

CUSTOMER SATISFACTION OF E-BANKING SERVICE MARKETING IN BANGLADESH

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ABSTRACT

This study examines the relationship between E-banking service marketing, socioeconomic demographic characteristics, and customers' satisfaction of five selected commercial banks in Bangladesh. Data were collected from 350 respondents from seven administrative divisions of Bangladesh, by using structured questionnaires. Results suggest that in spite of the prevailing barriers, customers are willing to adopt E-banking services. The results show that E-banking service marketing and socioeconomic and demographic characteristics have a significant impact on customer satisfaction. It is recommended that the government should formulate effective policy and undertake necessary measures to encourage people to adopt more E-banking services in Bangladesh.

Keywords: E-banking service marketing, E-banking, Customer Satisfaction, Digitalization, Bangladesh.

1.0 INTRODUCTION

“Digital Bangladesh” is one of the nation's dreams, and thus special emphasis is given to the application of digital technologies to realize Vision 2021, which is commonly called Digital Bangladesh (Rahman, 2015). "Digital Bangladesh" is confident of the infectious word "Digital" which stands for a conception or an idea which benefits Bangladesh as a whole by using information communication technology (ICT) for management, administration and governance in order to ensure transparency, accountability, and answerability at all levels of society and state. The government of Bangladesh is trying to emphasis on resourceful, efficient and effective practice of ICT in all domains of the society with a view to establishing technology driven E-governance, E-commerce, E-production, E-agriculture, E-health, E-banking etc. for emphasizing the overall development of the common people. Because of the ICT's global advancement, there is a strong needed for organizations to have the ability to utilize them so that they can contribute to the organization's continued success and development (Ayyash, Ahmed, & Singh, 2012). The role of digital framing (Mishra & Agarwal, 2012), the role of knowledge (Alavi & Leidner, D., 2001; Carlo, Lyytinen, & Rose, 2012) and assimilation gaps (Fichman & Kemerer, 1999) are very important for digitalization. Digital innovation may change the organization itself by empowering new business models (Fichman, Dos Santos, & Zheng, 2014). The internet together with other ICT is not only driving financial global economies but also transforming societies into knowledge-based economies around the world (Redwanuzzaman & Amirul Islam, 2013). To meet customers' needs and preferences financial intuitions like banks are offering a wide range of E-banking services like ATM's, telephone

banking, mobile banking, etc. Likewise, in Bangladesh, most of the banks offer this kind of service to their customers. However, in Bangladesh, we are at very initial stage to provide E-banking services to the customer. The organizations are under pressure to apply digital technologies. At the same time it has noticed that many organizations are not ready to respond to the digital trend (Kane, Palmer, Phillips, & Kiran, 2015). A review of the literature suggests that most of the studies conducted on issues related to E-banking have been conducted in advanced economics such as Australia, United States of America, United Kingdom, etc. In developing countries some studies have been done in last decades. Commercial banks in Bangladesh are now expanding their business to customers and are providing new products and services. In many banks throughout Bangladesh, E-banking is now the focal area of the bankers because it reduces the cost of making transactions, attracts new customers, makes transactions faster than before, creates new markets, and enhances service quality. In Bangladesh, E-banking is a new industry, where consumer acceptance and use of E-banking is still limited. There is only a vague understanding of factors influencing consumers' adoption of E-banking. There is a lack of empirical studies investigating the factors that influence the adoption of E-banking by customers in Bangladesh; hence the present study wants to fill this void. Being a consumer, we enjoy services every day for or daily life such as talking over telephone, watching TV, turning on a light, catching a bus, visiting the doctors, using courier service, getting a haircut, refueling a car, writing a cheque or sending clothes to the cleaners are all examples of service consumption at the individual level. The institution at which we are studying is itself a complex service organization. Likewise, educational services, the facilities at today's colleges or universities usually comprise libraries and cafeterias, a bookshop and careers offices, However, customers are not all time happy with the quality and value of the services they receive from different services from different sector. "Services are economic activities that create value and provide benefits for customers at specific times and places, as a result of bringing about a desired change in or on behalf of the recipient of the service" (Christopher Lovelock, Sandra Vandermerwe, Barbara Lewis, 1996). In 1970s, the concept named Services marketing first emerged academically. A very few research has been undertaken in Bangladesh on factors influencing the consumer's adoption of E-banking; hence the need for a study of this nature is practically high.

The paper is structured as follows. It is the represents our knowledge by establishing a conceptual framework based on literature review. We describe our methodology which combines a scientometric analysis and conventional systemic assessment. Then we discuss the findings by using advanced statistical techniques. This paper ends with a summary of limitation and conclusion.

