

ADOPTION AND USAGE OF KVB MPAY MOBILE BANKING AFTER DEMONETIZATION WITH SPECIAL REFERENCE TO KARUR VYSYA BANK LTD, PUTHAGARAM BRANCH, CHENNAI

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Abstract: In this modern era usage of Information technology has become very popular in every aspect of life. With the advancement of technology, the Indian banking sector is affected. In developing countries providing some of the banking services to the public through mobile phone is becoming famous. The main phenomenon of banking services in a mobile phone is to make the customers gain knowledge about certain notifications of their account details and products of the bank in their fingertips.

Purpose: The purpose of this paper is to explore factors for adopting mobile banking of Karur Vysya Bank Puthagaram Branch Customers. Furthermore, the purpose is to identify which factors have a major influence on adoption and intention to usage in context with KVB Mpay Mobile Banking.

Methodology: Data were collected through a survey of mobile banking user respondents. A total of 300 utilizable cases were collected from m-banking users. Review of previous literature has been used to establish a hypothesis, exploratory factor analysis, and multiple regression analysis has been used to check the significant factors affecting adoption of m-banking in India.

Findings: Identify the factors which affect mobile banking adoption and usage behavior of KVB Mpay. Usefulness has been found to be making the most impact with reference to mobile banking adoption. However, social influence is identified as the most influential factor among all factors.

Value: The study provides an extensive perceptible of the determinants which affect the adoption and behavior of consumers towards mobile banking after Demonetization which may help banks to understand consumer intention and make strategy accordingly to ensure financial inclusion.

Keywords: Mobile banking; KVB Mpay, Adoption of M-Banking.

INTRODUCTION

Generally, in India our risk-taking culture is low, so banks are giving very importance in which protects the money related risk of the general public. In Service providing organizations the current trend of rapid growing in technology and innovations changed the whole process. Development of IT is the backbone of development in the economy of the country. Due to technology advancement, market competition, Globalization it changes the whole process of Banking. Using IT some of the banking processes like Account opening, record & database maintenance, transaction processing etc., has been changed. For the replacement of physical cash and flexible payment system with the very low-risk advancement of technology is very useful in banking. New emerging concepts like ATM, Internet banking, Mobile Banking implemented to increase customer satisfaction [1].

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Indian banking sector focused toward maximum profit, minimum cost and above all maximum satisfaction of the customer more invested in like Automated Teller Machine (ATM), Green channels etc.. Even though in banking the problem face that Queue, Daily customer wait so long time in branch for complete their banking transaction. To serve certain things in banking as better and secured step taken by thebank is Mobile Banking and Internet Banking. In the view of Cost-benefit analysis and usefulness, it is the main key factor for IT users. [2][3].

The customer can enjoy many benefits in mobile banking such as Balance enquiry, Service Request like Statement, Cheque Book etc., Fund Transfer, utility bill and insurance premium payments, mobile recharge and much more. Now banks are target customer to use mobile banking. [4].

In this current competitive market for an innovative strategy, to improve the efficiency of customers and improve theperformance of bank the main tool used by banks is Mobile banking. [5]

To deliver best services to customers and also to target young audiences like college students, IT Professionals, Salaried class people and Smartphone users the best tool for thebank is Mobile Banking. By the rapid growth of modern technology mobile banking is very useful and helped to achieve their goals. In the view of customer side Mobile banking is very useful to them to do certain banking transaction and certain utility payments by just like touch and pay. [6]

The customer satisfaction is very much important in the entire service sector. In banking sector Mobile banking is the main tool to increase the satisfaction level and retain the customer with them otherwise they switch over to another bank which they feel convenient to them. So that the banks have to provide more options to make convenient and to retain in thesame bank by getting feedback from the customers.

Denomination makes a rapid change all over India. It makes intention among thepublic to adopt technology services of banking. This effect makes push strategy to the public. In technology services of banking, the easiest to learn and use is ATM and Mobile Banking. Mobile Banking helps to access around 40 to 60 percent of banking channels.

