MOBILE PHONE BANKING APPLICATIONS AWARENESS AMONG TELECOM USERS

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Abstract: **Mobile phone banking applications awareness among telecom users. The study used a sample size of 150 populations, from accessible population of 250. (spss) was used to carry out the analysis. Data were analyzed using the regression of the correlation to own the t-test hypotheses. The findings of the study showed that mobile banking, the security breaches frequently witness, have impacted negatively on customers' adoption of the platform. Many customers are fearful in making their personal banking information available in an unprotected gateway. Based on the above interpretation, the null hypothesis is rejected in favor of alternative hypothesis. Awareness towards mobile phone banking usage will increase actual mobile phone banking adoption.**

Keywords: **mobile phone banking, Awareness, Telecom Users.**

1. INTRODUCTION

1.1 CHAPTER OVERVIEW

The introductory part of the study will focus on the following key points. It will open with background and context of the study, which is devoted to the general information and insights on mobile phone banking, awareness among telecommunication users. This sub section will provide the existing information and knowledge on the topic.

Statement of the problem will be examined in the next sub section, followed by research questions and objectives. The study will progress further with research hypothesis, significances, scope and limitations of the study. The chapter will end with operational definition and organization of the study.

1.2 BACKGROUND AND CONTEXT

Mobile banking is rapidly gaining momentum largely on the affordability and user friendly mobile devices (Akinyele & Olorunleke, 2010). From mobile wallet to virtual personal financial assistants, the economic landscape is increasingly witnessing unprecedented transformation (Ernst and Young, 2014). The incursion of mobile airtime providers into the previously restricted traditional financial market had changed the banks from ownership of financial transaction to membership. Transaction that normally takes days and even weeks is now comfortably performed in seconds. Locational barriers which have been eliminated had benefited cross border transactions. Although, the revolution in mobile banking is acknowledged, some banks still assumes that mobile banking is an extension of the traditional brick and mortar platform, where bank customers need to be physically present to transact business with bank personnel.

1.3 STATEMENT OF PROBLEM

Banking services is an important sector where advancement in information technology has literally transformed the docile and inept sector into a time driven experience (Mahdi and Mehrdad, 2010). The adoption of electronic banking, spread rapidly as banks and other payment providers reconfigured their operational capabilities to serve emerging active and empowered customers' base (Dube, et.al. 2009).

According to Nigeria communication commission annual report (2014), Nigeria tele density, which is the estimate of number of telephone lines per hundred household stood at 96.7%. The number of connected line as of 2014 was 134.5 million. Furthermore, central bank of Nigeria statistical bulletin 2014, recorded that about 30 million Nigerians have bank account(s). Based on the foregoing observation, it means that about 111 million active telephone users are waiting to be served with any banking services.

Even though, numerous studies have been conducted in the field of mobile banking, some of these studies were carried out in advanced countries, with higher technological advancement, robust regulatory framework and quality assurance mechanism compared to Nigeria Supathanish, (2010); Zakaria and Nidal (2010).

Consentient with newness of GSM revolution in Nigeria, which commended only in 2001, very few studies have examined mobile phone banking application. None has focused on awareness among telecom users, which the researcher considered as being the reason for low usage of mobile devices in conducting banking transactions, which is 30% in Nigeria, 65% in Kenya, 60% in South Africa, 55% in Egypt (Elisha, 2010; Akinyere & Olorumleke ,2010; Idowu, 2011). In other to address the above critical research gaps in Nigeria context, the study will examine how mobile phone banking application can be expanded by creating a proper awareness among the telecom users, so that perceived risks associated with the device would be reduced.

1.4 RESEARCH QUESTIONS

The following research questions were proposed for the study.

RQ1: What is the relationship between perceived risk and actual adoption of mobile phone banking?

RQ2: How does perceived ease of use of relate with actual use of mobile phone banking?

RQ3: Does attitude and behaviors of users towards mobile phone banking influence adoption of mobile phone banking?

RQ4: How does user's awareness affect the adoption of mobile phone banking?

