

Financial Behavior of Generation Z Customers Regarding Mobile Banking Satisfaction

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Abstract

This study investigates the impact of financial behavior on mobile banking satisfaction among Generation Z customers. As digital financial services continue to expand, understanding the key behavioral factors influencing satisfaction becomes essential, particularly among tech-savvy youth who are rapidly adopting mobile banking platforms. The study adopts a positivist research philosophy and applies a deductive approach using a quantitative research design. A structured questionnaire was administered to a sample of 178 college students, selected through convenience sampling, to collect primary data on variables including saving behavior, perceived security, network availability, and social influence. Descriptive statistics such as frequency, mean, and standard deviation were used to analyze demographic and behavioral trends, while correlation and regression analyses were applied to determine relationships and predictive strength among variables. The findings reveal that perceived security has the strongest positive influence on mobile banking satisfaction, followed by network availability and saving behavior, all showing statistically significant relationships. In contrast, social influence did not significantly impact satisfaction levels. These results suggest that Gen Z users value secure, accessible, and practical banking experiences over peer-driven motivations. The study recommends that banks and fintech platforms prioritize security features, reliable

infrastructure, and personal finance tools to enhance satisfaction among young digital consumers.

Keywords: Behavior, Customers, Financial, Generation Z, Mobile, Satisfaction

Introduction

The rapid advancement of digital technologies has revolutionized the financial services industry, with mobile banking emerging as a transformative tool for both banks and customers. Mobile banking refers to the use of mobile devices to perform banking activities such as fund transfers, bill payments, account monitoring, and loan applications. Its convenience, speed, and accessibility have made it a preferred channel for financial transactions, especially in developing economies where traditional banking infrastructure may be limited. As smartphones become increasingly ubiquitous, mobile banking is not just a technological innovation but a behavioral shift in how customers interact with financial institutions.

Understanding customer financial behavior in the context of mobile banking is essential for evaluating satisfaction levels and improving service delivery. Financial behavior encompasses a range of actions and decisions such as frequency of usage, transaction types, trust in digital platforms, and responsiveness to new features that reflect how individuals manage their finances through mobile applications. These behaviors are influenced by demographic factors, digital literacy, perceived risk, and prior experiences with banking services. As mobile banking evolves, so do customer expectations, making it crucial for banks to align their digital offerings with user preferences and behavioral patterns.

Customer satisfaction in mobile banking is shaped by multiple interrelated factors, including usability, security, personalization, and service quality. Omar et al. (2020) argue that perceived ease of use and trust are among the strongest predictors of satisfaction in digital banking environments. Moreover, emotional engagement such as feeling valued or supported plays a significant role in shaping customer loyalty. Ferreira et al. (2020) further emphasize that intuitive interface design and real-time responsiveness enhance user experience, thereby increasing satisfaction. These insights suggest that satisfaction is not merely transactional but deeply rooted in psychological and experiential dimensions.

This research aims to explore the financial behavior of customers regarding mobile banking and its impact on their satisfaction. By analyzing behavioral trends, usage patterns, and customer feedback, the study seeks to identify key drivers of satisfaction and areas for improvement. The findings will provide actionable insights for banking institutions to refine their mobile strategies, enhance user experience, and foster long-term customer relationships. Ultimately, the research contributes to a deeper understanding of how digital financial behavior influences satisfaction in an increasingly mobile-first banking landscape.

Objectives of the study

To assess the financial behavior of customer regarding mobile banking for satisfaction,

To examine the relationship between financial behavior of customer regarding mobile banking for satisfaction,

To analyze the impact of financial behavior of consumer on mobile banking satisfaction.

Hypotheses

There is no significant relationship between saving and mobile banking satisfaction.

There is no significant relationship between security and mobile banking satisfaction.

There is no significant relationship between network availability and mobile banking satisfaction.

There is no significant relationship between social influence and mobile banking satisfaction.

Literature Review

The study “Impact of Mobile Banking on Customer’s Satisfaction” by Metlo, Hussain, Saqib, Phulpoto, and Abro (2021) explored how perceived usefulness, ease of use, credibility, and customer attitude influence satisfaction. Using a quantitative design, they surveyed 111 mobile banking users through structured questionnaires. Data analysis was done using descriptive statistics, correlation, and regression. The results showed that ease of use and credibility were key factors in satisfaction. The study concluded that improving usability and trust could positively influence customer financial behavior.

