

A Study on Entrepreneurship Development of India Through Innovative Banking Systems – With Special Reference to Mobile Banking System

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Abstract

Business enterprise is essential for monetary improvement on the world. Mobile contraptions address a course for business individuals to beat the challenges of cooperating. Mobile telephones assist people with talking with one another, get the opportunity to promote information, sell things transversely over geographic areas, show up at new buyers, enter mobile payment structures, and empower women and the upset. The inspiration driving this assessment was to recognize ways by which enterprising mobile financial development could be revived in making countries. A couple of facilitators which join government approaches and tries of patron workplaces, stiffer rivalry among banks, requirement for viability and lower cost, telecoms center on clients upkeep. While a couple of deterrents consolidate conservative and indistinct rule, security issues, youthful systems, nonappearance of interoperability and nonattendance of essential requirement for cash related organizations. The essential is the reduced conspicuous verification of the facilitators and deterrents to spearheading mobile banking especially in making countries. The ascent of mobile banking in making countries may have more prominent implications that could go past associating the unbanked to the money related frameworks. Its solace could illuminate enterprising soul in these countries. In an impressive parcel of the making countries, banks and other mobile money managers have been encouraged to liberally extend their enthusiasm for mobile money development for extended support. A key factor for the achievement of mobile money might be for corporate business individuals to fundamentally make blunt theories and after that discreetly hold on for the necessary scale all together to procure the benefits on their venture. Hence, this is a main factor for the researcher to do a study on entrepreneurship development of India through innovative banking systems with special reference to mobile banking system and the study is descriptive based one.

Keywords: Mobile Transactions, Monetary Systems, Innovation, Expanded Patronage, Obstacles, Service Provided and Mobile Banking.

Introduction

Mobile phones emit an impression of being a facilitator of moderate and accessible monetary organization in the making countries. It is acknowledged that mobile correspondence has a tremendous constructive outcome on financial development and that this impact could be twice in the making countries than the made countries. The entrance of mobile correspondence and the development of mobile money systems are making open entryways for independent organizations especially in low pay countries to get to financial organizations.

The open entryways for augmentation are extremely monstrous yet perhaps the people who grasp the elements of the mobile money structures and their unique troubles would win concerning understanding the amazing prospects. To comprehend these conceivable outcomes, different progresses have been taken to give budgetary organizations to the “unbanked” (that is, those without records). Some cash related organizations offered include: long partitions settlements, more modest scope payments and easygoing transmission appointment exchange plans. In specific countries, governments have taken exercises towards the use of mobile banking as system rule. Pretty much the payment business is experiencing a blend of advances and trades shapes similarly as the coordination of the payment structures. So, it is being a mandatory factor to know how the mobile banking system is helping to develop the entrepreneurship in India.

Objectives of the Study

The present study associated with following primary and secondary objectives:

1. To know about the Mobile Banking system in India.
2. To highlight the factors contributing in the entrepreneurship development through mobile banking system.
3. To suggest the best strategies in the implementation of mobile banking system for the development of entrepreneurship in India.

Reviews of Related Literature

Ratten, Vanessa. (2012) have done a study and it centers on the part of entrepreneurship and e-fund in deciding an individual’s intention to embrace mobile banking. The methodology used in this paper is to build up an applied system that incorporates various suggestions that are created and advocated by the writing. The fundamental discoveries of this paper are that individuals’ entrepreneurial tendency and learning inclination will decide how they react to promoting and information about mobile banking. The reasonable ramifications are that monetary establishments engaged with e-fund can center their advertising endeavors at expanding individuals’ presentation to mobile banking.

