

Electronic Service Quality (ESQ) Of Internet Banking: Analyzing Customer Satisfaction

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Abstract- This paper explores understanding of service quality in an online retail bank setting in Jalandhar (India) and its focus on customer satisfaction. The objective of this research is to explore the influence of variables of e-banking on customer satisfaction. Five service quality measures namely Security, Responsiveness, Navigation, Customer Service, and Quality of Content were chosen based on the model and the literature review. These values have been tested in e-banking to highlights the relationship between service quality and the customer satisfaction. The data collected by survey, interview or on sight observations a structured questionnaire with 100 customers. The study shows that these factors are the important service quality dimensions for customer satisfaction in e-banking. The research of fact finding of Security, Sensibility and Navigation have more contribution to satisfaction of the customers of e-banking in Jalandhar. The results from regression analysis suggest that these three dimensions of service quality influence customer satisfaction at a large. The information supplied by this fact finding can be used when designing marketing strategies to improve customer satisfaction in retail banking.

Keywords- interpreted; E-banking; quality; Evaluation;

I. INTRODUCTION

Retail banking sector in India is characterized by increased competition. Intensified competition among banks has led them to think sincerely about how to compete effectively. In the past, banks largely persistently alike marketing that was aimed at a broad chromatic of customers rather than particular parts. Making a full range of services available to all customers and development of the one-stop financial area was an inviting strategy. Cross-selling implies to be more important than service separation. As a result, appropriate benefits from getting a service from one rather than another bank were not possible to customers. Moreover, enhancing the range of services provide is of itself not a impressive means of differentiation because competitors can easily copy a new service introduced. This is due to intangibility of services which means, consequently, that there are no patents and innovations can have short life-cycles. Therefore, a difference between banks will be drawn not through the service-mix, i.e. the mixture of services offered, but generally through the quality of service, which is difficult to follow, however, it is mandatory for creating a long-term relationship with

customers. Under existing serious competitive conditions customer satisfaction and detention became critical for retail banks.

Growth of E- banking in a country build upon many factors, such as successful access of internet, new internet banking features, everyday growth of internet usage, juridical and regulative framework. E-banking can offer quicker and understandable services to the customers for which they may be satisfied than that of hand operated system of banking. E-banking system not only produces latest possible return, it can get its better concerns with customers. The motive of this research is to perceive the impact of variables of e-banking on customer satisfaction in India.

The Internet banking has opened a new avenue to exploit to make a difference between banks and deliver a superior service compared to competitors. It involves the uses of the Internet by customers to get in touch with their banks and check their accounts and carry out banking transactions. The migration to Internet banking has greatly influenced the distribution policies of banks and the mode of interaction with the banking and service experience for consumers. Thus, retention and attraction of consumers are largely determined by the virtue of services delivered.

The motive of this research is to investigate the impression of the quality of internet banking services on customer's purpose to revisit the banking site and to maintain a long term relationship with it. It is twofold. From an analytical viewpoint, this research enhanced the few studies that have analyses the concept of recognized quality of internet services. From an organizational point of view, it points to the bankers the values of advertise satisfaction through better online service quality.

II. LITERATURE REVIEW

A. Service Quality

In the service quality is explained as perceived quality which means a customer understands about a service. The authors of SERVQUAL which has been broadly used in assessing service quality of various service providers including banks advised that "Quality interpretation is not made solely on the outcome of a service; they also involve interpretations of the process of service delivered". Within the SERVQUAL model, service quality is defined as the difference between customer viewpoint of what happened during the service transaction and his assumptions of how the service transaction should have been performed. SERVQUAL define five measurements of quality:

- Reliability (delivering the guaranteed outputs at the stated level).

- Responsiveness (providing primate service and help to customers; the feedback plays an important role here).
- Assurance (ability of a service organization to impress faith and assurance in the organization through knowledge, kindness and honesty of the employees).
- Empathy (enthusiasm and ability to give personify concern to a customer).
- Tangibles (appearing a service organization's services, employees, machinery and communication materials).

