

ELECTRONIC BANKING ADOPTION ON CUSTOMER SATISFACTION :A CASE OF EQUITY BANK NTINDA BRANCH

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M23B05/014

**A DISSERTATION SUBMITTED TO THE SCHOOL OF BUSINESS IN PARTIAL FULFILLMENT
OF THE REQUIREMENTS FOR THE AWARD OF THE DEGREE OF BACHELOR OF
BUSINESS ADMINISTRATION OF UGANDA CHRISTIAN UNIVERSITY**

April, 2026



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DECLARATION

I, Byenkya David declare that this dissertation report is my original work and none of its section(s) is plagiarized. I further declare that this proposal has never been submitted to any university for the award of any degree.

Signed  Date 21st April, 2026

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APPROVAL

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This dissertation report titled "Electronic banking adoption on customer satisfaction" was developed under my supervision and is ready for submission to Uganda Christian University's School of Business.

Signed by;  date 21/ April / 2006

ARYAMANYA ASTON

ACADEMIC SUPERVISOR

DEDICATION

This report is dedicated to my grandmother Byenkya Gladys for caring for me since my childhood and for her desire to see me advance in my academic journey. Her unending prayers played a very important role in my education and general life.

ACKNOWLEDGEMENT

I would like to thank and acknowledge my research work supervisor Mr. Aryamanya Aston for his encouragement and guidance throughout the process of developing this report.

Table of Contents

Table of Contents

DECLARATION	1
APPROVAL	3
DEDICATION.....	4
ACKNOWLEDGEMENT	5
TABLE OF CONTENTS	6
ABSTRACT	9
CHAPTER ONE:	11
INTRODUCTION	11
1.0 Introduction.....	11
1.1 background of study	11
1.2 Statement of the problem.....	13
1.3 Objectives of the Study.....	14
1.4 Specific Objectives.....	14
1.5 Research Questions.	14
1.7 Scope of the Study.....	15
1.8 Content Scope.	15
1.8.1 Time Scope.	16
1.9 Contextual Scope.	16
1.10 Conceptual Framework.....	17
CHAPTER TWO:	18
LITERATURE REVIEW.....	18
2.0 Introduction.....	18

2.1 To establish a relationship between the perceived ease of use and the satisfaction of customer	18
2.2 Literature Review.....	Error! Bookmark not defined.
2.2 To analyze the nexus between perceived usefulness and customer satisfaction with electronic banking services.....	20
2.3 To investigate the impact of trust and security on customers' intention to continue using electronic banking platforms.	22
2.4: Evaluating the impact of perceived security and trust on customer satisfaction	Error! Bookmark not defined.
2.5: analysis of literature	27
CHAPTER THREE:.....	30
RESEARCH METHODOLOGY.....	30
3.1 Introduction.....	30
3.2 Research Design.....	30
3.3.1 Study Population	30
3.3.2 Determination of sample size using Krejcie and Morgan (1970)	31
3.6.5 Semi-Structured Interview Guide (For Bank Staff)	Error! Bookmark not defined.
3.6.6 Documentary Review Checklist.....	Error! Bookmark not defined.
3.6.7 Measurement of Variables	Error! Bookmark not defined.
3.6.8 Validity and Reliability	34
3.6.9 Justification of Tools	34
3.7 Research Techniques Used in the Study.....	34
3.8 Data Collection Procedure. The procedure of data collection was as follows:	36
3.9.1 Instruments for Research / Tools	37
3.10 Reliability and Validity.	Error! Bookmark not defined.
3.11 Ethical Considerations.....	38

CHAPTER FOUR.....	39
DATA PRESENTATION, ANALYSIS, AND INTERPRETATION	39
4.0 Introduction.....	39
4.1 Demographic Characteristics of Respondents	Error! Bookmark not defined.
4.2 Level of Electronic Banking Adoption.....	Error! Bookmark not defined.
4.3 Customer Perception of Ease of Use and Usefulness	Error! Bookmark not defined.
4.4 Relationship Between Electronic Banking Adoption and Customer Satisfaction	Error! Bookmark not defined.
4.5 Challenges Affecting Customer Satisfaction.....	Error! Bookmark not defined.
4.6 Summary of Findings	Error! Bookmark not defined.
CHAPTER FIVE:	49
5.0 Introduction.....	49
5.1 Summaries of the Study.....	49
5.2 Conclusions.....	49
5.3 Recommendations.....	50
5.4 Limitations of the Study.....	Error! Bookmark not defined.
5.5 Areas for Further Research.....	Error! Bookmark not defined.
References	52

ABSTRACT

This study was undertaken to investigate the link that exists between electronic banking adoption and customer satisfaction, with specific attention paid to Equity Bank Ntinda Branch in Uganda. With the dynamic progress in digital technologies in recent times, banking institutions have increasingly adopted electronic banking systems such as mobile banking, internet banking, and ATMs in an attempt to enhance service delivery and satisfy customer needs. However, customer satisfaction levels have not been uniform due to problems related to system failure, security issues, and customer knowledge.

The overall purpose of this study was to assess the impact of electronic banking adoption on customer satisfaction. The specific objectives of this study were to assess the impact of perceived ease of use, perceived usefulness, and trust and security on customer satisfaction. This study used a cross-sectional study design, where the respondents were customers of Equity Bank Ntinda Branch. The data collection tools used for this study were structured questionnaires, which were then analyzed using descriptive and inferential statistics.

From the study, it was revealed that ease of use greatly increases customer satisfaction since the customer prefers to use systems that are not complicated and are very easy to use. The study also revealed that the usefulness of the system has a positive effect on customer satisfaction, as the customer prefers to use systems that help them perform tasks in a very efficient way and in the least time possible. Moreover, the study revealed that trust and security are very important factors in influencing customer satisfaction and loyalty, as the customer prefers to use electronic banking systems when they feel that their financial details are safe.

However, the study also reveals some major challenges affecting customer satisfaction, and some of them are related to internet connectivity, failure of transactions, and security risks in cyber world.

The study concludes that, although electronic banking plays a critical role in ensuring customer satisfaction, success in this regard is largely dependent on the reliability and security of the system, as well as the awareness of the users. It is recommended that banks need to invest more in their technology infrastructure and also educate their customers to enhance their experience. The

findings of this study are critical to the management of banks, policymakers, and scholars in their quest to understand how to enhance financial inclusion in Uganda.

CHAPTER ONE:

INTRODUCTION

1.0 Introduction

This chapter outlines the background of the study ,the problem statement, the research objectives , research questions ,significance , scope and key definitions of terms .it serves as a roadmap that establishes the context and justification for investigating this electronic banking adoption and customer satisfaction within Uganda banking sector.

1.1 background of study

. In many developed economies such as the USA, France, Germany, Britain, there are now almost all banking activities, including fund transfers, bill payments, credit applications and investment management through mobile and online platforms all carried out electronically for customers to act, not once but twice a day. However, the digital age is rapidly developing. It is increasingly important for customers to be able to change and transfer transactions online through mobile wallets or through mobile wallets. The acceleration of this digital transition was driven by the COVID-19 pandemic, when consumers and financial institutions were required to limit physical contact and keep services moving during lockdown and social-distancing efforts (Sarraf, 2023). Hence, the pandemic acted as a catalyst for quicker shifts by banks and customers towards e-channel that had not (and never will) been realized otherwise (Ayinaddis, Taye & Yirsaw, 2023).

Technologically, the widespread use of smartphones, better internet connectivity and the generation of secure encryption and authentication systems made electronic banking (e-banking) feasible and easy to use (Choudhury & Tripathy, 2022). Digital wallets, mobile applications and internet banking gateways have become everyday life, giving customers instant access to their accounts. For example, research worldwide has shown that acceptance of mobile payment in China, India, Brazil have taken root in high proportions indicating this is attainable where there are sufficient infrastructure, government support, and willingness shown by consumers (MoldStud, 2023). However, cash and branch-based banking continue to be prevalent in many markets, as momentum continues to favor digital channels (Al-Smadi, 2021).

In addition, emerging reliance on technology within banking has brought forth new threats and new issues. Regulators have warned that digitalization is heightening operational, reputational and systemic risks because of banks' reliance on third-party technology suppliers, cloud services and FinTech partners (Basel Committee, 2024). Cybersecurity, like phishing, malware, ransomware and data breaches have become increasingly significant with e-banking adoption and are causing both significant threats in terms of customer trust and institutional stability (Waliullah et al., 2025). As a result, though electronic banking has provided significant benefits, banks must invest considerably on solid risk management systems, security regimes and regulatory compliance (Nampewo & Kamukama, 2022).

However, East Africa has been the region where electronic and mobile banking systems have made excellent strides and Kenya is recognized as a hub for digital finance and innovation (Ndung'u, 2023). The success of Kenya is attributed to the fact that mobile money systems - particularly Safaricom's M-Pesa - has revolutionized the way millions of unbanked and underbanked individuals can access financial services (Wekesa & Achieng, 2024). Mobile technology has also been taken up by major commercial banks such as KCB Bank Kenya, Equity Bank Kenya and Cooperative Bank to help serve the urban and rural population: they offered real-time balance checking and instant lending products. In addition, the incorporation of mobile money into formal banking networks and exchanges has facilitated a more equitable financial system while enabling innovation and competition in the industry (FSD Africa, 2024).