Bhatt and Nagar (2021), in their study “An Empirical Study to Evaluate Factors Affecting Customer Satisfaction in Mobile Banking,” examined the role of user behavior and technology acceptance in shaping satisfaction. Based on the Technology Acceptance Model and UTAUT, the authors conducted a quantitative survey with 200 mobile banking users. Descriptive and regression analyses were used to interpret the data. The findings revealed that perceived usefulness, ease of use, social influence, and trust were significant contributors. They concluded that secure and user-friendly platforms enhance financial engagement.

In the Nepalese context, Panthi, Poudel, Dahal, Dahal, and Sangaurala (2024) conducted the study “Impact of Mobile Banking on Customer Satisfaction” to evaluate service dimensions such as reliability, responsiveness, accessibility, convenience, and security. A causal-comparative approach was used with data from 120 users collected through structured questionnaires. Regression results showed accessibility and privacy had the strongest impact. The study concluded that accessible and secure mobile banking services are essential for increasing satisfaction.

Rouf, Begum, and Babu (2024) carried out the study “Customer Trust and Satisfaction: Insights from the Mobile Banking Sector in Bangladesh” to investigate how trust mediates the relationship between system quality, service quality, and satisfaction. Using the DeLone and McLean model and Structural Equation Modeling (SEM) on data from 384 respondents, the study found that trust significantly influenced satisfaction. It concluded that improving digital trust through better system design is crucial for long-term customer retention.

Ghimire and Dhakal (2023) explored mobile banking trends in Nepal through secondary data and policy reviews. Their study identified rising internet access, digital policies, and competition as drivers of mobile banking growth. However, challenges such as low digital

literacy, poor infrastructure, and fraud risks reduced satisfaction. They concluded that addressing these barriers would strengthen customer satisfaction and financial inclusion.

Despite extensive research on mobile banking satisfaction, most existing studies have focused on technological factors such as usability, system quality, and service reliability, often overlooking the nuanced financial behaviors of users such as saving habits, trust dynamics, and social influences that may significantly shape satisfaction outcomes. Furthermore, while several studies have explored mobile banking in broader national contexts, there remains a lack of focused inquiry into how these behavioral factors operate within specific demographic groups, particularly among youth and students in Nepal. This research aims to fill these gaps by examining the behavioral dimensions of mobile banking usage and their impact on customer satisfaction, with a particular emphasis on age as a moderating variable in the Nepalese context.

Research Methodology

This study adopts a positivist research philosophy, emphasizing the collection of measurable and observable data to examine the financial behavior of Generation Z customers and their satisfaction with mobile banking services. A deductive research approach is employed, beginning with existing theoretical frameworks and hypotheses, which are then tested through empirical data. The research design is quantitative, utilizing a structured questionnaire to collect numerical data for statistical analysis. The target population consists of individuals who actively use mobile banking services. A convenience sampling technique is used to select respondents based on accessibility and willingness to participate. The sample comprises 178 college students, including those approached at home, educational institutions, and workplaces. Primary data is gathered through a close-ended questionnaire, focusing on key variables such as saving behavior, perceived security, network availability, and social influence. Responses are recorded using Likert-scale items to measure the degree of agreement or disagreement with specific statements. The data is analyzed using SPSS to perform descriptive statistics (frequency, percentage, mean, standard deviation) and inferential statistics such as correlation analysis to explore the relationships between financial behavior factors and mobile banking satisfaction. Additionally, R Studio is used to create visualizations including bar diagrams and heat maps to display the results in an easily interpretable pictorial form. Ethical considerations are strictly followed; participation is voluntary, respondents' privacy is maintained, and all collected data is kept confidential and used solely for academic purposes.

Results

This section displays the results of the study through tables and figures.

