

A Study of Adoption and Customer Satisfaction of Mobile Banking in Amravati

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❖ ABSTRACT

Mobile banking has become one of the most important innovations in the banking sector, enabling customers to access financial services through smartphones without visiting bank branches. The rapid growth of digitalization, internet penetration, and smartphone usage has significantly contributed to the adoption of mobile banking in India.

The present study focuses on analyzing the adoption level and customer satisfaction of mobile banking services in Amravati city, which represents a Tier-III city environment. The study aims to understand user awareness, usage patterns, satisfaction level, and challenges faced while using mobile banking applications.

A descriptive research design has been adopted, and primary data has been collected from 100 respondents using a structured questionnaire. The data has been analyzed using percentage analysis and Chi-square test.

The findings of the study reveal that mobile banking adoption is high among young and educated users. Customers are generally satisfied due to convenience, accessibility, and time-saving features. However, issues like security concerns, technical errors, and lack of trust still affect complete adoption.

The study concludes that mobile banking has strong growth potential in Amravati, but banks must focus on improving security, user experience, and awareness programs to enhance customer satisfaction.

1. INTRODUCTION

The banking sector has undergone a major transformation in recent years due to technological advancements and digitalization. One of the most significant developments is the introduction of mobile banking, which allows customers to perform banking transactions using mobile devices such as smartphones and tablets.

Mobile banking provides a wide range of services, including:

- Checking account balance
- Fund transfer (NEFT, RTGS, IMPS, UPI)

- Bill payments
- Online shopping payments
- Loan and investment services

This has reduced dependency on traditional banking methods such as visiting bank branches or using ATMs.

In India, the growth of mobile banking has been driven by:

- Increasing smartphone penetration
- Affordable internet services
- Government initiatives like Digital India
- Growth of UPI platforms

Despite this growth, the adoption of mobile banking varies across regions. In metropolitan cities, adoption is high due to better digital awareness. However, in Tier-III cities like Amravati, adoption depends on several factors such as:

- Digital literacy
- Trust in technology
- Awareness about mobile banking
- Security perception

Customer satisfaction plays a very important role in the success of mobile banking services. Even if customers adopt mobile banking, their continued usage depends on:

- Ease of use
- Security
- Reliability
- Speed of transactions

If customers are not satisfied, they may switch back to traditional banking methods.

- Therefore, this study focuses on analyzing both:
Adoption of mobile banking
Customer satisfaction level

This research helps in understanding how digital banking is evolving in smaller cities like Amravati and what improvements are required.

2. STATEMENT OF THE PROBLEM

The banking sector has witnessed a rapid shift towards digitalization with the introduction of mobile banking services, which allow customers to perform financial transactions conveniently through their smartphones. Mobile banking offers various benefits such as ease of access, time-saving, cost efficiency, and the ability to conduct transactions anytime and anywhere. Due to these advantages, banks are actively promoting mobile banking platforms to enhance customer experience and reduce operational costs.

However, despite the increasing availability and promotion of mobile banking services, the level of adoption and customer satisfaction is not uniform across all regions, especially in Tier-III cities like Amravati. While some customers have readily accepted mobile banking due to its convenience and speed, others still hesitate to use it due to several challenges. Factors such as lack of digital literacy, limited awareness, fear of online fraud, security concerns, and technical issues act as barriers to the effective adoption of mobile banking services.

In addition to adoption, customer satisfaction is another critical factor that determines the success of mobile banking. Even if customers start using mobile banking, their continued usage depends on their level of satisfaction with the service. Issues such as application errors, slow internet connectivity, transaction failures, delayed OTPs, and lack of proper customer support may negatively affect user experience and reduce satisfaction levels. These challenges may lead customers to prefer traditional banking methods over digital platforms.

Furthermore, there is limited empirical research specifically focused on understanding the adoption and customer satisfaction of mobile banking in smaller cities like Amravati. Most existing studies are concentrated on metropolitan areas, where the level of technological awareness and infrastructure is comparatively higher. This creates a research gap in understanding the behavior, preferences, and challenges faced by users in semi-urban or Tier-III regions.

Therefore, the main problem addressed in this study is to analyze the level of adoption of mobile banking services among customers in Amravati city and to examine their satisfaction levels. The study also aims to identify the key factors influencing adoption, the problems faced by users, and the relationship between mobile banking usage and customer satisfaction. Understanding these aspects is essential for banks and financial institutions to improve their services, enhance customer experience, and promote greater adoption of mobile banking in such regions.

