

A Study on Mobile Banking services in India

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Abstract

Mobile banking is a service provided by a bank or other financial institution that allows its customers to conduct financial transactions remotely using a mobile device such as a smartphone or tablet. It is one of the important products of Green Banking and it is an easy and convenient for its customers. Mobile Banking is available for 24*7. It is helpful Balance enquiry, online transfer of money from one account to another, SMS alert, payment of bills online. Study is descriptive in nature. Paper discussed about services of mobile banking and mobile banking application developed by different banks in India. The data is collected using secondary sources like related articles, Banks's website etc.

Key words: Mobile Banking, SMS banking, Online bill payment, Fund transfer.

Introduction

Banking is one of the key financial institutions in India. With the increased pace in technology banks also updating with new technology by introducing digital banking in India. Mobile banking is one of the important innovative tools of banks among the available services. Mobile banking is nothing but making banking transactions using mobile phones. It is a bi-product of Green Banking. Mobile banking alone serves the purpose of different banking transactions in convenience to its customers which in turn saves the time and cost of its customers. Easy transaction of money from one bank account to another is possible through mobile banking app. Mobile banking has so many advantages to its customers like Balance enquiry, quick transfer of funds, online bill payments, SMS alert etc. Thus mobile banking is adopting by customers at an increasing pace.

Literature Review

Prerana et al (2011) author studies the issues of mobile banking as a customer point of view and the utility of mobile banking. Study is descriptive based study and ad-hoc quota sampling used. It is concluded that customers are facing the problem of operating banking activities using mobile phone. And also facing the problem of security issues while operating mobile banking.

Parul (2015) the study examines the consumer adoption of new electronic payment of mobile banking in India. It is an exploratory research study. Data collected through a structured questionnaire and also secondary data with newspapers, journals, magazines and web links. So it is concluded that banks still need to create awareness to its customers on how to use mobile banking services.

Suresh(2017) author determines the factors responsible for mobile banking adoption. Study is done based on secondary data and it is a descriptive study. Customers of banks need to adopt mobile banking because it is advantageous to customers to operate banking activities using mobile. Banks need to conduct awareness programs for their customers.

Services of Mobile Banking

According to the Reserve Bank of India's (RBI) annual report for 2017-18, mobile banking service witnessed a growth of 92% and 13% in volume and value terms, respectively. The number of registered customers rose by 54% to 251 million at end-march 2018 from 163 million at end-march 2017.

1. Access to account information

Primary service of Mobile banking is accessing banking information. And it is helpful for management of funds. Using this service customers can check the following details:- Transaction history, e-statement of account, loan statements, card statements and e-passbooks.

2. Regular Transactions

Transfer of money from one account to another and online payments is the basic facility of mobile banking. Customers can transfer funds to anyone by adding them as beneficiaries through UPI(Unified Payments Interface)and also it involves Bank to Bank transfers, Transfer of funds to self , payment of money for rent and other bills and NEFT/IMPS/RTGS payments etc.

3. Investment Purpose

Opening Fixed deposit/ recurring deposits, investment in mutual funds and portfolio management services etc.

4. Other services

Services other than Account summary, bill payments, fund transfer and investment are those which a customer requires for smooth running of banking activities. Also there may be other services like grievance redress etc. Mobile banking also helpful for finding solution to your banking complaints or queries. These services include: ATM locators, Branch locators, Lodging complaint/ tracking applications, ordering new cheque book, Cancelling /stopping an issued cheque.

i. SMS Banking

Most of the banks they are providing services over mobile apps, along with this they also facilitates SMS banking service. This service is useful for those who do not have smartphones and internet facility. Here customers need to register their mobile number with their bank in order to avail SMS banking. Services of SMS banking: Balance enquiry, mini-statement, self-transfer of funds, Block ATM card or credit card, Enquiry for forex rates.

ii. Mobile Banking over USSD

USSD-Unstructured Supplementary Service Data is a type of communication in which one can access banking services. There is no need for a smartphone or an internet connection for this service. It allows services like balance enquiry and transfer of funds, balance enquiry, mini statement, transfer of funds, change of MPIN and Generate OTP.

India's Top mobile banking App's in India

In India Mobile Banking started in 2002. And transactions were carried out through SMS. Now a day almost all banking transactions can be performed using a computer, laptop or using smartphone like checking account statements, paying credit bills, utility bills and transfer of funds through online. In 2018 almost all banks have mobile phone application. It helps to transfer funds for this customer is just need to download the mobile banking app into their android or smartphone, then they can start online banking transactions as per their convenience. ICICI bank was the first bank in India to launch mobile banking in the year 2008. Since then almost every bank have followed it.

