factor of mobile banking</p> <table border="1"> <thead> <tr> <th>Level of convenience</th> <th>Number of Respondents</th> </tr> </thead> <tbody> <tr> <td>Very Convenient</td> <td>201</td> </tr> <tr> <td>Somewhat Convenient</td> <td>73</td> </tr> <tr> <td>Not convenient</td> <td>20</td> </tr> <tr> <td>Not Sure</td> <td>15</td> </tr> </tbody> </table> <p>Source: Primary Data</p>	Level of convenience	Number of Respondents	Very Convenient	201	Somewhat Convenient	73	Not convenient	20	Not Sure	15	<p>Table 12: Overall satisfaction level with mobile banking</p> <table border="1"> <thead> <tr> <th>Satisfaction Level</th> <th>Number of Respondents</th> </tr> </thead> <tbody> <tr> <td>Highly satisfactory</td> <td>189</td> </tr> <tr> <td>Satisfied</td> <td>95</td> </tr> <tr> <td>Average</td> <td>15</td> </tr> <tr> <td>Dissatisfactory</td> <td>10</td> </tr> </tbody> </table> <p>Source: Primary Data</p>	Satisfaction Level	Number of Respondents	Highly satisfactory	189	Satisfied	95	Average	15	Dissatisfactory	10
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<p>Table 11 shows the majority of the respondents found Mobile Banking very convenient (201 out of 309) and very few (20 Out of 309) found it not convenient.</p>	<p>From Table 12 we learn that only a few respondents are dissatisfied with Mobile Banking (10 out of 309). The majority are satisfied.</p>																				

Findings:

- Mobile banking prevalence is pretty even among the male and female populations.
- Most respondents who use mobile banking are in the age group of 31-40 years, followed by 26-30 years.
- Mobile banking awareness is deficient among older (51-60 years) and senior (above 60 years) citizens.
- Most respondents who use mobile banking have a job (184), followed by students (54), and followed by business people.
- There is low use of mobile banking among housewives.
- There is a direct correlation between the level of education and the prevalence of usage of mobile banking, with

postgraduates constituting the maximum number of users at 138 respondents out of 309.

- Most respondents who use mobile banking earn between Rs 20000 to Rs 50000 (144 out of 309) per month, followed by those who make between Rs 50000 to Rs 1 Lakh (41 out of 309).
- Mobile banking has seen a steady increase in adoption from 2015 to 2020, as shown in chart 05.
- Most respondents use a mobile phone for mobile banking.
- Most respondents use mobile banking because they have privacy concerns about dealing in financial matters with another person and because it is easy to use and saves time.
- 125 respondents reported that the environmentally-friendly paperless aspect of mobile banking is a contributing factor in their decision to use it.
- Most respondents use mobile banking for online shopping and for transferring funds.
- A vast majority of respondents (205 out of 309) use mobile banking daily.
- Most respondents feel that mobile banking is very convenient.
- Most respondents are satisfied with mobile banking, with 189 being highly satisfied.

Conclusion:

There is good awareness of mobile banking among the respondents, with 309 out of 500 using it, with the trend increasing yearly. However, the usage among female respondents, elderly respondents, housewives, and the less educated is lacking. Proper education and assurance of safety can be used to remedy this situation. Further, awareness that it is an environmentally sustainable, cost-effective alternative to paper banking can be used to great effect to boost usage. It must be noted that many respondents are uncomfortable with the privacy issues arising from dealing with bank officials, and banks must take steps to make their clients feel secure. Many respondents who use mobile banking on a daily basis, find it to be very convenient and are very satisfied with their experience. Overall, mobile banking has a bright future in the city of Dombivli, and if that is any indicator of the situation in the rest of the country, the concept of mobile banking is off to a very good start indeed.

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