



## **WHAT ARE THE DETERMINANTS OF USAGE OF MOBILE BANKING & APPs IN INDIA???**

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### **Abstract**

**Key Words:** Mobile Banking, Determinants

### **Introduction**

The emergence and penetration of Information Technology (IT) is gaining momentum in today's business life and each and every business is putting efforts for reaching and serving their customers most effectively, to remain in the pace of competition, these requirements have forced each and every business to adopt Information technology to reach to their goals. Banking business is also adopting the technology very rapidly; adoption of mobile banking applications is a part of that drive. Banks are incurring huge expenditures on establishing the mobile banking application to penetrate banking services through mobile phone devices. This study is mainly concerned with analysis of determinants required for the success of these mobile banking applications in providing customer satisfaction and bringing loyalty among customers regarding the services of that particular bank.

### **Objective Of The Study**

The main objective of this study is to finding major components/determinants and factor required for the success of Mobile Banking applications of Indian banks. This study also focuses on finding suitable model to analyzing the success of Information System adopted by various banks in establishing mobile banking services.

## Literature Review

### Dimensions of E- Service Quality

(Wolfenbarger & Gilly, 2003)	Web Design, fulfillment/reliability, security/privacy and customer services
(Jessica, 2003)	Ease of use , Appearance , Linkage , Structure and layout , Content , Reliability , Efficiency , Support , Communication ,Security , Incentive
(Swaid & Wigand, 2009)	Website usability , Information quality , Reliability , Responsiveness , Assurance , Personalization
(Ribbink, van Riel, V., & Streukens, 2004)	Ease of use , E-scope (i.e. web site design) , Customization , Responsiveness , Assurance
Raman, Stephaenus, Alam and Kuppusamy, 2008	Ease of use , Appearance , Reliability , Customization , Communication , Incentive
(Bedi, 2010)	Assurance, Empathy, Reliability, Responsiveness, Tangible Product Availability, Product Convenience, Interaction
Munusamy et al. (2010)	Assurance, Responsiveness, Empathy, Tangible, Reliability
(Ganguli & Roy, 2011)	Technology Security and Information quality, Technology Convenience, Technology usage easiness and Reliability, Customer Service
(Sharma & Malviya, 2011)	'Reliability and Responsiveness, Assurance and Security, Convenience, Efficiency, and Ease of Operation
(zera, Arganb, & Arganc, 2013)	satisfaction, availability, perceived risk, ease to use, compatibility of device, entertainment
Parasurman et al. [2005]	E-S-Qual: efficiency, fulfillment, system availability and privacy E-RecS-Qual: responsiveness , compensation, contact
(Lee & Lin, 2005)	Web design, reliability, responsiveness, trust, and personalization
Gefen [2002]	tangibility, responsiveness, reliability, assurance and empathy
Collier and Bienstock, 2006	Process quality, outcome, quality, recovery
(Barnes & Vidgen, 2002)	Usability, design, information, trust and empathy

(Source: Compiled from literature study)

### Research Gap

There are many studies that have been conducted in the area of service quality; many studies are there to find out the quality and dimensions of the e- service quality. Moreover various

researches have been conducted in the banking segment as well, but mobile banking is comparatively a new concept as compare to the other segments of banking.

After analyzing the available literature **firstly**, it was found that mobile banking is comparatively a new concept; it has not received that much attention as compare to its counterpart; internet or online banking. **Secondly**, there are many channels through which mobile banking can work like- SMS based, Wireless Application Protocol based and USSD (Unstructured supplementary service Data) based. There are very few studies on the functioning of these channels. All the earlier studies that have been conducted on mobile banking do not specify kind of services and channels of mobile banking these studies have investigated. **Thirdly**, mainly all the studies were based on the usage of various theories and models of technology acceptance like Technology acceptance Model (TAM), Theory of Planned Behavior (TPB), Diffusion of Innovation (DOI) and Theory of Reasoned Actions (TRA), but all these theories are used to explain the acceptance of technology, but not the determinants required for success and success of information system. So it becomes necessary to investigate the role of another Information System model like model of De-Lone and Mc –Lean to measure the success of Information System and to analyze the behavior regarding intention to use. **Lastly** it was found in various studies that model of De-Lone and Mc-Lean is apt for measuring the success of another established information system like websites and e-commerce, but it is still pending to find whether this model is sufficient enough to predict success and environment of Mobile banking applications or not.

### **Research Question**

The present study attempts to investigate the following research questions:

- (1) What are the qualities that are desired by the customers in mobile banking applications?
- (2) What kinds of services are rendered by these apps to the customers?
- (3) Are experienced users satisfied with their mobile banking apps? And why?
- (4) Do experienced users intend to continue using their mobile banking apps? And why?

### **Research Methodology**

#### ***Research Design***

The study is bifurcated into two parts; first part of the study is exploratory in nature. This research design uses the qualitative techniques, here attempts are made to find out components required for the success of the Mobile banking app by recording the reviews of the users of these

applications about the service quality and success of these apps from two platforms ; android and IOS Tunes, so first part is **exploratory** in nature.

The second part is the **descriptive** study. Here many quantitative techniques like questionnaire methods and other statistical tools will be used to find out the most sought dimension of mobile banking app. A questionnaire will be formed on the basis of components found in first part of the study and the success will be measured by getting filled these questionnaires. The second part of the study is concerned with the establishment of the hypothesis and testing of hypothesis.

#### *Sample selection and data collection*

Customers of banks in the Gujarat state will be selected as sample. Various components required for the success of app will be explored by studying the available literature and by analyzing the reviews and feedbacks of 420 customers while downloading the app of the related banks.

In the second part data will be collected by questionnaire. Questionnaire will be having questions on the demographic construct of customers, various components of mobile banking app, and customer's perception toward the success of mobile banking.

These selected banks are SBI, ICICI bank, HDFC bank, Bank of Baroda, CITI Bank and Axis bank. These are top performing banks in mobile banking.

#### *Statistical Tools*

In this study various kinds of statistical tools will be employed, these are-

- (1) **Content Analysis and principal component analysis/ Factor analyses** will be used to find out the various success factors of the app.
- (2) **Structural Equation modeling (SEM)** will be used to establish the relationship among various dimensions of quality with loyalty of the customer and for validity. **Cronbach's alpha** will be used to check the reliability of the developed measure.
- (3) Various hypothesis testing tools will be used to test the hypothesis.

#### **Research Question**

The present study attempts to investigate the following research questions:

- What are the qualities that are desired by the customers in mobile banking applications?
- What kinds of services are rendered by these apps to the customers?
- Are experienced users satisfied with their mobile banking apps? And why?
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## Discussion

In the first part of the study 420 reviews of the customers were collected regarding the quality of mobile banking app of selected banks like SBI, ICICI bank, HDFC bank, Bank of Baroda, CITI Bank and Axis bank. After analyzing the reviews using content analysis it was found that System quality (reliability, ease of use, user interface, response time, security and functionality), information quality (timeliness, correctness and completeness of information, and understandability), service quality (assurance, empathy, responsiveness) and perceived usefulness and trust are the major components that are required for the success of any of the mobile banking application. It is also found that De-lone and Mc lean model mainly accompanies all these aspects of Information System success, so that particular model good sufficient enough to measure the success of these applications.

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