

# **An Analysis of Internet Banking Service Quality Affecting Customer Satisfaction with a focus on United Commercial Bank Limited in Bangladesh**

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## **Abstract**

Banking industry around the world has transformed swiftly over the last decade and still undergoing through a rapid transformation. With rapid growth and extensive use of the Internet in the marketing practices of firms, service quality delivery through electronic platforms for electronic commerce becomes one of the most critical issues for marketers in the service sector. One of such uses of electronic platforms is Internet Banking in banking industry. This empirical research study focuses on investigating the relationship between Service Quality and Customer Satisfaction in Internet Banking provided by UCBL (United Commercial Bank Limited). A significant positive relationship exists between Service Quality and Customer Satisfaction in the internet banking. The findings showed that Ease of Use, Security/Privacy, Reliability and Responsiveness have positive effects on customer satisfaction among users of Internet Banking of UCBL.

**Keywords:** Internet Banking, Bangladesh, Customer Satisfaction, Service Quality, United Commercial Bank.

## **1. Introduction:**

In the present world money is circulated all over the globe. As a consequence of globalization, technological advances and other factors money is circulating unimaginably. Financial Institutions mainly Banks play a pivotal role in matching a depositor and lenders and channelling money and making the economy more efficient. Although the history of Banking goes back to the 14th century in Europe but Banks are now everywhere. Banks in Bangladesh play a significant role compared to other financial Institutions.

Until the beginning of the eighties, the banking business in Bangladesh was only restricted to the nationalized sector in addition to two or three foreign banks. It is only in 1983 that the Government changed its policy on the banking sector paving the way for setting up new banks with private sector. In fact, 1983 saw the emergence of a bevy of local banks with private entrepreneurship of which United Commercial Bank Limited stands out prominently. It came on stream in mid 1983.

Today, more and more Bangladeshi banks are trying to differentiate themselves in a fiercely competitive industry. Not only this helps them align their offerings to the constantly evolving customer needs and developments in technology, it also serves to replace some of traditional bank functions, thereby reducing significant overheads associated with bank branches.

As an increasing number of Bangladeshi banks look at the innovative ways, such as Online banking, to make a customer's banking experience more convenient, efficient, and effective, it becomes even more important to ascertain the customers' perception of the overall service quality and their satisfaction with the current online banking services. Measuring customer satisfaction can provide banks useful information about customer loyalty and retention, and also help them devise effective strategies to use efficient customer service as a distinguishing factor in this heavily customer-oriented service industry.

## **2. Background of the study**

There is little doubt that the proliferation of, and advancements in, Internet-based technologies have resulted in fundamental changes in how companies interact with their customers (Ibrahim et al, 2006; Bauer et al., 2005; Parasuraman and Zinkhan 2002). Online banking refers to the automated delivery of banking products and services directly to customers through electronic communication channels, most notably the Internet. Online banking is also called E-banking or PC banking. Internet banking is an 'Internet portal, through which customers can use different kinds of banking services ranging from bill payment to making investments' (Pikkarainen, Karjaluoto, and Pahlila 2004). Online banking has started in the 1980s but it is relatively a new concept in Bangladesh.

It is believed that the E-banking will help banks to cut costs, increase revenue, and become more convenient for customers. Existing literature shows that E-banking has not been comprehensively studied in Bangladesh. This study aims to fill this gap.

### 3. Purpose of the study

The purpose of the study is to determine the factors of internet banking which has an impact on the customer satisfaction. UCBL operates all over the Country and serve the financial needs of the leading businesses, individuals, corporate houses and offers services to local banks. To become successful the company has to provide superior client service to satisfy the customers. The research was conducted to show how the various qualities of internet banking are related to customer satisfaction.

- The research will be conducted to show relationship between determinants of internet banking service quality and customer satisfaction.
- Determining how ease of use of internet banking is related to customer satisfaction.
- Evaluating the reliability of Customers on internet banking of UCBL and its effect on customer satisfaction.
- Analysing the security/privacy UCBL internet banking provides and its relation to customer satisfaction.
- Analysing responsiveness that is received by the customers on using Internet banking has any relation to customer satisfaction.

