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IMPACT OF MOBILE BANKING SERVICE QUALITY ON CONTINUOUS USAGE INTENTION OF BANKING SERVICES AMONG THE CUSTOMERS IN CHENNAI CITY

CHIRANJEEVULU P. S.

Ph.D Research Scholar (PT)

PG & Research Department of Commerce

Dr.Ambedkar Govt. Arts College, (Autonomous)

(Affiliated to University of Madras)

Vysarpadi, Chennai-600 039

Dr. V. RAVICHANDRAN

Associate Professor & Head

PG & Research Department of Commerce

Dr. Ambedkar Govt. Arts College, (Autonomous)

(Affiliated to University of Madras)

Vysarpadi, Chennai-600 039

ABSTRACT

The banking industry has changed significantly due to the rapid growth of digital technologies and the increasing use of smartphones. This has led to the widespread use of mobile banking services. With mobile banking, customers can easily perform a variety of financial tasks, such as transferring money, paying bills, and managing their accounts, all through mobile apps. In this situation, the quality of mobile banking services is very important to how customers perceive them and whether they want to keep using them. The current study seeks to investigate the influence of mobile banking service quality on customers' intention to persist in utilizing banking services in Chennai City. The study utilized a descriptive research design and incorporated both primary and secondary data sources. The primary data were gathered from 391 banking customers in Chennai City who used mobile banking services via a structured questionnaire. We used statistical tools such as the one-sample t-test and regression analysis to analyze the data we collected. The study's results showed that customers have a very good opinion of the quality of mobile banking services. The results also showed that the quality of mobile banking services has a strong positive effect on customers' intentions to continue using these services. The study shows that mobile banking apps need to be reliable, safe, responsive, and easy to use in order to keep customers using digital banking services. The study's findings offer significant insights for banks and financial institutions to improve the quality of mobile banking services, thereby enhancing customer satisfaction and promoting continued usage.

KEYWORDS: Mobile Banking, Service Quality, Continuous Usage Intention, Customer Perception, Digital Banking Services, Chennai City.

INTRODUCTION

The rapid growth of digital technology and the rise of smartphones have transformed the banking industry in India, making mobile banking services very popular. Customers can complete many financial transactions through mobile apps without going to the bank, such as transferring money, paying bills, checking balances, and managing accounts. More and more people in India are using smartphones that can connect to the internet, and the government's efforts to make digital banking available to everyone have sped up the adoption of mobile banking. Because of this, mobile banking has become an important way for banks to offer customers quick, easy, and affordable services in the digital age. (Basu, 2024; Agrawal, 2025).

The success of mobile banking services, however, depends not only on how many people start using them but also on how many continue to use them, indicating that they are willing to use them regularly. Many factors affect someone's intention to keep using a service, such as how useful they find it, how much they trust it, how satisfied they are, and, especially, how good the mobile banking services banks offer are. Service quality in mobile banking means how reliable, safe, responsive, efficient, and user-friendly mobile banking apps are. These factors affect how customers feel about digital banking services overall. Research indicates that superior service quality increases customer satisfaction and motivates clients to persist in utilizing mobile banking services for their financial transactions. (Nguyen & Dao, 2024).

Recent Indian studies indicate that service quality dimensions, including security, convenience, usability, and transaction efficiency, profoundly affect customer satisfaction and loyalty regarding mobile banking services. For example, a study of Indian banking customers found that security, convenience, and ease of use are all very important for keeping customers happy and using mobile banking services. (Agrawal, 2025). Furthermore, digitalization in the Indian banking sector has heightened customer expectations for reliable, secure mobile banking platforms, making service quality a key determinant of long-term usage behavior (Sharma & Kaur, 2023). In cities like Chennai, where many people use smartphones and are digitally literate, it is becoming increasingly important to understand how the quality of mobile banking services affects customers' willingness to keep using them. Consequently, this study seeks to analyse the influence of mobile banking service quality on customers' intention to persist in using banking services, offering significant insights for banks to improve digital service delivery and bolster enduring customer engagement.

REVIEW OF LITERATURE

Srujana and Kumari (2026) found that factors such as usability, reliability, security assurance, responsiveness of customer support, and digital literacy significantly influence customers' satisfaction with digital banking services. The study found that improved service quality and technological convenience encourage customers to continue using digital banking services.

Mahalakshmi & Vishveshvar (2026) showed that convenience, security, transaction speed, accessibility, and ease of use significantly influence customers' perception of digital banking services. The study concluded that high digital service quality and user-friendly mobile applications positively influence customer satisfaction and continuance intention toward digital banking services.