3. REVIEW OF LITERATURE

Various studies have been conducted to understand the adoption and customer satisfaction of mobile banking services, highlighting different factors that influence user behavior and perception.

Sharma, P. (2025) conducted a study on mobile banking adoption in India and found that factors such as ease of use, perceived usefulness, and convenience play a major role in influencing customers to adopt mobile banking services. The study revealed that customers prefer mobile banking due to its time-saving nature and accessibility. However, it also highlighted that security concerns and lack of trust remain significant barriers, especially among users in semi-urban and rural areas.

Khatun, M. N. (2024) examined the role of mobile banking in promoting financial inclusion. The study emphasized that mobile banking has helped in expanding banking services to previously unbanked populations. It was observed that customers in smaller cities are gradually adopting mobile banking, but their level of

satisfaction depends on factors such as service quality, network availability, and ease of navigation. The research also indicated that improving digital literacy can significantly increase adoption rates.

Singh, R. & Verma, S. (2023) analyzed customer satisfaction towards mobile banking services and found that reliability, security, and responsiveness are the key determinants of satisfaction. The study showed that customers are more satisfied when mobile banking applications are user-friendly and provide quick transaction processing. However, technical issues such as app crashes and transaction failures negatively impact user experience and reduce satisfaction levels.

Gupta, A. (2023) studied the impact of digital banking services on customer behavior in Tier-II and Tier-III cities. The findings revealed that although awareness of mobile banking is relatively high, actual usage is influenced by trust and familiarity with technology. Customers who are more educated and technologically aware tend to adopt mobile banking more quickly compared to others. The study also highlighted that banks need to focus on awareness programs to improve adoption.

Patil, S. (2022) conducted research on customer perception towards mobile banking and found that convenience and accessibility are the major advantages that attract users. The study also pointed out that customers are concerned about privacy and data security, which affects their willingness to use mobile banking for high-value transactions. It concluded that building trust is essential for increasing both adoption and satisfaction.

Deloitte (2024) in its report on digital banking stated that mobile banking has significantly improved customer engagement and service efficiency. The report highlighted that banks are increasingly investing in technology to enhance user experience. However, it also emphasized that customer satisfaction depends not only on technology but also on factors such as service reliability, security, and customer support.

4. OBJECTIVES OF THE STUDY

1. To study the level of adoption of mobile banking services among customers in Amravati.
2. To study the level of customer satisfaction with mobile banking services in Amravati.
3. To study the financial benefits and cost-related aspects of mobile banking services for customers in Amravati.

RESEARCH METHODOLOGY

Research methodology refers to the systematic and scientific approach used for collecting, analyzing, and interpreting data in order to achieve the objectives of the study. In the present research, a well-structured methodology has been adopted to examine the adoption and customer satisfaction of mobile banking services in Amravati city. The methodology helps in ensuring that the study is reliable, valid, and based on proper data analysis.

5.1 Research Design

The present study is based on a descriptive research design. This type of research design is suitable for the study as it aims to describe the current level of awareness, adoption, and customer satisfaction regarding mobile banking services among users. The descriptive design helps in understanding customer behavior, usage patterns, and perceptions without manipulating any variables.

The study focuses on analyzing how customers use mobile banking services, what factors influence their adoption, and how satisfied they are with these services. It also helps in identifying the problems faced by users and the relationship between usage and satisfaction.

5.2 Data Sources

The study is based on both primary and secondary data sources.

Primary data has been collected directly from respondents through a structured questionnaire. The questionnaire was designed to gather information related to demographic details, awareness of mobile banking, usage patterns, satisfaction levels, and problems faced by users. The data collected through primary sources is original and specifically relevant to the objectives of the study.

Secondary data has been collected from various sources such as research journals, books, banking reports, websites, and previous studies related to mobile banking. This data has been used to build the theoretical background of the study and to support the analysis with existing knowledge.

5.3 Sample Design

The universe of the study consists of all individuals in Amravati city who use banking services. The population includes customers who are aware of or use mobile banking services, such as students, salaried employees, business persons, and others.

The sampling unit of the study is an individual respondent who uses or is aware of mobile banking services. Each respondent represents one unit of analysis.

The sample size of the study is 100 respondents. This sample size is considered adequate to analyze the general behavior and perception of customers towards mobile banking services.

The sampling technique used in the study is convenience sampling. Under this method, respondents are selected based on their availability and willingness to participate in the survey. Although this method is easy and time-saving, it may involve some level of bias.

