© SEP 2026 | IRE Journals | Volume 10 Issue 3 | ISSN: 2456-8880
DOI: https://doi.org/10.64388/IREV10I3-1722705

Impact of Mobile Banking on IPPB Transaction

CHAITRA KONGER[1], ANUSHA J MATHAD[2]
[1,2]*Post Graduate Student, MBA in Finance and Digital Marketing, MBA Programme - Bapuji Institute of Engineering and Technology (BIET), Davangere, Karnataka, India*

Abstract- This study examines the impact of mobile banking on transactions at India Post Payments Bank (IPPB). The rapid growth of digital banking has transformed the way customers access banking services, making transactions faster, more convenient, and easily accessible. IPPB has played an important role in promoting financial inclusion by providing digital banking services to both urban and rural customers through its extensive postal network. The study focuses on understanding customer usage, satisfaction, convenience, security, and the overall effectiveness of IPPB's mobile banking services. The study is based on primary data collected through a structured questionnaire from 64 respondents. The findings indicate that most customers prefer mobile banking for balance enquiries, fund transfers, bill payments, and other daily banking activities. Mobile banking has reduced branch visits, improved transaction speed, and increased customer satisfaction. The study concludes that mobile banking has positively influenced IPPB transactions and recommends continuous improvements in digital security, customer awareness, and service quality to enhance user experience.

Keywords - India Post Payments Bank (IPPB), Mobile Banking, Digital Banking, Financial Inclusion, Customer Satisfaction, Digital Transactions, Banking Services, UPI, Transaction Efficiency, Financial Technology (FinTech).

I. INTRODUCTION

1.1 Introduction
India Post Payments Bank (IPPB) was set up in 2018 by the Department of Posts, Government of India, to advance financial inclusion by leveraging the country's vast and trusted postal network. IPPB deploys around 300,000 postmen and Gramin Dak Sevaks as banking correspondents, connecting unbanked and underserved rural communities to formal banking.

IPPB enables easy zero-balance savings account opening, direct receipt of government subsidies, and access through a mobile app, UPI, and WhatsApp banking. As a payments bank, it can accept deposits and facilitate remittances but cannot issue loans or credit cards.

1.2 Industry Profile
The postal and payments banking industry has undergone significant transformation, with digital technology enabling more integrated and flexible banking. Online banking allows customers to transact anytime, anywhere, improving convenience and reducing dependency on physical branches.

Rising internet penetration and smartphone adoption have driven strong growth in digital banking across urban and rural India. Payments banks such as IPPB have played a critical role in extending banking access to previously unbanked populations.

1.3 Company Profile
IPPB was incorporated on 17 August 2016 and launched nationwide on 1 September 2018 by Hon'ble Prime Minister Narendra Modi. It is a listed entity regulated under the Department of Posts, Ministry of Communications, and is 100% owned and equity-funded by the Government of India.

Vision: “To be the most accessible, affordable, and trusted bank for every Indian.”

Mission: “Spearheading financial inclusion by simplifying access and reducing the cost of banking services.”

Key quality commitments include service quality standards, privacy and data safety, customer grievance redressal, and inclusive service delivery.

1.4 Products and Services Profile

IPPB offers a comprehensive suite of retail banking products designed around accessibility and affordability:

- Savings Account Services — Regular Savings Account and Online Savings Account.
- Basic Savings Account for first-time and low-income customers.
- Doorstep Banking Services delivered by postmen and Gramin Dak Sevaks.
- Money Transfer Services for domestic remittances.
- Bill Payments and Mobile/DTH Recharges.
- Digital Payment Solutions including UPI and app-based transfers.
- Insurance and Third-Party Financial Products distributed on behalf of partner institutions.
- Government Benefit Transfers (Direct Benefit Transfer / DBT).
- Mobile Banking and App Services covering the full range of digital transactions.

1.5 Areas of Operation and Infrastructure

IPPB operates across all of India, delivering services through more than 1.5 lakh post offices with a special focus on rural, semi-urban, and underserved regions; digital services are accessible via the mobile application and the wider postal network.

