

A Study on Usage of Mobile Banking Among College Students in Chennai City

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A STUDY ON USAGE OF MOBILE BANKING AMONG COLLEGE STUDENTS IN CHENNAI CITY

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Abstract

The paper focuses on the usage of mobile banking among college students in Chennai city. The aim of the study that explored frequent usage and factors influencing the decision to use a mobile banking app by college students in Chennai city. The data were gathered from 150 respondents using a structured questionnaire of the Simple Random Sampling method. The gathered data was analysed using the Percentage method. The results of the study demonstrated that a large portion of respondents are undergraduate students; the main factors influencing mobile banking usage are convenience, mobile banking apps are used weekly, and poor internet connectivity is the biggest challenge faced by college students. Hence, the conclusion that mobile banking has become an integral part of student's financial activities. The study highlights the need for improved financial literacy and more student-friendly app design to enhance usage. Overall, mobile banking is playing a significant role in promoting digital financial behaviour among the youth.

Keywords: Mobile Banking, Banks, Biometric authentication, OTP

INTRODUCTION

With the widespread availability of smartphones and high-speed internet, banking has moved from physical branches to digital platforms, providing customers with instant access to their accounts and financial transactions. Mobile banking allows users to perform various banking activities such as checking account balance, transferring funds, paying bills, applying for loans, and managing investments all through mobile applications provided by banks. The younger population, particularly college students, represents a significant segment of mobile banking users. This demographic is known for its adaptability to new technologies and preference for conveniences, speed, and autonomy in handling financial matters. Most students today carry smartphones and are actively involved in online activities, making them potential and actual users of mobile banking services. With digital payments becoming a

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norm in campuses, hostels, and local businesses, students are increasingly relying on mobile banking apps for their everyday financial needs. Additionally, factors such as trust in digital platforms, ease of use, peer influence, and promotional offers from banks play a critical role in shaping their mobile banking behaviour. These issues highlight the need for banks to offer more student-friendly, educational, and multilingual support within their apps to improve adoption and usage among the college-going youth.

REVIEW OF LITERATURE

Nayana Baby, Ms. Ashwini Sv (2025) “A study on the role of mobile banking among college students” with the aim to determine the factors of adoption of mobile banking among college students. Data is gathered through a standardised questionnaire method where a total of 50 respondents, SPSS and a chi-square test. Hence conclude the importance of mobile banking and its revolutionary potential for college students cannot be denied.

Muhammad Simba Sembiring, Sisi Maghfirah Rahamah Sembiring (2024) “Examining mobile banking performance among college students in Indonesia” with the aim to measure the performance of mobile banking by offering an integration from the diffusion of innovation and service among college students, accidental sampling of 202 respondents, PLS-SEM approach. However, relative advantage and complexity do not affect mobile banking performance.

M. Praveen, Ms. S. Esther Grace, Mrs. P. Dency Mary (2024) “A comprehensive study on mobile banking services in Nilgiris District” with the aim to examine the adoption and challenges of mobile banking services. Structured questionnaire of 40 respondents, simple percentage, rank analysis and weighted average. However, major challenges include internet issues, security concerns, and difficulty navigating mobile banking applications.

Puvanendran P, Dr. T. Mayakannan (2023) “A study on customers' awareness and usage on mobile banking services of commercial banks at Erode city” with the aim to know the level of awareness & usage on mobile banking. Convenient sampling of 110 respondents, percentage analysis, ANOVA. Hence, the prime reason for using M-banking is anytime and everywhere usage, followed by convenience and saving more time.

RESEARCH GAP

Most previous studies on mobile banking have been conducted in other regions and focused mainly on awareness or adoption. Very few studies have examined the usage pattern, influencing factors, and challenges of mobile banking among college students in Chennai city using a sample of 150 respondents. This study attempts to fill this gap by providing specific insights into students' mobile banking behaviour in Chennai.

OBJECTIVES OF THE STUDY

1. To identify the purpose and frequent usage of mobile banking by students.
2. To analyse the factors influencing student's decision to use mobile banking.
3. To explore the challenges or barriers faced by students while using mobile banking.

