

Original Article

Psychological factors affecting customers' retention in corporate electronic banking services

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Abstract

Background: Loyal customers are valuable for organizations; customer loyalty has a positive effect on the profit and income of the organization. Thus, the purpose of this study was to look into the psychological aspects of corporate electronic banking services that have an impact on client retention.

Methods: This research was a descriptive type that conducted by questionnaire method. The statistical population of the research consisted of 37,000 customers of Saderat Bank from Isfahan and Lorestan provinces. 380 of these people were selected as a sample using Cochran's formula. A survey created by the researcher served as the measurement tool. To analyze the data, both descriptive and inferential statistics were applied. Descriptive statistics, inferential statistics (e.g., Kolmogorov Smirnov, or K-S) test for data analysis, and research data processing were used to analyze and process demographic data using SPSS software.

Results: Mental and psychological health and having a positive mindset of the organization's performance, website usability features, information security, proper structure, time-saving benefits and mental norms, all have a direct and significant effect on the number of returning customers.

Conclusion: Considering the psychological health model, in order to save time and improve corporate electronic banking in the conditions of full market competition for banks, the use of systems that provide services using customer data and the services rendered without the availability of customers in the service It is necessary to inform and use electronically.

Keywords: Banking, Personal; Job Security; Psychology.

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Introduction

Customers are the key factor in the activity of banks. Attracting and retaining customers leads to the continuous development of banks. Today, considering the effective psychological factors, the strategies and resources of

successful banks are focused on attracting and retaining customers, which is not possible without paying close attention to the demands of customers and identifying factors affecting customer attraction and retention (1). Losing a customer is costly.

In today's economy, companies must focus all their efforts on customer retention, as they are the only source of return on investment. Therefore, the competitive market requires customer-oriented organizations. Customer retention depends on their satisfaction with the quality of customer's perspective (3).

A loyal customer, in addition to repeatedly referring to his or her desired organization to purchase or use services, play a major role in promoting the organization's products and services by recommending it to relatives, friends or other people psychological health. Accordingly, he or she plays a key role in promoting profitability and improving the image of the organization in the minds of customers (4). Owing to the changes in society, population growth and changing their living conditions, increasing technology, public and private banks have also realized that providing current services and daily activities alone is not enough and the distance of Iran's banking system from the world standard system in lack of using central bank, financial instruments, IT infrastructure, lack of market segregation, lack of a rigid accreditation system, lack of precise controls and an effective accounting and auditing system are other problems in this regard. Hence, reconsidering the relationship between the banking system and customers as the main source of income and success of the organization is necessary (5). Due to the importance of customers as a provider of financial benefits to the organization, not only recognizing their obvious needs, but also predicting the hidden needs of customers, designing and implementing service programs to address customer attraction and retention is one of the basic elements of any activity in the organization (6). Therefore, the purpose of

A: Review of library materials and research: This approach entails a review of previously published and related dissertations and studies, a review of books

products and services (2). Every customer has a unique value, so banks need to increase their share of the stable or shrinking market. Customer retention can be aided by marketing practices that focus on customer satisfaction, effective communication, and quality from the

this study was to outline the variables manipulating customer retention for Bank Saderat's corporate e-banking services in the provinces of Isfahan and Lorestan.

Research conceptual model

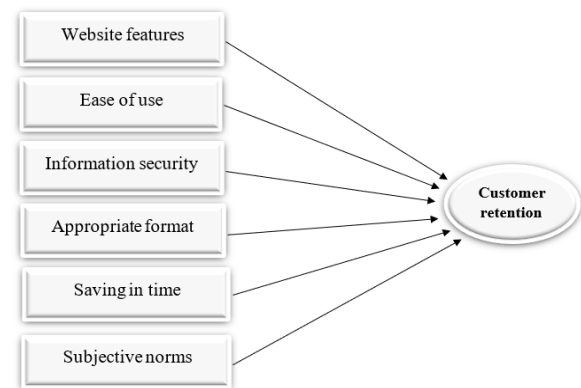


Figure 1. Conceptual model of research

Methods

Study design

The current study was applied research based on its technique, purpose, and descriptive survey. In this kind of study, the objectives of the investigation, the presence or absence of a relationship, and correlation are taken into consideration when analyzing the link between variables, the level and type of relationship between independent and dependent variables are examined. It can be claimed that the current research is field in terms of the type and technique of research because text reviews and library study methods were utilized, as well as field methods like surveys. As a result, this study is a descriptive survey. The information was gathered using the following techniques:

and articles linked to English and Persian, a review of online resources for fresh information, and so forth.

B: Questionnaire: A questionnaire was the primary technique used in this study to collect data. 41 questions made up the questionnaire that was created. Five-point Likert scales were used to develop the questionnaire.

