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"Exploring The Impact Of Digital Transformation On Young Generation's Satisfaction With Banking Services: Special Reference To Tamil Nadu"

Dr.Renuga.R
HOD & Assistant Professor of Commerce
Government Arts and Science College for Women Bargur
Krishnagiri-635104

Abstract

This research examines the impact of digital transformation on the satisfaction levels of the young generation with banking services in Tamil Nadu, particularly focusing on Krishnagiri Town. By analyzing factors such as convenience, user experience, security, accessibility, and personalization, the study aims to provide valuable insights for financial institutions to enhance their digital offerings and improve customer satisfaction. Through descriptive studies, factor analysis, and regression analysis, the research identifies key determinants of satisfaction and recommends strategies for banks to enhance service quality, increase customer involvement, leverage endorsements, and ensure service availability. These findings contribute to the existing knowledge on digital transformation in banking and offer actionable insights for developing customer-centric digital solutions tailored to the needs of today's tech-savvy consumers.

Keywords: Digital transformation, Banking services, Service quality, Customer-centric

Introduction:

The banking sector has undergone a profound transformation in recent years, propelled by rapid advancements in digital technologies. This evolution has revolutionized the delivery and consumption of banking services, particularly among the younger demographic. As digital natives, today's young generation has been raised in an era where technology permeates every aspect of their lives, including their financial interactions. Understanding how this demographic perceives and engages with banking services in the digital age is essential for financial institutions seeking to remain relevant and competitive.

The proposed research aims to explore the intricate interplay between digital transformation and the satisfaction levels of the young generation with banking services. Through a comparative study, this research seeks to delve into the nuances of this relationship across different demographic segments and geographical regions. By conducting comprehensive analysis and empirical investigation, this study endeavors to shed light on several critical aspects.

Firstly, the research will provide an overview of the digital transformation trends within the banking sector. It will examine the emergence of digital channels such as mobile banking apps, online portals, and fintech innovations, and their impact on traditional banking services.

Secondly, the study will focus on understanding the banking behaviors and preferences of the young generation. It will explore their attitudes towards digital banking solutions, frequency of digital transactions, and the factors influencing their choice of banking services providers.

Thirdly, the research will identify the key determinants of satisfaction among the young generation in the context of banking services. It will investigate factors such as convenience, user experience, security, accessibility, and personalization.

Furthermore, through a comparative analysis, the study will assess the differences in satisfaction levels across various demographic segments (e.g., age, income, education) and geographic regions. By examining these differences, the research aims to uncover insights into the unique needs and preferences of different consumer groups.

Finally, the research will discuss the implications of its findings for the banking industry. It will provide actionable insights for financial institutions to enhance their digital offerings, improve customer satisfaction, and cultivate lasting relationships with the young generation.

This research endeavors to contribute to the existing body of knowledge on digital transformation and banking services by providing empirical evidence and valuable insights into the satisfaction levels of the young generation. Through addressing the outlined research questions, this study aims to inform strategic decision-making within the banking sector and facilitate the development of customer-centric digital solutions tailored to the needs of today's tech-savvy consumers.

Objectives of the study

* Investigating Customer Satisfaction Levels with Banking Services in Krishnagiri Town.

Identifying Factors Influencing the Selection of Banking Services in Krishnagiri Town.

Tamil Nadu, Krishnagiri

Krishnagiri, located in the northwestern part of Tamil Nadu, is known for its rich history and cultural heritage. The town is famously recognized as the "Mango Capital of India" due to its extensive cultivation of mangoes, which are a major economic driver in the region. Historically, Krishnagiri holds significance due to its strategic location on the route connecting Bangalore and Chennai, making it a vital trade and commerce hub. The Krishnagiri Dam, constructed in 1958, is a notable landmark that provides irrigation and drinking water, benefiting the agricultural and daily life of the local population. Additionally, the region is home to ancient temples, such as the Kattuveera Anjaneya Temple and the Thally Varadaraja Perumal Temple, which attract pilgrims and tourists alike. Krishnagiri is also emerging as a center for granite production, contributing to the local economy. Despite its growing urbanization, the town retains its traditional charm, blending modern development with cultural and historical preservation.

