



PERCEIVED RISK, DISCOMFORT, INSECURITY AND THEIR IMPACT ON ADOPTION AND INTENTION TO USE: A STUDY OF MOBILE BANKING USERS

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ABSTRACT

Mobile banking has become a popular means today for paying for online purchases made. The purpose of this study to investigate the determinant that is affecting consumer readiness to adopt mobile banking services. Literature indicates that factors such as Discomfort, Insecurity, and perceived risk influence consumer perception towards E-payment through mobile banking. The study involves 116 respondents of the mobile banking user of India. Collected data were analyzed using Regression analysis among Dependent and Independent variables which show a positive relationship between them. Majority of the respondent confirm that using of mobile banking for doing a payment has a great potential for future expansion. The task is to ensure that it continues to satisfy the need of the customer which would then contribute to its increased adoption and use.

KEYWORD: Mobile Banking, Discomfort, Perceived risk, Insecurity, Adoption

INTRODUCTION

An economic phenomenon whereby financial transactions are not carried out with money (Bank Note or Coin) is a cashless society. Where financial transactions are executed in an electronic format rather than using banknote. In a cashless society, each party executes the transaction will have an electronic card or device. The cashless Economy financial transactions are executed in the form of a Credit card, Debit card, Internet banking, Point of sales (POS), Mobile Wallet, Mobile banking, etc. Some real-world examples are PayPal, Google Wallet, Money Bookers, Payoneer, and Amazon Go, and so on.

The recently launched Unified Payments Interface (UPI) by the Reserve Bank of India (RBI), it is a mobile application that uses Aadhar identification to transfer the money between bank accounts And one's mobile payment number is expected to revolutionise payment systems in India.. Waiting to take off into this seamless and modern payment world are new credit/debit cards, e-wallets, and other mobile-based payments (such as Airtel Money). In the developed world, the patterns elsewhere are relatively identical (think of the m-pesa revolution).

In 1997, after introducing a vending machine by the Coca-cola company where a consumer can make a mobile purchase by sending a text message to the vending company. This is the first mobile payment transaction in 1997(Dahlberg et al., 2015). Mobile banking is influenced by various such factor transaction speeds, perceived ease of use, security & trust, responsiveness, convenience, and cost-effectiveness.

From the point of view of the Bank, by eliminating the need for clients to visit a bank branch for non-cash withdrawals and deposit transactions, mobile banking decreases the cost of handling transactions. These advances in mobile technology have a significant effect on the everyday lives of people and are starting to deliver interesting beneficial new services. (Kim, Mirusmonov & Lee, 2010:310). Mobile banking services saw a growth of 92 percent and 13 percent in volume and value terms, respectively, according to the Reserve Bank of India (RBI) annual report for 2017-18. At the end of March 2018, the number of registered customers grew by 54 percent to 251 million from 163 million at the end of March 2017.

Although the adoption of new technologies is significant, the literature shows that the effects of the factors influencing the initial adoption decisions of customers may not have the same impact on their continuing intentions (Wu, Jayawardhena & Hamilton, and 2014:1008). This study investigates all such factors affecting consumer adoption and continuity intention to use mobile payment service to provide recommendations to increase adoption levels and encourage continued use.

REVIEW OF LITERATURE

Teoh et.al (2014) revealed that the adoption and implementation of mobile for doing an activity related to commerce have not just changed the manner by which organization design and build up their product and services, but also how consumers provide and use these products and services.

Liébana-Cabanillas et.al (2015) used behavioral model which explained intention to use mobile payment via quick response (QR) and result showed that adoptions of the rapid introduction of mobile phones in the advancement of individual and experts have become one of the most significant innovative events in ongoing decades.

Liu (2015) investigated the current issues of buyer assurance and explores better legitimate measures especially those measures applicable to non-financial institutions. Indeed, security threats on mobile devices are more complex than on personal computers as cell phones are effortlessly lost or taken.

Parasuraman and Colby (2014) described insecurity as by as a lack of confidence in the technology resulting from skepticism about its capacity to work appropriately and worry about its possibly destructive results and discomfort is portrayed as an apparent absence of power over innovation and a sentiment of being overpowered by it.