This reach is supported by three layers of infrastructure. Physical infrastructure includes the nationwide postal network, banking counters at post offices, and customer service facilities. Digital infrastructure comprises the Core Banking System (CBS), the mobile banking application, an internet banking platform, and supporting digital-payment infrastructure. Human infrastructure consists of postal employees, dedicated banking officers, and customer support teams who together enable both digital and doorstep service delivery.

1.6 Competitors & SWOT Analysis

IPPB competes with payments banks (Airtel Payments Bank, Paytm Payments Bank, Fino Payments Bank), public and private sector banks offering digital services (SBI, HDFC, ICICI), and fintech players (Google Pay, PhonePe). Its principal advantages are its unmatched post-office network, doorstep banking via postmen, and strong government backing.

SWOT	Key Points
Strengths	Government-owned & trusted; doorstep banking; strong digital focus; Aadhaar-based onboarding
Weaknesses	Cannot offer loans/credit cards (RBI rule); lower revenue base; continuous tech upgrade needs
Opportunities	Growing digital payments demand; rural expansion; rising smartphone use; DBT/pension integration
Threats	Intense competition from Paytm, PhonePe, Airtel Bank, and private banks

II. CONCEPTUAL BACKGROUND AND LITERATURE REVIEW

2.1 Conceptual Background

This study rests on the premise that technology makes banking faster, easier, and more convenient. Mobile banking lets customers check balances, transfer funds, pay bills, and make UPI payments from a smartphone, reducing the need for branch visits and saving both time and effort.

For IPPB, mobile banking is central to expanding digital financial transactions, especially in rural and semi-urban regions with limited access to traditional banking. Improved mobile banking is expected to enhance customer experience, support wider adoption of digital payment options, and increase the overall volume of transactions processed through IPPB.

The study also draws on the Diffusion of Innovation Theory, which has a significant bearing on customer behaviour when adopting mobile banking and on how

© SEP 2026 | IRE Journals | Volume 10 Issue 3 | ISSN: 2456-8880
DOI: https://doi.org/10.64388/IREV10I3-1722705

frequently they transact with IPPB across the stages of the innovation lifecycle — from initial awareness through to sustained, routine use.

2.2 Literature Review

Barge Smith (2019) evaluated the outcomes of IPPB's formation, noting that declining use of traditional mail created a need for electronic bill payment, and that IPPB enables post offices nationwide to use technology while continuing to provide secure, simple, low-cost banking.

Venkatachalam (2019) examined IPPB's modernisation of traditional postal systems, describing it as an all-encompassing digital channel for payments, remittances, loans, insurance, mutual funds, pensions, and forex, and assessed customer perception of these innovations in the Coimbatore region.

Adhitya and Sembel (2020) analysed the financial and stock-market performance of major Indonesian banks following technology adoption, finding significant improvement in capital adequacy, liquidity, and competitive position, and concluding that continued investment in online banking technology strengthens overall performance.

Akter, Anwar, Mustafa, and Ali (2021) studied 17 developing countries and found that internet banking systems allowed banks to extend services to previously unbanked and low-income individuals, positioning online banking as a critical tool for reducing financial exclusion.

Metlo, Hussain, Saqib, Phulpoto, and Abro (2021), surveying 111 respondents, identified utility, usability, credibility, and positive customer attitude as the four parameters driving satisfaction with digital banking apps, recommending continuous improvement of digital capabilities.

Le, Mai, Phan, Nguyen, and Le (2021) studied 22 private Vietnamese banks (2010–2019) and found that internet banking adoption improved fee income, consumer lending, and deposits, evidencing efficiency and competitive gains from continued mobile banking investment.

Bhattacharya and Singh (2021) linked the post-demonetisation rise in automated payments to greater internet and smartphone penetration, enabling wider use of India Post Payments Bank's digital offerings.

