Analysing Customer Satisfaction Towards Use Of Banking Application In The Manzini Region Of Eswatini

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Abstract:

Background: *Understanding concerns influencing customer satisfaction and trust in the banking applications is important, to enhance the credibility and utility of banking applications. Within the context of lower-to-middle income countries (LMICs) the dynamics of digital adoption and satisfaction may be different from those of more established countries due to unique socio- economic factors, hence the need for a focused probe into customer satisfaction levels in the LMICs context. The aim of this study was to analyse the customer satisfaction level towards use of banking application in banking in the Manzini Region of Eswatini.*

Materials and Methods: *A mixed-methods approach was used in the study, approaches to answer research questions. Responses were obtained from 100 participants, delving into various facets including usage frequency, satisfaction levels, challenges encountered, and demographic comparisons. The findings reveal a high frequency of app usage, especially on a daily and weekly basis, elucidating the app's pivotal role in the customers' banking routine. Moreover, the overall satisfaction level was notably high, with the majority of respondents expressing substantial satisfaction.*

Results: *The feedback rendered by customers furnishes a user-centric perspective for enhancing the app's functionalities. This study culminates in action able recommendations, emphasizing the maintenance of core functionalities, addressing identified challenges, proactive user feedback incorporation, and regular user engagement for a continual enhancement of the user experience.*

Conclusion: *The insights gleaned offer a significant contribution towards fostering a user-centric evolution of the banking application, aiming at an elevated customer satisfaction in the Manzini Region of Eswatini.*

Key Word: *Online banking, mobile banking, customer satisfaction level*

I.   Introduction

Customer satisfaction has been a focus of attention of managers around the world for several years and in different sectors, such as retailing, health services, telecommunication and e-commerce. The main purposes for managers to focus on customer satisfaction is that high customer satisfaction has been linked to customer retention, market share, loyalty and by extension higher company's profit (Szymankski & Henard, 2001). In the increasingly competitive and changing world of internet services, customer satisfaction has emerged also as a strategic imperative for most companies. It is very crucial that online service providers have the knowledge on how to improve customer satisfaction, since it was mentioned that managers who aim to focus on customer satisfaction have more chances to retain their customers. However, Reichheld & Schefter (2000) said that it is costly to recruit new customers and between 65% and 85% of existing customers who defect to a competitor confesses that being either satisfied or very satisfied with the product or service they left. The concepts of service qualify and perceived customer value are fundamental to a successful business, because they are important to customer's decision making, particularly in the context where online service customers are acquiring more and more knowledge and are willing to share their experiences through social platforms.

Customer satisfaction is defined as the number of customers, percentage of total customers, whose reported experience with a firm, its products or its services exceeds specified satisfaction goals (Farris, Bendle, Pfeifer & Reibstein, 2010, p.56-57). In other words customer satisfaction refers to the extent to which customers are happy with the products and/or services provided by a business. Customer satisfaction is one of the most important factors in business. Therefore, effective customer satisfaction investigation is a very important precondition for online banking in order to win competition in the market. When it comes to commercial banks, customers satisfaction level differentiates one bank from another, therefore measuring customer satisfaction is exceedingly important as it is one of the main reasons why banks listen to their customer requirements and complains. Thus, Chavan & Ahmad (2013), stressed that bank business depends very much on the quality of the customer service provided and overall satisfaction of customers. The internet is an extremely important technology in this era because it's constantly changing the business landscape. Internet usage has increased rapidly in recent years. According to John Stevens (2018), there are 4.1 billion internet subscribers in the world

as at December 2018, and this is compared to 3.9 billion of subscribers in mid-2018 and 3.7 billion internet users in late 2017. The increasing number of internet subscribers worldwide has created huge opportunities for online businesses. Lee, Eze & Ndubisi (2011), stressed that the rapid expansion of internet adoption throughout the world has created an extraordinary pace of change in the marketing landscape and opened business opportunities for marketers. For example, e-commerce or online business was never heard twenty years ago .However, nowadays these are considered to be the most viable and efficient channels available in the markets in this century. Around 1994, banks saw the increasing popularity to advertise their services, at first, they used the internet as another pamphlet without interaction with the customer where sites featured pictures of the bank's offices or buildings, and provided customers with maps of braches and ATM locations, phone numbers to call for further information and simple listings of products.