Yet other developments have occurred in Uganda with banks continuing to use technology to grow outreach and improve efficiency. For instance, Equity Bank Uganda, Centenary Bank and Stanbic Bank have utilized digital avenues such as mobile applications, online banking, and ATM service to cater to its clients in a flexible manner (Mutibwa & Bukenya, 2022). The recent adoption of a regulatory framework, including the Bank of Uganda's National Payment Systems Act 2020, has contributed to encouraging the innovation and governance of e-transactions (Kasekende & Nabende, 2023). However, obstacles such as poor internet connectivity, failures during transactions and cyber security risks persist, which can erode customer satisfaction (Nabiryo & Ssekiziyivu, 2021).

Studies indicate that even with continued growth of e-banking adoption in Uganda, there are still problems regarding reliable system operation, customer sensitization, and confidence which limit

the full utilization of the system (Walugembe, 2023; Kainza, 2018). Due to low digital literacy levels and fear of fraud, rural customers, among them older customers are largely still hesitating (Konde, 2022; Mugume, 2023). Yet, notwithstanding these limitations, e-banking's promise is strong. Digital financial services also enable the reduction in unnecessary visits by physical banking as well; they reduce operational expenditure and prompt quicker and safer transactions (Ainembabazi, 2022). Furthermore, e-payment channels tend to positively impact e-commerce growth in Kampala, implying that e-banking expansion could enhance the overall economic growth and financial inclusion within the city (Kasenge & Butime, 2025). This means that with the increased level of adoption, it can improve not only the performance of the banks but also the economy or trade process.

To conclude, it is imperative to note that despite the effects of electronic banking on the redefinition of financial services globally, on the African continent, great potential exists with regard to it, and Uganda's road is not yet ready. This is due to the existence of great barriers, especially with regard to infrastructure, literacy, trust, and customer preparedness. Therefore, the significance of the study with regard to the effects of adoption on customer satisfaction is great, not only for the banks with regard to gaining competitive advantage but also for the government with regard to financial inclusion.

1.2 Statement of the problem.

Digital banking (e-banking) is a technology offering customer banking by the use of various electronic means such as the internet, mobile banking, automated teller machines (ATMs), and electronic fund transfers (Ayinaddis et al). It entails tasks like checking account balances, transferring money, settling debts, and obtaining loans online. These developments make e-banking convenient and time-saving (Khanfar, 2023) and are thus the easiest options for customers. Based on Choudhury and Tripathy (2022), digital channels utilization has emerged as a key asset in traditional banking activities, allowing banks to streamline service and improve client satisfaction.

Even though there are advantages, customer satisfaction in Uganda is mixed. Many commercial bank customers, including Equity Bank Kampala, face issues including poor system connectivity, technical transaction failures, and poor knowledge of e-banking functionality (Ainembabazi,

2022). Due to concerns of trust, data security, and ease of use, many of the clients still rely on physical retail banking (Nabiryo & Ssekiziyivu, 2021). In addition, poor mobile network coverage and occasional system downtime affect the reliability of e-banking products and services (Mugume, 2023). All of these challenges also suggest a potential contrast between banks' claims about encouraging e-banking adoption and users' actual satisfaction levels (Obonyo, 2023; Sarra, 2023).

Ideally, e-banking will have seamless, secure, and reliable access to financial services anytime and anywhere (Basel Committee, 2024). Under such ideal environment, such systems would work efficiently with few transaction failures and customers would have sufficient knowledge and confidence to use the digital banking platforms efficiently (Nampewo and Kamukama, 2022). In this way, it would make banks invest in ICT infrastructure and cybersecurity, and training of customers, in order to streamline service and create confidence (Mutibwa & Bukenya, 2022). Under this scenario, e-banking will have contributed to enhancing customer satisfaction, deepening customer loyalty, and overall performance of commercial banks (Kasekende & Nabende, 2023).

1.3 Objectives of the Study.

General Objective.

To analyze the association between the adoption of electronic banking and customer happiness at Equity Bank Kampala.

1.4 Specific Objectives.

1. To assess the relationship between perceived ease of use and customer satisfaction
2. To investigate the relationship between perceived usefulness and customer satisfaction with electronic banking services.
3. To assess the influence of trust on customer's intention to continue using electronic banking platforms .

1.5 Research Questions.

1. what is the relationship between perceived ease of use and customer satisfaction?

2. What is the relationship between perceived usefulness and customer satisfaction in electronic banking services?

3. What outcomes does trust and security have on consumers' commitment to maintain using e-banking?

1.6 Significance of the Study.

This study will help to:

- i. Understanding customers' needs and service enhancements, understand bank managers.
- ii. Policy makers establish barriers to implementation and devise promoting laws.
- iii. Customers make aware of where electronics banking's advantages could be and where they are problematic.
- iv. Researchers and pupils utilize it as reference for future study on technology acceptance in banking.

1.7 Scope of the Study.

Based on the study done in this present study, in order to assess relationships of perceived ease of use, perceived usefulness, trust and security (independent variables) with customer satisfaction with electronic banking services (dependent variable). This study is transactional in nature and explores these relationships at only one point in time without changing any variables.

Geographical Scope. The study is based on Uganda and examines a commercial bank, Equity Bank. This institution has advanced the process to using electronic banking technologies making it appropriate for analyzing customer perceptions. The geographical perspective chosen around Uganda resonates with the growing trend at the country levels towards digitized financial services and the importance for understanding how trust and security might influence the customer satisfaction under the digital banking system.

1.8 Content Scope.

For the study, the relationship between perceived ease of use, perceived usefulness, trust, and security (independent variables) and customer satisfaction with electronic banking services (dependent variable), will be the focus of investigation. It will look at whether the mentioned

factors, both individually and jointly, affect the customers' adoption and satisfaction with the e-banking services. There are other relevant factors not mentioned in the research, e.g., service charges, internet connectivity, and bank reputation; however, they didn't form part of the discussion.

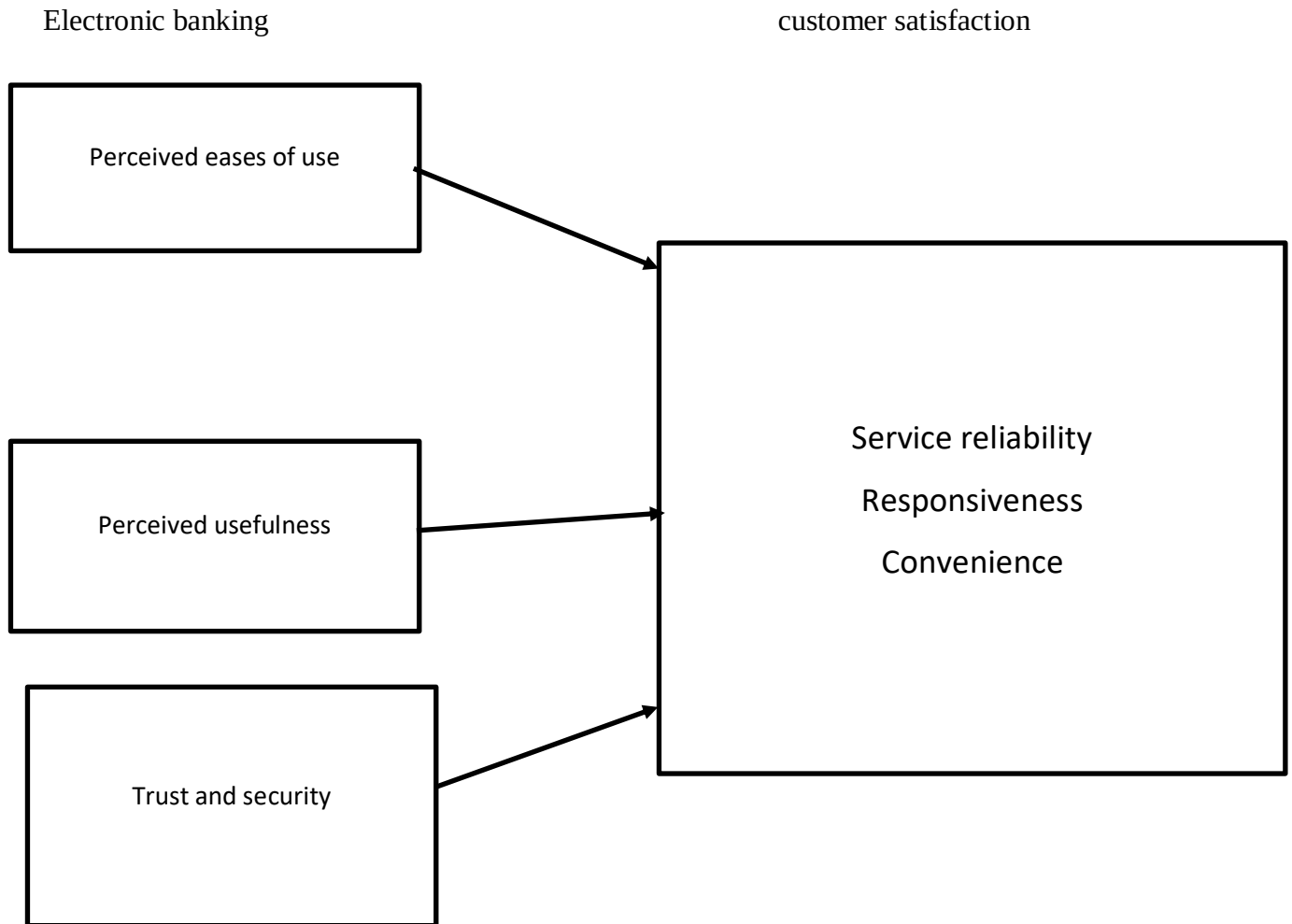
1.8.1 Time Scope.

