

RESEARCH ARTICLE

DOI: <https://doi.org/10.26524/jms.15.49>**M-Banking Applications and paradigm shift in the Banking sector; a comparative illustration of users' experience**Shareef AP ^{a*}, Dr. MA Shakila Banu ^b**Abstract**

M-Banking applications have turned an innovation catalyst in banking sector. This paper portrays the change brought forward by these applications and looks into users' experience by comparing banking applications of two major banking service providers viz. State Bank of India's YONO and Federal Bank's FedMobile. The study was conducted among the users in Kerala State by using purposive sampling with a sample size of 250 equally divided into both the applications. Responses were collected through structured questionnaire. Relevant statistical tools were used to analyse the data. The study concludes that there are multiple factors affecting the users' experience. But the users don't have same experience with different dimensions of each of the apps. One application stands better than the other in terms one parameter, but in another parameter it is not. These factors include Network/Server issues, Speed/Slow Process, Accessibility/arrangement of options, security/safety features, availability of features/services and design features.

Keywords: M-Banking, YONO, FedMobile, user experience

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1. Context of the study

Mobile phones are now smartphones that are inevitable to everyone in all walks of life. They play a vital role in transformation of lives. Apart from just a communication device, Smartphones now determine the way we shop, pay, bank etc. Banking services, being a major utility for business and common people's lives, have been greatly influenced by the technology. As the key role-playing institutions in an economy, the pace of development of banking industry has been quite drastic with improvements in technology. Online banking or internet banking, the earlier version is now followed by mobile banking or M-Banking as denoted in this paper. With no time or place restrictions and simplified processes, banking activities are now easy for people in every walk of life. Long queues in banks, a very long waiting time, currency notes in the bag etc.

are now history. The only working part is our finger tips. Any type of transactions can be done at home or on the go without depending upon the bricks and mortar branches.

M-Banking contributes heavily to the digitalization process of economy as well as speeds up the measures of financial inclusion. Moreover, it reduces the stress and improves efficiency of bank personnel. In fact, M-Banking paves way to high performance of banks with increasing number of volume and value of banking transactions. It has undoubtedly led towards high services quality and improved customer satisfaction with convenient, simplified, economical, safe and secure banking experience. Of course, these factors sharpen the competitive edge of banking and financial services industry. Along with boom in Financial Technology (Fintech) the industry is witnessing fastest growth.

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All major banks now have an M-Banking application to be used in smartphones. The apps are complete solution for all banking transactions. State Bank of India and Federal Bank, the two most important players in Kerala context have the greatest number of branches in the state. They have the richest customer base in terms of off-line as well as online banking services. Hence it would be very rational to research onto the paradigm shift enabled by M-Banking applications with special reference to these two banks.

2. SBI and Federal Bank as two major players in the banking industry of Kerala

SBI is the largest banking network in the state in terms of number of branches. The bank operates 1193 branches. Federal Bank is the mostly present and popular private sector bank in the state with 602 branches across 14 districts. Since it has its origin in the historic Travancore state and headquarters at Aluva, the bank has a strong customer base in Kerala compared to the other parts of the Nation. More than half of its total branches are located in the state only. SBI offers its flagship app YONO for M-Banking transactions. Federal Bank provides FedMobile app for the same purpose. Both these apps provide various banking services such as fund transfers, online payments, Account information, Account opening, Loan applications, Stock trading, Insurance and many more.

3. Review of literature

There had been a number of studies related with the title. Some of the relevant of them are discussed here. The demographic features like age, gender, profession, income etc. have influence on the frequency of usage of the banking apps. On the basis of improvements brought by the apps, Federal Bank's FedMobile was found superior than YONO. Various features of the app lead to changes in the level of satisfaction of users [3]. It can be obvious from the operations of SBI over the past few years that the bank is undergoing constant changes in the digital era. The bank is integrating different types of technology in its services. SBI's YONO enables cardless withdrawal. The app provides many other services too [4]. Consumers' awareness about the goods or services is the factor that activates interest to opt or opt out for the services or products. They are willing to use M-Banking services anytime, but certain age group are afraid of using the M-Banking services. Banks have to take efforts to create awareness and reach the audience in order to give them information related to the benefits associated with M-banking [5]. Many of the account holders do not have a sufficient level of

digital awareness about the E-banking services. In a study based on Palakkad town, it was found that there is significant difference among users in the priority of the usage/adaption, digital awareness of various e- banking services provided by SBI. The satisfaction of customers towards service quality of E-banking services provided by SBI Palakkad town branches to their customers was found to be at moderate level [6].

