

## **mBanking and Financial Empowerment of Rural Women**

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### **Abstract:**

Technological development has already been reached at almost every edge of human life. The technological invention makes the mobile phone convenient even for banking and financial systems. With the advent of smartphones and growing internet connectivity nowadays, it is much easier to access banking facilities at any time anywhere without visiting the bank physically. The mobile market is growing rapidly around the world and has opened up a huge market for financial institutions. Nowadays, financial institutions offer a range of monetary services to their customers through mobile phones such as fund transfer to own and other accounts, online account opening, investing in share market, etc. Thus, mobile banking or mBanking refers to the banking service that offers its customers to conduct financial transactions remotely through a mobile device such as a smartphone or tablet. Also, the mobile phones market is growing rapidly in the rural section, and the utility of mobile phones has become popular among rural women. These women are now showing their interest in the mobile banking system as many of them are small independent entrepreneurs and have started their online businesses using mobile phone facilities. Lately, technology has been portrayed as the solution to women's socioeconomic and political isolation in development discourse. Therefore, this paper will try to show the economic empowerment among rural women of Bolpur through using mobile banking technology. So, this study will be carried out by collecting the primary data from the rural section of Bolpur and the data will be analysed through a suitable analysis method accordingly.

### **Keywords;**

*Women Empowerment, mobile banking, mobile phones, rural women, Bolpur, economic empowerment.*

### **Introduction**

The Indian economy is a booming sector after digital inclusion. Also, the reach of adopting financial technology in daily life has fostered this day. Finance minister Nirmala Sitharaman said that India has the highest Fintech adoption rate with 87 percent instead of the 64 percent global average rate. The improving speed and data tariff for the internet and low-budget smartphones these two factors are working behind this technology fostering. Mobile banking provides financial services to the unbanked population and a large number of rural populations who do not have bank accounts. Rural people are not much aware of the complex types of banking services. Nowadays, the development of mobile banking technology, low investment cost, and emerging mobile technology helped rural people access banking services more conveniently and affordably. Accessing banking service through mobile phones uplift the lifestyle of rural people, and these people get a broad way to utilize the savings in necessity (Nugroho & Chowdhury, 2015). This paper will focus on the usage of mobile phones and mobile banking by rural women and what challenges they have faced during this new adoption of technological advancements.

## Review of literature

The majority of the studies have been concentrated on women empowerment, mobile banking and ICT intervention, women entrepreneur separately so, we have found very few studies where they discussed these contexts together. Lucky Nugroho (2015), in her study in Bangladesh and Indonesia, discussed that mobile banking technology work as an active agent to support Muslim women entrepreneurs to develop their socio-economic life. According to her observation, women entrepreneurs benefited from the mobile banking service as they did not have to visit the bank of a microfinance company for financial transactions. Because the majority of the women entrepreneurs choose to carry their business from home as it helps them to take care of both the family and children and their business, she has also said that mobile banking can increase the productivity of women entrepreneurs (Nugroho & Chowdhury, 2015). Though Ajaja (2021), in her study, mainly focused on mobile technology and M-Pesa, she has conducted this study on Kenyan women. M-Pesa helps women access financial services more conveniently, and besides this, mobile technology helps women for financial inclusion, which is considered the key element of empowerment. Better financial access can improve the greater economic opportunities for a poor and marginalized population like women. Hrong, (2019), in his study in Vietnam, shows that the use of mobile technology and m-banking depends on various different and interconnected contexts; some women workers use it for entertainment purposes, some find m-banking is a convenient medium for financial access. However, this study did not conclude from the perspective of mBanking. More than mBanking author discussed the uses of mobile technology. Appropriate technical training can be led to better technological adoption for women than men. Another study has been done by Lee et al., (2021), but this study not only focuses on mobile banking and women empowerment but keeps an eye on the gender gap. Jean N. Lee (2021) shows that technology can help women get remittances, but these are not equal to men, and a persisting gender gap has been noticed. Also, this study concludes that technology may help women access financial advantages, but that does not narrow the gender gap and social inequalities. Kiran (2018) conducted a study on Bangladeshi women, where he found that ICT intervention empowers rural women and makes them financially independent this also uplifts women's societal value. The financial status of women has changed the power practice in the male-dominated society, as financially empowered women allow taking part in the decision-making at home and within communities, and this role of women has eventually changed the women's status quo in society.

## Objective of the Study

- To understand the usage of mobile banking among rural women.
- How mobile banking does help rural women to become financially empowered.
- What challenges have these women faced in using a mobile phone and mobile banking technology.

## Theoretical Framework

This study uses Bruno Latour, John Law, and Michal Callon's (1986) - Actor-Network theory. Actor-network Theory (here referred to as "ANT") is a sociological theory to determine the relationship between society and

technology. It describes the same relation between society and technology (human and non-human entities). It is also deeply rooted in science and technology studies. Now it is also used for in-depth research areas of social science focusing on technology. ANT is an anthology of theoretical and methodological ideologies progressively, which appeared within the Paris Group of Science and Technology Studies (STS). Three principal authors initially proposed the earlier concept of Actor-network Theory; Michel Callon (1986) (CALLON, 1986), Bruno Latour (1987) (Latour, 1987), and John Law (1987) (Law, 1987). The origin of ANT is grounded in understanding the concept of technoscience (technology and science) in social theory. So, it can be considered as ANT trying to map the "socio-technical" relationship between its human and non-human actors.