The research design was a cross-sectional and was only be conducted at a particular point in time within the year 2025. This was because it was an ideal time frame in which the research is conducted in order to assess the perceptions of the electronic banking services in Uganda in the current period as fast as they are in the growth of technology.

1.9 Contextual Scope.

In the same vein, the research was situated in the Equity bank industry, the equity bank ecosystem for electronic banking, more precisely that of mobile banking, online banking and ATM. It aimed to explain how customers' perceptions of ease of use, usefulness, trust and security influence their satisfaction and adoption behavior. The findings would shed light on how commercial banks could better improve e-services quality and enhance customer satisfaction in Uganda's competitive financial landscape.

Figure1: Conceptual Framework.



In this framework, customers' willingness to adopt electronic banking depends on factors such as ease of use, perceived usefulness, and trust. Positive attributes of these factors drive adoption and satisfaction. And in case of system failures or security threats, then the satisfaction of the customers is lower (Walugembe & Sabuuti, 2023; Khanfar, 2023).

CHAPTER TWO:

LITERATURE REVIEW.

2.0 Introduction.

This chapter Existing literature about e-banking adoption and customer satisfaction are discussed in this chapter. It will explore theoretical perspectives along with empirical studies and gaps that lie between existing knowledge. The literature review is organized in accordance with the study's aims. To estimate the overall association between perceived ease of use, perceived usefulness, trust and security and impact on customer satisfaction with electronic banking.

2.1 To assess the relationship between the perceived ease of use and the satisfaction of customer

It is well established that perceived ease of use is a crucial factor leading to customer satisfaction in digital service settings. As Davis (1989) has emphasized, customers consider systems ease of use, with low complexity resulting in higher satisfaction. In addition, Venkatesh and Davis (2000) also strengthen this perspective with their evidence that systems demanding little mental effort promote positive user attitudes. Further, Doll and Torkzadeh (1989) proposed that perceived ease of use provides increased users' confidence in a system, and their confidence correlates with satisfaction.

Perceived ease of use, according to Gefen and Straub (2000), influences emotional responses to technology, as the emotional response to frustration is minimized by a system being easy to use. Kim and Lee (2002) also found that a system with a clean design, consistent icons, and a low number of steps can improve satisfaction. Moreover, Yang and Fang (2004) argued that consumers have great demands on technology systems that reduce cognitive load—that is more satisfaction simply because the task being completed makes itself easier.

Zhou (2011) showed that customers appreciate systems that remove unnecessary screens and make essential functions readily available to them on top, increasing satisfaction levels in the end. Similarly, Chong (2013) demonstrated that platforms demand low training or instruction and thus contribute to a high level of satisfaction, which makes customers prefer instant usability for their platform. Additionally, Suh and Han (2002) observed there is higher customer satisfaction as the

customers can perform digital tasks on their own and are independent with no assistance from the customer support system.

It can be observed that perceived ease of use is highly connected to satisfaction because an interface with easy-to-use systems provides a seamless encounter with the interface (Wang and Lin, 2012). Similarly, Liao and Cheung (2008) observed that satisfaction increases when the user enjoys clean and seamless processes devoid of technical problems. Moreover, Pikkarainen et al. (2004) showed that customers perceive ease-of-use as an indication of system quality, making it responsible for their total satisfaction.

Shih (2004) also found that customers develop favorable attitudes to the system when it decreases the time and effort required to carry out routine actions. Moreover, Lai and Li (2005) stated that ease of use results in satisfaction since its users perceived simplicity as convenience and efficiency. Lin and Lu (2000) found that systems designed to work are better for the users to be satisfied with in the context of a system that they found easy to use, due to customers' desire for a predictably-looking interface.

Yoon (2009) stated that systems that are technically easier to operate as described in this paragraph should increase consumer confidence in their system and therefore be more satisfying. Lee (2009) similarly argued that user satisfaction is linked to the ease of use of a service as more users are more likely to be satisfied and less likely to feel confused and not quite sure if something they know or don't know helps their process work. Wu and Wang (2005) suggested too that satisfaction is higher when users experience digital platforms that are straightforward and consistent.

According to Hernandez and Mazzon (2007) ease of use brings satisfaction, as such simple systems lower the psychological costs of learning a new technology. Similarly, Ha and Stoel (2009) observed that clients determine the value of a digital service through the ease with which they are able to perform tasks. Also, Sadeghi and Farokhian (2011) stated that the more streamlined their processes, the more satisfaction there is (through reducing the learning curve and improving learning process).

In a similar vein, Aladwani (2001) discovered that the user satisfaction is related to the usability of the system and the ease of navigation. Furthermore, Pavlou (2003) shown ease of use encourages positive attitudes that are directly related to customer satisfaction. Similarly, when it

comes to customer satisfaction in digital platforms, Kulkarni and Chitale (2012) found that when people associate ease with reliability, they experience increased satisfaction in digital platforms.

These conclusions are also being supported by recent authors. Obonyo (2023) observed that customers are very satisfied if digital banking systems are easy to navigate and stable. Additionally, complicated systems are associated with lower satisfaction because the users feel overwhelmed (Ainembabazi, 2022). More importantly, Nuwagaba (2022) found that customers are more satisfied when a platform has clearly defined instructions and procedural shortcuts been minimized.

From both types of contributions authors like Davis (1989), Venkatesh and Davis (2000), Zhou (2011) and Obonyo (2023) all come to the same conclusion where we see that perceived ease of use has a strong effect on customer satisfaction. Effortless, complexity, and clarity improving systems consistently yield greater satisfaction levels. Moreover, across numerous authors, the same results are consistent across all literature sources and evidence of consumers' overall preference are found to be digital platforms that enable you to accomplish certain business tasks with ease with fast, predictable, and clear ease. And the proof shows that the user experience is still an expectation for any digital financial service looking to enhance client satisfaction.

2.2 To investigate the relationship between perceived usefulness and customer satisfaction with electronic banking services.

We generally believe that perceived usefulness is the key determinant of customer satisfaction in the digital service environment. Davis (1989), in the original TAM, a technology acceptance model, defined perceived usefulness as the degree to which a user believes a system enhances their performance. He added that satisfaction is improved when the end user believes that technology enhances efficiency. Moreover, Venkatesh and Davis (2000) were also able to confirm the conclusion that perceived usefulness influences users' assessment of a system's value. Furthermore, Adams, Nelson, & Todd (1992) claimed that if customers find that digital systems are useful and effective in fulfilling tasks, then they are more satisfied.

Igbaria, Zinatelli and Cragg (1997) found that perceived usefulness is a strong predictor of satisfaction, as consumers often evaluate what practical advantages they can get from digital platforms. Similarly, Chau and Hu (2002) found that consumers' satisfaction increases by

observing their own productivity being enhanced through technology. Similarly, Mathieson (1991) found that the judgment of individuals' satisfaction is based on how they compare their desired goals to the usefulness of the system.

Regarding digital financial services, Pikkarainen et al. (2004) found that “customers who perceive online banking services as facilitating and enriching their lives will lead to increased levels of customer satisfaction.” In addition, according to Liao and Cheung (2008), “customers who perceive digital systems as helpful will lead to increased levels of customer satisfaction.” Furthermore, Wang, Wang, and Lin (2003) found that “customers' perceptions of system usefulness to their lives will significantly impact their levels of satisfaction, as such systems save time and facilitate their financial activities.”

Shih and Fang (2004) highlighted the point that "customers will view digital platforms favorably when they bring added benefits to their lives." They further added, "Helpful systems lead to satisfaction." On the other hand, Kulkarni and Chitale (2012) highlighted the point that "customers like systems which are efficient." Moreover, Lin and Lu (2000) highlighted the point that "perceived usefulness leads to satisfaction, as customers associate high usefulness with high effectiveness and quality."

According to Gefen, Karahanna and Straub (2003), perceived usefulness influences customer satisfaction by affecting customers' performance expectations. Furthermore, Pavlou (2003) suggested that customers are satisfied when they feel a system increases the chances that they will perform a task accurately and quickly. Equally, McGill and Klobas (2009) found that technologies that benefit decision-making are essential to customer satisfaction.

According to Seddon and Kiew (1996), perceived usefulness is a key factor that determines satisfaction in that it reflects the user's perception that the system provides substantial value. In addition, Wixom and Todd (2005) have proved that when customers find the digital system useful, satisfaction levels are higher even when the extent of ease of use is moderate. Furthermore, DeLone and McLean (2003) have shown that perceived usefulness is a major factor in predicting satisfaction of information systems based on perceived service quality.

