

**THE EFFECT OF DIGITAL BANKING ON CONSUMER SATISFACTION :A CASE
STUDY OF OPPORTUNITY BANK MUKONO BRANCH**

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**UGANDA CHRISTIAN
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DECLARATION

I, Akao Lilian, hereby declare that this research report titled “the effect of digital banking on consumer satisfaction; a case study of opportunity bank Mukono branch ” is my original work; and to the best of my knowledge, it has not been published and/or submitted before to any University or Institution of higher learning for any academic award.

Signature:  ..


Date: ... 09/09/2025 ..

Akao Lilian

APPROVAL

This is to certify that this thesis titled “the effect of digital banking on consumer satisfaction; a case study of opportunity bank Mukono branch” by Akao Lilian has been prepared under my supervision and it is now ready for submission for examination with my approval.

Signature: 

Date: 

Akinyi Lorraine Otieno

Supervisor

DEDICATION

I dedicate this research to my family mostly my aunties. Namely, Dorcus Magezi and Brenda Waterworth. My uncle Chris Emor who did everything to ensure I got a great foundational education not forgetting engineer Robert ocean .

Thank you for instilling in me a quest for knowledge.

ACKNOWLEDGEMENT

.I want to heartily thank my supervisor; Ms.Akinyi Lorraine Otieno. I am forever indebted to your dedication towards getting the best out of me. Thank you for the academic guidance and support in humility, I have grown under your mentorship.

To all my classmates, I will always hold dear the friendship we developed while we walked this academic journey together. The joys and tough times we went through together are memories I will always cherish.

LIST OF ABBREVIATIONS AND ACRONYMS

ATM Automated Teller Machine

BoU Bank of Uganda

BBS Bank of Uganda Banking System

EFT Electronic Fund Transfer

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ABSTRACT

The study evaluated how customer satisfaction at the Opportunity Bank Mukono branch was affected by digital banking. The following goals served as the study's compass: to determine how customer satisfaction at Opportunity Bank Mukono Branch is impacted by the speed of digital transactions; to evaluate the impact of accessibility to digital banking on customer satisfaction at Opportunity Bank Mukono Branch; and to investigate the impact of digital banking's adaptability on customer satisfaction.

The descriptive survey design was modified for the investigation. According to Amin (2005), the survey design is a technique that entails gathering data from members of a target population while taking into account the population's present situation in relation to the research variables

The target population of this study was 125 and the sample size was 96.

The results show that speed of digital transactions has a significant impact on consumer satisfaction (mean range: 3.73–4.06), with ease of transactions and round-the-clock access being important factors. Although there are obstacles to online banking, accessibility to digital banking has a significant impact on satisfaction (mean range: 3.68–3.98), especially through handy mobile banking. Digital banking's adaptability has a moderate impact on customer satisfaction (mean range: 3.35–3.61), with obstacles including complicated updates and low digital literacy lowering agreement.

The Opportunity Bank Mukono Branch was advised to make an investment in a strong IT infrastructure in order to reduce transaction failures and network delays. In order to target underserved clients, the bank should also increase the number of mobile banking access points and collaborate with mobile money agents.

CHAPTER ONE

INTRODUCTION

1.0 Introduction

The adoption of digital banking services provides customers with increased convenience and accessibility to financial services. Customers can conduct various transactions and access banking services through online platforms, mobile applications, and ATMs. The enhanced speed of digital transactions, adaptation and accessibility have the potential to impact customer satisfaction significantly. This chapter gives the background to the study, problem statement, the purpose, the objectives the scope of the study, significance of the study and the conceptual framework.

1.1 BACKGROUNDS OF THE STUDY

Personal banking has been revolutionized by the development of technology-driven financial services, which now provide previously unheard-of levels of efficiency, accessibility, and convenience. By 2023, there were 235 licensed digital banks worldwide, with Asia and Europe leading the way. When Barclays Bank first installed automated teller machines (ATMs) in London in 1967, it sparked a revolution by allowing simple transactions to be completed without the assistance of employees (Khan, 2018). With the introduction of telephone banking, access was further increased by enabling fund transfers and balance checks over the phone. Since Stanford Federal Credit Union introduced the first internet banking service in 1994, allowing online account management, the mid-1990s saw a significant change in the broad adoption of the internet (Villers, 2018). The 2007 iPhone launch catalyzed mobile banking, with apps offering features like mobile check deposits and real-time notifications. By the 2020s, digital banking became central, accelerated by the COVID-19 pandemic, which prompted traditional banks to close branches and prioritize digital channels.

Digital banking offers speed, accessibility, and individualized services through web-based portals, smartphone apps, ATMs, smart kiosks, and digital payment systems (Marous, 2014). In order to satisfy consumer demands for ease and security, these systems facilitate account management, fund transfers, bill payments, loan applications, and mobile payments. Five areas for improvement were identified in a 2014 Ernst & Young survey of 32,000 retail banking clients in 43 countries: improved problem-solving, increased use of data and digital channels, better financial advising, omnichannel experiences, and fee simplicity and

transparency (Ogden, 2014). These results highlight how banks must adapt their offerings to meet changing consumer demands.

With a client base of more than 51.9 million and a mobile penetration rate of 107% by 2009, South Africa is the continent's leader in the adoption of mobile banking (Ondiege, 2010). Similar to Kenya's successful model, partnerships such as Vodacom and Nedbank's M-PESA enabled mobile-based cash transfers. In Kenya, mobile banking has overtaken ATMs, which were an early success of e-banking (Nyangosi et al., 2009; CBK, 2008). In order to satisfy growing demands for ease and smooth integration across web, mobile, social media, and in-person channels, modern technologies such as credit cards and online banking are essential to achieving customer satisfaction, a key banking goal (Pradeep & Anusuya, 2015).