RESEARCH METHODOLOGY

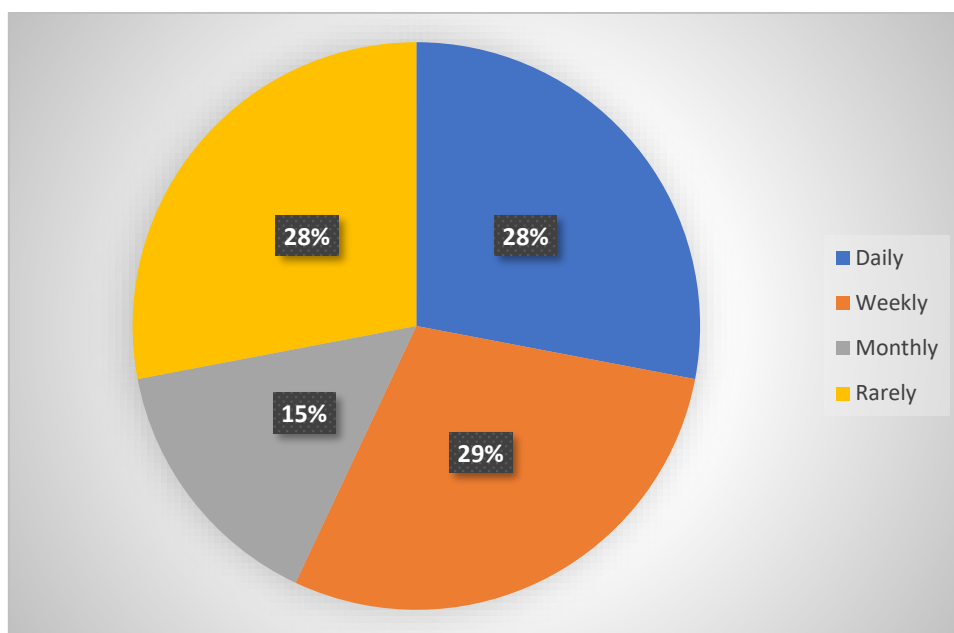
The data is collected based on primary data and secondary data to analyse the usage of mobile banking among college students in Chennai city. The structured questionnaire technique has been used for the collection of primary data from the respondents. The secondary data was collected through websites, books and magazines. The sampling method

used in this Simple Random Sampling Method. The sample size of 150 respondents was taken in Chennai city. The statistical tool used in this research is the Percentage Method.

ANALYSIS AND INTERPRETATION OF DATA

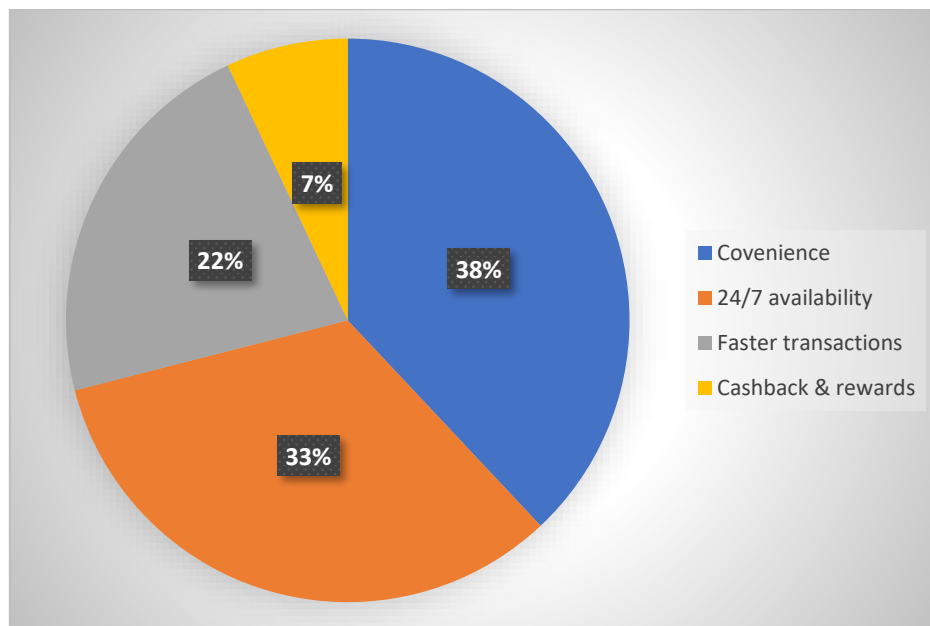
The analysis reveals that a significant number of respondents are undergraduate students utilizing a mobile banking app, primarily for UPI payments, the most commonly used service. Most prefer OTP verification as their main security method, and many seek enhanced security features as the key improvement for mobile banking apps. Notably, the HDFC Mobile Banking app is the predominant choice among respondents. They consider the most effective promotional methods as Bank notifications/Emails and advertisements. The majority have equal trust in mobile apps and traditional bank branches. More than half of the respondents have sometimes faced transaction failures while using mobile banking.

