



INTERNATIONAL JOURNAL OF MULTIDISCIPLINARY RESEARCH & REVIEWS

journal homepage: www.ijmrr.online/index.php/home



Benefits and challenges of mobile banking in developing and developed countries

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How to Cite the Article: Jamali, M. C., & John, B. (2022). Benefits and challenges of mobile banking in developing and developed countries. *International Journal of Multidisciplinary Research & Reviews*, 1(2), 19-26 .

Keyword	Abstract
Mobile banking, Merits of mobile banking, Security, Developed countries	The current article has been developed for analyzing the merits and emirates of mobile banking in developed countries. Concepts of mobile banking have been discussed to specify the importance of this faculty. The benefits of banking sectors and the customers have also been aligned with the analysis of the current article. Identified merits of mobile banking are time-saving banking service accession, banking profitability return increasing whereas security has been considered as demerits. Future scope of financial well-being and customers' security has been planned by the banking sector.

1. Introduction

In the current article mobile banking and the growing advances for individual life have been noticed. Without any physical movement, people get the accessibility to the financial transaction, statement checking, and other associated payment processes (Shareef et al., 2018). Now about considering the technology along with potential benefits, a growing concern has also been discussed in the current article. As per Siyal et al., (2019) Merit and demerits of mobile banking in developed countries have been discussed from which the future scope has been set for mobile banking. From the current analysis future scope and the clear concept of mobile banking have been developed (Halake 2018).

2. Concept of Mobile Banking

Mobile banking is a banking service that can be accessed from anywhere as per clients' needs. For business purposes, it provides a time-saving approach that provides fast action regarding the transaction (Asongu et al., 2018). Having the benefits of fund collection and on-time payment makes the importance higher for mobile banking (Martin, Connolly & Wall 2018). In this process, one more concerning area is fraud detection along with the possibility of time-saving fast action the chances of fraud identification have also become necessary for making the safe transaction (Choudrie et al., 2018). On the other hand, mobile banking cut off the additional load of paperwork for the bank. Observing these benefits the developing scope for the operational process has been understood (Oriakhi , Agbata & Okonewa 2019).

According to Fleming et al., (2020) , banking data reveal the fact that mobile banking increases the customer engagement activity for banks from which the scope of returning profit enhancement has been developed. Developing the scope of customer engagement is always the priority of making the business growth optimized (Chaouali & Souiden 2019). From mobile banking, seamless services have been developed for the customers



who make them engaging chances higher than higher (Almahirah et al., 2021). Branch-only systems sometimes developed the delays for active responses from the customers with the help of mobile banking the chances of fast interaction has been developed for banking sectors (Lo et al., 2018).

3. Merits and Demerits in Developed Countries

Merits:

In the banking industry, relationships with customers have been considered as the business key for promoting success. As per Baabdullah et al. (2019) developing services 24/7 make the mobile banking rapport bridge between customer and banking. From the research perspective, customers get the advantages of need-wise services and assistance from mobile banking which makes the process smoother (Nayak et al., 2022).

Table 1. Percentage of satisfied customers of M banking (Source : Baabdullah et al., 2019)

Customers of different categories	Percentage of satisfied customers of M banking
Savings account holders	55
Current account holders	45
Senior citizen account holders	40

Automatic services make up the up-gradation scope for time-saving services formation within the organization. Quality and productivity boost both can be managed with the efficient services of mobile banking (Kemal 2019). Mobile banking provided one of the most beneficial aspects is data storage. Comparing it with paperwork the chances of efficiency build-up can be easily understood (Kumar 2022). Along with this probability, chances of cost reduction have been developed with the developed service of mobile banking (Kaufmann &Peil 2020). Marketing cost and renting cost both have been reduced with the services of mobile banking.

Demerits:

Security is one of the affecting demerits of mobile banking; it makes the reliability and personal security of clients affected. Reliability has become volatile with the security vulnerability in mobile banking. Baabdullah et al., (2019) mentioned that identification of fraud and authentic notification makes the complications for the clients knowing the fair one. The study is a research proposal for identifying the impact of Mobile banking on cyber security issues.