Yadav and Kumar (2022) found that postal system characteristics influence viability of postal banking, with urban customers showing higher digital-payment usage than rural customers due to greater exposure and education.

Mondal (2022) studied IPPB's impact on financial inclusion, finding it significantly helps unbanked users perform digital transactions, aided by Aadhaar-enabled systems and doorstep banking, which extend digital payment use into rural communities.

Dahlberg, Guo, and Ondrus (2022) found that trust in payment service providers, perceived security of payment methods, and usability are the key determinants of customers' willingness to adopt mobile payment alternatives such as IPPB's offerings.

Dr. J. Shyla et al. (2022) identified convenience, ease of access, and cost as the leading reasons customers choose online payments in the Kollam district, while network outages and lack of technical support were the main barriers; they recommended improved digital literacy.

Shankar (2022), surveying 376 Indian bank users, found application interactivity positively correlated with security perception, innovative consumer behaviour, and engagement, concluding that greater interactivity strengthens satisfaction and continued usage.

Yu and Nuangjamnong (2022) found Chinese digital banking customers reported higher satisfaction than traditional banking users, with processing time, availability, cost-effectiveness, and overall benefit positively linked to comfort with digital services.

Alam, Hendratmi, Wati, and Hakim (2022) conducted qualitative interviews with 15 Islamic digital banking users in Indonesia, finding banking to be time-saving and convenient, but identifying data-security concerns and technology complexity as barriers requiring stronger security systems.

Muthulakshmi and Vairavan (2023) found that customer awareness significantly influences acceptance of digital payments, with better-informed customers using services like online banking and money transfer more frequently.

Amitabh Patnaik et al. (2023), applying the Technology Acceptance Model nationally, found perceived benefits and service levels significantly affect comfort with digital payment systems.

Jasmine V. M. and M. A. Joseph (2024), applying Rogers' Diffusion of Innovation Theory, found compatibility and observability positively influence rural customers' willingness to use online banking, while complexity and risk perception remain the most significant barriers, concluding that continued assistance and education are needed for rural adoption.

The Vedatya Research Report (2024) highlighted the value of digital payments for rural customers and the role of government support, financial literacy, and digital literacy campaigns in driving adoption.

Abhilash K.S., Sumalatha S., and Aswathy P.J. (2025) found that limited digital literacy, technical issues, and security concerns constrain adoption of IPPB's online payments, though customers are willing to adopt digital services when given adequate support and guidance.

Ashok Bhasme and K. Karthikeyan (2025) concluded that IPPB's digital offerings — including mobile banking and Aadhaar-based transactions — improve access to financial products for rural populations and provide an alternative platform for economically disadvantaged and under-banked individuals to transact online.

2.3 Research Gap

While extensive research exists on internet/mobile banking in India generally, published literature specifically examining IPPB transaction services — particularly among rural customers — remains limited. This study aims to generate empirical evidence on how mobile banking affects IPPB transactions, addressing this gap.

III. RESEARCH DESIGN

3.1 Statement of the Problem

The banking sector is undergoing rapid digital transformation, with mobile banking emerging as a key channel for service delivery. IPPB has adopted mobile banking to offer easy, reliable, and widespread access across urban and rural areas. It is therefore essential to assess how digital banking adoption affects the volume and pattern of IPPB transactions, and how it shapes customer engagement and satisfaction.

3.2 Need for the Study

Rising smartphone and internet penetration is driving strong growth in mobile banking. This study evaluates the performance and adoption of IPPB's mobile banking, offering insight into how digital banking supports financial inclusion and accessibility, and will help IPPB enhance service delivery based on an understanding of customer behaviour.

3.3 Objectives of the Study

- To identify the factors affecting the use of mobile banking among IPPB customers.
- To understand customer usage and acceptance of mobile banking services.
- To examine the influence of mobile banking on IPPB transactions.
- To evaluate the effect of mobile banking on customer satisfaction.

