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Customer Satisfaction towards Digital Wallets during Covid-19 Pandemic in Kathmandu Valley

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Background of the Study

A digital wallet holds a user's financial details and website passwords safely (Jose, 2019). Digital wallets can be used with mobile payment systems to make smartphone purchases (Jose, 2019). Digital wallet allows you to pay your bill electronically, online and offline. For example, if you went to the store, bought some products, and then paid your bill, you can do so (Balan & Ramasubbu, 2009).

Every business and organization needs happy customers (Oliver, 1980). Old customers are easier to get than new ones (Oliver, 1980). Customer pleasure also benefits service firms by maximizing profits (Oliver, 1980).

Business is becoming more competitive and tough. Covid-19 has caused a global pandemic. Most businesses struggled. This epidemic also affects the digital wallet business, but positively with new problems. Covid-19 epidemic has boosted the demand and need for digital wallets. In Wuhan, China, bats carry coronavirus. WHO said China reported its first case on December 8, 2019. On 30 January, the Coronavirus epidemic was declared a PHEIC. Due of rapid global spread, it was declared a pandemic on March 11. It's currently called COVID-19 (Piryani, Piryani, Piryani, Dangal, & Shah, 2020).

Anderson et al. (1994) said that companies that strive for high customer satisfaction are more likely to receive larger economic returns. Matzler et al. (1996) argue that customer satisfaction act as an indicator of future business opportunities, where a satisfied customer is loyal to the company, which implies a stable future cash-flow.

TAM is the best explanation for explaining digital wallet users' purchase intentions and happiness (Gefen, Karahanna, & Straub, 2003). Davis's 1989 Technological Acceptance Model explains technology acceptance behavior. It's used to analyze user acceptance in e-commerce and predict consumers' buy intentions through technology.

The first case in South Asia was confirmed in Kathmandu, Nepal, on January 23, 2020. The COVID-19-symptomatic citizen had traveled to Wuhan. The initial local transmission was reported in Kailali District on April 4, 2020, and the first death occurred on May 14, 2020. (Worldometer, 2021). Nepal procured critical supplies, equipment, and medicine, upgraded health infrastructure, trained medical professionals, and raised public awareness to avert a large outbreak. Since March 24,

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2020, the country has been in lockdown for four months due to a pandemic (Shrestha, Shrestha, Khanal, & KC, 2020).

SARS-CoV-2 causes COVID-19, an acute, highly contagious respiratory disease. First identified in December 2019 in Wuhan, Hubei province, China. On March 11, 2020, WHO proclaimed COVID-19 a pandemic (Piryani, Piryani, Piryani, Dangal, & Shah, 2020). COVID-19 affects 219 nations and territories, with 225 million confirmed cases and 4.6 million deaths (as of September 13, 2021). USA, India, and Brazil have the most cases (Worldometer, 2021).

Nepal's COVID-19 pandemic is part of the worldwide pandemic caused by SARS-coronavirus 2. (SARS-CoV-2). First verified case in Nepal was a 31-year-old student who returned to Kathmandu from Wuhan on 9 January (Shrestha, Shrestha, Khanal, & KC, 2020). First COVID-19 case in South Asia (NDTV, 2020). Kailali District confirmed Nepal's first local broadcast on 4 April. First death: 14 May. 24 March 2020 to 21 July 2020: countrywide lockdown The Ministry of Health and Population (MoHP) has confirmed 777,163 cases, 739,457 recoveries, and 10,949 fatalities as of 12 September 2021. Bagmati Province and Kathmandu are the hardest afflicted province and district respectively (Ministry of Health and Population - Nepal, 2021).

Nepal took steps to prevent a large breakout of the disease by acquiring critical supplies, equipment, and medicine, updating health infrastructure, educating medical professionals, and promoting public awareness. International aircraft and land crossings were closed. Schools and institutions cancelled all exams. Countries are setting up quarantine centers and makeshift hospitals. Expanding and upgrading labs. Hospitals have ICUs and isolation beds. Pandemic forced Nepal to cancel Visit Nepal Year 2020. Tourism, remittances, manufacturing, construction, and trade are badly disrupted by the pandemic (Panthee, et al., 2020).

WHO's physical distance policy has motivated consumers to use contactless payment methods. As COVID-19 spreads, more countries are encouraging contactless payments. People worry that SARS-Cov2 can spread through cash. It encourages e-wallet use. The following table illustrates digital wallet transactions during the COVID-19 epidemic (NRB, 2021).

