International Journal of
DATA SCIENCE AND IOT MANAGEMENT SYSTEM
ISSN: 3068-272X www.ijdim.com Original Research Paper

"EXPLORING THE IMPACT OF CUSTOMER SATISFACTION ON CONTINUED USE OF MOBILE BANKING APPLICATIONS"

DR. PONNY JOSEPH
Assistant Professor
Bharata Mata College (Autonomous), Thrikkakara
ponny@bharatamatacollege.in

Abstract

In the smartphone era, mobile banking applications have emerged as a critical tool for conducting financial transactions, offering users the convenience to manage their banking needs anytime and anywhere. These applications provide a wide array of services, from checking account balances and transferring funds to applying for loans and paying bills. The adoption and continued use of mobile banking apps depend significantly on customer satisfaction, which is influenced by factors such as usability, security, and reliability. This paper examines the role of customer satisfaction in the continuance intention of mobile banking users. By identifying key factors that contribute to customer satisfaction, including the app's user experience, functionality, and responsiveness, this study highlights the importance of these elements in fostering continued usage of mobile banking services. Understanding the connection between customer satisfaction and continuance intention can help banks and financial institutions improve their mobile banking offerings and maintain long-term customer loyalty. Furthermore, this research underscores the need for ongoing app updates, customer support, and personalized features to enhance user experience and strengthen customer retention in a highly competitive market. The findings emphasize that banks must continuously innovate and address customer feedback to ensure sustained customer satisfaction and promote long-term engagement with mobile banking applications.

Keywords: Mobile Banking, Customer Satisfaction, Continuance Intention, User Experience, Mobile Banking Applications, Customer Loyalty, Digital Banking, Financial Technology, User Retention, Banking Innovation.

Received: 18-09-2025 Accepted: 23-10-2025 Published: 30-10-2025

INTRODUCTION

In the digital age, smartphones have become integral to everyday life, transforming how individuals perform various tasks, including financial transactions. As a result, mobile banking has emerged as a preferred channel for customers to manage their finances without the need to visit physical bank branches. Mobile banking applications are specifically designed to provide customers with a convenient, accessible, and efficient platform to access a wide range of financial and non-financial services. These include checking account balances, transferring funds, paying bills, applying for loans, requesting cheque books, and more anytime and anywhere.

The core advantage of mobile banking lies in its ability to eliminate traditional banking constraints such as time, location, and additional costs. With the increasing reliance on smartphones, mobile banking applications have become an essential tool in the modern banking ecosystem, significantly influencing user behavior and expectations. As customers become more tech-savvy, their expectations for seamless, secure, and user-friendly digital experiences continue to rise. Customer satisfaction plays a pivotal role in determining the success and continued usage of mobile banking services. A well-designed mobile banking application that prioritizes user experience, security, and reliability not only enhances satisfaction but also fosters continuance intention—encouraging users to consistently engage with the platform over time. Therefore, banks must continuously innovate and upgrade their applications to meet evolving customer needs, fix bugs promptly, ensure compatibility with new operating systems, and deliver a personalized experience.

International Journal of
DATA SCIENCE AND IOT MANAGEMENT SYSTEM
ISSN: 3068-272X www.ijdim.com Original Research Paper

Furthermore, mobile applications should feature intuitive navigation, clear language, and easy access to essential services to minimize user effort and maximize engagement. Incorporating customer feedback and introducing value-added services tailored to individual preferences can significantly enhance satisfaction levels and build long-term loyalty. In today's highly competitive digital banking landscape, understanding the role of customer satisfaction in influencing the continuance intention of mobile banking users is crucial. By prioritizing user experience and investing in technological improvements, banks can not only retain existing customers but also gain a competitive edge in the financial services industry.

STATEMENT OF THE PROBLEM

With the growing reliance on mobile banking applications for daily financial and non-financial transactions, ensuring a high level of customer satisfaction has become a critical priority for banks. As the digital banking landscape becomes increasingly competitive, understanding the key factors that influence customer satisfaction and how that satisfaction impacts users' intention to continue using mobile banking services is essential for long-term success. Customer satisfaction is closely linked to user retention and loyalty. Satisfied users are more likely to continue using mobile banking applications and recommend them to others, while dissatisfied users may discontinue usage or switch to competing financial service providers. Despite the widespread adoption of mobile banking, many banks still struggle to identify and address the specific needs and expectations of their users.

