

PHYSICAL BANK VISITS & DIGITAL BANKING ADOPTION AMONG GEN-Z USERS.



Digital Banking Adoption & Usage

- 97% of Gen-z users use mobile banking applications.
- 83% use mobile banking mainly for money transfers.
- Only 3% of respondents use web version of mobile banking.
- 73% of respondents do not use mobile banking, mainly due to lack of familiarity.



Changes in Bank Visits Due to Mobile Banking

- 86% of respondents reported a decrease in their bank visits due to mobile banking.
- 71% visited bank only 1-2 times in the last three months.
- 78% visit bank mainly to deposit/withdraw money.
- 76% didn't find any need to visit the bank in the last three months.



Satisfaction, Security & future outlook

- 69% were satisfied with their mobile banking application.
- Main dissatisfaction reason: technical/server error (67%).
- 70% feel secure with their mobile banking application.
- 60% of respondents stated no changes required in their mobile banking application.



Date: 2026-01-17

1. Objective

The study aims to understand customers' banking habits and frequency of bank visits among saving account holders. It assesses the adoption and usage of mobile banking applications for routine banking transactions and also examines the impact of digital banking on physical bank visit behavior. It also evaluates customer satisfaction and security perception towards mobile banking services. The research also identifies customer expectations for improvement in mobile banking applications.

2. Methodology

- Approach: Quantitative Survey
- Survey Mode: Computer Aided Personal Interview (CAPI)
- Tools used: Digital Data Collection Platform

2. Methodology

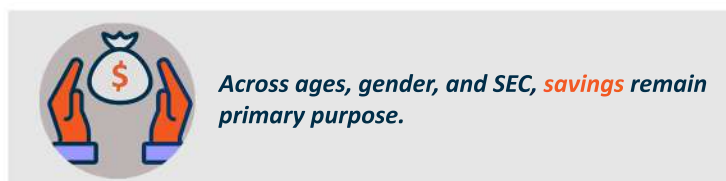
- Location covered: **Kathmandu Valley**
- Length of Interview (LOI): 10 mins
- Screening Criteria: Respondents who maintains a saving account at a commercial bank, have not availed a loan from a commercial bank, does not visit the bank for own business transactions and does not visit the bank on behalf of the organization.



3. Major Findings and Insights

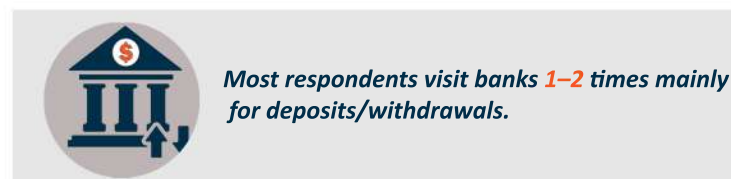
Saving Account Usage

- Savings is the main purpose for holding an account (91%).
- Both 18-24 and 25-28 age groups primarily use saving account for saving purpose.
- Savings remain the primary purpose for both male and female respondents.
- Respondents across all SEC category report similar reasons.



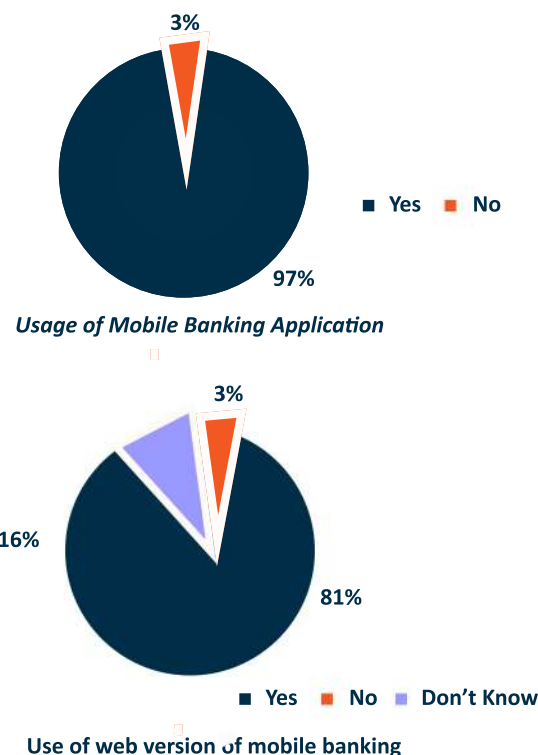
Bank Visit Behavior

- **25%** of respondents make bank visits only **when required**.
- Majority of respondents (71%) visited their bank 1-2 times in last three months.
- 78% of respondents reported depositing/withdrawing money as the main purpose of visiting bank.
- Both the age groups 18-24 and 25-28 show similar reasons.
- Male and female respondents show similar visit frequency pattern.
- Respondents from middle class (4%) tend to visit more frequently.