2.0 THEORETICAL BACKGROUND

2.1 E-banking practice around the world

Shahriari (2014) defined that E-banking is a new but traditional banking product through electronic, interactive communication channels. Burr (1996) explained e-banking as an electronic assembles between the bank and customer in order to prepare, manage and control financial transactions. Shortly, e-banking is not a banking product or service; rather it explains the way transactions are conducted. Nowadays, in fact, banks are involved in e-business in a variety of ways, including cooperation with Internet service providers, the issuing of e-money

or the execution of payments. With the rest of the world, Asian consumers are on the quick move to digital banking (Barquin, 2015). E-banking is new and quite unfamiliar to some people in developing countries, due to the “Digital Divide” and the different levels of Internet experience and environments. Most developed countries are using E-banking efficiently and a huge number of studies have been conducted in this regard in those countries. These include of the study by (Pyun, Les, & Kiseok, 2002) in the United States of America., Japan and Europe; (Gurau, 2002) in Romania;(Sathye, 1999) in Australia; (Polatoglu, 2001) in Turkey; (Balachandler, 2000) in Malaysia, and (Jasimuddin, 2001) in Saudi Arabia who worked on the factors which can affect E-banking in different countries. Besides the developed countries, developing countries are also experiencing a strong growth in E-banking. Countries such as India and the Republic of Korea are experiencing a particularly strong growth in E-banking. In South East Asia, E-banking is also developing rapidly, especially in Thailand, Malaysia, Singapore, and the Philippines (Mia, Rahman, & Chandra, 2007). Similar trends were also observed by (Thulani, Tofara, & Langton, 2009) in Zimbabwe; (Guangying, 2009) in China; (Dhekra, 2009) in Tunisia; (Adesina A. A. and Ayo, 2010) and (Maiyaki & Mokhtar, 2010) in Nigeria; and (Salehi & Alipour, 2010) in Iran and so on. A strong banking industry is important for every country and can have a significant effect in terms of supporting economic growth through well-organized and efficient financial services (Salehi, Ali, & Zhila, 2008). Some practices of emerging economies with regard to E-banking deliver further insight into the foregoing discussion. E-banking has not evolved in the same way in all countries of the world, as illustrated here. Huda, et al., (2004) commented that the banking sector in Bangladesh is clearly recognizing the importance of information technology to their continued success. E-banking is one of the most demanded and latest technologies in the banking sector. Customers' thoughts about E-banking status and the adoption levels of E-banking technologies in India and Kenya were collected by (Nyangosi, 2009b). From the literature review it is found that education is one of the crucial factors for expanding E-banking. Younger consumers and males are more comfortable using E-banking. Convenience, accuracy, efficiency, queue management, accessibility, responsiveness, time, risks, trust, privacy, genuineness and customization were found to be primary dimensions of E-banking service quality. However, most of the studies are carried out in foreign countries. Survey on bank’s websites was presented by Diniz (1998) in order to learn about web-banking models and their adoption in the United States. From their research, it is found that US based banks are using the web to reach opportunities in three different categories: to market information, to deliver banking products and services and to improve customer relationship. Sathye (1999) surveys the state of E-banking in Australia. There is still a lot of room for E-banking to expand in Australia. Jasimuddin (2001) evaluates the websites of Saudi banks and reports that Saudi banks use the Internet as an information delivery tool to improve the relationship with customers. Polatoglu (2001) examined the level of adoption of E-banking in Turkey and discussed the factors affecting its diffusion. The study reveals that E-banking services not only reduce the operational costs of the banks but also increase the level of customer satisfaction. They clarify that E-banking services have added benefits in terms of customer attraction, and it may lead to higher competition by bringing new products and alternative channel offerings. Seven New Zealand banks regarding their E-banking websites and services offered found by (Chung & Paynter, 2002). They use a tailored Hersey’s web site evaluation model. They also conduct a survey to obtain customers’ perspectives regarding E-banking. They find that New Zealand banks perform extremely well in providing up-to date information. Further improvements in security, download time, response time and the ability to provide services free from technical

