

## **ABSTRACT**

### **CONSUMER PREFERENCES FOR THE NEW TECHNOLOGIES IN BANKING**

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The banking sector is facing major changes due to global competition and technological advancements. This study examines consumer perceptions, preferences, and decision-making patterns in the banking sector and evaluates the extent to which banks' products and services meet these needs. Special attention is given to the role of social media, which has been largely overlooked in the banking industry. The study uses a behavioral economic approach, which posits that economic decisions are an expression of limited rationality and that human decision-making differs from the ideal of "homo economicus." Two studies were conducted to explore these issues.

The first study surveyed 204 individuals in Germany and looked at relationships between online banking, social media use, trust in banking, and demographic variables. The second study examined consumers' information processing and preferences in the banking sector through an online survey of over 4,034 individuals. The study found that while consumers use digital products and services to a significant degree, some areas such as FinTech have been largely excluded. Personal advice, individuality, risk diversification, security, and trust are important to bank customers.

Re-establishing trust is a major challenge for banks and expanding digital offerings and gaining competitive advantages will likely only be successful if trust is increased. Personal advice should be supplemented by useful and easily usable digital technology, with a particular focus on social media. The banking sector can contribute to this by means of open, solution-oriented communication via social media. Additionally, the study recommends that banks should focus on providing personalized services and products to their customers through the use of digital technologies and social media. This will help to improve customer trust and loyalty and will increase the adoption of digital banking services.

Keywords

Banking, Social Media, Marketing, Financial Sector