



Mobile Banking Adoption by Urban Youth In India: A Descriptive Analysis

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ABSTRACT:

An essential component of economic growth is banking. The way that business is performed has changed as information technology (IT) has advanced. Customers can now access cutting-edge technology-based services from banks. The banking industry adopted digital banking in response to technological advancements, enabling their clients to access financial services at any time and from any location. Through the internet, banks are able to communicate with their clients. The banking channel that is expanding the fastest is digital banking. Young people in India are using smartphones at a rapid rate, and mobile banking has developed as a result of these devices' banking apps. The ease of use and convenience of mobile banking has led to a rise in its popularity in recent times. Customers of digital banking can access a wide range of banking goods and services, including the ability to check account balances, transfer funds, pay bills, and access them from any location at any time. Young people are crucial to strengthening our nation. The purpose of this study is to determine and comprehend the main elements impacting the acceptance of digital payments among Indian youth. In this research paper, secondary research is done with the help of questionnaire and quantitative approach was adopted with descriptive statics.

KEY WORDS – Youth, Mobile Banking, Digital Payment Platforms, Information Technology (IT).

INTRODUCTION:

It is evident that a transaction involving digital payment does not include the actual exchange of currency. A smartphone and the internet are used to make the aforementioned arrangement possible. The exchange of hard currency is done away with. Another name for it is electronic payments. The widespread use of smartphones, ongoing advancements in the internet and mobile industries, state-of-the-art technology, and specific initiatives like Digital India, Demonetization, and the unexpected pandemic all had a significant role in the acceptance of digital payments. This is important because it has the ability to reduce black money and is expanding quickly.

According to RBI (2014), there is a need for banks to support the mobile banking channel more effectively while keeping long-term economic gains in mind, as mobile banking transactions are more profitable than traditional banking.

Customers can use their mobile phones to complete banking operations while they are in faraway locations thanks to mobile banking. Customers are thus spared from having to visit the bank.

Young people are crucial to a country's progress. Because technology is developing so quickly, young people are utilizing the newest technological. They are increasingly exposed to the use of digitalization and are gaining digital literacy at a faster rate. The use of smartphones by young people has quickly expanded. The primary focus of the research is the use of mobile banking by young consumers. The main elements pushing young people into mobile banking are examined in this article, along with the challenges they face when using mobile banking in the Lucknow Region.

LITERATURE REVIEW:

(2009, Ganesan) The word "e-banking" is used broadly to refer to various online, phone, and mobile banking options. It is a method of providing banking services and goods via electronic means, including mobile, Internet, and phone. The efficiency and convenience of banking services have increased thanks to ebanking.

Pria (2009) To promote e-banking in India, the RBI and the Indian government have launched a number of programs. The RBI has consolidated current payment systems and made significant progress in settlement system and in technological advancements to create an effective, integrated, and safe system that operates in a real-time setting. The IT Act 2000 was enacted by the Indian government, giving electronic transactions legal status.

(Bansar March 2016) showed that adopting mobile banking was a complicated, comprehensive process that also took into account the danger to the client is more significant than just analyzing adoption. Bankers had to research the elements that consumers would find acceptable and palatable because this would aid them in creating mobile services.

(Aithal, 2016) Q (2006) Taking into account the ideal qualities, a model of the perfect financial system was developed in this study anticipated given the system specifications, environmental factors, input and output circumstances, and system needs. We discovered and examined a few potential technologically assisted models that bolster the idea of ideal banking. A study discovered that an all-encompassing banking system built on mobile banking technology is the optimum blueprint for implementing the ideal banking system.

OBJECTIVE OF THE STUDY:

- To study the demographic makeup of the consumers using mobile banking.
- To research Indian Youths' use of digital payments.
- To ascertain the most popular digital payment method.

RESEARCH METHODOLOGY:

The study methodology is descriptive in nature. Secondary data has been gathered from numerous web resources, including academic journals, periodicals, webpages, etc. The selection of respondents was done using a random sampling method.