Table 1 Demographic Information

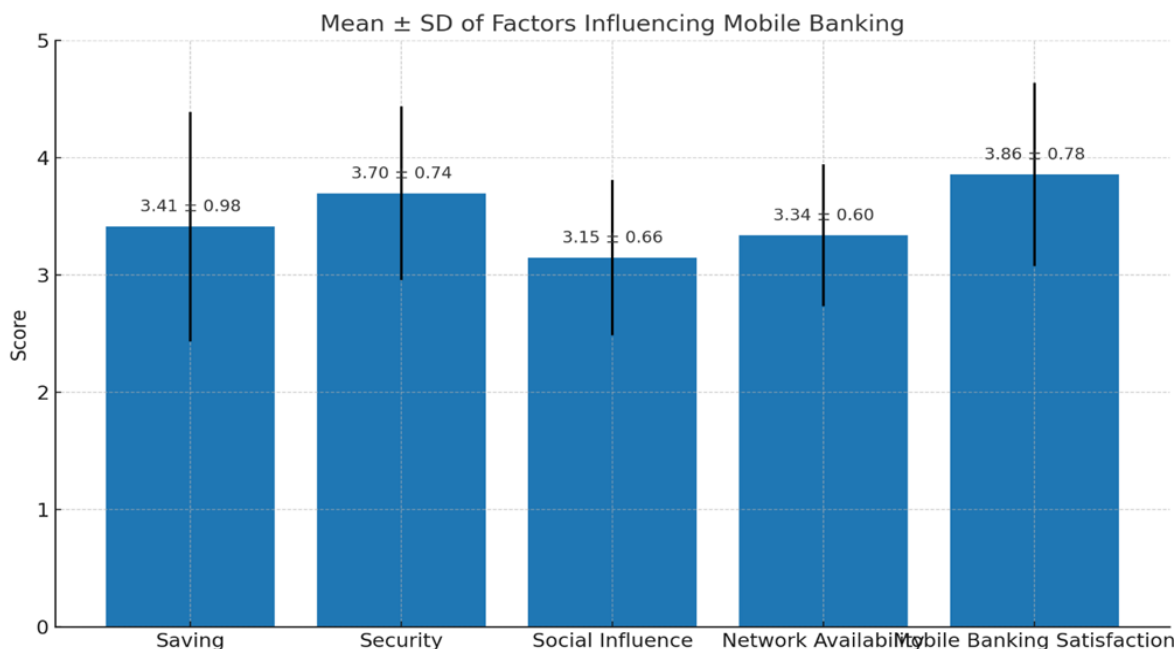
Gender	Frequency	Percent	Valid Percent	Cumulative Percent
Male	43	24.6	24.6	24.6
Female	135	75.4	75.4	100.0
Total	178	100.0	100.0	
Education Level	Frequency	Percent	Valid Percent	Cumulative Percent
Less than +2	12	6.7	6.7	6.7

Bachelor's		162	90.5	90.5	97.2
Master's and above		4	2.8	2.8	100.0
Total		178	100.0	100.0	
	N	Minimum	Maximum	Mean	Std. Deviation
Age	178	18.00	28.00	20.83	3.41

The demographic characteristics of the respondents indicate that out of 178 participants, the majority were female, representing 75.4% (n = 135), while males accounted for 24.6% (n = 43). In terms of education level, most respondents held a Bachelor's degree, comprising 90.5% (n = 162). A smaller proportion had an education level of less than +2 (6.7%, n = 12), and only 2.8% (n = 4) had attained a Master's degree or above. Regarding age, the respondents ranged between 18 and 28 years, with an average age of 20.83 years (SD = 3.41), suggesting that the sample consisted primarily of young adults with slight variation in age.

Financial Behavior of GenZ Customer Regarding Mobile Banking Satisfaction

The Figure highlight key aspects of the financial behavior of Gen Z customers in relation to mobile banking satisfaction.