With the launch of the Bank of Uganda Banking System (BBS) in 2010, the Bank of Uganda (BOU) has pioneered digital banking in Uganda. Using a self-generated PIN and a token code that is updated every minute, the BBS Connect module offers government organizations safe online banking (Bank of Uganda, 2017, 2018). The system uses the "Maker-Checker" approach to improve security and Straight through Processing (STP) to reduce human interaction and guarantee transaction accuracy. Secure electronic FX payments were made possible via a 2019 upgrade that enhanced STP capabilities and decreased transaction failures (Bank of Uganda, 2019). Payments via electronic fund transfers (EFT) were UGX 31.7 trillion in 2020, up 13.6% from the year before, indicating advancements in financial inclusion (Bank of Uganda, 2020).

In East Africa, especially Uganda, online banking usage is still low despite these developments (Jagero & Abeka, 2011; Yiga & Cha, 2016; Musiime & Malinga, 2011). Although Uganda's transition to digital financial services was sped up by the COVID-19 lockout, client uptake and proficiency are still lacking, especially among government organizations. In order to solve adoption constraints like low digital literacy or infrastructure issues, regulatory bodies like the BOU must have a thorough understanding of user perceptions. Banks can satisfy growing customer expectations and keep up with global trends by improving security, transparency, and Omni channel experiences. This will promote more financial inclusion and satisfaction.

1.2 Statement of the Problem:

The rapid advancement of digital technology has brought about changes in the banking sector, and digital banking services like as internet, mobile, and agency banking are growing in popularity in Uganda (Bank of Uganda annual report 2020). According to a 2021 study, over 18 million adults in Uganda, or 40% of the country's 45 million total population, had financial services accounts. Of these, 12% used traditional banks, and 61% used mobile money (Bank of Uganda, 2022). However, there is a noticeable growing trend in the usage of digital banking, as evidenced by the increase in mobile money agents (more than 468,000 in 2022) and smartphone ownership (27 million phone owners, 13 million internet users).

Ugandan commercial banks still have difficulty effectively implementing digital banking, despite the fact that these technologies have the potential to increase financial inclusion, operational performance, and customer happiness. Issues such as low levels of digital literacy, cyber security concerns, inadequate infrastructure, and legislative restrictions hinder the effective adoption and impact of digital financial services. Additionally, little is known about how Ugandan commercial banks' financial performance, customer engagement, and competitive positioning are impacted by digital banking. The purpose of this study is to look into how customer satisfaction at Opportunity Bank's Mukono branch is affected by digital banking.

1.3 Purpose of the study

The purpose of the study is to assess the influence of digital banking on consumer satisfaction at opportunity bank Mukono branch.

1.4 Objectives of the study

- i) To establish the influence of the speed of digital transactions on Customer Satisfaction at opportunity bank Mukono Branch
- ii) To assess the influence of accessibility to digital banking on Customer Satisfaction at opportunity bank Mukono Branch
- iii) To examine the effect of adaptability of digital banking on Customer Satisfaction opportunity bank Mukono Branch.

1.5 Research questions

- i) How does the speed of digital transactions affect Customer Satisfaction at opportunity bank Mukono Branch?

ii) How does accessibility to digital banking affect Customer Satisfaction at opportunity bank Mukono Branch?

iii) How does adaptability of digital banking on Customer Satisfaction opportunity bank Mukono Branch?

1.6 scope of the study

1.6.1 Geographical scope

The study was conducted at opportunity bank Mukono branch located in Mukono municipality. Along Kampala Jinja high way. Opportunity Bank was considered because its clients in Mukono had raised concerns related to service delivery.

1.6.2 Content scope

The study is on the effect of digital banking on consumer satisfaction at opportunity bank Mukono branch. It was limited to speed of digital transactions, access to digital banking and adaptability to digital banking and customer satisfaction at opportunity bank, Mukono branch.

1.6.3 Time scope

The data for the period 2020-2024 was considered for this study. The period was chosen because there was increased advocacy for digital banking by the central bank of Uganda.

1.7 Significance of the study

The findings of the study shall enable banks to optimize digital platforms to meet customer expectations and improve service delivery.

The study findings shall contribute adoption of emerging technologies by financial institutions so as to stay competitive

The study findings shall provide data to central bank of Uganda so as to create frameworks that ensure secure, inclusive, and efficient digital banking systems.