problems should be considered in order to satisfy customers' requirements. Guru B. & Balashanmugam (2002) evaluate the websites of banks in 12 Islamic countries. They find that the majority of Islamic countries are still in the early stages of developing E-banking. Only some Islamic banks in the Middle East have well-developed E-banking websites. They show the "attitudinal factors" play a significant role in E-banking adoption. In addition, E-banking adoption can predict by behavioural tendency and webpage features. According to this study, easy-to-use technologies and trial ability should be put in place in order to increase adoption. Chung & Paynter (2002), Vijayan & Shanmugam (2003), Ainin Sulaiman (2005), and Nelubiri & Sinti (2006). Alaweh (2009) survey Jordanian banks and find limited evidence of web usage at the intermediate level while the basic level use is dominant. They also find the banks in Jordan are not fully utilizing concepts and applications of web banking. Wu, Cheng, & Lin, (2004) evaluate the web site usability of E-banking in Taiwan. Their study indicates that there is a gap between the user expectation and actual usability of Web sites. Moreover, the results show that old banks are more experienced than new banks and private banks are more competitive than government-owned banks to survive in a competitive market. Singh & Malhotra, (2004) present the contemporary status of E-banking in India and also identify key differences between internet banks and non-internet banks with special reference to commercial banks operating in India. The study is based on the survey of websites of the banks. Based on the results, E-banking is not a significant determinant in explaining the profitability for all banks. There is also no statistically significant difference between the internet and non-internet banks with respect to accounting efficiency and credit quality. Awamleh & Fernandes, (2005) adopt the Diniz (1998) model to analyze the content of bank websites in the United Arab Emirates. The results reveal that E-banking in the United Arab Emirates is still in its infancy. In their study it is also concerned with factors that impact the satisfaction of E-banking users. They find that security of transactions and conveniences contribute significantly to satisfaction of E-banking customers. Achour & Bensedrine (2005) present the current situation of internet based financial services and the online brokerage network in Tunisia. The tailored Hersey's general e-commerce web site evaluation model was adopted by them. They use this tailored model as a starting basis, and add some items such as information, order and security components. The research shows that internet based services in the financial sector are still in the early stages. Chiemeké, Ewwiekpaefe, & Chete (2006) investigate the level of adoption of E-banking in Nigeria. Their study accepts the Diniz, (1998) model and proposes a further element on security measures, to evaluate twelve large on-line banks in Nigeria. The results reveal that E-banking in Nigeria is being offered at the basic level of interactivity, with most of the banks having mainly information sites and providing little internet transactional services. Although the level of adoption of E-banking remains insignificant, E-banking will continue to play a significant role in the development and delivery of banking products and services in Nigeria. Moreover, risk has no significant influence of adoptions. Sayar & Wolfe, (2007) compare the E-banking services in the United Kingdom and Turkey. They reveal that Turkish banks offer a wider range of web services compared to British banks, despite the fact that the United Kingdom has a more favourable environment for E-banking in terms of its banking sector and technological infrastructure. E-Banking is a newly added concept in banking sector of Bangladesh, thus almost all Bangladeshi banks offer many facilities of e-banking, Mohammad Shamsus Sadekin, , Md. Abdul Hannan Shaikh, (2016).

3.0 THE CONCEPTUAL FRAMEWORK OF THE STUDY

According to Kombo (2015) customer satisfaction delivers a policy for companies to enrich relationships with their customers thus enabling the companies to achieve their objectives for long-term success. Customer satisfaction is observed as the prime benchmark used to assess the relationships of banks with the market Munari (2013). Furthermore, customer satisfaction is a significant factor in banks because higher customer satisfaction means lower intent for customers to switch banks Hoq, (2010). Conversely, customer may be an indication for switching the banks, (Shi, 2007). According to Abubakar (2014), negative words-of-mouth is another sign of dissatisfaction. Therefore, it is important for commercial banks to ensure maximum customer satisfaction. In addition, there is no better customer service in Bangladesh. To make customer satisfied government and private sector should take more initiatives.