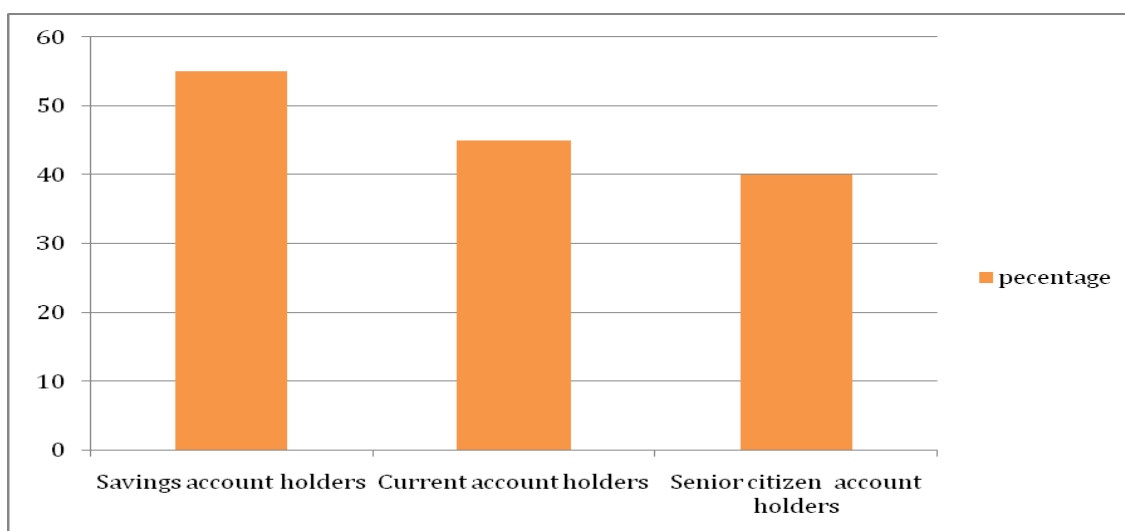
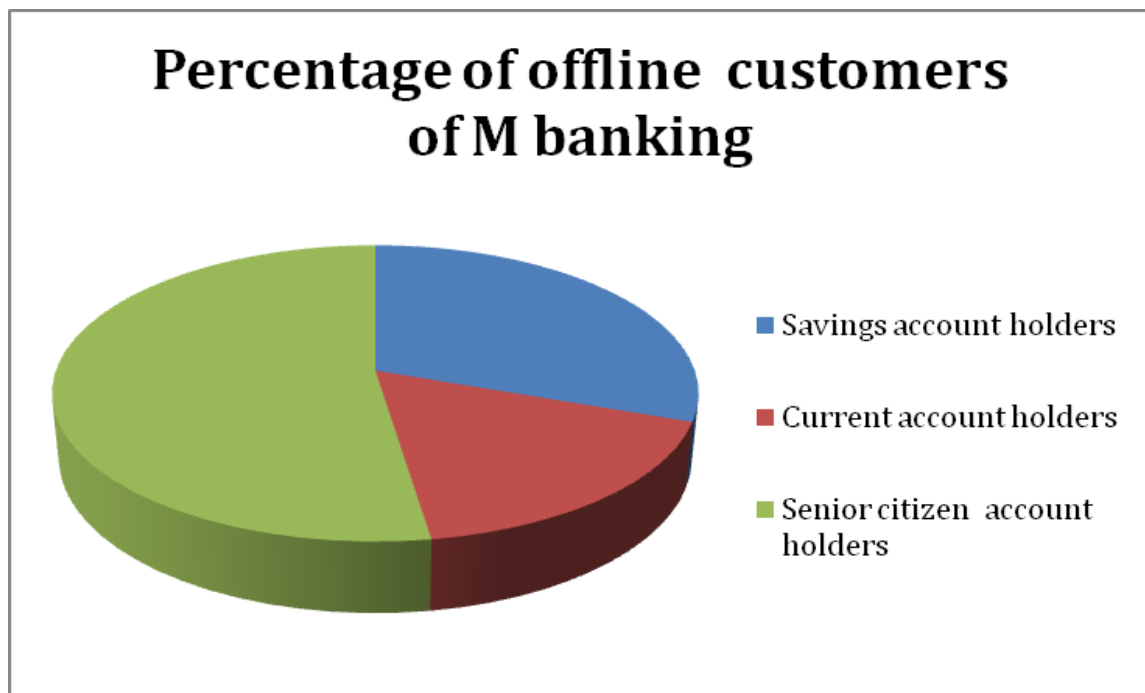
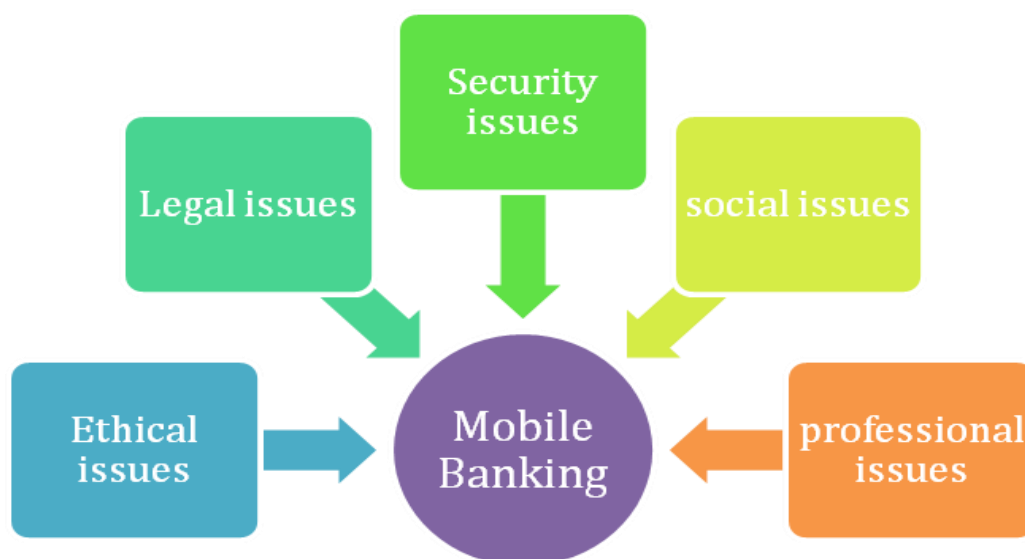