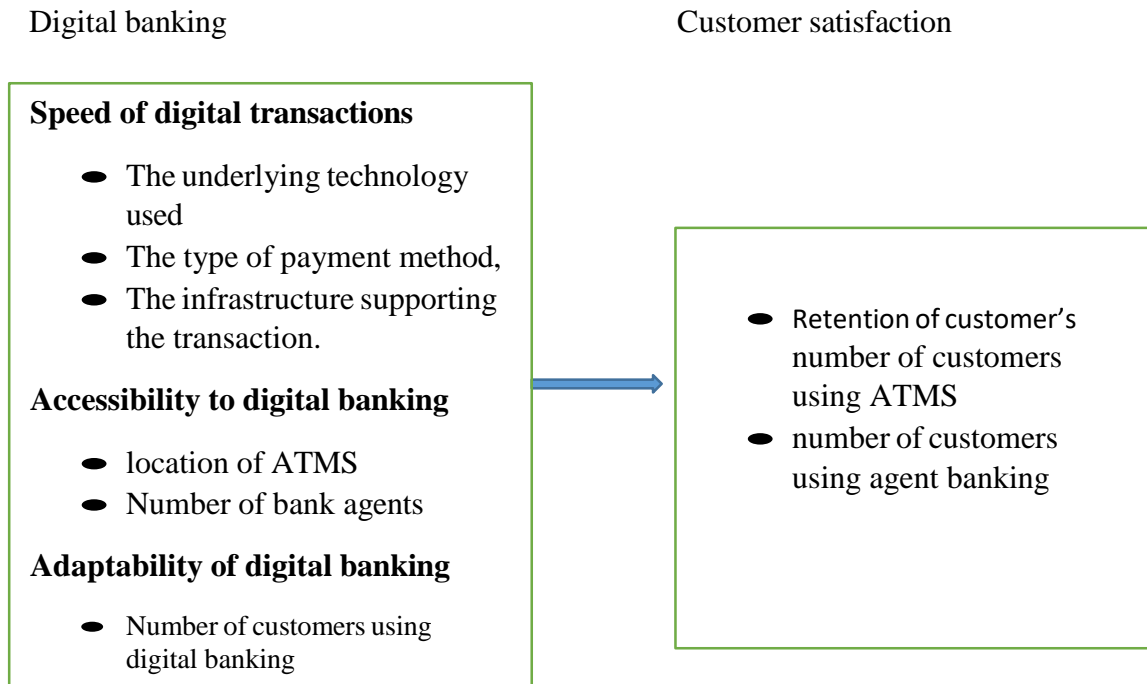
1.8 Justification

Digital banking adoption is accelerating globally, with increasing reliance on mobile apps, online platforms, and digital payment systems. Understanding how these services impact customer satisfaction is critical for banks to align with market trends and remain competitive.

This study is justified as it addresses critical needs for banks to improve services, meet customer expectations, and navigate the digital transformation of the financial sector.

1.9 CONCEPTUAL FRAMEWORK

Figure 1 conceptual framework



Source: adapted from Ondiege, P. (2018) and modified by the researcher

The conceptual framework above displays the relationship between the study variables. It encompasses the variables and their possible patterns with respect to influence on each other and how as a whole they in turn influence customer satisfaction in banks as it pertains to digital banking. The independent variables namely: speed of digital transactions, accessibility to digital banking and adaptability of digital banking individually or collectively can influence customer satisfaction with banking.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

The chapter covers the scholarly reviews on the influence of speed of transactions, accessibility and adaptability on customer satisfaction. The empirical review is presented according to the specific objectives of the study.

2.1 Theoretical review

The study shall be anchored on the Expectation Confirmation Theory (ECT), developed by Richard L. Oliver (1980). The theory posits that customer satisfaction is primarily determined by the comparison between initial expectations and the actual performance of a product or service. If performance meets or exceeds expectations, confirmation occurs, leading to satisfaction.

2.1 The influence of the speed of digital transactions on Customer Satisfaction at opportunity bank Mukono Branch

Premalatha & Sundaram (2012) assert that modern banking's prompt response, security, dependability, and rapid transactions are the only factors contributing to client motivation and happiness. They pointed out that transaction speed has a big impact on dependability.

According to Saleem & Rashid (2011), digital banking services provide a variety of consumer transactions, including SMS, credit transfers, check accounts, and payments. Customers may check their balances and transactions at any time, so there are fewer surprises. You may quickly, easily, and securely access your accounts from the palm of your hand using mobile banking.

Vuong (2015) asserts that customers believe they have a right to seamless, safe, and convenient transactions, real-time, round-the-clock banking services, and access to their financial information whenever and wherever they need it.

Khidhir (2014) points out that there is a sharp rise in the use of mobile wallet programs, which are payment services that let customers pay for goods and services using their phones rather than cash. Since mobile wallets don't require users to have an account or credit card with the issuing bank, they are an excellent tool for banks looking to reach new consumer

segments. When disparities are promptly found, they can be reported and looked into right away.

According to Villers (2018), private banks have been hesitant to offer digital technology applications to their clients, claiming that since private banking is a mostly face-to-face, individualized business, there is minimal need for these kinds of apps to improve client relationships. Two of the reasons given for not adopting these new innovations are security and privacy concerns. Nonetheless, there are several reasons why private banks should take their digital strategy very seriously and make it a key component of their service provision and brand development initiatives.

2.2 The influence of accessibility to digital banking on Customer Satisfaction at opportunity bank Mukono Branch

According to Villers (2018), digital banking accessibility refers to how simple it is for clients to access financial tools, their accounts, and the money they have in them through a variety of digital channels, including online banking, ATMs, point-of-sale terminals, and mobile banking, to name a few. Accessibility refers to how these channels provide clients with a meaningful experience in terms of feedback, banking facilities and services, and access to their monies. It assesses whether consumers believe the goods meet their demands at the appropriate time and in a way that makes banking convenient.

According to Ondeige (2010), mobile phone banking is bringing services to rural places where traditional banks have not been physically present, such as South Africa, the Democratic Republic of the Congo, Zambia, and Kenya. Now, subscribers can open accounts, check their balances, send money, pay bills, and take care of their everyday necessities. Three (3) ICT-related products—the internet, personal computers, and mobile phones—are thought to have had the biggest global influence over the last 30 years. In emerging nations, cell phones are the most widely used of these.

When discussing bank accessibility, Njiru (2014) cites 76.7% of consumers in the nation, according to the CBK survey, can reach a financial institution within five kilometers, compared to 42.7% and 31% in Tanzania and Uganda, respectively. Access points to financial system and regulatory reforms, technological breakthroughs, and heightened market competitiveness have all expanded quickly. Branchless banking has become more popular thanks to the usage of ATMs, point-of-sale terminals, the Internet, and mobile phone

platforms. According to him, there are 65,353 access points in Kenya, including money transfer services, bank agents, SACCOS, forex bureaus, and insurance.