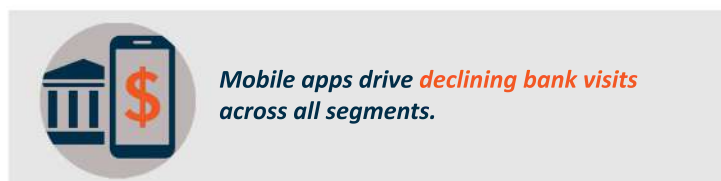
Digital Banking Usage

- Majority of respondents (**97%**) use **mobile banking** compared to fewer respondents using web version (3%).
- Majority (83%) stated money transfers as the main reason for using mobile banking.
- Majority of respondents from both the age groups 18-24 (97%) and 25-28 (98%) use mobile banking application.
- Adoption levels are similar among male and female respondents.
- Majority of respondents across all SEC category (97%) use mobile banking mainly for money transfers.

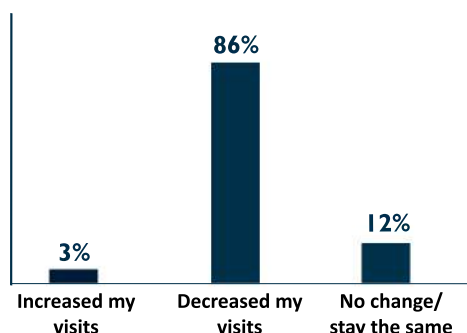


Changes in Bank Visits due to Mobile Banking

- Majority (**86%**) report a decrease in bank visits, only **3%** report an increase.
- Both the age groups 18-24 (89%) and 25-28 (79%) report a decrease in bank visits due to availability of mobile app services.
- Both male and female respondents reflect similar reasons.
- Respondents from **higher/upper** class report a higher decline in bank visits (**87%**) followed by **upper/middle** (**85%**) and middle (**79%**).



Changes in Bank Visits due to Mobile Banking



Satisfaction with mobile banking

- Majority of respondents (69%) are **satisfied** with their mobile banking application.
- **62%** of respondents report **dissatisfaction** with their mobile banking application due to technical/server error.
- Satisfaction level is high among both the age groups 18-24 (72%) and 25-28 (64%).
- Female respondents show slightly higher level of satisfaction (72%) compared to male respondents (66%).
- Respondents across all SEC category report high satisfaction level.



Most users **satisfied** with **mobile banking**, despite technical issues.

Future Banking Behavior

- Majority of respondents' (66%) bank visits are expected to **decrease**.
- Both age groups show similar future intent.
- Majority of female respondents' (76%) bank visit is expected to decrease compared to male respondents (57%).
- Majority of respondents from middle class (82%) expect a decrease in their future bank visits followed by upper/middle (74%) and higher/upper (61%).

Expected features in Mobile Banking

- Majority of respondents (60%), stated **no changes required** in their mobile banking.
- Majority of respondents from the age group 18-24 (62%) report no changes required in their mobile banking application.
- Majority of female respondents (68%) report no changes required in their mobile banking application compared to male (52%).
- Respondents across all SEC category report similar intent.



60% of respondents feel no mobile banking changes are required.

Security with mobile banking

- Majority of respondents (70%) feel **secure** with their mobile banking application.
- Respondents from 18-24 age group (5%) express concerns about data theft while respondents from 25-28 age group (4%) are concerned about frequent password changes.
- Female respondents feel more secured (73%) compared to male respondents (67%).
- Respondents from middle class (79%) feel most secured followed by upper/middle (73%) and higher/upper (68%).



70% of respondents feel secure with **mobile banking**.

4. Conclusion

The study highlights strong digital banking adoption among Gen-Z users, with **97%** using **mobile banking application** and 83% relying on them mainly for money transfers. There is a significant decline in bank visits, as 86% of respondents report a decrease in their bank visits and **71%** visited bank only **1-2** times in the last three months mainly for depositing/withdrawing money. Respondents' satisfaction with mobile banking remains high with 69% satisfied overall, although technical/server related issues are the main causes of dissatisfaction (67%). Security perception is largely positive, with 70% feeling secure with their mobile banking application, particularly among female respondents (73%) and respondents from middle class (79%). Future banking behavior suggests increasing dependence on digital banking, with 66% expecting a decrease in future bank visits.



97% Gen-Z use mobile banking apps.



83% use apps for money transfers.



86% report fewer bank visits.



71% visited bank 1-2 times.



69% satisfied with mobile banking.



70% feel secure using apps.



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