Figure 1:percentage of satisfied customers of banking (Source: Nasution et al. 2018)

Mobile banking has become the most popular mobile commerce application used by people. As the use of mobile banking is increasing at the same time threats of cyber issues are also increasing (Nasution et al. 2018). Various research has been conducted to find the Impact of mobile banking on cyber security issues. However, those researches do not completely provide the solutions to reduce the threat of cybercrimes during mobile banking. Some researchers help in identifying the issues of cybercrimes however they are failed to analyze those issues. The motivation for this study is the increasing demand for mobile banking among the public.

**Figure 2.** Percentage of offline customers of M banking (Source : Nasution et al. 2018)

The study will mention all the drawbacks of the previous research and provide effective solutions to reduce the risk of cyber-attacks during mobile banking. The motivation of the study is to protect the people and their financial data from cyber hackers (Chaouali & Elhedhli 2018).

**Figure 3:** Ethical, legal, social, security and professional issues (Source: Chaouali & Elhedhli 2018, p. 875)

The study wants to focus on the various weaker areas that increase the cyber security issues. The motivation for the study is to protect the sensitive and financial data of the customers who are using mobile banking. The study is important to stop the increasing cybercrime in the world. Transforming everything to the digital platform is the main motivating factor for this study. To maintain the secure transmission of data between the financial instructions server and mobile phone used by the customers is the prime motto of this study. The study solves the issues of insecure communication networks between the customer's mobile and respective bank. In this study.

Table 2: Percentage of offline customers of M banking (Source : Sumit Kumar and Pankaj Kumar Baag,2021)

Customers of different categories	Percentage of offline customers of M banking
Savings account holders	32
Current account holders	18
Senior citizen account holders	55

The motivation for the study is to tackle the various insecurities of the customers while using mobile banking. Making mobile banking more secure among all age groups is the biggest motivation for this study.