5.4 Tools of Data Collection

A structured questionnaire has been used as the main tool for collecting primary data. The questionnaire consists of close-ended questions, including multiple-choice questions and Likert scale statements. The Likert scale is used to measure the level of agreement or satisfaction of respondents regarding mobile banking services.

The questionnaire includes questions related to demographic information, awareness of mobile banking, frequency of usage, satisfaction level, and problems faced while using mobile banking applications. The data was collected through online platforms such as Google Forms, making it convenient for respondents to participate.

5.5 Tools for Data Analysis

The collected data has been analyzed using appropriate statistical tools to draw meaningful conclusions.

Descriptive statistics such as percentage analysis and frequency distribution have been used to summarize the data. These tools help in presenting the data in a simple and understandable form, making it easier to interpret customer behavior and preferences.

In addition to this, the Chi-square test has been used to examine the relationship between variables such as mobile banking usage and customer satisfaction. The Chi-square test helps in determining whether there is a significant association between different variables in the study.

5.6 Scope of the Study

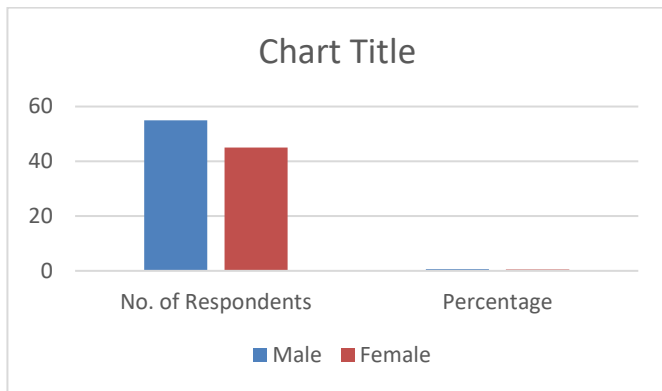
The scope of the study is limited to Amravati city, which represents a Tier-III city environment. The study focuses on customers who use or are aware of mobile banking services. It primarily examines the adoption level and customer satisfaction towards mobile banking applications.

The study covers various aspects such as awareness, usage patterns, satisfaction level, and problems faced by users. However, it does not include a detailed comparison of all banking applications or cover all regions beyond Amravati. The findings of the study provide insights into the current scenario of mobile banking in a semi-urban area and help in understanding customer behavior in such regions.

5. DATA ANALYSIS AND INTERPRETATION

Data analysis is the process of organizing, summarizing, and interpreting the collected data in order to draw meaningful conclusions. In this study, data has been collected from 100 respondents and analyzed using percentage method and simple statistical tools

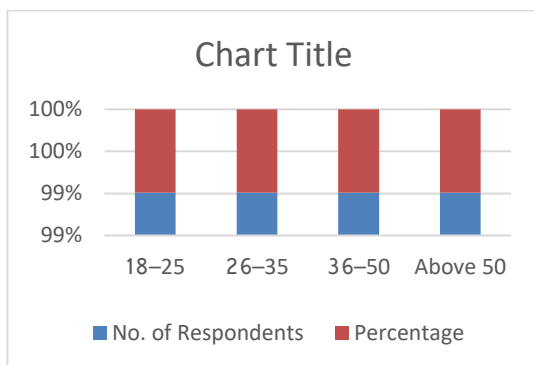
Table 1: Gender-wise Distribution of Respondents



Interpretation:

The above table shows that out of 100 respondents, 55% are male and 45% are female. This indicates that the study includes a balanced representation of both genders, with a slightly higher participation of male respondents.

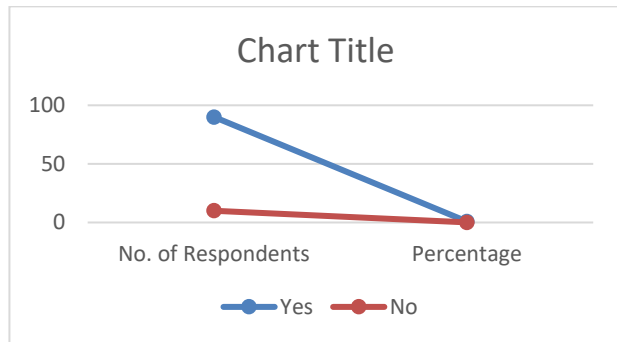
Table 2: Age-wise Distribution of Respondents



Interpretation:

The majority of respondents (40%) belong to the age group of 18–25 years, followed by 26–35 years (30%). This shows that younger individuals are more involved in mobile banking usage compared to older age groups.

