

# Customers Perspective On Mobile Banking During Covid Lockdown Period: A Study Of District Kapurthala

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## ABSTRACT

The access to mobile technology has given an impetus to the banking sector with overall advancement and increase in financial transactions. With the motto of any time, any where and by any mode, spread of financial products of banks is markedly seen in the market. Banking services can be provided very fast and interactively in mobile banking. In this era, Technology has proved its contribution in today's business world, which leads to the largest and fastest growth indicator in an economy. Mobile banking is among those indicators which promotes banking and financial sector. The role of technology is changing, the already developed traditional mindset of people. The periphery of transactions are changing rapidly day to day, which gives many opportunities to all banking and financial institutions to enhance their services package offered to customers. Mobile banking service helps the user to handle their sensitive as well as daily routine chores in an efficient and confidential way. Mobile banking doesn't restrict a customer to stick at one place, region/area. Over the years, financial institutions and banks are always curious to increase the facilities to the customers to fascinate them. This paper examines the awareness of inhabitants of Kapurthala, District Kapurthala regarding the awareness of mobile banking.

**Keywords:** Mobile Banking, financial sector, mobile technology, cashless transactions

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## 1. Introduction

The COVID-19, a deadly disease, named as pandemic drives the marketing of banking industry into acceptance of the usage of digital platform. Users are, during this period, believed to use online or mobile banking possibilities or non-branch banking facilities. The financial institutions that have digitally transformed themselves are expected to be benefited from this behavioral shift. Mobile banking may be defined as to perform banking transactions or any other monetary transaction by sitting at any place, anytime, not necessarily face to face but wireless communication, using a device equipped with smart features and smart services. Cashless transaction is the name given to mobile banking; apparently, it is other side of the coin. Cashless transactions are welcomed by banks, financial institutions and customers as well. Use of Debit/ credit card or any electronic payment method is the feature of

cashless transaction. The adoption reason reveals that customer feel secure and free while paying off his dues, installments, bills (electricity, phone, water etc.), along with the regular and continuous connectivity with their bank accounts and the foremost reason to be tension free from carrying cash in the pocket. There are various reasons to adopt cashless banking like:

1. Quick and definite transaction with confirmation, saving of time, no long queue, no face to face interaction with bank staff.
2. It saves transportation cost to visit the branch and results a spark of zeal to avail this facility more.
3. Minimize the visits to ATMs and to operate it.
4. Cashless banking controls the transactions which results in formation of black money, hoarders.
5. Customers get a transparent view

and a confirmed record of their transactions which results a feeling of trust and bonding between the bank and customer.

## 2. Benefits Of Mobile Banking

The recent COVID-19 situation has made it imperative that the banking institutions must devise the mechanism to act beyond the fundamentals of providing digital banking solutions. This can be achieved with the immense emphasis on user friendly interface, exponential strategy to harness the customer base which cannot access the physical branches and improving back-office functionality. This will provide a thrust to the unified incorporation of personalized touch to digital banking operations. There is necessity of paradigm shift in such a way digital banking services are transformed and provided to end users. This can enhance the revenues as it will decrease the cost. Following benefits are enlisted with regard to the banking:

### 1. **Increase electronic transmission occurrence:**

Consumers using electronic transmission media are amenable to a greater occurrence and regularity of electronically communication from their financial institution. Generally informed by email, messages, videos and collective tools.

### 2. **Provide guidance on financial matters:** The preliminary information on borrowings and savings will bring awareness to the customers.

### 3. **Emphasize fee surrender and refunds:** Though consumers which are highly engaged in electronic transmission media are fewer fees sensitive, this may be the outcome of fee waivers and repay that are offered this segment. These benefits are used to switch less electronically engaged consumers.

### 4. **Allows self-service selections:** The progressive customers desire a free

hand enabled digital platform to fix the issue than approaching banks for the same.

Therefore, the banking institutions should aim at the branch dependent customers to make them more equipped and satisfied

Mobile banking is assumed to be the biggest and revolutionary effort of the modern era. It has explored many opportunities and various ways to satisfy the needs of the customers and to enhance the working conditions of the banks and financial institutions. Mobile banking has transformed the whole dealing between the buyer and seller. Seller needs not to go door to door to sell his services/products and buyer needs not to go place to place to buy the service /product and moreover to keep cash in the pocket which attracts the chances of theft and risk of life of the buyer. Mobile banking updates the customers 24\*7 whenever any transaction takes place in the bank account. Regular and transparent transaction record provided by banks fascinates the customer in this uncertain world and it is the foremost requirement of the user.

