



# A STUDY ON CUSTOMER AWARENESS AND USAGE OF MOBILE BANKING IN COOPERATIVE BANK

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## ABSTRACT

This study aims to analyze customer awareness and usage of mobile banking in cooperative banks. With the increasing digitalization of banking services, mobile banking has become a vital tool for financial inclusion. This research examines which customers are aware and use mobile banking services, identifying key factors influencing adoption and usage patterns. A Descriptive research design was adopted, and primary data were collected from customers using a structured questionnaire. Statistical tools such as percentage analysis, ANOVA, chi-square analysis were used to examine the relationship between the customers and the digital channels. The findings can provide insights into the effectiveness of mobile banking in enhancing customer experience and improving service delivery in cooperative banks.

**Key words:** Customer Awareness, Customer Adoption, Mobile banking.

## INTRODUCTION

Digital banking is a major trend in the financial sector, transforming how customers interact with banks by making services more convenient and accessible. Mobile banking allows users to perform activities such as balance checks, fund transfers, bill payments, and account management through smartphones. With the growth of mobile and internet usage, it has become an essential tool for improving customer experience and reducing dependence on branches. This study focuses on assessing customer awareness of mobile banking in cooperative banks, identifying factors influencing its usage, and understanding barriers to adoption. It also examines how cooperative banks can promote mobile banking through awareness programs, training, and technology improvements to enhance customer engagement and support financial inclusion.

## NEED OF THE STUDY

It helps to increase the mobile banking across the banking sector. The cooperative banks, customers face challenges and adopting of mobile banking to their customers. The study considers different types of bank customers such as salaried employees, businessmen, and students. This allows for examining how awareness and usage of mobile banking vary among different demographic groups.

## SCOPE OF THE STUDY

This research focused on cooperative banks operating in urban and semi-urban areas, with a particular emphasis on examine customer awareness and usage behavior. The study examines demographic factors such as age, gender, and occupation levels, which may influence the adoption of mobile banking. It covers digital services such as mobile banking, online banking, ATM services, and core banking system, how these services have changed during banking conditioning. It includes examining how workers use the digital tools, how comfortable they feel using the digital services and how these systems affect their usage and customer satisfaction.

## STATEMENT OF THE PROBLEM

The adoption of mobile banking services, it can understand the level of customer awareness and the extent to which cooperative bank customers utilize these services. This study aims to examine the factors influencing customer awareness, usage patterns, and satisfaction with mobile banking services. By identifying barriers to effective utilization such as technological limitations, lack of awareness or security concerns, this research seeks to provide insights into how cooperative banks can improve customer engagement and service delivery through mobile banking platforms. This study can highlight key issues that need to be addressed to enhance the overall effectiveness and adoption of mobile banking.

## OBJECTIVES OF THE STUDY

- To identify the adoption and usage of mobile banking.
- To examine the level of awareness among customers regarding mobile banking services.

## RESEARCH METHODOLOGY

This study can adopt a mixed method approach, combining both qualitative and quantitative research methods. The quantitative approach will involve the use of structured questionnaires to collect data from cooperative bank customers. The qualitative approach will involve direct connect to the customers and to get in-depth challenges and benefits of using mobile banking.

## Research Design

The study uses a descriptive research design, which helps to describe the study of adoption and usage of mobile banking to customers. It can also study the customer satisfaction towards the mobile banking. It focuses on collecting factual information and opinions from customers.

## COLLECTION OF DATA

### Primary Data

The primary data is collected directly from customers through structured questionnaires, personal interactions. The questionnaire contains questions related to services, mobile banking usage, and digital speed.

### Secondary data

It is collected from internal sources such as banks records, annual reports. External sources like websites, journals, articles and previous studies related to digital banking and customer satisfaction.

### Sampling design

For this study customers who were easily available and willing to respond were selected to participate in the survey. This method helped in collecting data quickly and easily.

### Sampling Unit

The sampling unit consists of customers in the cooperative bank.

### Sample Size

The total sample of 199 customers selected from the bank customers.

## REVIEW OF LITERATURE

**Parikh, R, Patel. P & Mehta, A. (2019).** The title of Factors influencing Mobile banking Adoption in a case study in rural India. The Journal of International Journal of Indian Association of preventive and social medicine. volume no 10(2) page no. 45-56. This study examines the factors influencing mobile banking adoption in rural India, focusing on cooperative banks. The research emphasizes that awareness of mobile banking services plays a significant role in the adoption process. Marketing efforts, customer education, and digital literacy were found to have a positive impact on mobile banking usage. The study suggests that cooperative banks need to improve awareness programs to boost mobile banking adoption in rural regions.