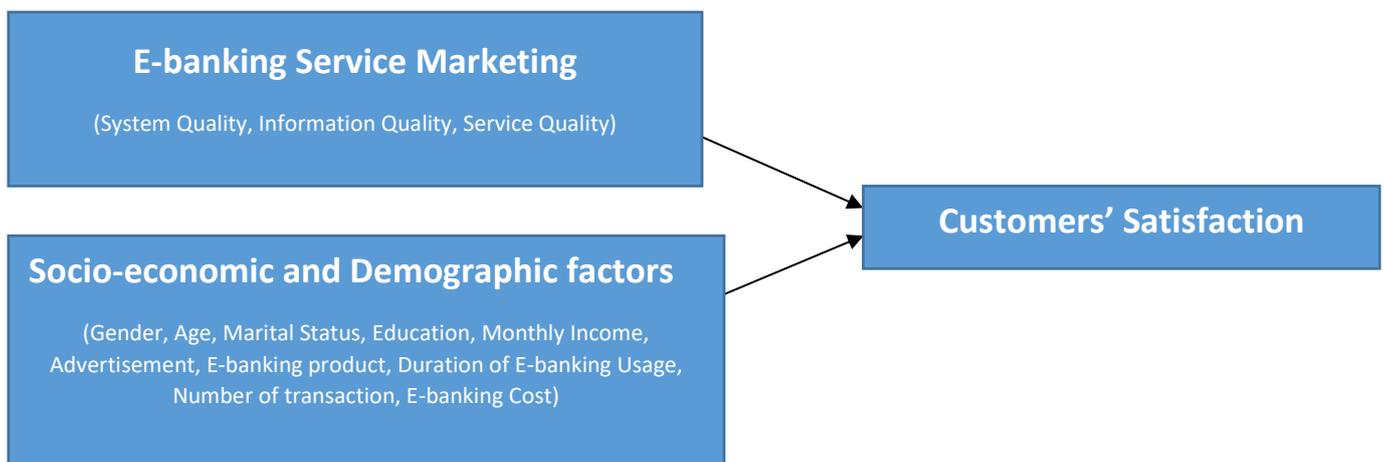


Figure 1: Conceptual framework of the study

3.1 Customers' Satisfaction

Customer satisfaction delivers a policy for companies to enrich relationships with their customers thus enabling the companies to achieve their objectives for long-term success (Kombo, 2015). Customer Satisfaction is observed as the prime benchmark used to assess the relationships of banks with the market (Munari, 2013). Furthermore, customer satisfaction is a significant motorist in banks because higher customer satisfaction means lower intent for customers to switch banks (Hoq, 2010). Separately, to switch from banks, dissatisfaction also indications to customer complaints (Shi, 2007). According to Abubakar (2014), negative words-of-mouth is another negative effect of dissatisfaction. Therefore, it is important for commercial banks to ensure maximum Customer Satisfaction. In addition, there is no better customer service in Bangladesh. To make customer satisfied government and private sector should take more initiatives.

3.2 System Quality

According to Gorla (2010), System Quality represents the quality of information process itself, a system offering key functions and features, and software that is user friendly, easy to learn, and easily maintainable. Delone & Mclean, (1992), branded system quality as expected features of the information system itself. Delone & Mclean, include four instruments: convenience, flexibility, integration and response time Bailey & Pearson, (1983). Consciousness of user

anticipations (Barki & Huff, S.L, 1985); response time Srinivasan, (1985); reliability, response time, ease of use, ease of learning Belardo, Karwan, & Wallace , (1982); perceived usefulness of IS Franz & Robey, (1986); resource utilization, investment utilization (Kriebel & Raviv, 1980); IS sophistication, use of new technology (Lehmann, 1986); flexibility of system (Mahmood & Amadeh, 1987); system reliability, system accessibility (Srinivasan, 1985), ease of navigation, privacy, security, and customization (Molla & Licker, 2001), (Palmer, 2002); customization, ease of learning, sophistication, system features, data accuracy, efficiency are also included. As banking system runs based on a specific system and e-banking is a very contemporary issue in Bangladesh, hence researcher selected system quality for this research.

3.3 Information Quality

Information quality is related to accuracy, timeliness and relevancy. Seddon, (1997) it refers to the quality of the information or the output that the system produces. Bailey & Pearson (1983) explained that information quality influenced by features like precision, reliability, accuracy, currency, timeliness, completeness, conciseness, relevance, and the preferred format. Timeliness, reliability, relevance to decisions Sufficiency, understandability, freedom from bias, comparability, being quantitative (King & Epstein, 1983); completeness of information, accuracy of information (Miller & Doyle, 1987); privacy ease of navigation, and security (Molla & Licker, 2001), (Palmer, 2002) as well as customization which are some of the system quality measures discussed by DeLone and McLean (2003) in the extended model. However, banking service is also based on information and the bank those can provide more information promptly with accuracy they can have more customers. It is important to have their information quality full.

3.4 Service Quality

Service quality shows that most of the criterion by which customers evaluate the perceived quality of services, such as empathy, reliability, courtesy, assurance and even tangibility (Parasuraman, Zeithaml, & Berry, 1985 Parasuraman, A., Zeithaml, V., & Berry, L. (1985). all associated with employee favourable behaviours and attitudes. Pitt, Watson, & Kavan, (1995) developed that information system is a very popular measure for service quality. The dimensions of the instrument include tangibles: reliability, responsiveness, assurance, and empathy. DeLone & McLean, (2003) initiate that the significance of the relationship by the user is mainly increasing in the Information Technology departments, hence, they highlighted on developing a construct measurement on service quality in order to update their model.

3.5 Socio-economic and Demographic factors

Socioeconomic factor is an economic and sociological combination of total measure of a person Demographic factors are personal individualities are used to collect and evaluate data on people in a given population. These factors include age, gender, marital status, education, income and occupation. Respondents' socio-economic and demographic characteristics have been widely used to distinguish the differences between segments of customers. These factors can influences customers satisfaction i.e. age, sex, monthly income, marital status, education, product/service, advertisement, duration of usage E-banking etc. We used those factors for our study.

