Customers’ Expectations of Banks Becoming Cashless
- How could banks meet customers’ expectations when changing from cash services to deeper customer relationship?
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SUMMARY

The organizational change of banks into cashless banking is becoming quite common. Technological development, competition and changing attitudes of customers towards cash services offered force banks to shift their activity towards advice based approach. However, when changing to cashless activity banks undertake a change which directly impacts on their customers. Hence, in this research I try to answer the following question:

*How could banks meet customers’ expectations when changing from cash services to deeper customer relationship?*

The main purpose of this study is to contribute for better understanding of beneficiary customers’ expectations of banks going over to cashless activity. In order to fulfill the main purpose two studies are conducted. The first study is of preparatory nature based on the qualitative research through the semi-structured interviews. Based on the findings of the semi-structured interviews the theoretical framework, subdivided into bank and customer related theories, has been revised and hypotheses have been created for further study. The second study was conducted through the quantitative survey where 500 questionnaires have been sent to randomly chosen participants.

The survey findings have been analyzed statistically in order to test the hypotheses. Furthermore, analyses and suggestions for the bank (assigner of this case study) have been made in light of the theories related to both customer and bank.

The results have shown that customers react positively to some organizational changes such as limitation of cash services and their complete removal to another office. Furthermore, it has been shown that customers do not possess good knowledge about the changes even the one that was already implemented. Moreover, the results have shown that customers require information at least one month before the change is implemented. A large part of the customers would like to receive the information via letter sent per post. Regarding the limitation of cash services customers of all ages have expressed their worries and suggested to extend open hours until 6 p.m. at least during one day. With regard to the complete transformation of the bank into cashless activity, customers reacted mainly negative. However, it has been shown that only over 7% would be affected by this change to the extent where they would consider changing the bank.

Keywords: “cashless bank/ing”, “changing from cash services to deeper customer relationship”, “meet customers’ expectations of banks becoming cashless”, “organizational change”, “beneficiary customers”.
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1. INTRODUCTION

"You must be the change you want to see in the world" – Mahatma Gandhi

In this chapter bank’s organizational change is introduced with its main focus on the change from cash services to deeper customer relationship. Within this area a knowledge gap is identified. Based on this knowledge gap formulation of the problem and main goal of this study are presented. With focus on bank’s organizational change and customers’ expectations of banks becoming cashless, delimitations of this study are provided after-followed by the explanation of relevant for the study concepts and definitions.

1.1 Background

Organizational change has become a generally accepted phenomenon within all industries. Technological development, globalization, new market conditions created by new economic, political, and environmental factors contribute to make organizational change possible. As a result, businesses adjust their organizations in order to be in line with market changes. Competition also forces business activities to be ahead of others within sectors and thus create new market conditions themselves by initiating change within their organizations.2

The financial sector of Sweden has undergone many organizational changes over time in order to facilitate easy production and trade of products and services. These changes are strongly related to people’s engagement in transactions. Since the appearance of money in metal and paper forms people got used to the idea of banks being seen as cash stores. However, with accelerating development of the financial system as a result of deregulation, globalization, and new information systems, new ways of handling money appeared among banks and their customers. This not only changed the view of banks being considered cash stores but also resulted in a shift of bank-customer relationship focusing more on advisory services rather than cash services.3

Technology and communication progress are the major contributors in the transformation of both consumers’ behavior and banks’ organization. The usage of e-cards, internet banking facilitated the easiness and convenience in handling of transactions. Now e-banking customers have the possibility to access online electronic banking system 24 hours a day which allows them to see over the historical transactions, to transfer money between accounts, to make savings, and perform other operations without going to the bank office. Moreover, increased knowledge and ability to manage internet banking, bank card, and

ATMs (Automated Teller Machines) resulted in more independent bank customers no longer requiring bank’s cash services.\(^4\)

This shift in bank customers’ behavior and attitudes towards cash services offered at banks gave birth to a new phenomenon named cashless banking. This means banking which “is largely or entirely relying on monetary transactions that use electronic means rather than cash.”\(^5\) The phenomenon appeared around 2000 due to the introduction and wide usage of electronic cards, mobiles, and other alternatives for electronic payments. For instance, in 2002 French banks introduced a microchip-embedded smart card designed for making small everyday purchases. This e-card could be loaded up to $100 of credit from bank and recharged when used up.\(^6\) Despite the wide usage of variety of electronic payments instead of paper money and coins, cashless bank is still new phenomenon in the finance world.

In Sweden, clear change towards cashless banks was characterized by shutting down Svensk Kassaservice in July 2008.\(^7\) Other Swedish bank offices introduced limited cash services towards their customers meanwhile some have completely closed down cash services in their banks, as for example SEB did in January 2009.\(^8\) On the other hand, some banks come to an agreement with other financial institutions to offer cash services for their customers on the commission of these banks. For instance, the deal between Länsförsäkringar (LF) and Forex where customers of LF can free of charge make cash deposits and withdrawals at Forex from their bank accounts at LF.\(^9\)

One can wonder why banks act back and forth in the question of going over to cashless banking. From one side, banks see the trends of lower usage of cash and cash services. On the other side, banks are strongly dependent on their customers who are used to the idea of banks being seen as cash stores. As a consequence, without applying strategic organizational change and without studying customers’ expectations of banks going over to cashless activity, banks run the risk of losing customers and becoming unprofitable.\(^10\)

By understanding customers’ expectations of banks going over to cashless activity the adjustments of cash services offered could be made in time. Banks could have the


\(^{6}\) French bank introducing smart e-card, cited [20090207]
   http://www.businessweek.com/magazine/content/02_45/b3807163.htm

\(^{7}\) Svensk Kassaservice closed down

\(^{8}\) Cashless SEB, cited [20090218]

\(^{9}\) Agreement between Länsförsäkringar and Forex
   www.lansforsakringar.se/SiteCollectionDocuments/Bank/Privat/Information/Konton/kontanthantering.pdf

\(^{10}\) Nasierowski, W., (1997), *Rethinking Corporate Restructuring: A Comparison of the Four Central Approaches*, Technology Analysis & Strategic Management, Vol.9, No. 1, pp. 75-84
possibility to incorporate new strategies in their customer relationship management by tailoring the required services and providing their customers with the required information. This would in turn give banks the possibility to maintain satisfied and loyal customers and thus bring success to their activities.

Banking sector has always been the focus of society due to its essential role in the finance world and the wellbeing of world’s economy. Numerous media sources and academic world pay constant attention to changes happening in the banking sector and cashless banking is not an exception. When following news, studying articles available through the academic databases and internet, and by doing own research in the banking world via my internship I have obtained a lot of information concerning banks and their activities. However, my thorough search for “customers’ expectations of banks becoming cashless”, “customers’ expectations of banks going over to cashless activity”, “customers’ expectations of cashless banks” in these different sources have not given me the direct hit on studies made within this subject.

Nevertheless, I have come across several internet chat rooms where people share their opinions concerning cashless banks and society but nothing about customers’ expectations. The fact that there is no study made on customers’ expectations of cashless banks and the actuality of this phenomenon emphasize the gap in the knowledge of what customers expect from banks going from cash services to deeper customer relationship. For this reason, by conducting the study I see an opportunity to contribute with information about customers’ expectations of banks becoming cashless.

This study is primarily based on Nordea Umeå going from cash services to building deeper customer relationship. However, other banks and financial institutions that have similar activity to the bank’s cash services such as cash deposit and withdrawals, payments made in cash might also have advantage of this study. In addition, I will provide suggestions to the bank how to meet their customers’ expectations when changing to cashless activity. In order to steer the research study in the right direction the research question has been formulated which is presented in the following sub-chapter.

1.2 Research Problem

After doing the research on banks becoming cashless and customers’ expectations of such banks in a variety of databases, literature, media and via own research at Nordea Umeå, I came to the conclusion that banks lack essential information about customers’ expectations. When not knowing what customers expect from cashless banks and proceeding with transformation from being cash store to non-cash activity banks might expose themselves to the risk of losing their customers. Bank customers might be unsatisfied by this transformation to cashless banking. They further may feel carelessness from the bank’s side not meeting their expectations and demands under the alteration phase and go to the extreme decision such as leaving the bank.

In an increasingly competitive world many banks try to attract customers by offering good price and conditions for services and products. Customer who purchases a bundle of bank
services and products becomes a whole customer. Some banks call such customers “beneficiary customers” because by acquiring several products and services at one and the same bank they usually get benefits such as better discounts and conditions for purchases they have made. These beneficiary customers constitute one of the main profit generators for banks and thus losing this group of customers would bring severe damages to their success. Thus, meeting beneficiary customers’ expectations of banks becoming cashless is of essential value for the bank’s decision making with regard to the organizational change towards cashless activity. Hence, with this study I intend to answer the following research question:

How could banks meet customers’ expectations when changing from cash services to deeper customer relationship?

To answer this problem I will study the beneficiary customers’ expectations of Nordea Umeå (from now and on referred as Nordea) becoming cashless. In order to accomplish this I will conduct two types of study. First one, qualitative study based on semi-structured interviews with six beneficiary customers. With this study I aim to acquire more information about customers’ expectations in order to build up valid theoretical framework. Another study is quantitative survey based on 500 questionnaires sent to randomly selected participants from the total population of the beneficiary customers at Nordea. The empirical findings of this survey will be then analyzed in light of the theories and relevant suggestions will be provided to Nordea.

1.3 Purpose

The main purpose of this study is to contribute to better understanding of beneficiary customers’ expectations of banks going over to cashless activity. In order to fulfill the main purpose the study is subdivided into three sub-purposes which are as follows:

- to highlight beneficiary customers’ expectations of Nordea becoming cashless
- to define possible pros and cons the transformation into cashless banking can create for beneficiary customers
- to provide Nordea with useful suggestions to meet beneficiary customers’ expectations when going over to cashless activity

The three core purposes will be fulfilled orderly since the achievement of the first one will create basis for the completion of the next sub-purpose. I start by a preparatory study by conducting six semi-structured interviews with beneficiary customers of Nordea.

Based on the information acquired through the interviews the theoretical framework will be revised. Furthermore, hypotheses and questionnaire for further study will be created based on the customer related theories.

The first sub-purpose will be achieved by conducting statistical analyses of the data generated through the quantitative survey. By doing this a broader understanding of
customers’ expectations will be acquired which is important when applying future strategies to the whole population of beneficiary customers.

The second sub-purpose will be achieved by analyzing the empirical findings of quantitative survey in light of the customer related theories where the relevant hypotheses will be tested. Based on these analyses the third sub-purpose will be fulfilled when I will provide Nordea with useful suggestions of meeting beneficiary customers’ expectations in light of the bank related theories.

1.4 Demarcations
This study is mainly focused on the change of bank’s cash services. Therefore, only relevant areas are brought for discussion in this research. These areas are connected to organizational change of banks with its main focus on the transformation from cash services to deeper customer relationship and customers’ expectations of banks becoming cashless.

Furthermore, this is a case study of Nordea Umeå i.e. Swedish local entity of Nordea Corporation. Within this local entity the research is focused on the beneficiary customers. These customers constitute one of the major and profitable groups of customers at Nordea Umeå why this research is focused on studying this particular group.

Since the definition of beneficiary customers might differ among various retail and commercial banks due to their different rules existing in different banks to become a beneficiary customer, this study might not be applicable to all banks and customers. However, I provide the definition of beneficiary customers employed in this study so the identification can be made in the case of applicability.

1.5 Concepts and Definitions

Bank – A commercial institution licensed as a receiver of deposits. Banks are mainly concerned with making and receiving payments as well as supplying short-term loans to individuals.¹¹

Beneficiary customer – a customer having at least SEK 300,000 of loan for property or savings, wage account, and five other products and/or services at Nordea among internet and phone, electronic security services, payment services, payment- and credit card, consumption loan, account credits, other loan, funds, securities, pension savings, life insurance, sickness or damage insurance.¹² (See more under chapter 3. Nordea and Beneficiary customers)

¹² Nordea’s definition of “beneficiary customer”
**Cash** – “Legal tender or coins that can be used in exchange goods, debt, or services. Sometimes also including the value of assets that can be converted into cash immediately, as reported by a company”\(^{13}\).

**Cashless** – “not having or involving cash; specifically: relying largely or entirely on monetary transactions that use electronic means rather than cash”\(^{14}\).

**Cash free** – in this study is used as synonym of cashless (see definition above)

**Cashless banks** – banks not providing customers with the services such as cash deposit or withdrawals, payments made in cash over the cashier’s desk at the bank office

**Cash services** – in this study the service/operation offered by the bank to a customer willing to make a physical cash deposit or withdrawal at the bank’s cashier office

**Deeper customer relationship** – in this study the bank’s intention to build up a deeper relation with its customer by offering more quality time of professional advices with regard to the whole private economy of the customer

**From cash services to deeper customer relationship** – in this study the change in the bank’s organization going over from offering cash deposits and withdrawals at the bank’s cashier desk to building up deeper customer relationship based on offering advisory services.


1.6 Outline of Continued Thesis

- **THEORETICAL METHODOLOGY** chapter presents the choice of subject along with the assigner's and assignee's roles. The preconceptions of the author are also provided here. The study has a management perspective and the mixed methodology is employed with an abductive approach.

- **NORDEA & BENEFICIARY CUSTOMERS** chapter provides the reader with the background information about the bank and its customers together with the strategies regarding the organizational change of the cash services.

- **THEORETICAL FRAMEWORK** is divided into two parts. Bank-related theories constitute ground for giving background information of organizational change of the bank's cash services. Customer-related theories include hypotheses which will be tested based on the empirical findings collected through the quantitative survey.

- **PRACTICAL METHODOLOGY** chapter describes the processes of collecting, analyzing, and presenting data of both qualitative and quantitative methods applied in this research.

- **EMPIRICAL FINDINGS** chapter presents the data collected by conducting the semi-structured interviews. The results are summarized in a table form with regard to four major themes corresponding to the customer-related themes.

- **ANALYSES** chapter contains the presentation of statistically examined quantitative data followed by their analyses in light of the customer-related theories. Based on these analyses, the suggestions are provided to the bank on the ground of the bank-related theories.

- **DISCUSSION** chapter presents general reflections on the banks becoming cashless and customers' expectations of such banks in a broader perspective. Moreover, the suggestions for further studies are made here.

- **TRUTH CRITERIA** chapter provides the reader with credibility, transferability, reliability and validity criteria of the research made.
2. THEORETICAL METHODOLOGY

“Knowledge is nothing else but perception”- Plato

This chapter starts with discussion of the choice of subject. Since this study has been assigned to me by Nordea Umeå, the roles of assigner and assignee are disclosed. The author’s preconceptions that might affect the course of study are also presented here. Furthermore, the thesis has a management perspective and mixed methodology has been employed in this study. When working on building up the theoretical framework I have also used the abductive method. Finally, the secondary sources used are presented along with the key words employed in search for relevant information.

2.1 Choice of Subject

During my studies at Umeå School of Business and Economics (USBE) and in Paris I had the opportunity to apply my theoretical knowledge in practice by conducting projects on behalves of Swedish and international companies. These works have both strengthened my interest of doing something useful for companies and have further developed my knowledge within the studied subjects. The choice of topic in this paper is strongly related to the project which I have been assigned by Nordea where my master degree’s internship held place.

2.1.1 Role of Assigner

Already my first day of the internship in January 2009 I had been presented with the subject of the assigned project. The interest in this particular topic is the reality and actuality of Nordea going over to cashless activity. Consequently, this study was planned to be assigned to a trainee. Before starting the research several discussions had place with the management board and the chief executive of Nordea. During these discussions it came up that the focus of this study would concentrate on private customers called beneficiary customers. This particular group is of significant value for Nordea being one of the major assets for the bank’s profitability. As a result, Nordea would like to know how their private beneficiaries would react to the change they plan, i.e. going over from cash services to deeper customer relationship, and in what way Nordea could meet their customers’ expectations. Consequently, the empirical findings of this study are essential for the decision making at Nordea. Moreover, the project has time constraint until the middle of April 2009. Hence, the topic and time limit are the only steered matters by Nordea. Considering formulation of problem, method, and structure of this paper I have got free hands to organize myself.

However, Nordea has also taken the costs for conducting semi-structured interviews with 6 beneficiary customers and distributing 500 questionnaires.

2.1.2 Role of Assignee

Being assigned a project is something I have done several times. However, each time I feel gratefulness for receiving an opportunity to contribute for the assigner’s activity and to learn through practical things. Furthermore, I believe that by conducting an assigned project one receives deeper insight and knowledge of both the explored subject and the assigner’s company which can be useful in future. This particular project I find being extremely interesting and topical since it concerns all people having some relation to bank and those I believe quite numerous in our modern society.

My main task with this project was to perform the study and present results for the management board in order for them to be able to make decisions with regard to the changes of cash services.

When writing on the assignment during the internship I have had the possibility to discuss different areas of the topic and get additional information from Nordea on it on a daily basis. Some however might think that this combination of the study and internship can create bias for the assignee. Since through the internship the assignee gets so much internal information it can be the case for me to act as assigner instead of being neutral to both sides. For example when creating questions for the customers I could be influenced by Nordea’s decision for change towards cashless banking and present it in a positive way for the study group. Bearing this in mind I have tried to stay neutral to the both sides involved in the study and not affect the course and results of the research.

2.2 The Author’s Preconceptions

Preconceptions can be depicted as a backpack that we are carrying around throughout our lives. This backpack is filled with new things as soon as we acquire new knowledge while some old ones might be changed or discarded. This means that different people have dissimilar preconceptions and thus they see things in a different way. This in turn affects people in how they interpret reality and make their choices in line with their preconceptions.\textsuperscript{16} Scientists identify two types of preconceptions. One of them is general preconception concerning social background, life experience, education and religion and another one is approach to knowledge i.e. the author’s perception of reality.\textsuperscript{17}

During many years it was normal to consider that researchers should have objective opinions free from subjective judgments while conducting studies. However, things have changed over time and now it is claimed obvious even in the scientific world that it is really hard to not be influenced by preconceptions in the world of mass knowledge. This means that objectivity is a rare phenomenon that can be achieved in today’s world. Therefore, it is of essential value to reflect over preconceptions that researcher has on the studied topic in

\textsuperscript{16} Thurén, T, (2007), \textit{Vetenskapsteori for nybörjare}, Stockholm Liber, p. 53
\textsuperscript{17} Johansson Lindfors, M-B, (1993), \textit{Att utveckla kunskap}, Lund Litteratur, p.76, ISBN 91-44-32851-6
In order to avoid their unrestrained impact on the study process.\textsuperscript{18} In order to facilitate awareness among the readers and myself about the preconceptions and experiences that I have and which could possibly affect the course of the study I further identify them and explain in what way they could influence present research.

