

**A. A. Shaikh & H. Karjaluoto, *Marketing and Mobile Financial Services: A Global Perspective on Digital Banking Consumer Behavior (Routledge Studies in Marketing)*, 2019, Routledge Publications-Taylor and Francis Group, 314 pp., ₹ 9693. ISBN: 9781351174466.**

The book under review interestingly throws light on the evolution, growth and future of mobile financial services (MFS). The book is designed to offer a unified perspective on the systems of mobile banking and payments as well as branchless banking. MFS have been an interest area of researchers and practitioners as though these systems appear as interrelated and interconnected there is a noticeable difference in their business models, regulatory frameworks and target market. The book under study adapts a comprehensive approach in promoting understanding of customer actions in e-banking. It also highlights the significant role played by the non-banking actors such as fintech firms, telecom, Amazon and PayPal in developing and deploying innovative financial and payment services. The first few pages of the book include half title, series page, title, copyright and acknowledgements. The content of the book is covered in three parts: Part I: Mobile financial services comprises three chapters, Part II: Mobile banking and payment services comprises seven chapters and Part III: Branchless banking services comprises three chapters and the index.

Part I 'Mobile financial services (MFS)' examines the introduction and growth of the mobile banking services. Chapter 1—'Introduction, definition and conceptualization'—begins with an explanation of the factors that have led to a momentous shift in the delivery of financial services in terms of recent innovations in mobile fintech and MFS. The chapter explores three critical research questions, namely meaning of MFS and its conceptualisation in the marketing and Information technology literature, segregation of MFS into mobile banking, payments and mobile money and the differentiation in the types of MFS.

This chapter addresses the fact that conventional model of mortar and brick banking has been replaced by this rapidly converging financial landscape. With a brief history of digital banking, the authors state that developments in digital banking started in 1960, received momentum in late 1980s and reached climax in 1990. In 2000, portable and wearable devices brought revolution in consumer mindset and lifestyle owing to massive social and economic impact. Finally, the authors quote the role of global advancements in developing mobile-based

innovative solution in the area of retail mobile financial banking services to varied cadre of population.

In a very lucid manner, the authors draw attention towards the significant role played by the retail banking sector in the Indian economy. The chapter offers an overview of bank-customer relationship and states how mobile devices contribute towards expansion of business portfolio by offering pure mobility to consumption of digital services. Pictorial presentation of a beautiful landscape of retail MFS and how these services are segregated into different types contribute towards retaining the attention of the reader. Significance of mobility is stressed upon by the authors as it offers higher degree of independence in terms of space and time with the usage of mobile devices in the banking and payment processes. This chapter also explains the major types of MFS, the varied benefits offered and emphasises the role of mobile banking as a powerful customer relationship management tool to build loyalty and mutually rewarding relationships with customers. At the end of the chapter, the authors conclude stating that mobile banking applications are gaining popularity in the emerging and developing countries. Mobile banking and payments are also expected to augment customer interactions with the delivery channels available in the digital retail banking sector.

In Chapter 2—‘Engaging non-active consumers to use mobile financial services: A developed country perspective’—the authors try to identify the factors that influence the usage of mobile services from the point of view of actual and continued usage of service. The main purpose of this chapter is to promote continued usage of MFS for enabling the non-active consumers to start use of and indulge in continuous usage of the MFS. The authors provide a novel insight into the factors that either encourage or deter the usage of latest MFS. In a very lucid manner, the authors explain that value addition and usefulness are the most important factors justifying the need for mobile banking services and thus develop a comprehensive understanding concerning the usage of MFS. Easy to use, secured, flawless functioning, tailored to cater to the need of diverse customer segments are some other factors influencing the usage. Finally, the authors emphasise that social aspects are equally important as they exert a strong influence on the use as well as continued use of the service. The present chapter also draws attention of the readers towards factors contributing to non-acceptance of new MFS and states the measures to overcome these issues. The chapter concludes by suggesting ways and means to engage the non-active consumers to use MFS.

