



Examining the Effect of Quality of Electronic Services on Satisfaction of Customers at Melli Bank of Bandar Anzali

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Abstract: Providing electronic services is a kind of challenge for managers. Today, electronic services are a necessity for banks and customer satisfaction is inevitable for banks. The purpose of this paper was to investigate the effect of quality of electronic services on the satisfaction of customers in Melli Bank of Bandar Anzali. Electronic services are divided in to six dimensions: effectiveness, confidentiality, service compensation, responsiveness, completeness, and availability. The data were collected through a questionnaire and data analysis was performed using Pearson correlation. According to data analysis, all the hypotheses were confirmed.

Keyword: Quality of Electronic Services, Satisfaction, Melli Bank

INTRODUCTION

Customers and consumers always look for the suppliers who can provide them with a much better product or service. Much evidence also suggests that in today's competitive world, the discovery of customers' needs and demands and meeting them before competitors are a key prerequisite for companies to succeed. Hence, businesses and firms struggle to achieve a unique position through exclusive benefits compared to other competitors (Walsh et al., 2010). Today, providing electronic services is a challenge for managers. After the early failure of providing e-commerce services in the 1990s, managers perceived how poor design and poor electronic services could cause dissatisfaction of individuals. However, today, most companies provide electronic services and their electronic services are an integral part of them. Therefore, researchers and activists seek to identify specific processes for the proper implementation of electronic services (Haim & Field, 2007). Service quality, value, customer satisfaction, and the resulting risk are widely regarded as the most important criteria in service marketing. On the other hand, in recent years, the service sector plays an important role in the economy. Many services that have a poor quality will eventually lead to failure. Marketing and provision of electronic services are of the tools for attracting customers, transfer of services, and interaction. Websites are today the most important channel for improving customer relationship. Today, electronic marketing is in its early stage and aims to increase customer awareness of the quality of services

and the value of online services (Lee & Viso, 2011). Nowadays, banking is considered a profitable industry. By expanding their services electronically, banks not only seek to attract more customers but also seek to attract companies as legal clients. There is a kind of relationship between banks with manufacturing companies and banking services, which is called business-to-business communication (B2B). Therefore, in this paper, the impact of the quality of electronic services on customer satisfaction in the Melli Bank of Iran and in the branches of Bandar Anzali has been investigated.

Satisfaction can be defined as the assessment of customer sentiment, which reflects the degree of customer belief and the degree of positive feelings about the service provided. Research has shown that customer satisfaction can be linked to the extent of using electronic services. Satisfaction with services is derived from quality and perceived value. Customers compare their experience with using the service with what they expect. To satisfy customers, a service company needs three parts: product quality, service quality, and reasonable price based on customer expectations. In service environments, customer satisfaction is the result of an understanding of the customer's value of communication with service providers. Customer perceptions of the value of service closely depend on the relationship between their awareness and the cost of the service (Niger et al., 2009).

We will express researchers' views of the satisfaction.

In relation to the concept of customer satisfaction, various definitions have been proposed by marketing theorists. Cutler (2001) defines customer satisfaction as the degree to which a company's actual performance meets customer expectations. According to Cutler, if the company fulfills customer expectations, the customer feels dissatisfied (Akbrian & Dianti, 2006).

Jamal and Nasser also define customer satisfaction as the sense or attitude of a customer to a product or service after its use.

These two researchers state that customer satisfaction is the main source of marketing activity that acts as a link between the various stages of consumer purchasing behavior. For example, if customers are satisfied with certain services, they are likely to repeat their purchase. Satisfied customers will also probably talk to others about their experiences, which will result in positive verbal (oral-verbal) mouth-to-mouth advertisements. In contrast, dissatisfied customers are likely to interrupt their relationship with the company and engage in negative mouth-to-mouth advertisements. Additionally, behaviors such as repetition of shopping and mouth-to-mouth advertising directly affect the survival and profitability of a company (Bennett et al., 2007).