B. E-SQ

Recently interest in service quality has changed to reverse current developments in e-commerce that maintain the e-service quality. E-service quality can be described as overall customer evaluations and understanding regarding the perfection and the quality of e-service delivery in the virtual marketplace. Online transaction is a difficult process that can be divided into various sub-segments such as exploration, information searching, consultation, net payment, delivery, and after-sales service. Thus, Electronic-service quality contains multiple elements, which reverse two attributes in its measurement – system quality and service quality. System quality focuses industrial elements, such as ability, speed, and security. On the other hand, Electronic-Service quality is not individually an evaluative result of a system, but the aspect of service quality is customer service such as order delivery and after-sales service. Table I shows the Electronic-Service quality dimensions in prior studies.

Wolfenbarger and Gilly (2003)	Website quality and customer's service quality of e-retailer	Fulfillment/reliability, website design, privacy/security, customer service
Zeithaml et al. (2000) e-SQ	E-service quality of B2C commerce	Information possibility and content, easeful or usability, privacy/security, graphic style, reliability/fulfillment
Wolfenbarger and Gilly (2003) eTailQ	E-service quality of B2C commerce	Efficiency, system availability, accomplished, privacy, quick response, coverage, contact

The lack of accord concerning the kind or the scope of Electronic-Service quality measurement outcomes in different ways and outcomes as well as the presence of research gaps. Therefore, the literature on Electronic-service quality calls for its more complete and overall understanding and perception.

C. Perceived Value

Zeithaml (1998) approach service value as a consumer's overall evaluation of the account of a service based on observation of what is receive and what is delivered. Value represents a business between delivered and receives components. The "receive" components (benefit) of perceived value include underlying attributes (e.g. how the purchase makes) and exotic attributes (e.g. reputation of the product/service), while the "receive" components of perceived value include budgetary prices and non-budgetary cost (e.g. time, energy, effort). Lee and Overby identified two types of online shopping values functional value and observational value. Functional value is defined as an overall assessment of functional advantage incorporating the four measurement- *price saving, service, time saving, and merchandise selection*. Functional value is relevant for task-specific use of online shopping, e.g. purchase consultation. Experiential value is defined as an overall representation of factual advantage from *entertainment, escapism, visualizes, and interacted* involved with online shopping activities. Functional value is relevant for achieve affective and social stimulant.

D. Customer Satisfaction

Customer tolerance is the customer's judgment of a service in terms of whether that service has met the customer's needs and assumptions. A number of researches have reported that satisfaction is certainly associated with service quality and is an important inter-mediator of service quality and observable importance (Cronin et al., 2000; Tam, 2004; Yu et al., 2006; Chang et al., 2009).

Service quality is measured to be a strong prediction of customer satisfaction (Cronin and Taylor, 1992; Cronin et al., 2000; Dabholkar et al., 2000 ;). Research in different firms have inspected the bridge between service quality (its measures) and customer satisfaction – telecommunications (Woo and Fock, 1999); restaurants (Gilbert et al., 2004); hospitals (Andaleeb, 1998); hotel services (Voss et al., 1998); travel agencies (Bitner, 1990); internet services (Kim and Lim, 2001; Van Riel et al., 2001); multiple industries (Bitner et al., 2000). In historic trade banking service characteristic measurement of relational performance, origin performance and features performance were found to be momentous predictions of customer satisfaction. Different studies have been conducted in same area, where in banking service quality features have been tested as predictions of customer satisfaction.

E. Service quality, Perceived Value and Customer Satisfaction

The interdependence between expectation, perceived service quality and customers satisfaction have been evaluated in a number of studies (Zeithaml, et al, 1988). They found that, there is very strong relationship between quality of service and customer satisfaction (Parasuraman et al, 1985; 1988 ;).