Qualitative section

The statistical population in the qualitative section includes scientific experts (university professors who were proficient in the research subject) and experimental experts (managers of Saderat Bank branches in Hamadan province). The selection of the research sample in qualitative research was of the saturated and targeted type. In this method, the researcher, knowing the target community of the research and knowingly, starts the targeted selection of the target sample for the research. It is necessary to explain that the interviews continued until no newer elements or discussions were raised and in other words we had reached theoretical saturation. Therefore, according to the principles of qualitative methods, finally 10 experts were selected for interviews and the qualitative part of the research.

Quantitative section

The forty thousand people who work for Bank Saderat in the Lorestan and Isfahan province—experts, clients, and employees—make up the statistical population in the quantitative section. The sample size was established using a non-probability sampling technique. So, 70 individuals were chosen as a statistical sample and asked to complete the questionnaire.

Statistical population and data collection

Saderat Bank clients, who numbered 37,000, were included in the statistical population of this study. It was determined that 380 participants would make up the proposed statistical sample using Cochran's formula. 380 individuals worked with the researcher from the Saderat Bank customers who made up the research's

statistical population. Using a 41-item questionnaire created by the researcher, data were gathered. A pilot study using 35 samples yielded a satisfactory Cronbach's alpha coefficient, and management professors accepted the content validity of the study.

Data analysis

Descriptive statistics and inferential statistics were employed to analyze the research's data in two separate sections. Demographic information in this study was analyzed using descriptive statistics, which included graphs, indices, and tables. Additionally, SPSS software was utilized to handle and analyze the research data, along with inferential statistics including Kolmogorov-Smirnov (K-S) tests to check for data normality.

Before performing the statistical analyses necessary to support the study hypotheses, the construct validity of the measurement was evaluated using exploratory factor analysis along with principal component analysis. Harman's one-factor test was used to mitigate the research threat of variance associated with the conventional approach. Using the SPSS program, several statistical approaches were carried out.

Results

In this investigation, 380 samples were used, of which 80 were female and 300 were male. The majority of the samples (43.2%) had a bachelor's degree, while the corresponding percentages for master's, PhD, associates, and diploma were 37.9%, 18.9%, 0.00%, and 0.00%, respectively.

The functionality of the website, convenience of use, security of the customer account information, format and design of the service, time savings, and subjective norms of customers utilizing e-banking services all have a substantial impact on customer retention.

In order to predict website functioning, usability, customer account information security, service format and appearance,

Table 1. The outcomes of a simple regression analysis

Predictor variable	Criterion variable	B	SE	Beta	t	p-value
customer retention	Website features	0.210	0.004	0.945	56.388	<0.001
customer retention	Ease of use	0.328	0.005	0.963	69.666	<0.001
customer retention	Security of customer account information	0.371	0.003	0.989	131.440	<0.001
customer retention	Service format	0.573	0.006	0.977	89.618	<0.001
customer retention	Time saving	0.459	0.008	0.944	55.08	<0.001
customer retention	Customers' subjective norm	0.891	0.014	0.958	64.953	<0.001

time savings, and customers' subjective norm through customer retention, a straightforward regression analysis was performed, and the results are displayed in Table 1.

Discussion

The aim of this research was to delineate the psychological factors that impact the retention of customers in the corporate online banking services offered by Bank Saderat in the provinces of Lorestan and Isfahan. In light of the study's findings, we demonstrated that the characteristics of e-banking websites significantly influence customer retention, which is consistent with the findings of studies by Kim & Jindabot (7) and Liu et al. (8).

Based on the findings of research conducted by Talkhabi Ali Shah et al. (9), Sasono et al. (10), and Van Duong et al. (11), the simplicity of utilising corporate e-banking and the security of electronic account information are significantly correlated with customer retention. According to the findings of a study conducted by Emami & Namamian (12), customer retention has a substantial association with the structure and appearance of corporate e-banking use.

According to the findings of studies conducted by Nazeri et al. (13) and Hadian (14), customer retention has a substantial association with time savings while using corporate e-banking.

According to the findings of studies done by Hadian (14), Dijst et al. (15), customer retention has a substantial correlation with

the subjective norm of customers' usage of corporate e-banking.

The wide and large influence of e-commerce on global markets and the ever-increasing growth of technology (especially in the field of banking) on the replacement of electronic banking with new solutions, software and hardware products have had a great impact on psychological effects and positive mental health. In this approach, all banking operations are done electronically and facilities are provided so that customers can receive their financial services without going directly to the bank using reliable intermediaries, which can affect the creative mind and psychological factors of people. be influential (16). Also, increasing customer expectations, competitors' activities, environmental factors, the nature of services, internal factors, benefits of service quality have led to paying attention to this issue (17).