Table 1

Usages of Digital Wallet in Nepal during Covid-19 Pandemic

Month	No. of Transaction	Amount (Rs. in Million)
Mid-March 2020	4,479,579	1,262
Mid-June 2020	6,841,409	4,336
Mid-Sept 2020	7,428,727	7,540
Mid-Dec 2020	10,179,557	10,222
Mid-March 2020	10,177,889	7,579
Mid-June 2020	9,415,447	7,339

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Table 1 shows that the number of transaction and total amount of transaction has been increased during the Covid-19 pandemic in Nepal (NRB, 2021).

During this time, residents couldn't leave their homes. They stayed inside. Due to Covid-19, physical communication and visits are difficult. Customers must utilize digital wallets to pay for goods and services. Customers want digital wallets, but are they receiving them? Happy? This report explores user satisfaction with digital wallets throughout the pandemic (Panthee, et al., 2020).

This research intends to explain how customers perceive digital wallet during the Covid-19 pandemic in the Kathmandu Valley.

Recent pandemic leaves digital wallet sector with many prospects and problems. This pandemic shows that customers need digital wallets. People are increasingly using digital wallets. Digital wallets are popular and replacing cash. Digital wallets can be used for online and offline buying.

Research questions as follows:

• What is the relationship and impact of perceived usefulness on customer satisfaction?

• What is the relationship and impact of security and privacy on customer satisfaction?

• What is the relationship and impact of service quality on customer satisfaction?

• Is there impact of gender on perceived usefulness, security and privacy, service quality and customer satisfaction?

The primary objective of the study will to examine the customer satisfaction towards digital wallets during the Covid-19 pandemic in Kathmandu Valley.

Secondary objectives of the study are:

- To examine the relationship and impact of perceived usefulness on customer satisfaction.
- To assess the relationship and impact of security and privacy on customer satisfaction.
- To explore the relationship and impact of service quality on customer satisfaction.
- To identify the impact of gender on perceived usefulness, security and privacy, service quality and customer satisfaction.

This study examines digital wallets and customer satisfaction during the covid-19 pandemic. Digital wallet services and client needs are compared. This study's results explain digital wallet utilization and consumer satisfaction during the pandemic. The study will help researchers make accurate related studies.

The study used only primary sources for dependent and independent variables. The study's conclusions depend on the accuracy of respondent information. The study assumes dependent and independent linear regression. Non-linear regression assumptions were omitted. This study's scope is limited; not all assumptions may be met. Primary data sample size is 196. Less sample size may produce less significant results. By disseminating the questionnaire via Email, Facebook, and other social

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media, the sample may have been impacted. The sampling may not represent the total population. The study's validity depends on the correctness of the responses.

Literature Review and Theoretical Framework

Equity theory applied to customer satisfaction/dissatisfaction has become accepted as an alternative way to conceptualize how comparisons work (Oliver & Desarbo, 1988). According to the Equity Theory, satisfaction exists when consumers perceive their output/input ratio as being fair (Swan & Oliver, 1989). Erevvels and Leavitt (1992) argue that equity models can provide a much richer picture of consumer satisfaction in situations that may not be captured using traditional satisfaction models. Satisfaction is therefore, "a mental state of being adequately or inadequately rewarded" (Moutinho, 1987). The equity theory as well as the attribution theory has been proposed as satisfaction determinants, however "they have not generated the same level of interest in customer satisfaction/dissatisfaction research (as the EDP did)" (Oliver, 1993,)

Digital wallet

Digital Wallet is a software application that allows users to perform various financial transactions using a user name and password (Jose, 2019). It's software for internet payments (Jose, 2019). Digital wallet is sometimes called e-wallet. It's helpful to think of a "digital wallet" as a system, an application, and a device (Balan & Ramasubbu, 2009). Digital wallets are linked to bank accounts. Driver's license, health care, loyalty cards, and other ID documents may be on the PC. RFID tags identify people. RF Module can wirelessly transmit credentials to a merchant's terminal (Illiev & Smith, 2004).

Most Nepalese banks and financial organizations now offer e-banking and mobile-banking. Nepal's newest digital banking product is Digital Wallet. It lets clients store money on their phone without a bank account. F1Soft Company established eSewa, a digital wallet service, in 2009 despite banks and financial institutions. eSewa is Nepal's first online payment gateway and wallet (Shrestha N. , 2020).

