

An overview of Study on Mobile Banking in Bangladesh: Area of Rangpur Division

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Abstract. Several bank in Bangladesh offer their financial services using mobile technology. Mobile transactions are simple and economical for clients. Mobile banking is performing of the finance of the finance related functions on a mobile device such as smartphone or tablet. This paper provides a picture of how mobile banking now operates and what it could look like in the future. The future of the banking industry will get brighter every day as a result of the study's conclusion that clients are happy with the services provided by the new banking system. This article will significantly benefit Bangladeshi banks by improving service delivery and raising consumer awareness of available options.

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Introduction

A method of providing banking services that allows customers to conduct financial transaction is as mobile banking. Mobile transactions are simple and economical. Several bank in Bangladesh offer their financial services using mobile technology, which is quite efficient for clients. This paper provides a picture of how mobile banking now operates and what it could look like in the future. This is approximately a expressive study that has used both primary and secondary data. Questionnaires were administered to five categories as Reliability, Responsiveness, Assurance, Empathy and Tangibles on mobile banking. A sample of 50 customers selected at random was employed for this study. As a consequence, it is clear that practically all banks are attempting to implement mobile banking in an effort to satisfy their consumers and develop in their respective fields. where the most popular services include PIN-related services, fund transfers, account balance inquiries, and account openings. All of Bangladesh's mobile phone service providers have begun to get more actively involved in this area. The future of the banking industry will get brighter every day as a result of the study's conclusion that clients are happy with the services provided by the new banking system. This article will significantly benefit Bangladeshi banks by improving service delivery and raising consumer awareness of available options.

1. Research objectives

1. The perceived advantage and disadvantage of mobile banking to the customers.
2. Expectations regarding future development of mobile banking.
3. To classify prospect of mobile banking.

2. Methodology

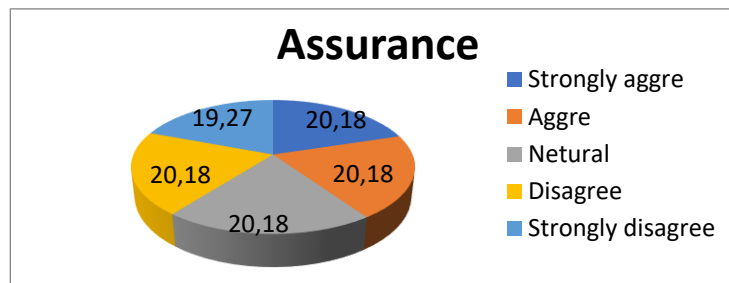
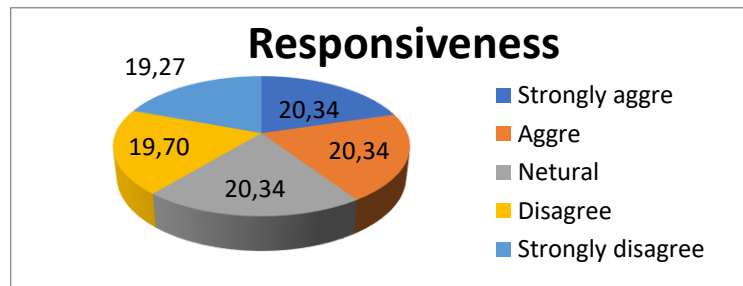
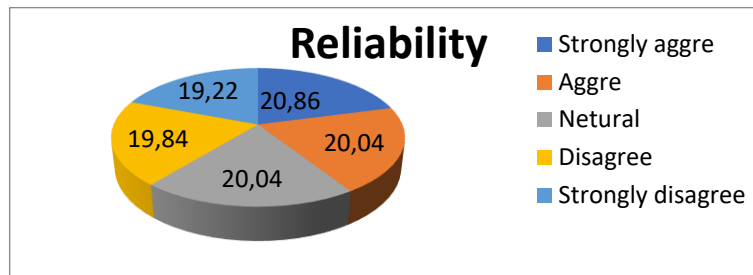
2.1. Sources of Data. A mixed method of research approach follow to collect, interpret and analyze data. Both primary and secondary sources were used for the research purpose. Secondary data were used for providing the theoretical background to the research problem. The secondary data sources were- journal, books, internet etc. primary data was collected through mobile banking user. Where the majority of the data is obtained from primary sources.

