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Investigating Customer Contentment on Internet Banking of EXIM Bank Limited in Chapainawabganj District, Bangladesh

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ARTICLE INFO	ABSTRACT
Received date: August 12, 2022 Accepted date: Nov. 25, 2022	Customers are crucial to the survival and success of any organization, and this is true for the banking industry as well. Due to the possibility of greater income and improved bank performance, it is therefore important to both satisfy and keep customers. The purpose of this study was to investigate the customer contentment on internet banking of EXIM Bank Limited in Chapainawabganj district, Bangladesh. For this, convenience sampling was employed to collect the data and a total number of 100 customers were selected from the survey where 62% participants were male and 38% of the participants were female. The primary data related to the present study was collected through structured questionnaire. Frequency distribution, Cronbach's alpha, and logistic regression model were used to analyze the collected data. From the analysis, it was seen that 88% of the customer were satisfied towards internet banking quality services where 69% of the customer utilize internet banking as it's easy to use. Cronbach's alpha 0.75 indicates that the internal consistency reliability is acceptable and overall mean score 3.67 indicates that the satisfaction level of customers at different factors was not up to the mark. Based on logistic regression model, it was observed that quality of electronic fund transfer service, fulfillment of the information, and website performance were significantly and inversely associated with customer satisfaction towards internet banking quality services. Understanding the contributing elements revealed in this study enables bank executives and decision-makers to focus efforts and resources in the most effective and efficient manner to boost bank revenue over the long term and persuade new clients to use internet banking. Therefore, banks must concentrate on this issue, step up their corporate social responsibility efforts, and keep lobbying the government of the nation to adopt internet-friendly policies.

Keywords: Contentment, Cronbach's alpha, EXIM Bank Limited, Internet banking, Logistic regression

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1. INTRODUCTION

By removing regional, governmental, and industry barriers, the technological advancement of the electronic channel of

service delivery has created a level playing field for firms (Mohsin et al., 2011). This revolution in the market has sparked a revolution in banking to provide a payment system that is suitable with the demands of the electronic

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marketplace (Guru et al., 2001). Internet users engage in four different types of electronic trade. Shopping, banking, investing, and online electronic payment for Internet services are among the activities that demand a financial relationship. Since the majority of commercial transactions are now made online, the internet's rapid expansion is altering how companies connect with customers. Since e-commerce has become a common method of payment, banks have felt pressured to move away from providing basic banking services and instead focus on providing internet banking, sometimes known as e-banking (Awad, 2000).

Bangladesh has various different types of banks, including central banks, Islamic banks, and commercial banks. Since banking is one of the most significant industries of the nation, most banks have their own websites in an effort to be more effective. Customers can make transactions more conveniently and effectively on the bank website thanks to internet banking. Banks can lower their operating costs by using internet banking. Bangladesh is becoming a rising market for internet banking (Ling et al., 2016).

Many local and private banks are now offering their services online in light of the demand for quick banking. Internet banking not only offers 24-hour banking services but also aids a nation in connecting to the global corporate and economic systems. People all over the world are now engaging in greater activity and business, necessitating the need for quick and 24/7 access to their bank accounts. Additionally, internet banking makes it easier to buy and sell a variety of goods that vary from country to country.

Internet banking is crucial and a great way to participate in the world economy as it expands more quickly and the banking industry continues to grow. Bangladesh has only recently begun its path into internet banking, and banks are stepping up to help it succeed. Customers certainly benefit much from online banking, which saves time and makes tasks much simpler. Bangladesh, a developing nation, may benefit the most from online banking, and banks are fully on board with it. Many banks quickly realized that there are a momentous number of customers who would like to do banking electronically. The application of E-banking has been proven as an effective way to reduce the costs of operation for the financial institutions. For instance, E-banking services will allow banks to reduce expenditures on physical structures. It is believed that the E-banking will help banks to cut costs, increase revenue, and become more convenient for customers (Baten & Kamil, 2010). Due to emerging global economy, e-commerce and e-business have increasingly become a necessary component of business strategy and a strong catalyst for economic development. The new information technology is becoming an important factor in the future development of financial services, industry, and especially banking. That's why, the study was done to investigate the customer contentment on internet banking of EXIM Bank Limited in Chapainawabganj district, Bangladesh. Therefore, the objectives of the study were (i) to evaluate the existing circumstances of internet banking service, (ii) to classify the various dimensions of internet banking service quality and (iii) to investigate the

impact of different dimensions of internet banking service quality on the satisfaction of customers.