Perceived usefulness

Davis (1989) defined perceived usefulness as a belief that, using a peculiar system would enhance his/her performance. Davis (1989); Sahut (2008); Roy and Sinha (2014) found that perceived usefulness has significant effect on customer satisfaction level of user. The relationship between perceived usefulness and customer's satisfaction is stout and consistent than in case of other relevant variables reported in prior studies. Individuals evaluated the consequences of their behavior in terms of perceived usefulness and based their choice of behavior on the desirability of the usefulness. Digital Payment System should be independent of time and place, so individuals could perceive it useful.

Security and privacy

Previous studies found that the E-wallet's security is a consideration of consumers to adopt E-wallet. Batra and Kalra (2016) stated that security & privacy was a positive significant factor adoption of e-wallet and customersatisfaction towards e-wallet

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which means that when strengthen in security, the intention to use and level of satisfaction towards e-wallet also will increase. It was agreed by Kabir, Saidin and Ahmi (2017); Junadi and Sfenrianto (2017); and Sardar (2016). According to Batra and Kalra (2016), safety of money transaction was the major concern of the respondents. Sardar (2016) stated that most of the respondents believe that the security was a very importance factor when buy something online. This revealed that security was a significant component to influence customer satisfaction level towards digital wallet.

Service quality

Fogli (2006) defines service quality as a global judgment or attitude relating to a particular service; the customer's overall impression of the relative inferiority or superiority of the organization and its services (Parasuraman, Zeithaml, & Berry, 1988). Service quality is very important in all work components in superior product/service quality relative to competitors is the single most important factor affecting customer satisfaction and profitability of the business (Assad, 2014). Otim (2004) also stated service quality has been determined that significant effects on customer satisfaction.

Customer satisfaction

Customer satisfaction means customers' wants or expectations are met (Oliver, 1980). Kotler and Keller (2006) describe satisfaction as a person's pleasure or dissatisfaction based on a product's performance (outcome).

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In their book Marketing Management, Kotler and Keller define satisfaction as a person's feeling of pleasure or disappointment resulting from comparing a product's performance (outcome) in relation to his or her expectation (Kotler & Keller, 2006). Anderson, Fornell, and Lehmann (1994) say that companies that strive for high customer satisfaction are more likely to receive larger economic returns. They also recognize that these economic returns are not immediately realized. Matzler et al. (1996) argue that customer satisfaction act as an indicator of future business opportunities, where a satisfied customer is loyal to the company, which implies a stable future cash-flow. This is strengthened by Anderson, Fornell, and Lehmann (1994) who acknowledge the fact that there is a positive relationship between customer satisfaction and profitability.

Davis (1989) found that perceived ease of use and usefulness positively affect online purchase behavior. According to Reibstein (2002), the internet has lowered consumers' effort in decision-making in purchasing activity. This suggests that the new digital environment allows for a more efficient buying process (Chen & Ching, 2013). TAM major indicator is website (Shih, 2004).

Nag and Gilitwala (2019) used five variables for the study they were perceived usefulness, perceived ease of use, security/privacy confidence, social influence and trustworthiness. Davis (1989); Sahut (2008); Ray and Sinha (2014) found that perceived usefulness has significant effect on customer satisfaction level of user.

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Perceived ease of use, perceived usefulness and privacy were the significant variables on the study conducted by Aydin and Burnaz (2016).

Batra and Kalra (2016) stated that security & privacy was a positive significant factor toward adoption of e-wallet and satisfaction towards e-wallet which means that when strengthen in security, the intention to use and level of satisfaction towards e-wallet also will increase. It was agreed by Kabir, Saidin and Ahmi (2017); Janadi and Sfenrianto (2017), and Sardar (2016). Assad (2014) and Otim (2004) were used service quality as independent variable on their study and fount that service quality has been determined it significant effects on customer satisfaction. So, the independent variables for this study are perceived usefulness, perceived ease of use, security and privacy and service quality.

The research framework has been conceptualized to show the inter-relationship between the dependent and independent variable. The dependent variable for the study is customer satisfaction.

The dependent variable for this study is customer satisfaction. The research framework for the study is in Figure 1.

