

# Perception on Mobile Banking focusing Risks concerned.

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## ABSTRACT

Internet technology is regarded as the third wave of revolution after agricultural and industrial revolution. Recent innovations in telecommunications have enabled the launch of new access methods for banking services, one of these is Mobile banking. After phone and net banking, technology is heralding the era of mobile banking in India. The growth of Mobile banking is phenomenal compared to previous deliver channels. Mobile banking can be categorised as the latest advancement in electronic banking. This paper is all about the what mobile banking is, its features and the risks associated with the usage of Mobile banking. Mobile banking refers to provision and availment of banking and financial services with the help of mobile telecommunication devices. The scope of offered services may include facilities to conduct bank and stock market transactions, to administer accounts and to access customised information.

## KEYWORDS

Mobile banking, Technology adoption, electronic banking.

## 1. INTRODUCTION

Mobile banking is a term used for performing balance checks, account transactions, payments etc via a mobile device such as a mobile phone. This platform works on menu based banking model on mobile handsets where users can perform mobile banking services by recalling the menu. At present there are almost all the banks approved for conduct of mobile banking under RBI. Mobile banking is a service provided by a bank or other financial institution that allows its customers to conduct financial transactions remotely using a mobile device such as smartphone or tablet. Unlike the related internet banking it uses a software, usually called an app, provided by the financial institution for a purpose. Mobile banking is usually available on a 24-hour basis. Some financial institutions have restrictions on which accounts may be accessed through mobile banking, as well as the limit of amount to be transacted. Mobile banking is dependant on the availability of data connection to the mobile.

Transactions through mobile banking depend on the feature of the mobile banking app provided and typically includes obtaining account balances and lists of latest transaction, bill payments, remote check deposits, fund transfers like IMPS and NEFT between another accounts. Some enable copies of statements to be downloaded. For banks, Mobile banking reduces the cost of handling transactions by reducing the need for customers to visit a bank branch. As on August, 2019, these are the banks who comes first in the order and popularity in mobile banking

1<sup>ST</sup>-SBI(SB Freedom)-5 million downloads.

2<sup>ND</sup>-HDFC-you can customise your menu with 10 of your favourite transactions.

3<sup>RD</sup>-ICICI(I mobile)-can link with loan, demat and credit card accounts.

4<sup>TH</sup>-BOB(Baroda-M-connect).

5<sup>TH</sup>-Axis bank(New Axis Mobile).

### A.Objectives

- To study on Mobile Banking in India.
- To know the perception on mobile banking focusing risks concerned.

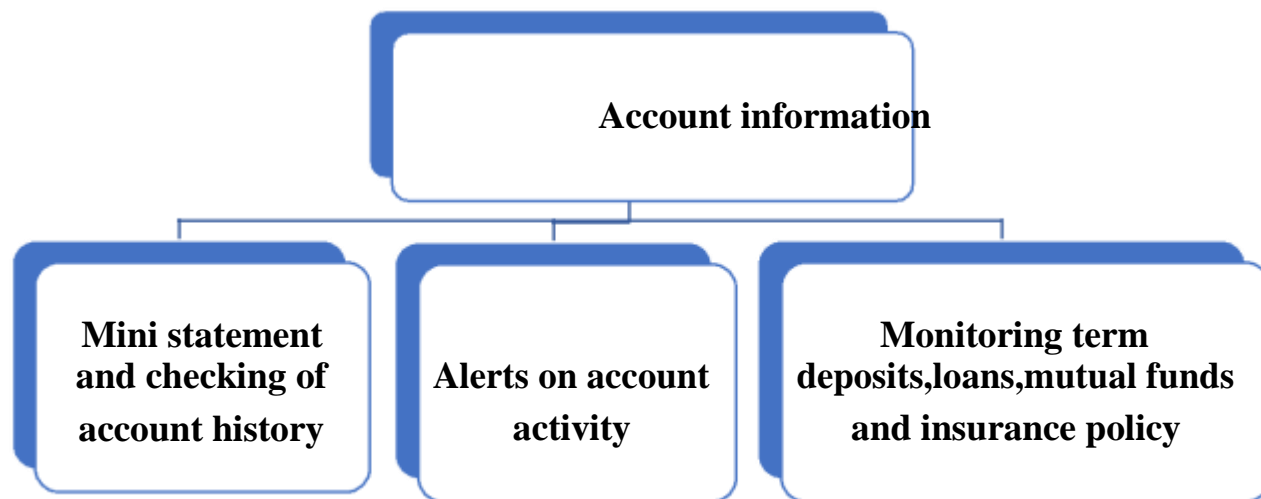
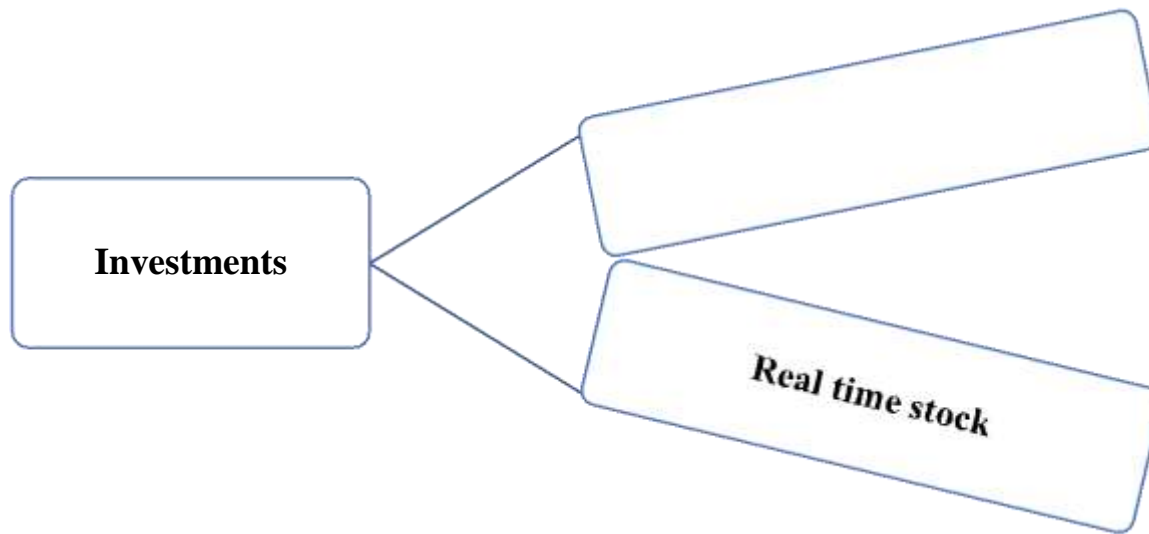
### B.Research Methodology

