International Journal of Trend in Scientific Research and Development (IJTSRD)
Volume 4 Issue 1, December 2019 Available Online: www.ijtsrd.com e-ISSN: 2456 – 6470

Effects of Satisfaction and Adoption on Online Banking

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ABSTRACT
Despite the importance of online banking in many financial institutions, less research has focused on satisfaction and adoption, especially in Asia. Due to the introduction of technology, a new phenomenon in the banking sector of Mongolia, and many customers have not yet accepted it, this study was carried out to determine the factors affecting the adoption of online banking services by customers, as well as to examine the relationship between online banking services, satisfaction and adoption, the main tool for collecting data was a questionnaire that was developed on a 5-point Likert scale to be able to collect good quantitative data. In the course of the work, it was found that there was a positive relationship between online banking and satisfaction, which is consistent with the data obtained (Al-hawari & Ward, 2005). In the work, it is recommended to pay more attention and focus efforts to individual clients. In addition, online banking service providers should look for indicators of innovative ways to raise awareness of the service through participation in trade organizations, exhibitions, and the introduction of new online banking technologies.

KEYWORDS: *customer, satisfaction, adoption, online, banking, service*

How to cite this paper: Chuluudai Delgerzaya | Anar Badral | Yondon Badarch "Effects of Satisfaction and Adoption on Online Banking" Published in International Journal of Trend in Scientific Research and Development (ijtsrd), ISSN: 2456-6470, Volume-4 | Issue-1, December 2019, pp.956-958, URL: www.ijtsrd.com/papers/ijtsrd29715.pdf

IJTSRD29715

1. INTRODUCTION

According to Arunachlam et al., (2007), a client can access this bank account via the online using a personal computer or mobile phone and a web browser in the online bank. In addition, Ongkasuwan et al., (2002) further define the online banking service as a banking service that allows customers to access and carry out financial transactions on their bank accounts from their computers connected to the online, with online connections to banks' websites in any time. The online banking service also allows bank customers to perform transactions, such as transfers and payments, access to the latest balance, viewing statements, viewing account information, setting up, printing, unloading statements and receiving statement history for all accounts related to bank customers.

According to Khan (2007), online banking includes a system that allows customers, individuals or legal entities of financial institutions to access accounts, conduct business or receive information about financial products and services on a public or private network, including the online. Online banking is an act of financial intermediation on the online (Kim et al., 2006). This is the process by which a customer can access, control and use his account via online. Since the mid-1990s, there has been a fundamental shift in the delivery channels of banking services towards the use of self-service channels, such as online banking, mainly the use of ATM and online banking.

Satisfaction is defined as the aggregate of the results of perceptions, evaluations, and psychological responses to the consumer experience with the product/service Saha et al., (2005). In other words, this is the result of a cognitive and affective assessment, when some standard of comparison is compared with real perceived effectiveness. If the perceived performance is lower than expected, customers will be unhappy. On the other hand, if perceived performance exceeds expectations, the customer will be satisfied and this will lead to retention (Saha et al., 2005; Yau, 2007).

1.1. Online Banking and Adoption

Gao & Owolabi (2008) argues that the current factors determining the adoption of online banking in Mongolia are the level of awareness or attention, access to computers and the online, convenience, privacy, costs and the availability of knowledge and support regarding online banking. The introduction of online banking services is facilitated by the bank's reputation in terms of size, awareness and trust in the service and its advantages in the form of the amount of information that the client has about online banking, and its advantages can have a decisive influence on adoption. Online banking (Jaruw & Fink, 2005; Al-Somali et al., 2008). On the other hand, Al-Somali et al. (2008) noted that low awareness of online banking is a critical factor that forces customers not to accept online banking, and Katri (2003) recognizes that the most important factors that impede the use of online banking are the lack of online access and the inability to try to bring online banking to a safe environment, not being able to access your account. According to Ghana et al. (2006), previous studies have determined that user input factors are a function of control, pleasure, and intention to use. Control can be described as the amount of effort and engagement required by consumers in online banking. Enjoyment is the perceived playfulness and intrinsic value that consumers experience from using online banking, and this also affects the level of satisfaction; like Gan et al. (2006) indicate that when consumers find out about the availability of online banking, they will use accept, although some may not.

1.2. Online banking and satisfaction

According to Saha et al., (2005), satisfaction is defined as the totality of the results of perception, evaluation and psychological responses to the experience of consumption with a product/service. In other words, Saha et al., (2005) further determined the degree of customer satisfaction as a result of a cognitive and affective assessment, where some standard of comparison is compared with actual perceived effectiveness. If the perceived performance is lower than expected, customers will be unhappy. On the other hand, if perceived performance exceeds expectations, the customer will be satisfied. Boateng et al., (2006) argue that operational constraints related to the location of the client, the need to maintain customer satisfaction, and the capabilities of the Bank's core software are influential factors that make the decision to provide online banking services and, therefore, affect the user experience and, thus affects the level of satisfaction. Raman et al. (2008) said that services are an intangible good attractiveness for each client in different ways, and a certain level of service must be achieved to satisfy the client, and that ultimate commitment, loyalty and retention are critical indicators of customer satisfaction. Customer commitment; Power & Partners (2009) note that on average, highly qualified customers use more products or services, provide more referrals and are much less likely to switch to another bank than customers with a lower level of obligations. Indeed, this view is supported by Casaló et al. (2008), which argues that a higher level of website usability can lead to a higher level of consumer emotional commitment to the website, as well as direct, positive and significant relationships between them, satisfaction in previous interactions, and commitment financial services.

