INVESTIGATION OF MOST SIGNIFICANT FACTORS TO IMPROVE CUSTOMER SATISFACTION OF INTERNET BANKING SERVICE OF NATIONAL SAVINGS BANK

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ABSTRACT

Current competitive business environment in the world has make it challenging to the whole banking industry. Similarly, due to globalisation, NSB bank is facing serious threats and weaknesses associated with retaining customer interest when it comes to internet banking services which will destroy its competitive position very soon. Banks can be considered as organisations who provide services. For a service provider, it’s very important to measure and maintain the satisfaction of its customers to withstand in the current competition. Significantly, customer satisfaction is a vital metric for all business entities today who are looking to be successful even in a highly competitive business world, as it enhances profits and market share of the companies while helping to retain existing customers and attract more customers. When it comes to customer satisfaction, the service quality is also identified as a highly associated dimension. Therefore, the researcher is trying to measure how well the service quality is associated with customer satisfaction of NSB internet banking, and thereafter to measure the customer satisfaction using the dimensions of service quality. After a thorough exercise on the existing literature, it is identified that the SERVPERF model which uses to measure the service quality is the best option to validate the customer satisfaction of NSB internet banking. The SERVPERF model is containing 5 dimensions as Assurance, Empathy, Reliability, Responsiveness and Tangibility. Treating this model as the base, the researcher has developed a questionnaire which contains five-point Likert scale to measure those five dimensions. The questionnaire was shared among 387 customers of NSB bank who are using its internet banking services. To analyse the data, the researcher has used descriptive statistics, multiple regression analysis and Pearson’s correlation analysis. The analysis has concluded that the customer satisfaction of NSB internet banking has positive correlation with the 5 dimensions in the SERVPERF model, as depicted during the literature survey. Further, it’s found that Tangibility dimension has highly significant and unique contribution to the customer satisfaction. After Tangibility, the Reliability, Assurance and Empathy dimensions have shown the contribution to customer satisfaction. But it is identified the Responsiveness dimension is not significantly contribute to the customer satisfaction. Based on the conclusion, the researcher has provided the areas to give high priority and low priority to improve the customer satisfaction of the NSB internet banking.

Keywords: Customer Satisfaction, Internet Banking, SERVPERF model, NSB

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TABLE OF CONTENT

DECLARATION i
COPYRIGHT STATEMENT ii
ABSTRACT iii
ACKNOWLEDGEMENT iv
TABLE OF CONTENT v
LIST OF FIGURES viii
LIST OF TABLES viii
1.0 INTRODUCTION 1
1.1 Background 1
1.2 Motivation 2
1.3 Research Scope 3
1.4 Problem Statement 3
1.5 Research Questions 4
1.6 Research Objectives 4
1.7 Research Significance 4
1.8 Research Gap 5
1.9 Arrangement of Chapters 5
2.0 LITERATURE REVIEW 6
2.1 Customer Satisfaction 6
2.2 Customer Service Quality 7
2.2.1 Measuring Customer Service Quality 8
2.3 Relationship between Customer Satisfaction and Customer Service Quality 9
2.4 Customer Service Quality Dimensions 10
2.4.1 Reliability 10
2.4.1.1 The connection between Customer Satisfaction and Reliability.... 10
2.4.2 Responsiveness 11
2.4.2.1 The connection between Customer Satisfaction and Responsiveness 11
2.4.3 Tangibility 11
2.4.3.1 The connection between Customer Satisfaction and Tangibility... 12

2.4.4 Assurance 12
2.4.4.1 The connection between Customer Satisfaction and Assurance 13
2.4.5 Empathy 13
2.4.5.1 The connection between Customer Satisfaction and Empathy 13
2.5 Chapter Summary 14
3.0 RESEARCH DESIGN 15
3.1 Research Objectives 15
3.2 Conceptual Framework 15
3.3 Research Hypothesis 16
3.4 Research Philosophy 16
3.5 Research Approach 17
3.6 Methodological Choice 17
3.7 Strategy 18
3.8 Time Horizon 18
3.9 Data Collection and Analysis 19
3.9.1 Data Collection Technique 19
3.9.1.1 Operationalisation Table for the Questionnaire 19
3.9.2 Population and Target Population 19
3.9.3 Sampling / Sample size 20
3.9.4 Data Analysis 20
3.10 Research Ethics 20
3.11 Chapter Summary 21
4.0 DATA ANALYSIS 22
4.1 Reliability Assessment 22
4.2 Questionnaire 22
4.3 The Response Rate 23
4.4 Demographic data analysis 23
4.4.1 Gender 23
4.4.2 Age Category 24
4.4.3 Location 25
4.4.4 Marital Status 26

4.4.5 Highest Education level 27
4.4.6 Customer relationship duration 28
4.4.7 Log-in frequency 29
4.4.8 Transaction frequency 30
4.5 Descriptive Statistics 31
4.5.1 Independent Variables – Dimensions of Customer Service Quality 31
4.6 Pearson Product-Moment Correlation Coefficient 34
4.7. Analysis of Multiple Regression 36
4.8 Discussion on Findings 37
4.8.1 Interpretation of Hypotheses Analysis 37
4.8.1.1 Hypothesis 1 37
4.8.1.2 Hypothesis 2 38
4.8.1.3 Hypothesis 3 39
4.8.1.4 Hypothesis 4 40
4.8.1.5 Hypothesis 5 40
4.9 Chapter Summary 41
5.0 CONCLUSION AND IMPLICATIONS 42
5.1 Review of Research Question and Research Objectives with Key Findings42
5.2 Research Limitations 44
5.2 Implications 44
5.3 Future Research 45
REFERENCES 46
APPENDIX A: OPERATIONALISATION TABLE FOR THE QUESTIONNAIRE 51
APPENDIX B: THE RESEARCH QUESTIONNAIRE 52
APPENDIX C: REGRESSION ANALYSIS 57
APPENDIX D: SPSS OUTPUT 59

LIST OF FIGURES

		Page
Figure 3.1:	Conceptual framework	15
Figure 4.1:	Gender	24
Figure 4.2:	Age Category	25
Figure 4.3:	Location	26
Figure 4.4:	Marital Status	27
Figure 4.5:	Educational level	28
Figure 4.6:	Period of being a customer	29
Figure 4.7:	Log-in frequency	30
Figure 4.8:	Transaction frequency	31

LIST OF TABLES

		Page
Table 4.1:	Cronbach's alpha results	22
Table 4.2:	Likert scale details	23
Table 4.3:	Gender	23
Table 4.4:	Age Category	24
Table 4.5:	Location	25
Table 4.6:	Marital status	26
Table 4.7:	Educational level	27
Table 4.8:	Customer relationship duration	28
Table 4.9:	Log-in frequency	29
Table 4.10:	Transaction frequency	30
Table 4.11:	Descriptive statistics	34
Table 4.12:	Pearson correlation - Reliability and Customer Satisfaction	34
Table 4.13:	Pearson correlation - Responsiveness and Customer Satisfaction	35
Table 4.14:	Pearson correlation - Tangibility and Customer Satisfaction	35
Table 4.15:	Pearson correlation - Assurance and Customer Satisfaction	35
Table 4.16:	Pearson correlation - Empathy and Customer Satisfaction	35
Table 4.17:	Peason’s Product-Moment Coefficient Summary	36
Table 4.18:	Multiple Regression Analysis	37