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Factors influencing e-banking customer satisfaction and overall retention levels: perspective from a Malaysian bank

Anantha Raj A. Arokiasamy and Stanley Yap PengLok

Quest International University Perak (QIUP), No. 227, Plaza TehTengSeng, Jalan Raja, Permaisuri Bainun, 30250 Ipoh, Perak, Malaysia.

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ABSTRACT

With the advancement of technology in the banking industry in recent years has led to the fulfillment of customer satisfaction with better online facilities and tracking system. Customers are able to enjoy rapid speed and service, better delivery channels and faster response rate dealing with queries and account transactions. In Malaysia, customers expect higher quality services from banks which, if fulfilled could result in significant improvement in customer satisfaction levels. This study mainly focuses on investigating to identify the major factors that influence online customers' satisfaction with the services provided by their respective banks. This study will also assess the online transactions (internet banking) and would therefore help the banks management to improve and better service their customers and strengthen the bond between banks and their valued customers. A total of 227 customers were surveyed via online structured questionnaire for this study. This study identified core services, problem resolution, cost saved, convenience and risk and privacy concerns as the major factors affecting overall customer satisfaction in Malaysia.

Introduction

Online service or e-service has witnessed an explosive growth in the past decade especially in the service sector in Malaysia. In particular the internet has been instrumental in providing e-services to customers from the banking sector. Compared to phone banking or walk-in outlets and over-the-counter transactions at banks, online banking services have become an attractive alternative among customers recently (Kenova and Jonasson, 2006). Internet banking helps banks to build and maintain close relationships with their customers, reduces operating and fixed costs and achieves more efficient and enhanced financial performance (DeYoung et al., 2007 as cited in Rod et al. 2009). From the customers' point of view, online services offer a wider array of benefits such as ease of use; reduce service or transaction charges and enhanced control (Scullion and Nicholas, 2001). Many banks over the years have tried to provide quality of online services to satisfy the needs of their customers. It is now a key variable in maintaining customer satisfaction. These banks are introducing internet banking as an assurance to their customers that they will be able to maintain a competitive quality of service in the future, in efforts to avoid losing their customers (Rod et al. 2009). Offering internet banking is no longer regarded as a competitive advantage but a competitive necessity (Gan et al., 2006, as cited in Rod et al. 2009).

Banks are competing intensely in a highly competitive environment to offer quality oriented services according to customers' expectations. Researchers are studying various key segments of banking sector like operations, service quality, employee satisfaction, customer satisfaction, financing products, efficiency, financial performance to better understand and serve the community at large. Numerous studies have highlighted the key concept of quality services/products offered by the banks. Customers became a centre for all banking activities due to increased competition for greater market share. Focusing on customer satisfaction has been the key to increasing service quality according to customers' expectations in the banking sector (Zairi, 2000). Hokanson(1995) suggested that service quality shows the organization's ability to meet customers' desires and needs. So organization must improve their services to meet the customers' wants and requirements. It is found that customers' perception of service quality is very important for managers to compete in the market (Hoffman and Bateson,2002).

Customer satisfaction levels need to be judged. The application of the knowledge of customer satisfaction is imperative to establishing and maintaining a long-term relationship with customers and long-term competitiveness (Kumar & Reinartz, 2006). Banking is a high involvement industry. Banks recognize the fact that delivery of quality service to customers is essential for success and survival in today's global and competitive banking environment (Wang, Han, & Wen, 2003).The main purpose of this study was to investigate the factors that influence the customers' perceptions towards online service quality offered by a leading bank in Malaysia.

Literature Review

Customer Satisfaction and Online Banking

The concept of electronic banking has been defined in many ways. Daniel (1999) defines electronic banking as the delivery of banks' information and services by banks to customers via different delivery platforms that can be used with different terminal devices such as a personal computer and a mobile phone with browser or desktop software, telephone or digital television. Pikkarainen et al (2004) define internet banking as an "internet portal, through which customers can use different kinds of banking services ranging from bill payment to making investments". With the exception of cash withdrawals, internet

Tele:
E-mail addresses: anantharaj.arokiasamy@qiup.edu.my

banking gives customers access to almost any type of banking transaction at the click of a mouse (De Young, 2001). Indeed the use of the internet as a new alternative channel for the distribution of financial services has become a competitive necessity instead of just a way to achieve competitive advantage with the advent of globalization and fiercer competition (Flavián et al, 2004; Gan and Clemes, 2006).

