

ABSTRACT

Mobile phone has started to touch the hearts of millions of Sri Lankans while Internet is still not accessible for many of them. Therefore, if people can save money and time by conveniently carrying out banking and utility payments transactions through the mobile phone from where they are, it should obviously hit the society with lot of socio-economic benefits. Mobile phone connections in the country have increased more than the population of the Sri Lanka. Now it is 22.4 million according to the TRCSL reports 2014. It showed that mobile phone is essential element of our life. Banks are also rapidly expanding their services by implementing modern technology to their day today services.

However, strength of the SMS/USSD code based payments has not been exploited to its full potential in Sri Lanka though it is experimented by many banks and mobile operators in the country. The main objective of this research was to investigate the influential factors that have led these services to be unpopular among Sri Lankans.

Global research findings on mobile and SMS/ USSD based banking and payments, identified through the literature were discussed. A qualitative study was carried out covering Bank of Ceylon (BOC), People's Bank Of Sri Lanka (PBSL) and Seylan Bank PLC to identify the influential factors pertaining to mobile and banking industry by using sample of 240 people in 12 districts selected by considering intensity of branch network of each bank in selected District and the population of the respective district. Data were collected by sending trained personnel to each branches of selected banks in user perception were identified through a questionnaire based survey.

Further interviews were conducted with a selected sample of eligible population and officials from mobile service providers and officials from selected banks. Further, researcher has also practiced all the services provided by the banks last two years and observations were also scrutinized to prepare final results of this study.

The detail analysis of the findings showed that four hypotheses were accepted in the course of work and three of them were rejected. These results could be helpful to Bankers as well as mobile service providers to consider for their strategic planning stage of their organizations. Further, finally general public will be benefitted.