

Some Advice for China's Elderly Regarding the Use of Mobile Banking

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Abstract: The digital economy is currently sweeping the globe, with China leading the way. Digital payments are quickly replacing cash as the new currency of the country's social progress. Nonetheless, the middle-aged and older populations are the research objects of this work because there are still not enough studies on this population. It makes pertinent recommendations for mobile banking to enhance security, expand auxiliary features, and add network customer service in accordance with middle-aged and elderly customers' needs based on the findings of the influencing factors on their early use of mobile banking as a digital financial tool. This article offers valuable insights on how banks, the traditional financial industry, may create cutting-edge financial tools like mobile banking in light of the aging population trend.

Keywords: Aging Population; Digital Finance; Middle-aged and Elderly Users; Mobile Banking; Elderly-Friendly Services

1. Introduction

There was a period when a lot of people firmly believed that the elderly and middle-aged were the legacy of the digital age. However, as the Internet has grown in popularity, older people and middle-aged people have been inadvertently included into it for a long time and have steadily grown to be significant components of the Internet ecosystem. The health code and other instruments that are useful at all times are also being marketed more and more to middle-aged and senior people, especially during the epidemic. As youths use their phones for online shopping, video sharing, gaming, and other activities, we gradually discover that parents nearby are also adept at using a range of shopping applications and regularly navigate the main video websites,

guiding the next generation of Internet users into this vast era. This group has, in a way, long been disregarded by public Internet user groups; people have only recently realized that middle-aged and senior groups are part of the Internet ecosystem because more social circles are paying attention to internet celebrities. Individuals have just recently come to understand how crucial middle-aged and older individuals are to the Internet ecosystem.

As of June 2023, there were 1.067 billion Internet users in China, with a 75.6% Internet penetration rate, according to the 52nd Statistical Report on Internet Development in China published by the China Internet Network Information Center (CNNIC)[1]. Among them, Internet users' primary method of accessing the Internet is now through their mobile phones. As of right now, there are 1.047 billion cell phone users in China, and 99.8% of Internet users access the Internet through their phones. According to the age distribution of Internet users (Figure 1), the percentage of groups 60 years of age and over is 13.1%, the percentage of groups 50 to 59 is 16.9%, and the percentage of groups 40 to 49 is 17.7%. Groupings of individuals over 50 have reached 30%, which indicates that there is a one-third chance that we will run into conventional middle-aged and elderly people when we shop online, play games, or engage in other activities.

In 2021, Chinese Internet users logged on for an average of 3.74 hours per day, while 51% of middle-aged and elderly groups spent more than 4 hours per day on the Internet, according to the Research Report on Internet Behavior of Middle-aged and Elderly Groups published by AiMedia Consulting. In terms of time slots, those in the 45–50 age group are more likely to use the Internet in the evenings, while people in the 60+ age range are more likely to use it throughout the day. It's evident that middle-aged and older individuals use the

Internet in relatively big numbers and for comparatively extended periods of time. A previous poll conducted by the official microblog of the New Express News revealed that 63% of respondents said their parents frequently brush short videos, 18% said their parents are obsessed with brushing short videos, and only 4% said their parents never brush short videos[2].

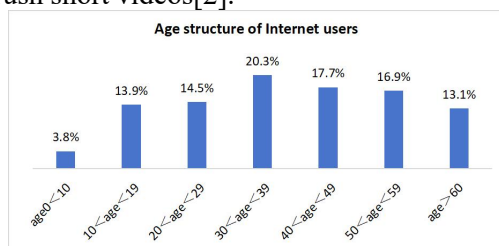


Figure 1. Age Structure of Chinese Internet Users in 2023

Note: CNNIC Statistical Survey on Internet Development in China June 2023

2. Payment Method

Nearly 30% of users over 41 who watch live broadcasts on Jitterbug and Shutterbug have an online spending power of more than 2,000 yuan per month, according to the "2022 China Short Video Live E-commerce Development Insight". According to data from the seventh population census, 264 million people, or 18.7% of China's population, are over 60 years old. This represents the country's silver-haired generation. It is projected that 487 million Chinese citizens would be among the country's silver-haired population by 2050.

Over 40 apps have launched in "elder mode" in response to the Ministry of Industry and Information Technology's repeated relevant policies in recent years encouraging the aging of Internet applications. This mode lowers the barrier to Internet access for middle-aged and older people by streamlining payment processes, enlarging fonts, simplifying information, and enabling voice assistants. When it comes to online payments, for instance, payment companies have progressively implemented age-appropriate changes, released apps designed specifically for senior citizens, and upgraded security and reinforced the use of new technologies to meet senior citizens' needs for payment services. By December 2022, 70.7% of elderly citizens (those 60 years of age or older) were using online payments, thanks to the complete support of businesses and the government.