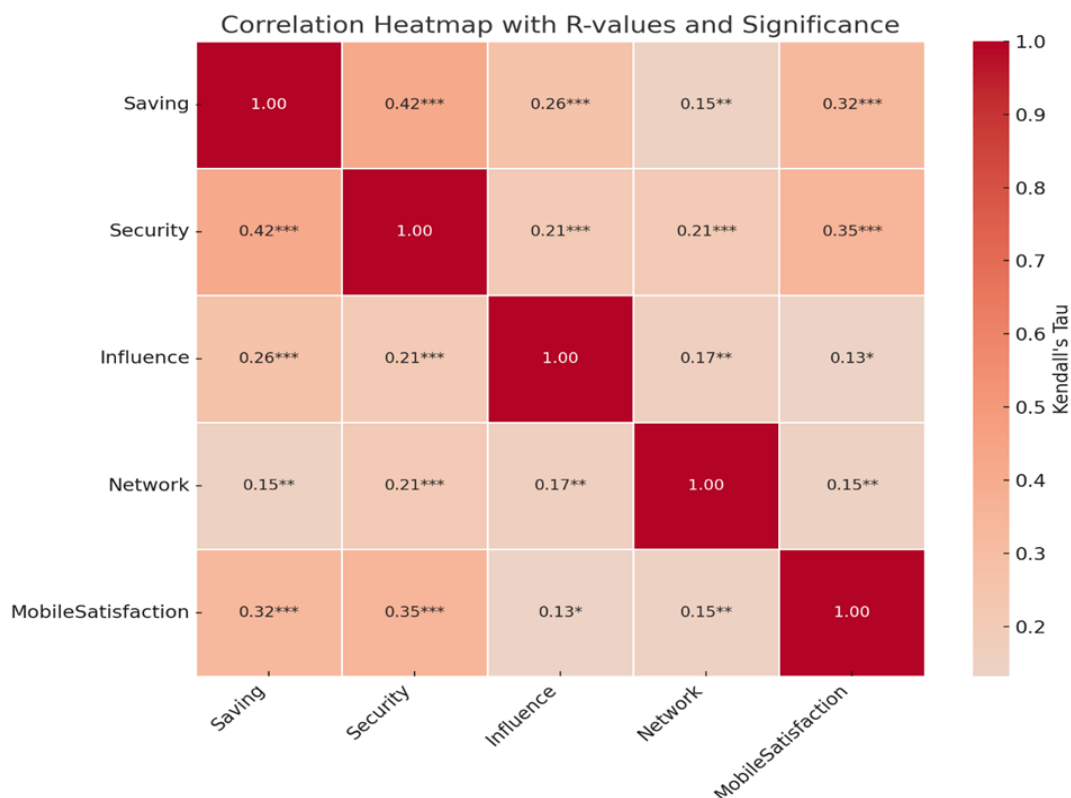
Among the variables measured, the average score for mobile banking satisfaction was relatively high at 3.86 (SD = 0.78) on a 5-point scale, indicating that most respondents were generally satisfied with mobile banking services. Security concerns also scored high, with a mean of 3.70 (SD = 0.74), suggesting that security remains a critical factor for Gen Z users when using mobile banking platforms.

In terms of behavioral traits, the saving behavior showed a mean of 3.41 (SD = 0.98), indicating moderate saving habits among Gen Z customers. Social influence had a mean of 3.15 (SD =

0.66), reflecting the moderate effect of peers, family, or social networks on the use of mobile banking services. Network availability scored slightly higher with a mean of 3.34 (SD = 0.60), showing that accessibility and stable internet connectivity are moderately considered in shaping satisfaction. Overall, the findings suggest that while Gen Z customers are relatively satisfied with mobile banking, their behavior is shaped by factors such as security, social influence, and network availability.

Correlation between Financial Behaviors of GenZ Customer and Mobile Banking Satisfaction

The correlation heatmap provides a visual summary of the relationships between financial behavior factors and mobile banking satisfaction among Gen Z customers, using Kendall's Tau correlation coefficients along with significance indicators (*, **, ***). The diagonal values are all 1.00, representing perfect self-correlation for each variable.



**. Correlation is significant at the 0.01 level (2-tailed).

*. Correlation is significant at the 0.05 level (2-tailed).

The heatmap clearly shows that Security and Saving have the strongest positive correlations with Mobile Banking Satisfaction, with Kendall's Tau values of 0.35* and 0.32* respectively ($p < 0.001$). This suggests that the more secure and financially active Gen Z users feel, the more satisfied they are with mobile banking services. These variables not only show strong correlations with satisfaction but also with each other notably, Security and Saving correlate at 0.42*, indicating these behaviors may reinforce each other. Other variables such as Social

Influence and Network Availability show weaker but still statistically significant positive relationships with Mobile Banking Satisfaction, at 0.13* and 0.15 respectively. While their impact is smaller, their significance ($p < 0.05$ and $p < 0.01$) indicates they still play a role in shaping satisfaction levels.

Moreover, the interrelationships among the independent variables are noteworthy. For instance, Security correlates with Social Influence (0.21***) and Network Availability (0.21***), implying that these factors are interlinked in shaping financial behavior. Social Influence also moderately correlates with Network (0.17**) and Saving (0.26***), suggesting that peer or environmental factors might influence both network dependency and financial saving habits.

In summary, the heatmap reinforces the interpretation that Security and Saving are the most influential predictors of mobile banking satisfaction among Gen Z users, while Social Influence and Network Availability also contribute meaningfully. The statistically significant relationships among all variables indicate a complex, interconnected behavioral framework surrounding mobile banking usage in this demographic.

Impact of Financial Behavior of GenZ Customer on Mobile Banking Satisfaction

The regression analysis reveals that the financial behavior of Gen Z customers has a significant impact on their satisfaction with mobile banking services.