OBJECTIVE OF THE STUDY

- The main objective of this analysis is to find out the impact of Insecurity, Perceived risk and Discomfort on the Adoption and Intention.
- To determine consumer's readiness to adopt mobile payment services
- To study the consumer perception towards new technology
- To analyze the authenticity/reliability of the collected data.

HYPOTHESIS:

HO: There is no impact of Insecurity, Perceived risk and Discomfort on Adoption and Intention

RESEARCH METHODOLOGY

The Study- The study was exploratory in nature.

Sample Design:

Population- The populations for the study were all the consumers who use e-banking as a channel via mobile phones or any electronic gadgets.

Sample Size- 116 online Consumers who use e-banking for any online transaction related to banking.

Sampling Techniques – Purposive sampling technique was used for the purpose of research

Data collection Source: The study is based on primary data and data is collected by self-designed questionnaire which was administered personally to the respondent.

Data Collection & Measurement Scale

For the purpose of data collection, standardized questionnaire is used (M. Humbani & M. Wiese). The Questionnaire was based on Parasuraman (2002) 5 point Likert scale ranging from 1= Strongly Disagree to 5= Strongly agree. In this study, Judgmental (non-probability) sampling technique was used. A sample of 100 employees was selected for the purpose of this study.

Data analysis & Interpretation

For the purpose of data analysis IBM SPSS version 20 software has been used to calculate. Cronbach's Reliability coefficient was utilized to analyze the Reliability of the collected data. Regression Analysis was applied to find out relationship between Dependent (Adoption and Intention) and Independent Variable (Insecurity, Perceived risk and Discomfort).

ANALYSIS AND DISCUSSION

Reliability test: Reliability was carried out by using SPSS software and the reliability measure is given below:

Table 1: Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.735	.736	17

To have a confidence in a measure such as this, we need to test its reliability. It was in above table the value of Cronbach alpha was 0.736 which is higher than the standard value of Cronbach's alpha (0.7). It is considered that reliability of all measure is adequate.

Regression: The main objective of this analysis is to find out the impact of all independent variable on the dependent variable. Hence Dependent variable is Adoption and Intention whereas the independent variables are Insecurity, Perceived risk and Discomfort.

Model Summary^b

Model	R	R Square	Adjusted Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Change	Square Change	F Change	df1	df2	
1	.572 ^a	.328	.322	.51025	.328	56.545	1	116	.000	1.902

a. Predictors: (Constant), Independent

b. Dependent Variable: Dependent

R value represents simple correlation and the value of R is .572 which indicates a moderate degree of correlation. R square represent how much of the total variation in the dependent variable, can be explained by the independent variable. The value of determination i.e. R square is 0.322 which indicate 32.2% of variation in dependent variable (overall adoption and intention to use cashless economy) is explained by independent variable (000000). Value of Durbin Watson Statistic is 1.902 which shows positive serial correlation among dependent and Independent variable.

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	14.722	1	14.722	56.545	.000 ^b
	Residual	30.202	116	.260		
	Total	44.924	117			

a. Dependent Variable: Dependent

b. Predictors: (Constant), Independent

The result indicates the statistical significance of the regression model. Here, Value of F is 56.545 significant at 0.00 which represent good fit for the data.

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	
	B	Std. Error	Beta			
1	(Constant)	.843	.316		2.670	.009
	Independent	.707	.094	.572	7.520	.000

a. Dependent Variable: Dependent

Unstandardized coefficients indicate how much the dependent variable varies with an independent variable when all other independent variables are held constant.

CONCLUSION

The finding of the study indicate that there is a positive impact of perceived risk, insecurity & discomfort on adoption and intention which reveals that when consumer used the technology by doing online transaction they didn't feel it comfortable by doing so. While doing online transaction in banking consumer consider various factors, among them we have considered perceived risk, insecurity & discomfort which have significant impact on transactions. It is found that the adoption and intention of online banking is not easy for the consumer.

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