Agrawal et al. (2025) indicated that security, awareness, convenience, transaction time, ease of use, and self-efficacy significantly influence customers' satisfaction with mobile banking services. The study highlighted that improved service quality dimensions encourage customers to use mobile banking platforms repeatedly.

Ali et al. (2025) identified that system reliability, login efficiency, transaction security, and customer service responsiveness are key determinants of service quality perception. The study also reported that service failures, such as application errors, slow

response times, and login problems, negatively affect users' intention to continue using mobile banking applications.

Basavaraju et al. (2024) revealed that reliability, responsiveness, security, and convenience significantly influence customer satisfaction with digital banking services. The study emphasized that higher service quality strengthens customers' trust and continued usage of digital banking platforms.

Pokhrel and K.C. (2024) found that service quality significantly influences continuance usage intention, and customer satisfaction acts as a mediating factor between service quality and customers' intention to continue using mobile banking services.

Sangeetha (2023) studied millennials' perception toward digital banking adoption in India and found that performance expectancy, effort expectancy, social influence, facilitating conditions, trust, and security significantly influence customers' behavioural intention toward digital banking services. The study concluded that security and trust remain crucial factors in sustaining customers' usage of digital banking platforms.

Shankar et al. (2021) investigated interactivity in mobile banking applications among Indian bank customers and reported that application interactivity, perceived security, and user innovativeness significantly influence consumer engagement with these applications. The study highlighted that enhanced digital interaction features improve user experience and encourage continued use.

Kumar et al. (2020) found that perceived usefulness, perceived ease of use, trust, compatibility, and perceived risk significantly influence customers' behavioural intention to use mobile banking services. The findings emphasized that technological and psychological factors jointly shape mobile banking adoption behaviour.

Shankar et al. (2020) explored the dimensions of mobile banking service quality and identified several key factors, including privacy, security, system efficiency, reliability, responsiveness, and information quality. The study concluded that these service quality dimensions play a critical role in shaping customers' satisfaction and perception of mobile banking services.

Murugeswari et al. (2018) examined customer perceptions of digital banking services in India and reported that reliability, accessibility, convenience, and service efficiency significantly influence customers' perceptions of digital banking service quality. The study emphasized that improving these dimensions can enhance customer satisfaction and usage of digital banking services.

Singh and Srivastava (2018) investigated the factors influencing the adoption of mobile banking services in India. The study found that perceived ease of use, security, trust, financial cost, and technological self-efficacy significantly affect customers' intention to adopt mobile banking services. The research highlighted the importance of building trust and security to promote mobile banking adoption.

PROBLEM OF THE STUDY

In India, the banking industry has changed significantly in the last few years due to the rapid growth of digital technology and the rise of smartphones. This has led to the widespread use of mobile banking services. Customers can easily transfer money, pay bills, check their balance, and manage their accounts through mobile apps without visiting a bank branch. Many banks have launched advanced mobile banking platforms to make things easier for customers and encourage them to use digital banking services. However, the success of these services depends more on customers using them regularly than on signing up. However, many quality issues with mobile banking services can make the overall experience less enjoyable. These problems include system reliability, security concerns, application errors, transaction failures, slow processing, and poor customer support. These service problems could make customers less happy and less trusting, which could make them less likely to use

mobile banking regularly. Customers' expectations for digital banking services have also risen a lot. They want mobile banking apps that are safe, dependable, and easy to use, and that make transactions go smoothly. In cities like Chennai, where many people use smartphones and are familiar with technology, banks need to understand what keeps people using mobile banking services. Although mobile banking is becoming more important in Indian banks, few studies have examined how the quality of mobile banking services affects customers' intentions to continue using mobile banking in Chennai City. Consequently, this study investigates the influence of mobile banking service quality on customers' intentions to persist in utilizing banking services in Chennai City.

OBJECTIVES OF THE STUDY

- To examine customers' perceptions of mobile banking service quality among banking customers in Chennai City.
- To analyze the impact of mobile banking service quality on the continuous usage intention of banking services among customers in Chennai City.

HYPOTHESIS OF THE STUDY

- **H₁:** There is a significant positive perception of mobile banking service quality among banking customers in Chennai City.
- **H₂:** Mobile banking service quality has a significant positive impact on customers' intention to continue using banking services in Chennai City.