4.0 DATA, VARIABLE DEFINITION, AND METHODS

Research design uses several tools and methods to perform different tasks. For the purposes of this study, a number of instruments which were used fall in the category of group discussions, according to (Roché, 1999), while according to (Mouton J, 2001), these instruments fall in the interview category. The methods that were used included key informant interviews and questionnaires. The interviewer, in this case, has more opportunities to probe further in order to simplify issues and get more information from participants at the same time. Qualitative data was generated mainly by using closed-ended questions. These types of questions do not provide much opportunity for the respondent to express his/her views, as they provide prescribed options for selection. In the study, there was a deliberate attempt by the researcher to gather information about the E-banking service marketing in Bangladesh. The methods that were used included key informant interviews and questionnaires. Qualitative data was generated mainly by using closed-ended questions. These questions need less time to administer and enable the interviewer to ensure that all questions are responded to. Ivancevich, (1992) defined primary data as information collected for the first time and specific to the study. Primary data is collected through experiments, observations, and surveys to address the specific research objectives. In this study, the researcher used interviews and questionnaires as data collection methods. He delivered and collected the customers' questionnaires at the bank branches of the selected banks. The researcher opted to deliver all the questionnaires by himself, in order to ensure that the maximum number of questionnaires would be filled in. In addition, he conducted the interviews himself, in order to ensure the reliability of the responses. One structured questionnaire was used by the researcher for the customers from different banks as the main data-gathering instrument in this study. The final questionnaire had two parts. The first part queried about the respondent's socio-economic demographic information, e.g. age, gender, occupation, education, monthly income, marital status, usage of E-banking services/product and duration and frequency of usage of E-banking etc. The second part had 15 items and they were scaled with the global measure of E-banking service marketing. By using the Likert scale method, in this study, respondents (Customer) were asked to rate their level of satisfaction on a five-point scale (1 indicating strongly disagree and 5 indicating strongly agree). For customers' satisfaction, only Yes/No options were there for respondents. These are dichotomous data by nature. Nevertheless, the interview schedules are prepared for one category of respondents' viz. Customers or borrowers or clients of a bank. All data have been collected through field survey and personal interview within seven Divisions in Bangladesh. In order to ensure that quality data is gathered for the study, the questionnaire was pre-tested with one hundred and fifty separate customers from a different area of research. Data have been collected from the customers who are using E-banking services. Seven Divisions in Bangladesh i.e. Dhaka, Chittagong, Sylhet, Rajshahi, Khulna, Barisal, and Rangpur were selected as sample area. In this study researcher applied random sampling technique for sampling design. Two state-owned Commercial Banks, a Two Conventional Private Commercial Bank, (one of them is Islamic), and Foreign Commercial Bank were selected for the study. However, different branches were selected from seven Divisions for the study randomly. The sample is representative of the population, which is achieved by selecting the sample randomly, or where it is not possible a convenient or purposeful large sample is one alternative. Random sampling is good because it helps to remove the possibility of investigator bias in the selection of cases as recommended by (Wright J. L., 1982). In carrying out this research, random sampling designs were used. However, that random sampling can be a very

laborious process and is seldom used in practice (Blanché, Durrheim, & Painter, 2006). It is generally true that, as the size of the sample increases, the degree of error or bias reduces, and the opposite is also true (Mouton, 1996). In order to reduce the level of bias or error, the researcher used a sample size that is proportional to the size of the elements under study. Blanché, Durrheim, & Painter (2006) argue that small populations of less than 1000 require a sampling ratio of at least 30%. This is required to ensure the accuracy and validity of the data to be gathered. Five types of banks were, therefore, selected for this study. The sample selected for the survey consisted of one segment customer or clients of those banks and they are enjoying E-banking services. As the branches were scattered all over the seven administrative division of the country, two branches were selected from each divisional city and five customers were selected from each branch for this research. Subsequently, altogether fifty respondents from each division were found and three hundred fifty questionnaires were distributed to the customers of the bank. This study is largely qualitative research; the type of data analysis that can be used is the deductive method. All the raw data collected during the research was transformed into usable information using the SPSS version 22. The data was then analyzed using the advanced statistical technique to interpret the questions and give recommendations according to the findings and interpretation of information collected.

4.1 Statistical Equation of Customers’ Satisfaction

The study used primary data which were collected in the field through a questionnaire. Data were analyzed by using Statistical Package for Social Sciences (SPSS) version 22. The analysis was done by using logistic regression to determine the impact of the factors that influence customers’ satisfaction. Thereafter, logistic regression coefficients were estimated using the following likelihood ratio model for customers’ satisfaction: $\ln(p/1-p) = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \dots + \beta_k X_k$

The binary logistic regression model as:

$$\text{Log} [P(Y=1)/1-P(Y=1)] = \text{Log} [\pi/1-\pi] = \text{Logit}(\pi) = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \dots + \beta_k X_k \quad (i)$$

Where,

P(Y) = Estimated probability of Customers’ Satisfaction (CSAT),

X₁= Gender,

X₂= Age,

X₃=Marital Status

X₄= Education

X₅= Monthly Income

X₆= Advertisement

X₇= Duration of E-banking usage

X₈= E-banking transaction

X₉= E-banking Product

X₁₀= E-banking Cost

X₁₁= System Quality (SYSQ)

X₁₂= Information Quality (INFQ) and X₁₃=Service Quality (SERQ).