LITERATURE REVIEW

Banks should identify the benefits for mobile banking users. The most important factor that influences the mobile banking usage among customers in this domain is cost. Their study revealed that customers have a negative attitude towards thecost. Customer's intention towards mobile banking services is inversely related to cost. Awareness should be created among customers about the cost saving feature of mobile banking services through awareness.[7]

Irrespective of the benefits, there are certain factors in mobile banking that prohibit customers from using it. One such factor is app security. Sharma and Singh (2009) analyzed that in India mobile banking usage is reduced due to security factors such as frauds, improper use of accounts and easy to use the app. But as time flies and improving the knowledge of mobile banking, this restraint of using mobile payments may come down. [8]

In the research in China by Laforet and Li, 2005 find the behavior of customers and their adoption towards mobile banking and online transactions came to a conclusion that most of the Chinese customers do not turn up in using mobile banking because of their fear about the insecurity of money and improper knowledge of using computers. (Luran and Lin, 2005) have done research in Taiwan based on usage of mobile banking by using the Extended TAM model and concluded that their usage is less due to issues such as doubt against the service cost, easy usage of the app and their awareness of their own skills. [9]

Amin et al. (2008) have done research in Malaysia and gave an opinion that the major effects of their acceptance of mobile banking include their awareness of the usefulness, ease of use, their belief in it and the establishing pressure of using mobile banking. (Laukkanen and Pasanen 2008) have done research in Finland and concluded that their usage on mobile banking is not actually related to their education, occupation, income or size of the household but is invariably related to the age and gender of the customers. [10]

In research of Puschel et al. (2010) done in Brazil about the behavior of customers and their adoption towards mobile banking. He concluded that the basic determinant for the customers of Brazil is that mobile banking should be compatible with their lifestyle. Therefore the banks must take into account this factor before they introduce mobile banking services with enhanced features to them. [11]

Koenig-Lewis et al. (2010) have performed research in Germany among young people. They concluded that the major determinants in adopting mobile banking services are compatibility, risk and recognized usefulness. The important precursor for awareness about the ease of use, usefulness, and credibility was identified as compatibility. Mobile banking companies have a crucial task of inculcating trust and belief among consumers to decrease the known threat of mobile banking. [12]

In Thailand Sripalawat et al. (2011) have performed a study using TAM Technology acceptance model and TPB theory of planned behavior. They derived a conclusion that the most important factor in their usage of mobile banking is the perceived social pressure followed by their awareness of its usefulness and their ability to accomplish the task respectively. [13]

Dasgupta et al. (2011) performed their study using TAM model. They found that the factors influencing adoption of mobile banking among students are ease of using it, image, value, their ability to use it, awareness created towards its usefulness and belief towards mobile banking. [14]

Ulun.A,@Tezcan.N.(2012) have used TAM Technology acceptance model on the young consumers of Turkey to know their intention towards the use of mobile banking.They derived at a conclusion that the major factor of adopting mobile banking among the youth is the attitude.[15]

Technology Acceptance Model (TAM)

Fred Davis has proposed the Technology Acceptance Model (TAM), It predicts the usage of the system, motivation to use the system, features, and capabilities. It determined 3 factors which result in Usage Behaviour. Figure.1 Explain the process.

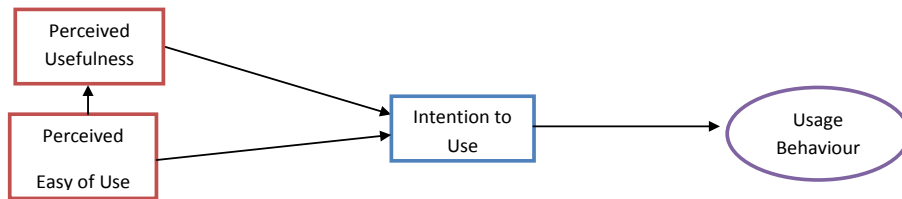


Figure 1: Technology Acceptance Model [TAM]

Amin(2007) have performed research in Sabah, Malaysia based on the credit card usage of the customers through mobile.He stated that the perceived ease of use and usefulness have an important effect on the intention of the customers towards mobile credit card usage.

Gounaris and Koritos(2008)tested the drivers in Greece towards their adoption of internet banking and found out that ease of use is the major factor which contributes to the adoption of mobile banking among them.

Rezaei et al(2008)performed research among the graduate students of agriculture in the University of Tehran,Iran about the factors that influence the use of internet banking.It was found that they have an intention of a strong awareness of usefulness to use e-banking.But it does not influence the perceived ease of use nor their intention to use mobile banking.

