



# A FOCUS ON GROUP STUDY OF PUBLIC EXPECTATIONS OF DIGITAL INNOVATION AND TECHNOLOGY IN MOBILE BANKING

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## ABSTRACT

Mobile banking is a service-oriented provided by banking and other financial institutions that allows its customers to financial transactions using a mobile device such as a smartphone, tablet, etc., This paper examines the study of public expectations of digital innovation and technology in mobile banking. The primary research method of this study is a regression (two-tailed hypotheses) using a sample of 119 respondents. The result of this demonstrates the perceived easy use of technology, perceived risk, and perceived cost, and reliability checks on variables have been performed through SPSS software. This construct took together results to confirm the applicability of the two-tailed hypotheses.

Keywords: M-Banking, Innovation, Technology, Customers.

## INTRODUCTION

There is a revolutionary transformation going through in today's world banking sector and there is obvious manifestation appearing daily with the emerging new products and services with new channels of servicing to its customers in the banking sectors. Technology is playing a major role in this transformation which has created a new range of products and services that is dividing the geographical hurdle. Daniel (1999) defined the term electronic banking as a provision for information, goods, and services by the banks toward its customers electronically by the mode of wire or wireless channels, for example, the services like television, Website, mobile phone, and telephone are the interactive services. Keen and Mackintosh (2001) in their study showed that there is a high-tech feature that has played a vital role in the adoption intention of m-banking, which forecasters more in the future days and hence mobile phones are no longer used only for talking and text messaging (SMS) like before were for banking purpose will help to the customers. The steams of telecommunications becoming wireless, have made way for a potentially tremendous place for providing various business services. Dholakia et al. (2003); tells that the mobile phone is the most-fastest device adopted by consumers who use the data package which is beneficial too. Forrester research group (2007), tells that more than 219 million users are accessing the Internet via mobile phones. The predicted mobile phone use is four billion subscriptions globally, which is making the operators and advertisers an opportunity of success to connect the potential consumers through mobile phones. Hibberd, (2007) tells that there was a rapid increase in technology and innovations in many sectors especially in the telecommunications sector, and mobile phone usage with newly developing delivery channels for services has become an important element for the financial services industry which is very competitive and has led to the usage of mobile phones in the financial sector including the banking sector.

In today's world, mobile banking has steadily increased in the past few years. The fundamental purpose of communication and social media interaction with mobile Before there were no channels of mobile banking for each and all customers visiting the banks for any banking activities. Many banking institutions have invested substantially in mobile apps and innovative technology has been used over the years and this channel as a means of providing better and more efficient services is readily given to the customers. The innovation delivery channels include ATM, Internet banking, etc., In today's world individual can manage banking transactions and has access to a wide range of banking services including checking account balance, managing accounts, fund transfers, bills payment, buying, and selling products, investing in stocks, equities, etc. It is all convenient with the mobile phone. As a delivery channel, mobile banking has become a faster and more convenient way for customers and one of the more important and more useful ways of rendering services than traditional banking and other modes of delivery. Due to its services as a delivery channel research attention has been devoted to the concept of mobile banking in recent times. The country called Ghana an exciting study of mobile banking internet usage in this country has increased the number of users who access through mobile (Woldie, Hinson, Iddrise and Boateng 2008). Therefore, there is a heavy reliance on banking as compared to virtual forms of banking.

## LITERATURE REVIEW

Rugimbana (1995) Predicting ATM Usage: The Relative Importance of Perceptual and Demographic Factors". Karjaluo (2002) in their research paper "Selection Criteria for a Mode of Bill Payment: Empirical Investigation among Finnish Bank Customers" which was seen that mobile banking has a high potential market due to various functions and option of making use of the banking facilities anytime and anywhere effectively.

Rao et al. (2003) in "Online Banking in India" Vyas (2009) in Mobile Banking in India -Perception, and Statistics suggest that the banks have to expand and think differently about mobile banking where existing online banking. Mobile banking is an important and engrossing channel for delivering banking services to its customers with new services such as continuous access to their accounts and additional control over their finances etc.

Barnes and Corbitt (2003) in "Mobile banking: concept and potential"; Scorn Vacca and Barnes (2004) "M-banking services in Japan "Examining multi-dimensional trust and multi-faceted risk in initial acceptance of emerging technologies: An empirical study of mobile banking services": tell those innovations and technology in the telecommunications sector which has launched to banking services through mobile.