Chapter 3—‘How emotions are considered crucial on an omnichannel banking environment in gaining customer loyalty’—endeavours to address the role of emotions in an omnichannel environment and how crucial it is to gain customer loyalty in retail banking in the era of digital transformation. The authors point out clear connections among positive and negative emotions, omnichannel experiences and loyalty. Banks should focus on providing high technology and high human touch for a successful digital transformation and aim at satisfying the customers with their service, as satisfaction leads to loyalty and emotionally involved customers are more loyal. The authors also stress on offering consistent, uniform and integrated experience to the customers in an omnichannel environment.

Adverse effect of shift to online banking is a weak emotional relationship between customer and bank. However, this can be overcome by engaging the customer in the service process for value formation and co-creation. The authors draw attention towards requirement of customer-focused leadership with non-existence of silo mentality regarding channel. An understanding of managerial mindset, systematically overestimated levels and key drivers of customer satisfaction is needed for gaining customer loyalty. The authors conclude this chapter by emphasising on the need for a true integration of all channels reflecting an omnichannel behaviour wherein customer emotions are not neglected and this is regarded as key to customer loyalty. Finally the authors emphasise on the need for the banks to develop customer dominant logic mindset to ensure that emotions are involved in customer interactions.

Part II 'Mobile banking and payment services' examines the overall digitalisation of business and resulting digital service provisions. Chapter 4—'The development of mobile banking services in a large Finnish financial organization'—opens by pointing out that online banking service provisions have paved the way for the new techniques of interacting with the clientele. Online banking services grew steadily and peaked around 2010 when m-banking services were rolled out. The authors point out towards the fact that digitalisation is portrayed as one of the major megatrends of present time. In fact, digitalisation is viewed as an opportunity to improve customer experience, create new business and streamline current processes.

The authors state that with an increase in the number of smartphone users, m-banking has become the fastest growing digital banking channel worldwide. Time and cost saving, ease of access and increased demand especially among younger generations constitute the driving force behind increased m-banking usage. The authors talk about various innovations such as incremental process innovation meant for boosting productivity and driving down costs, innovation to improve efficacy and quality and finally emphasis on radical service innovation. Finally, the authors conclude the chapter by suggesting various implications of digitalisation.

Chapter 5—'Factors influencing mobile banking continuous use in Sub Sahara Africa—A study of mobile banking users in Nigeria'—the authors consider the impact of voluptuous features in the app and its influence on the continuous usage particularly in the African emerging markets. Direct impact of regulatory framework on the competitiveness among service providers undermines continuous use of mobile banking. The authors highlight the direct positive effect of social influence on continuous intention. However continuous intention is further asserted by age as it constructively balances the existing relation between continuous usage and societal influence. The authors state that sustained use of m-banking is subject to a supportive environment. In the case of a developing country, factors such as interrupted power supply, shortage of a suitable policy framework for driving the internet penetration and mobile telecom are detrimental to the sustainable use of m-banking. The authors emphasise on promotion of power supply, affordable and reliable internet access, updation on m-banking applications by the service providers. The chapter also stresses on use of personal

communication, educative programs, harnessing the social media power by forwarding virtual community forums to enkindle significant discussion around various applications of m-banking and its sustenance and utility.

In transitioning to the next chapter, the authors state that influence of society, supportive conditions and privacy concerns of users are significant factors facilitating the continuous usage whereas right infrastructure, awareness, positive word of mouth, increased security features can sustain and enhance usage of m-banking. An important finding of this chapter states that performance and export prospect, societal influence and facilitating impact of the fundamental construct are controlled by demographic factors. This chapter also explains the wanted/unwanted, direct/indirect and expected/unexpected consequences of the adoption and usage of mobile payments.

Chapter 6—‘Mobile Payments where does it come from and what does it lead to’—begins with an introduction of mobile payments and emphasises on the need for research on behavioural outcome of new mobile payment technologies. The authors explain their viewpoint on the basis of Everett Rogers in 2003 theory of innovation diffusion. The theory has been criticised for being too simplistic and is augmented with theory on planned behaviour. This chapter can be summarised as a qualitative, exploratory and multiple case study focusing on a social system of a flea market, which is considered as a natural laboratory wherein researchers can observe and theorise market and consumer processes. The mothers were of the opinion that mobile pay and reshopper offered ease to them for shopping second hand goods for their children and mobile payments entail a number of opportunities leading to improved trust in some instances; however, these opportunities turned out to be risky in some other instances.