4.2 Variable Definition

Thirteen independent variables and one dependent variable (customers' satisfaction) were used for this research. These variables have been defined as Gender: Gender is the range of characteristics pertaining to, and differentiating between, masculinity and femininity, Age: Age in year of the customer of the bank, Marital Status; Describes a person's relationship, Education; Qualification level of customers, Monthly Income; Amount they earn as a living cost, Advertisement; The media how customers get information about E-banking from bank, Duration of E-banking Usage; Length of use of E-banking service from bank, E-banking Transaction; How many transactions customer does frequently through E-banking, E-banking Products; Which Products they use, E-banking Cost; How much they pay for E-banking services, System Quality; Privacy, Physical safety, Accurate transaction, Green Banking, Time saving, etc., Information Quality; Transparent, Confidentiality, Elimination of graphical limitation, Completeness, etc., Service Quality; Responsiveness, Trustworthiness, Bankers are knowledgeable and helpful etc., Customers' Satisfaction; Overall Satisfaction on E-banking services marketing. (System Quality; Information Quality and Service Quality)

4.3 Hypotheses to be tested

- H1 There is a positive relationship between Gender and Customers' Satisfaction.
- H2 There is a negative relationship between Age and Customers' Satisfaction.
- H3 There is a positive relationship between Marital Status and Customers' Satisfaction
- H4 There is a positive relationship between Education and Customers' Satisfaction.
- H5 There is a negative relationship between Income and Customers' Satisfaction.
- H6 There is a positive relationship between Advertisement and Customers' Satisfaction.
- H7 There is a positive relationship between Duration of E-banking usage and Customers' Satisfaction.
- H8 There is a positive relationship between E-banking Transaction and Customers' Satisfaction.
- H9 There is a positive relationship between E-banking Product and Customers' Satisfaction.

H10 There is a negative relationship between E-banking Cost and Customers’ Satisfaction.

H11 There is a positive relationship between System Quality and Customers’ Satisfaction.

H12 There is a positive relationship between Information Quality and Customers’ Satisfaction.

H13 There is a positive relationship between Service Quality and Customers’ Satisfaction.

4.4 Data Analysis

The analysis of primary data was carried out using the Statistical Package for the Social Sciences (SPSS) version 22. The technique like frequency distribution tables, percentages, and logistic regression analysis are used.

4.5 Demographic Characteristics of Customers

Descriptive Analysis was done to present the socio-economic demographic factors or characteristics of the respondents. The sample size consists of three hundred and fifty of a various customer of selected five banks which mentioned earlier. Sound banking system depends upon the sound customers having a good educational background and having a regular flow of income. Thus, the first section of the questionnaire includes the customer’s profile. The basic attributes of the respondents are income, age, sex, occupation, education etc. Based on the three hundred and fifty sample bank customers, the percentages of male and female respondents are 75% and 25% respectively, which show the customers of the Bank. In the whole sample, 38% of respondents fell in the age range of 20-30 Years, 45% fell in the range of >31-40 Years, 13% fell in the range of >41- 50 Years and 4% fell in above 50 Years. In terms of qualification, the respondents are Secondary School Certificate 4%, Higher School Certificate 20%, Graduate 31%, Post Graduate 43%, MPhil /Ph.D./Post doc 1% and 0.3% is below SSC. Out of 350 customers there are 27% of the respondents having income below Tk. 35,000, 29% are having in between Tk36,000-40,000, 22% are having in between Tk 41,000-80,000, 21% are having above Tk80,000 and 0.6% did not disclose their income. 23% of customers are from both private commercial bank and Islamic commercial bank, 21% are from a specialized bank, and government commercial bank and 11% are from a foreign bank. Researcher has collected data from five selected banks from seven Divisions. 23% customers are from Dhaka divisional area, 20% are from Chittagong, 14% are from Sylhet, 12% are from Khulna 10% are from Rajshahi, 10% are from Rangpur and 10% are from Barisal Divisional area have been asked about the satisfaction of E-banking Service Marketing.