This study seeks to investigate the role of customer satisfaction in shaping the continuance intention of mobile banking users. By examining this relationship, banks can gain valuable insights to enhance service quality, improve user experience, and foster long-term customer engagement.

SIGNIFICANCE OF THE STUDY

This study is significant as it explores the crucial role customer satisfaction plays in influencing the continuance intention of mobile banking users. With the rapid rise in mobile banking adoption, understanding how user satisfaction impacts continued usage is essential for banks aiming to retain customers and remain competitive. The insights from this research will help banks and app developers enhance the quality, usability, and performance of mobile banking applications. Additionally, the findings will serve as a valuable resource for mobile banking users, financial institutions, and academic researchers, contributing to future studies and strategies focused on digital banking engagement and customer loyalty.

OBJECTIVES OF THE STUDY

The study titled "Role of Customer Satisfaction in Continuance Intention of Mobile Banking Users" is conducted with the following key objectives:

1. To identify the factors influencing the adoption and usage of mobile banking applications.
2. To evaluate the key determinants of customer satisfaction among mobile banking users.
3. To examine the impact of customer satisfaction on the continuance intention to use mobile banking applications.

HYPOTHESIS OF THE STUDY

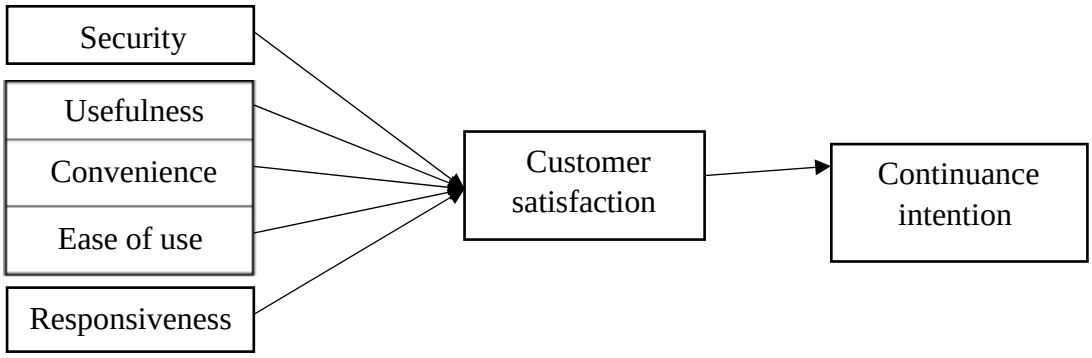
The study proposes the following alternative hypotheses to examine the relationship between various factors and customer satisfaction, as well as the impact of customer satisfaction on continuance intention:

- Ha1: There is a significant relationship between security and customer satisfaction.
- Ha2: There is a significant relationship between usefulness and customer satisfaction.
- Ha3: There is a significant relationship between convenience and customer satisfaction.
- Ha4: There is a significant relationship between ease of use and customer satisfaction.

International Journal of
DATA SCIENCE AND IOT MANAGEMENT SYSTEM
ISSN: 3068-272X www.ijdim.com Original Research Paper

- Ha5: There is a significant relationship between responsiveness and customer satisfaction.
- Ha6: There is a significant relationship between customer satisfaction and continuance intention.

Figure 1.1 Hypothesized Model



RESEARCH METHODOLOGY OF THE STUDY

This study examines the role of customer satisfaction in the continuance intention of mobile banking users by analysing five independent variables—security, usefulness, convenience, ease of use, and responsiveness—and one mediating variable, customer satisfaction, with the dependent variable being continuance intention. The sample for this study comprises 106 mobile banking users from the Ernakulam district, selected through the convenience sampling method. Data was collected via a structured online questionnaire distributed through Google Forms, ensuring participation from a diverse set of respondents regardless of gender or occupation.

Primary data was gathered through a 5-point Likert scale questionnaire, measuring responses on a range from strongly disagree to strongly agree. Secondary data was sourced from academic journals, books, and reputable websites to support the study's framework and literature review. Data analysis was conducted using SPSS software, employing descriptive statistics to summarize participant data and regression and correlation analyses to examine relationships between variables. These methods provide insight into how customer satisfaction influences the continued use of mobile banking services.

REVIEW OF LITERATURE & THEORETICAL FRAMEWORK

Mobile banking, as a concept, originated in the late 1990s with basic services introduced in Germany through a partnership with Deutsche Bank (Shaikh & Karjaluoto, 2015). However, the app-based mobile banking we recognize today began emerging in 2009 in Nordic countries (Tieto, 2016). The breakthrough came with the launch of the iPhone, which revolutionized handheld devices by introducing apps, fundamentally altering the way users accessed services and interacted with the internet (Christensen et al., 2015).