Jayasingh and Eze(2009)investigated the behavior of customers in Malaysia towards the use of mobile coupons.It was concluded that awareness about the usefulness and ease of use has an impact on the intention of consumers using mobile coupons.

Selamat et al(2009)investigated the banking industry in Malaysia about the important determinants and their adoption of information technology and concluded that perceived usefulness and ease of use effects the adoption of advanced technology by the bankers.

Hill and Troshani(2009)researched among the young Australians about the acceptance of personalisation type of mobile services and found out that the major factor that affects the intention of the people to use mobile services is perceived usefulness.

Tang and Chiang(2009)examined the intention of the people in Taiwan to use mobile knowledge and concluded that the major effect on their behavior and intention to use mobile banking is perceived usefulness.Perceived ease of use also invariably affects the intention of people to use mobile knowledge.

Yousafzai and Yani-de-Soriano(2012)studied the intention of customers in the United Kingdom towards internet banking.It was found that the actual use of internet banking is predicted by their intention to use it.It was also found that awareness of usefulness is the important factor that effects the intention of people to adopt internet banking but on the other hand perceived ease of use does not contribute to it.Still, awareness about the usefulness is impacted by the perceived ease of use.

Fu et al(2012)studied among the students of a Taiwanese university about the development of Information Technology in their education which was actually ignored by many.It was revealed that their attitude was effected by their sense of usefulness and ease of use.Moreover perceived ease of use and usefulness comprehend each other in influencing the attitude of students to use Information technology in their education.

Tung et al(2014)examined the customers in Taiwan about their attitude in using internet banking and revealed that perceived usefulness influences the behavior and intention of consumers to use internet banking more than the perceived ease of use but the latter also affects the intention of consumers towards using internet banking.

Shahsavari and Sajadi(2013)examined the enterprise resource planning acceptance drivers in Iran and found that awareness about the ease of use has an added impact on perceived usefulness in the attitude of them in using the enterprise resource planning systems.However, both of these factors have a significant effect on the usage of internet banking.

Nikas and Argyropoulou(2014)examined the ICT enabled project teams on their influence in performing collaborative tasks on individuals and revealed that ease of use of technology has an added benefit on their attitude and their intention to use the collaboration technology.

Karuppiah et al.(2014)investigated the adoption of customers in using internet banking in Brunei Darussalam and revealed that awareness about the ease of use majorly influences the intention of them to use the internet banking facilities.

Moorthy et al,(2014)examined the students in Perak state in Malaysia about their intention in using e-filling procedures and found out that both perceived ease of use and usefulness effects the behavior of the academicians in using the e-filling system.

Li et al.(2014) examined the Chinese in their intention of using mobile banking payments and the factors which impact them.They proved that perceived usefulness has an important influence on the intention of people to use mobile payments but their attitude is also influenced by the perceived ease of use.

Xiao et al,(2014) investigated in Northern Taiwan about the important motivational factors which make the consumers continue their acceptance of the already existing e-book reading attitude in them. It was revealed that both the perceived ease of use and usefulness impacts the attitude of the consumers in continuing the e-book reading behavior but the former significantly influences the latter.

Ozbek et al,(2015)examined the Russian tourists who visit Antalya in Turkey about their adoption of online booking in the aspects of tourist risk and consciousness about the cost and it was found that perceived ease of use has an added advantage over perceived usefulness but ultimately both the former and the latter has a significant impact on the behaviour and intention of the tourists to use online booking options.

Batkovic and Batkovic(2015)investigated the undergraduate and graduate students in the school of business,economics and law in Gothenburg about the acceptance of mobile retail shopping by the consumers and it was found that perceived ease of use has an impact on perceived usefulness in the intention of the consumers to use mobile retail banking.