Banks use online banking as it is one of the cheapest delivery channels for banking products (Pikkarainen et al, 2004). Such service also saves the time and money of the bank with an added benefit of minimizing the likelihood of committing errors by bank tellers (Jayawardhena and Foley, 2000). Robinson (2000) believes that the supply ofinternet banking services enables banks to establish and extend their relationship with the customers. There are other numerous advantages to banks offered by online banking such as mass customization to suit the likes of each user, innovation of new products and services, more effective marketing and communication at lower costs(Tuchilla, 2000), development of non-core products such as insurance and stock brokerage as an expansion strategy, improved market image, better and quicker response to market evolution (Jayawardhena and Foley,2000). Wise and Ali (2009) argued that many banks want to invest in ATMs to reduce branch cost sincecustomers prefer to use them instead of a branch to transact business. The financial impact of ATMs is amarginal increase in fee income substantially offset by the cost of significant increases in the number ofcustomer transactions. The value proposition however, is a significant increase in the intangible item "customer satisfaction". The increase translates into improved customer loyalties that result in higher customer retentionand growing organization value. Internet banking is a lower-cost delivery channel and a way to increase sales.

Since customer satisfaction has been considered to be based on the customer's experience on a particular service encounter, (Cronin & Taylor, 1992) it is in line with the fact that service quality is a determinant of customer satisfaction, because service quality comes from outcome of the services from service providers in organizations. Another author stated in his theory that "definitions of consumer satisfaction relate to aspecific transaction (the difference between predicted service and perceived service) in contrast with 'attitudes', which are more enduring and less situational-oriented,"(Lewis, 1993, p. 4-12) This is in line with the idea of Zeithaml et al (2006, p. 106-107).Regarding the relationship between customer satisfaction and service quality, Oliver(1993) first suggested that service quality would be antecedent to customer satisfaction regardless of whether these constructs were cumulative or transaction-specific.

Sadeghi and Hanzaee (2010) validated a measurement model for customer satisfaction evaluation in e-banking service quality based on different service quality models and theories such as technology acceptance model, theory of reasoned action and theory of planned behavior. The paper provides a model of seven factors for customer satisfaction on the following dimensions - convenience, accessibility, accuracy, security, usefulness, bank image, and web site design. The determinants of online banking customer satisfaction in the Finnish retail banking context was conducted by Pikkarainen, Pikkarainen, Karjaluoto, and Pahnila (2006). A structured questionnaire survey was carried out using convenience sampling. An exploratory factor analysis followed by a confirmatory factor analysis was used to test the validity of the model in an online banking context. The survey results supported three factors – website content, ease of use of the websites, and accuracy. The factors influencing customer satisfaction in the retail banking sector of Pakistan were investigated by Jamal and Naser (2003). The analysis was done based on data collection of a structured questionnaire a survey, which looked into determinants of customer satisfaction in the retail banking sector of Pakistan. Service quality was found to be an important determinant of customer satisfaction. The factors influencing customer satisfaction in the retail banking sector of Abu Dhabi was also investigated by Jamal and Naser (2002). Structured questionnaire was distributed among the respondents. The analysis of the responses indicated service quality provided by the banks and the customer expectations from the bank were the major determinants of customer satisfaction.

