# Digital Finance Journeys from Awareness to Satisfaction of Digital Financial Services Among Omani's Households

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*Abstract*: **Digital financial services have been highlighted to be an important feature to develop Digital finance. This research study presents the awareness, preferences, and satisfaction with digital financial services among Omani householders. Digital finance services are considered a crucial development since it is the digital revolution era. The main objective of this research is to study the relationship between the awareness of digital financial services among Omani household users and their satisfaction with the services, to assess the awareness of digital financial services, to investigate the impact of awareness on their preferences for digital financial services, and to assess the satisfaction of the users of digital financial services. A quantitative approach is followed, the scope of the study is the Omani households in the Sultanate of Oman. A systematic sampling design is followed. This research will take a sample size of 250-300 Omani households. The correlation analysis is used to determine the relationship between variables, and it shows whether there is a cause-and-effect relationship among the variable or not. However, it found that the awareness and knowledge of digital financial services are the main variables that affect the preferences and satisfaction of the users. Therefore, it is proved that there is a significant and positive relationship between the variables.**

*Keywords*: **Digital, Digital finance, Digital financial services, Omani households.**

## 1. Introduction

A crucial aspect of people's lives is finance. What, though, is finance? Borrowing, saving, forecasting, trading, and other financial activities are all part of the process of managing money. However, finance plays a big role in Household activities, and households always want the easiest way to control and understand the flow of their money. Although it was first introduced to the financial industry in 1990, digital finance is a relatively new technology. Over the years digital finance has become more known to the public but still, not all people are aware of digital financial services and how they possibly can make their transactions way easier. Digital finance is under the category of Fintech, which is providing financial services digitally through apps, websites, M banking, and many more. Digital finance in Oman is more known nowadays, and everyone uses a visa card, credit card, M banking transaction for payment, and more. However, the knowledge and awareness of digital financial services are at a low level which results in failure satisfaction with digital services. This report will highlight the knowledge and awareness of digital financial services among Omani households and the satisfaction level of digital financial services.

## 2. Statement of the Problem

Finance is an evolving process. As of today, the implementation of digital into its process has made it easier and more reliable but also introduced many complications. Thus, there must be research on how Omani households are adapting to the new digital financial services and how satisfied are they. Digital implementation is still complicated for some Omani households because of its late integration in every sector in Oman and also the lack of interest. Some uneducated Omanis entering this digital finance face problems from scams to misuse causing dissatisfaction. This study will search the sources of digital finance deficiency. This research will focus on studying the level of awareness of digital finance among Omani households, also the satisfaction based on products and services provided. hence researchers would like to answer the following research questions.

Q1. How aware are Omani households of digital financial services?

Q2. What digital financial services do they prefer?

Q3. How satisfied are Omani households with digital financial services?

## 3. Objectives of the Study

1. To assess Omani household awareness of digital finance and digital financial services.
2. To investigate the impact of awareness on their preferences for digital financial services.
3. To assess Omanis households' satisfaction with digital financial services.

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## 4. Hypothesis

*Hypothesis 1:*

$H_0$ There is no significant relationship between awareness of digital financial services and preference toward digital financial services.

$H_1$ There is a significant relationship between awareness of digital financial services and preference toward digital financial services.

*Hypothesis 2:*

$H_0$ There is no significant relationship between awareness of digital financial services and satisfaction with digital financial services.

$H_1$ There is a significant relationship between awareness of digital financial services and satisfaction with digital financial services.

## 5. Review of Literature

Awareness of Digital Financial & Digital Financial Services, Jie Li, Yu Wu, Jing Jian Xiao, (2020). Online shopping, digital payments, online credit applications, online financing product purchases, and business insurance were all positively correlated with the mediating model, according to analyses. Results indicate that digital finance may dramatically boost household spending, particularly for recurrent purchases. The findings imply that household spending may be boosted through inclusive digital finance.

Fairooz, H. M. M., & Wickramasinghe, C. N. (2019). The purpose of the research is to create a digital transformation framework for the Banking and Financial Industry (BFI) in Sri Lanka. The research investigated the interplay between FinTech and other emerging technologies in this environment. It also explores policy implications for the Sri Lankan BFI business, with an emphasis on the state's role in promoting the explosive growth of the BFI industry.

Preference of Digital Financial & Digital Financial Services, Duo Liu, Xin Wang, (2020). The researcher utilized a technique for addressing people's diverse demands, as it is simple to pose direct risks to people's property security, data security, and so on owing to the lack of a regulatory structure. People's need for financial services is becoming more diverse, and their cognitive understanding of information technology is also expanding.

Van Raaji, W.F, (2017). The goal of the study is to advance a cross-cultural methodology for evaluating customers' feedback on digital financial assistance. The researcher used different methodologies like principal component analysis with varimax rotation and DCXnl factors model. It concluded that the DCX methodology has been the first to effectively guide business value, differentiation, and policy.