Wu et al(2015)examined the Midwest region of US about the determinants that influence the co-design experience of online apparel mass customization of the consumers.It was found that perceived usefulness and ease of use influences the consumer's adoption and behavior towards the co-design experience and the mass customization site. Also the former majorly affects the latter. [16]

Functions of KVB M-Pay Mobile Banking[17]

TABLE 1

<i>Account Information</i>	<i>IMPS</i>
<ul style="list-style-type: none"> ➤ Balance Enquiry ➤ Mini transaction statements ➤ Funds Transfer within Same Bank <ul style="list-style-type: none"> ➤ Request to Bank like ➤ Cheque Book, E-statement etc., 	<ul style="list-style-type: none"> ❖ Fund Transfer using IFSC and Account Number ❖ Fund Transfer by MMID ❖ Fund Transfer to Registered Beneficiary
<i>Payment</i>	<i>Other Services</i>
<ul style="list-style-type: none"> ■ Utility Bill Payment ■ (TNEB, Insurance policy) <ul style="list-style-type: none"> ■ Mobile recharging <ul style="list-style-type: none"> ■ Donation ■ Institution Fee Payment 	<ul style="list-style-type: none"> • Debit card Hotlist • Cheque Stop Payment • Cheque Status
<i>Mpay Setup</i>	<i>Other Options</i>
<ul style="list-style-type: none"> ○ Account Fetch ○ Update E-Mail ID ○ Change Login PIN and MPIN 	<ul style="list-style-type: none"> ✓ ATM Locator ✓ Refer Friends ✓ Other products of KVB

