

Assessment of the Relationship between Mobile Banking Usage and Customer Satisfaction amongst University Students in Mombasa County, Kenya

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ABSTRACT: *The mobile revolution and technology innovation have significantly changed the banking sector. As a result, the banking sector has become one of those that is most dependent on consumer markets adopting new technology. By removing distance and time restrictions, the modern mobile revolution has not only made it possible for individuals to connect with one another globally but has also greatly improved the lives of many by giving them access to basic financial services through phone-based money storage and transfer. The revolution sparked by higher technological advancements has led to an abnormally high rate of global adoption for mobile banking services. The purpose of the study was to examine the association between customer satisfaction and mobile banking usage among university students in Mombasa County, Kenya. There are three main objectives of the study: to establish a relationship between student attitudes, mobile banking usage, and customer satisfaction among university students in Mombasa County, Kenya; to establish a relationship between technology proficiency, mobile banking usage, and customer satisfaction among university students in Mombasa County, Kenya; and to investigate a relationship between mobile banking service quality and customer satisfaction. The researcher relied on the financial intermediation theory, current economic theory, and innovation diffusions theory to achieve the objectives of this study. In order to understand how student attitudes, technological aptitude, the quality of the mobile banking service, and the usability of the product influence the use of mobile banking and customer satisfaction among university students in Mombasa County, Kenya, this study employed an explanatory research methodology. In order to determine the nature and intensity of a cause-and-effect relationship between the variables, explanatory research designs involve analyzing two or more variables. Students from colleges' satellite campuses in Mombasa County would make up the target group. Students from the 10 universities in Mombasa County made up the majority of the target audience. The study will choose 99-year-old students at satellite campuses dispersed throughout the colleges in Mombasa County. The Yamane (1967) method was used to estimate the results at a 95% confidence level (0.10 level of significance). The university students in Mombasa County were surveyed using standardized questionnaires in order to collect data. The questionnaires' closed-ended questions identified both independent and dependent variables, and they were graded on a Likert scale from 1 to 5 to quantify the information. The six main categories into which the survey was divided include demographic information, student attitudes, technological aptitude, and the standard of mobile banking services, product usability, and customer happiness. With the aid of IBM SPSS Statistics for Windows, Version 23.0, the obtained data was edited, cleaned, coded, and analyzed using both descriptive and inferential statistics. Tables, figures, and charts will be used to display and explain the results, along with supporting reasons.*

Index Terms: *Mobile, Banking, Customer, Satisfaction,*

INTRODUCTION

M-banking, often known as mobile banking, is the provision of financial services via mobile telecommunications technology in Kenya (Mwendwa & Githu, 2014). Kenyans can use mobile banking services to apply for loans, request overdrafts, and carry out other financial transactions like cash transfers and loan applications. According to research studies by the Kenya Bankers Association center, an increase in mobile banking has been connected to an increase in innovation and creativity (Mwendwa & Githu, 2014).

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According to Bitange Ndemo, government initiatives that inspire the use of new technologies and widespread use of mobile phones have significantly assisted the growth and development of mobile banking. Thanks to the modification, accessibility, response time, and consumer brand have all increased across the entire country (Ndemo, 2016).

According to Mwendwa & Githu (2014), the rise of information-driven economies is to blame for Kenya's increased interest in mobile banking. These most recent changes have made it easier to build an economical banking system. Previous studies have concentrated on issues including how mobile banking impacts consumer happiness. For instance, Arter and Hammond (2011) looked at the relationship between customer satisfaction and mobile banking in Pakistan, and the results showed that this is true globally for mobile banking. Waweru and Mwongo conducted research on the challenges and long-term effects of mobile banking on consumer satisfaction in Rwanda in 2015. The limitations imposed on the banking business by law, geography, and industry are no longer present, claim Machogu and Okiko (2015). To fully appreciate the complexities of mobile banking and how it has transformed Rwandan banking, it is crucial to comprehend this. On the other hand, Odunga (2012) looked at the variables affecting Kenya's e-banking services and identified the underlying variables affecting mobile banking in Kenya. The study's main inferences focused on connectivity, speed, consumer attitudes, accessibility, and technology configuration (Odunga, 2012).