## 3. Demographic Profile Of Kapurthala District

As per the Census 2011, Kapurthala District is one of the smallest districts of Punjab in terms of area and population. The Kapurthala lies between north latitude 31° 07' and 31° 22' and east longitude 75° 36'. In the north it is bound by Hoshiarpur, Gurdaspur, and Amritsar districts, in the west by Amritsar, TarnTaran districts and the Beas River and in south it is surrounded by the Jalandhar district.

## THE HIGHLIGHTS OF THE DISTRICT ARE: -

- Kapurthala district has a population of 8,15,168 comprising of 4,26,311 males and 3,88,857 females.
  - Kapurthala district ranks 14th in area and 14th in population.
  - Kapurthala is the most populous and Bhulath is the least populous tahsil.
  - The average population size of a village in the district (870) is lower than that of the State (1,425).
  - Hamira (7,727) in Kapurthala Tahsil is the largest village by population size followed by Talwandi Chaudharian (7,217) in Sultanpur Lodhi Tahsil.
  - 4 villages in the district are large sized with a population of 5,000 or more.
  - The decadal population growth rate in the district (8.0%) is lower than that of the state average (13.9%).
  - Kapurthala district is less urbanized (34.7%) while the State is more urbanized (37.5%).
  - The sex ratio in the district (912) is higher than the State (895).
- It ranks 5th among the districts in the State.
- The child sex ratio in the district (871) is higher than the state child sex ratio (846). It ranks 3rd among the districts in the State.
  - Literacy rate of Kapurthala is more (79.1%) as compared to State (75.8%).

#### 4. Literature Review

- Ahmed Sohel S.M, Rayhan Shah Jahir, Islam Ariful md, 2012, "Problem and Prospect of Mobile Banking in Bangladesh", the paper pick out the trouble and prospects of mobile banking in Bangladesh. The benefits of mobile banking for customers and bank are also a part of this study. This paper detects the difficulty related to mobile banking and composes suggestions on the basis of outcomes in Bangladesh.
- Ratten Vanessa, 2012, "Entrepreneurship E-Finance and Mobile Banking", focuses on the role of entrepreneurship and E-finance. It measures a person's perspective on the role of both, to adopt

M-banking. It also determines responsiveness and understanding of M-banking and marketing. This paper focuses on the adoption intention of mobile banking through role of entrepreneurship and e-finance. In this paper, the approach adopted is to develop a conceptual framework. The people's entrepreneurial fondness and learning tendency determine their knowledge about mobile banking is the main finding of this paper.

- Sudhakara A.M, Moorthy Suryanarayan M.R, 2011, "Emerging Mobile Banking Scenario and its Adoption in India: A Study", explains the trends and security of M-banking, its quality, and the services provided by bank. It focuses on M-Banking guidelines given by RBI too. The study emphasis on data security and standards of Mobile Banking along with its implication on banking sector in India and other countries. To increase the profits, public sector also adopted this new technology and moreover to reach out to customer better. But, banks should make certain area of privacy of information and its protection by adopting most modern technology. Only then Banks can magnetize its maximum customers to use mobile banking which in turn provides the chances of increase in continuity in business and profits by using latest technology.

- Singh Preeti, Bamoriya Sharma Purna, 2011 "Issues and Challenges in Mobile Banking in India: A Customer's Perspective", identifies challenges of m-banking in India. Certain issues related to banks, customerization, mobile handset operability, safety /privacy, service standardization, download and install application software and telecom services quality are identified. Due to availability of different variety of handsets, its operability is an important concern in using mobile banking. Not only this, security and privacy are another serious issues for customers while using Mobile banking.

- Anyanwu, Ubi, & Ananwude, (2017), "Trust and Distrust Determinants of Mobile Banking Adoption in the Nigerian Banking Industry: A Study of First Bank Nigeria Limited", examined that deemed benefits and ease of

use are also important factors for mobile banking. The study call attention to the perceived interest and facile use of Mobile service expansively influence and settle on the behavioral objective of customers to agree on mobile banking. The result of the study is that perceived risk and monetary cost restricts customers to embrace mobile banking.