Mobile banking allows users to perform various banking activities remotely via mobile devices, eliminating the need for physical branch visits. It encompasses services such as checking account balances, transferring funds, paying bills, and even depositing checks, all accessible at the user's convenience, anytime and anywhere, as long as there's internet connectivity. This shift toward mobile banking has dramatically altered traditional banking models, driving a trend where mobile apps now serve as a preferred method for account management.

The rapid advancement of mobile technology further expanded the scope of mobile banking, integrating additional services like mobile payments, loan applications, and investment management. As a result, mobile banking has become a cornerstone for financial convenience and accessibility,

International Journal of
DATA SCIENCE AND IOT MANAGEMENT SYSTEM
ISSN: 3068-272X www.ijdim.com Original Research Paper

enabling users to maintain constant contact with their banks or financial institutions without the need for physical visits.

DATA ANALYSIS AND INTERPRETATAION

RELIABILITY ANALYSIS

A Reliability test was carried out using Cronbach's Alpha, which measures the internal consistencyof research constructs, and the result is exhibited in Table 3.2.1. The Alpha value for the seven factors is above 0.70, the threshold suggested by Nunnally (1978). Thus, it can be concluded thatthe Scale has internal consistency and reliability. In other words, the items that are used in it measure what are intended to measure.

Cronbach's Co-efficient Alpha – CI, CS, SE, US, CO, EU, RE

Factors	Item Acronym	Number of items	Cronbach's alpha
Security	SE	5	.868
Usefulness	US	5	.886
Convenience	CO	5	.869
Ease of use	EU	5	.876
Responsiveness	RE	5	.824
Customer satisfaction	CS	5	.894
Continuance intention	CI	5	.864

Measure of variables

Measures	**Item Acronym**	**Mean**	**SD**
Security	SE	4.2755	.58908
Usefulness	US	4.2547	.63036
Convenience	CO	4.2283	.59933
Ease of use	EU	4.2528	.61555
Responsiveness	RE	4.0113	.62569
Customer satisfaction	CS	4.1811	.64293
Continuance intention	CI	4.1377	.62358

The mean and standard deviation of independent, mediating and dependent variables are given inTable 3.3.8. Mean is highest for Security with a value 4.2755 followed by usefulness with mean of 4.2547. The mean is lowest for responsiveness with a value 4.0113. The standard deviation is highest for customer satisfaction with a value of .64293 and lowest for security with a value of
.58908.

HYPOTHESIS TESTING AND MODEL VALIDATION

CORRELATION ANALYSIS

Correlation analysis is carried out before conducting regression analysis to quantify the strength of the relationship between the variables. It tests the linear relationship between the variables.

International Journal of
DATA SCIENCE AND IOT MANAGEMENT SYSTEM
ISSN: 3068-272X www.ijdim.com Original Research Paper

Each correlation appears twice: above and below the main diagonal. The correlations on the main diagonal are the correlations between each variable itself.

Correlation between independent, mediating and dependent variables.

Measure	SE	US	CO	EU	RE	CS	CI
Security	1						
Usefulness	.937**	1					
Convenience	.840**	.793**	1				
Ease of use	.886**	.802**	.863**	1			
Responsiveness	.652**	.641**	.776**	.747**	1		
Customer satisfaction	.758**	.716**	.836**	.798**	.701**	1	
Continuance intention	.717**	.697**	.716**	.747**	.647**	.745**	1

**Correlation is significant at the 0.01 level

The correlation coefficients between the independent variables like Security, Usefulness, Convenience, Ease of use, and Responsiveness, mediating variable customer satisfaction and dependent variable Continuance intention are reported on the table 3.5.1. The correlation coefficient are always in the range -1 to 1. A correlation is statistically significant if its P value < 0.005 and P value <0.01. From the above table we can understand that there exists a high positivecorrelation between all variables.

REGRESSION ANALYSIS

REGRESSION ANALYSIS BETWEEN SE, US, CO, EU, RE AND CS

Regression analysis was conducted to measure the influence of SE, US, CO, EU and RE on CS. The independent variables are SE, US, CO, EU, RE and dependent variable is CS. The main objective of regression analysis is to explain the variation in one variable(dependent) based on the variation in one or more other variables (independent variables.) If multiple independent variablesare used to explain variation in a dependent variable, it is called a multiple regression model. Theoutput of linear regression was used to test the hypothesis.

