

## **INVESTMENTS IN BANKING AS DIGITAL A CATALYST FOR QUALITY IMPROVEMENT: A CASE STUDY OF THE GHANANIAN BANKING INDUSTRY.**

**NAME:** Adekunle Adedeji.

### **Abstract**

In the Internet economy, the business model of digital banking has spread rapidly over the last few years. Despite this, there have been very few scholarly investigations into the contribution of investments in digital banking towards the improvement of service

quality in the banking industry. Banks began tracking customers as account numbers, as seen in some of the statistics used to assess their growth; this made eminent sense. But that was before those customers shopped online and shared their likes, dislikes, accomplishments and setbacks on social media. Today's bank customers deposit cheques through the Automatic Teller Machines (ATM) and their lives revolve around digital technology. Bank customers have changed and as a result, banks are making all efforts to understand their customers better in order to deepen customer relationship and long-term profits. They have been doing this by investing in technology that enables them to see customers not as a series of unrelated accounts containing various transactions but rather in a holistic way that makes each customer relevant as a human being: their needs, wants, desires and preferences for banking. With these continuing investments, one would expect the quality of banking services to have leapfrogged in the banking industry. Ensuring improved service quality realized from all these investments in digital banking capabilities is essential for a sustainable digital banking evolution. This study set to find out whether investments in digital banking had been aiding the quality of services rendered by banks in Ghana, and what services accelerates the improvements in service quality, following the investments. It was found out that investments in digital banking have been aiding the improvement of quality of services and this is further accelerated when banks consider in the course of their investment decisions, the nature of the customer, alignment with strategic objectives of the bank, type of digital technology, experience with technology implementation, well trained staff and security consideration. From the customers' perspective, convenience and security consideration were found to bear a significant correlation with service quality improvement from investments in digital banking. Overall, predictors of digital banking led service quality were found to include security and convenience while banks still need to work on their internal processes to improve efficiency.