Ratten, Vanessa. (2011) have done an examination that a person’s entrepreneurial appropriation choices to utilize mobile banking for both business and social reasons. A theoretical model dependent on social psychological hypothesis is created to disclose a person’s inclination to receive mobile banking. The hypothetical system looks at how publicizing, experience, seen hazard, learning tendency, and entrepreneurial proclivity impact an individual’s intention to utilize mobile banking. This paper focuses on the function of monetary danger in deciding an individual’s intention to utilize mobile banking and whether their entrepreneurial nature is affected by their experience and promoting they are exposed to about the favorable circumstances or detriments of mobile banking. This paper integrates research on mechanical advancement with entrepreneurship and learning considers. The creator focuses on the significance for money related establishments to showcase the imaginativeness of mobile banking while tending to security concerns. The effect of an individual’s social environment through close to home contacts and colleagues supports social psychological hypothesis and assists with understanding the thought processes in an individual receiving mobile banking. The paper coordinates mobile banking writing with current thinking on the significance of entrepreneurship and learning impacts to how an individual embraces a mechanical advancement.

Bećirović et al. (2011) have summarized that the Mobile banking is a term utilized for performing account exchanges, payments, credit applications and other banking exchanges through a mobile gadget, for example, a mobile phone or Personal Digital Assistant (PDA). Mobile banking has encountered a quick development universally. As indicated by Telecom Trends International Inc., today there are 1.3 billion mobile phones on the globe which have risen in the previous 20 years, contrasted with the more than the 2.5 billion landlines worked in the course of the only remaining century. The quantities of mobile phones and PDA’s are required to be 4.1 billion by 2014, contrasted with 1.5 billion TV sets in overall use today. In accordance with this pattern, mobile banking appears to be the following huge pattern after miniature money that has assembled

90 million clients in 30 years. Because of this huge potential, we need to break down in this working paper how mobile banking can be utilized in encouraging monetary development, from one perspective, and mobilising assets for the utilization for financial development, for example through miniature budgetary organizations, then again.

Mobile Banking System in India

The Reserve Bank of India recently educated banks to support mobile banking. In up and coming days we will see more number of individuals getting snared to the simplicity of mobile banking. In modern times, mobile banking can be considered as help. Clients can move assets from your bank record to another bank account with a smartphone just with the assistance of the web, from anyplace to wherever utilizing mobile banking. It is possible for 24 hours and simple and convenient mode for many mobile clients in the provincial regions. Mobile Banking is supposed to be safer and hazard free than online Internet Banking. With the assistance of Mobile, Banking client can move assets, and take care of tabs, financial records balance, study your recent exchange, block your ATM card, and so on Mobile Banking is rewarding, and Banks offer this administration at less rate to the clients. Mobile banking can be utilized for a large portion of similar errands that you would execute at a bank branch or on your home personal computer. Furthermore, many banks give clients the capacity to store checks. The entirety of this is done through an application that is downloaded to your smartphone or tablet from your supplier's application store. The application makes route a lot of peaceful than if you were attempting to utilize web based banking through the program on your phone. Keen phones have been one of the most significant inventions in human history.

Presently a day's cash move has gotten so cool. The vast majority of the banks have given their own banking applications to cause their clients to feel great. With the assistance of these banking applications we can manage our bank accounts progressing. Indeed, even we can guarantee both free online exchanges for shopping and move add up to different records and view exchange history, and so forth Individuals trust these applications as they

accept they are created by the best mobile application development organizations India or the in-house groups of the banks. With the profitable development of mobile banking and in a hurry payments, people presently don't have to remain in unlimited lines to perform vital money related activities. Regardless of whether it's a financial exchange or financial records balance, you can generally allude to the instinctual, intuitive, and progressed banking applications out there. Mobile banking applications have made things simpler for incalculable individuals over the globe. Notwithstanding your area, you can execute the most significant monetary procedure in a hurry. Mobile banking lets clients to deal with banking exchanges all the more quickly and conveniently, which additionally has esteem.

Factors Contributing in the Entrepreneurship Development through Mobile Banking System Business Models Issues

Like the interoperability challenge, the business model issues must be tended to as they identify with clients procurement and ownership, salaries sharing and costs related issues. Mobile banking is something past offering admittance to the unbanked people of the overall population anyway incorporates making an incentive for all social affairs. Making a pragmatic mobile money model can be a many-sided wonder, especially in countries where there are multi frameworks, calling for participation from two particular regions, correspondence and banking, similarly concerning associations with assortment of players.