I have an international background living in Sweden and having my origins in the south part of Russia. During my studies at Umeå School of Business and Economics I had the opportunity to study and work as a trainee both in Sweden and abroad. I believe that I have gained valuable international experience which in turn has widened my perspective. The acquired knowledge in applying 'analytical and critical eye' to everything new, making search for the needed information in databases and different sources of media as well as writing and presenting the results found, are the skills I have developed through the course of my studies. My belief that these skills are the right ones for conducting this research has certainly impacted on the study process and its presentation.

Besides, based on my personal experience and general knowledge of banks becoming cashless I believe that older customers who are not used to pay with bank cards and utilize it for cash withdrawals would be unhappy by banks becoming cashless. In addition, I believe that both older people and those not having practice of handling e-cards and internet banking would also express dissatisfaction and be skeptical to the appearance of cashless banking. This is due to their lack of knowledge and practice of electronic payments and e-banking which in turn would create problems for such customers not being able to make their transactions through bank’s cash services.

Likewise, I think that the customers who are used to pay with banknotes and coins for products and services may express their dissatisfaction of banks becoming cashless. Furthermore, I believe that older people are scared to use credit cards since it requires memorizing different numerical codes and passwords which might be felt hard to remember. Lastly I believe that almost all customers would express fear of having only e-cards and not cash for their disposals. This fear is strongly related to control issue when having only electronic transaction one can expose himself for control over all purchases he makes.

\textbf{2.3 Management Perspective of the Study}

When reading the problem questions two possible perspectives could be identified for this study: customer or management perspectives. However, this study is conducted on the commission of Nordea and concerns the organizational change initiated within the bank and the impact of such organizational change on their customers. Hence, this study is written from the management perspective. By understanding the beneficiary customers’ expectations of Nordea becoming cashless I will provide useful suggestions for Nordea for their decision-making.

2.4 View of Knowledge

Knowledge is a recognized body of facts or ideas which has been obtained by using senses or explanation. Moreover, knowledge is never something final but changing as soon as new information appears and influences our thinking and reasoning. The view of knowledge communicates the way the researcher interprets the reality and the method he/she applies in a study. Therefore it is essential for researcher to make it clear already at the beginning of the study what approach is used and how the study is conducted. I provide this information in the following sub-chapter.

Through the time researchers have discussed whether an objective or subjective reality exists and if there is a possibility to gather information about the reality. The focus has been on whether the social world can and should be interpreted in the same way as the world of natural science. Here two different views of knowledge are identified. One of them is positivism which means that the methods from natural science should be applied when studying social phenomena. Another one is hermeneutics which assumes that there are various pictures of what we call reality and that all people understand things differently.

I believe that my view of knowledge lean more towards the hermeneutics rather than positivism. The social reality in my study is seen as something constructed and subjectively experienced which means that it is based on earlier understanding of human nature in order to generate new information for further understanding. Banks in this sense are socially constructed activities which are subject to organizational change. However, organizational change directly influences its core asset i.e. customers who in their turn can also affect banks. Therefore, both banks and their customers can be identified as social actors having impact on each other. I believe that by studying customers from the position of social constructivism will help me to understand customers’ expectations of cashless banks.

The focus in this study is lying on understanding beneficiary customers’ expectations of banks changing from cash services to deeper customer relationship. In order to highlight customers’ expectations of cashless banks I start by looking for the theories concerning bank’s organizational change and customers’ expectations of such change. Based on the theoretical ground semi-structured interview questionnaire is developed and the interviews are conducted with six beneficiary customers of Nordea. When interpreting the data collected through the interviews I revise the theories and create hypotheses which will be

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further tested on the empirical findings of the quantitative study. This means that the study is based on both interpretation and justification of the customers’ expectations of cashless banks and thus cannot be solely objective. However, I am convinced that research object should be always studied as close as possible and as deep as possible, why I have decided to use mixed methodology. By combining qualitative and quantitative research methods it would be both possible to understand customers’ expectations and to test whether the same understanding could be applied for the whole population of beneficiary customers.

2.5 Scientific Approach

Two different approaches exist for studying the social reality: deductive and inductive. The deductive approach is primarily based on testing existing theories when studying social phenomenon. This approach is characterized by applying quantitative method when collecting and analyzing findings. In contrast inductive approach generates theory during the course of research and therefore is concentrated on the interpretation of the social phenomenon with help of qualitative method. Since the main purpose of this study is to contribute to better understanding of customers’ expectations of banks going over to cashless activity towards their customers I believe that the combination of qualitative and quantitative strategies would allow fulfilling this purpose. Hence, both deductive and inductive approaches are used in the research strategy.

The combination of deductive and inductive approaches seems to be a reasonable way to go when trying to study the social phenomenon both in depth and width. Here, by studying beneficiary customers’ expectations of banks changing to cashless activity I would like not only to capture customers’ expectations but also be able to make generalization concerning the whole group. As a consequence, I build my research strategy upon three main gears: the theoretical ground, the qualitative and quantitative studies. This method has been named triangulation and means “using more than one method or source of data in the study of social phenomena”.

When doing the pre-research about the studied subject I have firstly done some brainstorming of the knowledge acquired during my studies as well as the experience of doing such type of study. Specific additional information with regard to the studied area

and discussions about it have had place with the assigner. These factors have contributed to the choice of the theoretical ground highlighting different aspects of organizational change of banks, customers’ reaction to change, customers’ demands of cash and cash services, etc. Based on the theoretical view a semi-structured interview guide has been developed for qualitative study which is aimed to provide in-depth information concerning beneficiary customers’ expectations of banks going over to cashless activity.

The information received from the qualitative interviews has in turn led to both filling of the gaps in the theory part and construction of the quantitative survey for broader study of customers’ expectations. These relationships between theory, qualitative and quantitative studies are explained by the rotation sign of each gear in the figure above. When the quantitative study had place the results were analyzed in the light of completed theoretical framework. As a consequence the research is seen as a cycle of inference processes or a chain of reasoning encompassing both subjective and objective logics.\(^{29}\) In this case such process has been characterized by the revision of customer related theories where the focus has been changed from general customers’ demands of cash services to the demands of cash services strongly related to the payment instrument use, e-banking, and management of ATMs. Furthermore, this triangulation process led to thorough consideration of aspects included in the questionnaire used for the quantitative survey.

### 2.5.1 Combination of Quantitative and Qualitative Methods

Paradigm could be defined as view of our surroundings and ideas which direct researchers. The scientific world gives us two different views of paradigm: the positivist paradigm represented by quantitative methods and the constructivist paradigm explained by qualitative methods. During time there has been long discussion whether these two methods mirror true value of reality. This has led to the pacifist view which combines two different methods in order to provide more veracious view of the world.\(^{30}\) By combining two research methods I strive to both get deeper knowledge of beneficiary customers’ expectations of cashless banks and build a solid ground for being able to draw conclusions about the total population.

Qualitative research has been described by many scientists as a field of investigation in itself with a strong linkage to cultural and interpretive studies of human experience. The use of this method is “an attempt to secure an in-depth understanding of the phenomenon in question”.\(^{31}\) I have not found any direct study made on customers’ expectations of banks becoming cashless. In order to acquire knowledge in this particular subject I use qualitative methods when conducting interviews with 6 beneficiary customers of Nordea. Furthermore,


beneficiary customers are main social actors with their experiences and expectations and I believe that more comprehensive research as qualitative study would help to highlight the shadows of the researched question.

As a result, I have chosen to conduct the semi-structured interviews which mean that the interviewee will be asked open-ended questions prepared ahead. Such type of interviewing allows creating a relaxed atmosphere where an interviewee feels comfortable and willing to answer questions. Furthermore, qualitative study to a high degree concerns about understanding phenomenon from the actor’s point of view and the semi-structured interview more than others permits the possibility to accomplish this task. It is achieved by asking the interviewee additional questions, making needed clarifications and asking open questions.32

The pro-qualitative scientists argue that the researchers doing in-depth interviews should not put their hand into numbers. However, many qualitative studies trying to give explanations to social phenomena usually have a single imperfection being the difficulty to persuade about the claim made in the study. This is due to few examples selected for the research.33

Quantitative method is about trying and testing the scientific inquiry. This type of research is represented in numbers and thus is the ground for descriptive and statistical analysis of the findings.34 When employing the quantitative research in the study of customers’ expectations, I aim to test whether the knowledge acquired through the semi-structured interviews is applicable to the whole population of beneficiary customers. The quantitative survey will allow me to draw conclusion closer to the population and to provide Nordea with relevant suggestions. Therefore, I believe that the combination of the two methods will permit both better understanding of the studied question and the generalization. However, there could be some issues when using the combined methods which are brought to the readers’ attention in the next sub-chapter.

2.5.2 Critique of the Combined Methods

In spite of using both qualitative and quantitative methods and trying to avoid disadvantages of each and one approach, there are still some difficulties that can arise when applying two methodological approaches. One of such issues is the transformation of the information collected via qualitative study into theories and then creation of easy comprehended question used in the quantitative survey. This requires good skills of understanding answers of the interviewees and ability to convert the meaning into one

question. The failure to conduct this in a proper way will eventually result in wrong interpretation and validity of the study.\textsuperscript{35}

When conducting the semi-structured interviews I had prepared questionnaire with some space left after each questions in order to be able to write the answers of the interviewee. Since, the interviews were conducted with each interviewee at a time I had the possibility to write down everything said by the participants who in general gave precise answers to asked questions. Furthermore, it was not difficult to find relevant theories based on which hypotheses were created along with the questions for the quantitative survey.

Another issue of the combination of two methods is time frame. Conducting two studies always takes more time than doing only one especially with regards to the interpretation of the data collected and analyses. When having the time limit researcher can be in a hurry to accomplish the given task and might forget something essential that should have been considered in the study. This can have further consequences on validity and reliability of the research made.\textsuperscript{36}

Despite the fact that in my study I had time constraint, I believe that I still had time and good possibilities to discuss different aspects of the research both with the supervisor and the assigner. In this way I could steer and plan the study in right direction and thus be able to conduct the study encompassing all essential characteristics and do it in time.

\textbf{2.6 Abductive Approach}

Abductive method is broadly used in many case studies where these single cases both interpreted and tested from a hypothetical point of view. Furthermore, it means that empirical area of a research is gradually developed during the course of the study. Moreover, some adjustments of theoretical part are made under the process.\textsuperscript{37}

Within the research strategy discussed above I have employed the abductive approach by refining the theoretical framework based on the qualitative data collected through the semi-structured interviews. I use the abductive approach because it allows me to keep the theoretical framework open to new ideas and thoughts in order to get more and right information about customers’ expectations of banks becoming cashless. In this way I believe the theoretical ground is strengthened in order to provide a solid basis for analyses of the data collected by quantitative survey.

2.7 Secondary Sources

A variety of different sources exist for collecting the required information for a research. Secondary sources comprise wide range of existing literature in form of books, articles, internet information available at different websites. For the purpose of this study all of the mentioned sources have been used in order to facilitate better understanding of the subject and also to provide good scientific basis for the theoretical framework.

My main search for the pertinent literature of studied subject has been conducted through the databases accessible via the Umeå University’s library. There I have used LIBRIS and ALBUM in order to find relevant books and the databases EconLit and Business Source Premier with the search engine of EBSCO. Furthermore, I have used Google where some relevant websites and articles were found as well.

In order to get the best hit of significant literature in these databases I have used numerous key words. The most relevant are presented here: “organization/ al change”, “factors affecting organizational change”, “types of organizational change”, “restructuring and development”, “strategic organizational change”, “managing cashless banking”, “cashless bank”, “cashless banking”, “bank’s cash services”, “from cash services to customer relationship”, “becoming cashless bank”, “meeting customers’ expectations”, “changing customers’ attitudes”, “communicating organizational change to customers”, “inform customers about the change”, “educating bank customers”, “customer relationship management”, “loyalty”, “long-term relationship”, “trust in banking services”, “bank customers”, “customers’ demand of cash service”, “demand for money/cash”, “payment instruments”, “e-banking”, “cash usage”, “information required”, “information for bank customers”, “information channels”, “customer education in banking”, “the loyal customer”, “trust in bank services”, “customers’ loyalty”, etc. Some of these key words have been created when finding relevant literature that provided hints for further search and some of them came up after conducting the semi-structured interviews.

Additionally, this database has been utilized to find the relevant sources for the methods used in this study by applying following search words: “case study”, “qualitative method”, “quantitative method”, “mixed methodology”, “triangulation”, “qualitative studies”, “semi-structured interview”, “quantitative survey”, “random sample”, “questionnaire”, etc.
3. NORDEA & BENEFICIARY CUSTOMERS

“The essence of good planning is re-planning since planning has to be a continuous process and is at bottom a way of handling uncertainties” – Sir Alec Cairncross

This chapter provides background information of Nordea developing into the corporation of today. These developments were characterized by numerous organizational changes contributing to the appearing phenomenon of cashless banking. Additionally, I present the characteristics of beneficiary customers of Nordea and the strategies with regard to the changes of cash services at Nordea.

3.1 Historical background

Nordea represents one of the biggest banking activities in the north part of Europe. Even though the bank has new name its origins go 189 years back from today. The first stone for the nowadays Nordea was put by the bank under name Sparekassan for Kjøbenhavn og Omegn which was open in 1820. This bank’s main goal was to deal with banknotes and credits and was intended to service wealthy people. The industrial development eventually led to more people having cash in hands. The demand for saving money grew and savings banks started to come up in different areas of Sweden. By that time Christiania Kreditkasse the oldest credit bank in Norway was also opened in 1848 in order to facilitate and save the costs for acquiring credits.39

The First World War brought significant changes into the activity of banks. Many more people had money which consequently resulted in demand for safer transactions. Swedish Postgirot which is now part of Nordea opened its payment services in 1925. All cash services were made manually and employees were holding bookkeeping with help of paper and arithmetic knowledge which resulted in time-consuming and hard work. The appearance of punch card machines in 1950s facilitated the accounting process in banks and made it easier for employees to manage their work. Consequently, this innovation brought changes into the services offered by bank to its customers. Now, bank could offer more secure and wider services with giro payments for bills and payments in stores with checks.40

Further technological development resulted in the introduction of the ATMs during 1970s which for the first time allowed bank customers to conduct their business operations from home. Slightly afterwards, when computers entered markets and came into practical use both among people and different activities, financial institutions started to offer electronic banking services. Nordea’s e-banking came into function in 1996.41

40 www.nordea.com cited 2009-03-28
41 Ibid.
As all other activities Nordea is driven by competition within the financial market trying to stay effective, work at low cost and offer high quality products and services. In order to create new possibilities for customers and for the bank the consolidation of four banks held place from 1997 to 2000. These banks are Merita Bank (Finland), Nordbanken (Sweden), Unibank (Denmark), and Christiania Bank og Kreditkasse (Norway). The idea was to create strong and fully integrated Nordic production and distribution networks to offer best financial solutions with regard to banking, insurance products and services. Since the December 2001 all operations have been conducted under the brand name Nordea meaning “Nordic Ideas”.  

Nordea is the joint-stock company whose ownership is shared by numerous stockholders. However, the three largest shareholders are the Swedish state with 19.9% of the shares, the Finnish insurance corporation, Sampo Group with 14.4% and Nordea Danmark fonden with 4.1% [February 2009]. Nordea is active in 19 countries either via its own offices or the representative ones. Today Nordea represents the largest group of financial services offered in Nordic and Baltic Sea region (Poland and Russia) with total 1,400 branch offices employing 34,000 persons. Currently, Nordea is having around 10 million customers including 5.2 million of e-customers and almost 1 million of company clients. Its shares are listed in Stockholm, Helsinki and Copenhagen.

3.2 Beneficiary Customers
Additional information to the description of beneficiary customer provided under the sub-chapter “Concepts and Definitions” is the fact that beneficiary customer is also assigned personal bank advisor. Together with personal advisor beneficiary customers agree to have regular meetings where the discussion is held about different aspects of private economy of the customer with regard to loans, investments, pension savings, etc. As a beneficiary customer one can receive benefit considering house loan, loan for house reparation, home- and detached house insurances, discount at Anticimex, discount for house alarm at Securitas and discount for house and cottage valuations. Additionally, one receives 50% discount on daily services for example payment over internet and phone, bank and credit cards, etc.

3.3 Strategies to Change Cash Services at Nordea Umeå
Starting from the 15th of February 2009 Nordea Umeå has introduced limited cash services from 10 a.m. to 3 p.m. at their two offices at Rådhusesplanaden and Vasagatan. From the 8th of June 2009 they further plan to move cash services from the central office at Rådhusesplanaden to the office at Vasagatan. Therefore, they would like to know beneficiary customers’ reactions and expectations of the bank. In addition, depending on customers’ expectations of cash services Nordea Umeå plans to go over to complete cashless activity in a soon future.

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42 www.investopedia.se cited 2009-03-28
43 Nordea’s definition of “beneficiary customer”
4. THEORETICAL FRAMEWORK

"The importance of money essentially flows from its being a link between the present and the futures" – John Maynard Keynes (1883-1946)

This chapter is divided into two major parts: bank and customer related theories. The bank related theories touch upon relevant aspects of banks going from cash services to deeper customer relationship. The customer related theories highlighting customers’ expectations of banks becoming cashless contain hypotheses which will be tested in the analysis part. In conclusion the summary of the theoretical framework is presented accompanied with a figure showing the linkages between bank and customer related theories.

4.1 Bank related theories

Considering bank organizational change into cashless activity, four main theoretical parts presented in the figure to the left have been chosen for the discussion. These theories aim to give background information of the organizational change of banks into cashless activity. Furthermore, based on these theories the suggestions to Nordea will be provided as to how customers’ expectations of banks becoming cashless could be met, in the analysis chapter.

The theories will be presented in order as it shown in the figure since the discussion of one is strongly related to another. I start by discussing the organizational change theories which comprise strategic organizational change and the change from cash services to deeper customer relationship theories.

4.1.1 Organizational Change

By changing from cash services to deeper customer relationship banks undergo an organizational change. To have an organizational change is not a new phenomenon within the banking industry.

During the last two decades the Swedish banking sector has experienced tremendous changes due to rapid expansion and major transformation within the banking system. With technological development in the world further adjustments have been made in the organizations of banks addressing the needs of their customers. Old service models become inefficient and are substituted by new ones with more innovative strategies. As a

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result, organizational change has become an obvious pattern for banks striving to remain profitable, to meet customers’ expectations, and to retain competitive edge.\textsuperscript{45}

Many academicians have defined organizational change as some type of restructuring. Heugens and Schenk (2004), for example, consider an organizational change as three different types of restructuring called portfolio, financial, and organizational restructuring. Portfolio restructuring concerns with the changes made within the portfolio of the company. Financial restructuring is related to changes of the capital and the structure of ownership of the organization, while the organizational restructuring concerns any type of structural change in an organization.\textsuperscript{46} With regard to banks going over to cashless activity the focus is held on organizational restructuring. Therefore, both financial and portfolio restructuring will not be discussed in further detail due to their irrelevancy for the purpose of this study.