**Dipita Ghosh, A., & Subodh Maiti, M. (2020).** The barriers to mobile banking adoption in rural areas. The Journal of Digital Banking. Volume No. 12(3), Page No. 112-125. The study identifies and analyzes the barriers preventing mobile banking adoption in rural areas, particularly in the context of cooperative banks. Factors such as low digital literacy, lack of technological infrastructure, and concerns over security were found to be key barriers. The authors highlights the need for tailored educational programs and better internet connectivity to improve the adoption rate of mobile banking in rural cooperative bank customers.

**Kumar, V., & Singh, S. (2020).** The Role of Customer Education in Enhancing Mobile Banking Adoption in Cooperative Banks. The Journal of Financial Inclusion Volume No. 7(4). Page No. 123-134. This study explores the role of customer education in the adoption of mobile banking services in cooperative banks. The authors argue that cooperative banks have a vital role in educating customers on how to use mobile banking services, particularly in regions with low digital literacy. The research suggests that customer education initiatives, such as workshop and tutorials, have a direct impact on increasing mobile banking adoption and customer satisfaction.

**DATA ANALYSIS AND INTERPRETATION****Table I****Demography Information**

S.NO	Variables	Classification	N	%
1	Age	Under 25 years	60	30.2
		26-35	34	17.1
		36-45	42	21.1
		46-55	47	23.6
		56-65	15	7.5
		Over 65	1	.5
		Total		199
2	Gender	Male	91	45.7
		Female	108	54.3
		Total	199	100
3	Occupation	Farmer	16	49.2
		Salaried employee (Pvt)	53	26.6
		Salaried employee (Govt)	27	13.6
		Professional(Doctor, Lawyer, Engineer)	5	2.5
		Homemaker	22	11.1
		Student	39	19.6
		Other (Entrepreneur, Unemployed)	2	1.0
			35	17.6
		Total		199
4	Location	Urban	98	49.2
		Semi-Urban	50	25.1
		Rural	51	25.6
		Total	199	100

**Interpretation**

More than half of the respondents are above the 36-45, while very few are above 65 (0.5%), indicating a mostly youthful sample.

Half of the respondents are females (54.3%).

It shows the nearly half (49.2%) are from urban areas, while semi-urban (25.1%) and rural (25.6%) respondents are almost equally.

Nearly half of the respondents are farmer.

Half of the respondents are from the Urban areas.

		Awareness of mobile banking		Total
		Yes	no	
gender of the respondent	male	73	18	91
	female	86	22	108
Total		159	40	199

**Table 2****Respondent opinion on Awareness of Mobile Banking and Gender****HYPOTHESIS****Null Hypothesis (H0)**

There is no significant association between gender and awareness of mobile banking services among respondents.

**Alternative Hypothesis (H1)**

There is a significant association between gender and awareness of mobile banking services among respondents.

	Value	df	Asymptotic Significance (2- sided)	Exact Sig. (2- sided)	Exact Sig. (1- sided)
Pearson Chi-Square	.011 <sup>a</sup>	1	.918	1.000	.531
Continuity Correction <sup>b</sup>	.000	1	1.000		
Likelihood Ratio	.011	1	.918		
Fisher's Exact Test				1.000	.531
Linear-by-Linear Association	.011	1	.918		
N of Valid Cases	199				

a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 18.29.

b. Computed only for a 2x2 table

**Interpretation**

The analysis shows that there is no significant association between gender and awareness of mobile banking services, as both male and female respondents have similar levels of awareness ( $p=0.918$ ).

**Table 3**

**Respondents opinion on Location and their perception of mobile banking is safe and secure**

	Perception of Mobile banking is safety and security					Total
	very safe	Safe	neutral	unsafe	very unsafe	
location of the Urban	31	48	18	0	1	98
respondent semi urban	12	24	14	0	0	50
Rural	15	21	7	8	0	51
Total	58	93	39	8	1	199

**HYPOTHESIS****Null Hypothesis (H0)**

There is no significant association between the location of respondents (urban, semi-urban, rural) and their perception of mobile banking safety and security.

**Alternative Hypothesis (H1)**

There is a significant association between the location of respondents and their perception of mobile banking safety and security.