Here the authors also present an overview of history of mobile payments beginning from card payments to ATMs and then extending to several relatively successful mobile payment systems such as American PayPal and M-pesa and new mobile payment systems from Apple, Samsung and Google. The study was conducted in the flea market.

In this chapter, the authors also discuss the importance of references by family and friends (evaluations, comments and suggestions) and public sources, social media such as blogs forerunners seem to adopt a tutoring role in encouraging the adoption of new applications. Utility and value of mobile services are critical factors in deciding whether or not to utilise a new app. Users usually rely on services offered by a bank or another well-known and trustworthy provider of services. Trust plays a significant role in enhancing reliability that was one of the major finding in this chapter. In many cases, security and infrastructural issues, service dysfunction, technical problems and uncertainty created a lot of confusion for the users of mobile services.

The authors conclude stating that development of future MFS includes three phases, namely pre-usage phase in which there is a need to take care of uncomfortable or insecure customers, actual usage phase wherein there is a need to cater the needs of heterogeneous customers, tailoring the user interface to cater the needs of different customers and continued usage phase encouraged by other user experiences, recommendations and comments. In this chapter, authors try to

persuade non-active MFS users to start using the system and to keep using it. An attempt has been made to reveal underlying attitude, experience and future expectations of the non-active customers.

Chapter 7—‘Drivers of continuous usage: a consumer perspective on mobile payment service ecosystems’—states that there are lack of studies that go beyond adoption and explain the behavioural effects of mobile tech adoption. The present chapter examines the behavioural consequences, mobile payment has to its users, as a qualitative, explorative and multiple case study. The focus is on one social system that takes advantage of mobile payments in a specific context, subject to the study of women shopping in the flea market, mostly for their children. Data were collected through semi-structured interviews and self-ethnography. The authors point out towards the relevance of flea market as a wild market for observation and theorising market and consumer processes as forms of direct marketing and consumption. Finally, the chapter concludes by highlighting the significance of digital money in promoting self-disciplined buying, enhancement of trust and increase in second hand shopping and a negative outcome of mobile payments in the form of loss of financial overview and control.

In Chapter 8—‘Stand alone retail owners’ preference on using mobile payment at the point of sales (POS)’—the authors state that Africa has witnessed growth of mobile payment innovation to stimulate financial inclusion. The study focuses on standalone retailer preference on the acceptance of mobile payments in Tanzania and attempts to answer questions pertaining to ‘What factors influence standalone retailers on using mobile devices at the point of sales?’ The findings in the chapter state that emergence of cybercrime has limited the growth of mobile payment, and the Tanzanian market has been rendered competitive by seven communication service providers. The current study covers the gap of knowledge on understanding the acceptance on mobile payment usage with an emphasis on convenience store owners in Tanzania. Literature shows that in Africa, mobile payment at the point of purchase is very low. Factors such as nativity, security, ease of use, availability, convenience and intentions to use and complexity of technology play a great role in understanding the factors that enhance preference on using mobile payment at the POS.

Findings of this chapter state that perceived trust and social influence act as motivators to influence the consumers to use mobile payment whereas other factors such as cost, mobility, trust and usefulness also were significant in this regard. The authors emphasise that power outage, network failure and limited number of ePOS machines limit the usage of POS tools. This empirical study makes use of one dependent and six independent variables. The variables used were knowledge on the usage of mobile payment, informative education, and intention to use, convenience, usability, cost and privacy. The authors stress on the fact that more informative education is needed for convenient shop owners to accept mobile payment at POS (regarding how to use and access the services at registered stores). The finding that cost is not a significant factor in influencing the use of mobile payment by the shop owners is contradictory to the previous studies. Convenience emerged as one of the significant factors that influences the usage of mobile payment by retailers in Tanzania. Future studies are proposed to

make use of choice and diffusion of innovation theories to understand consumer preference on the emergence of these new technologies.