1.5 RESEARCH OBJECTIVES

By providing answers to the above questions, the following objectives will be achieved.

1: To discover the relationship between perceived risk and adoption of mobile phone banking.

2: To ascertain how perceived ease of use relate with actual use of mobile phone banking.

3: To uncover how positive attitude towards mobile phone banking affect actual mobile phone banking adoption.

4: To find how user's awareness affect the adoption of mobile phone banking?

1.6 RESEARCH HYPOTHESES

The following hypotheses will be tested to achieve the research objectives.

H1: Perceived risk in using mobile phone application will have a negative relationship with mobile phone banking adoption.

H2: Perceived ease of mobile phone application will have a positive relationship with mobile phone banking adoption.

H3: Positive attitude and behavior towards mobile phone banking usage will increase actual mobile phone banking adoption.

H4: Proportion of users of mobile phone banking will increase if proper awareness is created.

2. LITERATURE REVIEW

2.1 OVERVIEW

The literature reviews part of the study will be devoted to an exclusive review of past studies conducted on the theme. The chapter is structured thus; the chapter will begin with an understanding of the historical perspective of the mobile phone application in the context of Nigeria financial and payment system. Following this, will be the theoretical foundation upon

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which mobile phone banking is based. This sub section will review the applicable theories supporting technology acceptance and or adoption. Past studies will be examined where the important gaps in the literature regarding the research constructs will be made. Finally, the chapter will end with a summary.

2.1.1 BANK LED MODEL

Central bank of Nigeria in its policy report 2012, cited lack of synergy between telecom operators and mobile payment operators together with non-oversight function over telecom operators as the major reasons, Nigeria is adopting bank led model of Mobil phone banking (Ayodele et al., 2013).

Bank led model of phone banking may be described as the latest advancement of the credit card model. Under this arrangement, customers maintain the existing banking relationship, in a tailored new channel to serve their glowing business and financial needs. With this model, financial transactions are conducted using existing payment structures with the banks, but unlike credit banks model, it is processed through mobile networks with SMS or NFC enabled (Near Field Communication). Furthermore, this model allows the bank to sign a revenue sharing contact which will bind the customers and merchants using the telecomm networks to process the transactions.
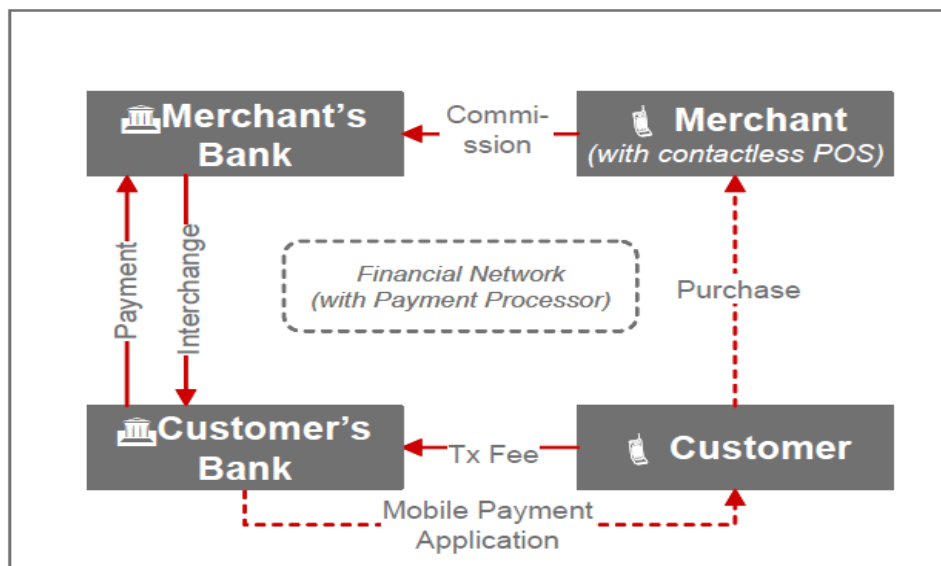

Figure 1: Bank led model of phone banking in Nigeria.