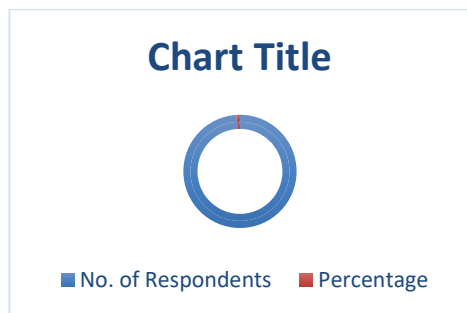
Table 3: Awareness of Mobile Banking



Interpretation:

The table indicates that 90% of respondents are aware of mobile banking services, while only 10% are not aware. This shows a high level of awareness among customers in Amravati.

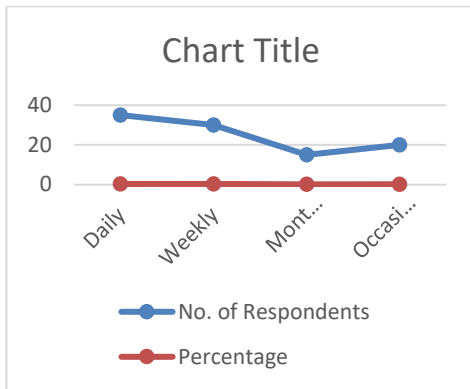
Table 4: Usage of Mobile Banking



Interpretation:

It is observed that 85% of respondents use mobile banking services, while 15% do not. This indicates a high adoption rate of mobile banking among customers.

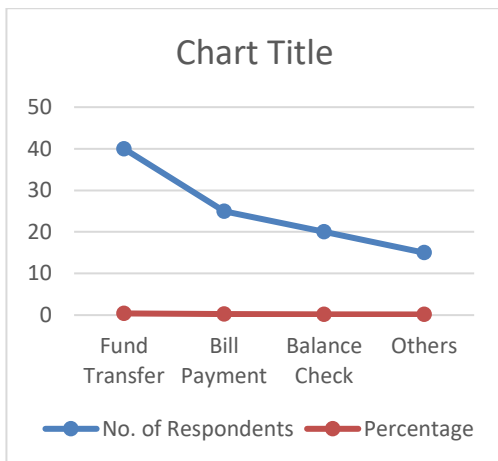
Table 5: Frequency of Usage



Interpretation:

The table shows that 35% of respondents use mobile banking daily, followed by 30% weekly. This indicates that a large number of users rely regularly on mobile banking services.

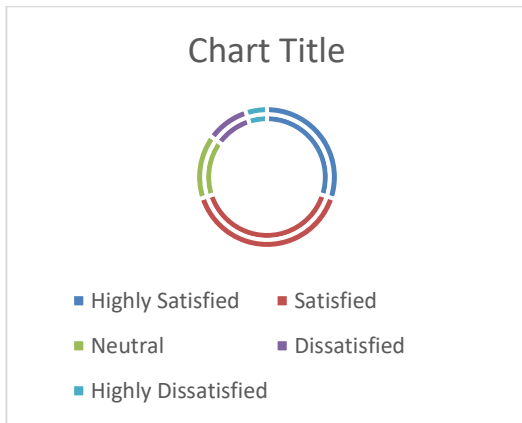
Table 6: Purpose of Using Mobile Banking



Interpretation:

Most respondents (40%) use mobile banking for fund transfers, followed by bill payments (25%). This indicates that mobile banking is mainly used for essential financial transactions.

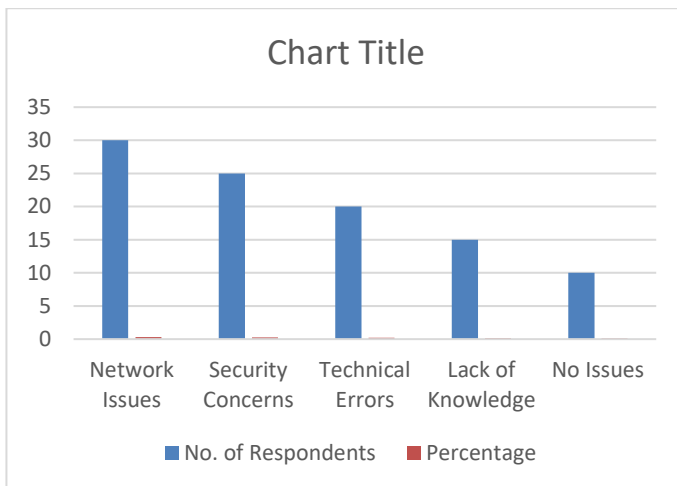
Table 7: Level of Satisfaction



Interpretation:

The table shows that 70% of respondents are satisfied or highly satisfied with mobile banking services. Only a small percentage (15%) are dissatisfied, indicating a generally positive customer experience.