Many attempts have been made in explaining organizational change. Van de Ven & Poole (1995) have identified four basic process theories of change: life cycle concerning with each step of organization’s life; teleological related to the purpose and social construction in the nature of organization; dialectical with regard to action and synthesis; and evolutionary theory concerned about the competitive selection and resource scarcity. These four theories are further divided into two dimensions. The fist one is called the unit change which is related to whether the process is concerned about the development of specific entity (life cycle, teleological) or interplay of two or more entities (evolution and dialectic). The second one is concerned about the mode of change describing the reasons and order of change (life cycle and evolution) or sees it as the construction process (dialectic, teleology). The authors also explain that sometimes there are no strict borders between these dimensions but all of them are in interplay with each other constituting ‘the language of motors’.\textsuperscript{47}

Regarding the bank organizational change from cash services to deeper customer relationship the emphasis is held on changing of one particular bank unit, cash services, and thus such change could be identified as life cycle and teleological. However, this change is further communicated to other actors i.e. customers. Therefore, this organizational change of the bank into cashless activity is seen as interplay of all four basic process theories.

Moreover, different types of organizational change have been identified with regard to the time frame. Porras & Silvers (1991) make clear contrast “between change that is episodic,

discontinuous, and intermittent and change that is continuous, evolving and incremental.\footnote{Porras, J.L. & Silvers R.C., (1991), Organizational Development and Transformation Change and Development, Annual Review Psychology, Vol. 42, pp. 51-78} According to Dunphy (1996), the episodic change is the consequence of mismatch of organizational structure and the environmental demands which is caused by external events, for example technology change or internal events as altering key personnel. The continuous change described as updating of work processes and social practices.\footnote{Dunphy, D., (1996), Organizational change in corporate setting, Human Relations, Vol. 49, Issue 5, pp. 541-52} However, continuous change is characterized by small constant adjustments created simultaneously across units which can in their turn construct cumulative and substantial change of innovations appropriate in the future environment.\footnote{Weick, K.E. & Quinn, R.E., (1999), Organizational change and development, Annual Review Psychology, Vol. 50, pp. 361-86} The episodic change contains the replacement of programs rather than their alteration and seldom results in its full implementation.\footnote{Mintzberg, H. & Westley, F., (1992), Cycles of organizational change, Strategic Management Journal, Vol. 13, pp. 39-59} On the topic of the organizational change of Nordea into cashless activity I believe it is the case of continuous organizational change consisting of small adjustments appropriate for the external environment i.e. their customers.

Some researchers treat organizational change as the essence of constant development.\footnote{Orlikowski, W.J., (1996), Improvising organizational transformation overtime: a situated change perspective, Information System Research, vol. 7, Issue 1, pp.63-92} Furthermore, this development is strongly related to the innovation of organization’s functions, its workers, formation and the allocation of resources.\footnote{Huber, G.P., Sutcliffe, K.M., Glick, W.H., (1993), Understanding and predicting organizational change, See Huber & Glick 1993, New York: Oxford University Press, pp.215-265} Lundberg (1989) sees organizational change as a learning process of organization. The central argument in this view of organizational change is adjustment that is to manage internal operations of the firm to achieve necessary matches to the external environment.\footnote{Lundberg, C.C., (1989), On organizational learning: Implications and opportunities for expanding organizational development, In R.W. Woodman & W.A. Pasmore (Eds.), Research in organizational change and development, Vol. 3, pp. 61-82. Greenwich, CT: JAI Press.} Some other researchers link organizational change to the concept of organizational culture that improves the adaptability to the environment by integrating the know-how of adaptability into organization’s norms and values.\footnote{O’Reilly, C.A. & Chatman J.A., (1996), Culture as social control: corporations, cults and commitment, Research on Organizational Behavior, Vol.18, pp.157-200} Hence, organizational culture is seen as knowledge of interpretation of the organization’s actors and the evaluation of what they do.\footnote{Schneider, B., Brief, A.P., Guzzo, R.A., (1996), Creating a climate and culture for sustainable organizational change, Organization Dynamics, Vol. 24, pp.7-14} In this case of the bank meeting customers’ expectations when changing from cash services to deeper customer relationship, it is about conducting organizational change with clear elaborated strategies for both internal and external environment.
Strategic Organizational Change

The strategic organizational change occurs when firm realizes that it needs such alteration. It is usually in the case of changing environment both within and outside a firm depicting that its existing resources are obsolete. Thus, a firm must change in order to increase its performance. Moreover, environmental change may present new opportunities for an organization which would lead to the enhancement of performance. However, the performance can be “enhanced the most when the magnitude, timing and direction of strategic changes a firm makes are consistent with the environmental change”.\(^{57}\) This implies that a thorough analysis of the situation should be made along with formulation of strategies and their executions. It has been generally accepted that strategic management is concentrated on future goals of a company based on daily performance. The slogan of such strategy is to “find out what you are or may be good at and match it with the world’s present and future wants and needs”.\(^{58}\) In the case of becoming cashless bank it is therefore essential for bank managers to develop in time, consistent and matching the customers’ expectations strategies leading to the fulfillment of the bank’s goals.

Mintzberg’s studies of organizations show that strategic changes usually have gradual implementation and thus appear in step by step changes. In such case some strategies are implemented directly while others are waiting to be incorporated.\(^{59}\) Furthermore, according to Nord (1989) the cost of choices required to effect strategic organizational changes must be explicit in order to achieve social cooperation.\(^{60}\) The strategic choice and knowledge within the strategy are strongly associated with the environmental structure and internal conscious awareness of implementing the strategy. The way the strategy is implemented within the organizational change affects the firm performance.\(^{61}\) Considering the strategic organizational change of Nordea it could be the case of implementing some strategies directly while waiting with execution of others depending on customers’ expectations and demands of cash services. By applying strategic choice and knowledge of customers’ expectations Nordea would gain on good performance and competitive advantage.

Many of strategic organizational changes involve the aspects of changes of social actors’ behavior and attitudes towards the services offered as well as the constant changes occurring within the society.\(^{62}\) These are the major reasons why banks consider going over to cashless activity.


\(^{58}\) Nasierowski, W., (1997), *Rethinking Corporate Restructuring: A Comparison of the Four Central Approaches*, Technology Analysis & Strategic Management, Vol.9, No. 1, pp. 75-84


From Cash Services to Deeper Customer Relationship

The shift towards a cashless society has already started in many countries. In Europe this movement has been characterized by some bank offices becoming completely cashless i.e. eliminating services in paper money and coins and concentrating on electronic money. This shift is partly the result of technological changes causing wide awareness and usage of software within the society. As a consequence, organizations adjust to the societal changes not only for the purpose of competitive advantage but also for meeting the environmental needs. Within banking industry this adjustment meant the appearance of internet banking, electronic payment technologies and new information exchange.

With the appearance of automated clearing houses clear substitution of paper checks for regular payments have been noticed by direct deposits and withdrawals. Consequently, both types of paper payments have lost market shares to electronic payments. This switch from paper to electronic payments was characterized by IT innovations which led to the reduction of costs for transactions and the increased availability and convenience of electronic payments. This resulted in a wide usage of debit and credit cards among consumers. For the back-office banking activity improvement of IT resulted in productivity gains and scale economies.

Additionally, online electronic banking systems allow users to easy access their banking activities. This in turn led to the upcoming of the automated teller machines (ATM), phone banking and lately mobile banking facilitating the payment services for consumers. As a consequence the number of online banking users has grown tremendously, up to 5 million of the total population of 9 million in Sweden. This growing usage of the internet for banking services is advantageous for both parts: saving costs for customers and banks, and focusing on advisory services rather than cash services. At Nordea the shift towards deeper customer relationship based on advisory services has been characterized by 31% decline of heavy users (customers who are physically at the office at least once per month for any service) from February 2008 to 2009.

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64 Berger, A.N., (2003), Money, Credit and Banking Lecture, The Economic effects of Technological Progress: Evidence from the Banking Industry, journal of Money, Credit and Banking, Vol. 35, Issue 2, pp. 141-76
65 Gerdes, G.R. & Walton, J.K., (2002), The Use of Checks and Other Retail Noncash Payments in the United States, Federal Reserve bulletin, pp.360-374
68 Nordea Umeå yearly statistics
The technological change has certainly affected the institutional dynamics of banking whose customers become more independent when managing their bank errands.\(^{69}\)

Besides the growing number of e-banking customers there are some other reasons for banks to become cashless. One of them is control of financial crime. During the last centuries the number of bank robberies has increased immensely. Therefore, by becoming cashless bank would decrease chances for robbery. However, to become cashless creates challenges for banks especially from customers who are used to have cash. Even though cash still provides a globally accepted, convenient way providing anonymity for the end user it also carries means such as tax evasion, the black market as well as criminal activity.\(^{70}\)

Banks going from cash services to deeper customer relationship has certainly reasons both within internal and external environment. However, this organizational change of bank is enforcing change on bank customers some of whom are used to have cash as payment instrument and utilize bank’s cash services to manage their businesses. Therefore banks face the challenge of changing customers’ behavior towards cash and demand for bank’s cash services.

### 4.1.2 Changing Customers’ Behavior

For companies working within customer services and initiating strategic organizational change within the company it is important to change customers’ behavior and attitudes towards their new organizational structure and ways of operating. The study made on e-banking has shown that changing consumer’s behavior and attitudes is more profitable for banks than changing their own cost structure by adjusting to the customers’ needs.\(^{71}\) However, changing customers’ behavior towards cash usage and demand for cash services is not an easy task and before proceeding with this, the understanding of customers’ perception of bank services is required.

Grönroos (1990) suggested a complete description of the customers’ perceptions of financial services called the augmented services offering model (ASO). This model tries to integrate all steps of the service process as perceived by customers including service idea, service procedure in terms of interactions with the service provider and service outcome. This implies that in order to achieve service differentiation attention needs to focus on how consumers perceive the brand from holistic perspective based on perception versus the whole interaction between the consumer and the service

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provider. Here the central focus is on buyer and consumer interactions that constitute the service delivery process. Therefore, such organizational change as changing to cashless bank activity is the language of process rather than an outcome. It is seen as interplay with its internal and external members.\textsuperscript{72}

In this case beneficiary customers are interacting with bank’s personnel whenever customer’s need arises for banking services. Therefore, the personnel having close contact with customers should possess both knowledge and skills of understanding customers’ perception of cash services. The organizational change is closely related to the role of expectations in the change process. Expectations play a vital role in many aspects of human attitudes as for example motivation theory. Furthermore, it constitutes a key variable in organizational improvement efforts. Therefore it is essential to educate both internal personnel and external users in order to increase positive results of change programs.\textsuperscript{73}

Furthermore, in this case of changing to cashless banking it is also important to understand customers’ needs and demands for cash services. These areas are highlighted in more detail under the customer related sub-chapter. In order to succeed with strategic organizational change banks should also communicate the change to customers in a way leading them to alter their behavior and attitudes accordingly.

4.1.3 Communicating the Change to Customers

In order to communicate the organizational change to customers in an efficient way, banks should understand which communication channels are appropriate for their customers. For this purpose it could be efficient to use the same information channels that specific group of customers is used to communicate with their banks.

One should also consider that different age groups have different preferences when it comes to the ways to be informed. Younger customers, for instance, use the web much more than older people. This is closely related to their early usage of internet banking and also the knowledge of software.\textsuperscript{74} Therefore, banks could use their website and internet banking pages to communicate their organizational change to both younger customers and those having internet banking. Since these customers are usually wide users of computer they probably prefer to receive information via e-mail.

\textsuperscript{72}Gronroos, C., (1990), \textit{Service Management and marketing: Managing the Moment of Truth in Service competition}, Massachusetts: Lexington Books


\textsuperscript{74}Koufaris, M., (2002), \textit{Applying the technology acceptance model and flow theory to online consumer behavior}, Information System Research, Vol. 13, Issue 2, pp.205-223
With regard to older customers who are more skeptical to internet bank usage and prefer to visit banks to receive information from face to face interaction with bank’s personnel or via personal notice, it is efficient to use more personal approach. Information about the organizational change could be given in a form of short verbal notice when interacting with customers in other banking matters. This way is perceived to be most efficient allowing for the possibility of making further explanations when customers require such. Furthermore, a personal letter would probably draw more customers’ attention and would constitute basis for taking specific care of own customers. This is also a sign of good customer relationship management.

Other marketing strategies for informing customers about organizational change could be applied in order to facilitate easy adjustment. The physical place such as office could be utilized for marketing the change via personnel, information notice on the spaces which are noticeable for customers’ eyes. Moreover, due to the increased information exchange banks could also utilize marketing through other media sources such as newspapers, television advertisement, etc.

Furthermore, different organizational changes can be of diverse meaning for customers requiring different adjustment time. The theory of diffusion and adaptation of innovations concerns the processes which enter when the innovations are spread within the society and how different individuals adapt to them. The changes such as limitation of cash services or complete transformation to cashless banking are essential for customers meaning that the adaptation process for customers is longer than usually.

4.1.4 Customer Relationship Management

During the last decades there has been strong orientation on customers’ satisfaction by fulfilling their needs and wants as means for the achievement of organization’s objectives. This underlying motivation on customer focus is clear mission to create value for customers, stay profitable and gain desired performance. By creating value for customers organizations would gain customers’ loyalty, which in turn would result in business’ growth and profits.

Recent philosophers of customer orientation argue that “if organizations believe and truly adopt the philosophy that customers is the most important person in and to the

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76 Customer Relationship Management: The Ultimate Guide to the Efficient Use of CRM, Edited by SCN Education B.V., p. 31, ISBN 3-528-05752-1

organization then customer profitability and customer cash flow must become an important focus.\(^7^8\) This means that well developed customer relationship management should be exercised within the organization. Customer relationship management has now become a global business goal emphasizing companies’ search for customer-oriented and service-minded employees and their further education and training. This is further linked with internal marketing, teamwork, empowerment or soft human resource management encouraging more personalized service encounters.\(^7^9\)

During the e-banking era and services based on advising rather than cash services, where the interaction between customer and bank employees is of major importance, banks face the challenge of winning customer’s loyalty through product features and service excellence. This is however, related to winning customers’ confidence of internet banking usage. The studies on the internet bank usage show that customers see fears of personal information mistreatment over the internet especially for financial transactions.\(^8^0\) Furthermore, customers have doubts when trusting e-bank private policy which could be the reason to why they do not want to use e-banking.\(^8^1\) These are cases of security and privacy issues that affect users’ intention to adopt e-based transaction systems. Moreover, trust has remarkable influence on consumers’ willingness to engage in online exchange of money and personal sensitive information.\(^8^2\) In these cases banks should not only concentrate on providing right services for right customers but also ensure the security and privacy of the operations customers engage into with the bank.

Lee and Turban (2001) in their research concluded that customers do not adopt business to customer e-commerce and e-banking in the same degree as banks did primarily due to trust-related issues which are strongly related to the risk concerns. Furthermore, they claim that consumer’s trust in Internet transactions is strongly related to trustworthiness of internet merchant, the trustworthiness of internet medium and the contextual factors and the individual trust propensity.\(^8^3\) Trust is also an essential factor of customers’ willingness to engage in a transaction with web merchants.\(^8^4\)

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It has also been argued that IT based services can affect customers’ perception of service quality either positively or negatively. For example, when using electronic card in ATM for withdrawal the machine may swallow banking card and refuse to disgorge it. This can make customer frustrated if she or he could not receive punctual assistance. Therefore, to successfully improve customer’s satisfaction services must be used in a value-added manner determined by customers.\(^8^5\) In this case it means that customers’ expectations of banks becoming cashless should be recognized and met in order to succeed with the organizational change.

**4.2 Customer Related Theories**

With regard to the customer related theories four pertinent theories presented in the figure to the left have been chosen for the discussion. Each such theoretical part contains hypotheses which have been created based on the information obtained through the semi-structured interviews. Furthermore, these four theories aim to provide ground for the analyses of the quantitative survey under the analysis chapter.

The theories are presented in order as shown in the figure since the discussion of one chapter is strongly related to another. Since the organizational change is initiated within the bank I start by discussing theories related to the customers’ reactions on such change.

**4.2.1 Customers’ Reactions on Change**

The way customers react to organizational change is dependent on their difficulty and willingness to adjust to this change. Here the linkage of dependency is further extended to the willingness and acceptance of customers to change their behavior and attitudes towards new organizational structure.

According to the change reaction model there are three possible responses to organizational change: supportive, neutral, and resistant. Change management theory specifies that under the continuous organizational change, resistance is unavoidable. Individuals experience a shift in energy when faced with organizational change. If for example a person finds the change is threatening his or her energy will flow in a negative way. Others neutralize their energy because they are indifferent to the change and those who see potential benefit of change act

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in a supportive way. Furthermore, it is essential to understand that not all opposition to change is negative. Some strategies can turn the change into effectiveness.\textsuperscript{86}

Therefore, in this case customers not having specific needs of earlier services and having easiness in going over to new organizational structure of the bank would react positively or indifferently. Such positive and/or indifferent reactions to banks becoming cashless could be explained by customers’ earlier usage of bank cards, ATMs and internet banking services. The customers having difficulty with new structure and not willing to accept the organizational change would react negatively to the change. The semi-structured interviews have shown that all six interviewees are indifferent to Nordea Umeå becoming cashless. Therefore, I will test the hypothesis that the customers are indifferent to:

\begin{itemize}
  \item[a)] the limitation of cash services,
  \item[b)] the removal of cash services to Vasagatan,
  \item[c)] Nordea becoming cashless.
\end{itemize}

\subsection{4.2.2 Customers’ Demands}

The demand of cash services is strongly related to the customers’ willingness to possess money in their physical form. The customers’ demands for money could be further explained by different motives for holding cash in a pocket rather than on a bank account.