James Mwangi, the CEO of Equity Banks, is quoted by Flood (2014), a business correspondent for BBC Business News, as saying that mobile banking is essential to removing the distance and accessibility obstacles that prevent banking in Africa. According to Mwangi, the cost of access is the main issue with using a bank, not bank fees. Ondiege (2018) asserts that mobile banking is bringing about a real "revolution" in financial accessibility. A mobile phone can be used as an ATM, a point of sale terminal, an online banking terminal, or a virtual bank card. The degree of online accessibility offered by internet banks is among their main draws. In a 2015 survey by research firm Frost & Sullivan, SunTrust Bank predicted that by 2020, approximately 40 percent of mobile users—or 100 million people—will likely utilize mobile banking.

According to Yancy (2013), banking mobile apps are made to allow even non-technical users to perform financial transactions at any time and from any location. Because the mobile applications are user-friendly, there is no need to pay more to complete banking transactions when shopping, traveling, or even on vacation. According to Rayhan, Sohel, Islam, and Mahjabin (2012), mobile phones provide inexpensive access to banking and sophisticated payment processes.

A positive aspect of mobile phones are that mobile networks can reach remote areas at low cost both to the consumer and the bank and this meaning customer is more satisfied. One advantage of mobile phones is that they allow mobile networks to reach far-flung locations at a minimal cost to both the bank and the customer, which increases customer satisfaction. Njiru (2014) discussing bank accessibility with reference According to the CBK research, 76.7% of the nation's consumers can reach a financial institution within five kilometers, compared to 42.7% and 31% in Tanzania and Uganda, respectively. Access points to technological advancements, financial system and regulatory reforms, and heightened market competitiveness have all expanded quickly. The use of mobile phone platforms, POS terminals, ATMs, and the Internet has increased and gotten closer to branchless banking.

He states that in Kenya there are 65,353 access points which include bank agents, money transfer services, SACCOS, forex bureaus, and insurers.

2.3 The effect of adaptability of digital banking on Customer Satisfaction opportunity bank Mukono Branch.

Moreno (2014) asserts that banks must be more flexible, responsive to change, accept the new definition of trust, and function as technology-enabled information enterprises that are redefining their relationships through digital means. Customers now receive better services because to the banking industry's development of cutting-edge technologies. Modern banking methods including ATMs, internet banking, and mobile banking are useful for preserving client loyalty. According to certain surveys, user happiness stems only from improvements in banking services.

The term "adaptability" describes the capacity to change with the times. Therefore, rather than promoting what is easy for banks, banks should concentrate on providing what clients want.

According to Kumar (2014), banks must do everything in their power to satisfy the demands of their clients, address their issues, cherish their relationship, and make investments in it. At each stage of this process, digitization might increase the capabilities required. Through the use of technologies like virtual advisors, co-browsing, and social networking, it may increase marketing reach, precisely identify client needs, boost conversion rates, and encourage customer loyalty and lock-in through personalization and customization.

According to Khare (2011), all forms of digital banking should have an intuitive design because this makes it easier for customers to use and increases their satisfaction. This dimension includes the following signs or items: I can easily perform online transactions, log in to this portal, understand which button to click for the next step, and complete a transaction swiftly thanks to this internet portal.

Online accounts should be simple to create and require no more information than a regular bank account, according to Michael (2015).

According to Khidhir (2014), as smartphones and tablets became widely available, banks Consumers today are well-informed, relying on information and reviews posted on social media platforms and conducting 24/7 online banking. Consumers may be hesitant to visit branches, and they are more likely than ever to change their primary banking provider. Banks nowadays are working to give a robust digital channel offering in order to handle this shift. According to DeLaCastro et al. (2014), ease and service quality are more important factors in

bank customer choice and switching than features of products and services. Government policies in some nations are promoting more churn.

Customers are getting used to using mobility to place orders ahead of time, skip queues, and pay with a few swipes on their mobile device, according to Marous (2014). It is also required of financial partnerships to have this capability. People are using the internet to buy goods and services, research them before making a purchase, communicate on social media, watch movies and listen to music, and yes, even do their banking, according to Disend (2013). As anyone who has been captivated by a smartphone or tablet will attest, recent and upcoming advancements in mobile communications and commerce are further changing how people live, work, play, and shop.

According to Ngumi (2013), advancements in information technology have a significant impact on the creation of more user-friendly financial services and flexible payment methods, which lead to a more effective banking system and, ultimately, happier customers. In terms of both disgruntled bank clients and the rural unbanked, Bungoma County's potential is still strong. Adaptability to the demands of the prospective is still crucial for a number of commercial banks and microfinance organizations in order to draw in the unbanked and even keep the banking population. Digitization fills the channel in this situation.

CHAPTER THREE

RESEARCH METHODOLOGY

3.0 Introduction

This chapter outlines the research methodology, covering research design, target population, sampling methods, data collection tools, piloting, validity and reliability of instruments, data collection procedures, analysis techniques, and ethical considerations.

3.1 Research Design

The study adopted a descriptive survey design, ideal for assessing the impact of digital banking on customer satisfaction without manipulating variables. According to Amin (2005), this approach collects data from a target population to understand its current state relative to research variables. The design suits the study's objectives by enabling the use of surveys and interviews, facilitating analysis of both quantitative and qualitative data, and providing practical insights into customer perceptions, adoption challenges, and service improvement opportunities in a semi-urban Ugandan context.

3.2 Target Population

The study targeted 125 individuals, comprising 110 digital banking customers and 15 employees at Opportunity Bank's Mukono branch, as per 2025 operational and human resource reports. Mugenda and Mugenda (2013) define a target population as the complete set of elements from which inferences are drawn.