- Titus Ray, Mathew Sajan, 2011, "M-Banking Future?", anticipated that in future mobile banking can swap the debit and credit cards arrangement, m banking means 'anywhere anytime ,anyhow banking. The focal point of the study is on the scenario of m banking, oppositions, matters in future along with its feasible solution. By just clicking a button, the highest comfort level of the customers, various banking transactions like cash payment , approval of loans, , and verify balance statements can be done very easily .

- Uppal R.K, 2011, "Mobile Banking in India: An empirical Analysis", focussed on acceptance and practice of m-banking facilities among customers and Indian banking sector. The center of attention of the study is the problems, challenges and difficulties faced by customers while using mobile banking like high price, time-consuming internet data transference and of course security. These are the hindrances which forces the customer not to favor m banking. Moreover, not too much awareness of using mobile banking among customers is another obstacle in the way of m-banking.

- Uppal R.K, 2010, "Emerging Issues and Strategies to Enhance M-Banking Services", explains the pros of M-banking to customers and bankers. Focus of the study is on the best alternative for banks and customers i.e. mobile banking. Mobile banking enhances the opportunities for banks to increase profits, on the other side it is time and money saver for customers. To keep hold on the valuable customers, 'anywhere anytime banking' facility is provided through mobile banking. The Study also

suggests the measures to bring awareness of using mobile banking in rural areas too.

## 5 . Research Methodology

An exploratory approach has been used by the researcher to explore the awareness and effectiveness of m banking services in Kapurthala District.

## 6. Sampilng Design

The target population for the study was any individual of age 18 years or above. The sample was chosen from Kapurthala District. Sample size was taken with 95% confidence level. This research adopted stratified random sampling for the study.

## 7.Objectives

**7.1** To examine the awareness level of M banking services in Kapurthala District.

**7.2** To evaluate effectiveness of m banking services in improving digital services delivery in major Kapurthala district.

## 8. Data Collection

To achieve the research objectives the data was collected mainly through primary sources. For developing a questionnaire, literature review provided the base. A self-designed questionnaire based on three and five point Likert scale were distributed to 385 individuals, of which, 350 were retained which were complete in every sense. 35 respondents turned to be incomplete and so the number was deleted from the survey.

## 9. Research Tools

Using Descriptive Statistics i.e. mean, standard deviation, skewness kurtosis, chi-square results researcher tries to examine the awareness level of

m banking services among the citizens of the district and examine the effectiveness of the services. Correlation among effectiveness, efficiency and equity is measured using SPSS software. Reliability analysis is applied to test the scale consistency of factors of the concerned research study.

### 10. Hypothesis

H1: The respondents are aware about the m-services of banking services in the Kapurthala district.

H2: The effectiveness of m banking services of Kapurthala district is not significant.

### 11. Data Analysis

#### 11.1 Demographic Profile:

Details of the respondent's profile are provided in table 11.1 below:

Demographic characteristics		Frequency	%age
Gender	Male	243	69.3
	Female	107	30.7
Age (in years)	18- 30	195	55.7
	31-50	154	44
	51 & above	1	.30
Level of Education	up to Secondary (+2)	10	.02
	Up to Graduation	110	31.51
	Post Grad. & Above	229	65.61
Occupation	Student /Not Working	1	.002
	Serviceman	58	16.33
	Professional	160	45.84

	Businessman	131	37.53
Monthly Income (Rs.)	Up to Rs. 25,000	154	43.8
	Rs. 25,000 - Rs. 75,000	168	48.1
	Rs. 75, 000 and Above	28	.08

The study reveals that majority of respondents belongs 18- 30 years of age group (55%), followed by the age group of 31-50( 44%) and 51 and above (.3%). The female composition (31%) of respondents is less than the males (69%). On the basis of qualification possessed by the respondents, the researcher also endeavor to examine the literacy. Study revealed that .02% of the respondents possessed Secondary certificate, while, undergraduate were 32% and 66% were post graduate. in the same way, the monthly income was expedited, which exhibit 43% of respondents come in the category of Up to Rs. 25,000, 48% fall in the range of Rs. 25,000- Rs. 75,000 and 9% belong to the category of Rs. 75,000 and above. This depicts that majority of literate section of society is age group , having moderate income are more inclined towards the m banking practices.