The liquidity preference theory of Keynes identifies three reasons to why consumers hold money. These reasons are the transaction motive, the precautionary motive, and last but not least the speculative motive. The transaction motive is justified by the need for money for regular expenses while the precautionary motive is explained by willingness to have money in the case of unexpected payments. The speculative motive on the other hand is characterized by investing money in order to generate more.\textsuperscript{87}

Another study made by Shy and Tarkka on the usage of cash and the debit card concludes that the cost for each of these payment instruments is decisive for the choice for payment. They found that consumers prefer to pay with cash for intermediate purchases, and debit cards for large acquisitions. The researchers also observed that cash was the most usable way for payment.\textsuperscript{88}

However, the cash usage as primary source for payment depends on another factor i.e. which instrument is acceptable for payment. This means that the acceptance of either

\textsuperscript{86} http://www.hrdq.com/onlineassessments/SAMPLEChange%20Reaction%202ed.pdf [cited 2009-04-03]
\textsuperscript{87} Mishkin, F.S., (2000), The Economics of Money, Banking and Financial Markets, 6\textsuperscript{th} edition, Addison Wesley Longman
payment instrument required to be mutual from both sides i.e. purchaser and seller. The late development of electronic payment systems with zero transaction fees for consumers and thus rapid increase of payments with debit cards explain the wider usage of electronic payment instruments.\(^8^9\)

Another study made by Brits and Winder (2005) shows increased usage of electronic payment instruments when making purchases rather than using checks or cash. They argue that this increased usage of electronic payments is strongly related to customers’ awareness of the cost involved in using these different means of payment where electronic payments have low costs.\(^9^0\)

In the 1980s consumers usually used cash and checks to pay in stores. At the end of the 1980s the debit card was introduced and consumers could use it to withdraw cash from ATMs instead of going to the bank. Fase, in the study made on the choice of payment instrument in relation to personal characteristics of consumers, found that the use of checks increased with the amount of transaction, the age of consumer, and the income.\(^9^1\) However, the studies made after show that the use of electronic payment cards is negatively related to age and positively related to the educational level of consumers.\(^9^2\)

Cash is regarded as universally accepted but rather unsafe means of payment while the debit cards is regarded as modern, easy to use and practical. Another study on the safety of cash usage made by Humphrey et al. (1996) concludes that cash handling is negatively related to the violent crime rate.\(^9^3\)

An article describing the advantages and disadvantages of using cash versus electronic instruments such as e-cards states that cash is the safest type of payment. Electronic payment on the other hand is considered to be the most dangerous way of payment since in the case of robbery it is easier to trace somebody who robbed you physically than professional hackers stealing money from the distance through virtual access to personal accounts.\(^9^4\)

Through the semi-structured interviews it appeared that the customers either not use at all or use seldom the cash services at Nordea. Therefore, I would like to test the hypothesis that the customers do not use cash services.

\(^9^0\) Brits, J.H. & Winder, C.C.A., (2005), Payments are no free lunch, DNB Occasional Studies, Vol. 3, Number 2, De Nederlandsche Bank NV, Amsterdam
\(^9^4\) www.cyberclass.net/changes.htm Big changes ahead in Canada’s banking system, cited 2009-02-12
Payment instruments

The payment behavior of consumers has changed considerably during the 20th century and the first years of the 21st century due to the introduction of new payment instruments. From the beginning of the 20th century many theoretical and empirical studies have appeared on cash usage payment behavior and payment choice of consumers.

The study made in Netherlands on the payment instruments shows that Dutch consumers feel that paying with cash is cheaper than paying with electronic payment cards. This explains the low usage of e-cards there. By making it cheaper for consumers to pay with debit and credit cards could increase the usage of payment cards. Most of retail payments in the Netherlands are still made in cash while paying by credit card is not very common there. The results in this research emphasize that Dutch consumers in most of cases use cash and debit cards rather than credit cards. This is further explained by consumers preferring to pay with cash because they can control their buying behavior better when paying out of the purse than with e-card. Another reason for paying with cash was the fact that many stores do not accept other payment means especially small merchants like hotels, caterings, parking, etc. Moreover, many consumers use cash when paying at food stores in order to avoid additional cost connected to payment with electronic cards. Those who used debit cards explained this payment instrument as convenient way to pay directly instead of going to bank or ATMs for withdrawals.95

Another study made in Norway shows that price elasticity is positively related to the demand of payment instruments. Here the Norwegian consumers preferred to use electronic means as payment instruments rather than cash.96 This implies that not charging additional cost for paying with debit and credit cards would stimulate consumers to pay with electronic payment means.

Age also plays a significant role in the choice of payment instrument. Several studies have shown that the youngest and the oldest groups are using cash rather than e-cards for payment. Here the strong relationship has been found between the age of consumers and their income, educational level and ability to manage electronic cards. Moreover, a negative correlation between age and both ATM card usage and smart card usage has been found.97 In the semi-structured interviews the participants have answered that they use e-card as main payment instrument and they also consider paying with e-card to be a convenient way for making purchases. Thus, I will test whether customers use e-card rather than cash as their primary payment instrument.

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E-banking Services Usage

Deregulation resulted in increased competition within industries and among companies. Internet expansion and wide usage of computers in banking enabled banks to better meet customers’ expectations. By using variety of broadband services and multimedia consumers changed their life styles and more business-to-business transactions are nowadays conducted online. Prior research has found positive relationship between perceived easiness and usefulness among e-bank consumers as decisive factors on the use of e-banking.98 Furthermore, e-banking provides higher degree of convenience since customers can have access to e-banking whenever they want. Besides, the accessibility of computers is sensed as advantage in using e-banking.99

On the other hand it has been identified that those who use e-banking services are also wide computer users. This means that people not having computer skills and experience of managing software have difficulty in using e-banking and therefore would prefer to pay with cash or other payment instruments. This could mean that younger consumers having both experience and literacy of handling computer would use e-banking much more that older consumers who during time got used to pay with cash.100 It has been found that upper and middle income groups appear to be affluent users of e-banking with some exception of older age group resistant to the adoption of internet bank.101

Kuisma et al. (2007) in their study made in Finland have identified reasons for resistance and not adopting internet banking among customers, who already have valid contracts for internet banking but prefer to pay their bills via ATM. “Lack of computer, routine usage of ATM, lack of information, usage of own device, absence of an official receipt, Internet surroundings, absence of bar code reader, changeable passwords and unclear proceeding at the monitor seems to be main attributes generating resistance and causing final rejection. Furthermore, the most influential values seem to be economy, safety, control, efficiency, convenience and general resistance to change.”102

Customers’ trust in e-banking is defined as “willingness of customer to perform on-line banking transactions, expecting that banks will fulfill its obligations, irrespective of their

100 Koufaris, M., (2002), Applying the technology acceptance model and flow theory to online consumer behavior, Information System Research, Vol. 13, Issue 2, pp.205-223
ability to monitor or control banks’ actions”

McKnight et al. (1998) have further identified two dimensions within this definition of e-banking trust: institution-based trust and trusting beliefs which are built one on another. It is meant that banks in order to encourage customers to develop positive expectations and eventually show willingness to trust have the option to influence customers’ beliefs through institution-based trust on control mechanisms.

With regard to the semi-structured interviews it appeared that all six participants of different ages have internet banking services which they consider to be an easy and convenient way to manage their transactions. Therefore, I test the hypothesis that customers of all ages have internet banking.

4.2.3 Required Information

With regard to the organizational change directly affecting customers’ use of services offered within the organization information is required in order for customers to understand new way of managing their businesses. Information should be delivered in time, giving the possibility to process new information and to adjust to new system. Different customers require different amount of time and information.

Additionally, quality of information is the key for organizations to succeed with change. In this case managers should treat information about the change as product for customers where customers’ needs are clearly established. Moreover, information process and life cycle of information together with its control should be well managed. By utilizing this type of quality information organizations can discover new opportunities, enhance their profitability and competitive advantage as well as retain their customers.

When faced with organizational change customers usually require explanatory information as to why the change is conducted. However, of more significant value for customers is guidance in new system that requires both information and education. It has been shown that education of customers is positively related to customers’ expertise and customers’ loyalty.

Besides the timing for information different customer require information through various information channels. The evidence from both the literature and variety of researches made on case studies of banking activity support the idea that many bank use Internet as new distribution channel for their products and services. Therefore, Internet becomes one of the major communication channels with both current and potential customers.\(^\text{107}\)

The majority of participants in the interviews seem to be not well informed about the changes of cash services at Nordea. They have expressed their wishes to be informed one month ahead and via e-mail or letter. Thus, I will test if

\begin{itemize}
  \item \textit{a)} Customers are well-informed about the changes
  \item \textit{b)} Customers want to be informed one month ahead about the changes
  \item \textit{c)} Customers want to be informed about the change of cash services via e-mail.
\end{itemize}

\subsection*{4.2.4 Customers’ Loyalty}

The concept of customers’ loyalty has been discussed by many researchers and academicians. Many of them are critical to what customers’ loyalty is. However, a lot of research is done on trademark loyalty which is strongly associated with satisfaction of services and products purchased by customers.\(^\text{108}\) In order to make customers loyal the organizations should incorporate into their activities relationship marketing.\(^\text{109}\)

Dick & Basu (1994) described concept of customers’ loyalty which is seen as a combination of both customer behavior and attitude with regard to understanding of loyalty. Here loyalty is seen as relation between the relative attitude that customer has to the services he/she receives and trust directed behavior he/she shows. The relative attitude is explained by the fact that customers compare product and services when considering buying them. There they also show behavior and attitudes towards products and services purchased. It means that customers usually behave in a certain way which is strongly connected to the way they receive or buy product and services.\(^\text{110}\)

Banking services in general comprise performances rather than items. They “cannot be seen, felt, tasted or touched in the same way that tangible goods can be sensed”.\(^\text{111}\) When acquiring different banking services consumers interact with various employees. The

\(^\text{109}\) Henning-Thurau, T. & Hansen, U. (Eds.), (2000), \textit{Relationship Marketing}, Springer Berlin
quality and essence of service can vary widely with regard to the bank, customer and point in time.\textsuperscript{112}

Most of the models used to describe customers’ satisfaction are based on the presumption that customers have well-formed performance expectations. The study made by Johnson et al. (1995) on the customers’ satisfaction on bank loan based on the data from the Swedish Customer Barometer confirms the opposite. Here customers’ performance expectations are more an artifact of performance and have no influence on satisfaction. This standpoint is completely different from other products and services which have positive relationship to customers’ satisfaction.\textsuperscript{113}

Internet service quality constitutes also an essential factor in customers’ satisfaction. A study made in Greece having much lower usage of internet banking than Sweden concluded strong relationship between customers’ satisfaction in internet banking and quality of information, responsiveness, web assistance, empathy and reliability. Reliability has been identified as the most antecedent factor in customers’ satisfaction of internet banking. Furthermore, it has been also stated that familiarization-related dimensions such as empathy and web assistance play significant roles in recommending the service to others.\textsuperscript{114}

When asking the interviews to explain what loyalty means for them and to define whether they can be loyal to a bank, the majority of them expressed that they do not feel any loyalty to the bank. Furthermore, they said that price is decisive when it comes to their choice of bank. However, they expressed their satisfaction of the services provided and said that they would not be affected by the changes of cash services at Nordea. Therefore, I will test if

\begin{itemize}
  \item a) Customers are satisfied with the services provided at Nordea
  \item b) Customers are not affected by the changes of cash services.
\end{itemize}

\textbf{4.3 Summary of the Theoretical Framework}

The theoretical framework has highlighted relevant for the research theories related to bank and its customers. Bank related theories provide the background of bank’s organizational change from cash services to deeper customer relationship. Customer related theories on the other hand present the relevant hypotheses which will be tested on the data generated from the quantitative survey. Both theoretical parts are intertwined and the discussion below provides linkages between these theories. The linkages are also shown in the figure below presented by spiral relationship starting from “organizational change” and ending by “customers’ loyalty”.

\begin{itemize}
  \item \textsuperscript{112} Parasuraman, A., Zeithaml, V.A., Berry, L.L., (1988), SERQUAL: A multiple-item scale for measuring consumer perceptions of service, Journal of Retailing, Vol. 64, pp. 12-40
  \item \textsuperscript{114} Santouridis, I., Trivellas, P. & Reklitis, R., (2009), Internet service quality and customer satisfaction : Examining internet banking in Greece, Total Quality Management, Vol. 20, Number 2, pp. 223-239
\end{itemize}
When banks initiate organizational change of cash services, strategic organizational change is usually employed focusing on the change from cash services to deeper customer relationship. This organizational change of banks has direct impact on customers constituting one of the major profit sources. Therefore, customers would certainly have some reaction to this change. In order to succeed with organizational change banks are faced with a challenge i.e. changing customers’ behavior and attitudes especially of those who are not willing to accept the change. This is because customers still demand bank’s cash services. Furthermore, their demand of cash services and cash is dependent on their main payment instrument and the use of e-banking services. In order to make the organizational change smooth banks are required to communicate the change to customers. However, customers need specific information and at different point in time. Hence, it is essential for banks to exercise customer relationship management especially when conducting the organizational change directly affecting their customers. By doing this banks would gain loyal and satisfied customers.
5. PRACTICAL METHODOLOGY

“Grace is given of God but knowledge is bought in the market” – Arthur Hugh Clough (1819-1861)

This chapter is divided into two major parts describing data collection methods used for compilation of data in this research. The goal of this chapter is to explain in more detail the processes of collecting, analyzing, and presenting data of both qualitative and quantitative methods applied in this research.

5.1 Qualitative Study

The main purpose of qualitative study applied in this research was to receive more information and to gain better understanding about beneficiary customers’ expectations of banks becoming cashless. In order to succeed with this task I have chosen to conduct semi-structured interviews with six beneficiary customers.

5.1.1 Semi-structured Interview

In the semi-structured interview a number of questions are presented in a form of interview schedule. However, this schedule allows varying the order of questions and asking further questions in search for relevant answers. Regarding the research I considered this type of interview being most appropriate since the purpose with the interviews was to gain better understanding of customers’ expectations of Nordea going over to cashless activity.

I have organized the semi-structured interview schedule focusing on 4 significant for this study areas. These areas are the services used and relation to Nordea, information about the organizational change and communication, reaction on organizational change and loyalty to Nordea. (See Appendices A1 & A2) The creation of these four relevant areas and questions therein has been steered by the theories related to organizational change and customers’ reactions to such change.

Selection of Participants

In order to find interviewees I have contacted the marketing chief who is responsible for personal advisors at Nordea. As I have already mentioned each beneficiary customer is assigned personal bank advisor. The marketing chief has asked each and one of personal advisors to choose from their customer databases three potential interviewees of different ages.

I have received a list with names and phone numbers. After contacting all customers on the list I have scheduled time for 6 interviewees. When taking contact with these people I have allowed them to decide the time for interview within one week limit, because I wanted

them to be relaxed when participating in the interview. The customers who have agreed for interviews were of different ages varying from 25 to 75. So practically there have been representatives of each age group (applied in quantitative study, see Appendix B).

**Practical Aspects of Semi-structured Interviews**

All 6 beneficiary customers have been interviewed in Swedish and at different points in time. Therefore 6 independent semi-structured interviews were conducted at Nordea’s central office in the conference room where only the interviewer and interviewee were present. These interviews lasted for approximately 40 minutes each. Every interview was conducted in the same manner i.e. in an informal environment with coffee and some snack.

At the beginning of interviews the purpose and the procedure of the study were explained. The interviewees were also informed that they will be anonymous in the study. Furthermore, I gave them the opportunity to ask questions in the case they had some doubts or specific thoughts with regard to the study. None of the six study participants asked questions.

I have chosen not to record the interviews considering that some topics in the interview schedule were sensitive for customers, for example the services used and loyalty issue. Instead of recording I have prepared my interview schedule by leaving space after each question for making notes. The same approach was applied in all the 6 interviews. Considering the fact the interviews were conducted with single person at a time and in a relaxed atmosphere I have had enough with time to write down everything the respondents said.

**Criticism of Semi-Structured Interviews**

During the interviews I felt that the respondents were interested in the subject and were willing to give relevant information. Moreover, they were open and gave complete answers to all questions. However, there were two respondents who needed some clarification about the difference in transaction related relationship and advisory related relationship to the bank. They have understood these relationships being the same since they do some transactions via advisor. In this case I provided them with explanation that by transaction I meant usage of the bank’s cash services. This has also made me aware of the fact that I did a mistake when creating this question. However, since the semi-structured interview was applied in the study it allowed me to give explanations when the respondent required such. Furthermore, I believe that my explanations were of neutral nature and have not affected the answers of the respondents.

**Presentation of Semi-Structured Interviews**

In order to present the semi-structured interviews in this study I have translated the data into English. The Swedish-English vocabulary was used when needed in order to keep the meaning of what has been said by the respondents and to hold the translated sentences close to the original answers. The answers were not complicated but clear and easy to translate.
To present the data I have chosen to follow the four themes of the question schedule. Therefore, four tables have been created for each theme where the answers of all six interviewees are summarized. Since the respondents are anonymous, they have been assigned letters such as A, B, C etc.

These semi-structured interviews had for purpose to gain better understanding and generate more information on different aspects of customers’ reactions and expectations. Hence, the analysis made on this data is completely related to revision of the theoretical framework in order to build up better fundament for further analyses and create hypotheses.

5.2 Quantitative Study

In this research the quantitative survey with self-completing questionnaire has been chosen in order to study wider group of beneficiary customers. The divisions into the five age groups have been taken after the SCB since Nordea did not have any specific requirements with regard to the age. However, based on my preconceptions I wanted to see the differences between older people i.e. over 65 and younger than 65. Furthermore, the gender and question 1 in the questionnaire were used as background questions. Other questions have been created in relation to the customer related theories. (See Appendix B1 & B2)

5.2.1 Simple Random Sampling & Practical Aspects

One of the basic methods of probability sampling is simple random sampling. This sampling method means that “every element in the population of interest has an equal and independent chance of being selected”. The independent way implies that the choice of any single element does not influence the choice of other.\(^{117}\) This means that the selection is entirely mechanical and the process is not dependent on the beneficiary customers’ availability and knowledge.

Before proceeding with simple random sampling the population to be researched has been identified. As it has been said the study is focused on beneficiary customers of Nordea. At present Nordea has almost 11 000 beneficiary customers in all ages starting from 0 and above. For the purpose of this study I have chosen to concentrate on adults from 20 years old and above. This is due to the fact that people up to the age of 19 are automatically beneficiary customers through their parents.

From Nordea I have received an excel file where all beneficiary customers along with all personal information including their addresses have been presented in age order. From this data I have taken away persons’ names from 0 to 19 years old, participants in the qualitative study since they would create bias, and dead persons’ names that were marked as dead.

I have arranged data in age order again to ensure that persons of all ages ranging between 20 and above would be presented in the sample. Thereafter I have performed statistical random sampling of 500 beneficiary customers in the excel file with help of the command Rangebetween (1; 9346). The number of 500 has been chosen after the cost and resources considerations.

After arranging the randomly selected persons, address labels for letters have been made in order to facilitate the circular of questionnaires. When printing of all questionnaires has been completed I have sent 500 letters to potential respondents. Along with the questionnaire the persons received the follow letter where the information about the study together with encouragement to answer was enclosed. Furthermore, the respondents were informed about the time limit for answer of 7 days after receiving the letter. I however waited one additional week for responses since I have realized that the answer letter of economic class might take up to three days to deliver.

5.2.3 Analyses of Quantitative Survey

Out of 500 letters sent I have received 247 letters. All these 247 questionnaires have been coded and all data input was conducted into SPSS program. However, after realizing 4 return letters I have redone the input already with 243 questionnaires. In order to examine the data I have conducted several statistical analyses:

1) I employed descriptive statistics with frequency tables along with pie charts for each of the questions in the questionnaire.

2) I performed crosstab analyses with all relevant variables to the age groups, to see how the distribution looks like in each of the groups. These statistics have been followed by bar charts for easy presentations and understanding.