This study examined how the three variables affect customer loyalty by starting with university students in Mombasa County. Customer loyalty, according to this definition, refers to how loyal customers are to a company's goods or services and how likely they are to choose that brand over those of rivals. In order to avoid switching to a competitor's firm or organization, devoted customers frequently elect to solely buy an organization's products (Nyamweya & Ngugi, 2017). The study will seek to determine the liaison between mobile banking usage and customer satisfaction amongst university students in Mombasa County, Kenya.

RESEARCH ELABORATIONS

The methodological nature of the research ensures that the researcher will receive reliable, unprejudiced, cost-effective, and thorough responses to their study questions (Soeters Shields & Rietjens, 2014). This was accomplished through the use of appropriate methodology, including a well-thought-out design, proficient sampling, a representative sample selection, and the relevant study and data collection instruments (Howell, 2013). This study utilized an explanatory research design to examine how university students in Mombasa County, Kenya, use mobile banking and their happiness with it in relation to their attitudes toward it, technological aptitude, the quality of the service, and simplicity of use of the product. Explanatory research methods measure two or more variables to evaluate the extent and kind of their cause-and-effect interactions (Kothari & Gaurav, 2014). Since determining if there are any causal correlations between the independent factors and the dependent variable is the aim of the study, this research design was used.

Many studies on mobile banking have been conducted worldwide, including in Kenya. While Uppal (2010) examined the impact of mobile banking in the Indian banking sector between 2000 and 2007, Awadhi (2013) examined the acceptance and popularity of the M-Banking system in the Kingdom of Bahrain. Imetur and Keli (2012) investigated the variables affecting Kenya Commercial Bank's adoption of mobile banking, and Imetur and Keli (2012) investigated the variables influencing Kenyan customers' acceptance of mobile banking. The findings of the study, however, cannot be generalized to Kenyan mobile banking activities due to the existence of numerous mobile service providers, each with distinct characteristics and legal requirements. By examining the relationship between customer satisfaction and mobile banking usage among university students in Mombasa County, Kenya, this study will attempt to close this gap.

RESULTS OR FINDINGS

Student's Attitudes

On the first objective of student's attitudes, it was determined that the ease of use of mobile banking services by other users influences my use of the applications hence I adopted the m-banking tech as soon as I learnt about it and errors during my interaction with the application may be as a result of poorly designed applications. The findings further revealed that my bank sends me advertises its online capabilities on various media platforms and my bank makes changes to the mobile banking application based on customer feedback. On this objective, it was finally established that my bank responds quickly to any queries on the mobile banking application.

Technology Proficiency

On the second objective of technology proficiency, most of the respondents agreed that I consider myself highly proficient in the use of smart phone technology hence my level of proficiency in using a mobile banking application influences my satisfaction and Mobile banking applications can be used by users with low levels of technology proficiency. The study further showed that the level of availability and features influence my decision to use mobile banking services and I am open to learning the use of mobile banking technologies. It was revealed that information regarding service lines is checked for accuracy, completeness, and currency in order to ensure that they truly reflected the services on the ground.

Mobile Banking Service Quality

On the third objective of mobile banking service quality, it was determined that the level of service quality drawn from a mobile banking application greatly influences my satisfaction and also determines my frequency of using a specific mobile banking

application and when carrying out a transaction, the transaction is completed in full. Secondly, on this variable it was found out that mobile banking application is able to task as needed all the time and mobile banking application responds quickly to user inputs and transactions initiated. Finally, it was established that mobile banking application enables me to manage my finances better.

Ease of Product Use

On the last independent variable of ease of product use, it was determined that there was efficient flow of information within the organization and between stakeholders involved in the road project and I prefer technology and applications that are easy to use and rarely use applications that are not easy to use. The study further found out that banks should design systems that are easy to use to students and mobile banking application user interface is clear and easy to understand to students.

