

Considering E-Banking Costumers Satisfaction

Mohammad Ahmadpour¹, Fattaneh Alizadeh Meshkany² and Babak Jamshidinaid³

¹ Master Student of Business Management, Kermanshah Branch, Islamic Azad University, Kermanshah, Iran

² Department of Business Management, South Tehran Branch, Islamic Azad University, Tehran, Iran

³ Departments of Management, Kermanshah Branch, Islamic Azad University, Kermanshah, Iran

Abstract: Nowadays every economic system has realized the significant role of banks. These days' banks have developed their services abroad. This development from the other side makes the environment competitive for the banks. However the main challenges of banks to approach their objectives are inappropriate strategies and purposes. Traditional banking system makes these problems more difficult. Traditional banking pays less attention to the customers attracting and satisfying. Also these banks do not try to acquire IT.

Keywords: E-banking, Success Factors, Customer satisfaction, IT.

I. Introduction

In the current competitive situation every firm has to focus on offering new and better products and services. Costumer's satisfaction can bring about a more developed part of markets for the companies. One of the positive points for the companies is to keep their relation with the costumers and this is more practical through e-banking. Creation of e-banking services and the customers' application for newer and easier ways to communicate with their banks justifies the necessity of e-banking system. These days due to the electronic tools the banks can develop the range of their activities with less human forces and costs.

In such situations banks try to offer various and different services to obtain more market share and costumers satisfaction. The fulfillment of these needs is possible through E-banking. Kricks (2009) emphasizes on the definition of e-banking as the emergence of e-banking has not relinquished traditional banking products and services but rather transformed traditional models to enhance quality service delivery, real time access, decrease operational cost and achieve maximum level of efficiency in banking operations

II. E-Banking Advantages

IT and internet availability are necessary components for the banks to offer e-banking services to the costumers. Pikkaraianen et al. (2004) suggested that bank must have an official website which facilitate customers to perform all kinds of online transaction so that the Giglio (2002) suggested that adopting online banking services reduce the workload over the banking staff and it's easy to have more satisfied customers. According to Robson (2002), online banking provides convenience not only to bank and also to customer. It saves customer cost and time as adopting e-banking service customer can make transactions from their home. Polatoglu et al. (2001) suggested many benefits associated with online banking.

Customer can pay their bills, can pay their loans, credit and debit card facilities. In other words it provides freedom of location, saves time and cost. Electronic banking widens the horizon of business. Now business organizations and individuals can easily access global opportunities. In this digital media, even small businesses can use ICT as support and source to sell their product online. Many companies used ICT application for their distribution activities resulting to secure transaction with more profit. ICT provided the business with an opportunity to transact business locally as well as globally.

III. The Success Factors Of E-Banking

E-Banking establishment needs some factors. Shah et al (2009) believe that the main focus must be exerted on need to identify critical issues related to financial organizations when they want to establish business online. Rockart (1979) considers critical success factors as a limited number of areas in which probable satisfactory results will guarantee successful competitive performance for the organization.

El Sawy et al (1999) believes that current business designs and organizational models are not sufficient enough to fill the gaps in doing business in the e-commerce era. Offering better services to the costumers is emphasized by the banks so e-banking safety can fulfill this objective in a good way. Regan and Macaluso (2000) have realized that security can offer secure transactions as well as secure front end and back end systems. Regarding e-banking services, commercial banks must guarantee that the systems are highly integrated and more available to their customers. if the services are more satisfying, easier to use, and cheaper than the

altraditional bankingones, costumers will prefer their convenience. Bye-banking banks can obtain more information about their customers. Franco and Klein (1999) claim that the data collected on customer-bank interaction can be analyzedby utilizing mining methods and this marketing decision support capability will finally determine the success of the bank's electronic banking services. The integration process also has to involve the merging of e-banking with traditional delivery channels such as ATMs. King and Liuo (2004) say processing across channels must be real time to preclude any inconvenience. Kerem (2002) postulates that there are management issues that has to be considered to guarantee the success of e-banking. He adds management must view e-banking not as a campaign but a long term process which is an investment made by the bank. Thus developing technological solutions must be associated with business strategy which integrates product and service delivery.Stamoulis (2000) reinstates that banks often equip their websites with corporate profile, product and pricing information, interest rates and application forms) (4).