2. Methodology

2.1. Research design

Descriptive and factor analyses were used before the multiple regression analysis was done. From the aforementioned population, the sample size was determined using the Morgan et al., 1970 approach (Amin, 2005) and the sample of 51 was determined. Sample selection was based on a stratified proportionate sampling technique to ensure the representation of the different strata of the population. Questionnaires were used to collect primary data through a survey based on the self-administered approach in which the researcher with the help of trained research assistants distributed and collected the questionnaires from the respondents. This questionnaire administration approach was chosen because it is less expensive to administer and allows respondents time to reflect on the questions thus increasing the collection of quality data. The collected data was edited and cleaned before it was coded and processed for analysis using SPSS version 20.

2.2. Hypotheses

The Hypotheses of the study are:

H1: There is no significant relationship between online banking service and satisfaction.

H2: There is no significant relationship between adoption and satisfaction.

2.3. Measurement, Reliability and Reliability

To provide measurement, the variables are used in this study as follows: Internet banking consists of three components: account access, account control and account use, as adapted from Qureshi et al. (2008) and measured using a 5-point Likert scale, as adapted from completely agree with completely disagree; Customer acceptance consists of four points, namely: awareness, interest, evaluation and use in accordance with Mohamed et al., (2007), and "customer satisfaction" was measured by the elements of commitment, loyalty, retention and referral or recommendation of service (Raman et al., 2008).

3. Results

Table 1 shows that out of 51 questionnaires sent to respondents to both individual and corporate clients, only 77% were received, which is a good and acceptable indicator of answers and, thus, indicates that the data are quite representative.

Table1. Indicating the category of respondents and response rate

Category of respondents					
Category of respondents	Category of respondents	Category of respondents	Category of respondents	Category of respondents	Category of respondents
Individual clients	42	21	16	8	6
Corporate clients	9	6	22	3	2
Total	51	27	77	11	8

3.1. Descriptive Statistics

The results (Table 2) show that all variables had a higher average value; Internet banking (4.2032), customer acceptance (4.1800) and customer satisfaction (4.3596), and since they were all above average, this indicates that the variable positions were quite good.

Table2. Descriptive stastics

	N	Min	Max	M	SD
Online Banking	51	1.00	5.00	4.2032	0.95583
Adoption	51	1.00	5.00	4.1800	0.90765
Satisfaction	51	1.00	5.00	4.3596	1.16120
Valid N	51				

3.2. The relationship between study variables

The results show that there is a close and positive relationship between Internet banking and customer acceptance (0.964) and customer satisfaction (0.947), which indicates that many people will accept them because of their Internet banking. benefits (Katri, 2003; Gan et al., 2006; Al Somalia et al., 2008). In addition, these Internet banking services have a positive impact on customer satisfaction (0.947), indicating that good service will increase customer satisfaction and, therefore, a positive and lasting relationship between Internet banking and customer satisfaction, and this wins Casaló et al . (2008) that such interaction will lead to consumer emotional commitment and therefore satisfaction.

3.3. Forecasting framework

These results show the extent to which predictors, such as "Internet banking services" and "consumer acceptance," explain the level of satisfaction. These results show that predictors can explain up to 68.8% of deviations in "customer satisfaction" (adjusted square r = 0.688). These results also show that Internet banking was the most powerful and significant means of ensuring customer satisfaction (beta = 0.416, sig. = 0,000), and this was followed by the adoption of customers (beta = 0.384, sig. = 0,000). In general, the regression model was significant (change F = 0,000), as evidenced by the ability of Internet banking to predict satisfaction up to 69.2%.

4. Conclusion

Although the results of this study revealed positive responses that were slightly above average, the bank should not be satisfied; instead, it should be creative and innovative, creating new products or services and marketing strategies that can stimulate demand for the use of Internet banking services. This would allow Internet banking providers and consultants to tailor their services and products based on these new factors and would provide them with a great opportunity to increase the level of implementation of Internet banking services. The results of this study also show that there was a significant connection between Internet banking and customer satisfaction, thanks to which they were committed to using the service, and it was also clear that the bank was able to retain most of its users of Internet banking services. Finally, further research is needed, knowing that the Internet banking service is still new in most developing countries (Wungw, 2002), so new problems, needs and requirements may arise as banks continue to implement the strategy. Therefore, it is through research that these problems, needs and requirements can be discovered.

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