Research Objectives

It is a well-known fact that globalization and deregulations over the past decade or so has helped banks expand their reach beyond countries and continents and not to mention highly competitive. Deregulation around the world has permitted consolidation across more distant and different types of financial institutions. Improvements in information processing, telecommunications, and financial technologies have facilitated greater geographic reach by allowing institutions to manage larger information flows from more locations and to evaluate and manage risks at lower cost without being geographically close to the customer. Nowadays, it's getting increasingly cumbersome for banks to compete with only price as their weapon. Banks therefore are forced to look elsewhere for recruiting new customers, retain existing customers and offer competitive products to their customers to retain their loyalty. By just offering internet banking, online transactions and customer care without sufficient high service quality resulting in improved customer satisfaction will lead to problem of retaining existing customers.

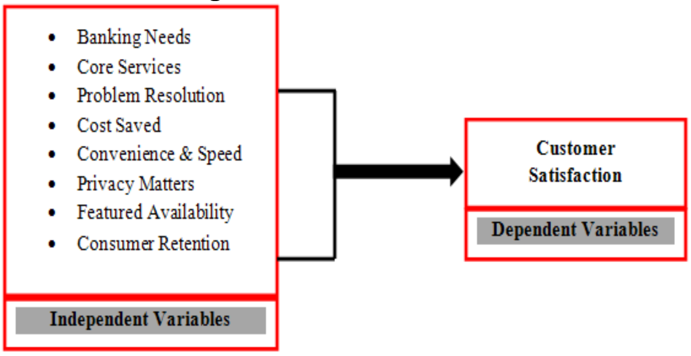
In this context, the present study was undertaken to:

1. Investigate the factors that influence the level of satisfaction of online customers of the selected retail banks and
2. Exploration of relative importance of these factors on overall satisfaction of these online banking customers.

Research Framework

The research framework in this study is built upon the literature review. It is therefore theorized that each variable influences the online banking customer satisfaction in the banking industry. Fig. 1 below depicts the research framework of this study:

Fig 1: Research Framework



Research Methodology

Research Design

Quantitative research method is adopted in this research. This technique studies large group of people and making generalizations from the samples being studied to broader group beyond these samples. Commonly used methods of research design are exploratory, descriptive and explanatory studies. The purpose of this study is to investigatethe factors that influence the level of satisfaction of online customers of the selected retail banks and exploration of relative importance of these factors on overall satisfaction of these online banking customers.

As descriptive studies are commonly associated with finding out the "what is" question, hence observational and survey methods are frequently used to collect descriptive data. Positivistic approach was adopted in this research because this approach: (1) allowed the researcher to search for truths of the observation by empirical evidence via the hypothetico-deductive method; and (2) many researches and observations on the consumer attitude towards advertising had been conducted and the extant literature was well developed (Jankowicz, 2005). Because of the limited knowledge on employability, study of journals related to the topic is necessary for researchers to gain the related knowledge more in-depth. The purpose of exploratory research process is to progressively narrow down the scope of the research topic, and to transform discovered problems into defined ones, incorporating specific research objectives (Zikmund, 2003).

Data Analysis

A total of 450 sets of questionnaires were distributed to the potential respondents and a total of 387 questionnaires were collected. Out of this, 160 sets of the questionnaires were considered unusable because over 25 percent of the questions in Part 1 – Section A of the questionnaire were not answered (Sekaran, 2003). It was assumed that the respondents were either unwilling to cooperate or not serious with the survey. Therefore,only 227 usable sets of collected questionnaires were used for the data analysis. Thereby, the response ratewas 58.65 percent.Section A collects the respondents' demographic data which consists of elements such as gender, age, ethnicity, income level and marital status. Section B consists of eight independent variables, which is of this study's main purpose: to determine the factors that influences the level of satisfaction of online customers of the selected retail banks. Each variable comprises of three to ten questions that are required to be answered by the respondents. SPSS version 19.0 was used to test the relationship between the independent variables and dependent variable using Pearson Correlation and Multiple Regression Analysis.