2.2. Questionnaire Type and Responses. The questionnaire began with several opening inquiries, including those about name, age, profession, education, etc. Basic information on respondents is given via these questions. Respondents feel more at ease responding to these kinds of queries.

This survey consists of 30 questions. The purpose of the questions was to learn more about the respondents' knowledge and opinions on mobile banking.

2.3. Research instrument. Information was gathered using the questionnaire approach, which was used by the interviewer, and other secondary media. There are multiple questions on the survey for various responses. The instrument used in the study was SPSS, Microsoft Word, Microsoft Excel.

2.4. Response summary



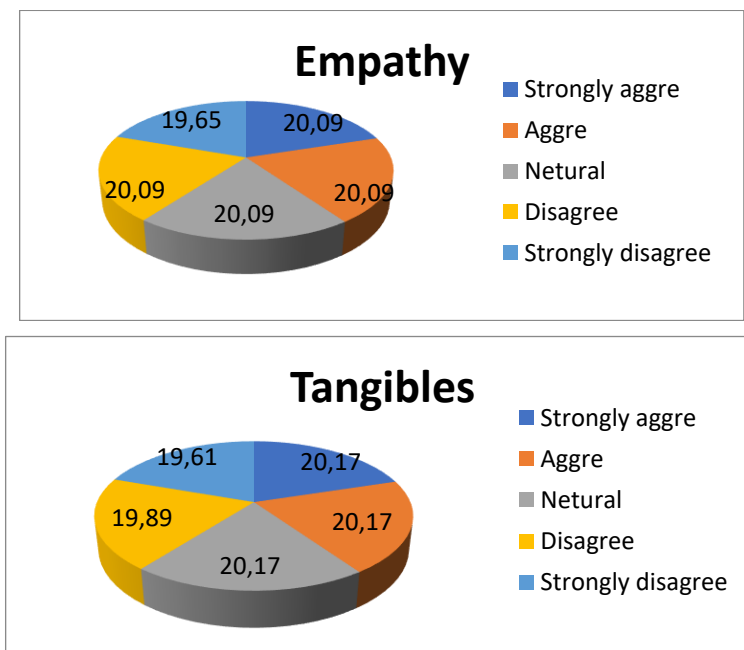


Figure 1. Various responses on multiple questions

Source: Field survey.

3. Measurements of Reliability Test

There are thirty items have been deliberated for the study. Multi items scales response format has been used to operationalize each individual items of the questionnaire. the overall measurement for contextually formatted item is told of in table 1. Result shows that scales used for the data collection are reliable with highly recommended cronbach's alpha score which is within the range of excellent scale reliability.

Table 1. Reliability statistics of items

Cron bach's Alpha	N of items
0.938	30

Source: SPSS results of the field work.

There are also five dimension measuremented individually in SPSS in Table 2.

Table 2. Dimension in SPSS

Dimension	Alpha	N of items
Tangibility	0.789	5
Reliability	0.796	10
Responsiveness	0.852	5
Assurance	0.655	5
Empathy	0.748	5

Source: SPSS results of the field work.

4. Advantages and Disadvantage in Mobile Banking

Mobile banking is the performing of finance related functions on a mobile device such as smartphone or tablet. With the use of a mobile device, the user can perform mobile banking via call, text, or app. There are both advantages and disadvantages of mobile banking some of which have been given below

Advantages

1. It exploit the mobile connectivity f telecom operators and does not need an internet connection.
2. The user of mobile banking phones several financial functions conveniently and securely from their mobile.

3. Mobile is more secure than online or internet banking.
4. Easily check account balance, review recent transaction, transfer fund, pay bills etc.
5. Mobile banking is available round the clock 24/7/365 days.

Disadvantage

1. Mobile banking users are risk of receiving fake call, SMS and Scams.
2. The criminals can gain access to your PIN and other information, if you are loss the mobile device.
3. Regular users of mobile banking over time can aggregate significant charges from their banks.
4. Most people have not enough idea about mobile banking yet.
5. Mobile banking has no investment or loan schemes yet.
6. Mobile banking is being used for fund transfer mainly customer does not keep deposit for long duration.