According to Ruth Sarreal (2018), online banking was first introduced in the early 1980s in New York, United States. Four major banks such as Citibank, Chase Bank, Chemical Bank and Manufactures Hanover which offered home banking services, Chemical introduced its pronto services for individuals and small business in 1983, which enabled individuals and small business clients to maintain electronic check book registers, see account balances, and transfer funds between checking and savings account. In a study carried by Amiri, Aghdaie & Faghani (2012), they investigated the mobile banking service quality and customer satisfaction. They applied the SERVQUAL model to identify the relationship between customer satisfaction and mobile banking services. Researchers examined that reliability, empathy, responsiveness and tangibility are positively correlated with customer satisfaction whereas assurance has no relation. This study focused on the customer satisfaction and mobile banking service quality just as many previous studies. The study compared to other studies, applies the SERVQUAL model, which some other previous studies do not apply, but compared to the studies using the same model, this study supported all the SERVQUAL factors which were not supported by other studies. The study only focused on the factors of service quality and ignores other factors that may have influenced customer satisfaction. The study also ignored the expectations that may have been created by the introduction of mobile banking. Haneen, Abu-Assi, Hani, Al-Dmour1 & Al-Zu'bi (2014), investigated the factors that influence the e-banking adoption of clients who have internet access in Jordan. The study findings showed that compatibility, perceived ease to use, security and perceived usefulness impact positively affect internet banking adoption. The perceived ease of use had the highest score and is an important factor for internet banking adoption.

Jannat and Ahmed (2015), investigated the factors influencing customer satisfaction of mobile banking. Their study revealed that the most influential factors that have an impact on customer satisfaction of mobile banking of second-generation banks include; security and trust, convenience, accuracy and of transaction, ease of use, system availability, responsiveness, transaction speed, and cost effectiveness are the most influential factors for customer satisfaction. It was found that a strong relationships exists between customer satisfaction and these nine factors mentioned above. Each and every variable (independent) has power for customer satisfaction. Compared to the previous studies, these nine variables also show positive relationships with the dependent variable (customer satisfaction) and it is not assured that these are the only determinants of mobile banking. The study above assisted the researcher describing the types of concepts of internet banking, its advantages and disadvantages as well as the factors influencing the customers' adoption to online banking. To some extent this research is different from the studies done by Amiri, Aghdaie & Faghani (2012), Haneen, Abu-Assi, Hani, Al-Dmour1 & Al-Zu'bi (2014) and Jannat and Ahmed (2015), to the fact that the researcher did not only focus on the factors influencing customer's adoption and satisfaction but also to what extent or level the customers are satisfied.

Banking applications such as Mobile Banking, Online Banking has more than a decade old rich history dating back to its establishment back in the mid-1990s, with Stanford Federal Credit Union launching the website in 1994. Mobile banking started with SMS services in the late 10190s and exploded with the first smartphones (like the iPhone in 2007) and dedicated applications around 2009-2011 making banking truly accessible from anywhere. This type of banking has evolved through various mergers and acquisitions into its current form. Banking's growth has been carved out through facing economic challenges such as recessions and global events like the Covid-19 pandemic, pushing the bank to innovate with the changing times. In the ever-expanding banking sector it is imperative to move with the times and evolve with the dynamic technological changes. Working towards meeting these developments helps meet customer needs as well as ensuring a positive banking experience. One significant development is the extensive adoption of banking applications, providing customers with a convenient and efficient way to manage their finances. These applications offer a range of services, including account monitoring, funds transfer, and bill payments and in some instances investment options. This shift towards digital banking solutions has been necessitated by smart phone penetration and the global momentum for contactless transactions. As a result, banking applications have become central to the customer experience, irrevocably changing the dynamics of the financial services industry. To remain competitive and relevant, banks must seek to understand how customer experiences are tied to their loyalty in staying with the bank. Customer satisfaction is multifaceted, encompassing factors such as user interface design, transaction speed,