Government Policy and initiatives of Development Communities

The aching for financial consolidation of the as of now unbanked fragment of the general population and its methodical arrangement rules by various lawmaking bodies of making countries radiate an impression of being fundamental to mobile banking. In specific countries, governments have gained ground towards the use of mobile banking as arrangement rule. The exercises of non-managerial and worldwide advancement affiliations have supported the scattering of mobile payment in making countries. For example, the M-pesa system was made

by the Department for International Development (DFID) a UK based improvement affiliation that manages UK's manual for making countries. Along these lines, the GSMA advancement store and Gates establishment started the mobile money for the unbanked program which target people living underneath USD 2 consistently in Pakistan. The basic paisa got an honor of USD 6.5 million from Gates establishment. Regardless, the execution of mobile banks shifts depending upon who stands out, how consistent the budgetary organizations rule in the country is, and whether mobile are sent for addictive or groundbreaking banking.

High Penetration of Mobile Phones

The quick scattering of mobile telephones in agricultural countries gives a street to offer budgetary organizations to destitute individuals. A present report indicated that about 90% of people living in making countries have no entrance to cash related organizations from budgetary associations either for credit or saving.

Lack of basic needs for Banking/Economic Services

Like the interoperability challenge, the business model issues must be tended to as they identify with clients acquiring and ownership, earnings sharing and costs related issues. Mobile banking is some different option from offering admittance to the unbanked people of the overall population anyway incorporates making an incentive for all social occasions. Making an utilitarian mobile money model can be a complicated miracle, especially in countries where there are multi frameworks, calling for joint exertion from two remarkable spaces, correspondence and banking, similarly concerning associations with assortment of players.

Reach of Telecom Distribution Network

The immense arrangement of buyer contact focal points of Telcos can empower mobile banking. In most making countries, a colossal number of retail outlets spreading over the countries both in the formed and messy territories are supposed to be connected with the telecom segment. All of these outlets both stock and sell the physical resuscitates

vouchers or do stimulates by electronic trade of talk-time to endorsers. This compass by telecom outlets is much more broad than the incorporation achieved by formal monetary systems in these countries. Framework chairmen persistently endeavor attempts to expand their framework incorporation by concentrating on the common regions. Appropriately, giving banking/cash related organizations thereby may have a mind boggling limit as for budgetary thought and consequently present an open entryway for spearheading mobile banking. The requirement for extended efficiency and lower cost: Banks have experienced that the sending of advancement has cut down their overhead, thusly they have been encouraging buyers to use electronic channels, for instance, ATMS, mobile banking and web banking. Since opening bank workplaces incorporate immense enthusiasm for foundations, equipment, HR and security, mobile banking could be ideal in creating markets. This is so considering the way that mobile monetary use neighborhood resources, system, capacities and equipment. Mobile banking by uprightness of its partnership to different zones (for instance telecom, banking, and backing) is depended upon to watch arrangement of co-advancement tries from all providers. The ordinary advancement could open wide imaginative open entryways for media houses. It should be more affordable for cash related establishments to relate with their clients by methods for mobile telephones than conventional publicizing media, for instance, TV and papers.

Security of Transactions

One ordinary negative impact of mobile banking which was recognized by most of the mobile financial composing assessed is that of the security issues. Seen peril identifying with trademark weakness of advancement can be social, valuable, financial or physical. Regardless, if there ought to be an event of mobile banking, it is that of security of trades. Weakness about security and assurance could block purchasers from getting and using mobile telephones for budgetary trades. This could even be exacerbated by low level of guidance. This issue is fundamental in the creating business area economies where cybercrime-related real structure and implementation instruments are youthful.

