

A Study on Customers' Perceptions Toward Banking Apps With Special Reference To Madurai City

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ABSTRACT

Technology has proven to be one of the most important measures of development and competitiveness in the modern corporate environment, and banking is crucial to all sectors of the economy. Technology is developing at an incredibly fast rate, which helps the Indian banking industry by promoting its services. Among the biggest financial institutions, banking constantly looks for ways to use technology to improve customer service. The majority of banking transactions that take place these days happen online. The rising use of mobile phones presents enormous potential for the expansion of mobile banking. People are currently switching to these smartphone banking apps due to the digital India strategy and demonetization. The goal of this study is to understand Madurai's consumers' perceptions of banking apps. The inferences were determined using the appropriate tools.

Key words: Technology, Mobile banking, Banking apps, and Customer perception

INTRODUCTION

Currently, individuals are switching to these mobile banking apps due to the demonetization and digital India strategy; thus, the topic of banking apps was chosen. Six banking applications were selected after taking into account the fact that different banks offer various apps. ICICI Bank (I Mobile), HDFC (HDFC Bank Mobile Banking), Canara Bank (Candi), Bank of Baroda (M Connect Plus), State Bank of India (Yono App), and Tamilnad Mercantile Bank (TMB M Connect) are the ones listed above.

STATEMENT OF THE PROBLEM

Numerous government initiatives assert that mobile phones may facilitate financial services and lead to inclusive growth. It is too early to tell if mobile banking is successful in rural regions. People face numerous and intricate obstacles while attempting to access the internet using current technologies. Research has demonstrated that the most favorable option is the use of mobile banking by banks. These days, several banking applications are used to complete transactions. Based on the fact that most people use banking applications to pay bills, make purchases online, transfer money between accounts, and other tasks, it will be possible to determine how satisfied users are with their banking apps.

REVIEW OF LITERATURE

The reviews of previous studies relating to mobile banking apps used has been discussed as follows. Sharma and Singh (2009) in their study have found that Indian mobile banking users are specifically concerned about security issues like financial fraud, misuse of accounts, ease of use, difficulty in recollecting the codes and passwords for different transactions, software installations and updates. According to Astha (2010), Mobile banking is a new invention for the untapped demand of the customers, especially for the economically weaker section. They have suggested mobile banking regulation to avoid risks as regulation will reduce the risk level. Mobile banking is a part of the new banking dimension, i.e. branchless

banking to make any bank digital, which has great potential to extend the distribution of financial services to people who are not reached by traditional bank branch networks.

Sadi and Noordin (2011) have studied cost as an attribute and they found out that perceived cost has a negative relationship with the intention of adopting mobile banking services. This study recommends that pricing and creative promotional strategies, including cost reduction, should be executed to attract more price-conscious customers.

Samudra and Phadtare (2012) in their study used the UTUAT model to examine the adoption of mobile banking services in Pune city and have suggested that mobile banking services should be promoted to middle level managers whose salaries are in the range of 1-6 lacs and the age group is 25-30. The reason cited in their study is that the group is the most active age group for 3G mobile. They have used five factors of the UTUAT model to study the adoption of mobile banking, such as effort expectancy, performance expectancy, facilitating conditions and social influence. Facilitating conditions is also another major factor that influences M-banking adoption in this study.

SCOPE OF THE STUDY

The study involves knowing the customer attitude toward banking apps in Madurai. The study is based on nationalized banks and private banks. In and around, there were a greater number of banks in both the private sector and the public sector. Considering the six banks that were chosen for the studies, the banks were as follows: SBI Bank, Bank of Baroda, Canara bank in the public sector, and in the private sector we prefer TMB, ICICI BANK, HDFC BANK.

OBJECTIVES OF THE STUDY

To know the attitude of people using banking apps.

To identify the most preferred banking app

To find out the expectations of the customer regarding banking apps.

To analyze the problem faced by problems while using a banking app.

To know the reason for using other payment apps.

RESEARCH METHODOLOGY

The study is to analyse the customer attitude towards the usage of different banking apps among the community in and around Madurai city. The data for this study is not easy to collect in a practical way, so considering this, the researcher selects simple random sampling and also the researcher differentiates two different sectors in banking, so it also includes the stratified sampling technique. The data was collected from primary as well as secondary sources. Based on the convenience for the researcher, the researcher selects the location for research. It also covers convenient sampling.

SAMPLE SIZE

The data was collected by the researcher from 100 respondents,

Public sector banks 50 respondents

Private sector banks 50 respondents

SOURCE OF DATA

The primary data collected from the bank customers through structured questionnaire which contains closed and open-ended questions.

The secondary is data has been collected from the websites, newspapers and magazines which are published and unpublished.

TOOLS FOR ANALYSIS

Percentage analysis

One-way anova

Chi square test

Independent sample t test

One sample t test

LIMITATIONS OF THE STUDY

The study covers the customers in different branches. The result of the study cannot be generalized to all branches in Madurai because each bank has a greater number of branches. Some hesitate to share their opinion. Some people hesitate to use technology provided by the banks. Even though they know about the app. Due to some precautionary steps, the data is not collected in an elaborate manner, the data is covered around friends and relative circles, so the result may vary if it is collected in a large manner.