Hernandez & Mazzon (2007) found customers to be satisfied when digital platforms offer clear, real, and measurable improvements in task performance. Similarly, Yang and Peterson (2004)

showed that satisfaction is determined as one of the outcomes of perceived usefulness of a digital system, as customers assess their digital systems based on how much value they deliver. Even more, Ha and Stoel (2009) noted that perceived usefulness drives satisfaction by influencing a customer's impression regarding the overall usefulness of the system.

According to Chong (2013), perceived usefulness increases customer satisfaction significantly because customers tend to like a system that provides convenience and reduces their efforts. Furthermore, Zhou (2011) noted that satisfaction in digital banking systems increases because customers feel it is useful in terms of faster transaction and service delivery. Additionally, Suh and Han (2002) noted that perceived usefulness in digital banking systems significantly predicted customer satisfaction because it creates a positive attitude among users due to its ability to facilitate their daily tasks.

However, Obonyo (2023) stressed further that perceived usefulness increases satisfaction in digital banking services since customers prefer services that increase efficiency effectively. In addition, Ainembabazi (2022) noted further that customers are more satisfied with digital banking services since they perceive the services as useful and beneficial in managing their finances. Nuwagaba (2022) further noted that satisfaction increases since customers perceive digital banking services as useful in increasing their experience with financial services, especially when the services increase the execution of services.

This extensive list also points to an obvious conclusion: perceived usefulness is an important factor in ensuring customer satisfaction. As Davis (1989), Pikkarainen et al. (2004), Gefen, Karahanna & Straub (2003), and Obonyo (2023) repeatedly point out, customers are satisfied as long as they perceive digital platforms as offering superior performance, superior convenience, and superior value in comparison to traditional platforms. Furthermore, it is evident from the results provided by all these authors that satisfaction in using digital banking is largely dependent on how much the customer understands that the system is useful in assisting them in their aspirations. Moreover, it is evident that perceived usefulness is a strong and reliable predictor of satisfaction in different digital service contexts.

2.3 To assess the outcomes of trust on customer's intention to continue using electronic banking platforms .

Trust is a significant determinant of adoption and retention of electronic banking services. Mayer et al. (1995) explain trust as, “the willingness of a party to be vulnerable to the actions of another party based on the expectation that the other will perform a particular action important to the trustor.” Trust in electronic banking includes digital platform reliability, integrity, and security and the credibility of the banking institution (Obonyo, 2023). When customers feel that their money, data management, or transactions are guaranteed in digital banking; and that the bank will perform its commitment, the likelihood of them continuing by accessing the electronic banking service increases

According to Mayer et al. (1995), trust is defined as one party’s willingness to be vulnerable under the assumption that another party will perform a positive expected action. In an electronic banking setting, trust reflects customers’ trust in the bank’s technological framework and institutional integrity (Gefen et al., 2003; McKnight et al., 2011). Furthermore, Kim et al. (2009) argue that perceptions of trust reduce perceived risk which is in turn a feature of online banking. Zhou (2011) stresses that trust can be instrumental for reducing uncertainty and promoting confidence in digital systems for the users so as to induce continued behavioral intention.

Furthermore, trust in electronic banking is multi-faceted. According to McKnight et al. (2011), trust includes competence, benevolence, and integrity. Similarly, Gefen et al. (2003) emphasize that customers take into account if a bank has the technical abilities to protect transactions and ethical responsibility to protect client sensitive data. Moreover, Obonyo (2023) claims that institutional reputation plays an important role in customer trust in digital platforms. Furthermore, Chiu et al. (2014) established that customer loyalty and repeat usage behavior is positively associated with institutional trust in e-commerce settings.

Additionally, perceived security is the best-established antecedent for trust within online banking systems. Salisbury et al. (2001) define perceived security as “the belief held by customers about the protection of their financial information from fraud and illegal access.” Moreover, Kim et al. (2010) argue that “the application of encryption technologies, authenticating techniques, and fraud detection tools can enhance security perceptions.” Zhou (2013) found that “the positive effect of perceived security on trust, which in turn predicted continuance intention.”

Furthermore, there is empirical evidence to support post-adoption studies of trust's relationship with continuance intention. Continuance intention is an effect of satisfaction and confirmation with satisfaction of ex ante and satisfaction with past use (Bhattacharjee, 2001). Furthermore, Venkatesh et al. (2012) highlight that sustained technology use rests on trust, perceived reliability, and system performance. Similarly, Rahi et al. (2019) state that trust is a prominent predictor of continuance intention well beyond the first few years of utilization or after customers become experienced users or have a habit of turning to using digital banking services.

In addition, perceived usefulness and perceived ease of use are intertwined with trust to affect continued use. Davis (1989) also suggests that perceptions of usefulness influence users' acceptance toward technology systems. Furthermore, Almaiah et al. (2023) find that trust mediates the relationship between perceived usefulness and continuance intention. Moreover, Alalwan et al. (2020) state that customers will be more inclined to remain users of mobile banking platforms when they are found to be both useful and trustworthy. Likewise, Malhotra and Baag (2023) state that trust enhances the long-run influence of ease of use on behavioral intention.

Trust and security perceptions are considerably influenced by risk perception in addition. According to Featherman and Pavlou (2003), perceived risk significantly reduces online transaction intentions. Also, Kim et al. (2008) argue that financial risk and privacy risk significantly undermine the willingness of customers to participate in internet banking systems. Similarly, McKnight et al. (2011) posit trust as a mechanism for risk reduction that promotes engagement over time. Furthermore, Chibwe (2022) underlines that customers who feel that they experience lower security risks are more likely to continue long-term engagement with digital banking solutions.

Moreover, customer satisfaction has been shown to strengthen the relationships between trust and continuance intention. Oliver (1999) argues that satisfaction leads to customer loyalty. In addition, Bhattacharjee (2001) indicated that the satisfaction derived from a secure and trustworthy system leads to the intention of continued usage. Rahi et al. (2019) demonstrated that trust and satisfaction lead to the long-term commitment of customers for online banking services.

Further, transparency in communication and responsiveness to service plays a pivotal role in building trust. According to McKnight et al. (2011), transparent communication increases the

perception of institutional reliability. Moreover, Zhou (2011) explains that providing immediate responses to customer concerns enhances confidence in digital platforms. Likewise, Nkoyi (2025) found that banking institutions that clearly communicate security measures and respond quickly when they identify or commit transaction errors are more likely to retain electronic banking users.

Additionally, the technical reliability and system quality affect perception regarding trust and security. According to DeLone and McLean (2003), user satisfaction with the system determines whether the user uses it. For instance, in the U.S., service quality is about timely intervention for transaction issues and high-level trust within banks. In addition, Kim et al. (2009) found that system reliability enhances trust by reducing transaction mistakes and downtime. Similarly, Almaiah et al. (2023) state that continued system performance strengthens customers' confidence regarding the safety and reliability of electronic banking services.

Furthermore, the combined effects of trust and security influence behavioral intention to keep in use of electronic banking platforms. Zhou (2013) suggested that trust mediates the effect between perceived security and continuance intention. Furthermore, Alalwan et al. (2020) confirm that security perceptions indirectly affect loyalty through trust. Similarly, Rahi et al. (2019) note that even though customers may have a perception of the usefulness of digital banking services, they could drop transactions if trust and perceived security are lacking. Thus, trust and security are important determinants for continued use of electronic banking platforms.

Additionally, according to Pavlou (2003), the perceived trust significantly improves satisfaction by minimizing uncertainties pertaining to online transactions. Furthermore, Mayer, Davis and Schoorman (1995) indicated that trust improves satisfaction as users associate reliable systems with positive service characteristics.

Moreover, Kim, Ferrin, & Rao (2008) indicated that perceived security impacts customer satisfaction since consumers avoid a system, they perceive as insecure. In addition, Belanger, Hiller, & Smith (2002) indicated that customers measure their satisfaction by assessing the level of protection provided by the system for their information.

Moreover, Suh & Han (2002) contended that perceived trust is vital since consumers feel satisfied knowing that the digital platforms will not misuse their information. In addition, Chellappa &

Pavlou (2002) indicated that customers have a huge desire for increased satisfaction since they trust the security systems of a particular system.

Yousafzai, Pallister, and Foxall (2003) also noted that trust increases satisfaction because it decreases perceived risks in cyberspace. Furthermore, McKnight et al. (2002) found that customers' satisfaction increases in cases where a system demonstrates good integrity, benevolence, and competence. Flavian and Guinaliu (2006) found that security-based factors, including authentication, encryption, and secure servers, increase customers' satisfaction because they generate more confidence in online exchanges.

In addition, Lee and Turban (2001) found that security increases satisfaction because customers rely on evident security measures to feel confident about online services. Moreover, Liao and Cheung (2008) found that security reduces customers' anxiety about loss of data and increases satisfaction.

As explained by Kolsaker and Payne (2002), user satisfaction is greatly influenced by trust and security because reliability is fundamental for trust building within digital platforms. Moreover, Mukherjee and Nath (2003) observed that people are delighted when service providers build such a trust environment through transparent communication. Besides, research by Jarvenpaa, Tractinsky and Vitale (2000) discovered that higher trust reduces customers' worries about digital fraud which leads to higher satisfaction.

A customer's satisfaction, Hernandez and Mazzon (2007) stated customer is satisfied when digital platforms provide visible security measures to assure that their privacy is protected. It is also said that perceived trust improves customer satisfaction, as it motivates them to trade online without any anxiety (Eastlick, Lotz, and Warrington 2006). Even greater, Ha and Stoel (2009) showed that customers form satisfaction judgments based on what kind of trust they perceive and how secure and trusting the system they are using is.