Bharti Motwani, Sukhjeet Matharu, and Sharda Haryani in their study "A Comparative Study of Mobile Banking Services in Public and Private Sector Banks" that the study have taken the following steps which are taken by the banks will be improved the customers in the usage of mobile banking

- Without charging any fee training courses are to be conducted for the customers and encourage the use of mobile banking.
- Manual information can be given to every customer about the usage of mobile banking

Tiwari & Buse, (2007) "The Mobile Commerce Prospects: A Strategic Analysis of Opportunities in the Banking Sector" and Kismet al., (2009) in the study "Understanding Dynamics between initial trust and usage intentions of mobile banking" "inferred that Mobile banking is m-commerce, its application done via mobile phone devices which are used to enables customers to access their banking accounts, to conduct banking transactions such as balance amount, issue of cheque, checking the status of the account, transfer of funds stocks and equities selling. Anayasi and Otubu (2009)

Comminos et al. (2008) in "Towards evidence-based ICT policy and regulation m-banking the unbanked." It is suggested that customers can transact electronically whether it is through the Internet or mobile banking, only if it is convenient and maximum secure to customers.

Nitin Nayak, Vikas Nath, and Nancy Goel (2014) in their study "A study of adoption behavior of Mobile banking services by Indian consumers" "reveals that Mobile Banking will be adopted by customers only when it is very simple to use and Trust between the service provider and customer is very important for the usage of mobile banking services.

Shamshersingh(2014) in their study" Customer Perception of Mobile Banking: An Empirical Study in National Capital Region Delhi" this study finds the factors which are considered an obstacle to using mobile banking by the customer's Safety and security issues, difficulties in the Technologies. The study also reveals that banks should try to increase their customer's level of confidence which will have a positive implement on the customer's perception.

Archana Sharma (2011) "Mobile banking as technology adoption and challenges" in this study, said that the gap between technology and its adoption of mobile banking and the introduction of the new technology will create value-added when it is functioning smoothly without any interruptions. This concludes that customers get discouraged because of complex functions while accessing mobile banking services.

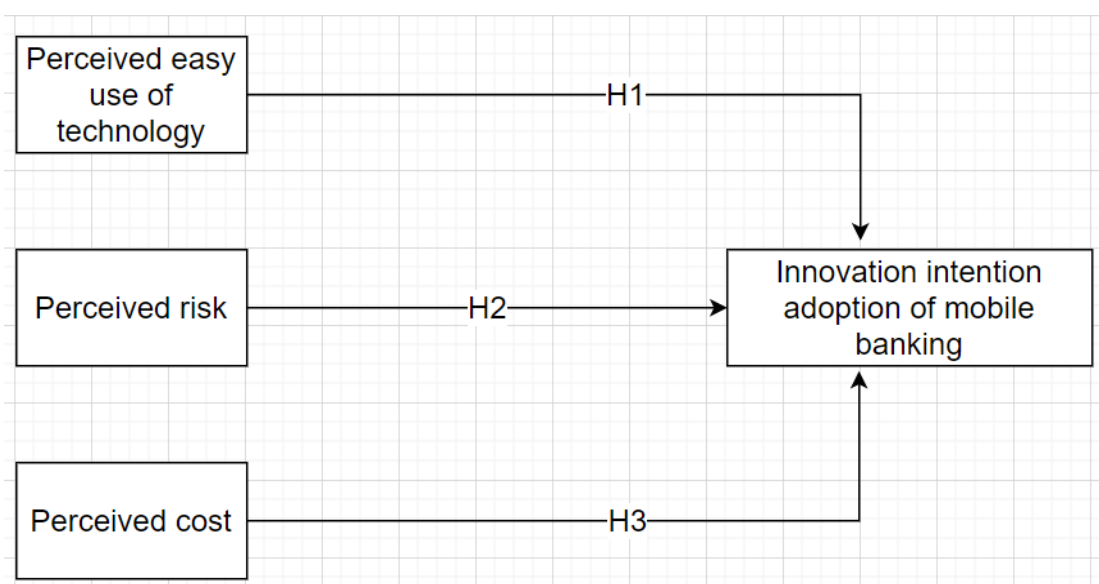
## OBJECTIVE OF THE STUDY

1. To understand the Innovation intention adoption of mobile banking between the use of technology, risk, and cost.
2. To ascertain the relationship between Innovation intention adoption of mobile banking, use of technology, risk, and cost.
3. To ascertain the significant relationship between Innovation intention adoption of mobile banking, use of technology, risk, and cost.