Expand in service quality of the banks can satisfy and establish customer satisfaction which retains valued customers. The high level of perceived service quality outcome is increased customer satisfaction. When service quality is less than expected service quality customer will be dissatisfied. According to Taylor and Cronin satisfaction extreme originate to quality-that quality is one of the important service extensions in customer satisfaction evaluation.

III. RESEARCH QUESTIONS

After a careful understanding of the history presented above the following research questions and hypothesis were identified to be verified through primary research for the concerned study:

1. What are the most important online service quality measures that are associated with a top level of customers' perception towards e-banking?
2. Is there any positive interrelationship between the level of customers' perceived overall service quality and their satisfaction in e-banking?

IV. RESEARCH DESIGN

The research is generally primary in nature. The data was collected through a well-structured 5-point itemized Liker scale which was administered through face to face interaction with the customers who have used e-banking services at least once in the recent past. A sample of 100 persons was selected through Convenience by technique that has used E- Banking in recent past and was asked to fill the survey questions (after found eligible to fill the same).

V. DATA ANALYSIS AND INTERPRETATION

The outcomes of the data analysis obtained through SPSS are presented below. The First question pertaining to identifying the very important Service Quality Measure relating to e-banking services was answered with the help of Mean scores computed of the responses given by respondents as shown in Table. It was found that Responsiveness of the portal in clearing the transactions/ generating receipts etc. with a mean score of 4.85 with minimum Standard deviation is the very important parameter for assessing the electronic-service quality followed by Security of the details of the customers at the virtual space with a mean value of 3.97 and consequently Navigation of the website i.e. user friendliness in transiting from one page to the other is at no. three with a mean score of 3.73 and consequently Quality of Content with mean score of 3.47 and Customer Support Service with score of 3.41 are at fourth and fifth places.

The first research queries can be answered like that: Security, Responsiveness and Navigation are the main important dimensions that determine the Service Quality of Net-banking web Portals the most.

The outcomes of the Regression model are presented in Table below (2 & 3). As shown in table (2 & 3) the regression model is a good fit with the value of R=0.942 and R²= 0.887 and p value of 0.000 as available from ANOVA table which shows

that model is statistical significant at 5% level of significance with an F value of 147.87.

In order to find the answer to second research question we need to look at the Linear Regression Model developed with Customer Comfort as dependent variable and Privacy, Navigation, Content, Responsiveness and Customer Duty as dependent variables as shown in Table below. It is clear from the table that Privacy, Responsiveness, and Navigation are important factors for determining the Customer comfort from the service quality of e-banking portals which were seen to be significant at 5% level of significance whereas Customer Service shows a very small association with total customer satisfaction and Quality of Content measures of service quality was not supported as a source of customer comfort.

VI. CONCLUSION

From the above discussion it may be concluded that Privacy, Responsiveness and Navigation are the main parameters of the Electronic-Service Quality which were rated the very effective in determining the total Customer Satisfaction from the e-banking portals used by the customers in Jalandhar region of Punjab (India)

Descriptive Statistics-Mean Scores

	N	Minimum	Maximum	Mean	Std. Deviation
Security_Per.	100	3	5	3.97	.359
Navigation_Per	100	2	5	3.73	1.109
Qlty Content_Per.	100	2	5	3.47	.979
Resp_Per.	100	4	5	4.85	.171
Cust.Ser_Per.	100	2	5	3.41	.965
Valid N (listwise)	100				

Table 1 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.942 ^a	.887	.881	.173

a. Predictors: (Constant), CustomerServicePerception, PrivacyPerception, ResponsivenessPerception, NavigationPerception, ContentPerception

Table 2
ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	22.180	5	4.436	147.878	.000 ^a
	Residual	2.820	94	.030		
	Total	25.000	99			

a. Predictors: (Constant), CustomerServicePerception, PrivacyPerception, ResponsivenessPerception, NavigationPerception, ContentPerception