3.3 Sample Size and Sampling Techniques

Using Yamane's formula, a sample size of 96 respondents was determined from the population of 125, with an error margin of 0.05. The formula is:

$$n = \frac{N}{1 + N(e^2)}$$

$$1 + N(e^2)$$

Where N=Population

e =expected error and” n” =Sample size

Sample size

$$“n” = \frac{125}{1 + 125(0.05)^2} = 96$$

Sample size used in the study by the researcher was therefore

A census approach was applied to the 15 bank staff due to their small number, ensuring reliable and up-to-date data (Mugenda & Mugenda, 2003). Convenience sampling was used for customers, as they visited the bank or ATM lobby randomly, allowing the researcher to maximize participation. A census was also used for the 17 bank staff to include all available personnel (Kothari, 2019).

3.5 Data Sources

3.5.1 Primary Data

Primary data was gathered via questionnaires administered to customers and interview guides used with bank employees. Questionnaires reduce bias and cover a wide population efficiently (Kothari, 2004).

3.5.2 Secondary Data

Secondary data was sourced from published and unpublished materials, including books, journal articles, research reports, dissertations, and conference proceedings.

3.6 Research Instruments

Structured questionnaires were the primary tool for data collection from customers and employees, chosen for their cost-effectiveness, ease of administration, and ability to provide objective, standardized data (Mugenda & Mugenda, 2003).

3.7 Quality Control

3.7.1 Validity

Validity ensures instruments measure what they intend to (Best & Kahn, 2003). The researcher piloted the instruments and, with feedback from supervisors and experts, calculated the Content Validity Index (CVI) as:

The content validity index shall be calculated using the formula;

Number of items rated relevant

Total number of items in the questionnaire

If the CVI above 0.7 then the instruments will be considered to be valid.

The CVI was $11/15=0.73$

Since the CVI was above 0.7, the instrument was rendered valid for data collection.

3.7.2 Reliability

Reliability ensures consistent results across repeated trials (Donald, 2006). Using the test-retest method and Pearson's product-moment formula, a reliability coefficient of 0.76 was achieved, exceeding the 0.7 threshold recommended by Mugenda and Mugenda (2003).

3.8 Measurement of Variables

Variables were measured using nominal, ordinal, and Likert scales. Nominal scales categorized variables like gender and marital status, while ordinal scales ranked variables like age and education level (Kothari, 2004). A five-point Likert scale (1 = strongly disagree, 5 = strongly agree) measured independent and dependent variables, allowing for ranking and categorization (Amin, 2005).

3.9 Data Collection Procedures

After obtaining approval from Uganda Christian University and Opportunity Bank's Mukono branch, the researcher used questionnaires and interviews for data collection. Research assistants administered questionnaires, while the researcher conducted interviews to ensure clarity and gather in-depth insights (Kothari, 2019).

3.10 Data Analysis Techniques

Quantitative data was coded and analyzed using SPSS, with descriptive statistics (counts, percentages, and measures of central tendency) presented in tables for clarity. Qualitative data from interviews was analyzed thematically, with conclusions and recommendations drawn from the findings.

3.11 Ethical Considerations

The researcher upheld ethical standards, ensuring confidentiality by anonymizing respondents' identities, especially given the competitive banking environment. Permission was obtained from Opportunity Bank's management, and informed consent was sought from participants. The researcher respected respondents' cultural practices and focused solely on study-relevant activities.

CHAPTER FOUR

DATA ANALYSIS AND PRESENTATION

4.0 Introduction

This chapter presents the findings of the study, which aimed to assess the influence of digital banking on customer satisfaction at Opportunity Bank Mukono Branch. Data were collected from 62 respondents (65% response rate) using questionnaires for customers and interview guides for bank staff. Quantitative data were analyzed using descriptive statistics via SPSS, while qualitative data from interviews were analyzed thematically. The findings are presented in tables and narratives objective by objective.

4.1 Response Rate

The study targeted 96 respondents, as determined by Yamane's formula. With a 65% response rate, 62 respondents completed the questionnaires. This response rate is sufficient for analysis, as Mugenda and Mugenda (2003) suggest that a response rate above 50% is adequate for descriptive studies.

4.2 Demographic Characteristics

The demographic profile of respondents provides context for interpreting their perceptions of digital banking. The data below summarize the age, gender, and education levels of the 62 respondents.

Table 4.1: Demographic Characteristics of Respondents

Variable	Category	Frequency	Percentage (%)
Age	Below 25	15	24.2
	26–30	20	32.3
	31–40	17	27.4
	41–50	8	12.9
	Above 50	2	3.2
	Total	62	100
Gender	Male	35	56.5
	Female	27	43.5
	Total	62	100
Education	Certificate	10	16.1
	Diploma	18	29.0
	Bachelor’s Degree	28	45.2
	Master’s Degree	6	9.7
	Total	62	100

Source; primary data 2025

According to the findings in table 4.1 above;

The majority of respondents (32.3% aged 26–30, 27.4% aged 31–40) are young to middle-aged adults, likely more familiar with digital technologies.

In regard to gender Males were 56.5% while females were 43.5% , suggesting a balanced gender representation, though males may be more engaged in digital banking due to higher smartphone ownership in Uganda.

In regard to Education Most respondents 45.2% with Bachelor’s degrees, 29.0% with Diplomas are relatively well-educated, which may correlate with higher digital literacy and positive attitudes toward digital banking.

KEY STUDY FINDINGS

4.3 Influence of Speed of Digital Transactions on Customer Satisfaction

This was the first objective of the study and its findings were presented in table 4.2 below.