Profile of the Respondents

Demographic profiles of the respondents are presented in Table 6.1. The sample consists of customers mostly in the age group of 26-35 (50%). It is also evident from table 6.1 that 22.4% of the respondents were youngsters(below 25 years of age), 23.6% were between 36 and 45 and 4% were above 45. It can also be seen that the respondents had a relatively equal proportion of males (52.4%) and female (47.6%). The above-mentioned proportion of males and females is in accordance with the present population of Malaysia and therefore can be said to reflect Malaysia's population balance. Majority of the respondents were unmarried (56.4%), while the percentage of married respondents was 40.8. the respondents were predominantly post-graduates (64.8%) and graduates (28.8%). This implies that the respondents had high literacy levels. With regard to employment status, the respondents were a mix of students (20.8%), self-employed (4.8%), wage earner (28.4%), professionals (42.4%) and others (3.6%). It is quite obvious that the employment level was high among the respondents. The study had a majority of the respondents' earnings between RM 36,000 to RM 60,000 (69.6%), while 23.3% of them had income less than RM 36,000 and 7.2% of them more than RM 60,000.

Reliability Test

According to George &Mallery (2003), reliability is the degree to which measure are free from error and therefore yield consistent results. The reliability of a measure indicates the stability and consistency with which the instrument measures the concept and helps to assess the 'goodness' of a measure (Cavana, Delahaye and Sekaran, 2001). According to Sekaran (2003), the closer the reliability coefficient gets to 1.0, the better it is, and those values over .80 are considered as good. Those values in the .70 is considered as acceptable and those reliability value less than .60 is considered to be poor (Sekaran, 2003). All the constructs were tested for the consistency reliability of the items within the constructs by using Cronbach's alpha reliability analysis. Based on table 6.2 below, the results indicated that the Cronbach's alpha for all the eight constructs were well above 0.70 as recommended by Sekaran(2003). Cronbach's alpha for the constructs ranged from the lowest of 0.734 (privacy matters) to 0.884 (banking needs). In conclusion, the results showed that the scores of the Cronbach's alpha for all the constructs exceeded the threshold of 0.70 indicating that the measurement scales of the constructs were stable and consistent.

Inferential Analysis

Pearson Correlation Coefficient

Pearson's correlation coefficient (r) is a measure of the strength of the association between the two variables. According to Sekaran (2003), in research studies that includes several variables, beyond knowing the means and standard deviations of the dependent and independent variables, the researcher would often like to know how one variable is related to another. Theoretically, there could be a perfect positive correlation between two variables, which is represented by 1.0 (plus 1), or a perfect negative correlation which would -1.0 (minus 1). While correlation could range between -1.0 and +1.0, the researcher need to know if any correlation found between two variables is significant or not (i.e.; if it has occurred solely by chance or if there is a high probability of its actual existence).As for the information, a significance of $p=0.05$ is the generally accepted conventional level in social sciences research. This indicates that 95 times out of 100, the researcher can be sure that there is a true or significant correlation between the two variables, and there is only a 5% chance that the relationship does not truly exist.

The correlation matrix between dependent variable and independent variables are exhibited in table 6.3 below. The findings from this analysis are then compared against the hypotheses developed for this study.

Hypothesis 1:

Ho: There is no significant relationship between banking needs and customer satisfaction.

H_1: There is significant relationship between banking needs and customer satisfaction.

From table 6.3 above, there is positive relationship between banking needs and customer satisfaction because of the value for correlation is positive (0.608). This means, when banking needs is high, customer satisfaction is high. Based on the result provided, p-value is 0.000 which is lesser than alpha value 0.01. Therefore, null hypothesis (H_0) is not accepted but alternative hypothesis (H_1) is accepted. As a result, there is significant relationship between banking needs and customer satisfaction.

Hypothesis 2:

Ho: There is no significant relationship between core services and customer satisfaction.