Source: Smart card Alliance, (2018, p.14).

2.1.2 OPERATOR- LED MODEL OF PHONE BANKING

Operator model of has been the driving force for phone banking which was first introduced in Kenya, popularly called (M-Pesa) meaning mobile money. Under the operator's model, which the ongoing thesis hope to achieve in Nigeria, telecommunication operators generally referred to as mobile network operators (MNO) manages the transactions and reimburse the system (Yakub et al., 2013). With absence of banking account and other restrictions placed on rural and small holders through financial exclusion, this innovative system has been alluded as a powerful anecdote to achieving the much vaunted financial inclusion in the global payment market.

3. RESEARCH DESIGN AND METHODOLOGY

3.1 CHAPTER OVERVIEW

Chapter three which is dedicated to research design and methodology will focus on the methodology of carrying out the study. Following this, will be research approach, strategy and time horizon. The second part of the chapter will focus on the methodology where data collection and analysis methods will be discussed. The core objective of this chapter is to explain the overall method of carrying out the study, in other to answer the research questions.

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3.2 RESEARCH APPROACHES

Research approaches are the chosen style of conducting a give research. Different types of research involve different approaches, which should be consistent with the goal of answering the questions. Two major approaches are popular in social science setting; deductive approach which is closely associated with quantitative research design and inductive which relates with qualitative research design.

4. DATA PRESENTATION, FINDINGS AND ANALYSIS

4.1 OVERVIEW

Chapter four of the study, which is the data presentation and analysis, will be examined under the followings sub categories. The chapter will begin with the descriptive segment of the study, where the respondent's demography will be explained. This will be followed by reliability estimates of the instruments. Once the reliability of the instruments is ascertained, inferential part of the study will be presented, with the particular reference to correlation and regressions analysis of the variables. The core aim of the chapter is to provide the basis for answering the research questions.

4.2 DESCRIPTIVE STATISTICS

Descriptive statistics according to Sekeran and Bougie (2010) is the quantitative representation of the respondents' background information. This historical information will reveal the underlying information needed to form an opinion regarding the objectives of the study. Instructively, statistical measure of dispersion and central tendency will be applied as stated below.

Statistics

Gender

N	Valid	90
	Missing	0

Table 1: Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	47	52.2	52.2	52.2
	Female	43	47.8	47.8	100.0
	Total	90	100.0	100.0	

Source: Researcher's SPSS field work, 2014.
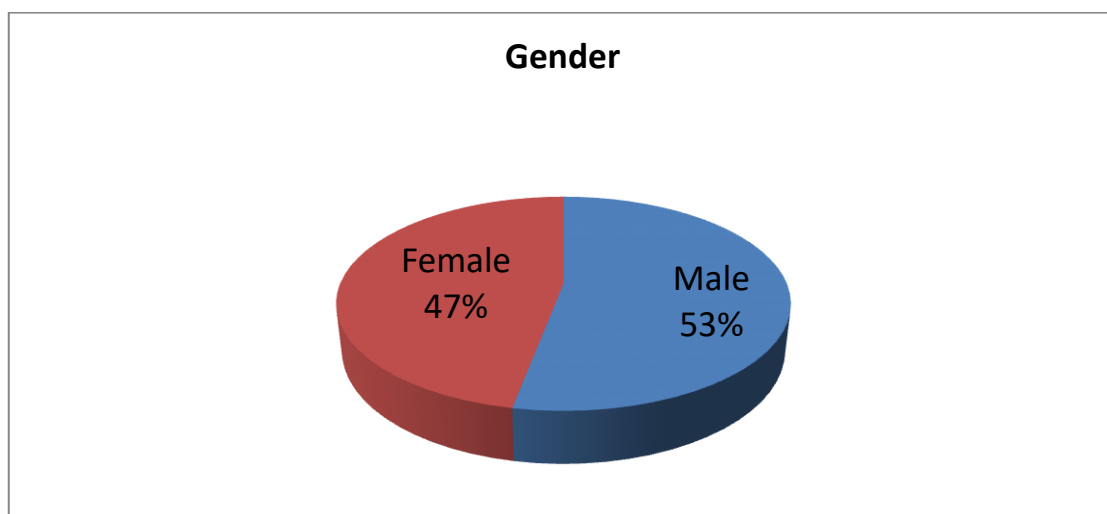
Figure 2: Pie chart for gender.