## RESEARCH METHODOLOGY

The present study is descriptive with which a focus on group study of public expectations of digital innovation and technology in mobile banking. The sample size of the study is 119. The data were collected with the help of a structured questionnaire and analyzed with the help of 2 tailed hypotheses (Regression).

## Theoretical model and hypothesis development



H1: There is a relationship between innovation intention adoption of mobile banking and perceived easy use of technology

H2: There is a relationship between innovation intention adoption of mobile banking and perceived risk

H3: There is a relationship between innovation intention adoption of mobile banking and perceived cost

**Table – 1 Profile of the common people**

<b>Personal Factors</b>	<b>Classification</b>	<b>Number of Respondents</b>	<b>Percentage</b>
<b>Gender</b>	Male	59	49
	Female	60	51
<b>Age</b>	17-20	11	09
	21-25	49	41
	26-30	32	27
	31-40	24	20
	Above 40	03	03
<b>Account holder status</b>	Account holder	117	98
	Non-Account holder	02	02
<b>Smart phone user status</b>	Yes	115	97
	No	04	03

Table 1 presents the demographic profile of the respondents on a focus group study of public expectations of digital innovation and technology in mobile banking. There are 49% of males and 51% of females in the study. Among the respondents 98% are account holder and 2% non-account holder, 97% are smart phone user and 3% does not use smart phones.

**Table:2 Relationship between innovation intention adoption of mobile banking and perceived easy use of technology**

<i>Regression Statistics</i>	
Multiple R	0.27
R Square	0.07
Adjusted R Square	0.04
Standard Error	0.26
Observations	119.00

ANOVA					
	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>Significance F</i>
Regression	4.00	0.58	0.15	2.15	0.08
Residual	114.00	7.73	0.07		
Total	118.00	8.32			

	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>	<i>Upper Lower 95%</i>	<i>Lower 95.0%</i>	<i>Upper 95.0%</i>
Intercept	1.30	0.11	11.9	0.00	1.09	1.52	1.09
PEOU 1	-0.02	0.03	-0.62	0.54	-0.09	0.05	-0.09
PEOU 2	0.03	0.04	0.72	0.47	-0.05	0.11	-0.05
PEOU 3	-0.07	0.03	-2.22	0.03	-0.13	-0.01	-0.13
PEOU 4	-0.05	0.03	-1.68	0.10	-0.12	0.01	-0.12

**Descriptive statistics Constructs**

There is no correlated relationship between Behavioral intention adoption and perceived easy use of technology. The multiple R, R square and Adjusted R square is 0.27, 0.07 and 0.04 which is smaller. The significance P value is 0.08 therefore there is no significant relationship between R and P.

**Table:3**

<i>Regression Statistics</i>	
Multiple R	0.47
R Square	0.22
Adjusted R Square	0.19
Standard Error	1.14
Observations	119.00

ANOVA

	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>Significance</i>			
					<i>F</i>			
Regression	4.00	41.73	10.4	3	8.09	0.00		
Residual	114.00	147.06	1.29					
Total	118.00	188.79						

	<i>Coefficient</i>	<i>Standard</i>		<i>P-</i>	<i>Upper</i>	<i>Lower</i>	<i>Upper</i>
	<i>s</i>	<i>Error</i>	<i>t Stat</i>	<i>value</i>	<i>Lower 95%</i>	<i>95%</i>	<i>95.0%</i>
Intercept	0.35	0.48	0.74	0.46	-0.59	1.29	-0.59
PEOU 1	0.38	0.15	2.56	0.01	0.09	0.67	0.09
PEOU 2	0.62	0.18	3.43	0.00	0.26	0.98	0.26
PEOU 3	0.04	0.13	0.28	0.78	-0.23	0.30	-0.23
PEOU 4	-0.22	0.14	-1.55	0.12	-0.49	0.06	-0.49

### Descriptive statistics Constructs

There is no correlated relationship between Behavioral intention adoption and perceived easy use of technology. The multiple R, R square and Adjusted R square is 0.47, 0.22 and 0.19 which is smaller. The significance P value is 0 therefore there is no significant relationship between R and P.

