

Mobile Banking Surveillance – Issues, Merits and Limitations

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Abstract:

In Mobile banking refers to the utilization of mobile phones / cellular contrivances to perform bank transactions. In an era of emerging technology banking determines the financial stability of a country. Technology has embraced the banking sector with the agenda of enhancing core banking value in the form of 'Digital Transformation'. Technology plays a vital role in bridging business and financial technology which embarks banking sector to function successfully. The main objective of this paper is to discuss about the merits and challenges, to identify the difficulties faced by the customers through mobile banking and to analyze the recent trends by amending Mobile Banking accommodations prosperously.

Keywords — Mobile Banking; Technology; Online; Digital; MPIN

I. INTRODUCTION

Mobile banking has gained popularity in the banking sector. This technology avails the customers to provide all the account information as well as preserve timings, also supports in availing financial accommodations such as transfer of money, online bill payment etc. with the help of mobile applications still majority of the people are concerned to gain access to online services due to certain risk factors and security issues. The perforation of mobile in India has made drastic change in communication system. Mobile technology like 2G, 3G, 4G have revolutionized the communication system engendering more market through various electronic channels like ATM's, tele banking, electronic fund transfer, internet banking etc.

Information Technology has transformed the world into a compact place by rapidly changing the shape of business standards which has resulted in the evolution of challenging innovations and incipient generation technologies. The impact of mobile banking plays a vital role for easy and reliable access of various services. Traditional mobile banking services called SMS banking has been replaced by the advancement of operating systems in cellular devices in development of Apps which has benefited Customers to avail financial services instantly. A survey on technological banking services that was conducted on 40 customers is analyzed.

As per a survey conducted by The Economic Times dated 03 July 2017, studies reveal that 90% of Indian customers prefer visiting the branch over banking online, the branch still perpetuates to dominate banking channels though the

Government has been instigating people to go online. Although, the banking relationships commence and continue at the branch yet there is a great potential for banks to adopt and move into digital space.

II. LITERATURE REVIEW

Dr. K. Kavitha [1] discusses the issues a customer witnesses through Mobile Banking services, however suggesting an overall view for securing the account details from unauthorized people through Mobile Banking Surveillance system.

Renju Chandran [2] has presented the effective service of Mobile banking in three steps that causes change efficiently. The author briefly presents the issues a customer faces during the transactions, its benefits, limitations and suggestions to adopt mobile services.

III. METHODOLOGY

Nature of study

The study focuses on descriptive nature of data only. It relates to secondary means of data collected from various sources.

Secondary data

Secondary data was gathered from Articles, data collected from various websites, Research papers and Journals.

IV) MERITS AND LIMITATIONS OF MOBILE BANKING

A) MERITS OF MOBILE BANKING

i. Mobile banking on basic handsets

Telecom Regulatory Authority of India (TRAI) [2] has been urging the telecom companies to enable bank authorized mobile payment companies to offer basic handset to users which will allow them carry out most banking transactions like getting a passbook request and balance enquiries, obtaining new checkbook, fund transfers and PIN change without connecting to the internet.

ii. Curtails Time consumption

In lieu of approaching the bank premises and waiting for hours checking the account transactions, Customers can obtain all required details through Cellular devices/Mobile phones.

iii. Utilizing MPIN

We can visually perceive our Transaction Details through Mini Statement [2] by using Mobile banking personal identification number (MPIN) even on offline mode.

iv. Safety and Security

Security is one of the key issues which provide confidentiality and authentication to the authorized person, the customer receives a verification code during the transaction process which is received by the sanctioned person.

v. Availability

Banking aims at facilitating its services to all potential customers enabling bank’s customers to access banking accommodations securely and effortlessly utilizing their mobile phones from anywhere and at any time.

vi. User friendly

The mobile banking apps offer easy and cordial access for the convenience of the user which provides user friendly services such as login facility, viewing their account statements and balances, payments and transfer of money between accounts via Internet Banking

B) LIMITATIONS OF MOBILE BANKING

i. Uninterrupted Internet Connection

It is quite necessary to be connected with Internet access without any hindrance in network, although studies suggest that there are 1.5 billion computers working on the Internet with the usage of mobile phones reaching 4.5 billion users yet the mobile space is not supported by an authorized operating system. Also, as per 2016 statistics our Country constitutes one of the largest rural populations in the world of 66.86% approximately. This becomes very tedious for the customers residing in the rural areas to gain access to internet services without network issues.

ii. Unaware of Software Upgradation and mobile compatibility

Lack of knowledge by several users in upgrading their mobile phones has caused threats in securing the mobile device to keep it up to date. Smartphones are prone to ransomware virus attacks; many phones do not have an in-built antivirus protection though they provide the facility of browsing. Most mobile apps are not compatible with certain android versions. All these factors encourage external threats like transfer of viruses, phishing, hacking, spamming etc.

iii. Reasonable charge by the bank

A nominal amount will be deducted for regular usage by the customer on banking transactions and an acknowledgement will reach the customer via SMS

iv. Not erasing the browsed data

Mobile phones store all the records browsed in a file called ‘temporary internet file’ the user does not pay heed to clear the browsed information which reveals individual’s security related data like password or login details. Hence it becomes easy for the hacker to obtain all banking related transactions for their benefits.

Challenges in Mobile Banking	Risk Factors		
	3	2	1
No awareness on Updating the Software	05	25	10
Uninterrupted Internet Connection	26	07	07
Unerasd data after browsing	30	10	
Reasonable banking charges		28	12
Mobile Compatibility issues		32	08

IV. DIFFICULTIES PREVAILING IN MOBILE BANKING

- Concern on security makes banking process and business vulnerable.

- Theft which leads to hacker's benefit.
- Literacy rates in rural area do not bridge the gap between technology and communication.
- Inadequate knowledge of current innovations and trends.
- Unaware of spam E-mails resulting in transparency of data.
- Not clearing cookies and caches which relate to web security concerns.
- Less attention in safe banking transaction process.
- Inappropriate guidance on usage of handsets.
- Charges at higher rates imposed on the customer during financial transactions using technology.
- Using unauthorized Wi-Fi for banking transactions could be fatal if others sneak into our data.

V. CONCLUSION

Mobile Banking has caused drastic change in technological financial transactions which has created a global business agenda by satisfying customers to a convenient approach of services. Customers can avail a number of facilities like online payment of bills, internet banking services, key punch methods which allows the customers to purchase drafts, availability of plastic cards, obtaining account statements to transfer of funds on an easy access without time consumption. Further, e-banking has structured the banking sector by playing a vital role in India by adopting technology and replacing the traditional ways resulting in the bank's performance, productivity and profitability.

For future enhancements an application called MBSS [Mobile Banking Supervising System] has been introduced to protect the privacy and identity of the customer by monitoring sensitive and personal information. MBSS [3] application maintains a stop watch managing the services as regular intervals like Logging in and log out time, details of transaction, passwords and automatic log out function which helps in tracking security measures. Creating awareness among users and transforming technology for safe and secure banking service is the agenda of Mobile Banking Surveillance system.

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