



A Study On Attitude On Mobile Banking Acceptance And Utilisation Of Gen Z And Gen X - A Comparative Analysis

¹Ajay Venkateswaran. R, ²Dr. S.T. Surulivel

¹Student, ²Associate Professor,

¹School of Management, SASTRA Deemed University,
Thirumalaisamudram, Thanjavur, Tamilnadu – 613401, India.

Abstract: Mobile banking applications have fundamentally modified the financial landscape. However, the nuanced acceptance and utilisation of this technology vary markedly across generational groups. This project delves into this interesting dynamic, conducting a comparative analysis of Gen Z and Gen X with a structured questionnaire obtained from 350 respondents in the Trichy and Thanjavur regions. The duration of the project is January to March 2024. Factors used for analysis here include the census or demographic profile of the m-banking users, and independent factors viz., Perceived Ease of Use, Perceived Usefulness, Perceived Value, Perceived Risk, and Perceived Trust. Findings from correlation exhibit perceived usefulness (0.646) and perceived risk (0.606) have the highest correlation value with the attitude of Gen X and it shows the perceived value (0.683), perceived ease of use (0.640) has the highest correlation value with the attitude of Gen Z. Findings from CB-SEM model identified that R-square value of 0.971 which indicates that 97.1% of the variability in the dependent or response variable is explained by the explanatory or independent variable for Gen X and an R-square value of 0.915 which indicates that 91.5% of the variability in the response variable is explained by the explanatory variable for Gen Z. Recommendations include delivering tailored products by analyzing the needs and preferences of the M-banking users to further increase the acceptance of this disruptive innovation in the future.

Keywords: Mobile banking, Attitude, Gen X, Gen Z.

I. INTRODUCTION

In the banking industry, Mobile banking is one of the major technological developments that has modified the financial landscape. Mobile banking can be accessed from any location with a network connection and its popularity has increased due to factors such as ease of use, and conducting financial tasks easily when compared to traditional methods. The usage of electronic devices such as mobile phones and tablets to conduct financial transactions with banks through their applications is Mobile banking. Customers can manage their bank accounts, and conduct transactions such as transferring funds, paying bills, checking account balances, and so on. Financial institutions' success depends on their ability to understand the attitudes and perceptions towards the acceptance and utilisation of mobile banking as it is widely used now. The adoption and acceptance of mobile banking products are significantly leveraged by the attitudes of customers. Studying the variables that influence the attitude of mobile banking users is the core area of focus in this study. It is essential to focus on the views of Generation Z (Gen Z) and Generation X (Gen X) regarding the acceptance and usage of mobile banking, given the speed at which communication, technology, and the financial landscape are changing.

According to NBE, m-banking is “performing banking activities which primarily consist of opening and maintaining mobile/regular accounts and accepting deposits; furthermore, it includes performing fund transfer or cash in and cash out services using mobile devices” (National Bank of Ethiopia, 2012)

II. LITERATURE REVIEW

Abera Bekele Kejela, Daniel Porath (2022) studied that using the technology acceptance model (TAM) and changes suggested by the literature—which is especially suitable for developing nations and mobile banking—the authors investigate the causes of people's reluctance to utilize mobile banking. According to the authors' conclusions, attitude is the most important component influencing acceptance. **Nila Armelia Windasari, Nurrani Kusumawati, Niken Larasati, Revira Puspasuci Amelia (2022)** explored the experience elements influencing Generation Y and Z's use of digital-only banking services. And examined the connections between eight factors—economic value, usability, social influence, company reputation, promotion, features, curiosity, and reward—when utilizing digital-only banking. **Mahmood Jasim Alsamydai (2014)** identified the purpose of this study is to modify the Technology Acceptance Model (TAM) to account for Jordan's usage of mobile banking services. The three components that make up this study sample's seven dimensions are quality, perceived ease of use, behavioural intention, attitudes, perceived usefulness, and use. **Kumar, R., Singh, R., Kumar, K., Khan, S., & Corvello, V. (2023)** examines the factors that drive young Indian consumer's embracement of mobile banking services. The study builds upon the UTAUT framework to explain their mobile banking adoption behaviour. It provides new insights into how potential risks and trust influence both their willingness to operate mobile banking support or services and their actual usage patterns. **Kumar, G., & Shenbagaraman, V. M. (2017)** studied the constituents affecting Chennai's utilization of mobile banking utilities. Six components make up the research model: perceived usefulness, relative benefit, perceived ease of use, system quality, personal innovativeness, and self-efficiency. Every construct is assessed using the goal to use mobile banking.