We simply intercept a form of network payment in the case of bank electronic payment, according to the data released by the People's Bank of China in 2023, the volume of bank electronic payment business continued to grow. In the first quarter, banks handled 67.584 billion electronic payment transactions, amounting to 83.182 trillion yuan, an increase of 6.83% and 12.44%, respectively. Among them, online payment business was 22.089 billion strokes, down 6.28% year-on-year, amounting to 66.615 trillion yuan, up 13.84% year-on-year; mobile payment business was 41.284 billion strokes, amounting to 14.460 trillion yuan, up 19.14% and 9.90% year-on-year; telephone payment business was 54 million strokes, amounting to 242 trillion yuan, down 17.53% and 9.48% year-on-year; and telephone payment business was 17.53% and 9.48% year-on-year. Telephone payment services amounted to RMB 2.42 trillion yuan, down 17.53% and 9.48% respectively year-on-year. In the first quarter, non-bank payment institutions handled 266.501 billion network payment transactions, amounting to 8.466 trillion yuan, up 11.97% and 11.34% year-on-year respectively according to comparable caliber.

But closing the digital divide requires more than simply making apps more suited for older users; middle-aged and older people need to be made more aware of cybersecurity.

Based on the surface of the previous study, the degree to which first apparent usefulness affects behavior intention and user pleasure is significant. Perceived usefulness (PU), perceived credibility (PC), and structural assurance (SA) are important predictors of user satisfaction (US) and behavioral intention (BI) to use the mobile banking service, according to Priya's [3] prior research. Secondly, behavioral intention is highly influenced by user pleasure. Higher behavioral intention to use mobile banking will result from perceived utility and ease of use. Third, behavioral intention is significantly influenced by trust. The perceived dependability of the system and service providers is what is meant by trust in mobile services. Risk and privacy concerns have an impact on the system's ability to inspire trust. So we have some suggestions for the use of Mobile Banking by the elderly in China. When we consider the aforementioned findings from our survey regarding the variables influencing

retired consumers' use of mobile banking in Shaoxing, we can draw the obvious conclusion that we must improve all facets of encouraging older consumers to use mobile banking, with the following key suggestions.

3. Research Status Analysis

As of right now, multi-agent collaborative paths or methods, libraries, etc., are the key research perspectives concentrating on digital literacy of the elderly, according to the summary of Tsang and Liu [4]. Social institution services, the state of senior Internet users, senior digital health literacy, and pertinent government policy research. The government, public library, community, and family are the primary players. The first three are expert studies that demonstrate the value of families as sources of support and the ways in which peer learning and digital feedback from family members can help older people become more digitally literate. Senior activity centers, senior universities, and senior care facilities are available to the community to offer training programs for the elderly. Additionally, public libraries can equip their collections with age-appropriate digital equipment and offer integrated digital skills learning resources[5]. In contrast, there aren't many studies on the elderly's digital literacy from a government perspective. The majority of these studies mention the government as one of the stakeholders and offer assistance in the form of funding, supervision, evaluation, and scientific and technological information as well as policy formulation for the development of digital literacy for the elderly.

As a long-term and complex social project, the digital literacy improvement project of the elderly group depends on the leadership of the government. Social management and public services are the core functions of government, which provide public services to meet the social development needs of citizens, including education, medical care and social security are the main types of public service functions. In the digital age, for the government, it is promoting digital literacy among older people is essential to bridging society's digital divide and promoting digital inclusion, and governments are a key enabler. It plays a decision-making role in policy support, financial support, public service supply and governance, mobilization and coordination of

social forces, and so on guiding effect[6].

On the basis of literature research, they conducted an in-depth investigation into the websites related to the Singapore government and services for the elderly, obtained the text of the government's digital literacy promotion policy for the elderly and the project data it led, and systematically sorted out and summarized key measures[7]. The core measures taken by the Singapore government to improve the digital literacy of the elderly include: formulating policies, setting up specialized agencies and service teams, building digital skills learning and communication platforms, and providing funding and equipment support. It is characterized by government-led and coordinated participation of multiple social forces, emphasis on the role of generations and peers, combination of online and offline learning modes, and access to many funding and technical support. Based on this, the paper puts forward the direction that the Chinese government can reference in future practice: further exert government functions to integrate the superior resources of all parties in society, design practical projects and learning models with nationwide influence, expand the digital skills learning platform and communication space for the elderly, and increase financial support and the supply of age-friendly intelligent devices.

Jin's team conducted an online survey of 155 people aged 60 and over from 18 provinces about their banking practices and the challenges they face. Their survey found that older people often make bank transactions. However, compared with offline banking, the use of mobile banking for business is still relatively rare. The main concerns of older people are security and usability. But the good news is that they have a positive attitude toward digital platforms (like apps, virtual banks). In addition, they found that age and gender have significant effects on certain banking behaviors. This is a design opportunity to improve the feasibility of banking services for the elderly.