Writings about the relationships between customer satisfaction customer tastes with profitability state that customer satisfaction affects customer tastes, and this in turn affects profitability. The advocates of this theory include researchers such as Anderson and Fornell (1994), Gamon (1993), Skelet et al. (1995), Shenidler & Bowen (1995), Ostobaka et al. (1994), and Zeitamel et al. (1990). This research explains the relationship between researchers, and the relationship between satisfaction, taste and profitability. Nelson et al. (1992) introduced statistical studies of these relationships. They investigated the relationship between customer satisfaction and profitability in hospitals. Rast and Zahuwrik (1991) examined the relationship between customer satisfaction and customer retention in retail banking system.

Blanchard and Galloway (1994) argue that customer satisfaction is the result of customer perception in a transaction or value relation, so that the price is equal to the ratio of the quality of service performed to the price and cost of the customer (Chen et al., 2012).

The definition of customer satisfaction accepted by many experts is customer satisfaction as a result of the comparison of the pre-purchase customer with expected performance with expected performance achieved with perceived real performance and paid cost (Bennett & Colleagues, 2007).

In marketing literature, customer satisfaction has two dimensions:

Exchange and the general dimension

The concept of customer satisfaction exchange refers to the customer's assessment of each of the purchases he does. The overall concept of customer satisfaction relates to the overall customer assessment and overall perception of the total contacts and purchases of the brand. In fact, one can say that overall customer satisfaction is a function of any satisfaction or dissatisfaction with previous exchanges.

Cumulative (or overall) customer satisfaction is the customer's overall assessment of all customer experience and consumption of a product or service over a long period. Exchange satisfaction provides information about a person's experience with a particular product and service in a particular case, while overall satisfaction is a more appropriate indicator of past, present, and future performance of the company. This is because customers make their purchasing decisions based on all their experiences with a brand up to the present, not based on a purchase at a specific time and place (Walsh et al., 2010).

Researchers have argued that various factors affect customer satisfaction, the most important of which are the quality and quantity of electronic services provided by the bank. We will explain the quality of electronic services defined and its dimensions.

Measuring and evaluating online service quality are growing among today's companies. Such a service is very important to them. Among them, websites are clearly a kind of channel for growth in the global competition. The growth of electronic services is a new phenomenon in the current century. For example, in the United States, retailers electronically sold their products to \$ 127 billion in 2007 that has an increase rate of 18.4% per year. This means that the provision of electronic services has led to the growth of this industry. The importance of the quality of electronic services and its limitations lie in the scale of its measurement. However, these scales relate to the specific characteristics of electronic services (Ding et al., 2011).

Due to the rapid growth of the Internet in corporate market, the quality of electronic services in e-commerce has become one of the most important issues. The quality of electronic services can be a widespread failure to successful implementation of e-commerce. However, it still lacks a comprehensive definition and has limited variables. The use of e-service quality tools requires wide and extensive research. Different countries have presented various theories on it. Concepts and tools are different due to environmental and educational differences that may affect the generalizability of theories to society and challenge the relationship between variables. All theories and tools must be applied in society prior to admission (Hamidizadeh et al., 90).

Compared to the quality of traditional services, fewer studies have been done on the quality of online services. The traditional services are different from the online service and have different dimensions. In the traditional section, customer segment experience more control and transmission speeds, while in the electronic section, these topics are quite similar to each other. However, different researchers have provided different dimensions for electronic services. Zeitamel et al. (2000) consider dimensions such as access, greater scrutiny, flexibility, effectiveness, and security as dimensions of e-services. However, Parasouraman et al. consider effectiveness, access and security, and Bawer et al. (2006) consider responsibility, process, performance, and design as the dimensions of this variable (Wang et al., 2010).

According to Akinick (2004), Internet technology offers alternatives to traditional distribution channels, one of which is the bank's services. E-banking or Internet banking is one of the transitional channels that have attracted special attention. Statemwell et al. (2012) argued that one of the most important criteria for using e-banking should be the assessment of the service provider from the quality of the services provided and the risk assessment of the customer (Farooqian, 2012).