Wixom and Todd (2005) stated that the feeling of security users receive during the interaction of the system has a strong impact on user satisfaction, meaning the safer platforms are the ones with more satisfaction. And when customers trust digital systems to protect their information, their satisfaction levels increase a lot (Salisbury, Pearson and Miller, 2001).

Moreover, Ribbink, Van Riel and Liljander (2004) suggested that trust affects satisfaction level through attitudes towards overall service quality. User trust and security, as Santos (2003) noted, contribute to customer satisfaction because customers want some assurance that payments will be completed without manipulation or error. Similarly, Casaló, Flavián, and Guinaliu (2007) found that satisfaction is increased when the clear security policies established in digital systems strengthen users' confidence. Beyond this, Wang, Wang and Lin (2003) found that perceived trust fosters higher satisfaction as customers link safety with good digital experiences.

In the digital banking research, Obonyo (2023) argued, based on trust and other stakeholders' perceptions towards a platform, customer satisfaction is greatly affected by the extent of trust and security customers have in it and that platforms that are low in security result in consistently low satisfaction when tested. Moreover, Ainembabazi (2022) pointed out, customers are more satisfied when their financial information is secured and transaction processes are secure in the digital system. Furthermore, Nuwagaba (2022) indicated that satisfaction is higher when customers feel there is trust that digital systems behave responsibly in managing their data, not to mention risk-free. Cumulatively, these authors indicate that perceived trust and perceived security have major impacts on customer satisfaction towards digital financial services.

It is established by Gefen (2000), Kim, Ferrin, and Rao (2008) and Obonyo (2023) that trust decreases uncertainty, increases confidence, and promotes continued use, improving satisfaction. Additionally, the vast amount of research shows that secure systems – those with robust privacy protection, reliability and visible safety features – have been shown to result in increased customer satisfaction. Moreover, trust and security are still fundamental principles for ensuring high satisfaction in digital banking environments.

2.5: summary of literature

From the objectives identified from the literature, it is evident that perceived ease of use, perceived usefulness, trust, and perceived security are the most common factors, which will be very instrumental in finding ways of building trust and promoting security when it comes to the adoption of online banking services. When it came to perceived ease of use, the majority of the literature focused extensively on general trends of adoption, mainly from developed countries, with little information on country-specific issues, like Uganda. Few studies have focused on the

relationship between perceived ease of use and other factors like perceived usefulness, trust, and security, which lead to long-term adoption. The majority of the studies employed a cross-sectional study, which does not give much information about the trends of long-term use.

In terms of perceived usefulness (PU), existing research has concentrated more on adoption intentions than customer satisfaction. Though the literature shows that PU facilitates adoption in general, very little research has been done to explore the link between PU and PEOU, trust, and security, particularly in East Africa and Uganda. The lack of consensus in existing research does not help in a comprehensive interpretation of the role of PU in satisfaction sustainability.

With regard to trust, there is a large amount of literature concerning intention to adopt, but little in relation to continued usage behavior, particularly in the Ugandan context, and there is a scarcity of literature to explore its impact. There is a notable gap in relation to little research examining the role of trust in relation to PEOU, PU, and security.

In perceived security (PS), studies focus on intention to adopt but not on actual adoption or on confidence. There is a general lack of research on the impact of security in combination with trust, PEOU, and PU on adoption in Uganda. There is also a lack of longitudinal estimates on perceptions of security over time.

Lastly, studies investigating the cumulative effects of PEOU, PU, trust, and security remain rare in Uganda. Furthermore, although these factors play an important role in perceptions of security, none of the research examined in this study has explored security collectively. The majority of research analyses each of these factors independently and does not take into consideration the cumulative impact on customer satisfaction and continuity of use of electronic banking services.

On the aggregate, the findings in the literature reflect that while individual constructs have been extensively studied, little empirical information was found on the combined effects of PEOU, PU, trust, and security on adoption, users' continued utilization, and satisfaction in Uganda. Further research, which accounts for actual behavior, not only adoption intention, and long-term use is required.

Finally, these gaps will result in a holistic understanding of the determinants that affect the adoption of e-banking in Uganda, satisfaction, and trust of online banking customers. We believe that if these gaps are filled, then a practical guide for banks would emerge: they will be more

conducive to enhancing platform design with improved platform design, customer confidence, user satisfaction, as well as retention.

CHAPTER THREE:

RESEARCH METHODOLOGY

3.1 Introduction

This chapter presents the research methodology for study ,focusing on equity bank Uganda as the case study. It outlines how the study will examine the relationship between perceived ease of use ,perceived usefulness ,trust and security on adoption ,satisfaction and continued usage of electronic banking services at equity bank.

3.2 Research Design

The design of the study was transactional (cross-sectional) survey. This design was the right approach for this study by collecting data at one point in time to determine what relationships between different independent data variables—perceived ease of use, perceived usefulness, perceptions of trust or safety—the dependent outcome being adoption, satisfaction with or continued use of electronic banking services. In behavioral and social research, cross-sectional surveys are widely used to assess attitudes and perceptions within a particular population (Creswell, 2014; Obonyo, 2023).

3.3 Study Area

The research was carried out on Equity Bank Ntinda Branch situated at Ntinda Trading Centre, Kampala. This branch served a large clientele once a day and also has a significant number of mobile and internet banking users. Due to its accessibility and high levels of digital banking activity, it was suitable to study perceptions/satisfaction level of the customers in electronic banking.

3.3.1 Study Population

Customers and bank staff of Equity Bank engaged in electronic banking services formed the study population. The population included:200 participants, including 160 customers actively using electronic banking services and 40 bank staff involved in electronic banking operations .

3.3.2 Determination of sample size using Krejcie and Morgan (1970)

For the practical application, the Krejcie and Morgan sample size table was used as shown below.

Table 1: Sample Size Determination by Krejcie and Morgan (1970)

Population Size (N)	Sample Size (S)
50	44
100	80
150	108
200	132
250	152
300	169

Source : Equity bank report data 2024

As the total population of the study was 200 respondents, the sample size as reported by Krejcie and Morgan (1970) was 132 respondents. Based on this, 132 participants from Equity Bank customers and staff were targeted for study.

Table .2: Sample Proportionate Allocation

Category	Population	Sample Size
Customers	160	106
Staff	40	26
Total	200	132

Source :equity bank report 2024

3.4 Study Population

The sample population included adult customers (aged 18 years or above) who utilize electronic banking service in Equity Bank Ntinda Branch. Eligible subjects should have used at least one digital banking service (Mobile Banking, Internet banking, or digital payments) in the earlier 6 months for our survey to be based on what they know. We used a sample size of 200, sufficient for quantitative analyses like correlation and multiple regression. According to Kothari (2014), between 100–200 participants in behavioral science is enough to research for statistical modeling purposes.

3.5 Sampling Technique.

A stratified random sampling method was applied. Customers were initially categorized by type of digital banking (mobile, internet banking, or any mix). Then a random sample was used for each stratum. Stratified sampling improves representativeness and reduces sampling bias (Obonyo, 2023).

The study population consisted of approximately 3000 active e-banking customers of Equity Bank Kampala. Using krejcie formula, a sample size of 200 respondents was selected to ensure statistical representativeness.

Table 3: Sample Size Determination Using Krejcie and Morgan (1970)

Population Size (N)	Sample Size (S)
50	44
100	80
150	108
200	132
250	152
300	169

Source : equity bank report 2020

Sampling Technique Stratified Random Sampling.

The study population included about 200 clients having an active e-banking account at Equity Bank Kampala. The sample size was chosen according to krejcie to ensure sample statistical representativeness, 200 respondents.

3.6 Data Collection Methods.

Data collection was a critical phase where the researcher gathered the evidence needed to answer their core questions .for the study ,a mixed methods approach was used to ensure that the findings were both statistically grounded and contextually rich.

3.6.1 Primary Data.

The most relevant data were collected by a closed-ended questionnaire (5-point Likert-type (1 = Strongly Disagree to 5 = Strongly Agree)). The questionnaire will be conducted on five items as per objective.

Using a pilot test on 20 customers, we improved wording, format and clarity.

3.6.2 Secondary Data.

Data from previous studies, academic papers and documents produced by Equity Bank was used. With these materials provided the theoretical background, conceptual descriptions, and comparative considerations we need in order to interpret primary data.

3.6.3 Data Collection Tools.

Quantitative and qualitative methods were both utilized in this study to collect all the data regarding the adoption of electronic banking and the impact on customer satisfaction in Equity Bank. Tools comprised a structured questionnaire, semi-structured interview guide, and a documentary review checklist

3.6.4 Structured Questionnaire (For Customers)

Measuring the quantitative data on bank customers' participation in the electronic banking service through structured questionnaire. The questionnaire was one of the methods that was favored since it leads to gathering of standardized responses from a large sample which allows in statistical analysis (correlation, regression, etc.).

3.6 Validity and Reliability

- **Content Validity:** The instruments were presented to the supervisors and experts in banking and research methodology.
- **Construct Validity:** The items of the questionnaire were matched against the literature of e-banking adoption and customer satisfaction (Davis, 1989; Bhattacharjee, 2001).
- **Reliability:** The reliability of the questionnaire was ensured by using the Cronbach's Alpha Test, where values above 0.70 were accepted.