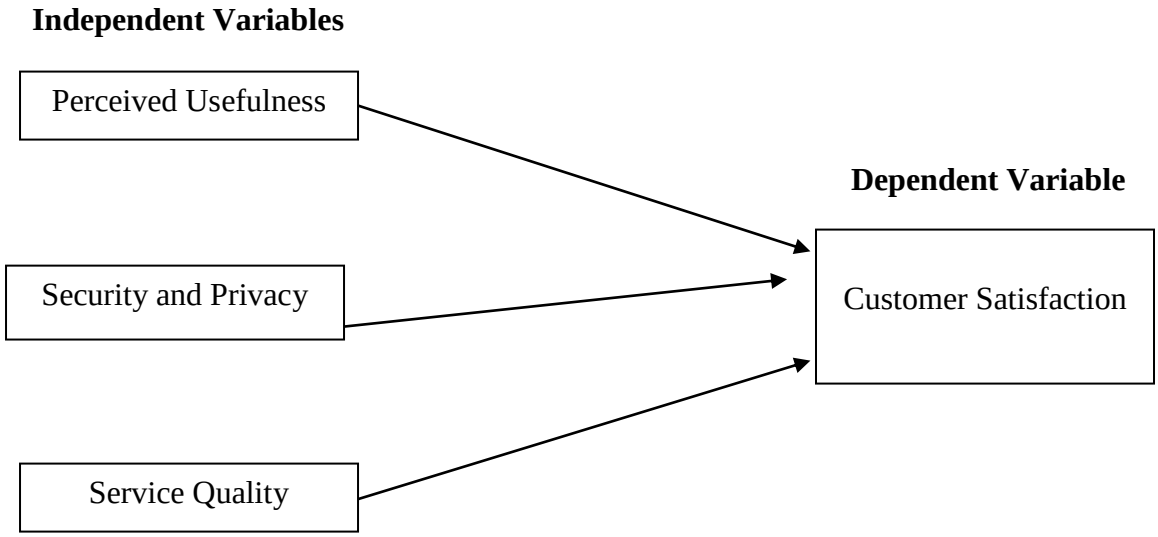

Figure 1. Research framework of the study

Research hypotheses

H1: There is relationship and impact of perceived usefulness on customer satisfaction.
H2: There is relationship and impact of security and privacy on customer satisfaction.
H3: There is relationship and impact of service quality on customer satisfaction.
H4: There is impact of gender on perceived usefulness, security and privacy, service quality and customer satisfaction.

Research Methodology

The study used descriptive casual research design to carry out for the purpose of the research. It describes data and characteristics about the population being studied, solely on the basis of statistics, without any form of manipulation. The research is also

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casual since it has been conducted to identify the extent and nature of cause-and-effect relationships among the dependent variables.

The target population for this study is all the existing and potential customers in Kathmandu Valley using digital wallets. Respondents have been selected who were using digital wallets. Snowball sampling was used because of their convenient accessibility and proximity to the researcher.

Survey method was used. The overall survey and study were guided by the objectives of the study. The researcher distributed questionnaires and survey was based on the reaction of 196 respondents. Hence the sample size of this study is 196 respondents. Questionnaires were distributed to respondents in person whose email address were known to the researcher and through social media such as Facebook, Instagram and Twitter.

The questionnaire that was used for this study was retrieved from Zin (2019) and modified it. Self-administered questionnaires were used. The first part of the questionnaire deals with demographic information which includes gender, age, occupation, education and qualification, etc. The second part consists of questions to measure the independent and dependent variables. A Five-Point Likert scale was used.

After gathering the data from the respondents, SPSS, MS-Excel and PLSEM were used for the analysis of the data. Total responses collected from the respondent were coded and tabulated into SPSS and PLSEM worksheet. Mean and standard deviation have been presented for the descriptive study of variables. Correlation analysis was applied to find out the relationship between independent variables and dependent variable. PLSEM was adopted to predict the relationship between independent and dependent variable and build a model.