Review of Literature:

OH, S. (2023)[1] investigates the factors influencing the adoption of simple payment services among South Korea's younger generation and their impact on satisfaction and recommendation. The literature review discusses the regulatory environment, involvement of financial and non-financial sectors, and fintech's effects on traditional finance. Using regression analysis, the study identifies convenience, security, and social connectivity as significant adoption factors, while brand image, customization, cost-benefit, and openness had no impact. Policy implications involve addressing security, improving social connectivity and convenience, and enhancing transparency in data usage for adoption encouragement.

Chanias, S., Myers, M. D., & Hess, T. (2019).[2] Digital transformation strategy making in pre-digital organizations: The case of a financial services provider. *The Journal of Strategic Information Systems, 28*(1), 17-33. https://doi.org/10.1016/j.jsis.2018.11.003

This article examines the development and execution of digital transformation strategies (DTS) within pre-digital organizations, with a specific focus on a European financial services provider. It emphasizes the ongoing and dynamic nature of DTS formulation and implementation, highlighting the iterative process of strategizing and the emergence of strategies over time. Through interpretive in-depth case study research, the study offers insights into the complex interplay of factors influencing DTS within traditional industries. By proposing an integrated process/activity model, the article contributes to understanding how organizations can effectively navigate the challenges posed by digital transformation. Overall, the research underscores the significance of DTS in adapting to the digital landscape and provides valuable guidance for organizations undergoing similar transformation efforts.

Chauhan's (2017)[3] article explores the concept of a cashless economy in India, particularly in the context of demonetization and efforts to combat the shadow economy and corruption. The paper discusses the opportunities and challenges associated with transitioning to a cashless system, considering factors such as banking and internet penetration rates in the country. Additionally, recommendations are provided for the smooth implementation of a cashless economy. The objective of the paper is to assess the potential of a cashless economy in India, identify challenges, and propose strategies for facilitating the transition.

Kumar and Gupta (2021)[4] investigated factors impacting consumer attitudes towards mobile wallet adoption and their influence on adoption behavior, alongside financial incentives' moderating role. Their study, with 454 participants from Delhi-NCR, employed confirmatory factor analysis and structural equation modeling. Results revealed significant effects of perceived ease of use, usefulness, subjective norms, trust, and situational factors on attitudes. Attitudes notably influenced mobile wallet adoption, with financial incentives as a crucial moderator. Although limited to Delhi-NCR, the study emphasizes situational factors and financial incentives' importance in enhancing mobile wallet adoption, suggesting strategies for app customization and wider adoption across demographics and regions.

Kumar and Raghavendra (2023)[5] conducted a literature review examining consumer behavior in mobile banking services in India. Contrary to previous studies suggesting satisfied customers are less likely to switch, their review revealed that despite satisfaction, consumers express a propensity to shift towards alternative payment methods like third-party UPI payments and mobile wallets due to enhanced functionality and

convenience. Drawing from established models, they formulated hypotheses to explore the relationships between information quality, service quality, intention to use, satisfaction, and switching intention, providing valuable insights for academia and industry practitioners in the digital banking domain.

Research Methodology

In the pursuit of understanding various facets of a subject, descriptive studies aim to unravel the answers to fundamental questions such as who, what, when, where, and sometimes how. Researchers endeavor to portray or define a subject, often by constructing a profile of a group of issues, individuals, or occurrences. These studies may encompass data collection and the creation of distributions illustrating the frequency of a single event or characteristic (the research variable), or they may delve into exploring the interplay between two or more variables. Many organizations possess extensive databases of their employees, customers, and suppliers, presenting a rich vein of data for conducting descriptive studies using internal information. Despite this, numerous firms fail to tap into these resources regularly to extract the decision-making insights they harbor. For this study, a sample size of 120 was utilized.

A sampling method constitutes a well-defined strategy for procuring a sample from a given population. Respondents were selected based on convenience sampling. Data collection constitutes the process of gathering information from all relevant sources to address the research problem, test hypotheses, and evaluate outcomes. In this research endeavor, both primary and secondary methods of data collection were employed to analyze consumers' behaviors and knowledge regarding banking services in the selected area.