3.6.1 Justification of Tools

The tools used in this study were selected based on their ability to effectively capture both quantitative and qualitative aspects of electronic banking adoption and customer satisfaction. Structured questionnaires were utilized to collect measurable data on customer opinions, perceptions, and levels of satisfaction, enabling statistical analysis of relationships between variables such as perceived ease of use, perceived usefulness, and customer satisfaction. In addition, interviews provided deeper insights into how organizational practices influence customer adoption and satisfaction by allowing respondents to express their experiences and views in detail. Furthermore, document analysis was used to confirm institutional policies, operational practices, and historical trends related to electronic banking adoption, thereby validating the findings obtained from primary data sources and ensuring a more comprehensive understanding of the study context.

3.7 Research Techniques Used in the Study

The methods used in this study are research methods which guarantee systematic collection, analysis, and interpretation of the data:

1. Survey Technique

In collecting primary data from customers of Equity Bank in Kampala, the researcher employed the survey method. This involved the use of structured questionnaires administered to participants to gather information on their adoption, perceptions, and levels of satisfaction regarding electronic banking services, as well as their attitudes toward its acceptability. The survey method was chosen

because it allows for the collection of data from a large number of respondents within a relatively short period of time. Additionally, it facilitates the quantification of respondents' attitudes, making it possible to apply statistical techniques to analyze the data and establish relationships between key study variables.

2. Questionnaire Design Technique

A structured questionnaire was developed with questions framed in a close-ended format to facilitate ease of response and data analysis. The design incorporated a Likert scale to capture respondents' perceptions and attitudes in a quantifiable manner. Key constructs such as perceived ease of use, perceived usefulness, trust, and customer satisfaction were measured using scaled items to enable statistical evaluation. Additionally, respondents' attitudes were quantified through a five-point Likert scale ranging from strong disagreement to strong agreement. The questionnaire was further organized into well-defined sections, with each set of questions aligned to specific study variables, ensuring clarity, logical flow, and precision in data collection.

3. Sampling Technique (Stratified Random Sampling)

Stratified random sampling was employed in this study to ensure adequate representation of different segments within the population. The population was divided into homogeneous groups based on key demographic characteristics such as age, gender, education level, and type of electronic banking service used. From each stratum, respondents were selected using random sampling techniques, which enhanced the representativeness of the sample. This approach minimized sampling bias and ensured that diverse perspectives were captured, thereby improving the reliability and generalizability of the study findings.

4. Pilot Testing Technique

Prior to the administration of the main questionnaire, a pilot study involving 30 respondents was conducted to pre-test the research instrument. This pre-test procedure helped to identify any vague or unclear questions and ensured that all items were clearly worded and well-structured. The pilot testing process also provided an opportunity to refine the questionnaire for better clarity,

consistency, and reliability, thereby improving the overall quality of the data collected in the main study. In addition, the reliability of the questionnaire was determined through the application of Cronbach's Alpha, which assessed the internal consistency of the measurement scales.

5. Statistical Analysis Technique

The data collected in this study were analyzed using quantitative statistical methods with the aid of the Statistical Package for Social Sciences (SPSS). Descriptive statistics, including frequencies, percentages, means, and standard deviation, were used to summarize and present the data in a meaningful way. In addition, correlation analysis was conducted to examine the nature and strength of the relationships between key variables, while regression analysis was employed to determine the influence of factors related to electronic banking adoption on customer satisfaction.

6. Ethical Research Technique

Ethical guidelines were strictly observed throughout the research process to ensure the integrity of the study and the protection of participants. Informed consent was obtained from all respondents prior to their participation, ensuring that they were fully aware of the purpose of the study. The privacy and anonymity of participants were maintained at all times, and all data collected were used solely for academic and research purposes.

sum.

3.8 Data Collection Procedure. The procedure of data collection was as follows:

The data collection procedure followed a systematic sequence to ensure accuracy, ethical compliance, and consistency in gathering response from participants. Firstly, I obtained an introductory letter from Uganda Christian University, which was presented to the management of equity bank notanda branch to seek permission to conduct the study. After the approval, respondents were selected using stratified random sampling from customers and staff involved in electronic banking services.

Structured questionnaires were then administered physically in the banking hall, ATM areas, and staff offices. Where necessary, digital links were also shared with some respondents before

participation , the purpose of the study was explained and respondents were assured of confidentiality and voluntary participation.

Completed questionnaires were collected, checked ,for completeness, and prepared for coding and analysis using SPSS version 25.

3.9.1 Instruments for Research / Tools

These tools were utilized to facilitate the collection and analysis of the data:

1. Structured Questionnaire – basic tool for collecting quantitative data.
2. Mobile Data Collection Devices/Tablets – for digital recording of answers to reduce errors.
3. SPSS Version 25 – for data analysis using descriptive, correlation, and regression statistics.
4. Microsoft Excel – for coding, editing, and initial creation of tables and images.
5. Consent Forms – for ethical data collection in compliance with the study’s research ethics requirements.

For the study, descriptive and inferential statistical analyses will be utilized. Descriptive statistics, such as frequency, mean, and percentage, will be utilized to describe the demographics of the respondents and the results of the study question. Inferential statistics to be utilized for the study are:

- Pearson Correlation Analysis – to determine the relationship between the independent and dependent variables.
- Multiple Regression Analysis – to assess the predictive power of the independent variables, such as ease of use, usefulness, trust, and security, on the dependent variables, such as customer adoption, satisfaction, and loyalty.

All analyses were performed using SPSS Version 25 and results will be presented in tables and figures according to APA 7th formatting.

3.10 Ethical Considerations.

The study observed all ethical guidelines. Study participants were clearly told about the study; consent forms were signed. Avoiding use of personal identifiers ensured its confidentiality and anonymity. Participation was voluntary and respondents could withdraw at any time. Respondents were not physically, psychologically, or financially harmed (Creswell, 2014).

CHAPTER FOUR

PRESENTATION, INTERPRETATION AND DISCUSSIONS OF FINDINGS.

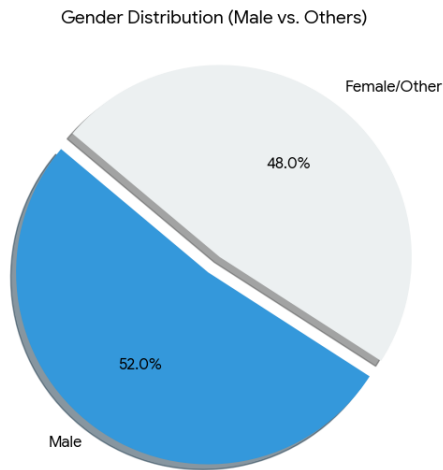
4.0 Introduction

This chapter presents data **finds**, presentation, interpretation and discussion of the data that was collected from the 200 Equity Bank Kampala customers. The data is analyzed in terms of the level of adoption of electronic banking, the level of ease of use by the customers, the relationship between adoption and satisfaction, and the challenges that affect satisfaction.

4.1 Demographic Characteristics of Respondents (n=200)

Demographic Characteristics of Respondents

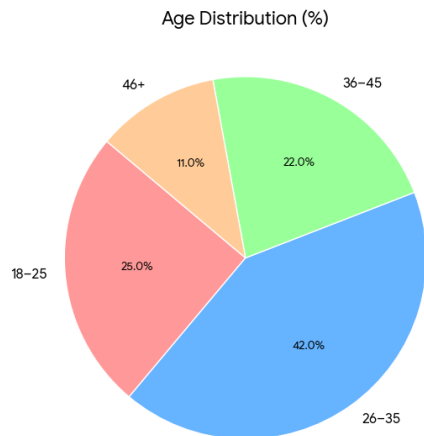
Figure 2: Gender distribution



source: Primary Data, 2026

The findings indicate that the respondent population is relatively balanced in terms of gender, with a slight dominance of males (52%) compared to females (48%). suggesting minimal gender bias in the study

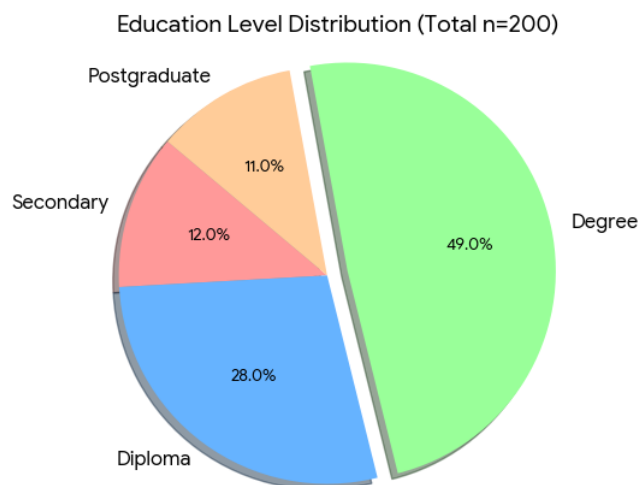
Figure3:age distribution



Source :primary data 2026

The majority of participants fall within the 25–34 age group (44.5%), highlighting that the study is largely represented by young adults, while those aged 55 and above (3.5%) are least represented, implying lower engagement of older individuals in e-banking services.