Results of demographic variables

Most used digital wallet before covid-19 pandemic

Table 1

Distribution of Respondents based on Gender

Gender	Frequency	Percent
Female	76	38.8%
Male	120	61.2%
Total	196	100%

Distribution ofRespondents based on Current Age

Age	Frequency	Percent
16-25 years	94	48.0 %
26-35 years	100	51.0%
36-45 years	1	0.5%
Above 45 years	1	0.5%
Total	196	100%

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Distribution of Respondents based on Academic Qualification

Academic Qualification	Frequency	Percent
Intermediate	12	6.10%
Bachelors	69	35.20%
Masters	112	57.10%
Above Masters	3	1.50%
Total	196	100%

Distribution of Respondents based on Occupation

Occupation	Frequency	Percent
Entrepreneur	17	8.70%
Job Holder	48	24.50%
Student	121	61.70%
Unemployed	7	3.60%
Others	3	1.50%
Total	196	100%

Table 1 showed that 39 percent were female and 61 percent were male. Similarly, 16-25 years and 26-35 years age group respondents holds majority of the sample which is comprised of 48.0% and 51.0% respectively. Likewise, the highest numbers of respondents with master's degree were 57.10%, large numbers of respondents were bachelor's degree covering 35.20%. The numbers of respondents with intermediate level were only 6.10% and respondents with above masters were only 1.50%. Besides, 61.70% were students, 24.50% were job holder, 8.70% were entrepreneur, 3.60% were unemployed and 1.50% were others.

Most used digital wallet before covid-19 pandemic
Table 2

Distribution of Respondents based on Digital Wallet Most Use before Covid-19 Pandemic

Digital Wallet	Frequency	Percent
eSewa	179	91.30%
Khalti	7	3.60%
Prabhu Pay	3	1.50%
IME Pay	7	3.60%
Total	196	100%

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Table 2 showed that the most of the respondents have seem eSewa as most used digital wallet before Covid-19 pandemic. 91.30% of respondents were most used eSewa, Khalti by 3.60%, Prabhu Pay by 1.50%, and IME Pay by 3.60% before Covid-19 pandemic.

Most used digital wallet after covid-19 pandemic

Table 3

Distribution of Respondents based on Digital Wallet Most Use after Covid-19 Pandemic

Digital Wallet	Frequency	Percent
eSewa	176	89.80%
Khalti	12	6.10%
Prabhu Pay	2	1.00%
QPay	3	1.50%
IME Pay	3	1.50%
Total	196	100%

Table 3 presented that eSewa is the most used digital wallet among the respondents starting after Covid-19 pandemic. After Covid-19 pandemic, 89.80% of respondents were used eSewa, Khalti by 6.10%, Prabhu Pay by 1.00%, Q Pay by 1.50% and IME Pay by 1.50%.

Frequency of use of digital wallet before covid-19 pandemic

Table 4

Distribution of Respondents based on Frequency of Use of Digital Wallet before Covid-19 Pandemic

Frequency of Use	Frequency	Percent
Daily	29	14.80%
Weekly	82	41.80%
Monthly	71	36.20%
Yearly	14	7.10%
Total	196	100%

Table 4 showed that 36.20% of the respondents were used digital wallets monthly before Covid-19 pandemic, 41.80% were used weekly, 14.80% were used daily and 7.10% were used yearly before Covid-19 pandemic.

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Table 5
Frequency of use of digital wallet after covid-19 pandemic

Distribution of Respondents based on Frequency of Use of Digital Wallet after Covid-19 Pandemic

Frequency of Use	Frequency	Percent
Daily	47	24.00%
Weekly	104	53.10%
Monthly	39	19.90%
Yearly	6	3.10%
Total	196	100%

Table 5 presented that 53.10% of the respondents were used digital wallets weekly after Covid-19 pandemic, 24.00% were used daily, 19.90% were used monthly and 3.10% were used yearly after Covid-19 pandemic.

Table 6 Purpose of use of digital wallet

Distribution of Respondents based on Purpose of Use of Digital Wallet

Purpose of Use	Frequency	Percent
Money Transfer	148	70.14%
Utilities Bill Payment	128	60.66%
Mobile Phone Top-Up	155	73.46%
Merchant Payment	45	21.33%
Online Shopping	77	36.49%

Table 6 presented that 73.46% of respondents use digital wallet for mobile phone top-up, 70.14% use for money transfer, 60.66% use for utilities bill payment, 21.33% use for merchant payment, and 36.49% use for online shopping.