2. MATERIALS AND METHODS

2.1. Materials

A total number of 100 customers were selected from the survey after removing the incomplete participant's information where 62% participants were male and 38% of the participants were female.

2.2. Sampling Design

This study adopted a descriptive and cross-sectional questionnaire-based survey. EXIM Bank Limited in Chapainawabganj district, Bangladesh was my study area. This study was conducted during the period from 6th to 27th November, 2022.

2.3. Sampling Technique

Convenience sampling technique was employed to collect the data from the field. EXIM Bank Limited in Chapainawabganj district, Bangladesh was considered as a unit of analysis in this study.

2.4. Tools for Data Collection

The primary data related to the present study was collected through face to face interview.

2.5. Sample Size

By using the Cochran's (1977) sample size determination formula, the sample size was determined

$$n = \frac{Z^2 pq}{d^2} = \frac{(1.96)^2 \times 0.60 \times 0.40}{(0.10)^2} = 93$$

But surveys were collected from 100 participant's information. Where, p is the estimated proportion of an attribute that is present in the population which is taken as 0.60, q = 1 – p = 1 – 0.60 = 0.40, Z is the Type I error at 5% level of significance = 1.96 and d is the absolute error = 0.10.

2.6. Independent Variables

The survey questionnaire included quality of EFT service, user interface, responsiveness of the system, banks concern for customer welfare, fulfillment of the information, reasonableness of costs and website performance as independent variables.

2.7. Dependent Variable

Customer satisfaction on internet banking services (Satisfied or Not satisfied) of the EXIM Bank Limited in Chapainawabganj district, Bangladesh is the dependent variable. The dependent variable is dichotomous in nature.

2.8. Data Analysis

The primary data had been analyzed in SPSS 23.0 version and descriptive statistics was used to analyze the recorded data. Logistic regression analysis has been applied to the data since the dependent variable is dichotomous in nature. The odds ratios and their 95 per cent confidence interval were calculated.

2.9. Statistical Analysis

Frequency distribution was used to determine the number (percentage) of different characteristics of the customers of EXIM Bank Limited in Chapainawabganj district,

Bangladesh. Cronbach's alpha is a measure used to assess the reliability, or internal consistency, of a set of scale or test items. Chi-square (χ^2 -test) was utilized in the present study to find the association between customer satisfaction on internet banking services and their satisfaction level of different factors of internet banking services. Logistic regression model was used to find the effect of satisfaction level of different factors of internet banking services. The model fitness was tested using Nagelkerke R-square value.

2.10. Binary Logistic Regression Model

The underlying binary logistic regression model corresponding to each variable is:

$$\ln\left(\frac{\pi_j}{1-\pi_j}\right) = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \beta_6 X_6 + \beta_7 X_7, \text{ Where } j = 1, 2$$

where, π_1 = the probability of getting satisfaction on internet banking services, π_2 = the probability of not getting satisfaction on internet banking services; X_1 = Quality of EFT service; X_2 = User interface; X_3 = Responsiveness of the system; X_4 = Banks concern for customer welfare; X_5 = Fulfillment of the information; X_6 = Reasonableness of costs; X_7 = Website performance.

3. RESULTS

The researchers used univariate and bivariate analysis for discovering the relationship of data.

Table 1 represented the demographic characteristics of the participants. From the table 1, it was seen that a total of 100 participants, 62% participants were male and 38% participants' were female.

Maximum (57%) of the participants' age was 30 years and less and only 43% of the participants' age was greater than 30 years. Most (69%) of the participants' was married and 31% of the participants' was unmarried.

A larger part (65%) of the participants' educational status was an undergraduate and above where 21% of the participants' was HSC passed, 8% of the participants' was SSC passed and 6% of the participants' was primary passed respectively. A lions share (72%) of the participants' were service holder, 19% of the participants' were self-employed and 9% of the participants' were student.

Majority (65%) of the participants' monthly income was less than or equal Tk. 25000 and 35% of the participants' monthly income was greater than Tk. 25000.

Table 2 represented the customers' opinion about internet banking. From the table 2, it was observed that maximum (74%) of the customer did not face any problem during the use of internet banking and 26% of the customer was faced problems during the use of internet banking among a total of 100 participants.

It was seen that majority (19%) of the customer said that poor server performance hampered their usage of internet banking, 5% of the customer said that internet banking was hard to use and 2% of the customer any other problem during the time of using internet banking.