The reliability of data was assessed using statistical tools such as Regression Analysis, Factor Analysis. This methodology framework lays the groundwork for a comprehensive exploration of consumer behaviors and perceptions in the realm of banking services, enabling insights that can inform decision-making processes in both research and practice.

Limitation of the study

1. Limited Geographical Scope:

The research confines its investigation to the banking landscape of Tamil Nadu, thereby restricting the applicability of findings to broader regional or global contexts. Insights derived from this study may not fully capture variations in digital transformation impacts on banking services across different geographic regions.

2. Demographical Focus on Young Generation:

The study predominantly centres on the satisfaction levels of the young generation, potentially neglecting valuable insights that could arise from examining other demographic cohorts. By solely focusing on the young demographic, the research overlooks potential differences in banking preferences and satisfaction levels among older age groups or individuals from diverse socioeconomic backgrounds.

3. Selected Factors in Isolation:

While the research identifies various influential factors such as service quality, endorsement, and availability, it may not encompass the entirety of elements crucial for understanding satisfaction with banking services. Considering factors in isolation could lead to an incomplete understanding of the multifaceted nature of customer satisfaction within the banking sector, potentially overlooking significant contributors or interactions between variables.

Reliability Test

Table 1 : Reliability of data

Variables	Cronbach's alpha
Customer satisfaction	0.808
Service Quality	
Convenience	
Customer Involvement	
Trust	0.772
Competency	
Loyalty	
E-Banking	0.788
Technology	
Overall Customer Satisfaction	
All Variables	0.920

A Cronbach's alpha above 0.7 is considered acceptable, indicating that the data is reliable. The high overall Cronbach's alpha of 0.920 suggests excellent internal consistency across all variables.

Table 2: Socio-Economic Characteristics

Personal Data of the Respondent		*Frequency*	*%*
Gender	Male	53	44.2
	Female	67	55.8
Age	Below 30	101	84.17
	31 – 40	13	10.83
	41 - 50	4	3.33
	Above 50	2	1.67
Educational Qualification	Matriculation	42	35.0
	Intermediate	21	17.5
	Bachelor	20	16.7
	Master	31	25.8
	M.Phil / P.hd	06	5.0
Occupation	Student	79	65.8
	Business	10	8.3
	Employee	21	17.5
	Retired	04	3.3
	Others	06	5.0
Marital Status	Single	94	78.3
	Married	26	21.7
Account Bank	Bank of Baroda	02	1.67
	ICICI	08	6.67
	Indian Bank	49	40.83
	SBI	44	36.67

	Union Bank	17	14.18
Total		**120**	**100**

Source: Primary data

The socio-economic characteristics of the respondents reveal that the sample has a higher proportion of females (55.8%) compared to males (44.2%). A significant majority of respondents are below 30 years old (84.17%), indicating a youthful demographic, with minimal representation from older age groups. Educationally, 35.0% have completed matriculation, 17.5% have intermediate education, 16.7% hold bachelor's degrees, and 25.8% possess master's degrees, while 5.0% have M.Phil or Ph.D. qualifications, reflecting diverse educational backgrounds. Occupationally, the sample is predominantly composed of students (65.8%), with smaller proportions in business (8.3%), employment (17.5%), retirement (3.3%), and other occupations (5.0%). The majority of respondents are single (78.3%), with married individuals making up 21.7%. In terms of banking preferences, most respondents hold accounts in Indian Bank (40.83%) and SBI (36.67%), with fewer choosing Union Bank (14.18%), ICICI (6.67%), and Bank of Baroda (1.67%). This demographic skew towards younger, academically oriented individuals and their banking preferences significantly influences the study's insights into digital banking satisfaction, highlighting the behaviors and preferences of a predominantly young, tech-savvy population.

The influence of feedback from young generation customers on bank services.

Table 3: Factor Analysis KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.746
Bartlett's Test of Sphericity	Approx. Chi-Square	434.556
	Df	136
	Sig.	.000

Source: Authors' Own Calculation

The Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy indicates a value of 0.746, suggesting that the sample is suitable for factor analysis.

Bartlett's test of sphericity yielded an approximate chi-square value of 434.556 with 136 degrees of freedom and a significance level of .000. This indicates that there is a significant relationship among the variables, supporting the appropriateness of conducting factor analysis.