ANALYSIS AND INTERPRETATION

PERCENTAGE ANALYSIS

AGE

Table 3.1 AGE

AGE	FREQUENCY	PERCENTAGE
20-30	71	71.0
30-40	17	17.0
40-50	5	5.0
50 ABOVE	7	7.0

The above table shows that 71% of respondents are belonging to 20-30 category, 17% of respondents are belonging to 30-40 category, 5% of respondents are belonging to 40-50 category, and 7% are belonging to 50 above category.

GENDER

GENDER	FREQUENCY	PERCENTAGE
MALE	24	24.0
FEMALE	76	76.0

Table 3.2 GENDER

For the given table it is concluded that 76% of respondents are female and 24% of respondents are male.

EDUCATIONAL QUALIFICATION

TABLE 3.3 EDUCATIONAL QUALIFICATION

EDUCATION QUALIFICATION	FREQUENCY	PERCENTAGE
HSC	18	18.0
UG	47	47.0
PG	35	35.0

The above table mentions that under graduate are maximum of 47% and there are minimum of secondary education which is 18%, and post graduate at 35%.

OCCUPATION

TABLE 3.4 OCCUPATION

OCCUPATION	FREQUENCY	PERCENTAGE
PRIVATE EMPLOYEE	38	38.0
PUBLIC EMPLOYEE	11	11.0
BUSINESS	24	24.0
PROFFESIONAL	27	27.0

The above table shows there are 38% of respondents are private employees and they are the most users, 27% of respondents are professionals, 24% respondents do Business, and the least usages are covered by 11% of public employees.

HOLDING BANK ACCOUNT

Table 3.5 HOLDING BANK ACCOUNT

Holding different bank accounts	FREQUENCY	PERCENTAGE
SBI	50	50.0
BOB	8	8.0
CANARA BANK	18	18.0
HDFC BANK	17	17.0
ICICI BANK	14	14.0
TMB	29	29.0

The above table covers 50% of respondents from State Bank of India, 29% from Tamilnadu Mercantile Bank, 18% from Canara Bank, 17% from HDFC Bank, 14% from ICICI Bank, 8% from Bank of Baroda.

CONVENIENT BANK APP FOR USAGE

Table 3.8 CONVENIENT BANK APP FOR USAGE

CONVENIENT BANK	FREQUENCY	PERCENTAGE
SBI	38	38.0
BOB	7	7.0
CANARA BANK	10	10.0
HDFC	11	11.0
ICICI	5	5.0
TMB	29	29.0

From the given table it is concluded 38% of respondents were satisfied with SBI, 29% were satisfied with TMB, 7% from Bank of Baroda 10% from Canara Bank 11% from HDFC

VISTING BANK

Table 3.9 VISTING BANK

VISIT THE BANK	FREQUENCY	PERCENTAGE
DAILY	5	5.0
WEEKLY	14	14.0
MONTHLY	41	41.0
RARELY	40	40.0

The given table infers that 41% of respondents visit the bank monthly once, 40% of respondents visit the bank rarely, 5% of respondent visit the bank daily.

CONVENIENT FOR USAGE

Table 3.10 CONVENIENT FOR USAGE

CONVENIENT FOR USAGE	FREQUENCY	PERCENTAGE
VISITING BANK	18	18.0
DIGITAL BANKING	82	82.0

The given table infers that 82 % respondents are convenient with digital payment while 18% of respondents are convenient to visit the bank.

APP INTRODUCER

Table 3.11 APP INTRODUCER

APP INTRODUCER	FREQUENCY	PERCENTAGE
BANK EMPLOYEE	37	37.0
FRIENDS	44	44.0
RELATIVES	19	19.0

The above table infers that 44% are friends, 37% are bank employees, and 19% are relatives.

ONE WAY ANOVA

To test whether there is significant difference between age group with regard to digital payment usage.

H₀: There is no significance difference between age group with regard to digital payment usage.

H₁: There is a significant difference between age group with regard to digital payment usage.

TABLE 3.12 ONE WAY ANOVA

DIGITAL PAYMENT USAGE						
	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean	
					Lower Bound	Upper Bound

20-30	71	9.7183	2.19859	.26092	9.1979	10.2387
30-40	17	10.1176	1.40900	.34173	9.3932	10.8421
40-50	5	9.6000	2.88097	1.28841	6.0228	13.1772
50&above	7	9.0000	2.00000	.75593	7.1503	10.8497
Total	100	9.7300	2.09306	.20931	9.3147	10.1453

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	6.379	3	2.126	.478	.699
Within Groups	427.331	96	4.451		
Total	433.710	99			

As the p value is significant at 5% level, So the null hypothesis is rejected and alternative hypothesis is accepted, there is significant difference between age group and digital payment usage

CHI – SQUARE TEST

To test whether there is significant difference between bank sectors and complaints raised by the users.