5. Prospect of Mobile Banking

Financial services are quickly and affordably delivered to underserved populations using mobile banking, a banking procedure that operates without a physical bank office. To increase the number of individuals who use banking services, this service's goal is to do so. By making deposits and withdrawals from two local banking locations, governor of the Bangladesh Bank Dr. Atiur Rahman officially launched the service. Given that it is a new technology in Bangladesh's digital economy, the government believes it has a tremendous future. However, a large portion of the population in Bangladesh still has traditional views since they do not believe that mobile banking is possible there. Mobile banking is perceived to have potential in Bangladesh by 69% of respondents, compared to 31% who believe it has none since few people will be interested in or believe in it.

6. Analysis and Findings

Critical analysis and judgment are used to examine qualitative data. The data received from the survey was analyzed using a variety of statistical and analytical approaches and tools. The analysis of data has been displayed graphically using pie charts.

It protects against fraudulent transactions and is significantly safer. Mobile banking is equally reliable as traditional banking. It has a secure pin code that the user knows, as well as a check digit without which no one may deposit money. However, the most extensively used form of making banking transactions in Bangladesh is still traditional branch-based banking. Mobile phone providers are frequently more trusted and familiar to the poor than traditional banks. Additionally, a mobile device may be simply modified to conduct financial transactions. But not everyone is familiar with it. According to the poll, 80.16% of respondents believe mobile banking is trustworthy, compared to 19.84% who do not.

It is practical, inexpensive, and far more successful at encouraging saving behaviors. It also enables access to banking services and low-cost advanced payment transactions. Everyone is aware that its costs are comparable to those of traditional banking. About 56% of respondents claim that it is less expensive than traditional banking, 20% say the same, and 24% believe it is more economical. Mobile networks' low-cost ability to reach rural places is a benefit of mobile phones.

mobile banking is accessible at any time and from any location. As a result, it can save time. But not everyone holds the same opinions. Approximately 80% of respondents believe mobile banking may save them time, while 20% disagree.

6. Suggestions on the basis of findings for future development

The usage of mobile banking capability would make it possible for customers to connect across the full customer life cycle much more thoroughly than previously, especially with the development of technology and the rising use of smart phone and tablet based devices. In this case, the present mobile banking goals of, for example, developing connections, cutting costs, and generating new income streams would change to make way for new goals that target higher-level objectives like enhancing the organization's brand. Developing deep client relationships and new lead generation strategies will be made possible by emerging technology and functionality, and the world of mobile banking will provide a greater customer experience with two-way communication.

Conclusion

The majority of Bangladeshi consumers are unaware of m-banking in their nation, despite the fact that banking clients are expanding along with the digital lifestyle. They do not completely understand the potential of technology and do not make an effort to take use of it in order to get more control over their banking activities and profit from m-banking. For instance, developing new markets and lowering operational, administrative, and manpower expenses are increasingly crucial factors for the competitiveness of banks, and m-banking may enhance these factors as well. Given that mobile banking is still a relatively new concept in Bangladesh, its implementation may be influenced by knowledge of the opportunities and difficulties associated with it. The study's conclusions might help commercial banks in Bangladesh encourage their clients to embrace mobile banking. Commercial banks must consider the aspects this study discovered regarding the adoption of mobile banking in order to accomplish this. The findings of the survey suggest that customers are interested in using their mobile phones to evaluate a variety of banking services. The most alluring consumer banking feature is the ability to access account balance inquiries through a mobile device, followed by mobile cash transfers. Reports of possibly fraudulent activity are included under a secondary category of mobile banking prospects, which reflects some of the security issues surrounding mobile banking and stock market data. The majority of customers had favourable perceptions, it was discovered. The accessibility and account overview were the two features that were most valued. Fast response to market changes, which is frequently highlighted as one of mobile banking's most alluring features, did not receive much praise. The cost of utilizing mobile banking services was determined to be the most common worry, then security. This means that the technology utilized must be both affordable and secure, as well as simple to implement. The argument that decreasing costs will make mobile banking more alluring was determined to be the most popular one. High-speed data transfer follows this. Technical and security requirements, regulatory and supervisory challenges, as well as business and legal concerns, were considered to be the key reasons that may obstruct Bangladesh's adoption of mobile banking. Connectivity, secure communication platforms, and encrypted messaging systems were discovered to be the elements that will improve Bangladesh's adoption of mobile banking. Therefore, Bangladeshi banks should make use of the advantages that mobile banking offers the nation while also paying attention to the elements that might make the service more appealing and user-friendly.

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