Table 4.2: Descriptive statistics on Speed of Digital Transactions and customer satisfaction (n=62)

Statement	1 (SD)	2 (D)	3 (N)	4 (A)	5 (SA)	Mean	Std. Dev.
I believe that the speed of transactions in modern banking significantly enhances customer satisfaction and reliability	2 (3.2%)	3 (4.8%)	10 (16.1%)	30 (48.4%)	17 (27.4%)	3.92	0.91
Digital banking services, make it easy and for me to perform transactions like checking my account balance or transferring funds.	1 (1.6%)	4 (6.5%)	8 (12.9%)	32 (51.6%)	17 (27.4%)	3.97	0.87
I feel that 24/7 access to banking services through digital platforms meets my expectations for convenience and real-time financial information.	1 (1.6%)	2 (3.2%)	7 (11.3%)	34 (54.8%)	18 (29.0%)	4.06	0.81
Mobile wallet applications are an effective tool for banks to attract new customers	3 (4.8%)	5 (8.1%)	12 (19.4%)	28 (45.2%)	14 (22.6%)	3.73	1.00
Opportunity banks should prioritize digital technology to improve customer experience.	2 (3.2%)	3 (4.8%)	9 (14.5%)	31 (50.0%)	17 (27.4%)	3.94	0.90

Source; primary data 2025

Below is the explanation of the results presented in table 4.2 ;

For the Statement on feeling that 24/7 access to banking services through digital platforms meets expectations for convenience and real-time financial information. its Mean was the highest 4.06 and the Std. Dev. Was 0.81 This statement has the highest mean, indicating strong agreement that 24/7 access to digital banking services significantly enhances convenience and provides real-time financial information. The high percentage of respondents selecting Agree were 83.8%. showing that most customers value constant access to banking services. The low standard deviation (0.81) suggests a high level of consensus among respondents, with minimal variation in their perceptions.

In relation to Digital banking services making it easy to perform transactions like checking my account balance or transferring funds the Mean:of 3.97 |and the Std. Dev.0.87 were established . The mean close to 4.0, reflects strong agreement that digital banking simplifies transactions such as checking balances or transferring funds. The distribution shows 79 % of the respondents Agreed . The standard deviation (0.87) suggests moderate consensus, with slightly more variation than the first statement, possibly due to differences in user experience or occasional technical issues like network delays mentioned in interviews.

In relation to Opportunity banks prioritizing digital technology to improve customer experience. This statement shows strong agreement that banks should focus on digital technology to enhance customer experience, with 77.4 % Agreeing. The mean of 3.94 indicates a positive perception, though slightly lower than the top two statements. The standard deviation (0.90) reflects moderate agreement, suggesting some variability, possibly due to differing expectations about the extent of digital investment needed.

In relation to the Statement that the speed of transactions in modern banking significantly enhances customer satisfaction and reliability. This statement had a mean of 3.92, indicating that respondents generally agree that transaction speed enhances satisfaction and reliability. Most of the respondents 75.8% agreed with the statement. The standard deviation (0.91) suggests slightly more variability than the top statements,

Lastly Mobile wallet applications being effective tool for banks to attract new customers had a Mean: 3.73 and Std. Dev. Of 1.00. This statement had the lowest mean (3.73) and the highest standard deviation (1.00), indicating more varied opinions. While 67.8%, 12.9%

disagreed suggesting that not all respondents see mobile wallets as effective for attracting new customers. The higher standard deviation reflects less consensus, possibly due to limited adoption of mobile wallets in Mukono, as noted in the findings.

4.4 Influence of Accessibility to Digital Banking on Customer Satisfaction

This was the second objective of the study and its findings were presented in table 4.3 below. **Table 4.3: descriptive statistics on influence of Accessibility to Digital Banking on Customer Satisfaction(n=62).**

Statement	1 (SD)	2 (D)	3 (N)	4 (A)	5 (SA)	Mean	Std. Dev.
I find digital banking channels easy to use and effective in accessing my financial accounts and services	2 (3.2%)	4 (6.5%)	9 (14.5%)	33 (53.2%)	14 (22.6%)	3.85	0.90
Mobile banking services allow me to conveniently perform financial transactions	1 (1.6%)	3 (4.8%)	8 (12.9%)	34 (54.8%)	16 (25.8%)	3.98	0.84
The availability of digital banking access points has significantly improved my ability to manage my finances in remote or underserved areas.	2 (3.2%)	5 (8.1%)	10 (16.1%)	31 (50.0%)	14 (22.6%)	3.81	0.94
The accessibility of internet banking services provides a seamless and convenient experience that meets my banking needs	3 (4.8%)	6 (9.7%)	11 (17.7%)	30 (48.4%)	12 (19.4%)	3.68	1.00
The widespread use of mobile banking applications has made banking more affordable and satisfactory for me.	2 (3.2%)	4 (6.5%)	9 (14.5%)	32 (51.6%)	15 (24.2%)	3.87	0.91

source; primary data 2025

This table 4.3 presents the findings on how accessibility of digital banking services affects customer satisfaction. The statements are explained from highest to lowest mean.

According to the findings in table 4.3 above, Mobile banking services customers to conveniently perform financial transactions. This statement has the highest mean, indicating strong agreement that mobile banking enhances convenience for financial transactions. With 80.6 % of the respondents Agreeing that mobile banking highly was accessible. The low standard deviation (0.84) suggests strong consensus, reflecting consistent positive experiences.

In regard to the widespread use of mobile banking applications having made banking more affordable and satisfactory the mean of 3.87 and Std. Dev.: 0.91 were established.

The mean of 3.87, this statement showed strong agreement that mobile banking improves affordability and satisfaction. most of the respondents 75.8% agreed with the statement. The standard deviation (0.91) indicates moderate consensus, with some variation possibly due to differences in access to affordable mobile data or devices.