There are studies pertaining to the role of mobile app in consumer engagement. One of such studies examined and tested a model to examine the factors that have impact on users' ratings for mobile banking apps in India. The study provided empirical evidence that Visual, navigational, information, collaboration, service quality and login time has an important impact of mobile app rating. The study further hopes that the information will probably help retail banks in developing suitable design strategies for their mobile banking apps and market them properly so as to maintain their existing customers and make new ones [7].

A study conducted in Nigeria concludes that there is a significant relationship between demographic factors like education, age, and gender and usage experience. The study indicates that these factors have an impact on perceived satisfaction about the usability of M-Banking applications. The authors suggest that the banks can improve their M-Banking applications if they can better understand the demographic pattern of users [8].

The findings of a study reveals that convenience, trust and social influence play a vital role in enhancing customers' experience with M-Banking applications. Customer support or app attributes don't take a major role in customers' experience. The researchers further observe that outcome of the user experience is loyalty and intention to use the m-banking applications [9].

4. Research Gap

There are many researches that check relationship between different variables and user experience conducted in Indian as well as international context. They deal with demographic variables, convenience, and trust and so on. They take either the general scenario or focus on some selected banking apps. Similarly, there are researches that attempts to check users' satisfaction of YONO or FedMobile separately on the basis of some dimensions. Many of them try to connect usage with demographic features or various other variables like digital awareness or technology acceptance. Very rare studies have been conducted to test the user experience from the dimensions which are dealt with in this study. Moreover, the number of comparative studies in the field also are rare. That too in Kerala context where

the two major banking service providers viz. SBI and Federal Bank are omnipresent irrespective of regional differences. This study claims to be unique in all the above respects.

5. Research concerns and objectives

The present study focuses to reveal the changes brought about by M-Banking in the banking sector. It is an attempt to check some of the most important parameters of users' experience regarding M-Banking applications viz. network/server issues, process speed, accessibility/arrangement of options, security/safety features, availability of features/

services and design features. It tries to compare the users' experience of SBI's YONO and Federal Bank's FedMobile applications from the above parameters. The researcher has collected data from 100 users of each application spread across the state of Kerala. Structured questionnaire prepared in Google form was shared among the users adopting purposive sampling method. The results were analyzed using common descriptive statistical tools and one way Analysis of Variance with the help of Google Sheets and XLMinor add-on package associated with it. Pivot Tables in Google sheets were used for frequency analysis.

6. Analysis, discussion and findings

Table 1: Classification of users on the basis of purpose of use

Application	Personal Purpose		Business Purpose		Both Purpose		Grand Total	
FED Mobile	101	81%	8	6%	16	13%	125	100%
SBI YONO	111	89%	8	6%	6	5%	125	100%
Grand Total	212	85%	16	6%	22	9%	250	100%

Table 1 reveals that most of the customers in the study use the M-Banking app for personal purpose. The customers using the same account for both the purpose is less because every account holder keeps separate bank accounts for business and personal purposes.

Table 2: Users' opinion about Network / Server issues

Application	No issues at all		There are issues, but adjustable		I'm not able to adjust with issues		Always issues, I'm totally fed up		Grand Total	
FED Mobile	75	60%	44	35%	6	5%			125	100.00%
SBI YONO	66	53%	51	41%	6	5%	2	1%	125	100.00%
Grand Total	141	56%	95	38%	12	5%	2	1%	250	100.00%

It is clear from the Table 2 that majority users of both the applications have no network issues at all. Fed Mobile performs well in terms of this parameter.

Table 3: Users' opinion about Process speed

Application	High Speed		It's adjustable		Low Speed		Grand Total	
FED Mobile	51	41%	64	51%	10	8%	125	100%
SBI YONO	58	46%	62	50%	5	4%	125	100%
Grand Total	109	44%	126	50%	15	6%	250	100%

Table 3 shows following facts. In terms of process speed, more than half of the customers are the opinion that they are adjustable with processing speed. Nearly half of them say that they experience high speed of process. Nobody opted very low speed.