### 4. Literature review

According to Daniel, 1999, Internet banking services as major information services of a bank to serve its customers via the Internet. Internet banking permits consumers to carry out usual banking transactions on a computer which is equipped with Internet connection. Among the most commonly used Internet banking services include transferring funds between accounts, checking the balance in one's bank account and bill paying. Basel Committee Report on Banking Supervision (1998) defined Internet banking services as the provision of various banking products and services like bank account management, electronic bill payment and financial advice over the Internet. Mukherjee and Nath (2003) defined Internet banking as a type of banking activity through which consumers can perform banking transactions such as checking account balances and making payments via telecommunication network. Encarta MSN (2007) defined Internet banking as services of banks in which the customers can pay bills and check account information by the use of the Internet.

Service quality (SQ) has received a great deal of attention in the marketing literature from both scholars and practitioners in business. Many studies have established that SQ is a crucial driver of satisfaction (C. Grönroos, 1984), profitability (J.L. Heskett, E. Sasser and L. Schlesinger, 1997) and a key competitive advantage for modern business firms (C. Lovelock, 2011). Indeed, SQ is not just a corporate offering, but a competitive weapon which is necessary for corporate profitability and survival (V.A. Zeithaml, L.L. Berry, & A. Parasuraman Vol. 60). SQ has been defined as the difference between customer expectations for service performance prior to service encounter and their perception of the service received as the subjective comparison that customers make between the quality of service that they wish to receive and what they actually get.

Customer satisfaction has widely been addressed in literature; early studies upon the concepts of satisfaction have traditionally defined satisfaction as an evaluative judgment prior to making a choice, about any particular purchase decision. Mostly, researchers established satisfaction as an attitude or an evaluation formed by the customer by making a comparison in their pre purchase expectation to their subjective perceptions of actual performance (Oliver, 1980).

Customer satisfaction has been defined in different context by different authors. According to reference (P. Kotler and K. Keller, 2006), "Satisfaction is a person's feeling of pleasure or disappointment resulting from comparing a product's performance (outcome) in relation to his or her expectation." While some authors perceive satisfaction as a cumulative, others view it as transactional. On the one hand from a transactional-specific perspective, Customer Service is based on a one time, specific post-purchase evaluative judgement of a

service encounter. On the other hand, in the cumulative Customer Service perspective, Customer Service is conceptualised as an overall customer evaluation of a product or service based on purchase and consumption experiences over a time period (E.W. Anderson, C. Fornell, and D.R. Lehmann, 1994). It is argued that since cumulative satisfaction is based on a series of purchase and consumption experiences, it is more useful and reliable as a diagnostic and predictive tool than the transaction perspective that is based on a one-time purchase and consumption experience. Therefore, in this study, customer satisfaction is measured from the last twelve months of using internet banking facilities of this particular bank, so Customer Service is conceptualised as cumulative and adopts the definition of satisfaction given by (Nimako, et al. 2012) as operational definition in this paper: Customer Service is “The process of customer overall subjective evaluation of the product/service quality against his/her expectation or desires over a time period.”

The fact that service quality of a firm has a positive influence on satisfaction of customers is well documented in the literature (Nimako, et al. 2012). Internet banking quality has also been found to be a driver of customer satisfaction in different service contexts (M. Rod, N.J. Ashill, J. Shao and J. Carruthers, 2009). Improvement in the internet service quality could be made if customers’ satisfaction and perception of it and how Internet banking service quality affects Customer Satisfaction can be measured in the first place. Effective measurement the impact of Internet banking service quality on customer satisfaction could be very useful in the allocation of resources based on critical factors and in the segmentation of customers in meeting their needs and wants. However, it is a documented fact in the literature that different service context could induce unique and critical electronic service quality variables useful to the service context. As a result, current researchers keep exploring the impact of Internet banking service quality in different countries and industries. Therefore, this paper examines Internet banking service quality and how it is related to customer satisfaction in context to a Bangladeshi bank for theoretical and managerial implications.