3.4 Scope of the Study

The study examines the effectiveness of IPPB's mobile banking services, covering customer perceptions, transaction behaviour, satisfaction, and usage patterns, including comfort, affordability, safety, transaction efficiency, and access. It is limited to selected respondents over a defined study period, with a primary focus on mobile banking transactions.

© SEP 2026 | IRE Journals | Volume 10 Issue 3 | ISSN: 2456-8880
DOI: https://doi.org/10.64388/IREV10I3-1722705

3.5 Research Methodology

Research Design: A descriptive research design was applied to analyse user perceptions and the effect of mobile banking on IPPB transactions.

Nature of Research: The study combines quantitative and qualitative approaches for a comprehensive understanding of mobile banking usage and its effects.

Data Sources: Primary data was collected directly from 64 IPPB customers via a structured questionnaire covering usage patterns, transaction frequency, satisfaction, and challenges. Secondary data was drawn from IPPB annual reports, RBI guidelines, and prior research articles and journals.

Data Collection Tool: A questionnaire with closed-ended and Likert-scale items covering respondent demographics, usage patterns, transaction frequency, satisfaction levels, and safety/privacy perceptions.

Statistical Tools Used: Percentage analysis and bar charts.

3.6 Hypotheses

- H_0 (Null): Mobile banking has no significant impact on IPPB transactions.
- H_1 (Alternative): Mobile banking has a significant impact on IPPB transactions.

3.7 Limitations of the Study

- Limited to selected IPPB customers; may not represent all customers across India.
- Focuses only on mobile banking, excluding other banking channels.
- Responses reflect individual perceptions and may vary.
- Time constraints limited the depth of analysis; rapid technology change may affect long-term applicability of findings.
- Access to detailed internal operational data of IPPB was limited.

IV. ANALYSIS AND INTERPRETATION

This chapter presents and interprets the survey responses on the impact of mobile banking on IPPB transactions (n = 64), covering demographics, attitudes, usage behaviour, and satisfaction.

4.1 Demographic Profile

Gender	Respondents	%
Male	23	36
Female	41	64
Total	64	100

Women form the majority of respondents (64%) versus men (36%).

Age Group	Respondents	%
Below 25 Years	31	48
26–35 Years	24	38
36–45 Years	9	14
Above 45 Years	0	0
Total	64	100

Younger respondents dominate the sample: 48% are below 25 and 38% are aged 26–35, indicating strong digital engagement among younger customers.

4.2 Attitudes and Usage Drivers

Security concerns affect usage. Respondents were asked whether security concerns affect their use of mobile banking services.

Response	No. of Respondents	Percentage
Strongly Agree	7	10
Agree	39	61
Neutral	17	27
Disagree	1	2
Strongly Disagree	0	0
Total	64	100

61% agreed and 10% strongly agreed that security concerns influence their use of mobile banking, while only 2% disagreed — confirming security as a major consideration for most users.

Ease of navigation. Respondents were asked whether ease of navigation of the app encourages regular use.

Response	No. of Respondents	Percentage
Strongly Agree	15	23
Agree	39	61
Neutral	9	14
Disagree	1	2
Strongly Disagree	0	0
Total	64	100

61% agreed and 23% strongly agreed that the app's ease of navigation encourages regular use, indicating an overall positive opinion of the app's usability.

Customer support. Respondents were asked whether availability of customer support affects their decision to use mobile banking.

Response	No. of Respondents	Percentage
Strongly Agree	12	19
Agree	37	58
Neutral	14	23
Disagree	0	0
Strongly Disagree	0	0
Total	64	100

58% agreed and 19% strongly agreed that customer support availability affects their decision, confirming it as a significant factor in mobile banking adoption.

Awareness of features. Respondents were asked whether awareness and knowledge of mobile banking features influence their usage.

Response	No. of Respondents	Percentage
Strongly Agree	13	20
Agree	35	55
Neutral	14	23
Disagree	1	2
Strongly Disagree	0	0
Total	64	100

55% agreed and 20% strongly agreed that awareness of features influences usage, suggesting that better-informed users are more likely to adopt mobile banking.