#### 11.2 Awareness Level of M- banking services:

To make it clear, 10 different m- banking services offered by Banks have been examined and exhibits in table below. An attempt has done to show the awareness level of the respondents about these m- banking services offered by the bank. It has been observed that the majority of respondents are aware about services like queries of account balance, account statement enquiry, cheque status and book enquiry, fund transfer between accounts,



debit and credit attentive messages, recent transaction history and information on exchange rate. Almost in all ,the mean of the services is

more than 1 which depicts that the respondents are responsive about the services. The values are depicted in table 11.2

SERVICES AVAILED	N		Mean	Std. Dev.	Frequency			
	Valid	Missing			Yes	%age	No	%age
Account Balance Enquiry	350	0	2.5457	.59792	295	84.3	55	15.7
Account Statement Enquiry	350	0	1.8029	.78561	304	86.9	46	13.1
Cheque Status Enquiry	350	0	5.5057	1.29744	112	32	238	68
Cheque book Enquiry	350	0	5.6657	1.30449	239	68.4	111	31.6
Fund Transfer between account	350	0	5.7143	1.32361	153	43.8	197	56.2
Credit /Debit Alerts	350	0	5.8000	1.33715	183	52.4	167	47.6
Minimum Balance Alerts	350	0	5.8174	1.18154	124	35.4	226	64.6
Bill Payment Alerts	350	0	6.0171	1.16282	212	60.6	138	39.4
Recent Transaction History	350	0	5.8371	1.20851	212	60.6	138	39.4
Information on Exchange	350	0	5.8943	1.28441	231	66.2	119	33.8

Rate								
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### 11.3 Efficiency of M- banking in Punjab

The researcher aims to analyze the efficacy of m-banking services in chosen districts of Kapurthala. For better understanding efficacy is assessed on the parameters identified through various literature reviews namely

Accuracy, Correctness of information, Timely Resolution, Timely response, Customer Participation, Reliability in services, Assurance, Third party involvement, transparency, transaction time, waiting time and clarity of policies. Efficacy is the ability to produce the intended results. Therefore, assessing efficacy in the m- banking services will help to identify.

The mean score as depicted in table 11.3.1 is greater than 1, clearly indicates that Customer feels that there is efficiency of services provided

by m Banking the values of skewness and kurtosis also supports the fact. The detail analysis is placed at given Table:

Descriptive Statistics									
	N	Minimum	Maximum	Mean	Std. Deviation	Skewness		Kurtosis	
<b>EFFECIENCY</b>	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
<b>Accuracy</b>	350	1.00	7.00	5.9029	1.32065	-1.292	.130	1.030	.260
<b>Info. Given on time</b>	350	1.00	7.00	5.8800	1.17393	-1.240	.130	1.158	.260
<b>timely response</b>	350	2.00	7.00	5.8971	1.22568	-1.070	.130	.489	.260
<b>citizen participation</b>	350	1.00	7.00	5.7943	1.24296	-1.288	.130	1.881	.260
<b>reliability in services</b>	350	1.00	7.00	5.9686	1.20488	-1.531	.130	2.738	.260
<b>assurance of timely service</b>	350	1.00	7.00	5.9229	1.27677	-1.450	.130	1.989	.260
<b>third party/agent involvement</b>	350	2.00	7.00	5.8943	1.13689	-1.321	.130	1.699	.260
<b>transparency in complaint handling</b>	350	1.00	7.00	5.8086	1.15822	-1.157	.130	1.438	.260
<b>Transaction cost</b>	350	1.00	7.00	5.8457	1.23426	-1.212	.130	1.466	.260
<b>waiting time</b>	350	2.00	7.00	5.9143	1.18180	-1.352	.130	1.707	.260

clarity of policies	350	1.00	7.00	4.1857	1.46881	.058	.130	-.735	.260
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Further, Zero order correlation has been applied to analyze the correlation amongst the different parameters of effectiveness. When ascertained the relationship amongst the said factors, the table revealed that the correlation among the factors are

significantly high except the factor clarity of policies. It is due to awareness among the people as depicted in table 11.3.2.