#### 4.1 Ease of Use

One of the key aspects affecting customer satisfaction is the usability (Gant and Gant, 2002). The definition of Ease of Use is the degree of the user belief that the system would be free of effort (Davis, 1989; Al-Somali, 2009). The technology acceptance model (TAM) posits that perceived ease of use and perceived usefulness are the primary determinants of system usage (Davis, 1989). Ease of Use has been often considered as a synonym to Usability though the meaning of usability is beyond the ease of use. Thus when the definition of usability is given as "The extent to which a product can be used by specified users to achieve specified goals with effectiveness, efficiency, and satisfaction in a specified context of use", Usability can be considered as a service quality attribute to replace Perceived Ease of use. Usability refers to the ease with which users can access information and navigate the web portal (Gant and Gant, 2002). To measure the usability of the internet banking, the features of increased the ease of use of it is to be recorded, making it easy to navigate and find necessary information.

Usability is a non-functional requirement. It may be thought of as operational requirement that enhances the functional requirement capability. As with other non-functional requirements, usability cannot be directly measured but must be quantified by means of indirect measures or attributes such as, for example, the reported problems with ease-of-use of a system or the satisfaction level by the ease of use. In the context of Internet Banking, ease of use is related to search facilities, availability of customized search functions and ease of navigation (Ma, Wanli, et al. 2005). Well-designed websites have pleasant, consistent interfaces that are easy to use (Gant and Gant, 2002).

#### 4.2 Security/Privacy

Privacy dimension comprises the guarantee that the record showing shopping activities and security of credit card/account information is not shared (Yang, et al. 2004; Saha and Zhao, 2005). This is made up of the guarantee that the record showing banking activities and security of account information is not shared (Yang, et al. 2004; Saha and Zhao, 2005). Security is another essential determinant in the decision of consumers to use Internet banking. Strong issues on security are a common concern to individuals hence their unwillingness to use internet banking. O’Connell (1996) study also indicated that in Australia security concerns were shown to be the major cause of the slow growth of Internet banking in the country.

Rogoff, Kenneth (2002) in their study found out that most individuals had faint knowledge and understanding of online banking security risks though they know of the risks. A further finding shows that individuals are aware that their bank will protect their privacy hence their strong confidence in their bank but have a weak confidence in technology use for online banking. Philip, Cunningham (2003) stated in the findings that security issues are the major factor preventing customers from using the Internet for financial transactions. The study further concludes by indicating that customers do not see the benefit of using the internet for commerce and that an educational campaign would be needed to make new internet offering successfully. One of the most important future challenges facing individuals or customers of a bank is the fear of higher risks associated with using the Web for banking and financial transaction (Philip, Cunningham, 2003).

#### 4.3 Reliability

Reliability involves dependability and uniformity in performance. It means the firm honors the commitments it makes. Specifically, billing accuracy, proper record maintenance and delivering the service within acceptable time limit describes the reliability of online services (Saha and Zhao, 2005).

It involves two concepts, dependability and uniformity in performance. Reliability also means honouring the commitments in areas such as billing accuracy, proper record maintenance and delivering the service within acceptable time limit (Saha and Zhao, 2005). Many authors have detected that reliability is significant in the determination of service quality (Bagozzi, 1990; Davis et al., 1992; Parasuraman et al., 1988; Zeithaml, 2000). In addition, Reliability is the most crucial characteristics for customers in the evaluation of service quality (Dabholkar, et al. 2002). Zeithaml (2000) advised that customers should be specifically influenced by the reliability of new technology because they might be associated with risks such as the technology malfunctioning. Parasuraman et al. (1988) also considered reliability of the service as an important factor of service quality. Research on the use of computers or technologies which share similar characteristics also affect performance (or dependability) as it is an important attribute (Davis, 1989; Bagozzi, 1992).

