

Banking Digitalization in Georgia and customer satisfaction, customer perspectives.

Mariam Pertaia

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Scientific Supervisor: Nikoloz Kavelashvili

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Research Abstract

Digital transformations are happening everywhere, around the world, as companies of all sizes across the globe contend with the changing nature of using new technology to deliver value to customers. Thus, Georgia and its banking sector isn't an exception. Number of banks are succeeding in moving their customers from costlier branch-based interaction channels to more cost-effective digital channels. However, there are cases when digital growth is coming at the expense of customer satisfaction. According to Bernardo Rodriguez (2008) "there is a trend that can be called the "digital dilemma," whereby companies make tech-focused investments only to find that those investments often impede their ability to connect with customers."

No research of the same nature has been conducted in Georgia on above mentioned issue. Quantitative research studies will be used to conduct research. As it is the fact that there is a few or almost no earlier studies regarding Banking sector digitalization in Georgia to refer to, main objective is to gain insights and familiarity into the topic: digital banking innovations in Georgia, analyze consumer satisfaction on digital banking channels.

Main goal of the study is to explore the advancements that has already been implemented regarding the banking digitalization in Georgia, assess the customer satisfaction, find out the reasons why customers do not feel comfortable with fully digital innovative approaches or vice versa, thus help the innovative financial institutions identify the gap that has arose as a result of digitalization process and support them achieve desired results along with improving customer experience.

Often digitalization is associated with boosting customer experience, however, companies doesn't necessarily end up with desired results. Cutting costs and maintaining efficiency is vital for building successful business and staying competitive, although it should be done along with customer centric strategy. The fact that banks witness customers often complaining about not

having proper help and support from bank employees to fulfill desired transactions, and the fact that there are still huge network of branches present on the market, and number of banks continue doing their business in a conservative way, proves that there is lot to be done in order to persuade customers adapt to innovative model, boost their satisfaction and gain their loyalty.

According to the research several causes of disconnect between customer experience and digital innovation has been found. Personalization and customer experience have moved to a back seat in search of digital reach. According to the research, digital-only, neo-bank customers are less likely to feel that the information they receive from their bank is tailored to them, less likely to have a meaningful connection to the bank when they open a new account. The move to digital banking has homogenized the banking experience to a point where customers feel little affinity toward any bank. There are number of indicators that makes it difficult for bank customers to keep up with fast changing environment, created by innovative banks, by offering groundbreaking, game changing digital solutions to its clients. Moreover, various age groups of customers perceive the innovations offered by their primary bank in different ways, which is reflected in non-identical satisfaction level on the same digital offers. Furthermore, lack of human touch can often cause lack of trust between the customers and the bank, as a result decrease customer loyalty towards their bank.

Key words: Digital banking, Digital transformation, Neo Bank.

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