Chapter 9—‘The emergence of Indian mobile payments market: An institutional perspective’—focuses on market creation as well as change and addresses two prominent streams of research in this domain, namely firm-driven process and consumer-driven process. The authors rationalise on the role of contradiction and collaboration between banking and telecom companies in the emergence of mobile payments in India. This chapter also elaborates the institutional work performed by macro (firms, regulators) and micro (retailers, end consumers) elements/entities and states that several public and private sector banks such as SBI, HDFC and ICICI have launched their mobile payment services with different telecom operators.

The authors highlight the role of institutional work in perpetuation as well as changes in the existing field. The authors elucidate the meaning of institutional logics and its role in bringing about institutional and field change. Data concerning mutual fund and health care industry were collected through newspaper reports. The journey of mobile payment evolution in India is studied in four phases, namely the emergence of mobile banking and payments (1998–2003), formation of specialised mobile payment companies (2004–2010), growth of mobile payment companies (2011–2014) and formation of payment banks (2015 till present). In the initial years, it was a collaborative effort of telecom companies and banks but later on, the emphasis shifted on the telecom companies wherein coverage and convenience were two main components of the payment system.

This chapter also draws attention towards the proactive role of Government of India in the creation and regulation of mobile payments in India. The role of RBI legislations is worth mentioning in increasing the banking coverage and ensuring the security of financial transactions. Digital India policy and telecom regulatory authority of India, 2016 TRAI, simplified the rules and regulations to facilitate the mobile payment systems in the country. The mobile payment firms educated the consumers and were successful in positioning their product. The use of mobile payments as a convenient option and youthful lifestyle indicator effectively captured the psyche of the changing Indian consumer who wanted to emulate a fashionable and modern lifestyle. The chapter depicts a pictorial presentation of growth in the number of mobile users and mobile banking transactions over years stating that preponderance of young population has led to faster adoption of mobile payments. The authors also emphasise that market creation should not be seen as firm driven or consumer driven but as an interactive process of co-creation. Finally, the chapter concludes stating that collaborative institutional work by retailers played a significant role in the creation of mobile payments market.

In Chapter 10—‘Institutional logics as inhibitors or levers? The case of mobile payments in Finland’—the authors begin by stating that digital communication technologies most commonly referred as disruptive technologies have changed the way people communicate. Digitalisation is revolutionalising the creation of value in customer interactions. Organisations need to be more attentive to, and receptive to emerging opportunities, as well as be able to react flexibly to changing circumstances. The authors also throw light on the impact of institutional

considerations on the development of innovative payment services and build up an understanding on the uptake of new digital service innovations in the financial industry, including consumers, businesses, and retail banks.

The objective of this chapter was to identify the key institutional hurdles in establishing digitalised client interactions, as well as to understand the challenges that a newly founded business faces when launching a mobile payment service, using one case study as an example. The findings reveal that in a highly institutionalised payment context, institutional elements (normative, cultural cognitive and regulative) influence the acquisition of innovations in the area of digital service. Consumer behaviour and bank dominance are identified as cultural cognitive variables impacting innovations in payment service, as are security, banking industry cooperation, lack of skills and technical lock-in as normative elements.

Part III 'Branchless banking services' Chapter 11—'Branchless banking and financial inclusion: Agents as facilitators of financial access'—begins with an introduction to financial inclusion as a means to serve the disadvantaged and low-income segments of an economy. The authors emphasise on the role of financial inclusion as a powerful tool for strong and inclusive growth thereby leading to growth in GDP through increased productivity. The authors point out towards initiative of universal financial access (UFA) and agency banking. The chapter also examines the critical role of agents in the financial service ecosystem and agency banking models for financial inclusion. In a very lucid manner, the authors explain the role and benefits of agency banking in bridging the access gap to formal financial services. The chapter throws light on banking opportunities and challenges along with an emphasis on the relevance of understanding consumer behaviour from the perspective of agent banking. Role of agency banking as a tool for financial inclusion and changing consumer behaviour towards driving financial inclusion is also highlighted from a theoretical perspective. The chapter further highlights the need for the financial service providers to identify, understand and leverage the collaborative efforts of ecosystem participants towards efficient deployment of agency banking in promoting access to financial service.