Kim, G., Shin, B., & Lee, H. G. (2009) study aimed to uncover the mechanisms behind individuals' initial decision to employ mobile banking and how they establish trust in the service. The research identified three key factors that significantly influence early trust in mobile banking: relative benefits, propensity to trust, and structural assurances. **Darmesh Krishanan, Aye Aye Khin and Kevin Low Lock Teng (2015)** state by combining perceived risk and perceived cost with the Technology Acceptance Model (TAM), this study closes the gap. **Gupta, S., Yun, H., Xu, H., & Kim, H. W. (2017)** identified that in India, the acceptance of mobile banking has slowed down due to increasing security concerns. This paper focuses on the perceived risk and control and its influence on security. **Shaymaa Abdulla Al-Delayel (2023)** discusses the security measures on using the Android Mobile banking applications. This paper concentrates on the security concerns and solutions for Android OS users. **Sajid, Zoya; Iftikhar, Naba; Ghouri, Ushna; Siddiqui, Humbal; Uddin, Kaleem (2021)** investigated the factors contributing to m-banking adoption in Pakistan and suggested ways to improve customer satisfaction.

III. SCOPE OF THE STUDY

The elementary focus of the subject is to conduct a detailed comparative analysis between Generation Z and Generation X and to locate the resemblance and dissimilarities in the acceptance of mobile banking to multiple variables. This inquiry will comprise people from the area of Trichy and Thanjavur with inclusion of salaried, non-salaried, and business people.

This study aims to bridge the existing gap in the literature by providing recommendations on how financial institutions should enhance their mobile banking services to boost user acceptance and experience among these varied generational groups. Achieving the right balance between leveraging modern technology and safeguarding user privacy is another challenge that necessitates careful consideration and assent with privacy laws.

IV. OBJECTIVES OF THE STUDY

By achieving the following objectives, the study aims to understand attitudes on Mobile Banking acceptance and Utilisation of Gen Z and Gen X.

- To explore the demographic profile of Gen Z and Gen X Mobile banking users.
- To compare the variable perceived ease of use and attitude among Gen groups on accepting mobile banking technology.
- To examine the variable perceived usefulness and attitude among Gen groups on accepting mobile banking technology.
- To study the effect of perceived risk and attitude in Mobile banking utilization and acceptance among Gen X and Z.
- To examine the variable perceived value and attitude among Gen X and Z on acceptance of mobile banking.
- To analyze the attitude and perceived trust among Gen X and Z on acceptance and utilization of Gen groups.
- To give suggestions and recommendations to banks concerning the assent of overall banking features.

V. RESEARCH METHODOLOGY

This study applies a quantitative research design with a structured questionnaire with a 5-point Likert scale distributed through a physical survey. This approach allows for organized Intel or data collection from a large sample of 350 data from m-banking users of Thanjavur and Trichy region. The respondents will include m-banking users of Generation X and Generation Z and include salaried people, businessmen or vendors, and non-salaried people.

5.1 Sampling Techniques and Tools

This sampling technique is based on the Stratified random sampling method as the data is studied between the age groups of m-banking users. In total, 350 samples were collected and analyzed to ensure the robustness and representativeness of the data findings. Frequency Analysis provides an overview of the study's variables, while inferential statistics such as correlation analysis, and regression analysis uncover complicated insights into attitudes on acceptance and utilisation among mobile banking users. These statistical methods offer a comprehensive understanding of the factors influencing the attitudes of mobile banking users of Gen X and Gen Z. The researcher analyses data collected with the aid of various statistics using SPSS software version 20.0 and a Covariance-Based SEM was created using Smart PLS software. In conclusion, the research or study methodology employs a strong sampling technique and a suite of powerful statistical tools to explore variables that influence the attitude toward mobile banking acceptance of Gen X and Z users.

VI. FINDINGS

The reliability analysis observed a Cronbach's Alpha coefficient of 0.857, which comes under very good internal consistency of the data. So, the data are highly reliable. The questionnaires and data are also valid.

Table: 1 Frequency distribution of Demographics

Age of Respondents	Frequency	Percent	Educational Qualification	Frequency	Percent
18 to 30	160	45.7	High School	49	14.0
31 to 45	49	14.0	Under Graduate	153	43.7
46 to 59	130	37.1	Post Graduate	117	33.4
60 and Above	11	3.1	Others	31	8.9
Total	350	100.0	Total	350	100.0
Monthly Income	Frequency	Percent	Occupation	Frequency	Percent
Below 20000	160	45.7	Business	72	20.6
20001 to 50000	101	28.9	Private Employee	101	28.9
50001 to 80000	58	16.6	Government Employee	61	17.4
Above 80000	31	8.9	Student	116	33.1
Total	350	100.0	Total	350	100.0

Source: Primary data. Processed by: SPSS 20.0

From the above table 1, the highest percentage (45.7%) falls under the category of age 18 to 30. The highest percentage (43.7%) of respondents in educational qualification is Undergraduate. For monthly income, most respondents are under the class of below 20000 with 45.7%. The highest percentage of respondents under occupation is 33.1% under the student category.