RESEARCH METHODOLOGY

The present study aims to assess the impact of mobile banking service quality on customers' intention to continue using banking services in Chennai City. The study aims to examine customers' perceptions of mobile banking service quality and analyze how these perceptions influence their intention to continue using mobile banking services. To achieve the objectives of the study, a descriptive research design has been adopted, as it helps describe and analyze customers' behavior and perceptions toward mobile banking services in the study region. The study is based on both primary and secondary sources of data. The primary data were collected directly from respondents via a structured questionnaire that included questions on mobile banking service quality and continuous usage intention. The questionnaire was designed using a five-point Likert scale, ranging from strongly disagree to strongly agree, to measure respondents' perceptions of the selected variables. The secondary data required for the study were collected from various sources, including books, journals, research articles, reports, websites, and other published and unpublished documents related to mobile and digital banking services. For the study, the respondents were selected from bank customers who use mobile banking services in Chennai City. A total of 391 samples were considered for the study. The data were collected using the convenience sampling method, which allows the researcher to recruit readily available respondents who use mobile banking services. The collected data were systematically organized, classified, and analyzed using appropriate statistical tools, such as percentage analysis, mean score analysis, correlation analysis, and regression analysis, to examine the relationship between mobile banking service quality and respondents' continuous usage intention. The results of the analysis provide meaningful insights into customers' perception and behavior toward mobile banking services in the study area.

RESULTS AND DISCUSSION

Table 1
Demographic Profile of Customers

Demographic Variable	Category	Frequency	Percentage (%)
Gender	Male	212	54.2
	Female	179	45.8
	Total	391	100

Age Group	Below 25 Years	78	19.9
	25 – 35 Years	146	37.3
	36 – 45 Years	92	23.5
	46 – 55 Years	51	13
	Above 55 Years	24	6.1
	Total	391	100
Marital Status	Married	227	58.1
	Unmarried	164	41.9
	Total	391	100
Educational Qualification	School Level	52	13.3
	Undergraduate	148	37.9
	Postgraduate	129	33
	Professional Degree	62	15.8
	Total	391	100
Occupation	Government Employee	72	18.4
	Private Employee	163	41.7
	Business	68	17.4
	Student	56	14.3
	Others	32	8.2
	Total	391	100
Monthly Income	Up to ₹50,000	168	43
	₹50,001 – ₹75,000	104	26.6
	₹75,001 – ₹1,00,000	71	18.2
	Above ₹1,00,000	48	12.2
	Total	391	100

Table 1 presents the demographic profile of the 391 banking customers included in the study. The results indicate that male respondents (54.2%) slightly outnumber female respondents (45.8%). The majority of respondents belong to the 25–35-year age group (37.3%), followed by those aged 36–45 years (23.5%), indicating that most participants are young and middle-aged. In terms of marital status, a higher proportion of respondents are married (58.1%) than unmarried (41.9%). Regarding educational qualification, most respondents possess higher education, with undergraduate degree holders (37.9%) and postgraduates (33%) forming the majority. By occupation, private employees constitute the largest group (41.7%), followed by government employees (18.4%) and business people (17.4%). Finally, the income distribution shows that most respondents earn up to ₹50,000 per month (43%), followed by those earning ₹50,001–₹75,000 (26.6%). Overall, the profile suggests that the respondents are largely young, educated, and employed individuals, who are more likely to adopt and use mobile banking services.

H₁: There is a significant level of positive customer perception of mobile banking service quality among banking customers in Chennai City.

To test the above hypothesis, the study used a one-sample t-test, and the results are presented in the following Table 2.

Table 2
Results of One-Sample t-test for Customer Perception of Mobile Banking Service Quality

Variables	N	Mean	SD	t-value	p-value	Result
Mobile Banking Service Quality	391	3.87	0.640	25.860	<0.001**	Significant

Decision: Hypothesis supported @ 1% level

Table 2 presents the results of the one-sample t-test conducted to examine the level of positive customer perception toward mobile banking service quality among banking customers in Chennai City. The results indicate that the mean mobile banking service quality is 3.87, which exceeds the test value of 3.00, suggesting that respondents have a relatively high and positive perception of the quality of mobile banking services offered by banks. The calculated t-value of 25.860 is statistically significant, with a p-value of less than 0.001, indicating significance at the 1 percent level. This result clearly indicates that customers' perception of mobile banking service quality is significantly positive among banking customers in the study area. Hence, the proposed hypothesis is strongly supported and confirms a positive, significant level of customer perception of mobile banking service quality among banking customers in Chennai City.

H₂: Mobile banking service quality has a significant positive impact on customers' intention to continue using banking services in Chennai City.

To test the above hypothesis, the study used regression analysis, and the results are presented in Table 3.