#### 4.4 Responsiveness

Responsiveness concerns the willingness or eagerness of employees for service provision. It involves turnaround time of service actions like timely dispatch of a receipt or quickly calling back the customer (Zeithaml, 2000). Customers are particularly interested in the speed with which a service is offered or delivered. In addition, most researches have indicated that in most cases, customers overrate the processing time of a service (Rogers, et al. 1993). An additional justification could come from the suggestion of Zeithaml (2000) who posited that unoccupied time is comprehended as longer than occupied time. Also, Lovelock, et al. (2001) resolved that slow service delivery has a negative effect on individuals "overall perceptions of the service quality". So, if individuals are expecting a rapid service delivery, it is probable that they will assess the service more positively. Similarly, Dabholkar, et al. (2002) discovered also that time was a significant factor for individuals using a new service or technology. It was also discovered that time savings were essential to individuals who use electronic banking and shopping (Yousafzai, et al. 2003).

### 5. Hypotheses

**H<sub>0</sub>1:** There is no correlation between ease of use and customer satisfaction in Internet Banking for UCBL.

**H<sub>a</sub>1:** There is a correlation between ease of use and customer satisfaction in Internet Banking for UCBL.

**H<sub>0</sub>2:** There is no correlation between security/privacy and customer satisfaction in Internet Banking for UCBL.

**H<sub>a</sub>2:** There is a correlation between security/privacy and customer satisfaction in Internet Banking for UCBL.

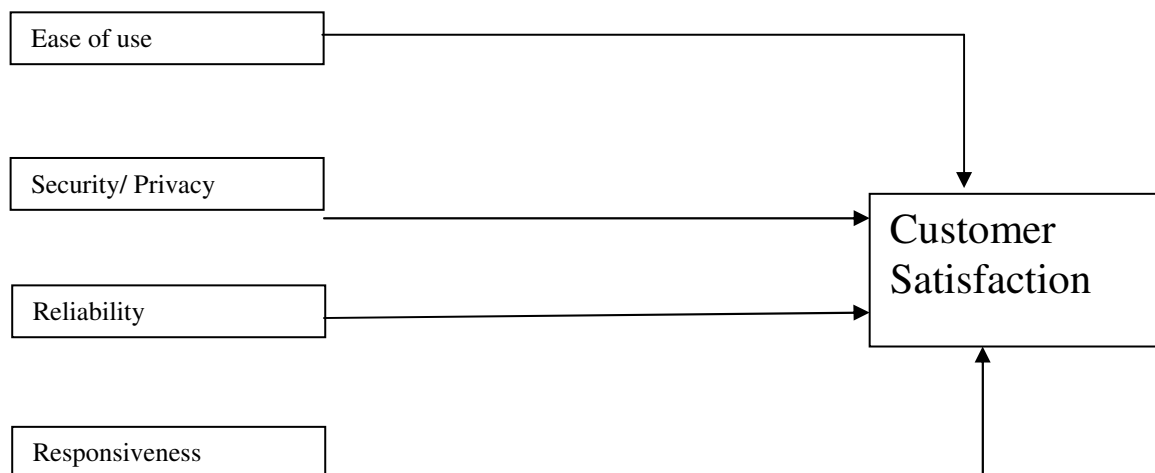
**H<sub>0</sub>3:** There is no correlation between reliability and customer satisfaction in Internet Banking for UCBL.

**H<sub>a</sub>3:** There is a correlation between reliability and customer satisfaction in Internet Banking for UCBL.

**H<sub>0</sub>4:** There is no correlation between responsiveness and customer satisfaction in Internet Banking for UCBL.

**H<sub>a</sub>4:** There is a correlation between security/privacy and customer satisfaction in Internet Banking for UCBL.

## 6. Theoretical framework



## 7. Research Methodology

### 7.1 Research design

It is crucial as it acts as a blueprint for the collection, measurement and analysis of data. In this study, we selected formal research design because this study required structured and précised way to show the relationship among different variables and to test hypotheses.

