

Abstract

Digitalization has changed the entire banking system making it accessible, and competitive, improving effectiveness and efficiency. Most of the local banks in Sri Lanka are now moving towards technology-driven and internet-based banking services. However, in Sri Lanka, a relative lack of empirical research has been carried out to examine the dynamics of digitalization. Hence, there is a growing need to identify the relevant customer perspective on the dynamic of digitalization. This research focuses on the dynamics of digitalization in the banking industry of Sri Lanka.

The aim of this research is to identify and explore factors behind customers' perspectives on the dynamics of digitalization in the banking industry of Sri Lanka. To achieve the purpose of the research, a general qualitative approach was used with a semi-structured interview. The research data were analysed using thematic analysis with a combination of theoretically derived themes and indigenous themes from the research findings. Finally, the researcher used both TAM and TRA commonly to build an empirically supported model.

Customers' perspective on the dynamics of digitalization in the banking industry of Sri Lanka is a complex phenomenon influenced by a variety of factors. From the data analysis eleven major themes were cited by the participants, including Fitness for lifestyle, Personal image and social standards, Maturity of product or service, Easiness, Usefulness, Security, Social Factors, Cost and time benefit, reliability, resource availability and technical capability.

The customer perspective of the digitalization process is crucial for advancing the banking industry and banking services. As the main practical implications of this study, increasing public awareness and enhancing functional quality were identified. Therefore, from the banking perspective, it is essential when launching a marketing campaign for new digital products and services to demonstrate the usage of digital technology to increase public awareness of its value. This research helps to understand the customer perception of digital banking facilities in Sri Lanka, and it's guided to create personalized product and service models to motivate customers to access digital products and services further.