**Table 11.3.2**  
**CORRELATION OF FACTORS DETERMINING THE EFFICIENCY**

		Info. Given on time	timely response	customer participation	reliability in services	assurance of timely service	third party/agent involvement	transparency in complaint handling	Transaction cost	waiting time	clarity of policies
Accuracy	Pearson Correlation	1	.632**	.666*	.525**	.681**	.524**	.596**	.602**	.532**	.602**
	Sig. (2-tailed)		.000	.000	.000	.000	.000	.000	.000	.000	.052
	N	350	350	350	350	350	350	350	350	350	350
Info. Given on time	Pearson Correlation	.632**	1	.686*	.631**	.556**	.594**	.525**	.645**	.586**	.662**
	Sig. (2-tailed)	.000		.000	.000	.000	.000	.000	.000	.000	.032
	N	350	350	350	350	350	350	350	350	350	350
timely response	Pearson Correlation	.666**	.686**	1	.718**	.733**	.724**	.712**	.688**	.647**	.664**
	Sig. (2-tailed)	.000	.000		.000	.000	.000	.000	.000	.000	.002
	N	350	350	350	350	350	350	350	350	350	350
citizen participation	Pearson Correlation	.525**	.631**	.718*	1	.658**	.707**	.562**	.615**	.512**	.579**
											.057



	Sig. (2-tailed)	.000	.000	.000		.000	.000	.000	.000	.000	.000	.287
	N	350	350	350	350	350	350	350	350	350	350	350
reliability in services	Pearson Correlation	.681**	.556**	.733*	.658**	1	.742**	.675**	.712**	.644**	.654**	.031
	Sig. (2-tailed)	.000	.000	.000	.000		.000	.000	.000	.000	.000	.565
	N	350	350	350	350	350	350	350	350	350	350	350
assurance of timely service	Pearson Correlation	.524**	.594**	.724*	.707**	.742**	1	.658**	.765**	.625**	.675**	.133*
	Sig. (2-tailed)	.000	.000	.000	.000	.000		.000	.000	.000	.000	.013
	N	350	350	350	350	350	350	350	350	350	350	350
third party/agent involvement	Pearson Correlation	.596**	.525**	.712*	.562**	.675**	.658**	1	.705**	.630**	.646**	.072
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000		.000	.000	.000	.180
	N	350	350	350	350	350	350	350	350	350	350	350
transparency in complaint handling	Pearson Correlation	.602**	.645**	.688*	.615**	.712**	.765**	.705**	1	.727**	.758**	.119*
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	.000		.000	.000	.026
	N	350	350	350	350	350	350	350	350	350	350	350
Transaction cost	Pearson Correlation	.532**	.586**	.647*	.512**	.644**	.625**	.630**	.727**	1	.716**	.077
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	.000	.000		.000	.148
	N	350	350	350	350	350	350	350	350	350	350	350
waiting time	Pearson Correlation	.602**	.662**	.664*	.579**	.654**	.675**	.646**	.758**	.716**	1	.140**
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	.000	.000	.000		.009

N		350	350	350	350	350	350	350	350	350	350	350
clarity of policies	Pearson											
	Correlation	.104	.114*	.162**	.057	.031	.133*	.072	.119*	.077	.140**	1
	Sig. (2-tailed)	.052	.032	.002	.287	.565	.013	.180	.026	.148	.009	
	N	350	350	350	350	350	350	350	350	350	350	350

\*\* . Correlation is significant at the 0.01 level (2-tailed).

\* . Correlation is significant at the 0.05 level (2-tailed).

## 12. Reliability Analysis:

As depicted in table 11.1 the value of Cronbach alpha is more than 0.724 for all 28 statements, which suggest all items, are internally reliable.

## 12. Limitation

The study is restricted to Kapurthala area only. There is a further scope to add more research area as mobile banking is playing a prominent role to promote cashless banking. But the question is how far the society has accepted the changes.

## 5.3 Conclusion

Every coin has two sides, same with Mobile banking. But the side which is up considered to be prominent. In present scenario, mobile banking has reserved its place in the market. Due to its pros, many buyers and sellers are fascinated towards it. With the help of mobile banking, financial institutions and banks are in upper platform to perform and provide electronic services to their customers time to time or when demanded by customers. But if certain focus is given to reduce the flaws of mobile banking, one day India can become a cashless economy as a whole and trust can be raised among the people of the country. But for this, awareness plays a vital role. Only awareness brings a revolution in any society. So for the development of the India, strong and stable banking and financial sector

must be formed. Only then India can become a self dependent and self sustained economy

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**Reliability Statistics**

Cronbach's Alpha	N of Items
.724	28