Measurement Model Assessment

Results and Discussion

Table: 7. Measurement Model

Constructs	Items	Loadings	Cronbach's Alpla	Rho	CR	AVE
Customer Satisfaction	CS1	0.838	0.889	0.893	0.890	0.619
	CS2	0.786				
	CS3	0.706				
	CS4	0.842				
	CS5	0.754				
Perceived	PU1	0.702	0.834	0.836	0.835	0.559

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Usefulness	**PU6**	0.784				
	PU7	0.749				
	PU9	0.754				
Security	**SE1**	0.877	**0.884**	**0.889**	**0.885**	**0.66**
	SE2	0.784				
	SE3	0.841				
	SE5	0.740				
Service Quality	**SQ1**	0.738	**0.843**	**0.844**	**0.844**	**0.574**
	SQ2	0.730				
	SQ3	0.792				

Testing measurement model, internal reliability, convergent validity, and discriminant validity techniques were used (Hair, Sarstedt, Ringle, & Mena, 2012). The loading of each indicator items was above 0.7, composite reliability (CR) Dijkstra and Henseler's rho_A of each construct is greater than 0.70 (Ali, Rasoolimanesh, Sarstedt, Ringle, & Ryu, 2018; Fornell & Larcker, 1981; Hair, Hult, Ringle, & Sarstedt, 2017; Hair, Matthew & Christian, 2020). The value of rho_A is gaining more importance these days than Cronbach's Alpha (Hair et al., 2020). The average variance extracted (AVE) score is greater than 0.5 for all the constructs in this research, so convergent validity is obtained.

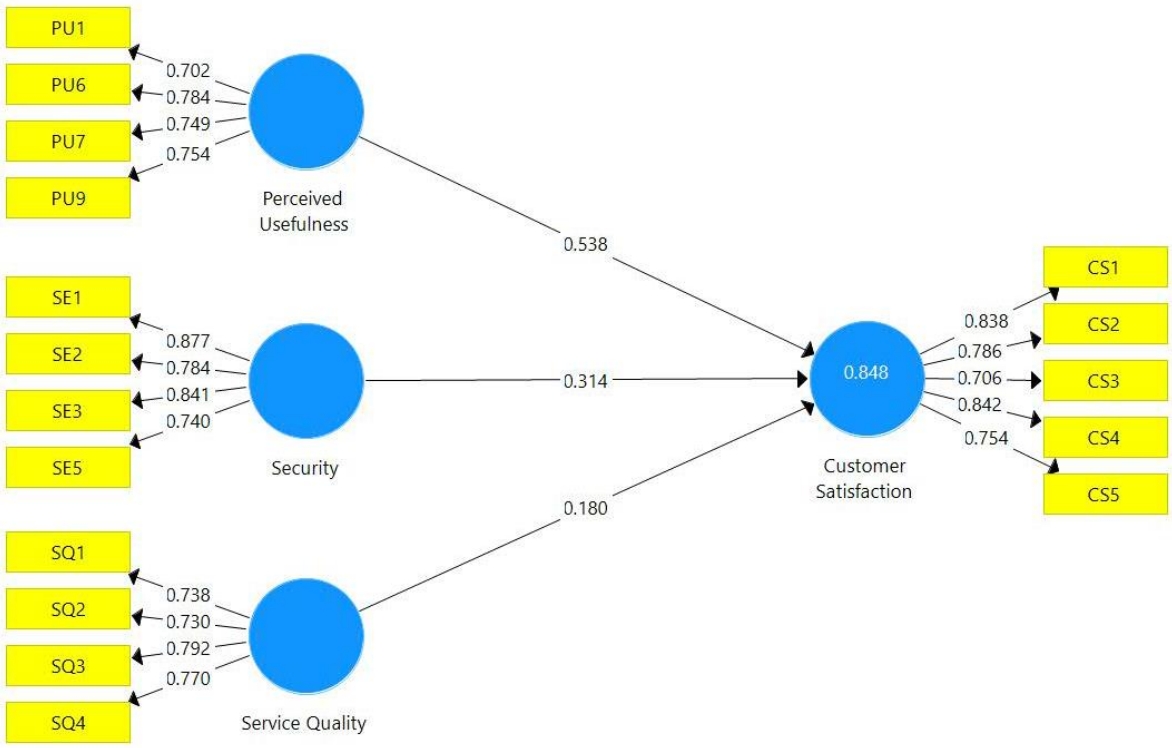

Figure 2: Measurement Model

Figure 2 shows the coefficient of determination value for the proposed model. The coefficient of determination value for Customer Satisfaction (CS) is 0.843 or 84.3 percent. The effect of predictor variables perceived usefulness (PU), security &

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privacy (SP), and service quality (SQ) have an influence on Customer Satisfaction (CS) by 84.3 percent. To check discriminating validity, Fornell, and Larcker Criterion (1981) are also helpful. The diagonal line shows the square root of AVEs of the construct and must be higher than the correlation values of rows and columns between objects (Henseler, Ringle, & Sarstedt, 2015). It is illustrated in Table 2. Table 2 shows that the average square root variance obtained from each diagonal line construct (bold) is greater than its correlation with the other constructs, thereby confirming the validity of discriminating and separating each construct from each other (Fornell & Larcker, 1981). The analysis is suitable for final evaluation (Henseler et al., 2015).