1. HDFC Bank Mobile application

HDFC Bank is one among the largest private sector banks in India. Its mobile banking app allows its customers to see their account transactions, easy transfer of funds, quick credit card payments. HDFC Bank's mobile banking application has 4-star rating on the Google play store and has 1million downloads. HDFC bank's mobile banking app is also available in Hindi language and has a "LITE" version, it is compatible with lower internet speed also. While the LITE version does not have all the features of the regular version, it covers the most frequently used services.

2. ICICI Bank's iMobile Application

The iMobile app by ICICI Bank is one of the highest rated mobile banking application in India. The app has 4.5 star rating on the Google play store and has over 10 million installs. The app allows customers for transfer funds, to pay credit card bills, to pay utility bills online, also ro open fixed deposit and recurring deposi account, and manages Life Insurance Policies. The iMobile app also allows its users to make use of ICICI Bank ATMs, transfer of funds quickly via UPI paymets, and transfer of funds to a mobile number. The app will be updated to reflect new services that the bank offers with the app.

In addition to this, ICICI Bank has also launched iWear-ICICI Bank's smartwatch app. iWear allows its users to access their Bank account information through their smartwatches, which includes information about their last 3 bank transactions, available balance and credit card accounts.

3. Axis Bank's Axis Mobile Application

The Axis Mobile app is one of the most popular app. With over 5 million downloads and 4-star rating on the Google play store, the app allow its customers to make use of different services and functions. In addition to this transfer of funds and checking account statements, the app allows users to make credit

card payments for a date that suits them better, to convert card payments to Equated Monthly Instalments, to block cards and to replace them and temporarily deactivate debit cards and set limits on debit card purchases. App users can also set standing instructions and auto-play bills for over 200 utility services.

4. SBI,s Anywhere Personal Application

SBI has a number of banking apps for a variety of services, but anywhere personal is the app that provides the fundamental banking services. The app is called the State Bank Freedom app and it is available in both Hindi and English. The app allows its users access to deposits, withdrawals, and a mini-balance sheet. The app has the mCash feature that allows users to transfer funds to a mobile number or email id. Customers can also make payments for utility bills, instantly open and close fixed and recurring deposits and scheduled transactions. The app also allows its users the ability to make payments to the SBI Life Premium and make ad-hoc payments to billers that are not registered on the app.

SBI has also launched a wear app which allows its users to access their account through their smart watches.

Importance of Mobile Banking

Mobile Banking allows its consumers to be able to access banking services from anywhere. Business and business owners are now able to save time by making use of mobile applications to process their payments or even receive funds from clients directly to their phone numbers. It is particularly popular among small to medium-sized enterprises (SMEs). With mobile technology, banks are able to cut down on operational costs while still maintaining client satisfaction. The fact that any client of a bank can make use of their app to request a service, such as opening an account or even the ability to schedule debit orders or other payments from an application, allows for larger transactions volumes, eventually driving business growth.

Challenges of Mobile Banking

Challenges associated with mobile banking include:

- Reliability and scalability
- Personalization ability
- Application distribution
- Upgrade synchronization abilities

Objectives of the study

1. To study the Mobile banking services in India.
2. To study the Mobile banking application of banks in India.

Research Methodology

Paper discusses about mobile banking applications and basic mobile banking services and their benefits to its customers The research study is descriptive based study. Here the study is done through secondary data sources, websites, review of related articles.

Findings of the study

1. Mobile banking is an easy and convenient service for its customer to operate their banking transactions as per their convenience.
2. It is found that Mobile banking is a developing app for all types online banking transactions.
3. The bank's which adopted mobile banking service has developed it as an app with specialised features
4. Most of the banks are adopting and implementing mobile based apps for mobile banking transactions.
5. Mobile banking is not only meant for banking transactions but also useful for investment in mutual funds and also helpful for portfolio management.

Conclusion

Mobile Banking is one of the important and convenient service for the banking customers. Mobile banking is one of the bi-product of Green Banking, where it is known for its easy, convenient and key point is mobile banking is meant for paper less transactions. Many banks in India is developing it in the form of an app in mobile phones. Mobile banking is providing many services with different features. Services of mobile banking are available 24*7 and also help to make any bill payments. Paper discussed about mobile banking status in India and also about importance and challenges of mobile banking. It is showing that mobile banking is helpful for the customers for their easy banking transactions.

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