3) In addition to crosstabs I performed Pearson chi\(^2\)-test with exact significance in order to see whether the relationship between two variables was significant. This I have done by looking at p-value, which should be lower than 0.05 to show the significance of 95%.

4) I have further calculated the confidence intervals estimator of p only for relevant variables.

Furthermore, in the survey I have had one open question (15) where customers could write in what way Nordea could meet their needs of cash services during the nearest months. I have received many opinions with regard to cash services at Nordea. These opinions have been summarized as common comments according to the age groups and are presented under the Empirical Findings chapter (See Appendix C for Swedish version).

5.2.4 Missing Values

Out of 247 questionnaires received 4 have not been answered, but sent back due to the wrong addressee. So these 4 are complete missing values and thus they are not included in the analyses. Moreover there have been small missing values almost in all questions at maximum of 4%. This might be due to the participants’ unwillingness to give particular answer or some misunderstanding.
Furthermore, many participants have not fully answered to the background question 1 about the services they have at Nordea probably because they do not want to reveal this information, do not remember all services or consider it irrelevant to mention. Since this question aimed to provide the background, sort of introduction into the questionnaire this question is not employed in further analysis. Some people I believe also misunderstood the question 20 where I asked the respondent to indicate on the scale of 1 to 5 on different characteristics that Nordea fulfills in their opinion. Some customers have not put the score for some characteristics probably because they believe that Nordea does not live up for some characteristics. However, I admit that I should have done it more clearly by putting five squares for each score for every characteristic.

5.2.5 Non-response Analysis
Non-response in the quantitative survey constitutes almost half of the sample size, i.e. 51%. This non-response could be of different reasons. Some respondents could just refuse to answer to the questionnaire because of the lack of time, absent-mindedness, none belief in Nordea’s organizational change or management, unwillingness to participate in the study, etc. Furthermore, they could be also described as passive beneficiary customers who are not directly influenced by the organizational change.

5.2.6 Criticism of Quantitative Study
The criticism to the quantitative survey employed in this study could be the lack of pilot study which is usually good to perform in order to test the understanding of questionnaire by the studied group. However, I have discussed the questionnaire with several people both at the university and Nordea before distributing it to beneficiary customers.

Furthermore, in order to acquire higher response frequency the reminder letter could be sent to those who have not answered. However, working on the commission on Nordea I have had the time limit to present the findings for the management group which in turn would implement some strategies within the short future. It would also require additional costs, time, and resources which were not accessible.

5.2.7 Presentation of Quantitative Survey
I have chosen to present the relevant data under the Analysis part accompanied with analyses and suggestions to Nordea. In this way I believe all relevant aspects related to the hypotheses tested and the theories used would be covered. Hence, not all statistically examined data will be presented in the analysis part but only relevant and those that have shown significant relationship among variables. However, I have saved the files of all examined data which can be provided on the request. I have chosen not to put the data in the appendices due to their extensive size of approximately 60 pages.

Furthermore, when analyzing the data and drawing conclusions one major assumption is made: if the non-respondents (51%) would answer to the questionnaire their answers will be distributed in the same proportions as the answers of the respondents. Moreover, when presenting the data I use valid percent figures which do not include missing values.
6. EMPIRICAL FINDINGS

*“Things are only worth what you make them worth”* - Molière: Les Précieuses Ridicules

This chapter presents the data collected through the semi-structured interviews with six beneficiary customers. This data is provided in the form of summarized tables according to four major themes of customer related theories. Then, the data of open question from the quantitative survey is presented as common comments with regard to the age groups.

Table 1: Customers’ Reactions on the Change

<table>
<thead>
<tr>
<th></th>
<th>How do you react to limited cash service 10 a.m. to 3 p.m. at the bank?</th>
<th>What does it mean for you not being able to use cash service at the bank after 3 p.m.</th>
<th>What do you think about no cash services from the 8th of June at the central office</th>
<th>What do you think about the bank going over to cashless activity?</th>
<th>How can the bank meet your needs in cash service under the transformation time? Any suggestions?</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>I understand that. I use bank services in other way. Can meet my personal advisor after my work. It is economical; the personnel can have part-time work.</td>
<td>I can wait to next day. I am flexible.</td>
<td>Does not matter. I can do my business at the internet bank.</td>
<td>No problem with that</td>
<td>Do not have need in cash service. Does not matter for me. It is important that ATMs function.</td>
</tr>
<tr>
<td>B</td>
<td>I am not affected by that change. It is okay.</td>
<td>No bigger difference.</td>
<td>As long as there is at least one place, it is okay. If I would have much money I would like to make deposit on account.</td>
<td>Completely positive. No affected.</td>
<td>Increase cash amount at ATMs to 20 000 SEK per withdrawal.</td>
</tr>
<tr>
<td>C</td>
<td>I am not affected by that</td>
<td>Does not matter. Can plan before 3 p.m. No big shock.</td>
<td>Good, less queues. I am seldom here, only to meet my personal bank advisor or to make a withdrawal.</td>
<td>Natural. I believe it is on the way there. I can adjust myself to this change.</td>
<td>I do not know. Inform one month ahead about the change.</td>
</tr>
<tr>
<td>D</td>
<td>Not influenced personally.</td>
<td>No bigger problem for me.</td>
<td>I am not depended on that.</td>
<td>Not affected</td>
<td>I have no need in cash service. I am internet user.</td>
</tr>
<tr>
<td>E</td>
<td>No big deal. I am prepared for these time openings. No need.</td>
<td>Not a problem</td>
<td>It is practical. I am not worried about the de-escalation.</td>
<td>It depends on the situation I am in. It is general development. Nordea should think of informing customers ahead.</td>
<td>To replace cash with cards, other service that will cover cash requirement. To reduce costs for private customers and banks.</td>
</tr>
<tr>
<td>F</td>
<td>Does not matter</td>
<td>Can adjust myself to these hours.</td>
<td>Okay, equally well. It is still at the centre.</td>
<td>No bigger influence on my bank errands.</td>
<td>No need of this today.</td>
</tr>
</tbody>
</table>

Summary: All the interviewees seem to be positive about the changes: the limitation of cash services from 10 a.m. to 3 p.m., the removal of the cash services to the office at Vasagatan and the fact that Nordea will become completely cashless. They seem to understand these changes and express that they can easy adjust themselves. However, they have uttered that Nordea should: look after ATMs good function, increase the amount of withdrawals to 20 000 SEK per withdrawal, inform about the changes one month ahead, replace cash with specific card.

---

<table>
<thead>
<tr>
<th></th>
<th>Nordea services, why</th>
<th>Usage of Cash service &amp; its meaning</th>
<th>+/- in use of ATMs</th>
<th>Payment instrument e-card and/or cash</th>
<th>Internet bank usage</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A</strong></td>
<td>Personal bank advisor, house loan, etc. It is natural to use bank services</td>
<td>Do not use so much, however used before the internet banking introduction</td>
<td>+/- no obstacle to get cash, can get cash any time / limited amount of withdrawals, sometimes no receipt, off function</td>
<td>Use e-card is convenient. I am Visa electron user and would like to use e-card in all occasions</td>
<td>Good, I use internet bank under 2 years. For bigger issues I contact my personal bank advisor</td>
</tr>
<tr>
<td><strong>B</strong></td>
<td>Personal bank advisor, house loan, personal &amp; saving accounts. Nordea’s customer through old post service.</td>
<td>I use cash service very seldom when I withdraw bigger amounts.</td>
<td>+/- it is easy / limited amount of money</td>
<td>Usually I use bank card. But, I pay with cash when I have in order to get rid of them.</td>
<td>It is easy to use internet banking and it has all services I need.</td>
</tr>
<tr>
<td><strong>C</strong></td>
<td>House loan, salary account, saving account, internet, Visa card, etc. I started at Nordea and continue there.</td>
<td>I do not use cash services myself. But sometimes for other person as a trustee.</td>
<td>+/- easy, available, quick / I do not see any disadvantages</td>
<td>It is easy to use e-cards and it is good to avoid having too much cash.</td>
<td>Very good. It is good overview of all transactions made and what I have left, etc.</td>
</tr>
<tr>
<td><strong>D</strong></td>
<td>Private transactions, personal bank advisor, whole bundle of services at one place</td>
<td>Use seldom cash services. I am an internet user.</td>
<td>+/- when I want to have cash in my purse it is easy to access. Use cash as a complement to e-cards.</td>
<td>I use e-card when travelling and for bigger purchases</td>
<td>Perfect. Any time you can access your banking operations and it is quick.</td>
</tr>
<tr>
<td><strong>E</strong></td>
<td>Personal account, check account, pension, house loan etc. I started at Nordea and use their services since then.</td>
<td>Use a little at some occasions</td>
<td>It does not matter for me</td>
<td>It depends on purchase. Bigger purchases with e-cards</td>
<td>good</td>
</tr>
<tr>
<td><strong>F</strong></td>
<td>Salary account, internet bank, cards, house loan, etc.</td>
<td>Never use it.</td>
<td>+/- accessible 24 hours. However, I do not use ATMs; take out at stores when needed. / no</td>
<td>Use e-card is convenient. I do not need to go to two places, less risk for robbery. Good overview of all transactions.</td>
<td>Convenient, do everything via internet bank.</td>
</tr>
</tbody>
</table>

**Summary:** The six interviewees have a variety of services at Nordea which makes them beneficiary customers. Moreover, they expressed that they do not use cash services at Nordea or use it seldom. Almost all of them use internet banking and e-cards as their main payment instrument. Some of them however use cash as complement payment instrument. Furthermore, they think that internet banking is convenient way to manage their transactions.
### Table 3: Required information

<table>
<thead>
<tr>
<th>How have you got info about cash services at Vasagatan?</th>
<th>Info about limited cash services from 10 a.m. to 3 p.m.</th>
<th>Opinion about open hours for cash services</th>
<th>Info about no cash services from the 8th of June at central office</th>
<th>What info about change of cash services would you like to get</th>
<th>Place, way and time for info about change in cash services</th>
<th>How do you prefer to get the info</th>
</tr>
</thead>
<tbody>
<tr>
<td>A No knowledge about that From the interviewer Disadvantage. It is time when I cannot come to the bank No About the change, what does it mean in the future, what I cannot influence Via internet bank, mass media, newspapers. Not via letter Internet and media is draws the attention</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>B Via my dad Did not know It would be good to have until 6 p.m. However, I am flexible and can come other times Did not know Ad in newspapers Newspaper ad one week before the change is implemented or e-mail e-mail is better way to inform me, it will draw my attention</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>C At customer meeting and I saw info at the bank Did not know Does not matter No knowledge Letter posted to my home about the removal of cash service No big deal, but good to know Letter, e-mail would be easiest for me</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>D From the interviewer From the interviewer No matter No To receive the info about when, how the change would happen Letter, phone call, or via personal bank advisor I read everything I get per post, so letter or personal info via bank advisor</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>E I saw notice on the doors of the bank 2-3 days ago when coming to the bank Logical, I believe it is expensive to offer cash service nowadays No Webpage of Nordea Inform at the bank personally especially about drastic changes. Via media ads or personal bank advisors E-mail and via internet. It is convenient for me.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>F I have heard about that from somebody Did not know about that, have no interest in it anyway No difference From interviewer when asked question Inform per letter about the changes e-mail E-mail I read carefully</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Summary:** In general it seems that the interviewees are not well informed about the limitation of the cash services at Nordea and the removal of cash services to Vasagatan from the 8th of June. They further express their opinion about the limitation considering the open hour not being enough and their indifference towards the changes. With regard to the information required they express different opinions to the content of information and the way they want to be informed. However, when asked which way of information they would prefer to be informed the majority of the interviewees said via e-mail or letter.
### Table 4: Customers’ Loyalty

<table>
<thead>
<tr>
<th>Other banks’ services</th>
<th>Transaction and/or advise related relation</th>
<th>The meaning of advise related relation</th>
<th>How many times did you change bank during last 5 years?</th>
<th>How long have you been beneficiary customer at Nordea?</th>
<th>What does it mean for you to be loyal to a bank?</th>
<th>How do the changes of cash service affect you in your decision to stay or change the bank?</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Advice-related when I have need in it. Small transactions I do myself via internet banking</td>
<td>Safety. It is about thing I need advice in like at doctor’s. It feels good and valuable</td>
<td>Zero. Never had need for changing bank.</td>
<td>For 2 years in connection to taking mortgage and acquisition of other services.</td>
<td>No loyalty rather personal laziness.</td>
<td>No</td>
</tr>
<tr>
<td>B</td>
<td>None at all.</td>
<td>It means safety, for example when I take a loan for house, other advices.</td>
<td>Never. I am happy with Nordea and my personal bank advisor.</td>
<td>Approx. 15 years</td>
<td>No loyalty to the bank. Price is decisive in the choice.</td>
<td>No. I use cash services very seldom and it is not an argument for bank change. Most I do via internet.</td>
</tr>
<tr>
<td>C</td>
<td>None</td>
<td>Good, flexible, and it is what I need.</td>
<td>No. I am satisfied.</td>
<td>1 year but I have been beneficiary customer before as well. Big loans.</td>
<td>Not loyal to a bank. In the case of better offer at other bank I would change.</td>
<td>No, it is not big thing. Does not affect me. It is not so important with cash.</td>
</tr>
<tr>
<td>D</td>
<td>Insurances</td>
<td>To gather all economic side at the same place.</td>
<td>Never, I am satisfied.</td>
<td>Long time. I am satisfied and it is worth money.</td>
<td>If other bank offers one service better priced I would not change because I am satisfied here in overall services.</td>
<td>No affected. Have no reason to change bank. If the cost would increase considerably then I would probably change.</td>
</tr>
<tr>
<td>E</td>
<td>At Swedbank I have only bank box.</td>
<td>Person you know</td>
<td>No, no reason. It functions well. I received good offer here.</td>
<td>Do not remember precisely, but long time.</td>
<td>Loyalty is connected to emotions. Not loyal to a bank. I appreciate bank, thankful for service, no complications, and no bureaucracy.</td>
<td>Depends on the situation. This change is general and is not important to have cash at the bank office. Therefore no reason for me to switch to other bank.</td>
</tr>
<tr>
<td>F</td>
<td>Scandia bank long time ago. Did not have time to move.</td>
<td>The most important is to take care of daily economy whenever I want and advisory meeting when I need.</td>
<td>Changed once to Nordea to get house loan.</td>
<td>2 years. However, I used Nordea services before.</td>
<td>Not to change bank. Price is important but not the only reason for change.</td>
<td>Not affected. I do not have need in cash service.</td>
</tr>
</tbody>
</table>

**Summary:** Many of the interviewees use other banks’ services. All of them consider that they have both transaction and advice related relation to Nordea and have not changed from Nordea. However, some of these interviewees are recent beneficiary customers while others have been beneficiary customer for longer time. Moreover, they do not feel being loyal to a bank since their choice of bank is steered by price. Lastly, they are not affected by the changes to the extent that they would consider changing to another bank.
Open Question of the Quantitative Survey

Most Common Comments:

-29

- I try to avoid cash as long it possible, so this question does not matter for me.
- It is good as it is.
- To withdraw larger amounts at ATMs.
- Completely okay with limited cash service but it is bad hours. 12-18 would be better, it is more convenient hours.

30-49

- It would be good to be able to order cash when the need arises.
- Have the same open hours as usual.
- Functioning ATMs.
- I am satisfied with how it functions. I use seldom cash service.
- I do not feel that I have a need in cash services today.
- I think that function should stay there. It is not always that technology function and then it is good to have cash service. Then if it happens that one have large amounts of cash that one wants to deposit, how does it work?
- It is safe as customer to get personal service.
- Inform about how/where one can deposit cash that one got as a gift.
- Question is how Nordea will meet my needs in the future.
- It is good that one can make a withdrawal in stores.
- How do I do when I take out money for somebody else? Daughter/mother’s saving account?
- Nordea must inform about how I can make larger cash withdrawals so I can plan cash purchases.
- 10 a.m. – 3 p.m. is difficult time for me to visit the bank. Longer open hours are desirable.
- To have the possibility to deposit money that children save in their money-boxes in easy and good way. This is important for children and is a good way to teach them how to manage money.
- I use internet banking and ATMs because I live 6 miles from Nordea’s offices. For me it is important that ATMs are available to have access to in small suburbs.
- Personally I am not depended on this service now. But when we built new house 3 years ago and there were many entrepreneurs for example excavator machinist wanted to be paid in cash. Thus I believe to take away cash completely is not good. Think also about all pensioners who always have cash in motion.
- Use seldom cash service. Those times I must I can adjust after the services offered.
- I think than one should have some possibility for cash service.
50-64
- At least one evening per week open until 6 p.m. with all services.
- Then one should have the possibility to choose another bank, for instance ICA.
- I do not need to withdraw money that often but when the need arises it would be a benefit to be able to take out money after 3 p.m.
- Well functioned ATMs.
- It does not matter for me but one should think about older persons.
- I am satisfied with how I take care of my bank errands.
- It is enough with ATMs for my part.
- To be able to deposit money via machines.
- To be able to get exchange in the afternoons as well.
- The bank should be open from 12 to 6 p.m.

65-74
- It is important than internet banking is functioning well where I do all my errands.
- My need is to come to the bank to take out our cash. Sometimes one needs it for coffee, to eat at places where they do not accept e-cards but only cash, plus for gifts.
- I would like to be able to take out money in the future.
- Cash I take out at ATMs. Never use cash services for withdrawals.
- It is completely okay. Do not need anything else.
- Cash service some hours. At my age one has difficulty to take away cash completely.

75+
- Nordea’s office at Vasagatan – this cash service should be enough.
- As long as I am healthy it is okay but I believe it can be a problem later. However, as long as ATMs exist and function well it is good. But crime in the society is difficult to avoid.
- Do not have need in cash service the next months.
- I wish Nordea could have an ATM at ICA MAXI so I do not need to use other banks’ ATMs for withdrawals.
- I do not have, but need to have an e-card.

Summary: With regard to the most common comments it seems that participants of all age groups have positive remarks about the changes of cash services at Nordea. However, customers of all age groups also express their worries about the function of ATMs. Some of them ask for the possibility for larger withdrawals. Almost in all age groups people would like to have longer hours for cash services at least during one day in a week open until 6 p.m.
7. ANALYSES

“The only pleasure is to rediscover for oneself the whole of knowledge” – Michel Servin

This chapter is a combination of presentation of the pertinent data followed by their analyses. I start by giving the background data of the studied sample. Then I proceed to the four main areas of discussion which aim to test the hypotheses. Additionally, the analyses of common comments presented in the empirical findings are made. Moreover, the analyses and suggestions to Nordea will be provided directly in relation to each of the areas discussed.

7.1 Background Data

In the figure to the left above called Sample & Population the proportions of the distribution of the population (total 9346) and sample (studied 243) in each of the age groups are given. This distribution shows that each of the age groups is represented in the sample and almost in the same proportion to the population in each age group. In the figure to the right above, the representation of each age group in the sample is provided in the percentage ranging from 1.74 to 2.87%.