As for the digital banking channels being easy to use and effective in accessing financial accounts and services. This statement had a mean of 3.85, reflecting agreement that digital banking channels are user-friendly and effective. The majority of the respondents 75.8% agreed with the statement The standard deviation (0.90) suggests moderate agreement, with some variability possibly due to differences in digital literacy or platform usability.

Furthermore, in regard to The availability of digital banking access points having significantly improved the ability to manage finances in remote or underserved areas. This statement's mean of 3.81 indicates agreement that digital banking improves financial management in remote areas, with 72.6 % of the respondents Agreeing. The standard deviation (0.94) suggests slightly more variability, likely due to inconsistent network coverage in Mukono, as noted in customer interviews.

Lastly the accessibility of internet banking services providing a seamless and convenient experience that meets banking needs. This statement has the lowest mean (3.68) and highest standard deviation (1.00), indicating the least agreement and most variability. While 67.8% of the respondents agreed, 14.5% disagreed, suggesting mixed experiences. The higher variability

likely stems from unreliable internet access in Mukono, as highlighted in customer interviews, which impacts the seamlessness of internet banking

4.5 Effect of Adaptability of Digital Banking on Customer Satisfaction

This was the third objective of the study and its findings were presented in table 4.4 below .

Table 4.4: descriptive statistics on Adaptability of Digital Banking and customer satisfaction (n=62)

Statement	1 (SD)	2 (D)	3 (N)	4 (A)	5 (SA)	Mean	Std. Dev.
Digital banking services are user-friendly and adapt to my needs.	4 (6.5%)	6 (9.7%)	12 (19.4%)	28 (45.2%)	12 (19.4%)	3.61	1.07
I find that digital banking platforms are designed with clear navigation and options that enhance my banking experience.	5 (8.1%)	7 (11.3%)	13 (21.0%)	27 (43.5%)	10 (16.1%)	3.48	1.12
The ability to easily set up and manage online banking accounts contributes to my loyalty to opportunity bank	4 (6.5%)	8 (12.9%)	14 (22.6%)	26 (41.9%)	10 (16.1%)	3.48	1.09
I find it easy to learn and adapt to new updates introduced in Opportunity Bank's digital banking platforms.	5 (8.1%)	9 (14.5%)	15 (24.2%)	25 (40.3%)	8 (12.9%)	3.35	1.12
The adaptability of Opportunity Bank's digital banking services significantly enhances my overall satisfaction with the bank.	4 (6.5%)	7 (11.3%)	13 (21.0%)	27 (43.5%)	11 (17.7%)	3.55	1.08

Source; primary data 2025

This table 4.4 above assesses how the adaptability of digital banking platforms influences customer satisfaction. The statements are explained from highest to lowest mean.

In regard to Digital banking services being user-friendly and adaptable to customers needs. This statement had the highest mean, indicating moderate agreement that digital banking services are user-friendly and adaptable. A majority of the respondents 64.6% agreed with the statement as opposed to 16.2% who disagreed, suggesting some challenges. The high standard deviation (1.07) reflects varied experiences, possibly due to differences in digital literacy or platform complexity, as noted by the bank employee's comment about older customers struggling with updates.

The statement on the adaptability of Opportunity Bank's digital banking services significantly enhances overall satisfaction with the bank was also rated high. The mean was 3.55, which reflected moderate agreement that adaptability enhances satisfaction, with 61.2% of the respondents agreeing. However, 17.8% disagreed, indicating some dissatisfaction. The high standard deviation (1.08) suggests varied opinions, likely due to barriers like complex interfaces or low digital literacy, as confirmed by the customer relations officer's note about frequent app updates confusing some clients.

In regard to Digital banking platforms being designed with clear navigation and options that enhance my banking experience the mean of 3.48 and Std. Dev. of 1.12 was established. This statement had a mean of 3.48, indicating moderate agreement that platforms have clear navigation. However, 59.6% of the respondents Agreed as opposed to 19.4% who disagreed and the high standard deviation (1.12) reflects significant variability.

In addition, the ability to easily set up and manage online banking accounts contributing to loyalty to Opportunity Bank. had a Mean of 3.48 and Std. Dev.: 1.09. This shows moderate agreement that easy account setup and management fosters loyalty. This was also supported by 58.0% of the respondents who agreed as opposed to 19.4% disagreed and the standard deviation (1.09) indicates varied perceptions. This variability may reflect challenges with platform complexity, as older customers reported difficulties in interviews.

The last Statement was based on finding out if it was easy to learn and adapt to new updates introduced in Opportunity Bank's digital banking platforms. This statement had the lowest mean (3.35) and highest standard deviation (1.12), indicating the least agreement and most

variability. This suggests significant challenges in adapting to platform updates, particularly among older or less tech-savvy customers, as confirmed by the employee's comment about older customers struggling and the customer relations officer's note about confusion from frequent updates.

CHAPTER FIVE

SUMMARY, DISCUSSION, CONCLUSIONS, AND RECOMMENDATIONS

5.0 Introduction

This chapter discusses the findings presented in Chapter 4, compares them with existing literature, and links them to the Expectation Confirmation Theory (ECT). It draws conclusions based on the research objectives and provides recommendations for Opportunity Bank Mukono Branch, policymakers, and future researchers.

5.1 Discussion

The discussion is organized by the three research objectives, comparing findings with literature and theoretical framework.