It was disclosed that majority (69%) of the customer said that they use internet banking as it's easy to use, 27% of

the customer said that they use internet banking as it's time saving and 4% for other reasons.

Table 1 Demographic characteristic of the participants.

Variable	Category	Frequency (%)
Gender	Male	62 (62.00)
	Female	38 (38.00)
Age (Years)	≤ 30	57(57.00)
	> 30	43(43.00)
Marital status	Married	69 (69.00)
	Unmarried	31(31.00)
Educational status	Primary	6 (6.00)
	SSC	8 (8.00)
	HSC	21(21.00)
	Undergraduate and above	65 (65.00)
Occupation	Student	9 (9.00)
	Service	72 (72.00)
	Self-employed	19 (19.00)
Monthly income(Tk.)	≤ 25000	65 (65.00)
	> 25000	35 (35.00)

Table 2 Customers' opinion about internet banking.

Variable	Category	Frequency (%)
Problems faced by the customer	Yes	26 (26.00)
	No	74 (74.00)
Nature of problems faced by customer	Poor server performance	19 (19.00)
	Hard to use	5 (5.00)
	Other	2 (2.00)
Cause of customers' interest to use internet banking	Time saving	27 (27.00)
	Easy to use	69 (69.00)
	Other	4 (4.00)
Duration of using online banking	Less than 1 year	24 (24.00)
	1-3 years	41 (41.00)
	More than 3 years	35 (35.00)
Purposes of using internet banking	Fund transfer	45 (45.00)
	Mobile recharge	11 (11.00)
	Utility bill payment	20 (20.00)
	Card bill payment	13 (13.00)
	Other	11 (11.00)

It was disclosed that most (41%) of the customer said that they use online banking 1-3 years, 35% of the customer use online banking more than 3 years and 24% of the customer use online banking less than 1 year among the 100 respondents.

It was seen that most (45%) of the customer said that they use internet banking for fund transfer, 20% for utility bill payment, 13% for card bill payment, 11% for mobile recharge and 11% for other reasons.

From the Fig. 1, it was seen that maximum (49%) of the customer said that they use mobile APP (AISER) for internet banking service, 44% of the customer said that they use mobile internet browser for internet banking service and 7% of the customer said that they use PC internet browser for internet banking service.

It was seen from the Fig. 2 that maximum (88%) of the customer were satisfied towards internet banking and 12% of the customer were not satisfied towards internet banking.

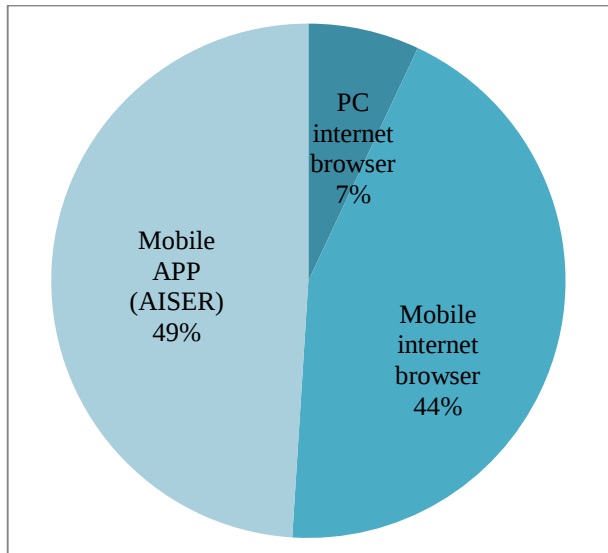


Fig. 1 Mode of using the internet banking service.

Table 3 displays the satisfaction level of customers at different areas of banking services. From the table 3, it was uncovered that maximum (68%) of the customer have satisfaction on quality of EFT service,

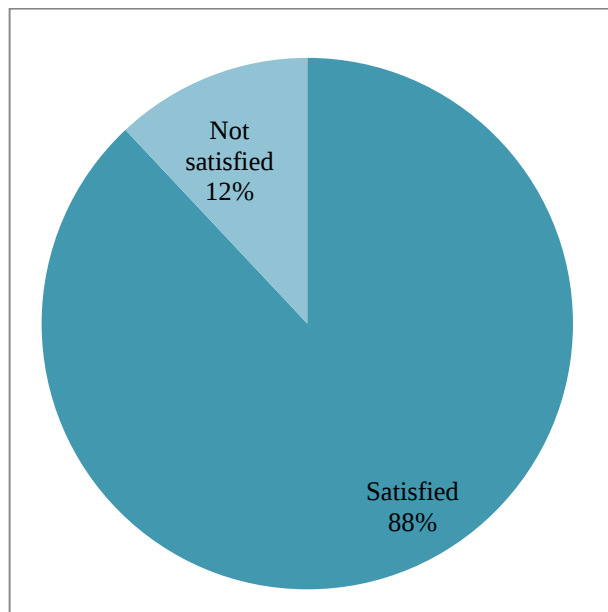


Fig. 2 Satisfaction of customer towards internet banking.