Under the method of data collection, we selected communication study as we needed to communicate with different customers through questionnaire to understand their attitude toward service quality of internet banking.

As shown in the diagram of the conceptual framework of the research there are four independent variables and one dependent variable. So a change in the independent variables (ease of use, security/privacy, responsiveness, reliability) will change the dependent variable (customer satisfaction). So to investigate the research questions and test the hypothesis a Causal study is required.

The study will be a Causal Explanatory research because it explains the relationships among the independent and dependent variables and how a change in the independent variable changes the dependent variable. A Causal Explanatory research goes further beyond than indication relationships between variables it also indicates the direction of the relationship. The research will be carried out once due to shortage of budget, time and convenience.

The study reflected a snapshot of one point in time. 40 customers (users of Internet Banking) were studied as samples and they did not need to be studied again for the same study. The research occurred in actual environmental conditions. This option was chosen because information was received from the sample on field and relationships in variables of the study were required to represent via mathematical models.

### 7.2 Sampling Method

According to Cooper and Schindler (2003), samples which are unrestricted, economical, and easiest to conduct are considered as non-probability convenience sampling. Due to time constraint, the convenience sampling was selected for this study, although it was the least reliable sampling method. When customers appeared in the bank I asked them if he/she has used or is using Internet Banking of UCBL. On getting a positive feedback I handed over the questionnaire to respondents and information was collected from them at the spot. I have selected 40 users of Internet Banking service of UCBL as sample size.

### 7.3 Questionnaire Design

A structured questionnaire was designed. The questionnaire was comprised of questions of both the independent and dependent variables. Each item was rated on a Likert Scale (1 to 5) which ranges on a continuum from strongly agree to strongly disagree. All participants easily understood the rating scale and thus have successfully completed the survey. There were 25 questions including demographic questions in the questionnaire. The questionnaire was distributed among the 40 respondents (users of internet banking). The questionnaire was surveyed physically in Branches of UCBL.

## 8. Findings and Analysis

### Statistics

	Age of Respondents	Gender Respondents	Length of Internet Banking usage	Frequency of internet banking
N	40	40	40	40
	Valid	40	40	40
	Missing	0	0	0

### Descriptive Analysis

#### Age of Respondents

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	16-29	21	52.5	52.5
	30-49	19	47.5	100.0
	Total	40	100.0	100.0

Amongst the 40 respondents I had 21 aged between 16-29, which is 52.5% and 19 respondents were aged between 30-49, which is 47.5%. There were no respondents aged above 50 stating that senior citizens does not use internet banking more often.

#### Gender of Respondents

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	25	62.5	62.5
	Female	15	37.5	100.0
	Total	40	100.0	100.0

25 of the respondents were male with 62.5% of the total whereas there were 15 female respondents with 37.5% of the total.

### Length of Internet Banking usage

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	less than one year	16	40.0	40.0
	between 1-3 years	17	42.5	82.5
	More than 3 years	7	17.5	100.0
	Total	40	100.0	100.0

Internet banking is relatively a new concept in Bangladesh and this is reflected also by my findings. 16 of the respondents is using internet banking less than a year and they consist of 40%. 17 have been using internet banking between 1-3 years and they consist of 42.5%. 7 of the respondents is using internet banking for more than 3 years with a percentage of 17.5%.

### Frequency of internet banking

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Once a month	5	12.5	12.5
	twice per month	12	30.0	42.5
	thrice per month	13	32.5	75.0
	four times per month	4	10.0	85.0
	five times per month	4	10.0	95.0
	more than five times per month	2	5.0	100.0
	Total	40	100.0	100.0

Frequency of internet banking represents the number of times the respondents used internet banking every months. The findings show that 5 use them once a month, 12 use them twice a month, 13 use them thrice a month, 4 use them four times every month, 4 use them five times a month and 2 use them more than five times a month. Most of the respondents use internet banking thrice per month and twice per month with percentages of 13% and 12% respectively.

### Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
EaseOfUse	40	2.83	5.00	3.9750	.51550
Reliability	40	2.50	4.75	3.9063	.51791
PrivacyAndSecurity	40	3.00	5.00	4.2625	.59901
Responsiveness	40	2.33	5.00	3.6833	.50609
CustomerSatisfaction	40	3.00	5.00	4.1208	.53241
Valid N (listwise)	40				

Descriptive Statistics states that:

The minimum value for the variable Ease of use is 2.83 (on average) and the maximum value (on average) is 5. The mean is 3.9750 with the standard deviation of 0.51550.

The minimum value for the variable Reliability is 2.50 (on average) and the maximum value (on average) is 4.75. The mean is 3.9063 with the standard deviation of 0.51791.

The minimum value for the variable Privacy and Security is 3.00 (on average) and the maximum value (on average) is 5. The mean is 4.2625 which is the highest amongst all variables with the standard deviation of 0.59901.

The minimum value for the variable responsiveness is 2.33 (on average) and the maximum value (on average) is 5. The mean is 3.6833 with the standard deviation of 0.50609.

The minimum value for the variable Customer satisfaction is 3.00 (on average) and the maximum value (on average) is 5. The mean is 4.1208 with the standard deviation of 0.53241.

### Reliability Analysis

Internal consistency reliability is the accuracy or precision of a measuring instrument, which is the extent of unidimensionality, that is, the detailed items (questions) measure the same thing. The internal consistency reliability was assessed by calculating Cronbach's  $\alpha$  value. I have used SPSS version 20 to test the reliability of the multiple item constructs that were included in the survey instrument, since it is the most popular measure of internal consistency. In social science research a reliability coefficient of 0.6 or higher is considered "acceptable" (Nunnally, 1978), (George, 2003), (Kline, 2000).

Items	Cronbach's Alpha
Reliability	0.785
Responsiveness	0.686
Ease of use	0.844
Privacy/Security	0.768
Customer Satisfaction	0.657

### Pearson's Correlation

Pearson's correlation is used to see the strength of relationship between variables. If significance or  $p \leq 0$ , then null hypotheses ( $H_0$ ) will be rejected and alternate one will be considered. Calculations are done below.



*Hypotheses 1*

**Correlations**

		EaseOfUse	CustomerSatisfaction
EaseOfUse	Pearson Correlation	1	.730**
	Sig. (2-tailed)		.000
	N	40	40
CustomerSatisfaction	Pearson Correlation	.730**	1
	Sig. (2-tailed)	.000	
	N	40	40

\*\* . Correlation is significant at the 0.01 level (2-tailed).

In case of Hypothesis 1, there is a strong relationship between Ease of use and Customer Satisfaction as  $r=0.730$  which means Ease of Use will affect Customer Satisfaction.

*Hypothesis 2*

**Correlations**

		Reliability	CustomerSatisfaction
Reliability	Pearson Correlation	1	.647**
	Sig. (2-tailed)		.000
	N	40	40
CustomerSatisfaction	Pearson Correlation	.647**	1
	Sig. (2-tailed)	.000	
	N	40	40

\*\* . Correlation is significant at the 0.01 level (2-tailed).

In case of Hypothesis 2, there is a strong relationship between Reliability and Customer Satisfaction as  $r=0.647$  which means Reliability will affect Customer Satisfaction.

*Hypothesis 3*

**Correlations**

		PrivacyAndSecurity	CustomerSatisfaction
PrivacyAndSecurity	Pearson Correlation	1	.628**
	Sig. (2-tailed)		.000
	N	40	40
CustomerSatisfaction	Pearson Correlation	.628**	1
	Sig. (2-tailed)	.000	
	N	40	40

\*\* . Correlation is significant at the 0.01 level (2-tailed).

In case of Hypothesis 3, there is a strong relationship between Privacy/Security and Customer Satisfaction as  $r=0.628$  which means Privacy/Security will affect Customer Satisfaction.