Stiffer Competition among Banks

The requirement for banks to improve their extension and cost of conveyance given the way that the cost of branch assignments have been on the ascent required banks organizations to stop for development gadgets that could help improve their reach and reduce their cost of organizations transport. By pressing time, vanquishing land requirements, modifying association among senders and recipients and using important information, bank can see extended capability in movement, improved amplexness in fundamental administration and inventive business frames that would make high ground. In this manner, the gigantic amounts of mobile telephones allies in the making countries offer colossal open entryways for banks to associate with controllers zones. Similarly the high movement of metropolitan tele-thickness in these countries presents manages a record with engaging concentrations to replace the plastic money by mobile based credits/charges cards. In addition, bank things (being organizations) are fundamentally slippery and are dynamically sold with the help of PC frameworks crossing over the globe. Subsequently the overall frameworks give clients the general organizations. For example, the usage of credits cards while abroad.

Telecommunication Companies (Telco's) focus on Customers Retention and Revenue Growth

With the growing number of distant endorsers similarly as high metropolitan tele-thickness, the Average Revenues per User (ARPU) is on the rot. Truth is told, competition is provoking further weight on ARPUS. Given that by far most of the organizations zones have a couple mobile frameworks overseers with endorsers occasionally changing beginning with one provider then onto the following and authorities increasing beat rates, the framework managers consistently pay extraordinary psyche to new organizations. This is proposed to overhaul their earnings and improve their clients' support. Mobile money organizations transport has been recognized as a framework by some media transmission associations to chop down beat rate. This grows their client level of consistency. The idea is that in case mobile money is respected critical by an endorser by then the arrangement of such

organizations by the telecom director would cripple him/her from changing to different providers.

Discussion and Suggestions

This discovering recommends that the economies of making countries present colossal entrepreneurial mobile monetary possibilities. It furthermore recommends that if mobile banking is to be groundbreaking and is to achieve the overall objective of cash related joining, there may be necessities to address a segment of the troubles that are intrinsic in the structure. A couple of proposals thusly seek after:

1. Business model issues may require the thought of the top organization of the impressive number of accomplices in the mobile financial worth chain. Extraordinary redirect the chiefs and explicitly the leading group of retailers, is noteworthy for the budgetary consolidation of destitute individuals. Thusly, a strategy that sees and manages this as requirements are will undoubtedly win than others.
2. Lack of fundamental requirements for banking coming about due to low compensation, joblessness, money related lack of education seems, by all accounts, to be the guideline reason behind budgetary evasion. This may ought to be tended to by the council on a more broad stage by taking assessments, for instance, bracing of more modest scope cash part, commonplace work age, programs go for dejection helping, financial preparing and better centering of allocations.
3. Security of mobile monetary trades isn't the sole commitment of the provider of the mobile money organizations, anyway a joint effort of the impressive number of accomplices. These reach from the organization that set up laws to ensure implementation if there ought to emerge an event of breaks, to the dealers who make and amassed mobile progresses considering security, to the mobile money overseers who set up wellbeing endeavors to assuage the security perils, similarly as the purchasers who has the sole obligation of gatekeeper delicate information.
4. The current regulatory framework appears, apparently, to be questionable and restrictive. Along these lines, there may be a requirement

for the regulator to figure methodologies and decides that would help manufacture trust in the entire structure. For mobile banking to be groundbreaking, the mobile framework overseers have all the reserves of being in a circumstance to pass on money related organizations to the poor since they can use on current client base. Along these lines, any effort anticipated sustaining the positions of the framework heads as lead initiators may be the right way. In like manner, rule must be proportionate to the threats and points of interest.

Conclusion

The disclosures revealed that different facilitators and deterrents to entrepreneurial mobile banking are currently present in India. These include: government approach and effort of supplier workplaces; stiffer test among banks; media transmission center on clients' upkeep and pay development; reach of telecom frameworks; high invasion of mobile telephones; and requirement for extended viability and lower cost. On the hand, conservative and hazy rule; security issues; youthful systems; nonappearance of interoperability; strategy issues; and nonattendance of fundamental requirement for banking/cash related organizations were perceived to be the deterrents to spearheading mobile banking. Nonappearance of essential requirements for banking organizations rising up out of low compensation and joblessness was the standard reason behind budgetary denial. This ought to be tended to by the organization on a more broad stage by taking appraisals, for instance, strengthening of scaled down scale account part, nation work age and ventures for poverty helping, cash related guidance and better centering of sponsorships.

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