4. Suggestions

Combined with previous studies and the results of my previous research on the satisfaction of retirees in Shaoxing using mobile banking, we put forward the following suggestions for mobile banking products themselves[8].

Trust has far intertwined "Consumer confidence in a retailer's dependability and honesty," according to Morgan and Hunt (1994)[9]. Security is the foundation of trust, so we should first make sure that the application is secure.

In terms of financial needs, some large banks have already launched age-friendly apps with functions commonly used by the elderly, and some banks have also launched the medical insurance registration function. However, some banks have not yet provided targeted products for wealth management/deposit business, which is of concern to the elderly[10]. It is recommended that banks actively develop age-appropriate products, simplify the operation steps, and improve the operation experience and investment returns of the elderly customers, so that the elderly customers can enjoy experiencing financial products.

For the App for the elderly, we can clearly set up a regular zone, such as launching exclusive services for elderly customers (customers aged 60 and above) according to the age range, introducing pension concept wealth management products for potential "elderly customers" (people aged 45 to 55), and screening high-quality pension insurance and pension funds through the system to sell them on behalf of the elderly, and providing pop-up recommendations according to age. Through a systematic screening of high-quality pension insurance and pension funds, the company carries out sales on behalf of the elderly and makes pop-up recommendations according to their age, so as to cultivate their financial management mindset. In this way, customers of all ages can enjoy the online services of an exclusive account manager according to their special requirements such as the time frame for the use of funds, which is safe and reliable, and can be selected anytime and anywhere[11,12]. At the same time, for the elderly are in urgent need of assistive use of the mechanism, we can add online video answer window on the ageing-friendly App, for the elderly's technical problems, product problems or other financial needs, especially for the elderly telecom fraud related to the content of the consulting and answering, but also set up for the special circumstances of the elderly, the online help to call the phone for help service.

In terms of security requirements, firstly,

according to the age division, elderly people over 60 years old automatically switch to the age-adapted version when they first download and install it, secondly, the age-adapted version should be more convenient, prohibit application-guided downloads, and make it clear that the principle of minimum necessity is adopted in the collection of information, so as to prevent information leakage and the occurrence of frauds. In payment scenarios, such as bill payment, the use of large-print comparisons highlights relevant business tips to reduce the risk of customer operations.

Finally, the App should increase the demo area, covering functional guidelines, video guidance functions, voice operation should be more intelligent, through the voice to achieve a variety of functions of the whole process of operation, so as to reduce customer intimidation.

5. Conclusion

Humanity as a whole is what the internet age has brought forth, and we shouldn't forsake anyone, especially the old. We ought to give these people's real needs more consideration, particularly in light of the aging global trend and the impending silver economy wave. Therefore, we should include features that cater to the demands of this group in the design of digital financial tools like mobile banking. This article only proposes a tiny portion of the security settings, online customer service, and special items. More research at the governmental and social levels is also required. It is intended that by attending to all of the needs of the old, our elderly population will be able to live more comfortably in contemporary society and that the environment will continue to improve.

Of course, this work, like the author's prior research, is mostly limited to Shaoxing City, Zhejiang Province, China, which is a reasonably developed digital economy compared with the entire country. This is because of the author's constraints as well as the reasons behind the survey sample. As a result, older people generally utilize electronic payment methods more frequently, particularly mobile banking products, which have a wide range of features. The issues that arise will be comparatively narrowly focused. The majority of the earlier research that we chose concentrated on reasonably developed nations

or regions. As a result, future research can focus more on the environmental and regional factors, and we think this will lead to different findings. Additionally, our research ought to serve as an inspiration and a more thorough and tangible reflection of the real society.

We have also observed that a large number of Chinese academics have carried out pertinent research on the inclination of the elderly to use electronic payments, among other topics. As a result, conducting research that is appropriate for us requires a lot of work. The ultimate goal of the research direction is to select a study object that combines traditional and contemporary aspects of electronic payment, in this case, a mobile banking application with a banking background. Mobile banking is the payment embodiment of the banking industry with physical operations in the digital age, and it relies on the credit of several banks for support, in contrast to other electronic payment methods like Alipay, Wechat Pay, UnionPay, etc. This payment method is more of an addition to traditional banking, particularly in light of the need to meet the demands of contactless services during the pandemic and the ongoing evolution of business models. We research this mode of payment, particularly as it relates to certain demographics such as the elderly, which will support the banking sector's digital transformation and modernization. In the age of the digital economy, it will also support banks' continued development as a century-old business model.

Acknowledgments

This study was funded by Zhejiang Yuexiu University School-level Project: Research on the influencing factors of mobile banking use of elderly consumers in Shaoxing under the background of active aging (N2022016).

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