Table 8: Problems Faced in Mobile Banking



Interpretation:

The major problem faced by users is network issues (30%), followed by security concerns (25%). This shows that technical and security-related issues still affect customer experience.

Interpretation:

Since the calculated value is higher than the table value, the null hypothesis is rejected and the alternative hypothesis is accepted. This indicates that there is a significant relationship between the usage of mobile banking and customer satisfaction. Customers who use mobile banking more frequently tend to be more satisfied with the services.

Conclusion of Analysis

The overall analysis shows that mobile banking has a high level of awareness and adoption among customers in Amravati. Most users are satisfied with the services, although some challenges such as network issues and security concerns still exist. The study also confirms that higher usage leads to greater customer satisfaction.

8. FINDINGS OF THE STUDY

The findings of the study indicate that mobile banking adoption is relatively high among the respondents, especially among the younger age group. Most of the respondents are aware of mobile banking services and actively use them for various transactions such as fund transfers, bill payments, and balance inquiries. The study also reveals that customers generally prefer mobile banking due to its convenience, time-saving nature, and ease of access.

In terms of customer satisfaction, the majority of respondents are satisfied with mobile banking services. However, some users have expressed concerns regarding security issues, technical problems, and network-related challenges. These issues affect their overall experience and sometimes reduce their trust in mobile banking applications.

The study further highlights that there is a significant relationship between the usage of mobile banking and customer satisfaction. Customers who use mobile banking more frequently tend to be more satisfied with the services, indicating that familiarity and experience improve user confidence and satisfaction.

9. LIMITATIONS OF THE STUDY

Despite providing valuable insights into the adoption and customer satisfaction of mobile banking services, the present study has certain limitations that need to be considered while interpreting the results. Firstly, the study is limited to Amravati city, which represents a Tier-III city. Therefore, the findings may not be fully applicable to metropolitan or other geographical areas where the level of digital awareness, technological infrastructure, and banking behavior may differ significantly. Customer preferences and usage patterns in larger cities may vary due to higher exposure to advanced digital services.

Secondly, the study is based on a sample size of 100 respondents, which, although sufficient for basic analysis, may not completely represent the entire population of mobile banking users in Amravati. A larger sample size could have provided more accurate and generalized results. Additionally, the study uses a convenience sampling technique, where respondents are selected based on ease of access. This method may introduce sampling bias, as it does not ensure equal representation of all groups within the population.

Another limitation of the study is that it relies on primary data collected through questionnaires. The responses provided by participants are based on their personal opinions, experiences, and understanding, which may sometimes lead to response bias or inaccuracies. Some respondents may not have fully understood the questions, while others may have given socially desirable answers rather than their true opinions.

Furthermore, the study focuses only on selected aspects of mobile banking such as adoption and customer satisfaction, and does not cover all possible factors such as detailed technical performance, backend banking

systems, or comparison between different banking applications. The study also does not deeply analyze the impact of demographic variables like income level, education, or occupation on mobile banking behavior.

Lastly, the study is conducted within a limited time period, which restricts the ability to observe changes in customer behavior over time. As technology and user preferences are continuously evolving, the results of this study represent only the current scenario and may change in the future. Therefore, the findings should be interpreted as a snapshot of present conditions rather than long-term trends.

10. CONCLUSION

The study concludes that mobile banking has become an essential part of the modern banking system in Amravati city. The increasing level of awareness and usage indicates that customers are gradually adopting digital banking services. The convenience, accessibility, and efficiency offered by mobile banking have contributed significantly to its popularity among users.

At the same time, customer satisfaction plays a crucial role in ensuring the continued use of mobile banking services. Although most users are satisfied, concerns related to security, technical issues, and lack of trust still exist among certain segments of customers. These challenges need to be addressed by banks to improve user experience and build greater confidence in digital banking platforms.

Overall, the study suggests that mobile banking has a strong future in Tier-III cities like Amravati. Banks should focus on enhancing security features, improving application performance, and increasing awareness among users to ensure higher adoption and satisfaction levels. The integration of technology with customer-focused services will further strengthen the growth of mobile banking in the future.

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