**Table-4 Relationship between innovation intention adoption of mobile banking and perceived risk**

<i>Regression Statistics</i>	
Multiple R	0.49
R Square	0.24
Adjusted R Square	0.22
Standard Error	0.23
Observations	119.00

### ANOVA

	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>Significance F</i>
Regression	3.00	1.98	0.66	7	0.00
Residual	115.00	6.34	0.06		
Total	118.00	8.32			

	Coefficient	Standard Error	t Stat	P-value	Lower 95%	Upper 95%	Lower 95%	Upper 95%
Intercept	1.38	0.07	20.3	0.00	1.25	1.52	1.25	1.52
PR 1	0.06	0.03	2.21	0.03	0.01	0.11	0.01	0.11
PR 2	-0.24	0.05	-4.54	0.00	-0.35	-0.14	-0.35	-0.14
PR 3	0.05	0.04	1.20	0.23	-0.03	0.13	-0.03	0.13

### Descriptive statistics Constructs

There is no correlated relationship between Behavioral intention adoption and perceived easy use of risk. The multiple R, R square and Adjusted R square is 0.49, 0.24 and 0.22 which is smaller. The significance P value is 0 therefore there is no significant relationship between R and P.

**Table-5**

### Descriptive statistics Constructs

There is no correlated relationship between Behavioral intention adoption and perceived easy use of risk. The multiple R, R square and Adjusted R square is 0.23, 0.05 and 0.03 which is smaller. The significance P value is 0.11 therefore there is no significant relationship between R and P.

Regression Statistics	
Multiple R	0.23
R Square	0.05
Adjusted R Square	0.03
Standard Error	1.25
Observations	119.00

### ANOVA

	df	SS	MS	F	Significance F
Regression	3.00	9.67	3.22	2.07	0.11
Residual	115.00	179.12	1.56		
Total	118.00	188.79			



	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>	<i>Lower 95%</i>	<i>Upper 95%</i>	<i>Lower 95.0%</i>	<i>Upper 95.0%</i>
Intercept	1.95	0.36	5.40	0.00	1.23	2.66	1.23	2.66
PR 1	0.14	0.14	1.03	0.31	-0.13	0.42	-0.13	0.42
PR 2	-0.54	0.29	-1.90	0.06	-1.11	0.02	-1.11	0.02
PR 3	0.45	0.23	2.00	0.05	0.00	0.90	0.00	0.90

**Table: 6 Relationship between innovation intention adoption of mobile banking and perceived cost**

<i>Regression Statistics</i>					
Multiple R	0.20				
R Square	0.04				
Adjusted R Square	0.02				
Standard Error	0.26				
Observations	119.00				

<i>ANOVA</i>					
	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>Significance F</i>
Regression	2.00	0.33	0.16	2.38	0.10
Residual	116.00	7.99	0.07		
Total	118.00	8.32			

	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>	<i>Lower 95%</i>	<i>Upper 95%</i>	<i>Lower 95.0%</i>	<i>Upper 95.0%</i>
			12.6					
Intercept	1.03	0.08	0	0.00	0.87	1.19	0.87	1.19
PC 1	0.12	0.07	1.89	0.06	-0.01	0.25	-0.01	0.25
PC 2	-0.06	0.03	-2.10	0.04	-0.11	0.00	-0.11	0.00

### Descriptive statistics Constructs

There is no correlated relationship between Behavioral intention adoption and Perceived cost. The multiple R, R square and Adjusted R square is 0.2, 0.04 and 0.02 which is smaller. The significance P value is 0.10 therefore there is no significant relationship between R and P.

## Reliability Check

		N	%
Cases	Valid	119	100.0
	Excluded <sup>a</sup>	0	.0
	Total	119	100.0

## Reliability Statistics

Cronbach's Alpha	N of Items
.678	13

Reliability Statistics was done to check the goodness fit of variables the results were .678 which is good and more than .5 has per Cronbach's Alpha.

## Conclusion

One of the most important innovations that have transformed the banking sector in terms of services recently is the shift from the traditional face-to-face encounter to other virtual forms of banking, with mobile banking. Despite there are number of benefits that mobile banking offers to their customers but preference for face-to-face transactions is still not decreased in most of the developing countries. The rate of mobile banking usage is generally to be low in most developing countries even in the presence of high mobile phone rates and use of the Internet. The objective of this paper was in three constructs connected to behavioral adoption intention. First, the study sought to explore the behavioral intentions of people toward mobile banking adoption. Secondly, on the use of technology, perceived cost, and perceived risk of the adoption of new technology, coupled with the fact that mobile phone usage remains an integral part of the life of the younger generation, this study exclusively focused is the technology, cost, and risk is connected to the mobile banking. By employing the new Technology Acceptance and Innovation, the study documents that the willingness to adopt mobile banking by the youth is high and that factors such as perceived ease of use, and perceived, and relative advantage are important predictors of the intention to adopt mobile banking. In the study, the adoption behavioral intention is not correlated to the use of technology, perceived risk, and cost.

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