Table 4: Initial Eigen values and the Rotation Sums of Squared loadings

Total Variance Explained for influence of feedback of Bank services

Component	*Initial Eigenvalues*			*Extraction Sums of Squared Loadings*			*Rotation Sums of Squared Loadings*		
	Total	*% of Variance*	*Cumulative %*	*Total*	*% of Variance*	*Cumulative %*	*Total*	*% of Variance*	*Cumulative %*
1	4.093	*24.075*	*24.075*	4.093	*24.075*	*24.075*	2.327	*13.689*	*13.689*
2	1.628	*9.579*	*33.654*	1.628	*9.579*	*33.654*	2.244	*13.200*	*26.888*
3	1.314	*7.727*	*41.382*	1.314	*7.727*	*41.382*	1.596	*9.390*	*36.279*
4	1.240	*7.294*	*48.675*	1.240	*7.294*	*48.675*	1.544	*9.081*	*45.359*
5	1.117	*6.572*	*55.248*	1.117	*6.572*	*55.248*	1.423	*8.371*	*53.730*
6	1.057	*6.218*	*61.466*	1.057	*6.218*	*61.466*	1.315	*7.735*	*61.466*

7	.934	*5.493*	*66.959*
8	.840	*4.942*	*71.901*
9	.785	*4.619*	*76.520*
10	.763	*4.490*	*81.010*
11	.682	*4.009*	*85.019*
12	.595	*3.499*	*88.518*
13	.470	*2.762*	*91.280*
14	.448	*2.636*	*93.916*
15	.367	*2.157*	*96.073*
16	.338	*1.987*	*98.059*
17	.330	*1.941*	*100.000*

Source: Authors' Own Calculation

Table: 5

Rotated Component Matrix for influence the of feedback of Bank services

	Component					
	1	2	3	4	5	6
Appealing	.735					
Confidence	.680					
Importance (CS)	.671					
Security		.752				
Versatility		.699				
Confidence (CS)		.561				
		.				
Courtesy			.832			
Knowledgeable			.563			
Satisfaction				.694		
Understanding				.694		
Preference				.575		
					.	
Support					789	
Enjoyment					.585	
						.800
Transference						

Source: Computed

The factor analysis categorizes the 14 variables into six important factors: quality, confidence, improvement, refinement, responsive support, and transparency for the influence of feedback on bank services. Confidence, improvement, refinement, responsive support, and transparency collectively represent the influence of feedback on bank services, accounting for 61.466 percent. The most significant factor is the 'quality' of bank services, comprising three variables with an eigenvalue of 4.093 and a percentage of variance of 24.075. The second factor is 'confidence,' consisting of three variables with an eigenvalue of 1.628 and a percentage of variance of 33.654. The third factor is 'improvement,' which includes two variables with an eigenvalue of 1.314 and a percentage of variance of 41.382. The fourth factor, 'refinement,' encompasses three variables with an eigenvalue of 1.240 and a percentage of variance of 48.675. The fifth factor, 'responsive support,' comprises two variables with an eigenvalue of 1.117 and a percentage of variance of 55.248. Lastly,

the sixth factor, 'transparency,' includes one variable with an eigenvalue of 1.057 and a percentage of variance of 61.466.

Multiple Regression Analysis

Model 1

The regression analysis concluded the impact of quality of service, endorsement, and availability on the feedback on bank services. The results are shown in the table below.

Table 6: Regression Analysis

Model	*R*	*R Square*	*Adjusted R Square*	*Std. Error of the Estimate*	*F*	*P-value*
1	.678[a]	.460	.446	1.91720	32.915	.000[b]

a. Predictors: (Constant), Availability, Endorsement, Quality of service

Source: Authors' Own Calculation

Table 7: Coefficients

Coefficients						
Model		*Unstandardized Coefficients*		*Standardized Coefficients*		
		B	*Std. Error*	*Beta*	*t*	*Sig.*
1	(Constant)	3.146	1.144		2.751	.007
	Quality of services	.192	.054	.343	3.575	.001
	Endorsement	.0162	.066	.219	2.456	.016
	Availability	.256	.106	.225	.2.412	.017

Source: Authors' Own Calculation

Depended Variable: Feedback on bank Services

Multiple Regression Model:

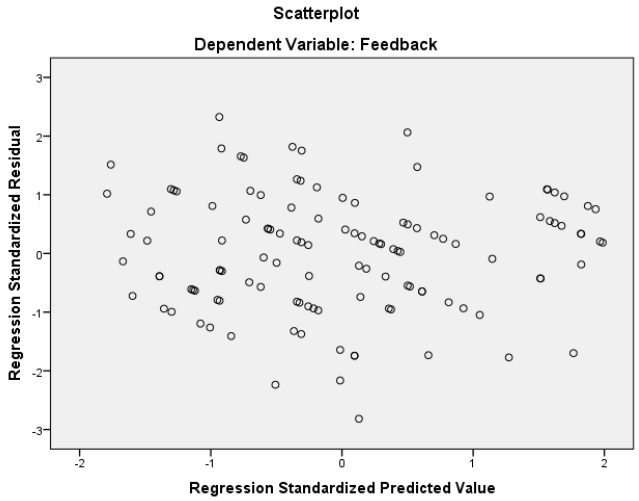
Feedback on bank Services = Constant +b1(Quality of services) +b2(Endorsement)+b3(Availability)

Feedback on bank Services = 3.146 +.192(Quality of services) + .0162(Endorsement)+.256(Availability)

Testing of Goodness of fit of Regression Model 1

1. **Linearity and Homoscedasticity**: Scatter plot of standardized residuals vs. standardized predicted values should show random scatter

Chart 1 : Scatterplot



2. **Independence**: Durbin-Watson statistic should be close to 2.

Table : 8 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.678[a]	.460	.446	1.91720	1.875

a. Predictors: (Constant), Availability, Endorsement, Quality of service

b. Dependent Variable: Feedback

3. **Normality**: Normal Q-Q plot should show points along the diagonal; histogram should be bell-shaped; Shapiro-Wilk test p-value > 0.05.

Chart 2 Histogram

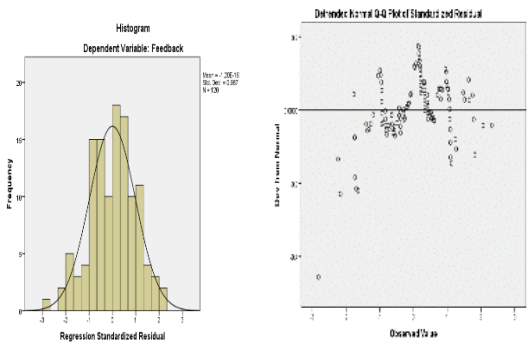


Table 9 Tests of Normality

	Shapiro-Wilk		
	Statistic	df	Sig.
Standardized Residual	.993	120	.782

a. Lilliefors Significance Correction

Multiple Regression Model 2

The regression analysis concluded the impact of Involvement of customers, Endorsement, Quality of service on the feedback on bank services. The results are shown in the table below.

Table 10: Regression Analysis

Model	*R*	*R Square*	*Adjusted R Square*	*Std. Error of the Estimate*	*F*	*P-value*
1	.688[a]	.473	.459	1.89345	34.721	.000[b]

a. Predictors: (Constant), Involvement of customers, Endorsement, Quality of service

Source: Authors' Own Calculation

Table 11: Coefficients

Coefficients						
Model		*Unstandardized Coefficients*		*Standardized Coefficients*		
		B	*Std. Error*	*Beta*	*t*	*Sig.*
1	(Constant)	2.436	1.171		2.080	.040
	Involvement of customers	.268	.090	.265	2.982	.003
	Endorsement	.182	.063	.246	2.892	.005
	Quality of services	.168	.055	.300	3.071	.003

Source: Authors' Own Calculation

Depended Variable: Feedback on bank Services

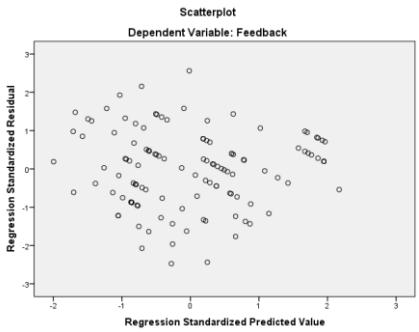
Multiple Regression Model:

Feedback on bank Services = Constant +b1(Involvement of customers) +b2(Endorsement)+b3(Quality of Services)

Feedback on bank Services = 2.436 +.168(Quality of services) + .182(Endorsement)+.268(Involvement of customers)

Testing of Goodness of fit of Regression Model 1

1. **Linearity and Homoscedasticity**: Scatter plot of standardized residuals vs. standardized predicted values should show random scatter



2. **Independence**: Durbin-Watson statistic should be close to 2.