*Hypothesis 4*

**Correlations**

		Responsiveness	CustomerSatisfaction
Responsiveness	Pearson Correlation	1	.341 <sup>*</sup>
	Sig. (2-tailed)		.031
	N	40	40
CustomerSatisfaction	Pearson Correlation	.341 <sup>*</sup>	1
	Sig. (2-tailed)	.031	
	N	40	40

\*. Correlation is significant at the 0.05 level (2-tailed).

In case of Hypothesis 4, there is a weak relationship between Responsiveness and Customer Satisfaction as  $r=0.341$  which means Responsiveness will affect Customer Satisfaction.

**Regression Analysis**

Here R2 values represent how much a dependent variable is explained by the independent variable and if  $p \leq 0.05$ , then null hypotheses (H0) will be rejected and alternate one will be considered.

*Hypothesis 1*

**Model Summary**

Model	R	R Square	Adjusted Square	RStd. Error of the Estimate
1	.730 <sup>a</sup>	.533	.521	.36855

a. Predictors: (Constant), EaseOfUse

Considering Ease of Use as Independent Variable and Customer Satisfaction as a dependent variable  $R^2=0.533$  reflects that Ease of Use explains customer satisfaction by 53.3%.

**ANOVA<sup>a</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	5.893	1	5.893	43.389	.000 <sup>b</sup>
	Residual	5.161	38	.136		
	Total	11.055	39			

a. Dependent Variable: CustomerSatisfaction

b. Predictors: (Constant), EaseOfUse

**Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.123	.459		2.449	.019
	EaseOfUse	.754	.114	.730	6.587	.000

a. Dependent Variable: CustomerSatisfaction

**Decision Directive:**

To reject the null hypothesis, the significance value must be less than the significance level of 5%.

**Decision:**

The critical P-Value is 0.05 because the confidence interval is 95% and the calculated P-value is 0.00. So,

Calculated P=0.00 < Critical P=0.05

So, at 95% confidence interval, the null hypothesis is rejected.

Hence, Ease of use of Internet Banking affects Customer Satisfaction in the context to United Commercial Bank Limited.

*Hypothesis 2*

**Model Summary**

Model	R	R Square	Adjusted Square	Std. Error of the Estimate
1	.647 <sup>a</sup>	.418	.403	.41146

a. Predictors: (Constant), Reliability

Considering Reliability as Independent Variable and Customer Satisfaction as a dependent variable  $R^2=0.418$  reflects that Reliability explains customer satisfaction by 41.8%.

**ANOVA<sup>a</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	4.622	1	4.622	27.299	.000 <sup>b</sup>
	Residual	6.433	38	.169		
	Total	11.055	39			

a. Dependent Variable: CustomerSatisfaction

b. Predictors: (Constant), Reliability

Coefficients<sup>a</sup>

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.524	.501		3.042	.004
	COMPUTE Reliability	.665	.127	.647	5.225	.000

a. Dependent Variable: CustomerSatisfaction

**Decision Directive:**

To reject the null hypothesis, the significance value must be less than the significance level of 5%.

**Decision:**

The critical P-Value is 0.05 because the confidence interval is 95% and the calculated P-value is 0.00. So, Calculated P=0.00 < Critical P=0.05

So, at 95% confidence interval, the null hypothesis is rejected.

Hence, Reliability on Internet Banking affects Customer Satisfaction in the context to United Commercial Bank Limited.

*Hypothesis 3*

**Model Summary**

Model	R	R Square	Adjusted Square	Std. Error of the Estimate
1	.628 <sup>a</sup>	.395	.379	.41962

a. Predictors: (Constant), PrivacyAndSecurity

Considering Privacy and Security as Independent Variable and Customer Satisfaction as a dependent variable R<sup>2</sup>=0.395 reflects that Privacy and Security explains customer satisfaction by 39.5%.