data security, customer support responsiveness and overall reliability of the application (Almaiahetal. 2022; Berndtetal., 2010).
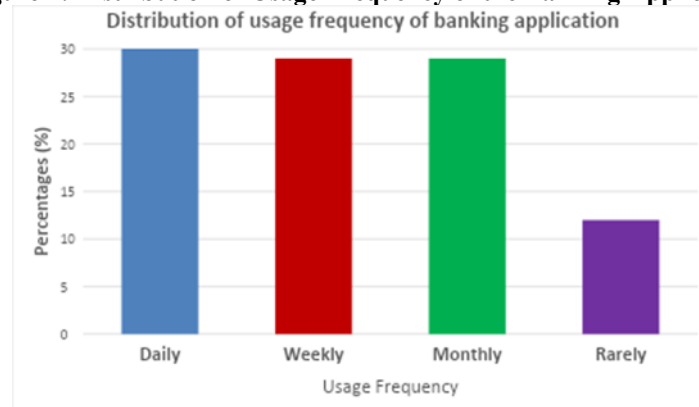
II.   Material And Methods

Study Design: A mixed-methods approach was used in the study, this is defined as the integration of qualitative and quantitative approaches to answer research questions (Guerra-Santin et al., 2016; Shoshan & Wehrt, 2022). The rationale for using the mixed-methods approach lies in the fact that it is all encompassing and does not restrict the researcher from trying out different ways of answering the research question (Kumar, 2018). If findings are confirmed across different approaches, the results can be interpreted with greater confidence (Johnson & Onwuegbuzie, 2004). There are six types of mixed-methods approach designs according to (Schoonenboom & Johnson, 2017), namely, convergent parallel design, explanatory sequential design, exploratory sequential design, embedded design, transformative design, and the multiphase design. This study employed the embedded approach which involved collecting and analyzing both types of data at the same time but within the larger qualitative approach, allowing for time and resource limitations.

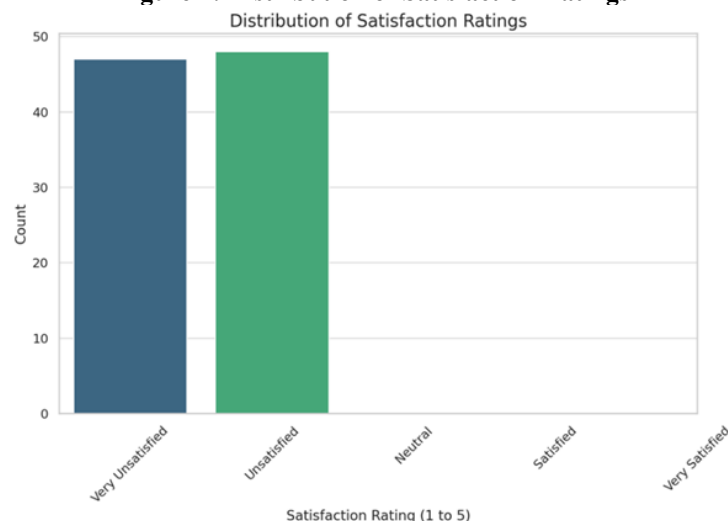## III.   Result

Usage patterns and frequency

Figure 1: Distribution of Usage Frequency of the Banking Application

The percentage for daily use was 30%, weekly 29%, monthly 29% and rarely 12%. There was a significance difference in the portion of respondents' use of the application amongst those that use it daily, weekly, monthly and rarely ($P < 0.05$). It is worth noting that amongst. Respondents who used the application daily, weekly and monthly, there was no significance differences ($P > 0.05$).
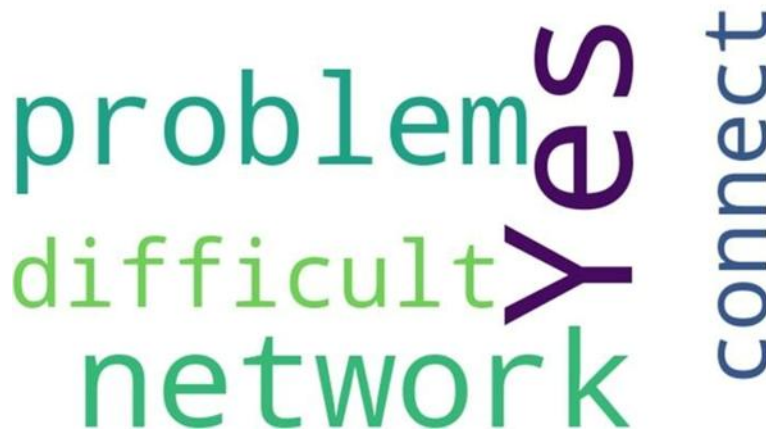
Overall satisfaction level