Table 6.1: Demographics Profile of the Respondents

No.	Demographics	Frequency	Percentage
Gender	Male	119	52.4
	Female	108	47.6
Age	21-29	9.8	22.4
	30-39	113	50.0
	40-49	53	23.6
	Above 50	9	4
Marital Status	Single	93	40.8
	Married	134	56.4
Income	Below 36k per annum	53	23.3
	36k – 60k per annum	158	69.6
	60k – 72k per annum	16.3	7.2
Position	Students	47	20.8
	Supervisor	1	3.6
	Executives/Managers	65	28.4
	Self-employed	11	4.8
	Professionals	96	42.4
Education	High school	15	6.8
	Tertiary	65	28.4
	Postgraduate	147	64.8

Table 6.2: Cronbach's Alpha Reliability Test

Construct	Alpha Coefficient	Number of Items
Banking needs	0.884	3
Core services	0.735	4
Problem resolution	0.838	3
Cost saved	0.758	4
Convenience & Speed	0.882	3
Privacy Matters	0.734	5
Feature Availability	0.883	5
Consumer Retention	0.788	4

Table 6.3: Correlation between Banking Needs and Customer Satisfaction

		Banking Needs	Customer Satisfaction
Banking Needs	Pearson Correlation	1	.608**
	Sig. (2-tailed)		.000
	N	364	364
Customer Satisfaction	Pearson Correlation	.608**	1
	Sig. (2-tailed)	.000	
	N	364	364

Note: Correlation is significant at the **0.01 level (2-tailed)

Table 6.4: Correlation between Core Services and Customer Satisfaction

		Core Services	**Customer Satisfaction**
Core Services	Pearson Correlation	1	.628**
	Sig. (2-tailed)		.000
	N	364	364
Customer Satisfaction	Pearson Correlation	.628**	1
	Sig. (2-tailed)	.000	
	N	364	364

Note: Correlation is significant at the **0.01 level (2-tailed)

Table 6.5: Correlation between Problem Resolution and Customer Satisfaction

		Problem Resolution	Customer Satisfaction
Problem Resolution	Pearson Correlation	1	.574**
	Sig. (2-tailed)		.000
	N	364	364
Customer Satisfaction	Pearson Correlation	.574**	1
	Sig. (2-tailed)	.000	
	N	364	364

Note: Correlation is significant at the **0.01 level (2-tailed)

Table 6.6: Correlation between Cost Saved and Customer Satisfaction

		Cost Saved	Customer Satisfaction
Cost Saved	Pearson Correlation Sig. (2-tailed) N	1 364	.626** .000 364
Customer Satisfaction	Pearson Correlation Sig. (2-tailed) N	.626** .000 364	1 364

Note: Correlation is significant at the **0.01 level (2-tailed)

Table 6.7: Correlation between Convenience & Speed and Customer Satisfaction

		Convenience & Speed	Customer Satisfaction
Convenience & Speed	Pearson Correlation Sig. (2-tailed) N	1 364	.618** .000 364
Customer Satisfaction	Pearson Correlation Sig. (2-tailed) N	.618** .000 364	1 364

Note: Correlation is significant at the **0.01 level (2-tailed)

Table 6.8: Correlation between Privacy Matters and Customer Satisfaction

		Privacy Matters	Customer Satisfaction
Privacy Matters	Pearson Correlation Sig. (2-tailed) N	1 364	.168* .039 364
Customer Satisfaction	Pearson Correlation Sig. (2-tailed) N	.168* .039 364	1 364

Note: Correlation is significant at the **0.01 level (2-tailed)

Table 6.9: Correlation between Featured Availability and Customer Satisfaction

		Featured Availability	Customer Satisfaction
Featured Availability	Pearson Correlation Sig. (2-tailed) N	1 364	.574** .000 364
Customer Satisfaction	Pearson Correlation Sig. (2-tailed) N	.574** .000 364	1 364

Note: Correlation is significant at the **0.01 level (2-tailed)

Table 6.10: Correlation between Consumer Retention and Customer Satisfaction

		Consumer Retention	Customer Satisfaction
Consumer Retention	Pearson Correlation Sig. (2-tailed) N	1 364	.574** .000 364
Customer Satisfaction	Pearson Correlation Sig. (2-tailed) N	.574** .000 364	1 364

Note: Correlation is significant at the **0.01 level (2-tailed)

Table 7.1: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.829	.683	.671	.22159