4.3 Usage Patterns

Most-used Service	Respondents	%
Fund Transfer	15	23
Balance Inquiry	29	45
Bill Payment	8	13
Mobile Recharge	11	17
Other	1	2
Total	64	100

Balance inquiry is the most frequently used service (45%), followed by fund transfers (23%), mobile recharges (17%), and bill payments (13%).

Frequency of App Use	Respondents	%
Daily	21	32
Weekly	39	61
Monthly	3	5
Occasionally	1	2
Never	0	0
Total	64	100

Engagement is strong: 61% access the app weekly and 32% daily, showing consistent adoption of the platform.

4.4 Perceived Impact on Transactions

App usability. Respondents were asked whether the IPPB mobile banking application is easy to use.

Response	No. of Respondents	Percentage
Strongly Agree	27	42
Agree	32	50
Neutral	5	8
Disagree	0	0
Strongly Disagree	0	0
Total	64	100

© SEP 2026 | IRE Journals | Volume 10 Issue 3 | ISSN: 2456-8880
DOI: https://doi.org/10.64388/IREV10I3-1722705

50% agreed and 42% strongly agreed the app is easy to use, with no negative responses recorded — a highly positive view of usability.

Preference over traditional banking. Respondents were asked whether they prefer mobile banking over traditional banking methods.

Response	No. of Respondents	Percentage
Strongly Agree	22	34
Agree	33	52
Neutral	7	12
Disagree	1	2
Strongly Disagree	0	0
Total	64	100

52% agreed and 34% strongly agreed they prefer mobile banking over traditional methods, indicating a clear shift in customer preference.

Transaction speed. Respondents were asked whether mobile banking has made their banking transactions faster.

Response	No. of Respondents	Percentage
Strongly Agree	13	21
Agree	33	52
Neutral	14	22
Disagree	3	5
Strongly Disagree	0	0
Total	64	100

52% agreed and 21% strongly agreed that mobile banking has made transactions faster, though 22% remained neutral.

Reduced branch visits. Respondents were asked whether mobile banking has reduced their visits to the IPPB branch.

Response	No. of Respondents	Percentage
Strongly Agree	11	17
Agree	34	53
Neutral	17	27
Disagree	2	3
Strongly Disagree	0	0
Total	64	100

53% agreed and 17% strongly agreed that mobile banking has reduced branch visits, confirming a shift toward remote transacting.

Convenience for payments and transfers. Respondents were asked whether they find mobile banking convenient for transferring funds and making payments.

Response	No. of Respondents	Percentage
Strongly Agree	4	6
Agree	35	54
Neutral	24	38
Disagree	1	2
Strongly Disagree	0	0
Total	64	100

54% agreed mobile banking is convenient for payments and transfers, while a notable 38% remained neutral, suggesting scope for improving perceived convenience further.

Overall efficiency. Respondents were asked whether, overall, mobile banking has improved the efficiency of their banking transactions.

Response	No. of Respondents	Percentage
Strongly Agree	8	12
Agree	30	47
Neutral	23	36
Disagree	3	5
Strongly Disagree	0	0
Total	64	100

47% agreed and 12% strongly agreed that mobile banking has improved overall transaction efficiency, while 36% remained neutral and 5% disagreed.

4.5 Satisfaction and Advocacy

The final set of items measured customers' overall satisfaction with, and advocacy for, IPPB's mobile

© SEP 2026 | IRE Journals | Volume 10 Issue 3 | ISSN: 2456-8880
DOI: https://doi.org/10.64388/IREV10I3-1722705

banking services — including whether the service meets their banking needs, whether they would recommend it to others, and whether it has increased their overall satisfaction with IPPB.