Table 3
Regression Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	5.743	.456		12.586	.000
	PrivacyPerception	.576	.045	.469	12.789	.000
	NavigationPerception	.170	.048	.168	3.576	.001
	ContentPerception	.037	.029	.060	1.282	.203
	ResponsivenessPerception	.851	.038	.826	22.596	.000
	CustomerServicePerception	-.132	.041	-.129	3.218	.002

a. Dependent Variable: OverallSatisfaction

Table 4
Measurement Scales
Important Dimensions of e-SQ

Scale Items (For Measuring most important Service Quality Dimensions)	Scale (1 to 5) Likert Scale 1- Least Important 2- Somewhat Important, 3- Neither imp. nor unimp. 4 Important 5 Very Important
I consider the Security of my personal details while using e-banking services of this bank to be _____.	<input type="radio"/> 1 <input type="radio"/> 2 <input type="radio"/> 3 <input type="radio"/> 4 <input type="radio"/> 5
For me the user friendliness in transition from one page to the other is _____.	<input type="radio"/> 1 <input type="radio"/> 2 <input type="radio"/> 3 <input type="radio"/> 4 <input type="radio"/> 5
I give _____ to the quality of content available on the website that provides me the features of products or processes in details.	<input type="radio"/> 1 <input type="radio"/> 2 <input type="radio"/> 3 <input type="radio"/> 4 <input type="radio"/> 5
For me the availability of graphics and design is _____ while doing e-banking transactions.	<input type="radio"/> 1 <input type="radio"/> 2 <input type="radio"/> 3 <input type="radio"/> 4 <input type="radio"/> 5
I consider the responsiveness of the system in clearing the transactions and generating receipts to be _____.	<input type="radio"/> 1 <input type="radio"/> 2 <input type="radio"/> 3 <input type="radio"/> 4 <input type="radio"/> 5
For me the availability of 24 hrs. customer service is _____.	<input type="radio"/> 1 <input type="radio"/> 2 <input type="radio"/> 3 <input type="radio"/> 4 <input type="radio"/> 5

Perceived e-Services Quality

Scale Items (For Measuring perceived Service Quality of e-banking services)	Scale (1 to 5) Likert Scale 1- Very Disagree 2- Disagree 3- Neither agree nor disagree 4- Agree 5- Very agree
My bank ensures my privacy and security while dealing with the e-banking services offered by my bank.	<input type="radio"/> 1 <input type="radio"/> 2 <input type="radio"/> 3 <input type="radio"/> 4 <input type="radio"/> 5
My bank offered a pleasant experience while navigating the e-banking portal.	<input type="radio"/> 1 <input type="radio"/> 2 <input type="radio"/> 3 <input type="radio"/> 4 <input type="radio"/> 5
Quality content is available on the portal that provides me the features of products/services in detail.	<input type="radio"/> 1 <input type="radio"/> 2 <input type="radio"/> 3 <input type="radio"/> 4 <input type="radio"/> 5
The well designed graphics are used in my bank's e-banking portal.	<input type="radio"/> 1 <input type="radio"/> 2 <input type="radio"/> 3 <input type="radio"/> 4 <input type="radio"/> 5
My e-portal of my bank is quite responsive in clearing the transactions and generating receipts.	<input type="radio"/> 1 <input type="radio"/> 2 <input type="radio"/> 3 <input type="radio"/> 4 <input type="radio"/> 5
Customer service for using e-banking services is available 24 hrs.	<input type="radio"/> 1 <input type="radio"/> 2 <input type="radio"/> 3 <input type="radio"/> 4 <input type="radio"/> 5

Customer Satisfaction

Scale Items (For Measuring Customer Satisfaction of e-banking services)	Scale
I am _____ with the performance of my banks e-banking services.	<input type="radio"/> V. dissatisfied <input type="radio"/> Dissatisfied <input type="radio"/> Neither Sat. nor Dis. <input type="radio"/> Satisfied <input type="radio"/> Very Satisfied

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VIII. REFERENCES

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