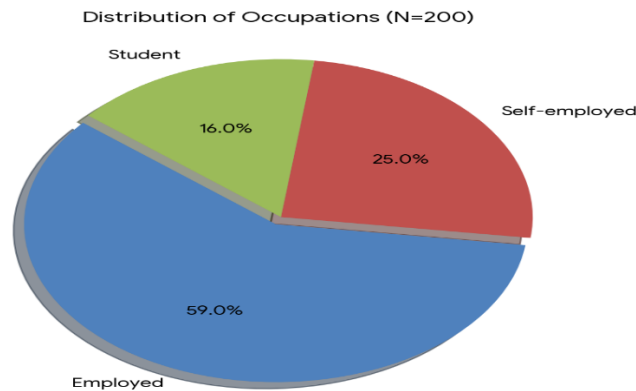
Figure 4;education level distribution



source :primary data 2026

In terms of education, nearly half of the respondents possess a Bachelor's Degree (48.5%), reflecting a highly educated sample that is likely more adaptable to digital banking technologies.

Figure5:occupation distribution



Source :primary data 2026

Regarding occupation, most respondents are employed (57%), indicating that individuals with stable incomes are more inclined to use e-banking, while students and self-employed individuals form a smaller proportion. Additionally, the majority of respondents have been using e-banking for 1–3 years (34%) and 4–6 years (32%), demonstrating that most users have considerable experience and familiarity with electronic banking platforms, which may positively influence their perceptions and satisfaction levels.

4.2 Perceived Ease of Use and Customer Satisfaction

Table 4: Distribution of Responses on Perceived Ease of Use (n=200)

Statement	Disagree	Neutra	Agree	Mean (μ)
Equity Bank's electronic banking platforms are easy to use.	14	30	155	4.2
It is easy for me to learn how to use the electronic banking services.	10	23	167	4.4

The electronic banking platform is clear and understandable.	20	38	142	4.0
I can complete transactions without needing assistance.	29	45	126	3.9
Grand Mean				4.13

Source: Primary Data, 2026

The majority of the respondents strongly agreed that electronic banking platforms are easy to use represented by 167, indicating a low learning curve. However, 30 of respondents were neutral or disagreed with completing transactions without assistance. The grand mean of 4.13 confirms a positive perception of ease of use.

The study findings revealed that respondents generally agreed that electronic banking systems are easy to use (Mean = 4.4), and this positively influenced their satisfaction levels. This implies that customers prefer systems that are simple, clear, and require minimal effort to operate.

This finding is consistent with Davis (1989), who argued that perceived ease of use significantly influences user satisfaction because systems that are less complex reduce cognitive effort. Similarly, Venkatesh and Davis (2000) established that user-friendly systems promote positive attitudes and enhance satisfaction.

Furthermore, the results align with Zhou (2011) and Chong (2013), who found that platforms requiring little training or technical knowledge tend to generate higher satisfaction among users. In the context of this study, customers of Equity Bank Ntinda Branch reported that they could navigate the system easily and complete transactions without assistance, which directly improved their experience.

However, while the findings strongly support existing literature, they also reveal a contextual insight. Unlike studies in highly developed digital environments where ease of use is almost taken for granted, this study shows that in Uganda, ease of use remains a critical determinant of

satisfaction due to varying levels of digital literacy. This may explain why even small improvements in usability significantly impact customer perceptions.

Therefore, it can be concluded that perceived ease of use plays a fundamental role in enhancing customer satisfaction, particularly in developing economies where users are still adapting to digital financial systems.

4.3 Perceived Usefulness and Customer Satisfaction

Table 5: Distribution of Responses on Perceived Usefulness (n=200)

Statement	Disagree	Neutral	Agree	Mean (μ)
Electronic banking saves me time when conducting transactions.	5	15	180	4.6
Electronic banking helps me manage my finances more efficiently.	11	27	162	4.3
Electronic banking allows me to access services conveniently.	7	18	175	4.5
Using electronic banking improves my overall banking experience.	8	23	169	4.4
Grand Mean				4.45

Source: Primary Data, 2026

Perceived usefulness received very strong positive ratings. Over 180 respondents agreed that e-banking saves time and provides convenient access. The grand mean of 4.45 indicates customers strongly recognize the practical benefits of electronic banking.

The study established that respondents strongly agreed that electronic banking is useful, particularly in saving time (Mean = 4.6) and improving efficiency. This indicates that customers derive value from the system's ability to simplify and speed up banking transactions.

This finding supports Davis (1989), who defined perceived usefulness as the degree to which a system enhances user performance, and emphasized its direct influence on satisfaction. Similarly, Pikkarainen et al. (2004) found that customers are more satisfied when digital banking services improve their daily financial activities.

In addition, the findings are consistent with Liao and Cheung (2008) and Wang et al. (2003), who argued that systems that save time and improve convenience significantly increase customer satisfaction. In this study, respondents highlighted efficiency and convenience as key benefits, reinforcing these theoretical perspectives.

However, compared to findings in developed countries where usefulness often relates to advanced features (such as investment tools or AI-based services), this study suggests that in Uganda, basic functional benefits like speed, accessibility, and convenience are the primary drivers of satisfaction. This reflects differences in technological maturity and user expectations.

Thus, the study confirms that perceived usefulness is a strong predictor of customer satisfaction, as customers are more likely to value and continue using systems that enhance their efficiency and overall banking experience.

4.4 Trust, Security, and Continuance Intention

Table 6: Distribution of Responses on Trust, Security, and Continuance Intention (n=200)

Statement	Disagree	Neutral	Agree	Mean (μ)
I trust Equity Bank's electronic banking systems.	26	42	132	3.9

My personal and financial information is secure when using electronic banking.	39	53	108	3.7
Equity Bank has adequate security measures to protect transactions.	30	45	128	3.8
I feel safe conducting transactions through electronic banking platforms.	45	48	107	3.6
I intend to continue using Equity Bank's electronic banking services.	9	21	170	4.5
Grand Mean (Trust & Security – first 4 items)				3.75

Source: Primary Data, 2026

Trust and security perceptions are notably weaker. Only 132 agreed that their information is secure, while 39 disagreed. Feeling "safe" had the lowest mean (3.6) with 22.5% disagreement. Despite this, continuance intention is very high (85.0% agree), indicating that benefits currently outweigh perceived risks.

The study found that respondents generally trust electronic banking systems (Mean = 3.9), although this score was lower compared to ease of use and usefulness. Additionally, security concerns were identified as one of the major challenges affecting customer satisfaction (20.4%).

This finding aligns with Gefen et al. (2003) and McKnight et al. (2011), who emphasized that trust is essential in reducing uncertainty in digital transactions. When customers believe that a system is secure and reliable, they are more likely to continue using it.

Similarly, Kim et al. (2008) and Salisbury et al. (2001) found that perceived security significantly influences customer satisfaction because users avoid systems they perceive as risky. In this study, concerns about system security and transaction safety explain the relatively lower trust score.

Moreover, the findings support Bhattacharjee (2001), who argued that trust and satisfaction jointly influence continuance intention. Customers at Equity Bank are more likely to continue using e-banking services when they feel their data and transactions are secure.

However, the study also highlights a contextual difference. While developed countries have more advanced cybersecurity frameworks, customers in Uganda still face challenges such as fraud fears, system downtime, and unreliable networks. These factors weaken trust despite the overall usefulness of the system.

Therefore, although trust and security positively influence satisfaction and continued usage, they remain critical areas that require improvement to sustain customer confidence in electronic banking systems.

4.5 Overall Customer Satisfaction (Dependent Variable)

Table 7: Distribution of Responses on Customer Satisfaction (n=200)

Statement	Disagree	Neutral	Agree	Mean (μ)
I am satisfied with Equity Bank's electronic banking services.	12	27	106	4.3
The electronic banking services meet my expectations.	20	38	142	4.1
I am happy with the quality of service provided through electronic banking.	15	30	155	4.2
I would recommend Equity Bank's electronic banking services to others.	10	23	167	4.4
I am satisfied with the reliability of electronic banking services.	30	42	128	3.9

Overall, I am pleased with my experience using electronic banking.	11 (5.5%)	24 (12.0%)	100 (50.0%)	4.3
Grand Mean				4.20

Source: Primary Data, 2026

Overall customer satisfaction is high (grand mean 4.20). Willingness to recommend is strongest (83.5% agree/strongly agree). Reliability is the lowest-rated item (64.0% agreement, 15.0% negative), aligning with trust concerns. Addressing reliability would further elevate satisfaction.

4.6 Summary of Key Findings

Table 8: Summary of Agreement Levels Across Objectives (n=200)

Objective	Key Construct	% Agree / Strongly Agree (Combined)	Mean	Interpretation
Objective 1	Perceived Ease of Use	73.5%	4.13	Positive; ease drives satisfaction
Objective 2	Perceived Usefulness	85.6%	4.45	Very strong; usefulness is the main driver
Objective 3	Trust and Security (information secure)	54.0%	3.75	Moderate; area of concern
Objective 3	Continuance Intention	85.0%	4.50	Very high despite security concerns
Overall	Customer Satisfaction	77.5%	4.20	High; reliability is the weakest point

Source :primary data 2026

Conclusion of Findings: The adoption of electronic banking at Equity Bank Ntinda Branch positively influences customer satisfaction. Perceived usefulness receives the strongest endorsement, followed by ease of use. However, trust and security perceptions lag significantly, with nearly one in five customers feeling unsafe. This represents a critical risk. The bank should reinforce system reliability and communicate security measures more effectively.