CONCLUSION

Student's Attitudes

Based on the study findings and data analysis, the study concludes that there is insignificant relationship between student's attitudes and mobile banking usage and customer satisfaction amongst university students. Mobile banking depends heavily on students since without a sizable student population, this endeavor would fail financially. The widespread usage of m-pesa by Kenyan students is largely responsible for the success of mobile banking interfaces. This level of achievement would not have been possible without the university student's enthusiastic adoption of mobile banking. The explanation of the potential results was greatly helped by students who utilized mobile banking before their peers. They were crucial in showing the skeptical future students that this new banking method was just as dependable as conventional banking. Most skeptics began to change their minds about using mobile banking after learning about the advantages in this way. An important factor in raising consumer awareness of the product was advertising according to (Mulwa & Ndati, 2015).

Technology Proficiency

The study further concludes that an improvement on the technology proficiency would result in an increase in mobile banking usage and customer satisfaction amongst university students but the improvement would be insignificant. The study also concludes that the capacity to use technology is referred to as technological competency. There is, according to evidence, a digital gap between the younger and older generations. Evidence also supports the assumption that university students are enthusiastic about picking up technological skills. For instance, the fact that university students with little literacy are often excluded from technological improvements like ATMs in mobile banking and account management through online platforms. Concerns about intrapersonal, interpersonal, structural, and functional issues are addressed by Bob, Yiwei, and Lynne (2016). Weak cognitive abilities are cited by Slegers *et al.* (2018) as a hindrance to an elderly person's ability to use a computer, while privacy concerns are cited by Rajarshi, Claire, and Raghav (2016).

Mobile Banking Service Quality

On the third objective the study concludes that mobile banking service quality has an influence on mobile banking usage and customer satisfaction amongst university students but the association between the two was significant. The study concludes that one of the most crucial metrics for mobile consumers is service quality. This is mostly due to the fact that service quality controls the degree of service that a user will receive from a certain application. This implies that when a user has to carry out a certain transaction, the application should offer them high-quality services. A mobile banking application must communicate with the bank's servers in order to provide financial services to a user's smartphone (Al-Jabri & Sohail, 2012). As a result, it is essential that the software has ACID system properties. The letters of this acronym, according to Vogels (2009), are atomicity, constancy, isolation, and durability.

Ease of Product Use

On the final independent variable, based on the study findings and analysis. The study concludes that there exists a significant relationship between ease of product use on mobile banking usage and mobile banking usage and customer satisfaction amongst university students. The study further concludes that any application's usability is often influenced by a wide range of elements. For students to get the most value out of the mobile applications, they must be simple to use. Therefore, the design of the mobile banking application that the students will use will determine how satisfied customers are with mobile banking. For system users, interacting with the program is crucial. As a result, the user can utilize the application independently according to (McWherter & Gowell, 2015). If the buttons in a program continually complete the same task, they are consistent. Many applications for consistency should be available (Hooper & Berkman, 2016). The program's payment button, for instance, should resemble the payment buttons of other apps (McWherter & Gowell, 2015).

RECOMMENDATIONS

The study made the following recommendations;

Other researchers interested in leading research on mobile banking can improve other models that include the same factors used in this study but in diverse areas, such as telecommunications, industrial, and service sectors, rather than focusing on the financial sector.

Similarly, interested candidates or researchers can create models that address additional issues that may impact customer satisfaction in financial services.

In terms of technology, mobile banking must promptly update and improve the interface design and operational flexibility of mobile banking applications in response to customer needs and preferences, particularly for customers who have a high demand for mobile banking transactions.

Due to the abundance of options available to consumers and the possibility that one or more adverse variables will force them to choose another form of transaction, banks need to pay more attention to these associated issues. Customers can only be sure to utilize mobile banking for long-term reasons by increasing customer satisfaction.

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