**Interpretation**

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	28.144 <sup>a</sup>	8	.000
Likelihood Ratio	27.029	8	.001
Linear-by-Linear Association	3.371	1	.066
N of Valid Cases	199		

a. 6 cells (40.0%) have expected count less than 5. The minimum expected count is .25.

It was conducted to examine the relationship between the location of respondents (urban, semi-urban, rural) and their perception of whether mobile banking is safe and secure. The results show that the Pearson Chi-Square value is 28.144 with 8 degrees of freedom and a p-value of 0.000. Since the p-value is less than the significance level of 0.05, there is significance association between the location and their perception of mobile banking is safety and security.

**Table 4**

**Respondents' opinion on usage of mobile banking****HYPOTHESIS****Null Hypothesis (H0)**

There is no significant association between the occupation of the respondent and the frequency of using mobile banking.

**Alternative Hypothesis (H1)**

There is a significant association between the occupation of the respondent and the frequency of using mobile banking.

	Usage of mobile banking						Total
	daily	2-3 times a week	once a week	2-3 months	rarely (once a month or less)	never	
occupation of the Farmer	8	1	3	3	0	1	16
respondent salaried employee (private)	19	17	12	3	0	2	53
salaried employee(government)	11	10	5	1	0	0	27
professional (doctor, lawyer, engineer)	4	0	1	0	0	0	5
Homemaker	2	6	10	4	0	0	22
Student	17	8	5	4	2	3	39
Retired	0	0	0	2	0	0	2
other (Entrepreneur, unemployed..)	3	14	9	7	2	0	35
Total	64	56	45	24	4	6	199

**Chi-Square Tests**

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	66.887 <sup>a</sup>	35	.001
Likelihood Ratio	68.820	35	.001
Linear-by-Linear Association	7.261	1	.007
N of Valid Cases	199		

a. 32 cells (66.7%) have expected count less than 5. The minimum expected count is .04.

**Interpretation**

The table shows a significant association between occupation and frequency of using digital banking services ( $p=0.001 < 0.05$ ). This means that usage patterns differ across occupational groups, with salaried employees and students using services more frequently than others. The association is also significant ( $p=0.007$ ) indicating a trend in usage frequency.

**Table 5****Purpose of using mobile banking****HYPOTHESIS****Null hypothesis (H0)**

There is no significant association between age of the respondent and the purpose of using mobile banking.

**Alternative Hypothesis (H1)**

There is a significant association between age of the respondent and the purpose of using mobile banking.

	Purpose of using mobile banking					Total
	saving time	easy access	avoid visiting branch	quick transactions	others	
Age of the under 25 respondent	29	17	1	9	4	60
26-35	11	12	4	6	1	34
36-45	22	5	5	9	1	42
46-55	14	19	3	7	4	47
56-65	6	3	1	3	2	15
over 65	0	0	0	1	0	1
Total	82	56	14	35	12	199

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	25.387 <sup>a</sup>	20	.187
Likelihood Ratio	25.719	20	.175
Linear-by-Linear Association	2.236	1	.135
N of Valid Cases	199		

a. 17 cells (56.7%) have expected count less than 5. The minimum expected count is .06.

### Interpretation

The Pearson chi-square test shows a p-value of 0.187, which is greater than the 0.05 significance level, indicating that there is no significant association between age and the purpose of using mobile banking.

### FINDINGS OF THE STUDY

Half of the respondents are under 25 years and 46-55 years. Half of the respondent are female. The more than half of the respondents are salaried employees (Private), students and others.

The respondents, both male and female, are aware of mobile banking, showing high overall awareness. The test indicates no significant association between gender and awareness.

The Most respondents, especially from urban and semi-urban areas, feel mobile banking is safe or very safe, while some rural respondents show higher concern about safety. It indicates a significant association between location and perception of mobile banking security.

Mobile banking usage varies across occupations, with salaried employees and students using it more frequently (daily or weekly) compared to others. The test shows a significant association between occupation and usage of mobile banking.

Most respondents across all age groups use mobile banking mainly for saving time and easy access, followed by quick transactions. It indicates no significant association between age and purpose of using mobile banking.

### CONCLUSION

The study concludes that most respondents are aware of and actively use mobile banking, especially for convenience and saving time. Factors like occupation and location influence usage and perception, while gender and age show no significant effect. Overall, mobile banking has improved customer experience, but more focus is needed on rural areas and security awareness.

### REFERENCE

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