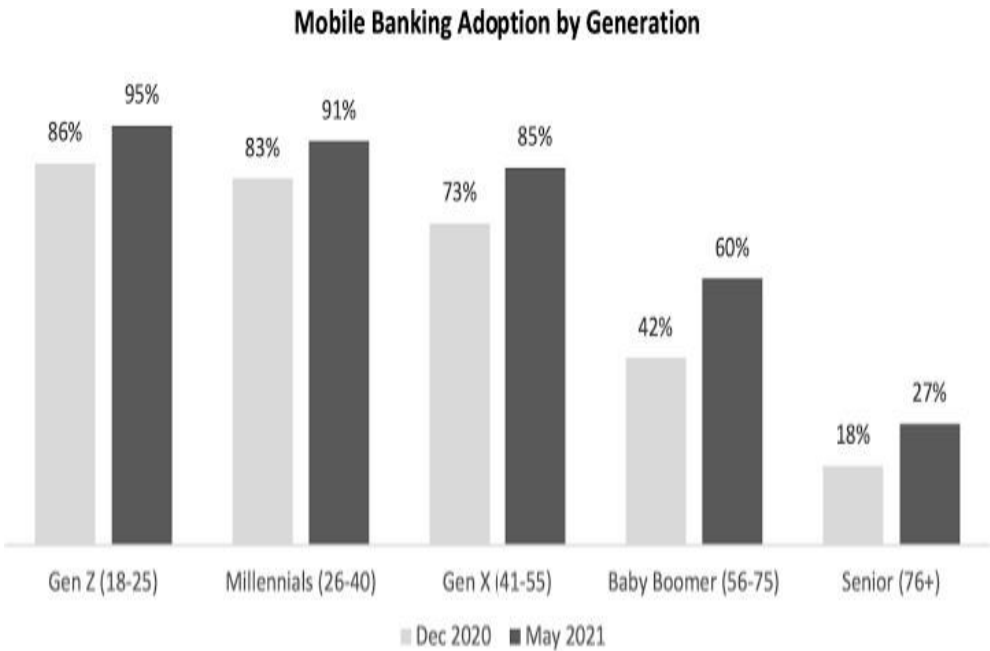


Figure 4: Unsatisfied customers of m-banking

(Source : Chaouali &Elhedhli 2018, p.18)

A trust negotiation approach is proposed in this study to tackle all the security-related issues in mobile banking. Business Ethics is the single most important factor in the future of Mobile Banking (Sumit Kumar and Pankaj Kumar Baag,2021a). Erosion of ethics can erode the trust of the mobile banking customer (Sumit Kumar and Pankaj Kumar Baag,2021b) The fear among the people regarding the use of mobile banking is the biggest concern for all the researchers. The motivation for the study is to tackle all the security-related issues with effective solutions for positively used mobile banking. Two problems are still unsolved by the researcher regarding mobile banking the first one is providing secure access to financial data of the customer and adapting the information to the device's properties with high-level security. The motivation for the study is to solve these two problems.

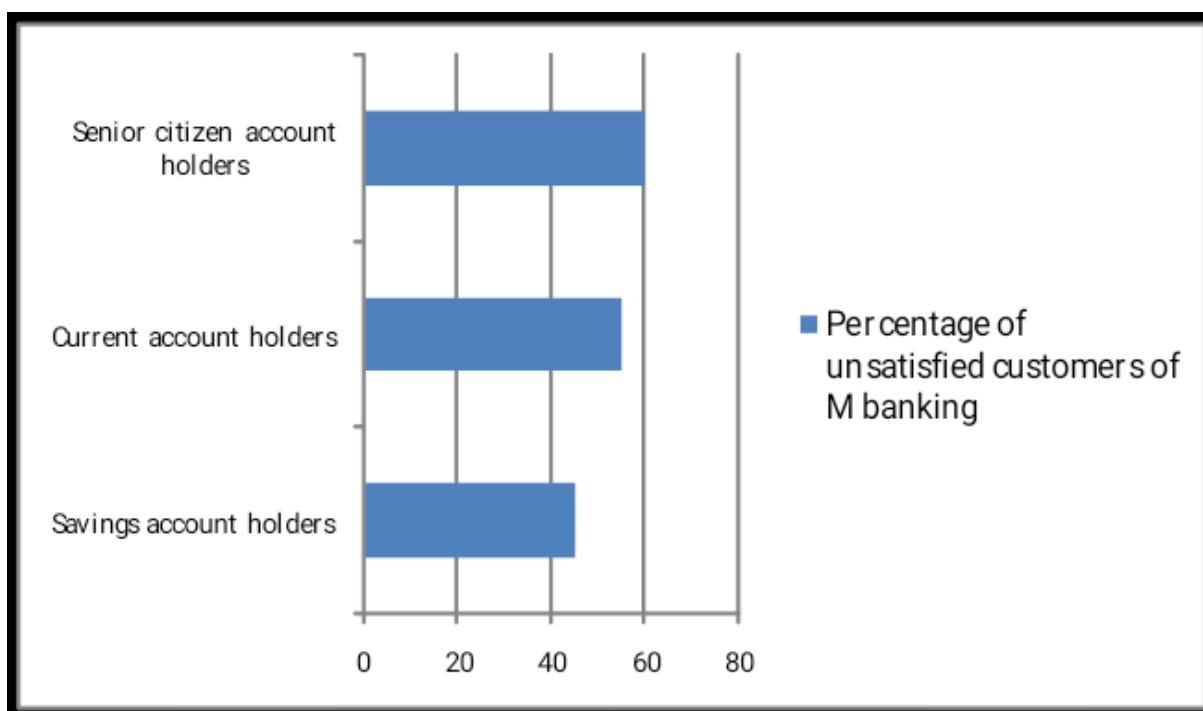


Figure 5: percentage of unsatisfied customers (Source : Chaouali & Elhedhli 2018, p. 875)