Table 7.2: Coefficients

Model	Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
(Constant)	-.878	.449		-1.954	.053
Banking Needs	.128	.056	.143	2.290	.024
Core Services	.172	.053	.204	3.284	.001
Problem Resolution	.122	.048	.152	2.554	.012
Cost Saved	.206	.065	.196	3.188	.002
Convenience & Speed	.169	.067	.164	2.519	.013
Privacy Matters	.070	.111	.031	.627	.532
Featured Availability	.383	.073	.277	5.215	.000
Consumer Retention	.202	.063	.194	3.168	.002
R^2		0.656			
Adj. R^2		0.624			
Sig. F		.000[a]			
F-value	43.573	6			

H_1: There is significant relationship between core services and customer satisfaction.

From table 6.4 above, Pearson Correlation sign is 0.628. It indicates that there is positive relationship between core services and customer satisfaction. Based on the result provided, p-value is 0.000 which is lesser than alpha value 0.01. Therefore, null hypothesis (H_0) is not accepted but alternative hypothesis (H_1) is accepted. As a result, there is significant relationship between core services and customer satisfaction.

Hypothesis 3:

Ho: There is no significant relationship between problem resolution and customer satisfaction.

H_1: There is significant relationship between problem resolution and customer satisfaction.

From table 6.5 above, there is positive relationship between problem resolution and customer satisfaction because of the value for correlation is positive (0.574). This means, the relationship between problem resolution and customer satisfaction is at the moderate level. Based on the result provided, p-value is 0.000 which is lesser than alpha value 0.01. Therefore, null hypothesis (H_0) is not accepted but alternative hypothesis (H_1) is accepted. As a result, there is significant relationship between problem resolution and customer satisfaction.

Hypothesis 4:

Ho: There is no significant relationship between cost saved and customer satisfaction.

H_1: There is significant relationship between cost saved and customer satisfaction.

From table 6.6 above, there is positive relationship between cost saved and customer satisfaction because the cost saved and customer satisfaction variable has a positive correlation value of 0.626. Based on the result provided, p-value is 0.000 which is lesser than alpha value 0.01. Therefore, null hypothesis (H_0) is not accepted but alternative hypothesis (H_1) is accepted. As a result, there is significant relationship between cost saved and customer satisfaction.

Hypothesis 5:

Ho: There is no significant relationship between convenience & speed and customer satisfaction.

H_1: There is significant relationship between convenience & speed and customer satisfaction.

From table 6.7 above, there is positive relationship between convenience & speed and customer satisfaction because the convenience & speed and customer satisfaction variable has a positive correlation value of 0.618. Based on the result provided, p-value is 0.000 which is lesser than alpha value 0.01. Therefore, null hypothesis (H_0) is not accepted but alternative hypothesis (H_1) is accepted. As a result, there is significant relationship between convenience & speed and customer satisfaction.

Hypothesis 6:

Ho: There is no significant relationship between privacy matters and customer satisfaction.

H_1: There is significant relationship between privacy matters and customer satisfaction.

From table6.8 above, there is positive relationship between privacy matters and customer satisfaction because the value of correlation coefficient is positive. The privacy matters variable has a 0.168 correlation with the customer satisfaction variable indicating slight almost negligible significant relationship. Since the p-value is 0.039 which is lesser than alpha value 0.05, null hypothesis (H_0) is not accepted but alternative hypothesis (H_1) is accepted.

Hypothesis 7:

Ho: There is no significant relationship between featured availability and customer satisfaction.

H_1: There is significant relationship between featured availability and customer satisfaction.

From table 6.9 above, there is positive relationship between featured availability and customer satisfaction because the featured availability and customer satisfaction variable has a positive correlation value of 0.574. Based on the result provided, p-value is 0.000 which is lesser than alpha value 0.01. Therefore, null hypothesis (H_0) is not accepted but alternative hypothesis (H_1) is accepted. As a result, there is significant relationship between featured availability and customer satisfaction.

Hypothesis 8:

Ho: There is no significant relationship between consumer retention and customer satisfaction.