Table 3 Satisfaction level of customers at different factors.

Area of evaluation	Number of respondents out of 100 in total					Mean score
	1	2	3	4	5	
Quality of EFT service	0	2	30	52	16	3.82
User interface	0	3	41	52	4	3.57
Responsiveness of the system	1	9	23	53	14	3.70
Ability to pay bills	0	7	45	43	5	3.46*
Banks concern for customer welfare	0	5	18	55	22	3.94
Service quality	0	5	14	58	23	3.99
Fulfillment of the information	0	12	40	41	7	3.43*
Security	0	2	9	49	40	4.27
Reasonableness of costs	3	14	34	41	8	3.37*
Website performance	1	25	37	31	6	3.16*
Cronbach's Alpha	0.75					
Overall mean score	3.67					

N.B.: 1-Highly dissatisfied, 2- Dissatisfied, 3-Neutral, 4-Satisfied and 5- Highly satisfied; *Mean score less than 3.50 means unsatisfactory.

majority (56%) of the customer have satisfaction on user interface though 41% customers are neutral, most (67%) of the customer have satisfaction on the responsiveness of the system, 48% of the customer have satisfaction on ability to pay bills though 45% customers are neutral.

Table 4 Association between services of internet banking and customer satisfaction.

Variables	Chi-square value	P value
Quality of EFT service	10.524*	0.001
User interface	5.054*	0.025
Responsiveness of the system	10.490*	0.001
Ability to pay bills	2.597	0.107
Banks concern for customer welfare	4.233*	0.040
Service quality	0.281	0.596
Fulfillment of the information	11.587*	0.001
Security	1.957	0.162
Reasonableness of costs	6.485*	0.011
Website performance	11.999*	0.001

N.B.: *Significant at 5%

A lion's share (77%) of the customer have satisfaction on banks concern for customer welfare, most (81%) of the customer have satisfaction on their service quality, 48% of the customer have satisfaction about their fulfillment of the information but 40% customers are neutral, 49% of the customer have satisfaction and 40% have highly satisfaction on the banking security, 49% of the customer have

satisfaction on the reasonableness of costs but 34% customers are neutral, and 37% of the customer have satisfaction on website performance but 37% customers are neutral.

Fulfillment of the information was significantly and inversely related with customer satisfaction and the odds ratio 0.224 indicates that those who were satisfied about the service fulfillment of the information have 0.224 times less chance to get customer satisfaction than those who were not satisfied about the service fulfillment of the information. Reasonableness of costs was insignificantly and inversely related with customer satisfaction and the odds ratio 0.409

indicates that those who were satisfied about the service reasonableness of costs have 0.409 times less chance to get customer satisfaction than those who were not satisfied about the service reasonableness of costs.

Website performance was significantly and inversely related with customer satisfaction and the odds ratio 0.092 indicates that those who were satisfied about the service website performance have 0.092 times less chance to get customer satisfaction than those who were not satisfied about the service website performance. According to the Wald statistic, website performance was the most important factor towards customer satisfaction.

Table 5 Binary logistic regression between services of internet banking and customer satisfaction

Variable	B	S.E.	Wald	P value	Odds ratio	95.0% C.I. for odds ratio	
						Lower	Upper
Quality of EFT service (Not satisfied ^R)							
Satisfied	-1.748	0.965	3.279*	0.070	0.174	0.026	1.155
User interface (Not satisfied ^R)							
Satisfied	-0.317	0.872	0.133	0.716	0.728	0.132	4.018
Responsiveness of the system (Not satisfied ^R)							
Satisfied	-0.544	0.890	0.374	0.541	0.581	0.102	3.320
Banks concern for customer welfare (Not satisfied ^R)							
Satisfied	-0.559	0.909	0.378	0.539	0.572	0.096	3.396
Fulfillment of the information (Not satisfied ^R)							
Satisfied	-1.498	0.847	3.128*	0.077	0.224	0.042	1.176
Reasonableness of costs (Not satisfied ^R)							
Satisfied	-0.895	0.787	1.292	0.256	0.409	0.087	1.912
Website performance (Not satisfied ^R)							
Satisfied	-2.382	1.185	4.040**	0.044	0.092	0.009	0.943
Constant	2.009	1.086	3.423	0.064	7.459		