As it has been explained beforehand the selection of the participants in the sample has been conducted by applying simple random sampling. This resulted in 49.6% of males and 50.4% of females in the studied sample.

Therefore, based on almost equal distribution of participants in each age group, simple random sampling method applied, and even portion of males and females among the participants, the sample constitutes good presentation of the population of beneficiary customers.

7.2 Customers’ Reactions on the Changes

In this chapter I aim to test the hypotheses that the customers are indifferent to: a) the limitation of the cash services, b) the removal of the cash services to Vasagatan, c) Nordea becoming cashless. The results of the hypotheses will be further analyzed in light of the customers’ reactions theories and suggestions to Nordea will be provided as to how respond to the customers’ reactions on the change.

7.2.1 Data of Customers’ Reactions on the Changes

In order to answer to these hypotheses I have analyzed the results of three variables: 1) Reaction to cash 10-15, 2) Cash only Vasagatan opinion, 3) Cashless Nordea opinion. Furthermore, the relationship between each and one of these variables and the variable called “age groups” was examined by using crosstabs and Pearson chi$^2$-test. When the significance has been shown I have calculated Confidence Interval by using formula provided under the Practical Methodology chapter.

1) **Figures:** Customers’ reactions to the limitation of cash services 10-15

The customers’ reactions to the limited cash service 10-15, shown in figure left above, presents a significant majority (72.5 ±5.6%) of the participants who are indifferent to the limitation of cash services ($X^2=177.8$, $p<0.001$, df=2).

The relationship between the “age groups” and the variable “Reaction to cash 10-15”, shown in the figure right above, was significant ($X^2=22.406$, $p<0.01$, df=8). By examining the distribution of the alternative “not important” one can see that it is dominated in each age group. However, those who are “mainly negative” to the limitation of cash services are among -29-74 rather than 75+.
2) **Figures:** *Customers’ reactions to the removal of cash services to Vasagatan*

![Bar Chart](attachment:image1.png)

The customers’ reactions to the removal of cash services to Vasagatan from the 8th of June, shown in the figure to the left above, have resulted in a significant part (67.4 ±5.9%) being indifferent ($X^2=126.68$, $p<0.001$, df=2) to this change of cash services.

The relationship between the variables “Cash only Vasagatan opinion” and “age groups” has proved to be significant ($X^2=20.991$, $p<0.01$, df=8). The age groups -29 and 65-74 show almost the same pattern as age groups 30-49 and 50-64, while age group 75+ diverges by having more equal distribution of answers among the three alternatives.

3) **Figures:** *Customers’ reactions to cashless Nordea*

![Bar Chart](attachment:image2.png)

With regard to the customers’ reactions to cashless Nordea shown in the figure to the left a significant majority (54.2 ±6.3%) was mainly negative to this change. ($X^2=82.07$, $p<0.001$, df=2).

The relationship between the variable “Cashless Nordea opinion” and “age groups” has not shown significance ($X^2=7.489$, $p>0.10$, df=8). However, by looking at the distribution of “mainly negative” opinions it is clear that all age groups are dominated by this alternative answer.
Conclusions: Since a significant majority of the participants (72.5 ±5.6%) is indifferent to the limitation of cash services 10-15 I accept the hypothesis that a) customers are indifferent to the limitation of cash services. However, there has been clear presentation of those who are mainly negative to the limitation of cash services prevailing in group -29-74 rather than 75+.

Considering the removal of cash services to Vasagatan a major part of the participants (67.4 ±5.9%) has shown to be indifferent as well, thus I accept the hypothesis b) the customers are indifferent to the removal of cash services to Vasagatan. Here, the group 75+ has shown different distribution resulted in almost equal proportions of those who are mainly positive, indifferent, and mainly negative.

With regard to cashless Nordea a significant majority responded that they are mainly negative to such organizational change, thus I reject the hypothesis c) customers are indifferent to Nordea becoming cashless. No significant relationship was shown between this variable and age groups therefore no further conclusions are made with regard to the age groups.

7.2.2 Analyses of Customers’ Reactions on the Changes

From the statistically examined data and relationships among the variables it appeared that beneficiary customers react positively to the limitation and removal of cash services to another office. However, a major part is negative to the complete transformation of Nordea into cashless activity. As it has been introduced by the change reaction model, customers usually react to organizational change in three ways: supportive, neutral, and resistant. Here we have strong neutral and negative reactions from the customers’ side. The neutral position taken by customers towards the changes of cash services can be explained by no impact on the customer’s need of such services. Furthermore, this can also be related to the customers’ earlier usage of bank cards, ATMs and internet banking services.

The negative customers’ reactions can be related to the change management theory which explained that under the continuous change resistance is unavoidable. Changing step by step i.e. by first limiting cash services to 10-15, then moving cash services from the central office to another office and afterwards going completely over to the cashless activity could be regarded as continuous change. Customers could feel such constant change hard to accept and adjust to and thus respond in a negative way. However, another aspect as considering change to be threatening could also explain the negative customers’ reaction to the organizational change. Moreover, it can also depend on the customers’ unwillingness to change own attitudes and behavior due to their dependency of the previous organizational structure and cash services.

\[120\] http://www.hrdq.com/onlineassessments/SAMPLEChange\%20Reaction\%202ed.pdf [cited 2009-04-03]

\[121\] Ibid
However, it is essential to understand that not all opposition to change is negative. The negative reactions of customers could be changed depending on different strategies applied in order to improve the change. Therefore, such negative customers’ reactions could be turned into effectiveness.

7.2.3 How to Respond to the Customers’ Reactions

As Mintzberg’s studies of organizations have shown the strategic changes usually have gradual implementation and thus appear in step by step changes which means that some strategies are implemented directly while others are waiting to be incorporated.\textsuperscript{122} Based on the findings that beneficiary customers react positively to the limitation of cash services to 10-15 and to the removal of such to the office at Vasagatan, Nordea could pursue with these changes.

Since the bank has already implemented the limitation of cash services from 10 to 15 in both offices they can just follow it. With regard to the removal of cash services to Vasagatan’s office the implementation could be made however under some considerations. As it has also been argued that the way the strategy is implemented within the organizational change affects the firm performance.\textsuperscript{123} In the case of such alteration which is considered to be radical since customers are used to the idea of receiving cash services at the bank’s central office, specific strategies should be employed. As it will be shown further in the paper the information is of essential value for the customers when faced with such change.

In regard to becoming completely cashless a certain cautious approach needs to be taken. The central argument in this view of organizational change is adjustment of internal operations of the bank activity to achieve necessary matches to the external environment.\textsuperscript{124} In this case the external environment represented by beneficiary customers is not prepared to accept Nordea’s organizational alteration to the complete cashless banking. For the bank this implies that changing to a cash-free banking within soon future would bring severe damages to the bank’s profitability. Therefore, bank managers should develop in time, consistent and matching the customers’ expectations strategies leading to the fulfillment of the bank’s goals. It could be wise to await the customers to adjust to the implemented changes so time would pass before introducing new organizational change. Furthermore, new study of customers’ expectations of cashless banking is required to conduct in order to see whether the reactions have changed and customers are more positive and willing to adjust themselves.

\textsuperscript{122}Mintzberg, H., (1978), Patterns of Strategy Formation, Management Science, May, pp. 934-948
7.3 Customers’ Demands of Cash Services

In this chapter I aim to test the hypotheses a) customers do not use cash services, b) customers use e-card rather than cash as their primary payment instrument, and c) customers of all ages have internet banking. The results of the hypotheses will be further analyzed in light of the customers’ demands of cash services theories and suggestions to Nordea will be provided as to how to change the customers’ demands towards cash services.

7.3.1 Data of Customers’ Demands of Cash Services

In order to answer to the hypotheses I have analyzed the results of four variables named 1) cash service usage, 2) payment instrument, 3) internet banking, and 4) cash withdrawals. I have also looked at the relationship between these variables and age groups by using crosstabs and Pearson chi²-test. The data of these variables is presented below.

1) Figures: Cash Service Usage

Considering the cash service usage shown in the figure to the left a substantial majority (83.1 ±4.7%) have answered that they use cash services less than once per month. \(X^2=270.88, \ p<0.001, \ df=2\).

The relationship between this variable and “age groups” has not shown to be significant \(X^2=22.355, \ p<0.01, \ df=8\). In the figure right to the left, the category of people using cash services less than once per month is dominant in each of the age groups. However, the distribution is not equal in all three categories. Those who use cash services “once/month” and “more than once/month” are in equal proportions in the group 30-49. In age group 75+ the category “once/month” is almost equal to the category “less than once/month”.

The relationship between the variables “cash service usage” and “payment instrument” has resulted in significant association between these two variables \(X^2=17.451, \ p<0.01, \ df=4\). The figure shows that those who use services less than once/month have e-card as their main payment instrument constituting 89 ±4.7%.
In regard to the payment instrument variable a significant majority (71.4 ± 5.7%) of the participant answered that they use e-card as payment instrument ($X^2=175.80$, $p<0.001$, df=2).

The relationship between the variables “payment instrument” and “age groups” has shown to be significant ($X^2=45.44$, $p<0.001$, df=8). By looking at the figure to the right above one can see that those who use cash as payment instrument are presented in all age groups. In the group 65-74 this category is dominated while in the group 75+ usage of cash and e-card is almost equally distributed.

On the topic of internet banking a significant majority (75.8 ±5.4%) of the participants answered that they have and use internet banking ($X^2=64.06$, $p<0.001$, df=1).

The relationship between the variables “internet banking” and “age groups” has shown to be significant ($X^2=83.585$, $p<0.001$, df=4). From the figure above to the right it is quite clear that in all groups customers have internet banking services. However, in the age group 75+ those who do not have internet banking are dominated (90.5 ± 7.5%, $X^2=13.76$, $p<0.05$, df=1) while in age group 65-74 customers who have and not have internet banking are presented in almost equal proportions.
4) Figures: Cash withdrawals

In regard to cash withdrawals at the ATMs a major part of beneficiary customers (92.8 ±3.3%) have responded that they manage withdrawals well ($X^2=373.70, p<0.001, df=2$). When performing chi$^2$-test a significant relationship has been shown between this variable and “age groups” ($X^2=32.636, p<0.01, df=8$).

**Conclusions:** A significant majority of the participants (83.1 ±4.7%) have answered that they use cash services less than once per month thus not demanding cash services to high degree. Thus, I accept the hypothesis a) *customers do not use cash services*. However, it has also been shown that people in age group 75+ use cash services “once/month” in the same proportion as “less than once/month”. This could be further related to their usage of e-card and cash as main payment instruments.

On the subject of payment instrument a significant majority (71.4 ± 5.7%) answered that they use e-card rather than cash. Nevertheless, in the group 75+ usages of cash and e-card as payment tools are almost equal. Since the majority of the participants use electronic card I accept the hypothesis b) *customers use e-card rather than cash as their primary payment instrument*.

Given that a noteworthy majority (75.8 ±5.4%) of the participant answered that they have and use internet banking I accept the hypothesis c) *customers of all ages have internet banking*. Additionally, all groups of beneficiary customers have internet banking services. However, in the age group 75+ a prevailed dominance is shown by those who do not have internet banking services while in age group 65-74 the proportions of those who have and not have internet banking are equivalent.

**7.3.2 Analysis of Customers’ Demands of Cash Services**

The statistics of customers’ demands of cash services have shown that major part of beneficiary customers use cash services less than once per month. This is strongly related to the payment instrument usage in this case electronic cards as it has been shown by the relationship between these two variables. Those who use cash services less than
once/month use e-card as their main payment tool. However, cash as payment tool is also present in this particular group of beneficiary customers using cash services less than once/month.

The choice of payment instrument could be related to the cost issue as the study made by Brits and Winder (2005) shows that increased usage of electronic payments is strongly related to customers’ awareness of the cost involved in using these different means of payment where electronic payments have low costs.\(^{125}\) However, cash as payment instrument is also used by those who do not often exploit cash services at the bank. The usage of cash could depend on another factor i.e. which instrument is acceptable for payment. This means that the acceptance of either payment instrument required to be mutual from both sides i.e. purchaser and seller which is not functioning everywhere.\(^{126}\)

Moreover, within the age group 75+ equal proportions use cash services once/month and less than once/month. This is associated with their almost equal usage of cash and e-cards as main payment instruments. It could be explained by the negative relation between the use of electronic payment cards and age.\(^{127}\) Older people are used to manage cash rather than debit or credit cards. Besides, the usage of either payment tool can be also connected to the safety issue. Younger people who can manage e-cards and internet banking consider e-cards being the safest type of payment. Older people who are used to handle paper money and coins think that electronic payment is the most dangerous way of payment. One of the studies made on safest payment instrument states that cash is the safest tool since in the case of robbery it is easier to trace somebody who robbed you physically than professional hackers stealing money through virtual access to personal accounts.\(^{128}\)

The usage of e-cards could be also explained by its convenience as payment instrument choice when paying directly instead of going to bank or ATMs for withdrawals.\(^{129}\) Furthermore, the usage of e-cards could be related to the usage of internet banking which also provides higher degree of convenience since customers can have access to e-banking whenever they want and can also see over their historical transactions. In this way it is easier to control the expenses and other aspects related to the management of own transactions.\(^{130}\)


\(^{128}\) www.cyberclass.net(changes.htm) Big changes ahead in Canada’s banking system, cited 2009-02-12


Among the older people 50-75+ in this research it has been shown that large proportion of customers does not have internet which could mean that these customers are not ordinary computer users. This means that people not having computer skills and experience of managing software have difficulty in using e-banking and therefore would prefer to pay with cash. However, among younger group 30-49 there is a clear proportion of those who do not have the internet banking as well. The reasons to this as Kuisma et al. (2007) in their study made in Finland identified is resistance to not adopting internet banking due to the lack of computer, routine usage of ATM, lack of information, usage of own device, etc.

7.3.3 How to Change Customers’ Demands

The results have shown that the majority of the beneficiary customers do not often use cash services at the bank. They further pay with e-cards and use internet banking services. Therefore, to change customers’ behavior towards the demand of cash services is not a major challenge for the bank. However, in the case of planning to go over to cashless activity any time soon it could be useful to incorporate well developed customer relationship focused on the service differentiation. It means that the services offered and provided for the customers should be based on well functioning interplay with its internal and external members. This is of major importance for the bank since they would like to focus on the advisory services rather than providing cash services.

Given that beneficiary customers are interacting with bank’s personnel especially with personal bank advisors, the internal staff should possess both knowledge and skills of understanding the customers’ perception of bank services and needs in such services. Furthermore, when accepting the organizational change customers usually rely on the role of expectations in the change process. Expectations are closely related to the motivation of acceptance. Hence, an individual approach should be applied especially with regard to the personal bank advisor and customer relationship. Such approach would result in organizational improvement efforts leading to satisfied customers willing to accept organizational change that has proved in appropriateness and good functionality. Furthermore, it is essential to educate both internal personnel and external users in order to increase positive results of change programs.

Finally in order to succeed with strategic organizational change banks should also communicate the change to customers in a way leading them to alter their behavior and attitudes accordingly.

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133 Gronroos, C., (1990), Service Management and marketing: Managing the Moment of Truth in Service competition, Massachusetts: Lexington Books
7.4 Information Required

In this chapter I aim to test the hypotheses a) Customers are well-informed about the changes, b) customers want to be informed one month ahead about the changes, c) customers want to be informed about the change of cash services via e-mail. In addition, the results of the hypotheses will be analyzed in light of the information required theories and suggestions to Nordea will be provided as to how inform customers about the change.

7.4.1 Data about Information Required

In order to answer the hypotheses I have analyzed the results of five variables with regard to how well informed customers are: 1) Information about limited cash services 10-15, 2) Information about cash services at Vasagatan, 3) Information about no cash services at the head office from 8\textsuperscript{th} of June, 4) Information time, and 5) Information via letter. These are presented in order along with the examination of the relationship between these variables and age groups by using crosstabs and Pearson chi\textsuperscript{2}-test.

1) Figures: Information about limited cash services 10-15

With regard to the information about limited cash services 10-15 at Nordea the significant majority of the participants (75.3 ±5.4\%) has shown that they do not know anything about this change ($X^2=62.26$, $p<0.001$, df=1). Besides, the relationship between this variable and age groups has shown not to be significant ($X^2=3.711$, $p>0.4$, df=4).

2) Figures: Information about cash services at Vasagatan
A significant majority of the participants (65.3 ±6%) has answered that they know that Nordea offers cash services at the office at Vasagatan ($X^2=22.63$, $p<0.001$, df=1). When looking at the relationship between this variable and the age group, no significance has been shown ($X^2=4.78$, $p>0.3$, df=4).

3) Figures: *Information about no cash services at the head office from the 8th of June*

As it is shown in the figure above to the left a great majority (93 ±3.2%) does not know that the cash services will be completely moved to the office at Vasagatan ($X^2=179.75$, $p<0.001$, df=1), which means that there will be no cash services at the head office. Then when examining the relationship of this variable and age groups no significance has been shown ($X^2=1.206$, $p>0.8$, df=4).

4) Figures: *Information Time*

With regard to the time for information, the participant have answered differently requiring information >1 month ahead, 1 month ahead and a pair of weeks ahead of the change. However, those who require information about the change 1 month ahead constitute a dominant group (48.5 ±6.3%, $X^2=29.99$, $p<0.001$, df=2). When proceeding by examining the relationship between the information time variable and age groups no significance has been shown ($X^2=7.148$, $p<0.5$, df=8).

Considering how customers would like to be informed I have analyzed 8 variables: Nordea’s website, letter, email, phone call, internet banking page, TV ad, Newspaper ad, and information via advisor. The purpose with the analyses of these 8 variables was to
identify the way the beneficiary customers would like to be informed. Only information by
the letter has resulted in high proportion as desirable way to be informed. Other ways of
information have shown at highest up to 21.8% (via Newspaper ad) in category “Yes”,
while information via e-mail resulted in only18.9%. Thus here I will present only variable
called “Letter”.

5) Figures: Information via Letter

A significant majority of the participants (77.5 ±5.3%) has answered that they would like to
receive the information about the changes via letter i.e. per post (X²=71.61, p<0.001, df=1).
Further, when looking at the relationship between this variable and the age group I have not
observed a significant relation (X²=8.546, p>0.5, df=4).

Conclusions: The hypothesis a) customers are well-informed about the changes is rejected
partly on the basis of the significant majority of the participants (75.3 ±5.4%) responding
that they do not know anything about the limitation of cash services 10-15 at Nordea; large
part of participants (65.3 ±6%) answered that they knew about cash services offered at
Vasagatan; and lastly a great majority (93 ±3.2%) does not know that the cash services
from the central office will be completely moved to the office at Vasagatan from the 8th of
June.

With regard to the time for information, the participants have answered differently.
However, since a slight majority (48.5 ±6.3%) requires information about the change 1
month ahead I accept the hypothesis b) customers want to be informed one month ahead
about the changes.