The quality of electronic services is defined as the development of Web and Internet facilities for the effectiveness and efficiency of purchasing and transferring service products. Customer assessment of the quality of electronic services includes customer experience of interaction with the site and other aspects of the service, including its core services. Other research has been conducted on how the website should be designed. The research suggests that on-line services should be very dynamic and up-to-date. The value of perceived service is the general customer assessment of services and facilities based on their perception of services and

benefits they receive. When service quality improves, customer satisfaction is likely to improve. In contrast, promoting the value of perceived service, it will lead to increased customer satisfaction (Qanadan & Imam Ali Zadeh, 90).

Santos (2003) defined the quality of electronic services as customer overall perceptions, judgments, and evaluations of the quality of services obtained in virtual markets. Activists and researchers consider the quality of electronic services equal to the quality of websites. Zang et al. (2005) also argue that they provided tools for measuring the quality of electronic services. When customer perceptions of the quality of electronic services are appropriate and they are satisfied, their behavior and purchase intention will also change. A study of customer behavior can also predict his behavior (Yudo et al., 2010).

The provision of service and product quality for customers to succeed and survive in today's competitive banking environment is essential. Wang et al. (2003) believe that the provision of quality products and services increase the reputation of the business unit, make customers retention possible, lead to attracting new customers, use of word of mouth, and increase in performance of financial and profitable activities. Although many studies have been conducted on the quality of services and product, little research has been done on these two concepts simultaneously and there is a tendency to ignore the distinction between product quality and service quality and its implications in the service industries.

Focusing on the quality of service and product quality in service industries has mostly occurred in developed countries, whereas services are one of the most vibrant sectors in emerging countries. Therefore, such a rapid growth has been confusing the efforts that have taken place on the generalization of research findings from developed countries to developing countries.

In addition to the monopolistic market conditions in developing countries, the study of service related topics has long been neglected. Banks generally have not developed any standard public scales, by which one can understand the perceived quality (including the quality of services and products) of services related to banking services. The lack of measurable quality standards is still relevant in the developing countries, according to the role or importance of banking services (Wang et al., 2003).

In general, the service features have led to the differences of the discussions of the definition and measurement of the quality from the field of goods. In the field of services, they usually define quality in accordance with client's needs, and there are various ways to measure the quality of goods. Assuming that the customer has the ability to evaluate the performance of a service, the outcome of this assessment is compared with the customer's expectations before buying or consuming. Any mismatch between a customer's assessment and his expectations leads to a disapproval. Lack of positive approval would increase or maintain satisfaction, and negative disapproval would lead to customer dissatisfaction. Studies show that the severity of the impact of lack of positive and negative approvals on dissatisfaction varies. Lack of negative approval has a greater effect on satisfaction than a positive non-approval. Managers can find out negative non-approval by two ways: leaving and complaint. When customers leave the company easily and go to competitors, leaving has taken place: customer complaints of the quality of services provided indicate a lower performance of the experienced service than the expectations of customers (Chen et al., 2010).

They have defined a variety of dimensions for the quality of electronic services. For example, in the United Kingdom, access to the website, credit, attention to customer, and website validity are of electronic service variables. In Hong Kong, credit, effectiveness, problem solving, and security are the variables. In Sweden, credit, effectiveness, needs, security, website validity, and system access are among the main criteria. In Taiwan, effectiveness, meeting the needs, security, relevance, competence, matching of the site with cultural issues are the most important criteria of e-service quality. Probably customer satisfaction is the key factor in expressing these criteria. In banking that provides services to customers traditionally, the lack of human interaction can be a negative aspect of electronic banking. Electronic banking requires an assessment of the role of technology, purchasing, and product related factors. The bank must have the knowledge of customer

satisfaction using electronic services and should be able to fulfill this satisfaction through electronic banking (Zawawar et al. 2012).