Table 3

Results of Regression Analysis of Mobile banking service quality impact on customers' continuous usage intention for banking services in Chennai City

Independent Variable	Dependent Variable	Beta (β)	R ²	t-value	p-value	Result
Mobile Banking Service Quality	Continuous Usage Intention	0.621	0.386	15.72	<0.001**	Significant

Decision: Hypothesis supported @ 1% level

Table 3 presents the results of the regression analysis examining the impact of mobile banking service quality on customers' intention to continue using banking services in Chennai City. The results indicate that mobile banking service quality has a positive standardized beta coefficient ($\beta = 0.621$), indicating that it strongly influences customers' intention to continue using mobile banking services. The R² value of 0.386 reveals that 38.6 percent of the variation in customers' continuous usage intention is explained by mobile banking service quality. The calculated t-value of 15.72 is statistically significant, with a p-value of less than 0.001, indicating significance at the 1 percent level. This clearly indicates that mobile banking service quality significantly influences customers' intention to continue using banking services. Hence, the proposed hypothesis was supported, confirming that mobile banking service quality has a significant positive impact on customers' intention to continue using banking services in Chennai City.

DISCUSSIONS

The findings of the present study provide important insights into customers' perceptions of mobile banking service quality and its influence on their intention to continue using banking services in Chennai City. The results of the one-sample t-test reveal that banking customers exhibit a significantly positive perception of mobile banking service quality. The mean value obtained in the analysis indicates that respondents generally perceive mobile banking services as reliable, convenient, and efficient in performing various financial transactions. This positive perception may be attributed to the increasing digitalization of banking services in India, the widespread availability of smartphones, and the growing familiarity of customers with mobile banking applications. In recent years, banks have introduced several technological advancements, such as secure authentication systems, user-friendly interfaces, and real-time transaction facilities, which have enhanced customers' confidence in mobile banking platforms. Similar findings were reported by Singh and Srivastava (2018), who found that perceived ease of use and security significantly influence

customers' positive perception and adoption of mobile banking services in India. Likewise, Shankar et al. (2020) emphasized that mobile banking service quality dimensions such as reliability, responsiveness, security, and system efficiency play a crucial role in shaping customers' perception and satisfaction toward digital banking services.

The study further examined the impact of mobile banking service quality on customers' intention to continue using the service using regression analysis. The results indicate that mobile banking service quality has a significant and positive influence on customers' intention to continue using mobile banking services. The positive beta coefficient obtained in the analysis suggests that improvements in service quality significantly increase customers' consistent willingness to use mobile banking services for their financial transactions. This finding implies that when customers perceive mobile banking applications as secure, reliable, responsive, and easy to use, they are more likely to develop trust and satisfaction toward the service, which ultimately strengthens their intention to continue using it. The results of the study are consistent with those of Kumar et al. (2020), who reported that perceived usefulness, trust, and service efficiency significantly influence the intention to continue using mobile banking services among Indian banking customers. Similarly, Pokhrel and K.C. (2024) found that mobile banking service quality significantly influences customers' continuance intention, with customer satisfaction acting as an important mediating factor between service quality and continued usage behavior.

Overall, the findings of the study confirm that service quality plays a crucial role in determining customers' perceptions and their intention to continue using mobile banking services. As mobile banking has become an integral part of modern banking systems, improving service quality features such as security, reliability, application speed, and customer support is essential for strengthening customer satisfaction and encouraging long-term usage of mobile banking services. These findings have valuable implications for banks and financial institutions to focus on enhancing the quality of their mobile banking platforms to retain customers and promote sustained digital banking adoption in urban regions such as Chennai City.

CONCLUSION

The present study examined the impact of mobile banking service quality on customers' intention to continue using banking services in Chennai City. The findings of the study reveal that banking customers possess a significantly positive perception of mobile banking service quality. The results indicate that customers generally perceive mobile banking services as convenient, reliable, and efficient for a range of financial transactions. The increasing penetration of smartphones, improved internet connectivity, and banks' digital transformation initiatives have contributed to the growing acceptance of mobile banking services among customers in the study region. Further, the study confirmed that mobile banking service quality has a significant positive impact on customers' intention to continue using banking services. The regression results indicate that improved service quality, as measured by reliability, security, responsiveness, and ease of use, significantly encourages customers to continue using mobile banking applications. When customers perceive mobile banking platforms as safe, efficient, and user-friendly, they are more likely to develop trust and satisfaction with the service, which ultimately strengthens their intention to use mobile banking repeatedly for transactions. Overall, the study highlights the importance of maintaining high service quality standards in mobile banking platforms to enhance customer satisfaction and long-term usage. Banks should therefore focus on improving technological reliability, strengthening security measures, and providing efficient customer support in order to enhance the overall mobile banking experience. By continuously improving mobile banking service quality, banks can strengthen customer relationships, increase digital banking adoption, and ensure sustained mobile banking usage among customers in Chennai City.

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