Adaptation and Usage level of KVB-Mpay Mobile Banking

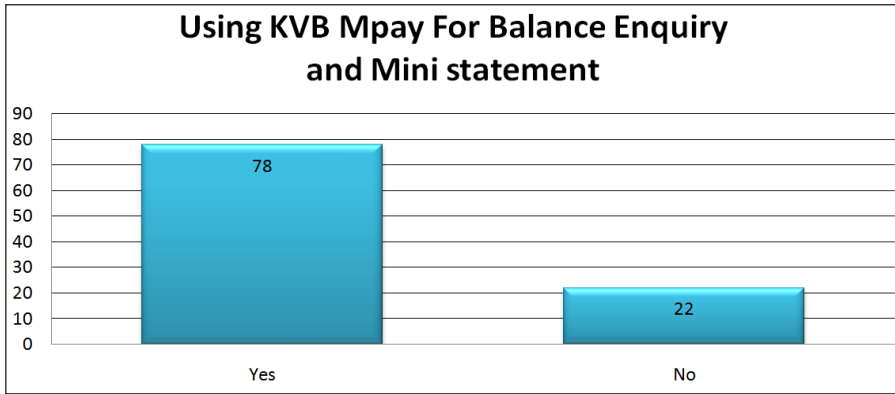


Figure 1

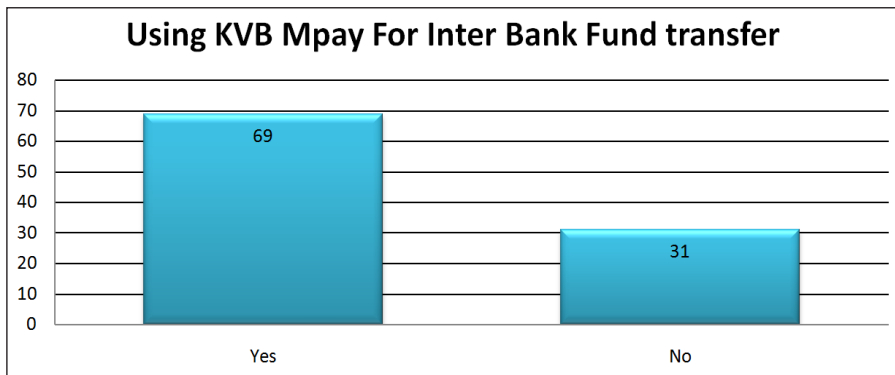


Figure 2

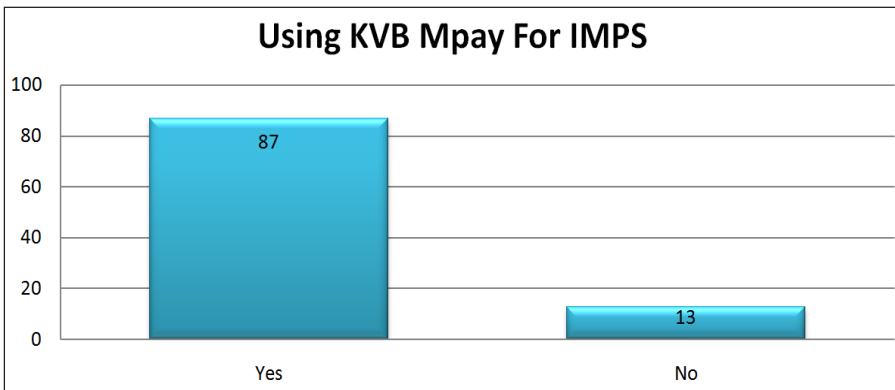


Figure 3

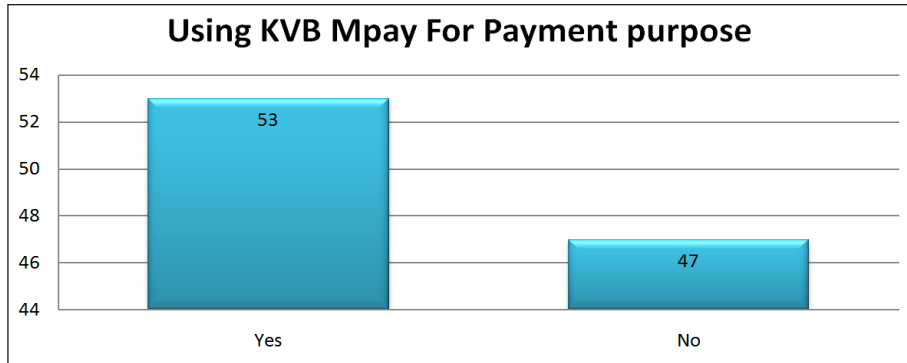


Figure 4

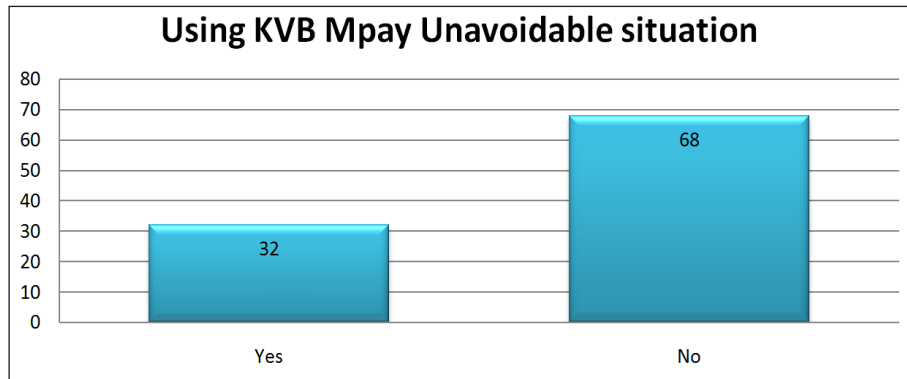


Figure 5

Satisfied with KVB Mpay Mobile Banking

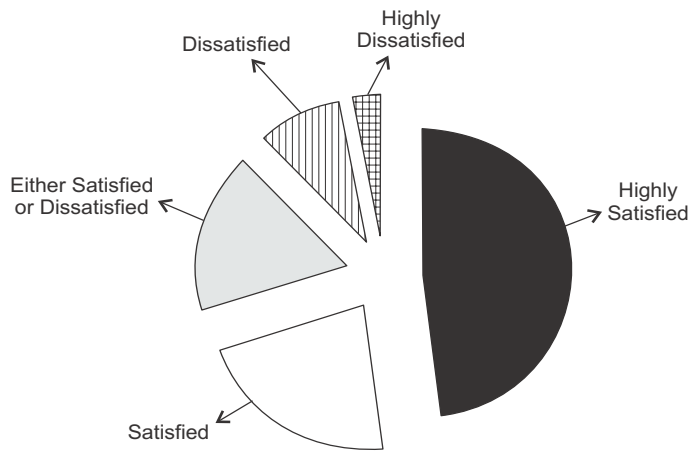


Figure 6

Options are Easy to access

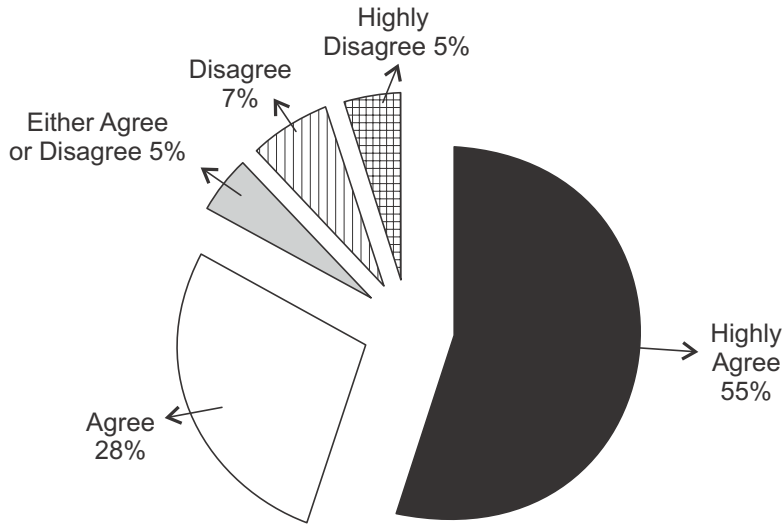


Figure 7

All Updated Features are Available

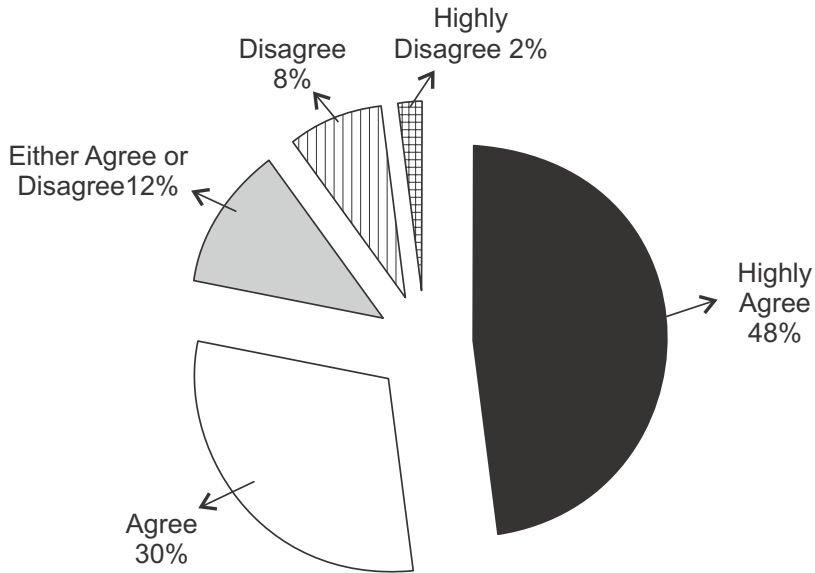


Figure 8

Feel transact in KVB Mpay Mobile banking Secured and Easy

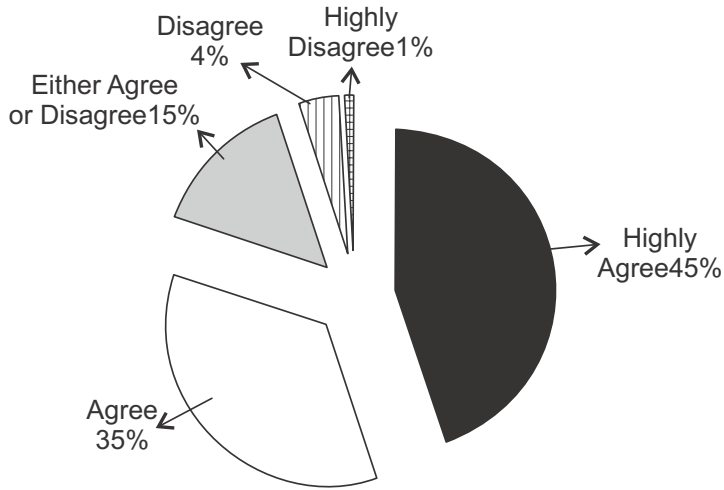


Figure 9

Are you suggest your friends to use KVB Mpay Mobile Banking

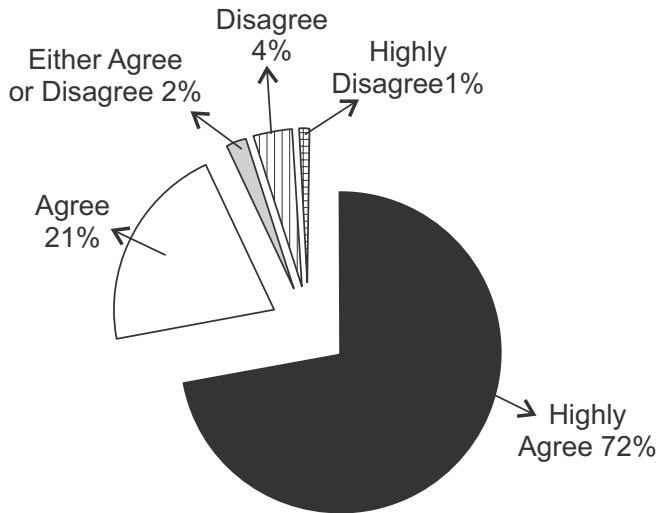
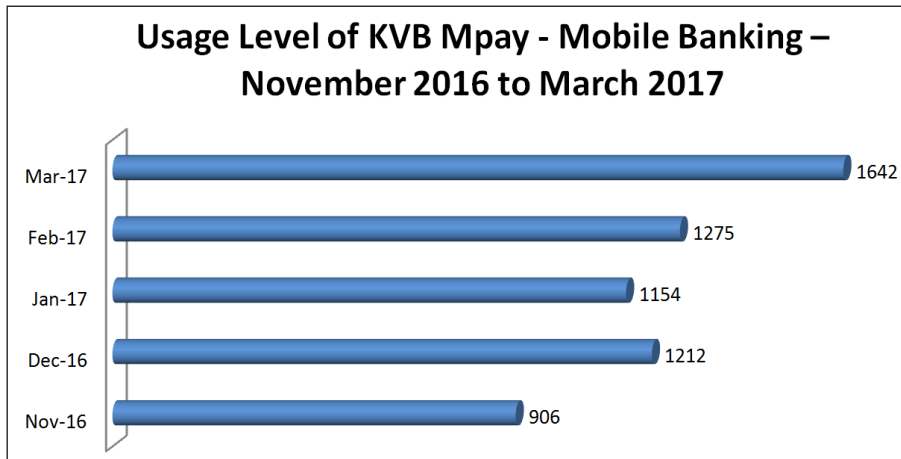


Figure 10

Usage Level of KVB Mpay - Mobile Banking – November 2016 to March 2017**Figure 11****FINDINGS****Perceived Ease-of-Use**