Growing percentages of fraud cases in mobile banking make the higher susceptibility of facing digital loss in mobile banking. 20% of fraud attack cases have been noticed from mobile banking (Chaouali & Elhedhli 2018). Security is the repeated concern for making the services protective for the clients. As per Karjaluoto et al., (2019) without standardized services and interaction the chances of availing of the offer become limited for the clients. Identified 97% of security concerns and insufficient protection makes the validity and efficiency of mobile banking downwards (Fuller-tyszkiewicz et al., 2018). 83% of data breaching incidents have been noticed just because of the data availability for the hacker's accessibility (Kumar 2022).

Table 3: Percentage of unsatisfied customers of M banking (Source : Kumar 2022)

Customers of different categories	Percentage of unsatisfied customers of M banking
Savings account holders	45
Current account holders	55
Senior citizen account holders	60

The risk of cyber security evaluates functions which helps to identify the authentication of the system. Malware, phishing attack, traffic interception, distributed denial of service, and the unwanted evaluation of password are the main issues which has an impact on the functions of mobile banking services. The access of information helps in implementing the concern of the process. In one research (Pandey et al., 2022) it has been shown using advanced machine learning and Artificial Intelligence techniques, one can deter the intrusion threats. An effective Machine learning model can well simulate the customer behavior (Gunjan et al., 2022). The sentimental issues can be a challenge especially when we are in a social media world (Gupta et al., 2022).

Table 4: Action plan (Source : Kumar 2022, p.77)

<i>Description</i>	<i>Assigned</i>	<i>Impact</i>	<i>Overcome</i>	<i>Outcome</i>
Improper planning	Project manager	High	Project managers should discuss the plan with all the stakeholders involved in the project and collaborate to analyze the issues.	Improper planning creates hindrance in fulfilling the objective of the project as well as led to the project failure
Lack of appropriate resources	Project manager	Low	Provide training to the employees and staff for effectively use the resource	Creates problems in finding the issues in m-banking as well as not being able to develop applications for providing more secure translation to the people.
Lack of proper technology	Project management	High	The project manager should ask the stakeholder regarding appropriate technology needed and provide the relevant technology	Without technology, a secure application cannot be developed
Having a not clear understanding of the project objective	Project manager and involved stakeholders	High	It is the responsibility of the project manager to have a clear understanding of the project aim and define it to all the stakeholders involved.	The unclear objective of the project misguide the project and led to the failure of the project
Having no control over staffs priorities	Project manager	Low	Project managers should enhance motivation among the staff for work and should take care of their needs.	Reduce teamwork in the project and slower the rate of project success
Wrong definition of cybercrimes in m-banking	Developers and Project managers	Low	The stakeholders should get clear knowledge regarding the cyber issues practices in m-banking.	Failed to understand the project aim and results as a failure of the project
Problems in cost estimating	Accountant and project manager	Low	Before starting the project, it's the responsibility of the project manager to estimate the actual cost of the project.	Increase the time of project completion and not the project gets less success

4. Future Scope of Mobile Banking

Mobile banking has been expected to develop its plan at a customization level and provide fair financial services for its clients. As per Duyya et al., (2020) security has been prioritized by the banking sector for bringing better security for their clients. Offering services for market stock transactions and better accessibility of customer information have been noticed (Said & Kaplelach 2019). Positive financial well-being has been planned by the banking sector (Kumar 2022). Smarter and better are the key driving value for the banking sector for making

their future well developed (Adan 2018). Customer relationships within the banking sector will become more secure and profitable. Data analytics play an important role in Mobile banking. Analysis and interpretation of data (Roland et al., 2021) is the key. Mobile Banking is extremely useful when it comes to submitting compliances and disclosures. In future we expect more disclosures requirement for example what we see these days in ESG (Kumar, S., Baag, P.K. and Shaji, K.V. (2021).

5. Conclusion

The current article has been developed for analyzing the merits and demerits of mobile banking in developed countries. Kharis and Alghamdi (2021) stated that for this analysis in a current article first, the knowledge and concept have been discussed for mobile banking. Merits of profitability and customer service efficiency have been identified for mobile banking along potential demerits has been detected (Padikkal 2018). Along with the future scope of mobile banking has been noticed (Kumar 2022). Reason for discussing the knowledge of mobile banking so that the drawbacks removing scope has been developed. Design and operational perspectives of the merits and demerits of mobile banking have been understood.

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