Source: Researcher's SPSS field work, 2014.

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From the above table and accompanying figure, the distribution of the respondents by age showed a relative even distribution. Female respondents accounted for 47% (43), while male respondents stood at 52% (47). The above distribution in the opinion of the researcher will offer improved insights concerning mobile phone banking across gender.

Statistics

Marital Status

N	Valid	90
	Missing	0

Table 2: Marital Status

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Married	23	25.6	25.6	25.6
	Single	67	74.4	74.4	100.0
	Total	90	100.0	100.0	

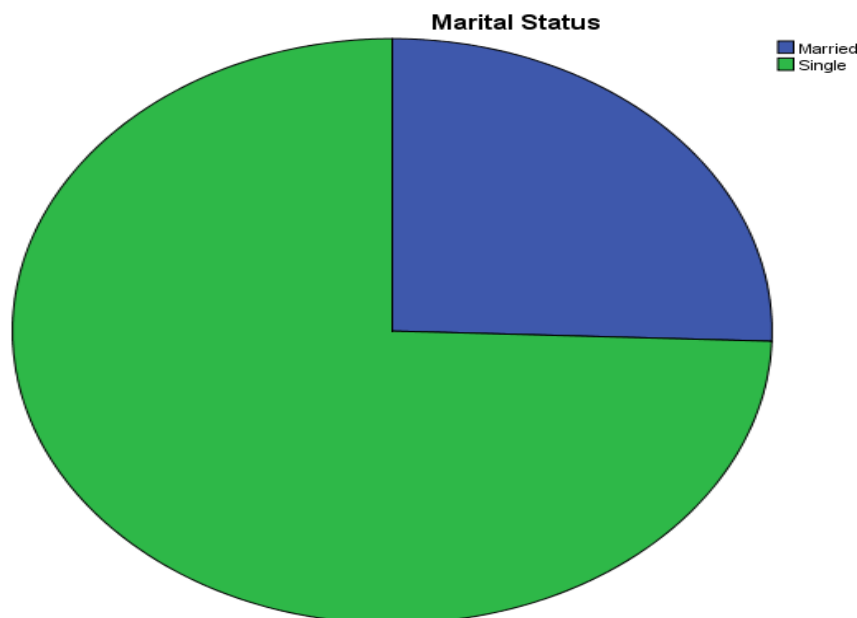*Source: Researcher's SPSS field work, 2014.*

Figure 3: Pie chart for gender.

Source: Researcher's SPSS field work, 2014.

The information of the marital status showed interesting information of the respondents. Married respondents were estimated to be 23 (26%), while single ones were 67 (74%). The implication of the above is that the substantial high number of single respondents could provide additional perspective on the strengths of this important customer segment in adopting mobile phone banking.

5. CHAPTER OVERVIEW, CONCLUSION

5.1 CHAPTER OVERVIEW

Mobile banking is rapidly gaining momentum largely on the affordability and user friendly mobile devices (Akinyele & Olorunleke, 2010). Through the window of opportunities offered by mobile phone banking platform, the cost structures are significantly reduced and barriers posed by time and space are eliminated (Mirza et al., 2009). Mobile phone banking according to Elisha (2010) is particularly valuable due to added efficiency and diversity in product offerings delivered through multiple channels.

5.2 CONCLUSION

This concluding chapter is dedicated to conclusion and recommendation. This last chapter will focus on the followings. It will examine the summary of findings in reference to the research objectives. The argument for this is to ascertain if the research objectives have been achieved. Recommendations will be made for improvement on the overall research strategy.

DECLARATION

I declare that this project paper consists of my original work. The exception of quotation and citations which are duly acknowledged and that it has not been previously accepted for any master's program in any university.

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