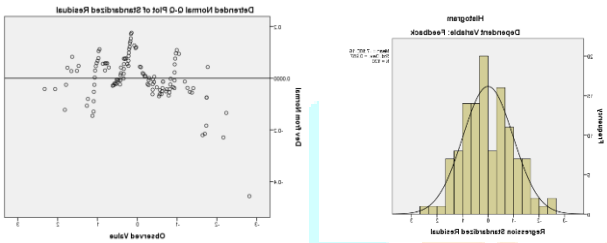
Table 12 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.688[a]	.473	.459	1.89345	1.852

a. Predictors: (Constant), Involvement of customers, Endorsement, Quality of services

b. Dependent Variable: Feedback

3. Normality: Normal Q-Q plot should show points along the diagonal; histogram should be bell-shaped; Shapiro-Wilk test p-value > 0.05.



Tests of Normality

	Shapiro-Wilk		
	Statistic	df	Sig.
Standardized Residual	.993	120	.782

a. Lilliefors Significance Correction

Discussion and Recommendations

Factor analysis

The factor analysis of feedback from young generation customers on bank services reveals several key insights into what influences their perceptions. Firstly, the Kaiser-Meyer-Olkin (KMO) measure of 0.746 suggests that our sample is suitable for factor analysis, and Bartlett's test of sphericity, with a chi-square value of 434.556 and a significance level of 0.000, confirms that the variables are significantly correlated.

The analysis identifies six main factors, each representing different aspects of bank services. The most significant factor is quality, which explains 24.075% of the variance and includes variables like appealing services, customer confidence, and the importance of customer service. This indicates that young customers highly value the overall quality and appeal of the bank's services.

The second factor, confidence, accounts for 9.579% of the variance and includes aspects such as security, versatility of services, and overall customer satisfaction. This highlights the importance of secure and versatile banking options that instil confidence in customers.

The third factor, improvement, explains 7.727% of the variance and encompasses the courtesy and knowledgeability of the bank staff. This suggests that customers see courteous and knowledgeable staff as areas where banks can enhance their services.

The fourth factor, refinement, covers 7.294% of the variance and includes satisfaction, understanding of customer needs, and preferences. This factor emphasizes the need for banks to continuously understand and adapt to customer preferences to improve satisfaction.

The fifth factor, responsive support, which accounts for 6.572% of the variance, includes support and enjoyment of services. This underscores the importance of providing responsive and enjoyable support to customers. Finally, the sixth factor, transparency, explains 6.218% of the variance and includes the clarity and openness of the bank's processes and communications. Transparency is crucial for building trust and ensuring that customers feel informed and confident about their banking choices. Together, these six factors explain 61.466% of the total variance in the feedback, highlighting the primary areas that influence young customers' opinions on bank services. Banks should focus on enhancing the quality, security, staff courtesy, customer understanding, responsive support, and transparency to meet the expectations of their young clientele and improve overall customer satisfaction and loyalty.

Multiple Regression

The regression analyses conducted in both models aimed to determine the impact of various factors on feedback for bank services.

Model 1: examined the influence of the quality of service, endorsement, and availability on customer feedback. The model yielded an \(R \) value of 0.678, indicating a strong correlation between these predictors and customer feedback. The \(R^2 \) value of 0.460 suggests that 46% of the variance in customer feedback can be explained by these three variables. The adjusted \(R^2 \) value of 0.446, which accounts for the number of predictors in the model, confirms the robustness of this relationship. The F-statistic (32.915) with a p-value of 0.000 indicates that the model is statistically significant.

The coefficients table reveals that all three variables have a significant impact on customer feedback:

➔ Quality of services (\(\beta = 0.343 \), p = 0.001) has a substantial positive impact, indicating that higher service quality significantly improves customer feedback.