Fornell and Larcker Criterion

Table 8.

Discriminant Validity (Fornell and Larcker Criterion, 1981)

	Customer Satisfaction	Perceived Usefulness	Security & Privacy	Service Quality
Customer Satisfaction	0.787			
Perceived Usefulness	0.863	0.748		
Security	0.775	0.629	0.812	
Service Quality	0.774	0.707	0.680	0.758

Table 8

HTMT

	Customer Satisfaction	Perceived Usefulness	Security	Service Quality
Customer Satisfaction				
Perceived Usefulness	0.860			
Security	**0.780**	**0.633**		
Service Quality	**0.777**	**0.706**	**0.680**	

The ratio of average indicator correlations between constructs is determined by Fornell and Larcker Criterion Heterotrait-Monotrait (HTMT), split by indicator correlations within the same construct (Henseler et al., 2015). A maximum 0.9 threshold is suggested in the literature (Hair et al., 2017; Henseler et al., 2015; Henseler, Ringle & Sinkovics, 2009). The HTMT matrix in which values below 0.9 indicate sufficient discriminant validity is highlighted in Table 3 (Hair et al., 2017; Henseler et al., 2015; Henseler et al., 2009). Both constructs are below the threshold and thus show ample validity of discriminants.

As SRMR (Standardized Root Mean of Residuals) value is 0.056 less than 0.02 and NFI (Normed Fit Index) value is 0.866 less than 1.00, Model is fit.

Structural Model

The structural model assesses the path coefficient relationship between perceived usefulness, security & privacy, service quality and customer satisfaction. Hypotheses were tested using the bootstrapping method to 5000 resamples at a 5 percent level of significance.

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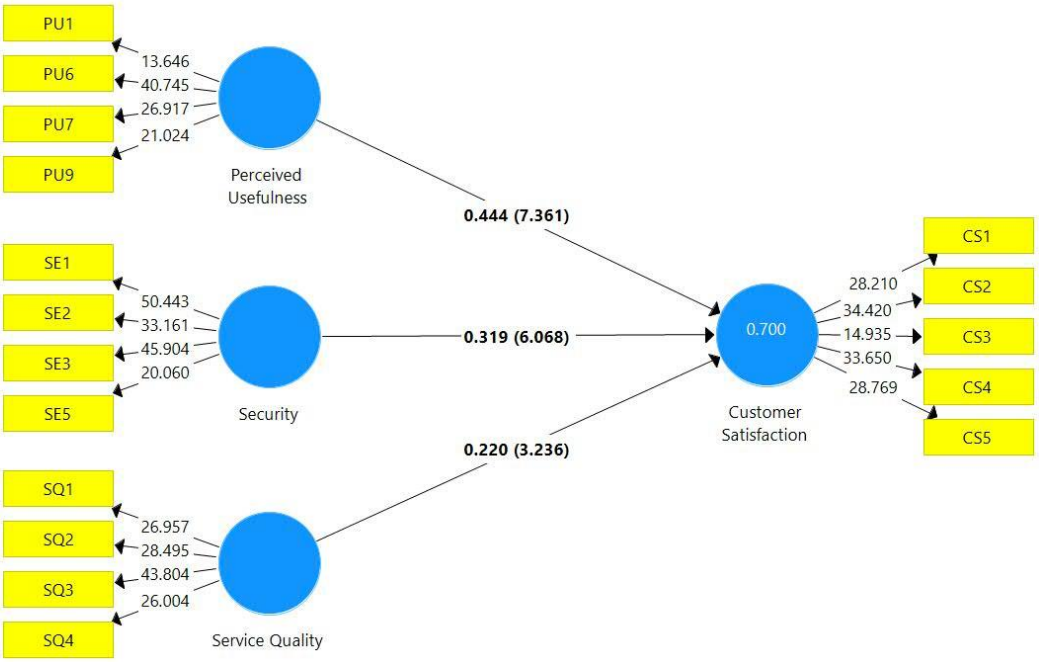

Figure 3. Structural model

Figure 3 shows the indicator items and path coefficients on t-values. The relationships between endogenous and exogenous constructs were tested at the 5 percent significance level using the path coefficient (β) and t-statistics values greater than 1.96 (Hair et al., 2012). The R2 value was used to determine the proportion of the variance represented by the exogenous constructs in the structural model (Henseler et al., 2015). The hypothesis is shown in Table 4.