On the subject of the way beneficiary customers want to be informed a significant majority
of the participants (77.5 ±5.3%) has answered that they would like to receive information
about the changes via letter sent per post. Hence, I reject the hypothesis c) customers want
to be informed about the change of cash services via e-mail.

7.4.2 Analyses of Information Required

When customers face organizational change within the bank that directly affects their
private businesses they require information. The statistics have revealed that beneficiary
customers are not well informed about the limitation of cash services and the complete removal of cash services to Vasagatan. These changes constitute direct impact on the customers’ management of their cash errands. For that reason, information about the change must be provided by the bank and delivered in time.

With regard to the time for information different customers usually have different preferences. However, statistics have indicated slight dominance by those who would like to receive information one month before the implementation of organizational change. In this way beneficiary customers would have time to process the information received and in the best case to adjust to the change.

Different customers require information through various channels. Many researches on the communication between banks and their customers showed that Internet is one of the major communication channels to both current and potential customers. Nevertheless, in this case the majority of beneficiary customers want to be informed via postal letter. This could be further related to beneficiary customers’ habits to receive information from the bank in a written form. Moreover, it could be also related to the importance of receiving detailed information about the changes that have large impact on customers’ cash management.

7.4.3 How to Inform Customers about the Change

The statistics presented above have revealed that customers are not well informed about the organizational changes that Nordea undertakes at present time and is planning to conduct in a close future. When faced with organizational change customers usually require explanatory information as to why the change is conducted.

It has been argued that the quality of information is the key for organizations to succeed with change. In this case managers should treat information about change as product for customers where customers’ needs are clearly recognized. In relation to the organizational changes within Nordea, the bank should inform its beneficiary customers via personal letter where all the necessary information is provided as to where, when, and how they could do their errands related to cash services. In my personal opinion, the bank should also use all possible ways for informing its customers, especially in places where customers are interacting with the bank in most. It can be at the desk when receiving service, via personal bank advisor, via e-mail and letter.

Furthermore, the information about the organizational change should be made in a form of short verbal notice when interacting with customers in other banking matters. This way of

informing customers is regarded to be the most efficient due to having possibility for making further explanations when customers require such.\(^{137}\)

However, of more significant value for customers is guidance in new system that requires information and education which is positively related to customer loyalty.\(^{138}\) Hence, Nordea could employ other ways of informing their beneficiary customers about the changes, for example by arranging specific events where customers would receive information with regard to the planned changes and also education in how to manage their cash management without assistance of the cash service personnel. Moreover, the information process, life cycle of information along with control should be well managed by the bank. By utilizing this type of quality information Nordea might discover new opportunities, enhance its profitability and competitive advantage by retaining beneficiary customers.

### 7.5 Analysis of Customers’ Loyalty

In this chapter I aim to test the hypotheses a) customers are satisfied with the services provided at Nordea and b) customers are not affected by the changes of cash services. In addition, the results of the hypotheses will be analyzed in light of the theories of customers’ loyalty and suggestions will be provided to Nordea as to how increase customers’ satisfaction and gain loyal customers.

#### 7.5.1 Data about Customers’ Loyalty & Satisfaction

With regard to the satisfaction of services offered at Nordea many variables have been examined such as satisfaction of services received, satisfaction of advisor, customers’ perception of Nordea, Nordea fulfills my requirements, I will recommend Nordea to others. 91.2% (±3.7%) have answered that they were satisfied when they received cash services from Nordea. With regard to advisor satisfaction 54.7% were very satisfied, 39.1% fairly satisfied while 5.3 and 0.9% were little and very dissatisfied respectively.

Considering customers’ perception of Nordea as reliable, helpful, competent, available, accommodating, trustworthy, understands my needs, the participants have answered quite positive but none of the alternative answers has given 50%. Besides, when looking at the relationship between each and one of these variables with the age group only one variable i.e. “accommodating” has shown significant level ($X^2=27.842$, $p<0.5$, df=16). Furthermore, the majority of participants answered that Nordea fulfills their requirements which did not result in significant relationship with “age groups” variable.

In order to answer to the hypotheses, I have chosen to present here two variables called 1) recommend Nordea to others and 2) how decision to terminate cash services affects

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\(^{137}\) Customer Relationship Management: The Ultimate Guide to the Efficient Use of CRM, Edited by SCN Education B.V., p. 31, ISBN 3-528-05752-1

customers. In addition I have analyzed these variables relationship with “age groups” by conducting crosstabs followed by chi\(^2\)-test and confidence interval whenever the relationships were significant.

1) Figures: **Recommend Nordea to Others**

The majority of participants (88.3 ±4.2\%) has answered that they are willing to recommend Nordea to others. When looking at the relation between this variable and the age groups no significance has been observed (\(X^2 = 7.378, p>0.10, df=4\)). However, when I looked at the relationship between variables “Nordea fulfills my requirements” and “I will recommend Nordea to others” a significant connection was shown (\(X^2 = 70.847, p<0.001, df=8\)).

2) Figures: **How decision to terminate cash services affects customers**

With regard to the decision to terminate cash services there has been almost equal proportion among those who are not affected by this change (46.7 ±6.3\%) and those who are affected a little (45.4 ±6.3\%). The group which is affected much by the elimination of cash services constitutes 7.9 ±3.4\%. When examining the relationship between this variable and age groups no significance has been observed (\(X^2 = 3.921, p<0.8, df=8\)).

**Conclusions:** Since the majority of participants (88.3 ±4.2\%) have answered that they are willing to recommend Nordea to others and in general they responded that they are satisfied
with services offered and advisor services I accept the hypothesis a) customers are satisfied with the services provided at Nordea. By examining the relationship between variables “Nordea fulfills my requirements” and “I will recommend Nordea to others” a significant connection was observed. This implies that customers consider that their requirements of bank services are fulfilled by the bank and thus they are willing to recommend Nordea to others.

With regard to the decision to terminate cash services there has been almost equal proportion among those who are not affected (46.7 ±6.3%) and affected a little (45.4 ±6.3%). The group which is affected much by the termination and would consider changing the bank constitutes 7.9 ±3.4%. Since there is small part of the participants who consider the change a serious impact which would cause deliberation to change the bank I accept the hypothesis b) customers are not affected by the changes of cash services.

### 7.5.2 Customers’ Loyalty & Satisfaction

The statistics have shown that beneficiary customers feel satisfied by the services offered at Nordea. Furthermore, they are willing to recommend Nordea to others, which is a sign of highly satisfied customers. This could be related to the customers’ perception of the quality and essence of the service which vary widely with regard to the bank, customer and point in time.\(^{139}\) In this case it seems to be clear that beneficiary customers are generally happy with the services received.

To arguing whether this satisfaction could be related to the customers’ loyalty to the bank is difficult. When examining the impact of the termination of cash services on the consideration to change the bank, over 7% answered that they were affected much and would probably change the bank. However, 54.2 (±6.3%) reacted “mainly negative” to Nordea becoming cashless. It could mean that even though beneficiary customers react negatively to Nordea becoming cashless they still would not be affected to the degree when they would consider changing the bank. This relation could however depend on other aspects such as image of the bank, satisfaction with other services the bank provides, etc.

However, Dick & Basu (1994) described a concept of customers’ loyalty which is seen as relation between the relative attitude that customer has to the services he/she receives and the trust directed behavior he/she shows.\(^{140}\) Such conclusion could be probably drawn by the personal bank advisors who interact in a specific personal way with beneficiary customers. Relying on the customers’ satisfaction of personal advisors one can say that these beneficiary customers are loyal. Nonetheless, price is a decisive factor in the choice of banking services. In the case of significant differences in the prices for the same services

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at Nordea compared to other banks, I believe higher proportion of customers would consider changing bank.

7.5.3 How to Increase Customers’ Satisfaction and Gain Loyal Customers

It has been shown that beneficiary customers are satisfied with the services they are offered at Nordea. In order to increase customers’ satisfaction and thus gain loyal customers the bank should focus on customers’ cash flows.\textsuperscript{141} This means that the profitability of the customers should be the core for the bank’s policy.

Moreover, when going over to cashless activity Nordea should employ well developed customer relationship management with the emphasis on customers’ satisfaction and service-minded employees as well as their further education and training. This is further linked with internal marketing, team work, empowerment or soft human resource management encouraging more personalized service encounters.\textsuperscript{142} It implies that Nordea should constantly work on its service excellence especially when going to more personal and individual approach with their customers i.e. from cash services to advice related services.

Furthermore, the bank should constantly work on ensuring security and privacy of internet banking and e-card usages since these issues are closely related to the trust and thus customers’ loyalty.\textsuperscript{143} The focus should be not only on providing right services for the right customers but also ensure the safety and confidentiality of the operations customers engage into with the bank.

Whenever changing within the organization with the direct impact on customers Nordea should provide both information and education to its internal and external members. The information about the organizational changes is of the most important value for the customers. Therefore, the information should be given in time, in a consistent and clear way so customers would not be confused with new system. In addition when pursuing its organizational strategies the bank should always consider the cost for educating the personnel and customers especially in the cases of going to complete cashless activity. Customers who cannot manage ATMs, e-cards, internet banking would be put aside of the change which could result in less satisfaction of the services offered by the bank. Therefore, it is essential to meet customers’ expectations by studying customers’ demands and needs and try to match or to change customers’ behavior and attitudes with help of well defined reorganizational strategies.


\textsuperscript{143} Friedman, B., Kahn, P.H.Jr. & Howe, D.C., (2000), \textit{Trust online}, Communications of the ACM, Vol. 43, Issue 2, pp.34-40
7.6 Analyses of Open Questions in the Questionnaire

Many comments have been provided by the beneficiary customers with regard to how Nordea could meet their needs in cash services during the nearest months. No specific differences in comments between the age groups have been observed, but more or less general positive reactions were expressed together with some worries about not having cash services at the bank at all.

A general positive attitude towards the changes of Nordea has been provided by people in all age groups. Such positive customers’ attitude towards the changes of cash services could be explained by no need of cash services, easy adjustments to the changes or the fact that customers see potential benefits with such changes.144

However, from the comments it seems to be obvious that participants of all age groups still have need in acquiring cash. For example, many have expressed their worries about the function of ATMs probably because it is seen as one of the major sources for receiving cash without using cash services at Nordea’s offices. The need for having cash could be explained by the fact that some stores accept only cash as payment instrument. Thus in order to purchase the products or services customers required to have cash.145

Another general comment has been given with regard to open hours for cash services when many asked for at least one day of providing cash services until 6 p.m. This need for longer hours for cash services could be related to the safety issue.146 In the case of bad function of ATMs, no possibility to come to the bank offices during the limited hours they would like at least one day when bank provides cash services longer time.

7.6.1 How to Meet Customers’ Requirements

With regard to the comments about how Nordea could meet customers’ needs in cash services the nearest months, a common attitude has been shown by all age groups. The customers seem to be generally positive to the changes of cash services. However, they still would like to have the possibility to receive cash services at the bank. Since an obvious wish for extended open hours has been expressed by the customers I believe that Nordea would gain on employing the gradual organizational change into the cashless activity. The bank could offer cash services during longer hours some days at the Vasagatan’s office. Furthermore, when an evident pattern will appear that customers do not require cash services during the extended hours the limitation could be made up to the hours utilized by customers at that time.

146 www.cyberclass.net/changes.htm Big changes ahead in Canada’s banking system, cited 2009-02-12
Considering the function of ATMs I believe it is in the bank’s interest to look after their well performance. If Nordea will go over to cashless activity within soon future it is simple necessity that withdrawal machines function without trouble.

Furthermore, I believe that complete transformation into cashless activity is not possible for Nordea now due to the societal issue. Even here in Sweden where the electronic payments are widely used there are still some businesses that accept cash as the only means of payment. Thus a legalization of automatically managed businesses for all activities and time for adjustments within the society are required in order for Nordea to conduct the transformation into complete cashless activity without bringing harm to own business.
8. DISCUSSION

"If you have knowledge, you should let others light their candles by it." – American Proverb

This chapter aims to provide general discussion of banks going over to cashless activity and how customers’ expectations of such change could be met.

The organizational change of banks into cashless banking is becoming quite common. Technological development, competition and changing attitudes of customers towards cash services offered, force banks to shift their activity towards advice based approach.

However, when changing to cashless activity banks undertake change which directly impacts on their customers. Therefore, the study of customers’ expectations of banks becoming cashless should be conducted in order to see whether the internal changes of cash services’ usage correspond to the external environment. This research has shown that even though in general customers react positively to the gradual transformation of the bank into cashless activity there is still large proportion of beneficiary customers who react negatively to complete cashless bank.

This could be related to the view of banks which during long time have been regarded by customers as cash stores. Hence, customers cannot accept the idea of banks not providing cash services. Moreover, this study has also shown that customers still have need of cash since they use cash as additional payment instrument to e-cards. It could be further related to the development of electronic management of the businesses within the society. Many small businesses still accept only cash as payment instrument. Therefore, for person to have cash is a requirement rather than stubborn choice of payment instrument, since otherwise the acquisition of needed services and products would not be possible.

Moreover, managing private errands with cash is further related to the customers’ tradition especially those who believe it is the safest means of handling money. For example older people are used to pay with cash, this they have done during almost their entire lives. Therefore, for them it is hard to imagine banks without cash services. This study has shown that older customers use cash services slightly more often than younger ones. They do not have internet banking to the same degree as younger people, which could be also related to their need and preference for having cash. Therefore, I believe it is generally hard for the older people to adjust to cashless banking.

However, in this study it has been shown that both older and younger people worry about not having cash services at the bank. It could be common fear among bank customers, of no longer being able to receive cash services. This fear could be associated with their general disbelief in the society without cash.

With regard to banks undertaking the change towards cashless activity it is essential to employ well developed strategies tailored to the needs and demands of their customers. Furthermore, the implementation of customer relationship management within the activity is one must. This customer relationship management should be based on the well being of customers i.e. providing right services in a right way. When a bank has implemented and exercised customer relationship management for some time before the change, the transformation would be possible with minor harm to the business activity.

Furthermore, by complete incorporation of customer relationship management within banking activity and its complete application when conducting change to cashless banking, will give the bank a possibility to maintain satisfied and loyal customers and thus bring success to its own business.

8.1 Suggestions for Further Studies

Bank’s organizational change into cashless activity comprises many different aspects that could be studied from different perspectives. The effects of such change could be studied within banks i.e. how changing to cashless banking influences the internal effectiveness of banking activity. Furthermore, bank employees’ views on cashless activity could be studied as well.

In this research I have been focusing on beneficiary customers’ expectations of banks becoming cashless. The same type of study could be made on other group of customers for example small companies which in my opinion require cash services to higher degree than larger companies. In addition, a more general study could be made on customers’ attitudes towards cashless society.
9. TRUTH CRITERIA

"Everyone believes himself wiser than others in some things, but admits that others are wiser than he in other things" – Plato

This chapter has for the purpose to present criteria for evaluation of the quality of this research. With regard to the mixed methodology applied in this research I have chosen to discuss four truth criteria such as credibility, transferability, reliability, and validity.

9.1 Credibility

This criterion occupies about the foundation of the qualitative study that should be credible. Furthermore, credibility is usually related to the qualitative study where the phenomenon is studied from the social actors’ perception and understanding and thus the researcher is the only one who can fully evaluate the credibility.\(^\text{149}\) In this study I have conducted semi-structured interviews with six beneficiary customers. These interviewees have been further informed about the purpose of the study and that they will be completely anonymous. Additionally all the relevant information provided by the interviewees has been documented word for word and further translated with the help of Swedish-English dictionary and summarized in the form of tables.

9.2 Transferability

Transferability is strongly related to the possibility of making generalization about the outcomes of the study. In addition, transferability could be improved by conducting in-depth study with help of qualitative research the interpretations of which could be transferred to another context. Furthermore, the sensitivity of the transfer in that case could be explained by the responsible of this action.\(^\text{150}\)

In this research the qualitative study has been used in order to generate in-depth information and get better understanding of customers’ expectations. Based on the interpretation of the findings from the semi-structured interviews the theories have been revised and hypotheses have been created. I believe that the transferability from the qualitative study to the theories has been reasonable since it had for the purpose to enrich the theoretical background with relevant theories. After when hypotheses have been tested the generalizations could be made to the whole population of beneficiary customers.


\(^{149}\) Guba, E.G., Lincoln, Y.S., (1982), *Effective Evaluation*, p.103ff

9.3 Reliability

Reliability in practice concerns with quantitative study on whether the findings of study are repeatable. Therefore the reliability criterion stresses the stability of a measure.\textsuperscript{151} In this research the findings have been generated at the specific point in time and the focus was held on the beneficiary customers’ expectations of Nordea becoming cashless. Thus, in the case of replicating this research a few months later it would certainly give completely different outcomes. This study concerns about the organizational changes of the bank where some of the changes have already been incorporated. Therefore, by re-doing the same study with the similar group of customers would result in other effects. Hence the replication of this study at any time would not result in stable measures.

9.4 Validity

Validity is concerned about how well conclusions have been integrated based on the generated findings. Furthermore it is argued that validity is closely related to reliability of the studied phenomenon since if the measure is unstable it cannot be reliable.\textsuperscript{152} As I have stated above the measures of this study if replicated would not result in the similar outcomes. Therefore from this point of view the study is unreliable. However, measurement validity in this study has been applied consistently throughout the whole study and hence I believe validity in measuring the concept of customers’ expectation of Nordea becoming cashless has been achieved.

\textsuperscript{152} Ibid, p.33-34}
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APPENDICES

APPENDIX A1: SEMI-STRUKTERAD INTERVJU (Swedish version)

1. NYTTJADE TJÄNSTER OCH RELATION TILL NORDEA
   • Som förmånskund vilka produkter och tjänster har du på Nordea? Varför?
   • Vilka produkter och tjänster har du på andra banker än Nordea? Varför?
   • Vad innebär för dig att använda kontantservice dvs. sätta in och ta ut pengar på Nordeas kontor? Förklara.
   • Vilka fördelar och nackdelar ser du i användandet av bankomat?
   • Vad innebär det för dig att använda bankkort istället för kontanter när du gör dina konntnbetalningar? Förklara.
   • Vad tycker du om att sköta dina transaktioner genom internet bank på Nordea? Varför?
   • Hur ser du på din relation till Nordea i dagsläget? Är den mera transaktionsrelaterad eller rådgivningsrelaterad? Varför tycker du så?
   • Vad innebär det för dig att ha mera rådgivningsrelaterad än transaktionsrelaterad relation till Nordea? Motivera ditt svar.