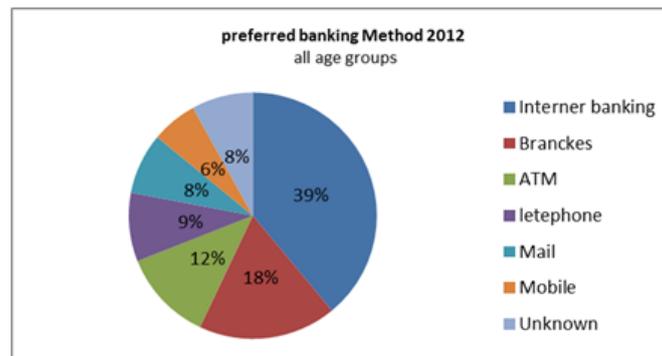
IV. Customer Satisfaction And Better Services

The study has focused the difference between service quality and satisfaction. The service quality school regards satisfaction as an antecedent of service quality – satisfaction with a number of individual transactions transforms into a general attitude towards service quality. The satisfaction school asserts that assessments of service quality give rise to an overall attitude towards the service they call satisfaction and customer retention, i.e. customer’s perception of service and product quality will determine the success of the product or service in the market.

The level of satisfaction will be high if experience of the client from the previous services greatly exceeds the expectations, and vice versa. In the area of service quality literature, perceptions of the service delivery are measured distinctively from customer expectations, and the gap between the two forms a measure of service quality.

V. Online banking offers incredible convenience to customers

For the third year, more bank clients (39%) prefer to do their banking online in comparison to any other method, based on a 2012 survey of 1,000 consumers conducted for ABA by Ipsos Public Affairs as an independent market research firm.



Online banking is the desired banking method for all bank customers. According to a 2012 survey, 27 percent of customers aged 55 and up want to have banking online, followed by visiting their local branch (25 percent). 1

Undoubtedly, online banking has revolutionized the way many people use bank service today. But techno-phobic customers need not worry. These new electronic options are a complement to existing bank services.

Convenience is the number one feature people want when shopping for bank services, and online banking is equipped with convenience for many customers. By just a few clicks of a mouse, clients can check deposits, pay bills and also submit a loan application (3).

VI. The Changing Dynamics In Developed Markets

Almost everybody in the developed countries owns a mobile phone and some people have multiple mobile subscriptions. Mobile penetration is 105% in the U.S. and France and it is even higher in the U.K. and Germany at 130%.However, mobile banking is new in many today's markets and its demand is still low in most countries (Figure 1) (6).

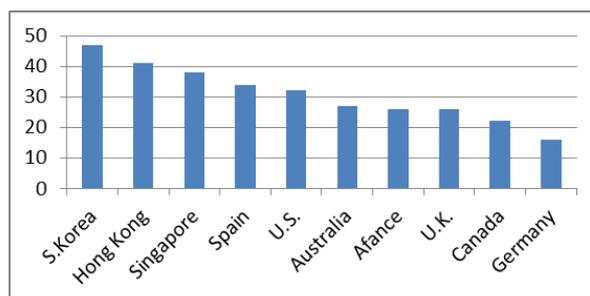


Figure 2: Mobile Banking Usage in Developed Markets (2012)

Source: Adapted from “Customer Loyalty in Retail Banking”, Bain & Company, December 2012

Innovative Services the poster child of such an effort has been M-PESA of Kenya. Launched by Safaricom in 2007, M-PESA has over 15 million users (or 33% of Kenya’s population) and more than 45,000 agents by September 2012. The company now handles over \$1 billion payments per month that account for 31% of Kenya’s GDP.⁹ Recently M-PESA has launched a new banking service, M-Shwari that allows its customers to open a bank account through their mobile phones without visiting a bank, save money and get interest on their savings, as well as obtain micro loans. Other examples of such successes include MTN in Uganda, Vodacom in Tanzania, FNB in South Africa, and GCash and SmartMoney in Philippines.¹⁰

VII. Conclusion and Recommendation

There are indeed no doubts that the importance of E-banking cannot be over emphasized as it has rapidly transformed banks from being just a bank to a one stop shop financial solutions provider. E-banking has improved tremendously the productivity of employees and effectiveness of distribution channels. Thus, reducing the transaction cost and increasing the speed of services. In view of the above findings, the following recommendations are proposed

-Banks should use sophisticated network systems that would reduce traffic problem and ensure high speed of service delivery. The continuous usage of good connectivity and power base that will serve the customers faster and more conveniently must be maintained and sustained.

-Banks should provide adequate security of transaction back up of critical data files and alternative means of processing information even as government should also provide adequate regulatory framework for consumer protection and security of transaction. This should be geared towards securing customers confidence in e banking services.

-In the technical knowledge Employees Banks can focus more attention to its powerful employees through customer and guide them, to receive more satisfaction. In appearance factors:

Beautiful decoration and also of items and form that customers are used and should require managers of branches paying attention to the agents of the apparent in branches and the necessity of observation of it and create more space for time of customers 'expectation. About awareness of customers: Creating a separate unit in the Marketing for apropiat advertising and design baners so that to give information about the use of services to customers and also managers of branches should be required to distribute Brochures to the customers.

The final point is that all the organizations and banks for success compared to the rivals should always from view of customers organize their activities and managers have awareness from all of the services that is present by bank to the need rebuilding process.

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