5.1.1 Influence of Speed of Digital Transactions on customer satisfaction

The study established that the speed of digital transactions positively influenced customer satisfaction. This aligns with Premalatha and Sundaram (2012), who argue that speedy transactions are a primary driver of customer motivation and satisfaction. This is also in agreement with Salem and Rashid (2011) who noted that digital banking enables quick transactions like balance checks and fund transfers, reducing customer effort. The qualitative finding that faster transactions reduce complaints corroborates are congruent with Vuong's (2015) who asserted that real-time access meets customer expectations for convenience. However, occasional network delays, as reported by some customers, highlight infrastructure challenges in Uganda which is consistent with Jagero and Abeka (2011).

5.1.2 Influence of Accessibility to Digital Banking on customer satisfaction

The study revealed that Accessibility strongly influences satisfaction, with mobile banking convenience having most impact. This supports Ondiege (2018), who describes mobile banking as a "revolution" in access to finance, particularly in remote areas. The finding that most of respondents agreed mobile banking is convenient aligns with Njiru's (2014) report on increased access points in Kenya. However, the lower mean for internet banking reflects challenges like low internet penetration in Uganda (Yiga & Cha, 2016), as confirmed by customer feedback on unreliable networks. The qualitative finding of increased mobile

banking usage post-COVID-19 mirrors global trends (Marous, 2014). Per ECT, accessibility meets customer expectations for seamless financial management, driving satisfaction, though internet banking's limitations suggest unmet expectations for some.

5.1.3 Effect of Adaptability of Digital Banking on customer satisfaction

the study established that Adaptability had a moderate impact on satisfaction. The finding that user-friendliness was moderately perceived aligns with Moreno's (2014) call for banks to deliver intuitive digital platforms. Lower agreement on learning updates and qualitative feedback about older customers' struggles support Khare's (2011) emphasis on user-friendly interfaces. The variability in responses may stem from low digital literacy, a known barrier in Uganda (Jagero & Abeka, 2011). According to ECT, satisfaction is lower when adaptability fails to meet expectations, as complex updates or lack of training create performance gaps.

5.2 Conclusions

Based on the findings, the following conclusions are drawn:

In regard to Speed of Digital Transactions, the speed of digital banking, particularly 24/7 access and ease of transactions, significantly enhances customer satisfaction at Opportunity Bank Mukono Branch as evidenced by high mean scores (3.73–4.06) .

Accessibility, especially through mobile banking, strongly influences satisfaction, with mean scores of 3.68–3.98. However, internet banking's effectiveness is limited by infrastructure challenges.

Adaptability moderately impacts satisfaction (mean 3.35–3.61), with barriers like low digital literacy and complex updates reducing its effectiveness.

5.3 Recommendations

Opportunity Bank Mukono Branch Should Invest in robust IT infrastructure to minimize network delays and transaction failures.

The bank should Expand mobile banking access points and partner with mobile money agents to reach underserved customers.

The bank should Establish regular feedback channels to identify and address customer concerns about digital banking, ensuring continuous improvement.

Policymakers particularly Bank of Uganda should Develop nationwide digital literacy programs to address barriers identified in the study.

Improving Infrastructure through Collaboration with telecom providers to expand internet coverage and reliability, reducing barriers to internet banking in semi-urban areas.

5.5 AREAS OF FURTHER RESEARCH

. Exploring additional variables, that may influence satisfaction in digital banking.

Bank employees attributes and customer satisfaction

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QUESTIONNAIRE

Dear Respondent,

I am, Akao, Lilian a student at Uganda Christian University. I am undertaking research titled “assessing the effect of digital banking on consumer satisfaction at opportunity Bank mukono branch”.

The questions presented to you in this questionnaire are only intended to help me Undertake my research and will not be used for any other purpose. Your answers given will be treated with utmost confidentiality.

Yours sincere

Akao Lilian

SECTION A: BACK GROUND INFORMATION

Please tick your view in the appropriate box provided

1. Age
 - i) below 25year
 - ii) 26- 30
 - iii) 31-40
 - iv) 41-50 v) above

2. Gender
 - i) male
 - ii) Female

3. Highest level of education;
 - i) Certificate
 - ii) Diploma
 - iii) Bachelor's degree
 - iv) Master's degree

SECTION B; The speed of digital transactions and Customer Satisfaction

Instructions: Please indicate your level of agreement with each statement below using the following scale:

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

Statement	1	2	3	4	5
I believe that the speed of transactions in modern banking significantly enhances customer satisfaction and reliability					
Digital banking services, make it easy and for me to perform transactions like checking my account balance or transferring funds.					
I feel that 24/7 access to banking services through digital platforms meets my expectations for convenience and real-time financial information.					
Mobile wallet applications are an effective tool for banks to attract new customers					
Opportunity banks should prioritize digital technology to improve customer experience.					

SECTION C: Accessibility to digital banking and Customer Satisfaction

Instructions: Please indicate your level of agreement with each statement below using the following scale:

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

Statement	1	2	3	4	5
I find digital banking channels easy to use and effective in accessing my financial accounts and services					
Mobile banking services allow me to conveniently perform financial transactions					
The availability of digital banking access points has significantly improved my ability to manage my finances in remote or underserved areas.					
The accessibility of internet banking services provides a seamless and convenient experience that meets my banking needs					
The widespread use of mobile banking applications has made banking more affordable and satisfactory for me.					

SECTION D; adaptability of digital banking and Customer Satisfaction

Instructions: Please indicate your level of agreement with each statement below using the following scale:

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

Statement	1	2	3	4	5
Digital banking services are user-friendly and adapt to my needs.					
I find that digital banking platforms are designed with clear navigation and options that enhance my banking experience.					
The ability to easily set up and manage online banking accounts contributes to my loyalty to opportunity bank					
I find it easy to learn and adapt to new updates introduced in Opportunity Bank’s digital banking platforms.					
The adaptability of Opportunity Bank’s digital banking services significantly enhances my overall satisfaction with the bank.					

Thank you for your cooperation