Statement	Strongly Agree/Agree %	Neutral %	Disagree %
Overall satisfaction with IPPB mobile banking	61	37	2
Services meet banking needs effectively	63	33	4
Would recommend IPPB mobile banking to others	64	34	2
Mobile banking increased satisfaction with IPPB	70	30	0

Overall, satisfaction levels are consistently positive across all measures, with the large majority of respondents in the agree/strongly-agree categories and negligible disagreement, indicating that mobile banking has meaningfully strengthened customer confidence in IPPB.

V. FINDINGS, CONCLUSION AND SUGGESTIONS

5.1 Findings

- Customers' mobile banking experience is primarily shaped by four factors: safety/security, simplicity, customer service, and familiarity with app features — all of which received strongly positive feedback.
- A large majority of IPPB customers now use mobile banking regularly for balance checks, fund transfers, and other routine needs, finding it more convenient than visiting a branch.
- Mobile banking has improved transaction speed, provided easier access to bank services, and reduced dependence on physical branch visits.
- Respondents reported greater satisfaction with IPPB's digital service delivery compared to traditional banking, reflecting high confidence in IPPB's ability to meet their banking needs.

5.2 Conclusion

This study confirms that mobile banking is a critical driver of digital transformation for India Post Payments Bank. It has improved the accessibility, speed, and convenience of banking services for customers across both urban and rural India, encouraging a broader shift toward cashless and digital transactions. Mobile banking has been well received by IPPB users, many of whom rely on it for daily activities such as fund transfers and balance inquiries. However, notable barriers remain — including limited digital literacy, security concerns around mobile devices, and varying levels of technological familiarity among users. As adoption continues to grow, sustained investment in customer education and system improvement will be necessary to maximise reach and impact.

5.3 Suggestions

- Maintain a simple, user-friendly mobile app interface to improve accessibility and overall banking experience.
- Strengthen customer support responsiveness to resolve issues quickly and build customer confidence.
- Expand awareness and training campaigns in rural and semi-urban areas to support financial inclusion and wider digital adoption.
- Regularly update and maintain the mobile app to minimise technical issues and ensure reliable performance.
- Introduce additional features such as bill reminders, instant alerts, and expense tracking to increase convenience and frequency of use.

REFERENCES

[1] Kothari, C. R. (2019). Research Methodology: Methods and Techniques (4th ed.). New Age International Publishers.

[2] Bhole, L. M., & Mahakud, J. (2017). Financial Institutions and Markets (6th ed.). Tata McGraw-Hill Education.

Selected Research Papers and Journal Articles

[3] Smith Barge (2019). India Post Payments Bank: Transforming postal banking services in India.

[4] Venkatachalam (2019). Customer insight regarding Indian Postal Bank services in Coimbatore District.

[5] Akter, S., Anwar, M., Mustafa, M., & Ali, M. (2021). Mobile banking and financial inclusion in developing countries.

[6] Bhattacharya, S., & Singh, R. (2021). Growth of digital payments in India after demonetization.

[7] Yadav, N., & Kumar, A. (2022). Penetration of online banks with unique reference to Indian Postal Bank.

[8] Shankar, A. (2022). Digital banking application interactivity and consumer engagement in India.

[9] Muthulakshmi, S., & Vairavan, M. (2023). Customer awareness and satisfaction regarding Indian Postal Bank services.

[10] Jasmine, V. M., & Joseph, M. A. (2024). Acceptance of internet bank services among rural customers: A diffusion of innovation perspective.

[11] Abhilash, K. S., Sumalatha, S., & Aswathy, P. J. (2025). Users' understanding and limitations in using Indian Postal Bank services.

[12] Bhasme, A., & Karthikeyan, K. (2025). The role of Indian Postal Bank in promoting rural financial accessibility in India.

Web Sources

[13] India Post Payments Bank. (2023, 2024). Annual Reports. https://www.ippbonline.com

[14] Reserve Bank of India. (2023). Guidelines for payments banks. https://www.rbi.org.in

[15] Government of India. (2023). India Post Payments Bank and financial inclusion. https://www.indiapost.gov.in

[16] Business Standard. (2023). India Post Payments Bank reports operational profit in FY23. https://www.business-standard.com