Nowadays, the customers' view of banks has shifted from the traditional view of merely providing financial services to the view of a business partner with the intention of satisfying each client's financial needs and developing a mutually beneficial partnership. This shift in approach requires banks to use banking marketing methods to try harder to attract more customers and meet their needs (18).

In e-banking, relationship with customers is crucial, since their feedback improves the functioning of the system and its services and improves performance. Thus, customer relationship management deepens the relationship between the bank and its

customers, which results in their loyalty to the bank. It creates benefits such as saving costs and time for customers, increasing reputation, retention of customers, creating new opportunities, expanding the scope of activities, reducing costs, management of information and providing the conditions for full competition. In e-business, the quality of services by influencing the customer's purchasing experiences has become a decisive factor in the success or failure of the business (19).

The research conducted by Gera suggests that credibility, physical facilities, accountability, assurance, and empathy of bank has been effective in attracting and retaining customers of Saderat Bank branches in Khorramabad city. The results also revealed that among the factors affecting customer attraction and retention, the accountability factor has the highest impact and the empathy factor has the lowest impact on customer attraction and retention (20).

The quality of services and information provided in a way that attracts visitors and ultimately creates loyalty and recommended advertising among them plays an important role in attracting visitors to use the services of these websites, which it is effective in direct connection with psychological factors (21). The analysis of the literature demonstrates that the idea of "customer experience" is not well understood and lacks a precise definition. The goal of customer experience is to satisfy customers throughout their interactions with brands, which encourages brand loyalty and patronage (22). Financial institutions that have tried to uphold clients' faith in various ways have been impacted by potential fraud issues, the global economic crisis, and the crisis of market trust. Implementing electronic banking for customers is regarded as a good technique to preserve the degree of trust in financial institutions (23). The advent of the Internet as a platform for offering online banking services has given rise to the possibility of

a pan-European market for financial services. Both current technology and proper laws and regulations are necessary for the development of online banking marketplaces (24, 25).

According to the findings, a number of variables can be related to customer retention in corporate e-banking services, and a number of these variables are also effective in the model of customer retention in corporate e-banking services. These factors include the characteristics of the website, usability, security of the data, suitable format, time savings, and subjective norms. Put another way, a website's features can be enhanced by making it more accessible when needed, and Saderat Bank's website was appropriately created to support banking operations, including speed and efficiency of bank operations, proper security, ease of website search, and appropriate information arrangement for customer retention and availability.

The ease of use has an impact on customer retention as well. By instructing staff, enabling online purchasing ease, using Internet technology, and other means, it can offer simple and convenient use for customers. Information security is another aspect that affects customer retention. Information security protects the bank's reputation and credit, guarantees the confidentiality of banking information, raises faith in the accuracy of information on the bank's website, and plays a crucial role in keeping customers. In order to keep consumers, the website should actually be made to look appealing to visitors. Incorporated e-banking services for businesses might benefit from time savings and subjective norms as additional variables.

Recommendations

It is advised that banks educate their consumers on the advantages of e-banking and provide them with relevant ads. Also, given the importance of the effectiveness of

computer use, they are recommended hold training courses, provide brochures and CDs and provide appropriate media advertising to improve customer skills in working with computers and the Internet.

Conclusion

In the current study, a model for corporate e-banking service customer retention was presented. Based on the technology adaptation model, the theoretical basis for this study was established. According to the results, the main reason for customers to use corporate electronic banking is the benefits that this method has on service delivery compared to other methods of service delivery and finally the effect on psychological factors. Considering the many benefits of using e-banking in particular and e-government in general, it is essential that politicians take action to improve the quality of the Internet.

Limitation

1- The limitations of not considering human resources management due to the important role of human resources in keeping customers

2- Among the other limitations of the research, we can mention the limitations of collecting research data using questionnaires. Limitations such as: the inherent limitations of written questionnaires, the impossibility of fully investigating the accuracy of the respondents, the unwillingness of some respondents to cooperate.

3- Limited access to library resources due to the limited resources available in university repositories

Authors' contribution

Ahmad Khosravi and Vahid Nasehifar developed the study concept and design. Tohfeh Ghobadi Lamuki and Alireza Islambolchi acquired the data. Hossein Hajibabaei and Ahmad Khosravi analyzed and interpreted the data, and wrote the first draft of the manuscript. All authors contributed to the intellectual content,

manuscript editing and read and approved the final manuscript.

Informed consent

Questionnaires were filled with the participants' satisfaction and written consent was obtained from the participants in this study.

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Conflict of interest

The authors declare that they have no conflict of interests.

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