Ho: There is no significant difference between bank sectors and complaints raised by the users.

H1: There is a significant difference between bank sectors and complaints is raised by the users.

TABLE 3.13 CHI- SQUARE TEST

			Do you have any complaints while using the bank app like?			Total
			YES	NO	MAYBE	
Which sector bank is best for digital payments?	PRIVATE SECTOR	Count	13	27	15	55
		Expected Count	13.2	25.3	16.5	55.0
	PUBLIC SECTOR	Count	11	19	15	45
		Expected Count	10.8	20.7	13.5	45.0
Total		Count	24	46	30	100
		Expected Count	24.0	46.0	30.0	100.0

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	.564 ^a	2	.754
N of Valid Cases	100		

As the p value is significant at 5% level, So the null hypothesis is rejected and alternative hypothesis is accepted So there is a significant difference between bank sectors and complaints raised by the users.

INDEPENDENT SAMPLE T-TEST

To test whether there is a significance difference between genders with regard to the bank app usage.

Ho: There is no significant difference between genders with regard to the bank app usage.

H1: There is a significant difference between genders with regard to the bank app usage.

TABLE 3.14 INDEPENTENT SAMPLE T-TEST

	Gender	N	Mean	Std. Deviation	Std. Error Mean
Total	Male	24	48.5000	5.34057	1.09014
	female	76	49.4211	6.80052	.78007

	t-test for Equality of Means
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	F	Sig.	T	df	Sig. (2tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
								Lower	Upper
Equal variances assumed	.136	.713	.606	98	.546	-.92105	1.51901	- 3.93549	2.09338
Equal variances not assumed			.687	48.671	.495	-.92105	1.34049	- 3.61533	1.77323

As the p value is more than 5% so the null hypothesis is accepted and the alternative hypothesis is rejected, so there is a significance difference between gender and the bank app usage.

ONE SAMPLE T-Test

To test whether the opinion regarding the best bank for using digital payment

H₀: The opinion regards the usage of the bank are below or not above the average level.

H₁: The opinion regards the usage of the bank are above the average level.

	N	Mean	Std. Deviation	Std. Error Mean
The best and convenient banking	100	3.25	2.120	.212

	Test Value = 0				
	T	Df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference
					Lower Upper
The best and convenient banking	15.334	99	.000	3.250	2.83 3.67

As the p value is significant at one percentage level, we reject the null hypothesis and accept the alternative hypothesis that the opinion scores are above the average level.

SUMMARY OF FINDINGS, SUGGESTIONS AND CONCLUSIONS

About 71% of the respondents belong to 20 to 30 group, it can be concluded that the respondents are between the age group 20-30 are more involved in digital banking.

About 76% of the respondents are females and are eager to involve in mobile banking.

About 47% have studied under graduate, so there is less concentration in spreading awareness.

About 38% are private employees and also, it is found out that most of the people save their time in an effective manner.

About 50% of the respondents are covered by State Bank of India. So, compare to private and public sector banks, public sector of SBI covers most people of them in mobile banking app.

About 61% of the respondents are having more than one bank account and remaining are using one bank account.

The respondents covered by savings account are 72%. Most of the respondents covered in employees' category so they are using only savings account.

About 38% of the respondents are satisfied with SBI app and most of the respondents use SBI app.

About 82% of the respondents say that they are convenient with digital payment. This shows that they are comfort with digital payments.

The respondents were aware of this app by their friends is 44%. Compared to bank employees', people are getting the banking app details from their friends based on word-of-mouth promotional activity.

As the p value is significant at 5% level, So the null hypothesis is rejected and alternative hypothesis is accepted, there is significant difference between age group and digital payment usage.

As the p value is significant at 5% level, So the null hypothesis is rejected and alternative hypothesis is accepted So there is a significant difference between bank sectors and complaints raised by the users.

As the p value is more than 5% so the null hypothesis is accepted and the alternative hypothesis is rejected, so there is a significance difference between gender and the bank app usage.

As the p value is significant at one percentage level, the null hypothesis is rejected and the alternative hypothesis is accepted, it infers that opinion scores are above the average level.

SUGGESTIONS

- The reputable bank ought to spread the word about the benefits of utilizing their app for financial transactions.

- In order to protect themselves from feeling insecure, the respondents should speak up if they have any questions or concerns and feel free to ask their bank staff.
- The bank needs to run promotional campaigns to provide its customers with new technology.
- There should be an increase in customer satisfaction and a fulfillment of customers' expectations.

CONCLUSION

Every day, technology plays a bigger role. Thanks to technology, India's many sectors are expanding considerably more quickly. In addition to being a significant mobile telecommunication tool, mobile banking advances the banking industry in India. The provision of mobile banking applications aids banks in growing their clientele. Everybody carries a cell phone these days. Mobile banking via individual bank apps is gaining traction due to the growing number of people who utilize mobile internet. In the new technological era that supports the banking industry's faster growth, this study investigates the significance of the safest and fastest mobile banking user satisfaction.

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