The customer should feel by using the mobile banking it makes easy and effortless to them. As the base of TAM model by (Davis Jr, Fred D. 1986) is the factor of new technology should be simple and easy for them. The Registration of KVB Mpay mobile banking is much easier now by simply sign up with the credentials of Customer ID and Debit Card details. For Overdraft account holders need to request in branch end. And the Mobile banking should support major OS like Andriod, Apple, Windows etc.,

Perceived Relative Advantage

The Customer perceived the advantages in that the major one is the application should be secured. For that application should be downloaded from application store of OS Company. Should not be like 3rd party sharing the installation file. And it should make them very convenient by simply touch their banking transaction completed easily and huge cost saving. Instead of doing the same transaction in a branch by waiting a long time to complete the transaction in mobile banking completed within a minute.

Perceived Risk

In mobile banking, the risk perceived by the customer is should not share the confidential information like One Time Password, M-Pin, T-Pin. If the customer feels any doubt related to security aspect can clarify with the bank of nearest branch or call center can clarify it. In bank end, they keep on update about security aspects to customers in the mode of SMS, E-Mail's, Notice Board of Branches etc.,

Some of the expected risk in mobile banking likes:

1. **Loss of mobile :** If you lose your mobile and if someone knows your pin which u stored your Login Pin and Transaction Pin then he can make transaction and miss use your fund.
2. **Lack of transaction record:** If you make the transaction via mobile banking from your account should make a record in your accounts as narration in future it may confuse the transaction and its purpose.
3. **Mistake:** While type the account number doing funds transfer should be careful if type wrong account number then funds transferred to someone it is irrecoverable if that party withdrawal else need roam to both the banks to recover that amount.
4. **Identification:** For Fund transfer transaction better register the beneficiary if doing the transaction to that party regularly. It's easy to identify the person to transfer instead of typing all the details every time, to avoid wastage of time and typographic error.

