

**“Effect of Mobile and Branchless Banking on the  
Financial Performances of Commercial and  
Microfinance Banks in Pakistan”**



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## **ABSTRACT**

Banks in Pakistan introduce innovative products throughout their life and customer friendly services. Banking at the customer's fingertips is today a common and expected phenomenon. As a result banks stand the chance to gain from improved competitive advantage and maintenance of customer loyalty, as well as increasing market share as a result of introduction of such facilities.

The main objective of the study was to determine the effect of mobile and branchless on the financial performance of commercial and microfinance banks in Pakistan. The study was backed by the literature review on the mobile and branchless banking and the commercial and microfinance banks. Study use secondary data collected from the audited financial statements of the sample banks. The data analysis through regression analysis. The study found that there is mix relation of variables with the financial performance of banks. The study found that there is overall significant relationship between the mobile and branchless banking and the financial performance of the banks. This may have been as a result of increased mobile and branchless banking transactions following the increased development of mobile and branchless banking products by microfinance and commercial banks and increase in the number of people using the technology.

The study may be used by banks that are yet to implement mobile and information technology in their activities. It will also be of importance to policy makers and government regulators as it would provide an opportunity to understand the issue and constraints that might affect the development of the internet and mobile banking sectors in Pakistan.

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## **DEDICATION**

This work is dedicated to the memory of my parents and teachers, it due to their dedication, hard work & commitment that I have been able to achieve in life whatever I have now and for this patience, encouragement and emotional support which will always be with me in every phase of my life.

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## **LIST OF ABBREVIATIONS**

<b>ATMs</b>	Automated Teller Machines
<b>E-Banking</b>	Internet Banking
<b>EFT</b>	Electronic Fund Transfer
<b>EVA</b>	Economic Value Added
<b>MNOs</b>	Mobile Network Operators
<b>MFIs</b>	Multilateral Financial Institutions
<b>M-Wallet</b>	Mobile Wallet
<b>NIM</b>	Net Interest Margin
<b>NADRA</b>	National Database and Registration Authority, Pakistan
<b>PEX</b>	Palestine Security Exchange
<b>ROA</b>	Return on Assets
<b>ROE</b>	Return on Equity
<b>SBP</b>	State Bank of Pakistan
<b>UBL</b>	United Bank Limited
<b>US</b>	United State
<b>UK</b>	United Kingdom

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