Table 4: Users' opinion about accessibility of options

Application	Easily accessible		It's ok		Not easy		Very difficult		Grand Total	
FED Mobile	52	42%	65	52%	8	6%			125	100%

SBI YONO	49	39%	69	55%	6	5%	1	1%	125	100%
Grand Total	101	40%	134	54%	14	6%	1	0%	250	100%

Users of both the application are “ok” to the accessibility of options available in the application. It’s more pronounced in the case of YONO customers. Table 4 shows the data.

Table 5: User's feeling of safety/security

Application	It's very strong		Medium security		Grand Total	
FED Mobile	75	60%	50	40%	125	100%
SBI YONO	90	72%	35	28%	125	100%
Grand Total	165	66%	85	34%	250	100%

YONO customers have a strong feeling of being safe and secure compared to FedMobile. Since all banking transactions are protected by passwords/PINs/OTPs, not even a single user has opined with “low security”.

Table 6: User's opinion on availability of options / services

Application	Many options available		All the important options are available		Some options are missing		Many options are missing		Grand Total	
FED Mobile	84	67%	29	23%	12	10%			125	100%
SBI YONO	83	66%	28	22%	12	10%	2	2%	125	100%
Grand Total	167	67%	57	23%	24	10%	2	1%	250	100%

In the case of each of the application, two third of the users say they have many options available in the apps. A parity can be visible in this dimension.

Table 7: User's opinion on design of application

Application	It's awesome and very user friendly		It's ok		Some improvements are needed		Many improvements are needed		Grand Total	
FED Mobile	52	42%	63	50%	10	8%			125	100%
SBI YONO	41	33%	74	59%	8	6%	2	2%	125	100%
Grand Total	93	37%	137	55%	18	7%	2	1%	250	100%

Design of the app is rated better by FedMobile users. Most of the YONO users are “ok” with the design of the app.

7. Results of one-way ANOVA

Hypothesis H0: There is no significant difference between group means of different parameters.

Table 8 – Comparison of YONO and FedMobile

Parameters	FedMobile		YONO	
	Average	Variance	Average	Variance
Network /Server Issues	3.55	0.35	3.45	0.44
Process Speed	3.33	0.38	3.42	0.33
Accessibility of options	3.35	0.36	3.33	0.37
Safety and Security	3.60	0.24	3.72	0.20
Availability of options/Services	3.58	0.44	3.54	0.54
Design of the app	3.34	0.39	3.23	0.41

A cross verification across YONO and FedMobile on the basis of these parameters makes the following points very clear.

- There are lesser server issues in FedMobile than in YONO. But users are having an inconsistent response to this issue.
- Process speed is faster in YONO than FedMobile.
- There is no significant difference between apps in terms of accessibility of options.
- YONO customers feel more secure and safe than FedMobile.
- Both the applications provide almost similar options / services. But due to some reasons, the response of YONO users seems to be inconsistent.
- Design of application is more user friendly in FedMobile compared to YONO. But users' response in this regard is not consistent.

Table 9: Results of ANOVA for FedMobile

Source of Variation	SS	df	MS	F	P-value	F crit
Between Groups	10.74	5	2.15	5.98	0.00	2.23
Within Groups	267.40	744	0.36			
Total	278.13	749				

Since p value of ANOVA for FedMobile is less than 0.05, we reject the null hypothesis and conclude that there is statistically significant difference between averages of different parameters.

Table 10: Results of ANOVA for YONO

Source of Variation	SS	df	MS	F	P-value	F crit
Between Groups	17.92	5.00	3.58	9.40	0.00	2.23
Within Groups	283.55	744.00	0.38			
Total	301.47	749.00				

Since p value of ANOVA for YONO is less than 0.05, we reject the null hypothesis and conclude that there is statistically significant difference between averages of different parameters.

From the above results, it can be concluded that the users' experience of each app in terms of network / server issues, process speed, safety and security, accessibility of options, availability of options / services and design differs significantly.

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