Awareness and Knowledge

While using mobile banking should be aware about the basic options, how it works, options available in that, basic requirements of the mobile etc., should gain knowledge and awareness from bank staffs, friends who already using mobile banking, view demo video available on the bank website etc., The customer should aware about the usage policy, security policy, service charges etc.,

Past Experience

Customers past experience has a great effect adaptation of a particular service. The adoption of the self-service technology of mobile banking should create the good impact by user-friendly options, easily login process, good interface, availability of many services with proper menus while creating a good experience using ever time. It creates the good impact and by word of mouth the customers refers to their friends also if they feel any difficulty they will guide to them. And they may get some good benefits by using the mobile banking.

For Example

1. If there was a local bundh or any other situation that can't able to open bank on that day, the customer having fund in their account need to transfer to his friend or spouse very urgent for medical expense, that time if they use mobile banking and transferred successfully, he feel that experience very comfortable, he adapt to mobile banking and start educating to others also.
2. For his mobile bill payment or Electricity bill payment that day is deadline otherwise for him penalty will be collected and also he is traveling in train for along journey in this kind of situation the person make payment via mobile banking than he never worries about this kind of tight situation once he adopts to mobile banking.
3. On November 2016 while implementation Demonetization mobile banking users will not affect their business payments. They guide to their customers to make payment n that its very comfortable and time-saving factor to them

Cost of the Transaction

Compared to traditional banking channel the cost involved in transactions through mobile banking is less. This feature favors the mobile banking to grasp more new customers. Sending money to another person, making utility bill payments, verifying account statements etc., becomes easy and time-saving if it is done through mobile banking rather than visiting the bank by a vehicle and waiting in Queue for long hours. Mobile banking save transaction cost to banks and saves travelling expenses and waiting time to customers.

Comparison

In this competitive market provide the latest and secured update in mobile banking to the customers. This one makes high intention to use and make more recommend others to use. Nowadays customers are very much aware of security factor and recent technology updates, so fulfill their needs must provide with all latest update in our application and also watch the competitor's implementations. By the every additional update it should not affect the customers by like application crashes, easy and enhanced menu. Attractive and cache icons and menus etc.,

Flexible and Enhancement

Some of the customers are well known about technology, security, latest updates in market etc., In most banks fix a limit in tech-based transactions. Make that limit also fix by the customer based upon their request. For above the limit transaction needs to come branch and doing the manual transaction. By that customer can fix the limit for ATM Withdrawal, POS Transaction. And can block the access and activate whenever they need for security aspects.

Suggestions:

1. Need Option in Mobile Banking for Aadhar Seeding and PAN Number Updating.
2. To open Fixed Deposit or Monthly Saving Deposit need Internet Banking or Need to visit Branch, Can provide an option to open in Mobile Banking.
3. Provide shortcut or favorite option which are regularly using. It makes convenient to do that transaction. E.g: Mobile Recharge, TNEB payment etc.,
4. Bharath QR Code payment via mobile banking is getting popularized.
5. To increase the usage of mobile banking provide extra benefits to customers like lucky draw for more usage, online coupons, double reward points etc.,
6. NEFT option in mobile banking. Some of the banks not incorporate with NPCI and for credit card payments for them unable to send through IMPS. So need to add NEFT option for that.
7. Tracking Status of Debit card, Cheque Book Request etc.,
8. The addition of Standing Instruction option is very useful for business class customer to make fund transfer on aspecified date.
9. If a customer forgets the debit card PIN number they have to come and give a request in branch or call center, and then have to collect from their home branch. In such case if a customer from Madurai working in Chennai if he gives forget pin request how can he collect from Madurai. To avoid this kind of circumstances for customer and transaction cost, postage cost for the bank, provide an option to Reset ATM Pin Mobile banking by authentication of Debit card number and Registered Mobile Number by confirming with OTP. It saves a lot of time and cost. Turn Around Time [TAT] Maximum of 5 minutes.
10. The customer can give mobile banking request through ATM by authentication of Debit Card, ATM PIN and with addition authentication of OTP. By that with the awareness that can give request.

CONCLUSION

In India, mobile banking usage customers rapidly growing but they struck up in a certain level, can't usage for all the things. Still, have wide things can be done in mobile banking but people usage level can be for the minimum level because in that most customers are in beginner level. It may increase within the period of 3-5 years, and it became in very common usage among the public. In this case study in the area of Puthagaram, the usage of Mobile Banking slightly increases by customers gaining knowledge from branch Staffs, learn by demo video from bank website, from friend circle etc.,

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