Table 4 highlights the PLS-SEM measurement of the structural models revealed that the relationship of perceived usefulness (β=0.444, t=7.361, p-value=0.000), security and privacy (β =0.319, t=6.068, p-value =0.000), and service quality (β =0.220, t=30.38, pvalue=0.000), have a positive impact on customer satisfaction, hence giving significant assurance for the acceptance of H1, H2 and H3. As presented in the measurement model (Shown as Figure2), the R2 value of 0.848 indicates that 84.8% a variance in the endogenous variables, that is, its e- wallet predictors explain customer satisfaction – perceived usefulness, security & privacy, service quality respectively. The PLS-SEM results that the tested model has a moderate degree of predictive quality and precision (Chin, 1998; Hair, Ringle, & Sarstedt, 2011; Henseler et al., 2015).

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Table 10
Hypothesis Testing

Path	Beta	t-Statistics	Sig.	R square	f square	Q Square
Perceived Usefulness -> Customer Satisfaction	0.444	7.361	0.000	.848	.388	.472
Security -> Customer Satisfaction	0.319	6.068	0.000		.202	
Service Quality -> Customer Satisfaction	0.220	3.236	0.001		.088	

Since the values of perceived usefulness, security & privacy and service quality are less than 0.05, they are significant, at 5% confidence level. Therefore, H1, H2, H3 are accepted. However, the value of f square is 0.088, less than 0.200 it has no contributing to produce model even it is significant. Likewise, the blind folding value of Q square is 0.472 or 47.2% constantly in the particular context.

Discussion and conclusion

The study found that perceived usefulness of digital wallet has significant relationship with customer satisfaction. The result is consistent with the findings of Vinitha and Vasantha (2018), Nag and Gilitwala (2019), found there has significant relationship between perceived usefulness of digital wallet and customer satisfaction. The result is also similar with Kar (2020) found that the usefulness has significant relationship with satisfaction of customers. But the research is not line with Pal, Vanijja and Papasratorn (2015) found that there has no significant effect of perceived usefulness on satisfaction.

Likewise, the study found that security and privacy has significant relationship with customer satisfaction. The result is consistent with the findings of Akhila (2018), Malkani and Mishra (2019) stated that security and privacy is the most influencing factor for customer satisfaction. Similar result found on the study of Xian, Ai, Yi and Ping (2018); Punwatkar and Verghese (2018); Bagla and Sancheti (2018); Nag and Gilitwala (2019); Subaramaniam, Jalil, and Kolandaisamy (2020) that there was positive impact of security and privacy on customer satisfaction. However the study of Miruna (2019) showed that the privacy concern was the least significant variable for customer satisfaction. But there is contrast the findings of Olegovich (2018) found that security does not significantly effect on customer satisfaction.

Similarly, the study found that service quality has significant relationship with customer satisfaction. The result is consistent with the findings of Fainusa, Nurcahyo and Dachyar (2019) stated that there is a positive relationship between service quality security and satisfaction customer. The result is similar with the study Otim (2004) stated that that service quality has a significant positive impact on customer satisfaction.

Conclusion

The purpose of this research was to understand the customer satisfaction towards digital wallets during Covid-19 pandemic in Kathmandu Valley. The study concludes

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that perceived usefulness and service quality of digital wallets, stimulates customer satisfaction during Covid-19 pandemic. So, study reveals that perceived usefulness and service quality of wallets are important factors for customer satisfaction. Therefore business organizations need to consider these factors for planning, policies making and strategies formulation.

Implications

Digital service provider should prioritize the speed with which the service enables users to accomplish tasks, the diversity of payment services, and greater control over payment tasks to please their customers. It should consider to develop an easy-to-use platform to promote and retain client satisfaction and maintain consumer data, store credentials for financial transactions, and implement secure system to prevent fraud and financial risks. Finally it should resolve client issues expeditiously, be receptive to assistance, provide high-quality service, and provide ongoing support.

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