N.B.: *Significant at 10% and **Significant at 5% and Nagelkerke R-square=0.469

The value of Cronbach's alpha 0.75 indicates that the internal consistency reliability is acceptable and overall mean score 3.67 indicates that the customers satisfactory level lies between neutral and satisfied, that is, satisfaction level of customers at different factors was not up to the mark. According to the mean score, we conclude that customers have dissatisfaction on ability to pay bills, fulfillment of the information, reasonableness of costs and website performance.

From the table 4, it was seen that quality of EFT service, user interface, responsiveness of the system, banks concern for customer welfare, fulfillment of the information, reasonableness of costs and website performance were significantly associated with customer satisfaction at 5% level of significance respectively.

Table 5 displays the binary logistic regression between different services of internet banking and customer satisfaction. The value of Nagelkerke R-square 0.469 implies that 46.90% of the total variation of customer satisfaction on internet banking services is explained by the quality of EFT service, user interface, responsiveness of the system, banks concern for customer welfare, fulfillment of the information, reasonableness of costs and website performance.

Quality of EFT service was significantly and inversely related with customer satisfaction at 10% significance level and the odds ratio 0.174 indicates that those who were satisfied about the service quality of EFT service have 0.174 times less chance to get customer satisfaction than those who were not satisfied about the service quality of EFT service.

User interface was insignificantly and inversely related with customer satisfaction at 10% significance level and the odds ratio 0.728 indicates that those who were satisfied about the service user interface have 0.728 times less chance to get customer satisfaction than those who were not satisfied about the service user interface. Responsiveness of the system was insignificantly and inversely related with customer satisfaction and the odds ratio 0.581 indicates that those who were satisfied about the service responsiveness of the system have 0.581 times less chance to get customer satisfaction than those who were not satisfied about the service responsiveness of the system.

Banks concern for customer welfare was insignificantly and inversely related with customer satisfaction and the odds ratio 0.572 indicates that those who were satisfied about the service banks concern for customer welfare have 0.572 times less chance to get customer satisfaction than those who were

not satisfied about the service banks concern for customer welfare.

4. DISCUSSION

Sharma & Halvadia (2010) found that added values, ease of use, personalization/customization, website design, interactive interrogation and other financial products' service quality have significant impact on overall internet banking portal service quality. Ling et al. (2016) revealed that speed, convenience, and online design and content are the top three variables influencing customer satisfaction towards internet banking. Amin (2016) showed that user friendliness, efficiency of websites, personal need, and site organization have a positive and noteworthy influence on customer satisfaction. Customer satisfaction was found to be influenced by website qualities, dependability, responsiveness, fulfillment, efficiency, privacy and security, and fulfillment (George & Kumar, 2014). Rew & Malinga (2011) found a statistically significant positive association between internet banking and customer satisfaction. Customers' happiness with e-banking is significantly influenced by perceived value, brand perception, cost effectiveness, ease of use, convenience, problem handling, security/assurance, and responsiveness (Kumbhar, 2011). From this study, the researchers found that quality of electronic fund transfer service, fulfillment of the information, and website performance were significantly and inversely associated with customer satisfaction towards internet banking quality services.

5. CONCLUSION

The quality of service has become as one of the major determinants of the customer satisfaction. Customer satisfaction is a critical issue for the success of any business. Service quality is the main indicator to measure the customer satisfaction. The main objective of this study was to investigate the customer contentment on internet banking of EXIM Bank Limited in Chapainawabganj district, Bangladesh. The research showed that maximum of the customer has contentment on internet banking of EXIM Bank Limited in Chapainawabganj district, Bangladesh as most of the customers were service holder. Some modifiable factors were identified that affects the customer contentment on internet banking service quality. Based on this, the researcher recommends the following:

- i. Customers have dissatisfaction on ability to pay bills, fulfillment of the information, reasonableness of costs and website performance. So, the bank manager should be very careful about these services to increase bank business in the long run and encourage new customers to adopt internet banking.
- ii. Quality of EFT service, fulfillment of the information and website performance are the top

three factors that influence customer satisfaction toward internet banking. So, the service quality of the banks must be updated to remain competitive.

- iii. Policymakers can formulate effective intervention and remediation programs to strengthen the E-Banking services in order to move towards vision 2041 challenges.

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