6.1 Correlation Analysis:

Table: 2 Correlation between Attitude and Independent variables - Gen X, Z

		Attitude Gen X	Perceived Ease of Use	Perceived Usefulness	Perceived Value	Perceived Risk	Perceived Trust
Attitude Gen X	Pearson Correlation	1	.603**	.646**	.591**	.606**	.556**
		Attitude Gen Z	Perceived Ease of Use	Perceived Usefulness	Perceived Value	Perceived Risk	Perceived Trust
Attitude Gen Z	Pearson Correlation	1	.640**	.607**	.683**	.526**	.623**

** . Correlation is significant at the 0.01 level (2-tailed).

From the above correlation table for Gen X, it is identified that there prevail a positive correlation between attitude and other variables. The correlation table exposes that attitude has a strong positive relation with perceived ease of use (value of $p = 0.603$), perceived usefulness (value of $p = 0.646$), and perceived risk ($p = 0.606$) at a 0.01 significant level (2-tailed). There is also a moderately positive relation between attitude and perceived value (value of $p = 0.591$) and between attitude and perceived trust ($p = 0.556$) at a 0.01 significant level.

From the above correlation table for Gen Z, The correlation table unveils that attitude has a strong positive relation with perceived ease of use (value of $p = 0.640$), perceived usefulness (value of

$p = 0.607$), perceived value ($p = 0.683$), and perceived trust ($p = 0.623$) at 0.01 significant level (2-tailed). There is also a moderately positive relation between attitude and perceived risk ($p = 0.526$) at a 0.01 significant level.

6.2 Regression Analysis:

The above regression analysis indicates that the coefficients for perceived risk, perceived usefulness, perceived value, and perceived ease of use are all statistically significant ($p < 0.05$) showing that there is a material impact on attitude among the Gen X group, whereas perceived trust has significant value ($P > 0.05$) indicating it may not have a serious or significant impact on Gen X individuals. The R square value is 0.581 (58.1%) which explains that the dependent variable attitude is predictable from the other independent variables.

$$\text{Regression } y = \alpha + (\beta_1 * PE) + (\beta_2 * PU) + (\beta_3 * PV) + (\beta_4 * PR) + (\beta_5 * PT)$$

$$y = -0.085 + (0.212*PE) + (0.244*PU) + (0.189*PV) + (0.213*PR) + (0.117*PT)$$

Table: 4 Attitude with Other Variables - Gen Z

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.194	.263		.738	.462
	Perceived Ease of Use	.148	.082	.147	1.797	.074
	Perceived Usefulness	.123	.079	.123	1.565	.120
	Perceived Value	.312	.080	.328	3.873	.000
	Perceived Risk	-.002	.077	-.002	-.029	.977
	Perceived Trust	.368	.073	.330	5.029	.000

a. Dependent Variable: Attitude

Source: Primary data. Processed by: SPSS 20.0

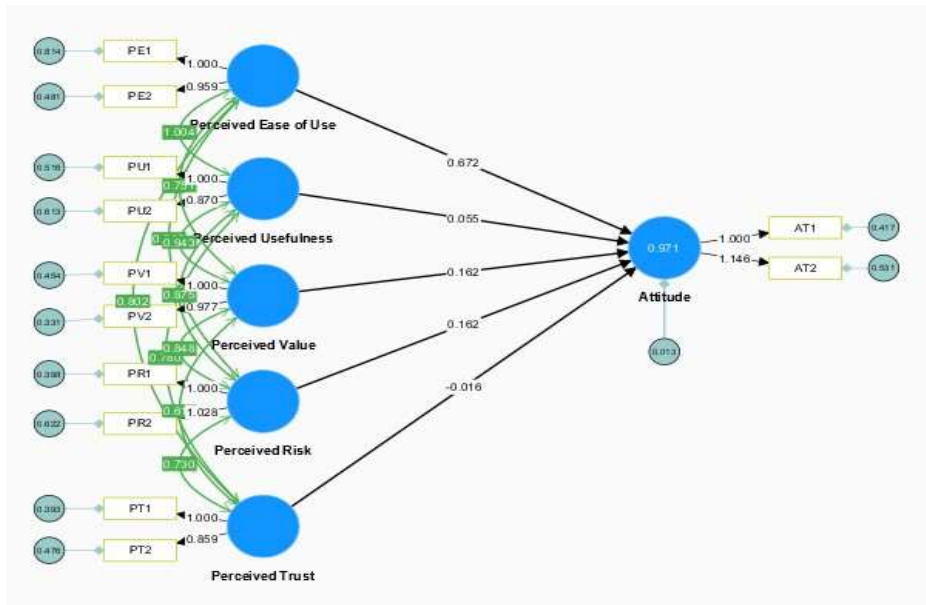
The above regression analysis indicates that the R square value indicates that 59.7% variability in the attitude can be justified by the independent variables. Regarding the significant value, perceived value and perceived trust appear to be the most significant value.