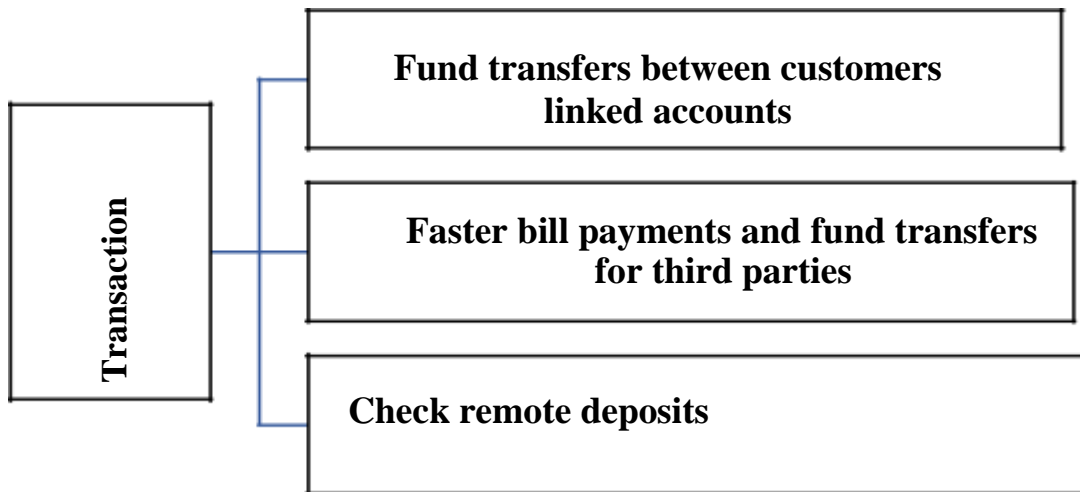
This study focuses completely on the secondary data published in internet,newspaper and journals.

### C.Abbreviations and Acronyms

IMPS-Immediate Payment Service,NEFT-National Electronic Fund Transfer.

## 2.FEATURES AND IMPORTANCE OF MOBILE BANKING





**Availability at any time and any where**-Mobile banking is available 24/7 and also easy and convenient mode for many mobile users even in the rural areas.

**Mobile Banking is Time Saving**-This is one of the biggest benefits of mobile banking.No matter where you are, you can take care of business without interrupting the rest of your life.Mobile banking is being able to handle your financial life without having to run into a branch during open hours can be a real time and schedule-saver.

**Decreased infrastructure costs**-Mobile banking is cost effective and banks offer this service at a very low cost to the customers.Banks do not have to build or maintain as many physical branches if more customers carry out banking via their mobile phone.

**Mobile banking allows to Pay Bills**-You can get reminders when to pay bills so you never have to pay a late fee.You can even set up recurring bill payments so you don't even have to think about when a bill is due

**Mobile banking keeps you in control**-You can monitor your balances and always know where you're at financially.With accounts alert you can identify if your account falls below a certain brink and immediately transfer money into that account and avoid overdraft fees.You can credit checks instantly,which is a great help when you need the cash.All these features leave you in control of your money on your time.

### 3.DISCRETE RISK CONCERNED WITH MOBILE BANKING

- Role of customers:Financial institutions must develop strategies to educate their customers and members about actively managing their own mobile-device security.
- Poor app design,configuration:Designing of the app without proper awareness and security can lead to fraudulent activities.
- Unauthorised third parties gaining access to online bank accounts using login details from social engines.
- Login details “sniffed”(stolen) over insecure WIFI networks and hotspots.
- Phishing scams:Bogus emails regarding change of password after a “security incident”.The link will be sent through the cloned version of the bank .
- Malware:The increase in the number of mobile banking users is accompanied by a rise in attacks through malware.It can consist of viruses,Trojans,Spyware,rootkits.One of the most advanced malwares discovered recently was the Trojan called Bankbot.This malicious app was activated when users opened a banking app, overlaying it so It can steal banking credentials.
- No auto log-out facility in mobile app,which allows the fraudsters to access the account easily.
- SMSZombie.A, is a malware which infected Chinese Android devices.It was embedded in wallpaper apps and installed itself so it can exploit the weakness of China Mobile SMS Payment System, stealing banks credit card numbers and information linked to financial transactions.

### 4.CONCLUSION

Nowadays money transfer has become very cool.Most of the banks have provided their own apps to make their customers feel comfortable. In spite of these discreet risks mobile banking has more advantages and benefits to this Digital Era,but on the other hand we should also take an account on these risks before performing or using Mobile Banking.This not only applies for this but in general also before practising something it is better to know about the risks concerned with it.