Model summary

Method	Model	R	R Square	Adjusted R Square	Standard error of the estimate	Durbin Watson
Enter	1	.851	.725	.711	.34564	1.784

a. Predictors: (Constant), SE, US, CO, EU and RE

b. Dependent Variable: CS

R square is the percent of the variance in the dependent explained uniquely or jointly by the independents. The R square and adjusted R square will be same when used for the case of few independents. The R square and adjusted R square shown in Table 3.5.2 is almost the same.

International Journal of
DATA SCIENCE AND IOT MANAGEMENT SYSTEM
ISSN: 3068-272X www.ijdim.com Original Research Paper

Hence,adjusted R square value is used for interpreting the results. Table 3.5.2 shows that .34564 variationin CS is explained by SE, US, CO, EU and RE.

ANOVA of Regression Model

Model		Sum of Squares	df	Mean Square	F	Sig
1	Regression	31.456	5	6.291	52.660	.000**
	Residual	11.947	100	.119		
	Total	43.402	105			

a. Predictors: (Constant), SE, US, CO, EU and RE b. Dependent Variable: CS

**Significant at .01 level

ANOVA table showing the regression model fit presented in Table shows that the model is statistically significant at 1 percent significance level.

Coefficients of Regression Analysis

Factors(constructs)	Item Acronym	Standardized Beta coefficient (β)	P Value
Security	SE	.008	.020*
Usefulness	US	.054	.030*
Convenience	CO	.512	.000**
Ease of use	EU	.244	.041*
Responsiveness	RE	.081	.036*

**Regression Coefficient Significant at 0.01 level, * Regression Coefficient Significant at 0.05 level, Dependent Variable: CS

Table 3.5.4 present the standardized Beta coefficient values and the significant values of independent variables Security, Usefulness, Convenience, Ease of use and responsiveness. The independent variable Security (SE), Usefulness (US), Convenience (CO), Ease of use (EU and Responsiveness (RE) are statistically significant at 1 and 5 per cent significance level. Therefore, these five independent variables have significant effect on customer satisfaction. **Hence, Ha1, Ha2, Ha3, Ha4, Ha5** are accepted from the standard Beta coefficient values of the independent variables, we can understand that all independent variables have positive effect on customer satisfaction. The beta coefficient gives a measure of the contribution of each variable to the model. Higher the beta value, greater the effect of independent variable on the dependent variable. Amongthe independent variables convenience (CO) has the greatest effect.

SUMMARISED FINDINGS

- **Customer satisfaction** in mobile banking usage is influenced by multiple factors.
- The key factors identified as affecting customer satisfaction are **security, usefulness, convenience, ease of use**, and **responsiveness**.
- Among these factors, **convenience** has the most significant impact on customer satisfaction.
- **Security, usefulness, convenience, ease of use,** and **responsiveness** all have a significant and positive effect on customer satisfaction.
- **Customer satisfaction** plays a significant role in shaping the **continuance intention** of mobile banking users.
- There is a positive correlation between **customer satisfaction** and the **continuance intention** of using mobile banking applications.

International Journal of
DATA SCIENCE AND IOT MANAGEMENT SYSTEM
ISSN: 3068-272X www.ijdim.com Original Research Paper

THEORETICAL CONTRIBUTION

This study contributes to the theoretical understanding of customer satisfaction and its impact on the continuance intention of mobile banking users by validating a conceptual model. The findings enrich existing literature by highlighting key factors—such as security, usefulness, convenience, ease of use, and responsiveness—that influence customer satisfaction and, ultimately, user retention. However, to further enhance the validity and comprehensiveness of the model, future research could explore additional measures and constructs. The results of this study serve as a foundation for future academic research in the field of mobile banking, offering valuable insights for scholars and students pursuing similar topics.

SUGGESTIONS

As technology continues to evolve, the use of mobile banking applications has significantly increased, although some individuals still do not utilize them. To further promote the value of these applications, banks should initiate more **customer awareness campaigns** to educate users on the benefits and ease of mobile banking. Additionally, it is crucial to identify and address the challenges users face while using mobile banking apps, ensuring that issues are promptly communicated to the relevant authorities for resolution. Given that this study only focuses on respondents from **Ernakulam**, expanding the research scope to include other regions or broader demographic groups could provide more comprehensive and conclusive insights.