4.7 Relationship Between Electronic Banking Adoption and Customer Satisfaction

Table 9 :Pearson Correlation Analysis

Variables	Adoption	Satisfaction
Adoption	1	0.721**
Satisfaction	0.721**	1

Source: Primary data.2026

Significance (2-tailed) = 0.000

There is a positive correlation between the adoption level of electronic banking and customer satisfaction, with an r value of 0.721, which is significant at $p < 0.05$. This indicates that with an increased level of adoption, customer satisfaction is likely to improve, an assertion that is consistent with other studies carried out in Uganda and East Africa (Uwimana & Nyambane, 2023; Sarra,

CHAPTER FIVE:

Summary, conclusion and recommendation

5.0 Introduction.

This chapter will present an overview of the study findings, conclude the study based on the research objectives, and make some recommendations. The study analyzed the relationship between the adoption of e-banking and customer satisfaction at Equity Bank Kampala.

5.1 Summary of the Study.

Adoption Level: Moderate to high e-banking adoption. Mobile banking: This is used most often, followed by internet banking and ATMs. Agency banking is used least often. E-banking is seen as a simple yet powerful solution but there is a sense of trust among users. Relationship between adoption and satisfaction: From a statistical point of view, there is a positive and significant correlation ($r = 0.721$, $p < 0.05$) that shows that an increase in these two factors is statistically correlated to an increase in the satisfaction level of the client. Challenges that Limit Contentment: System downtime, security issues, low level of feature awareness, lag time in response with a customer service customer are some of the main user dissatisfactions.

5.2 Conclusions.

The study concludes that electronic banking has a significant influence on customer satisfaction, especially in Equity Bank Ntinda Branch. This is evident from the findings, which indicate that when electronic banking is easy to use, a customer has a positive banking experience. This means that when electronic banking is simple, a customer can perform banking transactions easily without requiring any assistance, and this increases satisfaction levels.

Furthermore, the study has established that the usefulness of electronic banking has a major influence on customer satisfaction. This means that when a customer uses electronic banking, they consider it a valuable tool, especially when they realize that they can perform banking transactions at any time and from any location. This means that electronic banking has many benefits, and when a customer uses electronic banking, they tend to be satisfied.

In addition, the study establishes that trust and security are essential factors that impact satisfaction and continuous usage of electronic banking services. Although customers have confidence in the system, some have doubts about fraud, privacy, and security. These doubts act as limitations to the full adoption of the technology. Therefore, the level of trust that the customer has in the safety and reliability of the system is an essential factor that determines the level of satisfaction with the use of electronic banking services.

In conclusion, the level of satisfaction of the customer in the use of electronic banking is dependent on the ease of use, the level of usefulness, and the level of trust and security of the system. Although the level of adoption of the technology is high, it is essential to focus on these factors to ensure continuous satisfaction.

5.3 Recommendations.

On the other hand, Equity Bank should focus on making the electronic banking system more convenient and easier to use so that the customer can use the system without facing difficulties. This can be achieved by making the system more user-friendly and reducing the number of steps required to perform a task on the system. By making the system more convenient and easier to use, the customer experience would improve significantly.

Additionally, the bank should focus on making the electronic banking system more beneficial and effective so that the customer can benefit from the system. This can be achieved by making the system more efficient and effective in serving the customer's needs. By making the system more beneficial and effective, the customer would continue to enjoy the system and therefore would be satisfied with the system.

In addition, the security of the system should be a priority area of focus for the bank. This can be done by investing in the most modern security technologies, including cybersecurity, multi-factor authenticators, and auditing the system regularly. This will ensure the security of the customers' information, thereby reducing the chances of fraud.

Finally, the bank should focus on the entire gamut of usability, functionality, and security of the system, all at once, in order to improve the customer satisfaction levels of Equity Bank, which will eventually lead to the adoption of the electronic banking system in the long run.

5.4 Limitations of the Study.

Time and Resources: Because of time factors, data collection was limited to selected branches in Kampala.

Data that is self-reported: The level of interpretation of data may be over-esteemed by respondents.

Generalization: The data obtained may not be relevant in the rural setting of the customers in the country.

5.5 Areas for Further Research.

Examine the consequences of enhanced security for the adoption and satisfaction of mobile banking.

Effects of New e-Banking Features on Customer Satisfaction over a Long Period.

Test the rural and urban variations of e-banking adoption and satisfaction in Uganda.

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APPENDIX 1

QUESTIONNAIRE.

THE EFFECT OF ELECTRONIC BANKING ADOPTION ON CUSTOMER SATISFACTION: A CASE OF EQUITY BANK, KAMPALA.

Introduction

Dear Respondent,

I am David Byenkya, student of BBA, conducting a study on the effect of electronic banking adoption on customer satisfaction at Equity Bank, Kampala. This questionnaire is strictly for academic purposes. Your responses will be treated with confidentiality. Please answer the questions honestly. There are no right or wrong answers.

SECTION A: Background Information

1. Gender: ☐ Male ☐ Female

2. Age Group: ☐ Below 25 ☐ 25–34 ☐ 35–44 ☐ 45–54 ☐ 55 and above

3. Highest Level of Education:

☐ Certificate ☐ Diploma ☐ Bachelor's Degree ☐ Postgraduate ☐ Other

4. How long have you used Equity Bank's electronic banking services?

☐ Less than 1 year ☐ 1–3 years ☐ 4–6 years ☐ Above 6 years

5. Which electronic banking platforms do you use? (Tick all that apply)

☐ Mobile Banking App ☐ Internet Banking ☐ ATM Services ☐ Agency Banking ☐ USSD Banking.

For the sections below, please indicate your level of agreement with the following statements by ticking (✓) in the appropriate box. 1 = Strongly Disagree 2 = Disagree 3 = Neutral 4 = Agree 5 = Strongly Agree.

SECTION B: Perceived Ease of Use

Statement	1	2	3	4	5
Equity Bank's electronic banking platforms are easy to use.					
It is easy for me to learn how to use the electronic banking services.					
The electronic banking platform is clear and understandable.					
I can complete transactions without needing assistance.					

SECTION C: Perceived Usefulness.

Please indicate your level of agreement with the following statements.
1 = Strongly Disagree 2 = Disagree 3 = Neutral 4 = Agree 5 = Strongly Agree

Statement	1	2	3	4	5
Electronic banking saves me time when conducting transactions.					
Electronic banking helps me manage my finances more efficiently.					
Electronic banking allows me to access services conveniently.					

Using electronic banking improves my overall banking experience.					
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SECTION D: Trust and Security

Please indicate your level of agreement with the following statements.

1 = Strongly Disagree 2 = Disagree 3 = Neutral 4 = Agree 5 = Strongly Agree

Statement	1	2	3	4	5
I trust Equity Bank's electronic banking systems.					
My personal and financial information is secure when using electronic banking.					
Equity Bank has adequate security measures to protect transactions.					
I feel safe conducting transactions through electronic banking platforms.					
I intend to continue using Equity Bank's electronic banking services.					

SECTION E: Customer Satisfaction

Please indicate your level of agreement with the following statements.

1 = Strongly Disagree 2 = Disagree 3 = Neutral 4 = Agree 5 = Strongly Agree

Customer Satisfaction

Statement	1	2	3	4	5
I am satisfied with Equity Bank's electronic banking services.					
The electronic banking services meet my expectations.					

I am happy with the quality of service provided through electronic banking.					
I would recommend Equity Bank's electronic banking services to others.					
I am satisfied with the reliability of electronic banking services.					
Overall, I am pleased with my experience using electronic banking.					

Thank you for your participation.



UGANDA CHRISTIAN
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A Centre of Excellence in the Heart of Africa

School of Business

24th February 2026

Equity Bank

P.OBOX, 10184

Dear Sir/Madam

Re: Introduction of Mr. Byenkya David, M23B05/014 for Data Collection Permission

I am writing to introduce to you Mr. Byenkya David, M23B05/014, a Bachelor Business Administration at Uganda Christian University. Mr. Byenkya David, M23B05/014, is currently in the advanced stage of his academic journey and is conducting a dissertation on "ELECTRONIC BANKING ADOPTION AND CUSTOMER SATISFACTION .."

I assure you that Mr. Byenkya David, M23B05/014 will adhere to all ethical guidelines and treat any data collected with the utmost confidentiality. He is a responsible student dedicated to conducting a thorough and rigorous study.

We kindly request your support in granting Mr. Byenkya David, M23B05/014 access to relevant data and personnel within any department and as well as any personnel with objective knowledge regarding his topic. Your valuable insights will significantly contribute to the success and quality of his research.

Thank you for considering his request. Should you require any additional information, please do not hesitate to contact me on the address provided here below.

Sincerely,

Sincerely,

Mukisa Simon Peter

Lecturer and undergraduate

Research coordinator UCU School of Business

Email smukisa@ucu.ac.ug Mob: 0752938600



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A Complete Education for A Complete
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