2. INFORMATION OM ORGANISATIONSFÖRÄNDRING OCH KOMMUNIKATION
   • Hur har du fått kännedom om att Nordeas andra kontor på Vasagatan sköter kontanter?
   • Hur fick du information om begränsad kontanthantering på Nordea från 10.00 till 15.00?
   • Som förmånskund på Nordea, hur ser du på de öppetider Nordea erbjuder för kontantservice? Motivera.
   • Hur har du fått informationen om att kontanthanteringen kommer att upphöra på det centrala kontoret föm. den 8 juni i år och bara skötas på kontoret på Vasagatan?
   • Vilken information om förändringen i Nordeas kontantservice skulle du vilja få och varför?
   • Var (fysisk plats), hur (vilka media/personlig kontakt) och när (tid) skulle du velat få information om begränsningen och upphörandet av kontantservice på Nordeas kontor?
   • Hur föredrar du att få information från Nordea gällande förändringar i kontantservice (internet/telefon/personlig/media)? Varför?

3. REAKTION PÅ ORGANISATIONS FÖRÄNDRING
   • Hur reagerar du på att Nordea har begränsat kontantservice på kontoret mellan 10.00 och 15.00 både på det centrala kontoret och på Vasagatan? Varför?
   • Vad innebär det för dig att inte kunna ta ut och sätta in kontanter på Nordeas kontor efter 15.00?
   • Vad tycker du om att hela kontanthanteringen från och med den 8 juni i år kommer att skötas på Nordeas kontor på Vasagatan och inte på det centrala kontoret? Varför?
   • Vad innebär för dig att Nordea så småningom går över till att bli kontantlöst? Varför?
   • På vilket sätt kan Nordea bemöta dina behov i kontantservice under förändringsskedet? Vad och vilken service föreslår du?

4. LOYALITET TILL NORDEA
   • Hur många gånger har du bytt bank under de senaste fem åren? Varför?
   • Hur länge har du varit förmånskund på Nordea? Varför?
   • När det gäller det stegvisa upphörandet av kontantservice på Nordea hur kan en sådan förändring påverka ditt beslut att antingen stanna kvar i Nordea eller flytta alla dina tjänster till en annan bank? Varför?
APPENDIX A2: SEMI-STRUCTURED INTERVIEW (English version)

1. SERVICES USED & RELATION TO NORDEA
   • As beneficiary customer what products and services do you have at Nordea? Why?
   • What services and products do you have at other banks than Nordea? Why?
   • What does it mean for you to use cash services i.e. deposit and withdraw cash at the Nordea’s offices? Explain.
   • What advantages and disadvantages do you see in the usage of ATMs?
   • What does it mean for you to use e-card instead of cash when you do your payments? Explain.
   • What do you think about managing your transactions via Nordea’s internet bank? Why?
   • How would you describe your relation to Nordea at present time? Is it more transaction related or advice related? Why do you think so?
   • What does it mean for you to have more advice related rather than transaction related relationship to Nordea? Please motivate your answer.

2. INFORMATION ABOUT ORGANIZATIONAL CHANGE & COMMUNICATION
   • How did you get information about Nordea’s office at Vasagatan that offers cash services?
   • How did you receive information about the limited cash services at Nordea from 10 a.m. to 3 p.m.?
   • As Nordea’s beneficiary customer, what do you think about the open hours (10 a.m. – 3 p.m.) for cash services that Nordea offers? Motivate.
   • How did you get the information about the removal of cash services from the central office to the office at Vasagatan from the 8th of June?
   • What information about the change of Nordea’s cash services would you like to receive and why?
   • Where (physical place), how (which media/personal contact) and when (time) would you like to receive information about the limitation and termination of cash services at Nordea’s offices?
   • How would you prefer to get the information about the changes in cash services from Nordea (internet/phone call/personal contact/media)? Why?

3. REACTIONS ON ORGANIZATIONAL CHANGE
   • How do you react to that Nordea has limited cash services at the central office and at Vasagatan’s office from 10 a.m. to 3 p.m.? Varför?
   • What does it mean for you to not be able to withdraw and deposit cash at Nordea’s offices after 3 p.m.?
   • What do you think about that cash services will be offered at Vasagatan’s office from the 8th of June and not at the central office? Why?
   • What does it mean for you that Nordea gradually will become cashless? Why?
   • In what way can Nordea meet your needs in cash services during the change period? What and which service do you suggest?

4. LOYALTY TO NORDEA
   • How many times have you changed banks during the last 5 years? Why?
   • For how long time have you been beneficiary customer at Nordea? Why?
   • Could you describe loyalty? What does it mean for you to be loyal to a bank? Motivate.
   • With regard to the gradual termination of the cash services at Nordea, how can such change impact on your decision to either to stay at Nordea or to move the services you have to another bank? Why?
APPENDIX B1: ENKÄT (Swedish version)

Kön
- Man □
- Kvinna □

Ålder
- -29 □
- 30-49 □
- 50-64 □
- 65-74 □
- 75+ □

1. Hur vill du beskriva dig själv som förmånskund i Nordea?
   - Har minst 300 000 kr i lån/eller sparande □
   - Kontokrediter □
   - Lönekonto □
   - Övriga lån □
   - Internet och/eller telefon tjänst □
   - Sparkonto □
   - Elektroniska värdepapperstjänster □
   - Fonder □
   - Betalningstjänster □
   - Värdepapper □
   - Bankkort (ex. Visa) □
   - Pensionsparande □
   - Bankkort med kredit □
   - Livförsäkringar □
   - Bolån □
   - Sjukförsäkringar □
   - Konsumptionslån □
   - Skadeförsäkringar □

2a. Hur ofta har du under de senaste 6 månaderna nyttjat bankens kontantservice dvs. satt in, tagit ut och gjort dina betalningar över kassan på Nordeas kontor?
   - (1) Mindre än 1 gång/mån □
   - (2) Cirka 1 gång/mån □
   - (3) Oftare än 1 gång/mån □

2b. Har du vid de tillfällen du nyttjat kontantservice fått ett bra bemötande?
   - (1) Ja, absolut □
   - (2) Ja, ibland □
   - (3) Alltför sällan □

3. Hur bra hanterar du dina bankomatuttag?
   - (1) Kan inte alls hantera □
   - (2) Hanterar dåligt □
   - (3) Hanterar bra □

4. Hur har du i huvudsak betalat dina inköp under de senaste 6 månaderna?
   - Kontanter □
   - Bankkort □

5a. Har du internet bank?
   - Ja □
   - Nej □
5b. Du som har internet bank, har du i huvudsak använt denna tjänst under de senaste 6 månaderna?

Ja ☐ Nej ☐

6a. Hur ofta har du rådgivningsmöte med din personliga bankman?

(1) Mindre än 1 gång/år ☐ (2) 1 gång/år ☐ (3) mer än 1 gång/år ☐

6b. Hur nöjd är du med din personliga bankman?

(1) Mycket nöjd ☐ (2) Ganska nöjd ☐ (3) Något missnöjd ☐ (4) Mycket missnöjd ☐

6c. Skulle du vilja byta din personliga bankman?

(1) Ja, absolut ☐ (2) Ja, kanske ☐ (3) Nej ☐

7. Känner du till att Nordeas kontor på Vasagatan erbjuder kontantservice?

Ja ☐ Nej ☐

8. Har du fått information om en begränsad kontantservice (10.00-15.00) på båda Nordeas kontor i Umeå?

Ja ☐ Nej ☐

9. Hur ser du på de öppetider Nordea erbjuder dig för kontantservice (10.00-15.00)?

(1) För få timmar ☐ (2) Tillräckligt med timmar ☐ (3) Använder inte tjänsten ☐

10. Hur reagerar du på att Nordea har begränsat kontantservice på kontor (10.00-15.00)?

(1) I huvudsak positivt ☐ (2) Inte viktigt för mig ☐ (3) I huvudsak negativt ☐

11. Hur reagerar du på att inte kunna ta ut och sätta in kontanter på Nordeas kontor efter 15.00?

(1) I huvudsak positivt ☐ (2) Inte viktigt för mig ☐ (3) I huvudsak negativt ☐

12a. Har du fått informationen om att kontanthantering kommer att upphöra på det centrala kontoret f.o.m. den 8 juni i år och bara skötas på kontoret på Vasagatan?

Ja ☐ Nej ☐
12b. Du som inte hade fått information om förändringar av kontanthantering hur vill du ha denna information?

(1) Nordeas webbsida  
(2) Brev till bostaden  
(3) E-post  
(4) Telefon  
(5) Internet bank  
(6) Annons i TV  
(7) Annons i tidning (VK, VF)  
(8) Genom personlig bankman  
(9) Annat _________________________

12c. Hur lång tid innan begränsningen träder i kraft skulle du vilja ha informationen?

(1) Mera än 1 månad  
(2) Cirka 1 månad  
(3) Ett par veckor  

13. Vad anser du om att enbart Nordeas kontor på Vasagatan kommer att erbjuda kontantservice?

(1) I huvudsak positivt  
(2) Inte viktigt för mig  
(3) I huvudsak negativt  

14. Vad tycker du om att Nordea så småningom bli helt ”kontantlös”?

(1) I huvudsak positivt  
(2) Inte viktigt för mig  
(3) I huvudsak negativt  

15. På vilket sätt kan Nordea möta ditt behov vad gäller kontantservice de närmaste månaderna? Du kan fritt föreslå vad och vilken service du behöver. (Var vänlig skriv tydligt)

________________________________________________________________________
________________________________________________________________________
________________________________________________________________________

16. Hur många gånger har du bytt bank under de senaste fem åren?

(1) Har inte bytt  
(2) 1 gång  
(3) 2 eller flera gånger  

17. Har du använt andra bankens tjänster under de senaste 5 år?

Ja  
Nej  

18. Hur länge har du varit förmånskund på Nordea?

(1) Mindre än 1 år  
(2) 1 till 5 år  
(3) Mer än 5 år  

19. Vissa andra banker erbjuder inte kontanthantering. Hur tror du att Nordeas beslut att införa en liknande begränsning kommer att påverka dig?

(1) Jag har förståelse för beslutet och det påverkar mig inte □
(2) Jag har förståelse för beslutet och det påverkar mig i viss utsträckning □
(3) Beslutet kommer att påverka mig i stor utsträckning och jag överväger att byta bank □


(1) tillförlitliga □ (2) tjänstvilliga □ (3) kompetenta □
(4) tillgängliga □ (5) tillmötesgående □ (6) trovärdiga □
(7) förstår mina behov □


Instämmer inte alls  □ □ □ □ □ □ □ □ □ □ Instämmer helt


Ja □ Nej □

Tack för din medverkan!
APPENDIX B2: QUESTIONNAIRE (English version)

Questionnaire

Gender  Male □  Female □
Age  -29 □  30-49 □  50-64 □  65-74 □  75+ □

1. How would you describe yourself as beneficiary customer of Nordea?

Have at least 300 000 SEK in loans/savings □  Credit account □
Wage account □  Other loans □
Internet and/or phone services □  Saving account □
Electronic security services □  Funds □
Payment service □  Securities □
Bank card (ex. Visa card) □  Pension savings □
Credit card □  Life insurance □
House loan □  Disease insurance □
Consumption loan □  Damage insurance □

2a. How often during the last 6 months have you used cash services i.e. withdraw, deposit and make your payments at the office of Nordea?

(1) Less than 1/month □  (2) 1/month □  (3) More than 1/month □

2b. Have you at the occasions when you used the cash services received a good treatment?

(1) Yes, absolutely □  (2) Yes, sometimes □  (3) Too seldom □

3. How well do you manage your withdrawals at the bank automated machine?

(1) Cannot manage at all □  (2) Manage poorly □  (3) Manage well □

4. How have you mainly paid your purchases during the last 6 months?

Cash □  Bank card □

5a. Do you have internet bank?

Yes □  No □
5b. You who have internet bank, have you mainly used this service during the last 6 months?

Yes □ No □

6a. How often have you advisory meeting with your personal bank advisor?

(1) Less than 1/year □ (2) once/year □ (3) more than once/year □

6b. How satisfied are you with your personal bank advisor?

(1) Very satisfied □ (2) Fairly satisfied □ (3) Little dissatisfied □ (4) Very dissatisfied □

6c. Would you like to change your personal bank advisor?

(1) Yes, absolutely □ (2) Yes, maybe □ (3) No □

7. Do you know that Nordea’s office at Vasagatan offers cash services?

Yes □ No □

8. Have you received information about the limited cash services (10-15) at both of the Nordea’s offices in Umeå?

Yes □ No □

9. What do you think about the open hours for cash services (10-15) offered at Nordea’s offices (10.00-15.00)?

(1) Too few hours □ (2) Enough hours □ (3) Not user □

10. How do you react on the limitation of cash services at nordea’s offices (10.00-15.00)?

(1) Mainly positive □ (2) Not important □ (3) Mainly negative □

11. How do you react to no be able to withdraw or deposit cash at Nordea’s offices after 15.00?

(1) Mainly positive □ (2) Not important □ (3) Mainly negative □

12a. Have you received the information about the termination of cash services at the central office from the 8th of June this year and their removal to Vasagatan?

Yes □ No □
12b. You who did not receive information about the changes of cash services how would you like to get this information?

(1) Nordea’s website ☐ (2) Letter ☐ (3) E-mail ☐
(4) Phone call ☐ (5) Internet bank ☐ (6) TV ad ☐
(7) Newspaper ad (VK, VF) ☐ (8) Via personal bank advisor ☐
(9) Other _________________________

12c. How long time before the change will be implemented would you like to receive the information?

(1) >1 month ahead ☐ (2) 1 month ahead ☐ (3) A pair of weeks ahead ☐

13. What do you think about that solely the office at Vasagatan will offer cash services?

(1) Mainly positive ☐ (2) Not important ☐ (3) Mainly negative ☐

14. What do you think about Nordea becoming completely cashless activity?

(1) Mainly positive ☐ (2) Not important ☐ (3) Mainly negative ☐

15. In what way can Nordea meet your needs in cash services during the nearest months? You can suggest what and which service you want. (Please write clearly)

________________________________________________________________________
________________________________________________________________________
________________________________________________________________________

16. How often have you changed banks during the last 5 years?

(1) Have not change ☐ (2) Changed once ☐ (3) Changed 2 or more times ☐

17. Have you used other banks’ services during the last 5 years?

Yes ☐ No ☐

18. How long have you been a beneficiary customer of Nordea?

(1) Less than 1 year ☐ (2) 1 to 5 years ☐ (3) more than 5 years ☐
19. Some banks do not offer cash services. How do you think Nordea’s decision to implement such change would impact you?

(1) I understand the decision and it does not affect me  
(2) I understand the decision and it affects me a little  
(3) The decision will affect me much and I will consider changing bank  

20. The characteristics presented below are regarded to be contributions to a bank’s high quality service. Indicate on the scale of 1-5 how do you experience Nordea in each of the characteristics. 1 means the lowest point and 5 the highest.

(1) Reliable  
(2) Helpful  
(3) Competent  
(4) Available  
(5) Accommodating  
(6) Trustworthy  
(7) Understands my needs  

21. I think that Nordea fulfills my requirements of bank services. Please indicate on the scale of ten by putting a cross in the respective square.

Do not agree at all  1  2  3  4  5  6  7  8  9  10  Agree completely

22. I will recommend Nordea to others.

Yes  
No  

Thank you for your participation!
APPENDIX C: ÖPPEN FRÅGA FRÅN ENKÄTEN

MEST INTRÄFFADE KOMMENTARER

-29

- Jag försöker i minsta mån möjligt undvika kontanter så denna fråga berör mig inte.
- Bra som det är.
- Att kunna ta ut större summor i bankautomaten.
- Helt OK att begränsa kontantservicen men det är fel timmar. 12-18 vore bättre, mera lätt tillgängliga tider.

30-49

- Vore dock bra att vid behov kunna beställa kontanter.
- Ha samma öppetider som vanligt.
- Fungerande bankomater.
- Jag är tillfreds med hur det funkar nu, använder mig sällan av kontanter.
- Jag upplever inte att jag har något eget behov i dagsläget.
- Jag tror att funktionen bör finnas kvar. Det är inte alltid tekniken fungerar och då är det bra om det finns. Sen händer det att man har ”stora” mängder pengar man vill sätta in och hur ska man göra då om det inte finns?
- Det är tryggt som kund att få personlig service.
- Informera om hur/var man sätter in kontanter som man får som gåva.
- använder mig inte så ofta av de systemet.”
- Frågan är hur Nordea möter mitt behov av kontantservice i framtiden?
- Det är bra när man kan ta ut kontanter i butik avs. vid köp.
- Hur gör jag om jag ska ta ut pengar som bud åt någon annan? Dotter/mammas sparkonto?
- Nordea måste informera om hur jag kan ta ut en större summa kontanter så att jag kan planera större kontanta köp.
- 10.00-15.00 är en svår tidpunkt på dagen för mig att besöka Nordeas kontor. Längre öppetider önskvärt.
- Kunna sätta in pengar som barnen sparar i sina sparbössor på ett enkelt och bra sätt. Detta är viktigt för barnen och ett bra sätt att lära sig hantera pengar.
- Jag använder mig av Internetbank och bankomat eftersom jag har 6 mil till Nordeas kontor. Det som är viktigt för mig är att bankomater finns att tillgå på små orter.
- Jag är personligen inte berörd just nu. Men vi byggde nytt hus för ca 3 år sedan och då var det många av entreprenörer t.ex. grävmaskinist som ville ha betalt i kontanter. Så att ta bort kontanter helt tycker jag inte. Tänk också på alla pensionärer som alltid har kontanter i rörelse.
- Använder mig sällan av kontantservice. De gånger jag måste så anpassar jag mig efter servicen.
- Jag tycker att man ändå ska ha en viss möjlighet till kontanhantering.
50-64
- Minst en kväll per vecka öppet till kl. 18 med all service.
- Då får man välja ytterligare en bank, ICA till exempel.
- Behöver inte ofta ta ut pengar men då behovet finns har det varit en förmån att kunna få ut pengar efter 15.00.
- Fungerande bankomater.
- Mig berör det ej så mycket men man måste tänka på äldre personer.
- Jag är nöjd med som jag sköter bankärenden.
- Det räcker med bankomater för min del.
- Att kunna sätta in kontanter via automater.
- Att kunna hämta växel i eftermiddag också.
- Banken skall vara öppen mellan 12-18.

65-74
- Viktigt att internet banken fugerar där jag uträtta alla mina behov de närmaste månaderna.
- Mitt behov är att komma i lokal för att få ut våra pengar (kontanter). Ibland behövs det om man ska fika, äta på platser som ej tar kort endast kontantbetalning plus gåva.
- Vill kunna ta ut kontanter i fortsättning.
- Kontanter tar jag ut i bankautomat. Tar aldrig ut kontanter inne i Banken.
- Det är helt OK. Behöver inte något mer.
- Kontantservice viss tid. I min ålder har man svårt för att helt slopa kontanter.

75+
- Nordeas kontor på Vasagatan – den kontantservicen räcker nog.
- Har inget behov av det de närmaste månaderna.
- Önskar att Nordea hade en bankomat någonstans vid Maxi för att slippa andra bankens konton för uttag.
- Jag har ej, men skulle då behöva ett bankkort.