In this research, the dimensions of the quality of electronic services are:

Effectiveness

Completeness of services

Availability

Confidentiality

Accountability

Compensation for service

The conceptual model of the research is presented below:

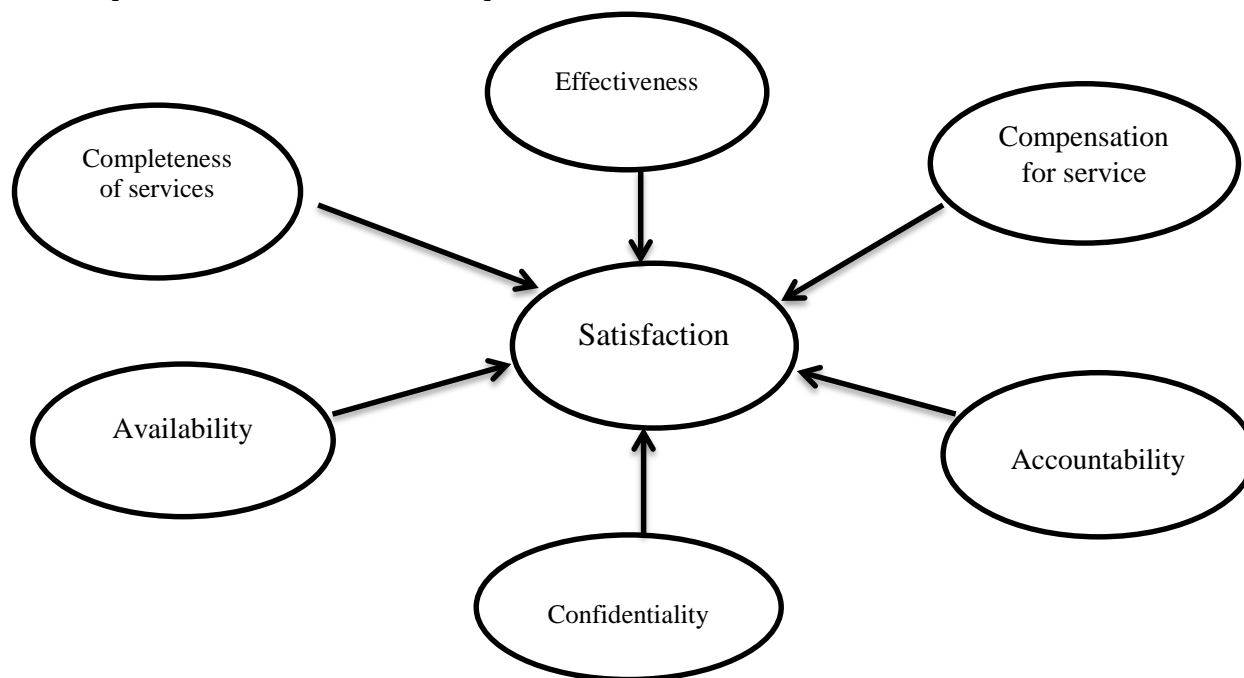


Figure 1: Conceptual Model of Research (Faroughion et al., 2012)

In this regard, and according to the conceptual model of research, the hypotheses are:

1. Effectiveness of Melli's Bank online services has a significant impact on customer satisfaction.
2. The compensation of services of Melli's Bank online services has a significant effect on the satisfaction of customers.
3. Accountability of services of Melli's Bank online services has a significant effect on the satisfaction of customers.
4. The confidentiality of services of Melli's Bank online services has a significant effect on the satisfaction of customers.
5. Availability of Melli's Bank online services has a significant effect on the satisfaction of customers.
6. The completeness of Melli's Bank online services has a significant effect on the satisfaction of customers.

The questionnaire of this research was distributed among customers of the Melli Bank of Bandar Anzali, and the data were obtained for statistical analysis. Sampling method was simple random. In other words, the customers of the Melli Bank in Bandar Anzali were randomly asked to complete the survey questionnaire.

Results and discussion

In this section, we describe the descriptive and inferential statistics of research data. For data analysis, mean, variance and standard deviation of data were first obtained. The hypotheses were then tested using SPSS and Pearson correlation. Table 1 shows the descriptive statistics of the research data.

Table 1: Descriptive statistics of research variables
Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation	Variance
Effectiveness	384	1.00	7.50	3.9723	0.76532	0.586
Completeness of services	384	1.00	5.00	3.6141	0.79971	0.640
Availability	384	1.00	5.00	3.9716	0.74636	0.557
Confidentiality	384	1.00	5.00	4.0122	0.77071	0.594
Accountability	384	1.00	5.00	3.7427	0.73560	0.541
Compensation for service	384	1.00	5.00	3.5998	0.76354	0.583
Satisfaction	384	1.00	5.00	4.1276	0.87874	0.772
Valid N (listwise)	384					

Based on this research, the mean of all research variables is higher than the average of 3. Satisfaction with the mean of 4.12 has the highest mean among the variables.