Table 1: Profile of participants

	Frequency	Percentage
Gender		
Female	87	24.9
Male	263	75.1
Total	350	100
Age		
20 to 30Yrs	134	38.3
>31 to 40Yrs	156	44.6

>41 to 50Yrs	46	13.1
>50Yrs	14	4
Total	350	100
Education		
Below SSC	1	0.3
SSC	14	4
HSC	72	20.6
Graduate	109	31.1
Post Graduate	149	42.6
MPhil/PhD/Post doc	5	1.4
Total	350	100
Monthly Income(Taka)		
Below 35,000.00	95	27.1
36,000.00-40,000.00	101	28.9
41,000.00-80,000.00	78	22.3
Above 80,000.00	74	21.1
Nil	2	0.6
Total	350	100
Bank profile		
Specialized	75	21.4
Government	75	21.4
Private	80	22.9
Private (Islamic)	80	22.9
Foreign	40	11.4
Total	350	100
Division		
Dhaka	80	22.9
Chittagong	69	19.7
Sylhet	54	15.4
Khulna	43	12.3
Rangpur	34	9.7
Rajshahi	35	10
Barisal	35	10
Total	350	100

4.6 Descriptive Statistics of Customer

Table 2 shows that the descriptive statistics for three categories of E-banking Service Marketing. The results indicate that service quality is the most acceptances with a mode of 5 this is followed by information quality and system quality on a 5-point Likert scale.

Table 2: Descriptive Statistics (E-banking Service Marketing)

	Number	Mode	Std. Deviation
System Quality	350	3	1.25203
Information Quality	350	4	1.28011
Service Quality	350	5	1.28989
Valid N (list wise)	350		

4.7 The Relationship between Customers' Satisfaction and E-banking Service Marketing, in five selected Banks and, Socio-economic and Demographic factors

Out of 350 respondents about 350 were involved for this data survey. The sample size used to run binary logistic analysis is satisfactory. Pampel (2000) and Long (1997) recommended sample size for logistic regression analysis not to be less than 100 otherwise the result will be misleading. A minimum of 50 cases per independent variable is recommended (Wright R. , 1995). In all cases sample size used to fulfill the requirement. At this stage equation (i) can be tested for justification of the analysis. Here Customers' Satisfaction is the dependent variable, socio-economic demographic factors and E-banking Service Marketing is the independent variable. Beginning block which comprised constant reduced model showed that the correct percentage is 85.7%. This correctness of percentage when independent variables are excluded. Table 3 shows the results of the logistic regression analysis using SPSS version 22. The significance values of Wald statistics for each independent variable indicate that there is a relationship between E-banking Service Marketing, socio-economic and demographic factors and customers' satisfaction. The interpretation of b value in logistic regression is that the change in the logit of the dependent variable, customers' satisfaction associated with one unit change in the independent variables. The logit of the dependent variable is simply the natural logarithm of the odds of Y occurring (equation 1). Cox & Snell R Square and Nagelkerke R Square indicate that the model which includes independent variables explains between 47% and 66% of the variation in satisfaction. From table 3 it is seen that estimated coefficients of seven independent variables are significant (Frequency of E-banking Transaction, Duration of E-banking Usage, E-banking Cost, E-banking Products, System Quality, Information Quality and Service Quality) and estimated coefficients of six independent variables (Gender, Age, Marital Status, Education, Monthly Income and Advertisement) are insignificant. The independent variables are either positive or negative but insignificant. This implies that an increase/decrease in these variables will lead to higher or lower satisfaction. The Exp (B) column presents odds ratio and indicates that Marital Status is 1.975, Advertisement is 1.239, E-banking Products are 20.801, Duration of E-banking usage is 1.920, Service Quality is 2.313, Information Quality is 1.908, System Quality is 1.781 times more likely to make customers satisfied than being dissatisfied. From the model, it can be seen that, seven independent variables are positively related to Customers' Satisfaction and their odds ratio is greater than 1. However, the odds ratio of the rest independent variables are lower than 1.

Table 3: Estimated Coefficients of Logistic regression of the relationship between Customers' Satisfaction and E-banking Service Marketing, in five selected Banks and, Socio-economic and Demographic factors

Dependent Variables: Customers' satisfaction

Explanatory Variables	B	S.E.	Wald	Sig.	Exp(B)
Gender(x1)	-0.101	0.471	0.046	0.831	0.904
Age(x2)	-0.265	0.284	0.871	0.351	0.767
Marital Status(x3)	0.680	0.516	1.741	0.187	1.975
Education(x4)	-0.042	0.220	0.036	0.849	0.959
Monthly Income(x5)	-0.088	0.207	0.181	0.670	0.916
Advertisement(x6)	0.214	0.234	0.837	0.360	1.239
Duration of E-banking Usage(x7)	0.652	0.232	7.903	0.005	1.920
E-banking Transaction(x8)	-0.259	0.105	6.012	0.014	0.772
E-banking Products(x9)	3.035	0.579	27.472	0.000	20.801
E-banking Cost(x10)	-2.412	0.543	19.695	0.000	0.090
System Quality(x11)	0.577	0.201	8.216	0.004	1.781
Information Quality(x12)	0.646	0.210	9.503	0.002	1.908
Service Quality(x13)	.838	0.197	18.052	0.000	2.313
Constant	-7.105	1.735	16.771	0.000	0.001
-2 Log likelihood					215.780
Cox & Snell R Square					0.471
Nagelkerke R Square					0.659