➔ Endorsement (\(\beta = 0.219 \), p = 0.016) also positively influences feedback, suggesting that endorsements or recommendations contribute to better feedback.

➔ Availability (\(\beta = 0.225 \), p = 0.017) impacts feedback, highlighting the importance of service availability.

The model's goodness of fit is supported by a Durbin-Watson statistic of 1.875, indicating minimal autocorrelation in the residuals. Tests of normality, including the Shapiro-Wilk test (p = 0.782), confirm that the residuals are normally distributed.

Model 2: explored the effects of customer involvement, endorsement, and quality of service on feedback. This model achieved an \(R \) value of 0.688 and an \(R^2 \) value of 0.473, explaining 47.3% of the variance in customer feedback. The adjusted \ (R^2 \) value of 0.459 further validates the model's effectiveness. The F-statistic (34.721) with a p-value of 0.000 demonstrates that the model is statistically significant.

The coefficients table indicates significant impacts for all variables:

- Customer involvement (\(\beta = 0.265 \), p = 0.003) has a notable positive impact, underscoring the importance of involving customers in the service process.
- Endorsement (\(\beta = 0.246 \), p = 0.005) again shows a positive influence on feedback.
- Quality of services (\(\beta = 0.300 \), p = 0.003) continues to be a critical factor in shaping positive customer feedback.

The Durbin-Watson statistic of 1.852 for Model 2 suggests low autocorrelation, and the Shapiro-Wilk test (p = 0.782) confirms normal distribution of residuals, supporting the model's validity.

Both models show strong goodness-of-fit indicators, demonstrating their reliability in predicting customer feedback based on the included predictors.

Recommendations

Based on the findings from both models, several recommendations can be made for banks to enhance customer feedback and overall satisfaction:

1. Enhance Service Quality: Since quality of service consistently shows a strong positive impact on customer feedback, banks should prioritize improving service quality. This can be achieved through staff training, upgrading technology, and ensuring efficient and effective service delivery.

2. Increase Customer Involvement: Model 2 highlights the importance of customer involvement. Banks should seek to engage customers more in the service process, possibly through interactive platforms, feedback mechanisms, and personalized service offerings.

3. Leverage Endorsements: Both models indicate that endorsements significantly influence customer feedback. Banks should encourage satisfied customers to share their positive experiences and consider leveraging testimonials and reviews in marketing strategies.

4. Ensure Availability of Services: As shown in Model 1, the availability of services is crucial. Banks should ensure that their services are accessible, with minimal downtime and broad availability, including online and mobile platforms.

By focusing on these areas, banks can improve customer satisfaction and feedback, thereby enhancing their overall service reputation and customer loyalty. Additionally, the strong goodness-of-fit of both models suggests that these strategies are likely to be effective in practice.

Research Gap

The research primarily focuses on the banking landscape in Tamil Nadu, specifically Krishnagiri Town, which restricts the generalizability of the findings to broader regional or global contexts. This geographical limitation means that insights derived from this study may not fully capture variations in the impact of digital transformation on banking services across different regions, necessitating comparative studies in diverse locales for a more comprehensive understanding. Additionally, the study's demographic focus on the young generation overlooks potential differences in banking preferences and satisfaction levels among other age groups. By not considering older adults or individuals from diverse socioeconomic backgrounds, the research misses out on valuable insights that could inform a more inclusive and effective approach to enhancing digital banking services.

Conclusion

This research sheds light on the profound impact of digital transformation on the satisfaction levels of the young generation with banking services, specifically in Tamil Nadu, with a focus on Krishnagiri Town. Through comprehensive analysis encompassing descriptive studies, factor analysis, and regression analysis, several key determinants of satisfaction have been identified, including service quality, customer involvement, endorsements, and service availability. The findings underscore the importance for financial institutions to enhance their digital offerings by prioritizing factors such as convenience, user experience, security, accessibility, and personalization. By doing so, banks can effectively meet the evolving needs of today's tech-savvy consumers and cultivate lasting relationships with their clientele. These actionable insights contribute to the ongoing discourse on digital transformation in banking and pave the way for the development of customer-centric digital solutions tailored to meet the specific demands of the young demographic in Tamil Nadu and beyond.

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