CHART 1:



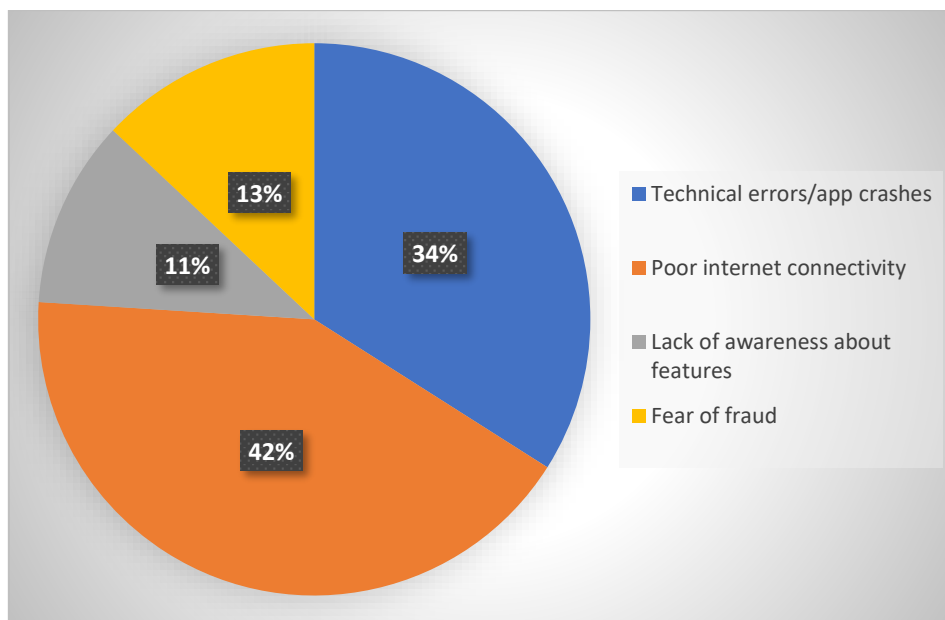
The chart shows the frequent usage of mobile banking application, 28% of the respondents use mobile banking applications Daily, 29% of the respondents use mobile banking applications Weekly, 15% of the respondents use mobile banking applications Monthly and 28% of the respondents use mobile banking applications Rarely.

CHART 2:



The chart shows the factors influencing the decision to use mobile banking, 38% of the respondents are influenced by convenience, 33% of the respondents are influenced by 24/7 availability, 22% of the respondents are influenced by faster transactions, and 7% of the respondents are influenced by cashback & rewards.

CHART 3:



The chart shows the biggest challenges faced while using mobile banking, the most significant challenge faced by respondents while using mobile banking is poor internet connectivity, reported by 42% of participants. This is followed by technical errors or app crashes, which 34% of respondents identified as a major issue. Additionally, 13% of users expressed fear of fraud as a key concern.

FINDINGS OF THE STUDY

- Many students started using mobile banking due to self-interest, while some were influenced by friends and family.
- Poor internet connectivity and technical issues are the main challenges faced by students while using mobile banking, often leading to transaction failures.
- Security concerns, especially fear of fake apps and fraud, influence students' confidence, even though OTP is the most preferred security method.
- Overall satisfaction with mobile banking is high, but students strongly feel that better security and improved user-friendly design are needed for future improvement.

SUGGESTIONS

The study suggests conducting awareness sessions in colleges to educate students about mobile banking features, benefits, and safe usage practices. Implement stronger authentication methods like biometric login and instant fraud alerts to build student's trust in mobile banking. Introduce student-specific services such as budget tracking, expenses categorisation, and small savings or investment options. Collaborate with colleges to enable canteens, bookstores, and hostels to accept mobile payments, promoting habit formation among students.

SCOPE FOR FURTHER STUDY

Future studies can include a larger sample size and cover more colleges in Chennai or other cities to get broader results. Advanced statistical tools may be used to study the impact of security, trust, and digital literacy in detail. Further research can also focus on specific banking apps or compare public and private bank mobile applications.

CONCLUSION

The study on the usage of mobile banking among college students in Chennai city reveals that mobile banking has become an integral part of student's financial activities. The convenience, speed, and accessibility of these services have encouraged widespread adoption. The study highlights the need for improved financial literacy and more student-friendly app design to enhance usage. Overall, mobile banking is playing a significant role in promoting digital financial behaviour among the youth.

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