Chapter 12—'How is the use of mobile services transferring lives in Ghana'—the authors focus on the emergence of mobile money as a revolutionary phenomenon in the developing world. There is a need for the financial institutions to better understand changing consumer behaviour and the elements that influence their decision to continue using a particular banking channel, such as MM (mobile money). The chapter throws light on the existence and usage of branchless banking systems in Ghana. This chapter provides an understanding of the African consumer mobile money financial industry, with a focus on the role of service agents in Ghana. The chapter seeks to answer the question concerning the influence of reliability and service quality of mobile money agents on consumer engagement and continued use of mobile money services. The findings, in the context of m-banking, state that credibility is of utmost importance. Further investigation reveals that the quality of mobile money agent service has a substantial impact on the affection, and cognitive process of consumer involvement along with trust in mobile money services. Customer involvement, according to

the authors, is a critical link to continued use of mobile money services. Mobile banking services are distinct in the sense that they operate on a separate business model that allows approved agents to provide financial services to underserved population.

In Chapter 13—‘Mobile financial services: Conclusion’—the authors summate the findings of all the previous chapters by juxtaposing a rapid diffusion of mobile devices across different regions and their extensive usage for information, communication and payment. The authors also discuss how the immense diffusion of the mobile technology and usage has inspired a huge digital migration from traditional to digital channels and on the other hand created a lucrative business proposition for the banking and other sub-sectors of the economy.

This edited volume provides an insight into the enormous benefits of MFS to the customers, financial institutions, fintech, and other service providers, the fast-evolving field of MFS contributes to the well-being of society, particularly in established and emerging markets.

The book under study maintains a strong focus on all three major MFS domains throughout the 12 chapters. This book will be beneficial for academicians who are investigating and teaching as well as for the professionals in the financial industry. The contributions in this edited volume endorse two major domains, namely mobile banking and mobile payments and mobile money or branchless banking. Pictorial presentation and segregation of various significant topics contribute towards enhanced understanding of the concept in an interesting manner. Table summarisation of research questions is addressed in the edited volume. The authors are of the view point that digital and mobile banking have tarnished human interaction, casting doubt on the justification for increasing customer experience.

The flipside is that digital and m-banking services have diluted the human interaction, which challenges the rationale of improving customer experience. MFS are required to be simple to use, work seamlessly, and be adaptable to different client segments and their various needs. As the service is so closely linked to users’ money and privacy, the security concerns are highly prioritised. To sum up, the development of MFS brings about fast changes in the consumer behaviour and attitude towards more convenient and always available services. The digital customer acquisition and providing low friction customer experience have become a daunting task for banks and other service providers globally. Each segment of consumers occupies a distinct position revenue probability and a different set of customer relationship. Understanding the core factors that influence the customer behaviour and attitude is key to the successful implementation of marketing and business strategy.

Overall, the book is analytical, comprehensive, informative and explanatory to read with great care. The chapters in the book are well written, and thorough research has been done on the subject under study. Extensive references have been provided at the end of each chapter. However, the book fails to highlight the comprehensive vision on the prospects of MFS in the future digital scenario. The focus of the book review is much detailed and comprehensive except the fact that

the authors fail to provide required attention to the latest digital innovations in the area of MFS. Lack of sufficient empirical findings for depiction of the challenges faced for promoting the adoption and usage of MFS, lack of appropriate and elaborative examples and repetition of some concepts are some other limitations of the book.

To a great extent, the book offers food for thought and offers directions for further research. The findings in the book will serve as a valuable resource not only to academicians and researchers in financial and digital marketing but also to regulators, policy makers, bank executives, fintech professionals and others interested in the intersectional working of mobile technology, social media and financial services. The authors make a sincere and valuable contribution towards formulating a cohesive framework to deal with the disruptive technological innovations.

**Sukhjeet Kaur Matharu**

*Prestige Institute of Management and Research  
Indore, Madhya Pradesh, India  
E-mail: [sukhjeet\\_matharu@pimrindore.ac.in](mailto:sukhjeet_matharu@pimrindore.ac.in)*