FINDINGS AND DISCUSSION:

- Table 1 includes the demographic information about the respondents in which males are 64% females are 32% and remaining are 4% are others most of the respondents age is between 18-25 years and the respondents are mostly post graduate mostly are employed also and 60% of the respondents family income is between 5 – 10 lakh.
- Table 2 shows the mobile payment system often used by the respondents is Paytm with 30% then Google pay with 26% then Phone pe 24% then Apple pay 12% remaining 8% includes other forms of payment.
- Table 3 shows the how often do they use mobile payment system in which 50% of the people uses mobile payment system frequently.
- Table 4 shows the transaction they perform using mobile payment system in which 46% of the people transact between 10000-20000, 24% people transact between 5000-10000 remaining 20% and 10% is between 10005000 and above 20000.
- Table 5 is showing the type of transaction do usually perform using mobile payment systems 34% of the people uses for online shopping, 26% of uses for peer -to- peer transfer, bills payment is for 15%,20%of the people uses for in store purchase and the remaining 5% is for other other's usage.
- Table 6 shows the factor that influenced the decision to start using of mobile payment system in which 30% is for convenience, 10% is for peer-to-peer influence 10% is for cashback and discounts, 20% for security reasons, 25% is awareness through advertisements, and 5% is for the trust in the service provider.
- Table 7 shows that the respondents are open to try new mobile payment system in the future in which 66% says yes, 20% is maybe,14%is no.
- Table 8 shows that the adoption of mobile payment system will increase in the future among urban youth in which 79% of the respondents says yes and 20% is no.

CONCLUSION:

The most practical way to bank is through mobile, which enables users to transact at any time and from any location using their smartphone with built-in internet capabilities. Young people are a more efficient means of achieving digitalization. They work better with smartphones that have the newest technologies. Younger consumers are using mobile banking more frequently and would rather stick with mobile services than branch banking. For this reason, banks ought to promote youths' increased use of mobile banking for all kinds of transactions.

Consequently, young people have the ability to raise awareness among those in their family and community.

TABLES:

TABLE 1 Demographic information of the respondents: GENDER:

VAIRABLE	PERCENTAGE
MALE	64%
FEMALE	32%
OTHER	4%
TOTAL	100%

AGE:

18-25	44%
25-30	28%
30-35	24%
Above35	4%
Total	100%

EDUCATION:

High school	20.4%
Under- graduate	24.5%
Post - graduate	40.8%
College drop out	14.3%
Total	100%

OCCUPATION:

Unemployed	10%
Student	32%
Employed	40%
Self - employed	18%
Total	100%

FAMILY ANNUAL INCOME:

Below 5 lakh	28%
5-10 lakh	60%
Above 10 lakh	12%
Total	100%

TABLE 2:

Which mobile payment system do you use often?

Paytm	30%
Google Pay	26%
Phone Pe	24%
Apple Pay	12%
Other	8%
Total	100%

TABLE 3:

How often do you use mobile payment system?

Frequently	50%
Rarely	30%
Occasionally	20%
Total	100%

TABLE 4:

How much transaction do you usually perform using mobile payment system?

1000-5000	20%
5000-10000	24%
10000-20000	46%
Above 50000	10%
Total	100%

TABLE 5:

What type of transaction do you usually perform using mobile payment system?

Bills payment	15%
Online shopping	34%
Peer-to-peer transfers	26%
In store purchases	20%
Other	5%
Total	100%

TABLE 6 :

What factor influenced your decision to start using mobile payment system?

Convenience	30%
Security	20%
Cashback and discounts	10%
Peer-to-peer influence	10%
Awareness through advertisements	25%
Trust in the service provider	5%
Total	100%

TABLE 7:

Are you open to try new mobile payment system in the future?

Yes	66%
No	20%
Maybe	14%
Total	100%

TABLE 8:

Do you think the adoption of mobile payment system will increase in the future among urban youth?

Yes	80%
No	20%
Total	100%

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