### **Methodology**

A qualitative study has been carried out to frame the result. An open-ended & pre-coded telephonic survey questionnaire has been used to collect the primary data and the journals; the online database has been exercised to find the relevant secondary data for the literature review. To understand the pattern of using mobile banking technology by rural women entrepreneurs, we have surveyed 87 women entrepreneurs of Bolpur. Due to limited scope, a telephonic survey method has been arranged. The answer has been noted in the pre-set questionnaire.

### **What is Mobile Banking or mBanking**

Mobile Banking is a wireless online electronic banking facility through the gateway of mobile phones as well as smartphones. Mobile banking is designed so that customers can access and transact all their account-related financial transactions irrespective of place and time. Banking and some authorized financial institution offer this online service to their customers through specific company-based software called app(s). Basically, mobile banking service is free or charged nominal cost for transactions. Moreover, this service provides a 24x7 banking facility to their customers. Sadiku et al., (2017) define mBanking as "Mobile banking (or m-banking) is an emerging branch of electronic or online banking. It is an application of mobile commerce based on wireless networks and mobile devices." Lacmanovic et al., (2012) said, "Mobile Banking refers to the platforms that enable customers to access financial services such as fund transfers, bill payments, balance information and exploring investment options." Rahmani et al., (2012) define as "Mobile banking has emerged as a wireless communication channel for creating value by customers in banking transactions." Mobile banking connects the underprivileged and unbanked population to the banking service. Women's empowerment is also dependent on financial freedom and access to technological advancements. Women users are also facilitating themselves by using mobile banking technology. This wireless device gives freedom to women to keep their money and access them according to their needs. Some researchers call mobile banking is an additional financial service. However, in rural areas where banking and financial facility are not much satisfactory, mobile banking became the primary financial service to them and also for women entrepreneurs (Nugroho & Chowdhury, 2015). Mobile banking offers different types of financial services such as account alerts, security alerts, and reminders, account balances, updates and history, customer service via mobile,

branch or ATM location information, bill payments, domestic and international funds transfers, insurance policy management, mortgage alerts, Blocking and unblocking of (lost, stolen) debit/credit cards, Withdrawal at ATM with OTP (one-time password), peer to Peer payments (Lacmanovic et al., 2012).

### **mBanking Empower Rural Women**

National Family Health Surveys-5 (<https://www.orfonline.org/expert-speak/fintech-industry-the-great-equaliser-for-women/>) has reported that 56 percent of women in India now use the internet, and 34 percent of rural women are now getting exposure to digital inclusion. Furthermore, women entrepreneurs in rural areas now are using mobile banking technology to access banking services. Mobile banking has opened a door for rural women to participate in the financial development process. Studies have noticed that rural women are not likely allowed to go outside and do business than men. Similarly, persisting restrictions have been notified for women's use of mobile phones, and here depiction of gender disparity comes in (Ajaja, 2021; El Haloui et al., 2019). Nevertheless, rural women played an essential role in developing the microfinance industry as well as the economic sector of the country (Simonsson & Walin, 2015). Simonsson & Walin (2015), in a study, said that women empowerment through financial inclusion not only helps to improve the quality of life of women themselves but it also helps to improve a healthy, stable society, family, and communities. In their study, Nugroho & Chowdhury (2015) said that women play a dual role in the household. On the one hand, women work as supporting income seekers to fulfill the basic needs of the family, and other hand, they take care of the homes and children. Hence, the impact of women entrepreneurs is more significant in their families than man entrepreneurs and deserves to be one of the indicators in the assessment of social performance. Economic development is considered the prime element for empowerment, and mobile banking technology helps rural women become financially independent, and this financial independence leads to empowerment for women (Ajaja, 2021; Simonsson & Walin, 2015).

### **Findings**

- The major population of rural Bolpur is predominantly are Muslim community. The Muslim community has specific rules imposed on the movement and freedom of women outside their homes (Nugroho & Chowdhury, 2015). Also, it has been noticed in the fieldwork that Muslim women's movement is restricted by their husbands or an older person of the family. However, in many families, they are the breadwinner and contribute equally to their families. Still, women do not get the same dignity as men into their families. Though the scenario is not much satisfactory among other communities. Also, in a rural section of Bolpur, the literacy rates among women are such poor that a major female population cannot write their own name. Nevertheless, these women are using mobile phones and mobile banking facilities effortlessly. Furthermore, they have improved their quality of life by accessing mobile banking facilities. It helps them to control their money, and financial strength gives them an opening to become a decision-maker in their family.
- Rural women are paradoxically detached from urban social life. Even some of them have admitted that they were scared to talk to people before using mobile

phones and managing things. However, after using and accessing mobile phones, it is much easier for them to communicate and relate with the outsider. According to these rural women, mobile phones gives them their "long-awaited freedom of life".

- In Bolpur, most rural women are engaged in small entrepreneurship. Most of these entrepreneurs are married and above the age of 35. Most of them have started their business after their marriage, and a significant number of rural women entrepreneurs belongs to the Muslim community. Besides that, large numbers of women are not formally literate, but they are using mobile phones as well as mBanking technology like a pro.

## Conclusion

Mobility is one of the main obstacles for women entrepreneurs, and still today, women are not always allowed to go outside to do things. Though they are contributing to the household economy, due to the limited scope and social and cultural customs, they are not allowed to do business in the market or outside their home. So, technological inclusion is a significant pathway to reduce this limitation. Also, it has been noticed in various studies that women are more likely to adopt mobile technology than men. Furthermore, it has been noticed that women are more flexible and approachable to accept changes than men. Mobile banking has opened the door for financial services to rural women. Rural women now can easily access their bank account and save funds without the help of other merchants, and this monetary freedom gives them the strength to become a strong voice in their family as well as in society. According to an interviewee, "mobile phones give us wings to fly high."

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