Table 2: Regression Analysis

Model Summary						
Model		R	R Square	Adjusted R Square	Std. Error of the Estimate	
1		.580 ^a	.336	.321	.64243	
a. Predictors: (Constant), Network, Saving, Influence, Security						
ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	36.199	4	9.050	21.927	.000 ^b
	Residual	71.399	173	.413		
	Total	107.598	177			
a. Dependent Variable: Mobile satisfaction						
b. Predictors: (Constant), Network, Saving, Influence, Security						
Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.934	.336		2.776	.006
	Saving	.124	.059	.155	2.108	.036
	Security	.355	.081	.337	4.379	.000

	Influence	.114	.081	.096	1.406	.162
	Network	.248	.089	.192	2.792	.006

a. Dependent Variable: Mobile satisfaction

The overall model is statistically significant ($F = 21.927$, $p < 0.001$), explaining approximately 33.6% of the variance in mobile banking satisfaction ($R^2 = 0.336$). This indicates that the combination of saving behavior, perceived security, social influence, and network availability plays an important role in shaping how satisfied Gen Z users are with mobile banking platforms.

Among the predictors, perceived security emerged as the strongest and most significant factor influencing satisfaction ($\beta = 0.337$, $p < 0.001$). This suggests that when Gen Z users feel that their financial information is secure, their level of satisfaction with mobile banking increases notably. Network availability ($\beta = 0.192$, $p = 0.006$) and saving behavior ($\beta = 0.155$, $p = 0.036$) also had significant positive effects, indicating that reliable internet access and the ability to manage personal savings through mobile banking positively influence user satisfaction.

In contrast, social influence ($\beta = 0.096$, $p = 0.162$) did not have a statistically significant effect, suggesting that Gen Z customers are less likely to base their mobile banking satisfaction on peer opinions or social trends. Overall, the findings emphasize that practical and functional aspects such as security, saving convenience, and network reliability are more critical to Gen Z users than external social influences when it comes to mobile banking satisfaction.

Discussion

The present study explored how financial behaviors namely saving habits, perceived security, social influence, and network availability impact mobile banking satisfaction among Gen Z customers. The findings reveal that security is the strongest predictor of mobile banking satisfaction, which is consistent with previous studies that highlight the critical role of trust and safety in digital financial services. For instance, Laukkanen (2016) found that security concerns are a key determinant of satisfaction and adoption among young digital banking users. Similarly, Yousafzai et al. (2009) emphasized that perceived security significantly boosts customer trust, thereby enhancing satisfaction with mobile banking platforms.

Additionally, the significant positive relationship between saving behavior and satisfaction aligns with the findings of Zhou (2012), who noted that users who actively engage in financial planning through mobile apps are more likely to report higher satisfaction due to the perceived usefulness and convenience of the service. In our study, the moderate impact of saving behavior suggests that Gen Z customers value mobile banking features that support their personal financial management.

The influence of network availability was also found to be significant, echoing the work of Singh and Srivastava (2020), who argued that the quality of technological infrastructure, especially consistent network access, plays a vital role in shaping user experiences with mobile financial services in developing countries. In regions where connectivity is unstable, user

satisfaction often diminishes, which reinforces the importance of ensuring robust and accessible digital infrastructure for mobile banking success.

Interestingly, social influence did not significantly affect mobile banking satisfaction among Gen Z respondents in this study. This finding diverges from previous research by Venkatesh et al. (2003), which suggested that social norms and peer influence heavily affect technology adoption decisions. A possible explanation could be that Gen Z customers, being digital natives, are more autonomous in making technology-related decisions and less reliant on peer validation for platforms they use frequently, such as mobile banking.

Overall, the findings suggest that while social factors may play a role in technology adoption, practical aspects such as security, financial control, and reliable access are more influential in determining mobile banking satisfaction for Gen Z. This emphasizes the need for banks and fintech companies to prioritize user-centric designs, robust cybersecurity features, and infrastructure development to meet the expectations of younger customers.

Conclusion

This study concludes that the financial behavior of Gen Z customers significantly influences their satisfaction with mobile banking services. Among the factors examined, perceived security emerged as the most impactful predictor, followed by network availability and saving behavior, all showing positive and significant relationships with satisfaction. In contrast, social influence did not have a significant effect, suggesting that Gen Z users rely more on functionality than peer opinion when evaluating digital banking platforms. The findings highlight the importance of strengthening security features, improving technical infrastructure, and offering tools that support personal financial management. To enhance mobile banking satisfaction among Gen Z users, financial institutions should prioritize practical service features over social marketing approaches.

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Competing Interests: The authors declare that they have no competing interests.

Authors' Contributions: All authors contributed equally to the conception and design of the study. All authors have read and agreed to the published version of the manuscript.

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