Satisfaction of Digital Financial & Digital Financial Services, Nzabirinda, Etienne, (2019). The only way for a financial institution to exist is to provide easy services that affect consumer happiness, and mobile banking may be one of the finest ways to bring banking services closer to clients. Digital payments are a target for the banking industry in today's telecommunications and internet-based digital business economy.

Smolarczyk A, (2018). Convenience, efficiency, security, and problem-solving are the key sources of satisfaction with mobile payments. For the dissatisfaction sources were complexity and inefficiency. It concluded that when the provider creates their applications, they should consider ease of use, effectiveness, safety, and cross-platform interoperability.

General LR of Digital Financial & Digital Financial Services, Tabitha, and G. Stella, (2019). A high level of bank deposit would provide a stable deposit base, and possibilities to develop savings, make investments, and access credit. The study discovered that usability, convenience, accurate timing, and simple interbank account facilities have positive effects on mobile banking. Low service charges and accurate timing have substantial impacts on mobile wallets (apps).

Buckley, Ross P., et al, (2019). These changes have both beneficial and bad implications, in the form of new risks. This article suggests some fundamental concepts for monitoring and mitigating such risks. It places a special emphasis on the role of regulatory technology in relation to such changes.

## 6. Research Gap

According to the studies mentioned above, there is much research on digital financial services awareness and digital financial services satisfaction had been conducted in many different countries of the world such as China, India, the UK, and many others. Digital financial services were there in many countries but at the same time not all people are aware of that, and due to that in the sultanate of Oman, there was few research's work has been done so far on this topic. Therefore, this research study is mainly focus on awareness, preferences, and satisfaction towards digital financial services among Omani households.
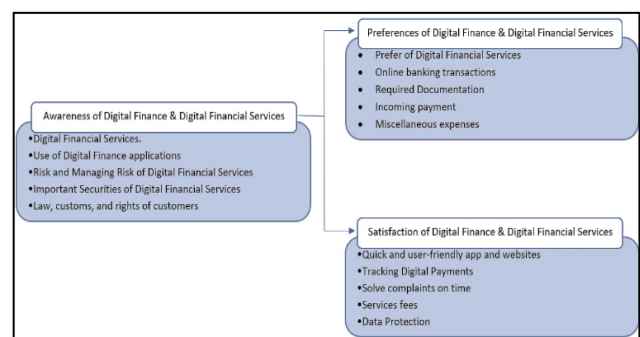


Fig. 1. Conceptual framework

## 7. Research Methodology

The researchers chose systematic research design and quantitative methods. Statistical data were collected with a structured survey. The respondent of the research is Omani households. As for the probability systematic sampling method, 270 responses were collected. Primary data are gathered by an online structured survey which was done by Omani households' respondents. Treatment of data: common statistical tools like tables, charts, and graphs were used to represent data. More to add, Statistical Package for the Social Science (SPSS) will be used to test the hypothesis.

## 8. Data Analysis

### A. Reliability Analysis

The reliability analysis is used to examine the scale's consistency and usefulness in order to carry out the analysis. It is also used to validate the hypothesis under test, support the goals and objectives of the study, and identify research questions.

Table 1

| Scale | Cronbach's Alpha |
|---|---|
| Awareness of Digital Financial Services | 0.825 |
| Preference of Digital Financial Services | 0.820 |
| Satisfaction of Digital Financial Services | 0.745 |

Because the Cronbach's Alpha value is larger than 0.70, which indicates that all the variables significantly influence one another, the reliability study shows that all the variables and scales are reliable. In order to learn more about the relationship between independent and dependent variables, additional analysis can be run on the data.

*Hypothesis Testing:*

$H_0$ There is no significant relation between awareness of digital financial service and preference towards digital financial services

$H_1$ There is significant relation between awareness of digital financial service and preference towards digital financial services

| Correlations | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | AWARENESS OF DFS# | | | | | PRFERANCE OF DFS# | | | | |
| | AWARE DFS | USE OF DFS | RISK DFS | SECURITY DFS | RULE DFS | PRFER DFS | DFS FOR PAYMENT | DOCUMENTATION DFS | RECEIPT THROUGH DFS | SHOPPING DFS |
| AWARE DFS | 1 | .629** | .489** | .519** | .330** | .391** | .363** | .267** | .315** | .368** |
| USE OF DFS | | 1 | .503** | .550** | .488** | .479** | .383** | .271** | .358** | .362** |
| RISK DFS | | | 1 | .484** | .469** | .347** | .312** | .280** | .296** | .243** |
| SECURITY DFS | | | | 1 | .477** | .409** | .369** | .341** | .308** | .314** |
| RULE DFS | | | | | 1 | .360** | .327** | .283** | .348** | .279** |
| PRFER DFS | | | | | | 1 | .513** | .409** | .505** | .503** |
| DFS FOR PAYMENT | | | | | | | 1 | .348** | .451** | .481** |
| DOCUMENTATION DFS | | | | | | | | 1 | .483** | .501** |
| RECEIPT THROUGH DFS | | | | | | | | | 1 | .618** |
| SHOPPING DFS | | | | | | | | | | 1 |

DFS = Digital Financial Services
** Correlation is significant at the 0.01 level (2-tailed)

In order to verify how variables are related to one another and if there is a cause-and-effect relationship between them or not, correlation analysis is used. There is a relationship if the values are all within +/-1 and are not otherwise. Sometimes the relationship is discovered at the 1 -tailed level, however, in this research, there is a significant correlation among the variables at the 2-tailed levels because all the values are between the standard. i.e., +1 High Degree Positive, +0.5 Low Degree Positive, 0 No Relation, -0.5 Low Degree Negative, and -1 High Degree Negative. In this case, all the values are showing significant relations among the studied variables. Hence, it is proved that there is a significant and positive relationship between the variables and alternative hypothesis is accepted.