Figure 2: Distribution of Satisfaction Ratings

The counts for respondents under very satisfied was 47/50, 49/50 for unsatisfied, 0/50 for neutral, 0/50 for satisfied and 0/50 for very satisfied. There were significance responses on the ratings in figure 3 (pp<0.05).

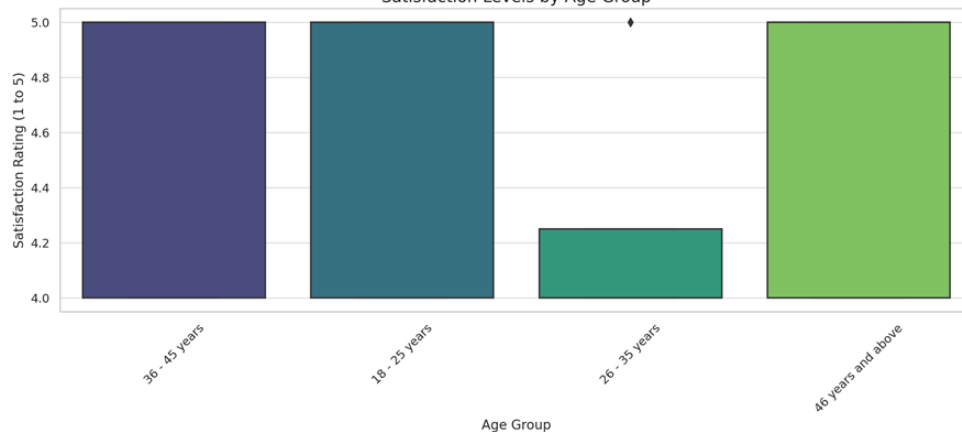## IV. Key Features Contributing To Satisfaction
Figure 4: Word Cloud of Challenges or Issues Mentioned

Word Cloud of Challenges or Issues Mentioned

The word cloud visualizes the common words and phrases mentioned by respondents when describing the challenges or issues they faced while using the mobile banking application.
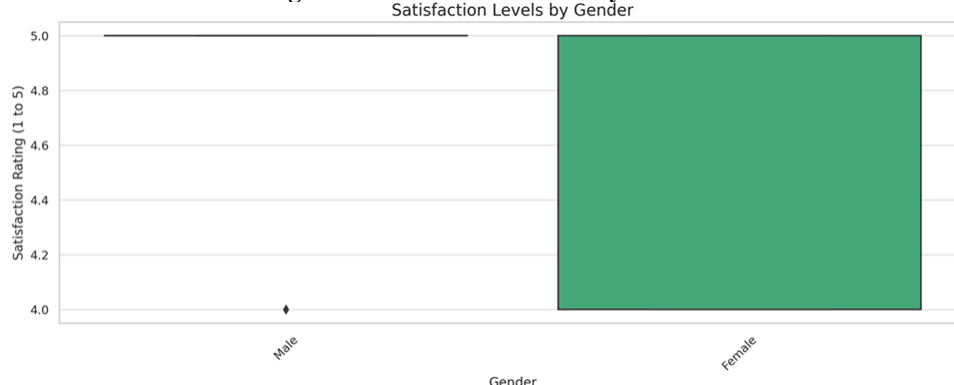
V. Demographic Comparison
Figure 4: Satisfaction Levels by Age Group