**ANOVA<sup>a</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	4.364	1	4.364	24.784	.000 <sup>b</sup>
	Residual	6.691	38	.176		
	Total	11.055	39			

a. Dependent Variable: CustomerSatisfaction

b. Predictors: (Constant), PrivacyAndSecurity

**Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.741	.483		3.606	.001
	PrivacyAndSecurity	.558	.112	.628	4.978	.000

a. Dependent Variable: CustomerSatisfaction

**Decision Directive:**

To reject the null hypothesis, the significance value must be less than the significance level of 5%.

**Decision:**

The critical P-Value is 0.05 because the confidence interval is 95% and the calculated P-value is 0.00. So,

Calculated P=0.00 < Critical P=0.05

So, at 95% confidence interval, the null hypothesis is rejected.

Hence, Privacy and Security internet Banking affects Customer Satisfaction in the context to United Commercial Bank Limited.

*Hypothesis 4*

**Model Summary**

Model	R	R Square	Adjusted Square	RStd. Error of the Estimate
1	.341 <sup>a</sup>	.116	.093	.50699

a. Predictors: (Constant), Responsiveness

Considering Responsiveness as Independent Variable and Customer Satisfaction as a dependent variable R<sup>2</sup>=0.116 reflects that Responsiveness explains Customer Satisfaction by 11.6%.

**ANOVA**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1.287	1	1.287	5.009	.031 <sup>b</sup>
	Residual	9.767	38	.257		
	Total	11.055	39			

a. Dependent Variable: CustomerSatisfaction

b. Predictors: (Constant), Responsiveness

**Coefficients<sup>a</sup>**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	2.798	.596		4.693	.000
Responsiveness	.359	.160	.341	2.238	.031

a. Dependent Variable: CustomerSatisfaction

**Decision Directive:**

To reject the null hypothesis, the significance value must be less than the significance level of 5%.

**Decision:**

The critical P-Value is 0.05 because the confidence interval is 95% and the calculated P-value is 0.031. So, Calculated P=0.031 < Critical P=0.05

So, at 95% confidence interval, the null hypothesis is rejected.

Hence, Responsiveness of the users of Internet Banking affects Customer Satisfaction in the context to United Commercial Bank Limited.

**9. Implications for managers and further research**

Internet banking, the state-of-the-art banking system, has got huge potential to open up new window of opportunity to the existing banks and financial institutions in Bangladesh. Managers of different branches of UCBL should concentrate more on the factors that affect service quality when providing online banking service. Greater service quality can gain greater customer satisfaction. Banking customers are now getting more associated with the fast and convenient online banking system. This research can contribute to managers by giving them ideas about creating new markets, and reducing operational and administrative costs.

Future research can be done on several extensions of the current research. Future research needs to verify the Service Quality dimensions in Internet Banking used in this study. Further research can be done to get more dimensions of Online Service Quality in internet banking. This research tried to find out the linkage between Service Quality and customer satisfaction in internet banking. Further research can try to explore the relationship between Service Quality, customer satisfaction and customer loyalty or retention.

**10. Conclusion**

It is evident that no organization in this world can survive without customers. Satisfied customers are asset to an organization. Hence, in order to maintain customer satisfaction, the organization needs to ensure that it is providing the best service quality in the marketplace. If an organization can estimate customer satisfaction, it can help them to have a deep understanding of customer retention and loyalty.

Online banking has immense benefit for the customers and saves a lot of time and things get done with less effort. Internet banking has huge potential in our country. Bangladesh just started its journey in internet banking and banks are coming forward to make it a success. More than 25 banks are now using online banking to deliver superior customer service. Internet banking is an opportunity for the banks to customize their service and build a profitable customer relationship in the process.

This research was a minor effort to predict the relationship between service quality and customer satisfactions among consumers use Internet Banking service of United Commercial Bank in Dhaka, Bangladesh. A questionnaire survey was conducted based on relevant research and theories. The study used SPSS 20, which led to findings that supports the theory of customer satisfaction in Internet banking is affected by Ease of Use, Security/Privacy, Reliability and Responsiveness in an ample manner.

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