H_1: There is significant relationship between consumer retention and customer satisfaction.

From table 6.10 above, there is positive relationship between consumer retention and customer satisfaction because the consumer retention and customer satisfaction variable has a positive correlation value of 0.574. Based on the result provided, p-value is 0.000 which is lesser than alpha value 0.01. Therefore, null hypothesis (H_0) is not accepted but alternative hypothesis (H_1) is accepted. As a result, there is significant relationship between consumer retention and customer satisfaction.

Multiple Regression Analysis

In this study, the multiple regression analysis is used as a statistical technique to analyze the linear relationship between a dependent variable and multiple independent variables (Hair et al., 2006). This is a way to recognize whether there is significant relationship between independent variables and dependent variables or not. The model sufficiently explained the variance or coefficient of determination or the R Squared in the effect of control variables relations. According to Hair et al., (2006), the test will be significant if the p-value is less than 0.05. The beta coefficient is used to determine which independent variables have the most influence on the dependent variable.

Hypothesis 9:

Ho: The eight independent variables (banking needs, core services, problem resolution, cost saved, convenience & speed, privacy matters, featured availability and consumer retention) are not significantly explaining the variance in customer satisfaction.

H_1: The eight independent variables (banking needs, core services, problem resolution, cost saved, convenience & speed, privacy matters, featured availability and consumer retention) are significantly explaining the variance in customer satisfaction.

a. Predictors: (Constant), banking needs, core services, problem resolution, cost saved, convenience & speed, privacy matters, featured availability and consumer retention

b. Dependent Variable: customer satisfaction

According to table 7.1, the value of correlation coefficient (R) of eight independent variables (banking needs, core services, problem resolution, cost saved, convenience & speed, privacy matters, featured availability and consumer retention) with the dependent variable (customer satisfaction) is 0.829. Therefore, there is positive and high correlation between eight independent variables and dependent variable. The R square of the eight independent variables is 0.683. This also means that independent variables can explain 68.3% of the variation in dependent variable (customer satisfaction). However, it still leaves 31.7% unexplained in this study. In summary, there are other additional variables that are important in explaining customer satisfaction that have not been considered in this study.

The eight independent variables that are recognized in this study are banking needs, core services, problem resolution, cost saved, convenience & speed, privacy matters, featured availability and consumer retention. The result is illustrated in table 7.2 below.

According to the output of table 7.2, R square of 0.656 indicates that 65.6% of variation in consumer satisfaction is explained by the factors of eight independent variables; meanwhile 34.4% of the changes are explained by other factors. The F-statistic is significant at the value of 45.573 indicating the model is a good descriptor of the relation between the dependent and predictor variables. Null hypothesis (Ho) is not accepted but alternative hypothesis (H_1) is accepted.

Limitation of the Study

The findings highlight the need for further research to explore the relationship between online banking and customer satisfaction attributes. Because the present study was limited to participants predominantly surveyed in a single location at a city in Malaysia, one cannot generalize the findings to other occupational contexts. Furthermore, given the exploratory nature of the research design, this study can yield no statements about causation. Therefore, the author has interpreted associations between the variables rather than establishing them. Consequently, researchers need to replicate these findings in broader samples, different occupational groups and economic sectors before one can draw more comprehensive conclusions about the relationship between people's online preferences and their customer satisfaction attributes.

Conclusion

This research study revealed that Banking Needs, followed by Core Services, Problem Resolution, Cost Saved, Convenience and Risk and Privacy Concerns were the major factors that strongly affect the overall satisfaction of online consumers. On the other hand, Feature Availability and Consumer Retention were found to moderately affect the overall satisfaction of customers using Online or Internet banking services. In order to promote customer satisfaction, it is inevitable forbanks to give due emphasis to all the above-mentioned factors. In conclusion, the researcher would like to add that proactive and creative approach by banks, for example, providing consumer education in Internet banking and friendly customer service, will help improve theconsumer confidence, and eventually increase overall customer satisfaction levels in the banking industry in Malaysia.

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