$$\text{Regression } y = \alpha + (\beta_1 * PE) + (\beta_2 * PU) + (\beta_3 * PV) + (\beta_4 * PR) + (\beta_5 * PT)$$

$$y = 0.194 + (0.148*PE) + (0.123*PU) + (0.312*PV) + (-0.002*PR) + (0.368*PT)$$

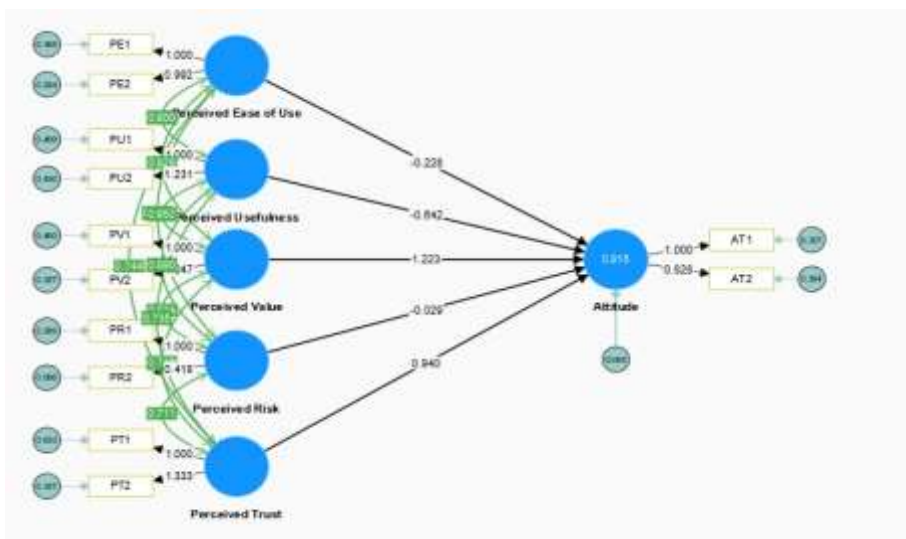
6.3 Covariance-Based Structured Equation Model:

Chart: 1 Gen X



The above chart exhibits an R-square value of 0.971 which indicates that 97.1% of the variability in the response variable is clarified by the explanatory or independent variable. The path coefficient value of the correlation amidst perceived ease of use and attitude is 0.672, amidst perceived usefulness and attitude is 0.055, between perceived value and attitude is 0.162, between perceived risk and attitude is 0.162, and between perceived trust and attitude is -0.016. Here the most influential path coefficient is the perceived ease of use for Gen X with 0.672 as its value.

Chart: 2 Gen Z



The above chart exhibits an R-square value of 0.915 which indicates that 91.5% of the variability in the response variable is clarified by the explanatory variable. The path coefficient value of correlation amidst perceived ease of use and attitude is -0.228, amidst attitude and perceived usefulness is -0.642, between perceived value and attitude, is 1.223, between perceived risk and attitude is -0.029, and betwixt perceived trust and attitude is 0.940. Here the most influential path coefficient is the perceived trust for Gen Z with 0.940 as its value.

VII. CONCLUSION

The extensive analysis of 350 mobile banking users' attitudes disclosed important insights into acceptance and utilisation. Findings from correlation exhibit perceived usefulness (0.646) and perceived risk (0.606) have the maximum correlation value with the attitude of Gen X and it shows the perceived value (0.683) & perceived ease of use (0.640) has the highest correlation value with the attitude of Gen Z. Findings from CB-SEM model identified that R-square value of 0.971 which indicates that 97.1% of the variability in the response or dependent variable is described by the input or independent variable for Gen X and an R-square value of 0.915 which indicates that 91.5% of the variability in the observed or dependent variable is explained by the controlled or independent variable for Gen Z.

There are also some economic factors and variables that contribute to the acceptance of banking technology like innovation, financial inclusion, and cost efficiency. Analyzing variables like these can also enable banks to develop applications that ensure the growth and acceptance of technology. Suggestions to Banks are they can sort out the needs of m-banking users and deliver tailored products to increase acceptance and expand the customer base of applications.

VIII. REFERENCES

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