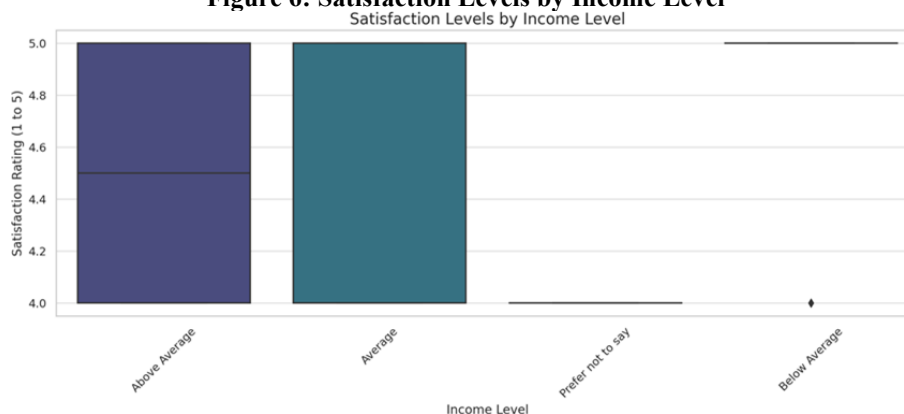

The satisfaction rating (1 to 5) for age between 18-25 years was 5 ,26-35 years 4.3 , 36-45 years 5,and 46 years and above 5. There was no significance difference in satisfaction levels by age group (P >0.05).

Figure 5: Satisfaction Levels by Gender

The satisfaction levels by gender (rating 1 to 5), the male was zero (0) and female was 5. There was significance differences in satisfaction by gender (P<0.05). The female gave the maximum score while the male gave nothing.

Figure 6: Satisfaction Levels by Income Level

The satisfaction rating (1 to 5) levels by income levels for those respondents above average was 5, those with average income was still 5, prefer not to say 0, below average. There was significance difference in satisfaction levels by income level (P<0.050).

VI.   Discussion

This analysis contributes to understanding customer satisfaction in the context of banking applications, specifically in the Manzini Region of Eswatini. The high level of satisfaction across various demographic groups suggests that banking application such as mobile banking is meeting the needs of a diverse customer base. The feedback and challenges identified provide actionable insights for further enhancing the user experience. The evaluation of customer satisfaction concerning the usage of banking application in the Manzini Region of Eswatini has unveiled crucial insights into customers' experiences and interactions with the application. This investigation, grounded on a well-structured customer satisfaction survey, has successfully addressed the primary objectives laid down at the outset. A pronounced frequency of app usage among the respondents underscores the integral role the banking application plays in their daily banking operations. The high frequency of daily and weekly usage indicates a level of dependency on the application for managing their financial transactions. The overall satisfaction level among customers is commendably high, with the majority rating their satisfaction at the highest level. This favorable satisfaction level is a testament to the app's capability to meet the banking needs of the customers effectively. However, the analysis also sheds light on the existence of challenges and issues encountered by users, underscoring areas for improvement. The investigation into key features contributing to customer satisfaction reveals that a combination of fundamental transaction types, such as checking account balance, transferring funds, paying bills, and making deposits, significantly contributes to higher satisfaction levels. This insight is invaluable as it guides the enhancement of app functionalities that are most impactful to the user experience. A demographic comparison unveils a consistent level of satisfaction across various age, gender, and income groups, depicting a broad acceptance of the app across diverse demographic segments. This inclusivity is a positive indicator of the app's ability to cater to a wide spectrum of the customer base. The feedback and suggestions from customers provide a rich reservoir of user-centric insights for improving the mobile banking application. Addressing the common challenges and considering the feedback for future app development can significantly elevate the user experience and, by extension, the satisfaction levels.

VII.   Conclusion

Banks now have a robust banking applications that significantly satisfy customers in the Manzini Region of Eswatini through the use of mobile and online banking. The insights gleaned from this analysis provide a roadmap for further augmenting the app's user experience, thereby fostering enhanced customer satisfaction. The proactive addresses challenges, coupled with an open channel for user feedback, sets a positive trajectory for the continual improvement and success of the banking application.

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