5.0 RESULTS OF HYPOTHESES

Here the results from the research are presented i.e. which are significant and which are not. Likewise, it is expressed which are accepted and which are rejected. Relationship between E-banking Service Marketing, socio-economic and demographic factors and customers’ satisfaction is empirically tested here in this research. The objectives of this study were to examine the relationship among Satisfaction, E-banking service marketing- and socio-economic demographic factors. It is found from the empirical research that System Quality, Information Quality, and Service Quality are positive to Customers’ Satisfaction for selected five banks. Gender, age, education, income, E-banking transaction, E-banking cost are negative for all banks customers that mean all aged personnel do not like to engage them with this type of E-banking service marketing. In Bangladesh the educated persons do not have that much trust in E-banking service marketing. The higher income group like to pay through cash due to different experience from the different point of sales (POS). Sometimes they have faced unexpected difficulties from the service provider. Hence, gradually they reduce the uses of E-banking services. That is why they do not feel comfort about E-banking service marketing.

6.0 FINDINGS OF THE STUDY AND RECOMMENDATIONS

Finding from empirical study, the following recommendations are made:

- i. The government should also improve the competitiveness among the E-banking service providers by setting standard service and security system.
- ii. Since system, information, and service qualities were major determinants of satisfaction, the bank authority should implement an effective service marketing policy related to E-banking.

- iii. Digitalization word should keep not only in book or seminar but also it has to be implemented through operation in real life.
- iv. Suitability of location of ATMs needs to be considered and made available for wider customers.
- v. Encouraging “word of mouth” about E-banking service marketing in the society.

7.0 FUTURE RESEARCH

This study based on the existing services of only five selected banks in seven divisional cities. Separate research can be conducted to compare the services of Bangladeshi banks such as the first generation, second generation, third generation and fourth generation banks. Another research can be conducted on what new E-banking facilities the Bangladeshi banks can provide to improve customer satisfaction. This study does not reveal the costs associated with the E-banking services. Another study can be done on this. Not only the banking sector but also any kind of service sector can be applied to improve their satisfaction level in Bangladesh.

8.0 LIMITATIONS OF THE STUDY

The study is limited to seven Divisions of Bangladesh that mean the areas located in Dhaka, Chittagong, Sylhet, Rajshahi, Khulna, Barisal, and Rangpur. A small proportion of the total population who are using banking services is considered for this study. The other limitation relates to the lack of data regarding the population of bank customers in the country. While collecting data from different customers from different locations it was really difficult to make people understand the meaning and issues of E-banking services marketing and E-banking products. In particular, apart from Dhaka city, people are not aware of the modern banking system in Bangladesh i.e. the E-banking services. Bangladesh is a developing country with limited infrastructural facilities as well as limited skilled manpower. There are some limitations faced during the survey period; shortage of book and published sources in Bangladesh. Difficulties faced collecting the desire information. Disclosing data was very restricted sometimes.

9.0 CONCLUDING REMARKS

Recently it is proved that the success of a banking system must have digitalization. The banks with the latest technology and systems are more successful in the competitive banking sector. They have been able to generate more and more business resulting in their better profitability. Numerous empirical and theoretical studies have been conducted at the national and international levels to scrutinize the impact of E-banking and information and communication technology (ICT) on the banking sector, customers, service quality and the payment system. The e-banking service marketing concept is not a very new in Bangladesh. But it is still in an infant stage. Several banks have already launched E-banking to their customers. However, most of our banks do not have any marketing or sales forces to execute the E-banking services for their own organizations. Results suggest that a huge number of bank customers have yet to embrace the use of E-banking services. Most of the banks have their own websites but not full information as customer desires. Most of the bankers do not visit their websites regularly and do not follow the circulars given by Bangladesh Bank through their bank management. Empirical evidence suggests that information quality need to be improved for customers' satisfaction. Customers are eager to gain a net benefit from this modern banking system by

improving the system quality of E-banking service marketing in Bangladesh. However, over the last few years, it has gained increased importance to the bank customers. And it is expected that it will increase day by day if the E-banking products are nurtured by the professional bankers. To gain the confidence on E-banking the overall computer literacy must be developed. To this effect, the government has taken initiatives at the root level to develop IT literacy in the country. It would be a perfect ground for the development of E-banking service marketing in Bangladesh. Central Bank of Bangladesh should take advantage of E-banking to make a significant impact on Bangladesh economy as early as possible by reducing operational costs, and administrative costs and by increasing new important aspects for the satisfaction and net benefit of the users.

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