*Hypothesis 2:*

$H_0$ There is no significant relation between awareness of digital financial service and satisfaction towards digital financial services

$H_1$ There is significant relation between awareness of digital financial service and satisfaction towards digital financial services

| Correlations | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | AWARENESS OF #DFS | | | | | SATISFACTION OF #DFS | | | | |
| VARIABLES | AWARE DFS | USE OF DFS | RISK DFS | SECURITY DFS | RULE DFS | EASY AND FAST | TRACK ONLINE TRANSACTION | COMPLAINT SOLVE | SERVICE CHARGES | DATA PROTECTION |
| AWARE DFS | 1 | .629** | .489** | .519** | .330** | .353** | .420** | .212** | .129* | .382** |
| USE OF DFS | | 1 | .503** | .550** | .488** | .381** | .410** | .234** | .224** | .298** |
| RISK DFS | | | 1 | .484** | .469** | .281** | .323** | .155* | .144 | .296** |
| SECURITY DFS | | | | 1 | .477** | .303** | .348** | .124* | .128* | .313** |
| RULE DFS | | | | | 1 | .353** | .289** | .262** | .255** | .303** |
| EASY AND FAST | | | | | | 1 | .569** | .447** | .256** | .389** |
| TRACK ONLINE | | | | | | | 1 | .346** | .263** | .530** |
| COMPLAINT SOLVE | | | | | | | | 1 | .408** | .383** |
| SERVICE CHARGES | | | | | | | | | 1 | .246** |
| DATA PROTECTION | | | | | | | | | | 1 |

DFS = Digital Financial Services
** Correlation is significant at the 0.01 level (2-tailed)
* Correlation is significant at the 0.05 level (2-tailed)

The correlation analysis is used here to determine the relationship of studied variables or not as per the standard value like +1 High Degree Positive, +0.5 Low Degree Positive, 0 No Relation, -0.5 Low Degree Negative, and -1 High Degree Negative. All the above-derived result are showing positive relation with the 0.01 and 0.05 significant level respectively. . Moreover, that means that independent variable like awareness of digital financial services is the main variable that significantly shows a relation with satisfaction towards digital financial services. Hence, it is proved that there is a significant and positive relationship between the variables. So alternative hypothesis is accepted.

## 9. Conclusion

Digital financial services play an important role in the development of the country, as it moves up the country's position in the finance industry. However, finance is significant for household activities, and households always want the easiest way to control and understand the flow of their money. Digital financial services were created and developed to keep up with the development and progress happening in the world. However, the study used primary data, which has been collected from Omani households via a survey questionnaire, the sample size was 270 respondents analyzed using tables and graphics. Based on the data that has been collected both gender (male and Female) were respondents, is it show that most of the respondents were females, and the majority of the respondents are from urban areas. Most of the respondents have graduation qualifications and most of the respondents have less than 500 OMR as a monthly income. The research used SPSS to analyze the data, which shows that all data is accurate and there is no data missing. Furthermore, Cronbach Alpha is used to conduct the validity test, and all variables have validity scores that are higher than the acceptable value, which is 0.70, and this illustrates that the data is valid and reliable for use in other analyses. There is a significant relationship between awareness

of digital financial services and preference towards digital financial services and also there is a significant relationship between awareness of digital financial services and satisfaction towards digital financial services. Accordingly, it is proved that there is a significant and positive relationship between the variables, and the alternative hypothesis is accepted.

## 10. Recommendations

Digital financial services are considered a new technology in the market, which need to be introduced in a manner way to be clear to the users. The following are some recommendations built based on the findings.

For digital financial users:
1. Should know the security procedures by reviewing the instructions provided.
2. Receiving documentation online could be a better situation to have saved it in a soft copy to protect the important documents from any damage that can happen, and it is secured because that data is only accessible to those who own it.
3. Receiving incoming payments digitally can be safer than traditional payment, due to the immediate recording and strong protection.

For digital financial providers:
1. Interviewing and show to the users the protection provided, which includes safety measures like One Time Password (OTP).
2. By giving videos with all the indications of the customers' rights to be aware of their obligations and rules of digital financial services.
3. Service charges should be at the lowest cost to make Omani households satisfied.
4. Provide instructions that help the customer to understand the process of the transaction and how it is easier and safer.
5. Should try to review and solve the complaints on time.

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