Table 2 shows the results of testing the hypotheses.

Table 2: Test Results of Research Hypotheses
Correlations

		Effectiveness	Completeness	Availability	Confidentiality	Accountability	Compensation for service	Satisfaction
Effectiveness	Pearson Correlation	1	0.560**	0.501**	0.415**	0.492**	0.411**	0.550**
	Sig. (2-tailed)		0.000	0.000	0.000	0.000	0.000	0.000
	N	384	384	384	384	384	384	384
Completeness	Pearson Correlation	0.560**	1	0.581**	0.518**	0.683**	0.579**	0.488**
	Sig. (2-tailed)	0.000		0.000	0.000	0.000	0.000	0.000
	N	384	384	384	384	384	384	384
Availability	Pearson Correlation	0.501**	0.581**	1	0.508**	0.683**	0.430**	0.494**
	Sig. (2-tailed)	0.000	0.000		0.000	0.000	0.000	0.000

	N	384	384	384	384	384	384	384
Confidentiality	Pearson Correlation	0.415**	0.518**	0.508**	1	0.567**	0.463**	0.377**
	Sig. (2-tailed)	0.000	0.000	0.000		0.000	0.000	0.000
	N	384	384	384	384	384	384	384
Accountability	Pearson Correlation	0.492**	0.683**	0.683**	0.567**	1	0.658**	0.589**
	Sig. (2-tailed)	0.000	0.000	0.000	0.000		0.000	0.000
	N	384	384	384	384	384	384	384
Compensation for service	Pearson Correlation	0.411**	0.579**	0.430**	0.463**	0.658**	1	0.690**
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000		0.000
	N	384	384	384	384	384	384	384
Satisfaction	Pearson Correlation	0.550**	0.488**	0.494**	0.377**	0.589**	0.690**	1
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000	0.000	
	N	384	384	384	384	384	384	384

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

The Pearson correlation between the effectiveness and satisfaction of e-services is 0.550, which, given that this value is within the standard range of -1.96 and 1.96, this hypothesis is confirmed. In addition, the completeness and availability have 0.488 and 0.498 correlation with satisfaction, which, given that this is also within the standard range, one can state that the completeness of electronic services and availability have a significant relationship with satisfaction.

According to Table 2, Pearson test values for confidentiality and accountability are equal to 0.377 and 0.558, respectively. According to the standard range, it can be stated that these two variables have a significant relationship with the satisfaction of the customers of the bank with electronic services. Hence, the hypotheses of these two variables are confirmed.

Pearson correlation test statistic for the service compensation is 0.690, which indicates a significant relationship between customer compensation and customer satisfaction.

Considering the issues stated and the statistics, all hypotheses were confirmed.

Conclusion

Regarding the issues discussed, it can be stated that according to the respondents of the questionnaires all dimensions of the quality of electronic services, effectiveness, completeness, availability, confidentiality, accountability, compensation for service affect customer satisfaction. Customers of the Melli Bank in Bandar Anzali are satisfied with all aspects of the quality of Melli 's Bank electronic services.

Among the expressed dimensions, only the degree of correlation of confidentiality variables was lower than other variables. Despite the significant relationship between confidentiality and satisfaction, this relationship was weak. It is suggested that the managers of the Melli Bank increase the confidentiality level of site and maintaining the personal information of customers, or assure customers of the high security of the site.

Due to the time limit, we distributed the questionnaires only among the customers of the Melli Bank in Bandar Anzali. Hence, this is of research limitations. Among other research limitations is lack of cooperation of some of the customers with the completion of the questionnaire, which was partly solved with the explanations given by the researcher.

For further research, it is suggested that other researchers examine other factors affecting the quality of electronic services, or examine the conceptual model of this research among other banks in order to determine the degree of customer satisfaction from different banks.

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