SCOPE OF FURTHER STUDY

The scope of this investigation is limited to a select number of variables, focusing primarily on the relationship between customer satisfaction and specific factors identified in the study. Future research could broaden this scope by incorporating additional factors that may affect customer satisfaction and continuance intention. To enhance the robustness of the study, the research framework could be expanded to include extraneous variables that were not considered in the current study. Moreover, beyond the factors explored in this report, there are likely other elements that influence users' intention to continue using mobile banking applications, which could be investigated in future studies to provide a more comprehensive understanding.

CONCLUSIONS

In India, the pace of change is accelerating, and the only constant is the need to adapt. One of the latest innovations is mobile banking applications, which are gradually replacing traditional payment methods as the preferred choice for financial transactions. This study aimed to examine the adoption and popularity of mobile banking applications, particularly among younger users. The survey results indicate that mobile banking applications are gaining traction due to their user-friendly features and value-added services, which make them increasingly popular. The swift adoption of mobile banking can be attributed to their convenience, simplicity, and accessibility.

BIBLIOGRAPHY

Aagja, J. P., Mammen, T., & Saraswat, A. (2011). Validating service convenience scale and profiling customers: A study in the Indian retail context. *Vikalpa*, *36*(4), 25-50.

Aghdaie, S.F.A., R. Karimi and A. Abasaltian, 2015. The evaluation of effect electronic banking in customer satisfaction and loyalty. International Journal of Marketing Studies, 7(2): 90-98.

Albashrawi, M. (2019). The impact of security and customization on continuance intention of m-banking. *12th IADIS International Conference Information Systems 2019*.

Aldiabat, K., Al-Gasaymeh, A., Alebbini, M., Alsarayreh, A., Alzoubi, A., & Alhowas, E.

(2022). The COVID-19 pandemic and its impact on consumer's interaction on mobile banking application: Evidence from Jordan. International Journal of Data and Network Science, 6(3), 953-960.

Ariffin, S. K., & Lim, K. T. (2020). Investigating Factors Affecting Intention to Use Mobile Payment Among Young Professionals in Malaysia. Proceedings of the First ASEAN Business, Environment, and Technology Symposium (ABEATS 2019).

Asfour, H. K., & Haddad, S. I. (2014). The Impact of Mobile Banking on Enhancing Customers'E-Satisfaction: An Empirical Study on Commercial Banks in Jordan. *International Business Research, 7*(10)

Avornyo, P., Fang, J., Odai, R. O., Vondee, J. B., & Nartey, M. N. (2019). Factors Affecting Continuous Usage Intention of Mobile Banking in Tema and Kumasi. International Journal ofBusiness and Social Science, 10(3).

Berry, L. L., Seiders, K., & Grewal, D. (2002,). Understanding Service Convenience. Journal ofMarketing, 66(3), 1–17.

Bhattacherjee, A. (2001). Understanding Information Systems Continuance: An Expectation-Confirmation Model. MIS Quarterly, 25(3), 351.

Bowen, J.T. and S.L.C. McCain, (2015) Transitioning loyalty programs: A commentary on the relationship between customer loyalty and customer satisfaction. International Journal of Conte Hospy Management, 27(3): 415–430.

Cheng, T. E., Lam, D. Y., & Yeung, A. C. (2006). Adoption of internet banking: An empirical study in Hong Kong. Decision Support Systems, 42(3), 1558–1572.

Choudhury, D., & Bhattacharjee, D. (2016). Role of e-banking delivery channel in developing loyalty: a study on salaried employees.

Christensen, R. H. B. (2015). Analysis of ordinal data with cumulative link models—estimation with the R-package ordinal. R-package version, 28, 406.

Davis, F.D. (1989), "Perceived usefulness, perceived ease of use, and user acceptance of information technology", MIS Quarterly, Vol. 13 No. 3, pp. 318-340

Demirel, D., & Eris, V. (2019). Innovation and technological applications in the banking and financial services: Turkiye Is Bankası case. Pressacademia, 9(9), 226–230

Do Nam Hung, J. T., Azam, S. F., & Khatibi, A. A. (2019). An empirical analysis of perceived transaction convenience, performance expectancy, effort expectancy and behavior intention to mobile payment of Cambodian users. *International Journal of Marketing Studies*, *11*(4), 77-90.

Esmaeili, A., Haghgoo, I., Davidavičienė, V., & Meidutė-Kavaliauskienė, I. (2021). Customer Loyalty in Mobile Banking: Evaluation of Perceived Risk, Relative Advantages, and Usability Factors. *Engineering Economics*, *32*(1), 70–81.