



Antecedents of customer satisfaction with online banking in China: The effects of experience

Cheolho Yoon *

Dept. of Business Administration, Mokpo National University, Republic of Korea

ARTICLE INFO

Article history:
Available online 24 April 2010

Keywords:
Online banking
Customer satisfaction
Experience
Multi-group analysis
China

ABSTRACT

This study investigates the antecedents of customer satisfaction with online banking in China, and explores the effects of experience on the relationships between the antecedents and customer satisfaction. Based on prior research, the six antecedents of customer satisfaction – ease of use, design, speed, security, information content, and customer support service – are proposed, and the effects of experience on the relationships between these and customer satisfaction are analyzed using a structural multi-group (a high-experience group and a low-experience group) model.

The results show that design, speed, security, information content, and customer support service have a significant influence on customer satisfaction in the high-experience group or the low-experience group, but ease of use does not have a significant influence on customer satisfaction in either of the groups. Also, the results relating to the influence of the level of customer experience reveal that the effects of design, security, speed, and information content on customer satisfaction were significantly higher in the high-experience group, whereas the effect of customer support service on customer satisfaction was significantly higher in the low-experience group.

© 2010 Elsevier Ltd. All rights reserved.

1. Introduction

Since the first online banking services based on the Internet were provided by Stanford Federal Credit Union (SFCU) in October 1994 (Business Wire, 1995), online banking has spread rapidly in all countries of the world as a result of its convenience and ease in conducting transactions quickly and at a specific service level (Finextra, 2010). According to an International Data Corporation (IDC) report, the number of online banking users worldwide had already surpassed a hundred million by 2004 (Maenpaa, Kale, & Kuusela, 2008). Spurred by rapid growth of online banking usage, a number of the studies about online banking have been performed around the world; however, the research has mostly been confined to: the issues of online banking adoption (Cheng, Lam, & Yeung, 2006; Durkin, Jennings, & Mulholland, 2008; Lee, 2009; Yiu, Grant, & Edgar, 2007) and the customer attitude towards online banking usage (Joseph & Stone, 2003; Laforet & Li, 2005; Liao & Cheung, 2002). Now that online banking has several millions of active users worldwide, we need to shift the focus of research about customer satisfaction or customer loyalty – which increases current customer retention and life-time value of the customers (Maenpaa et al., 2008).

Customer satisfaction, the feeling of customers using a product or service, is one of most popular research topics in marketing and e-commerce studies, including its positive effects on customers' repurchase and 'word-of-mouth' behaviors. Recent online banking studies, including Casaló, Flavián, and Guinalú (2008), have found that customer satisfaction with previous online banking interactions have had a positive effect on both customer loyalty and positive word-of-mouth. One survey investigation (Foresee results survey, 2005) concluded that highly satisfied online bankers were nearly 39% more likely to purchase additional products and services from their bank than dissatisfied online banking customers. Thus, indentifying the antecedents of customer satisfaction with online banking is an important research subject in practice. Also, customers' attitudes and behaviors may vary according to individual characteristics such as age, gender and experience. It has been proposed that experience, in particular, influences consumer (or user) behaviors in marketing, e-commerce and information systems studies. Several studies have examined the effects of experience on customers' behavior, perceptions and behavioral intentions (Castaneda, Munoz-Leiva, & Luque, 2007; Rodgers, Negash, & Suk, 2005; Taylor & Todd, 1995). Although experience has received a lot of research attention in diverse contexts, little research has been conducted to explore the effects of experience in the online banking context.

In 1997, China Merchants Bank was first to launch an Internet payment system in China; thereafter, online banking spread rapidly in China. Most retail banks in China now provide online

* Address: Dept. of Business Administration, Mokpo National University, 61 Dorim-ri, Chungkye-myun, Muan-gun, Chonnam 534-729, Republic of Korea. Tel.: +82 61 450 2611; fax: +82 61 450 6466.

E-mail address: carlyoon@empal.com

banking as add-on services to existing branch activities (Laforet & Li, 2005). In 2008, the number of online banking users in China was 58 million, an increase of 45% from the previous half-year. The overall percentage of the number of users in the country has reached 19.3% (China Internet Network Information Center, 2009) and IDC predicted that online banking in China would increase rapidly from 2008 to 2012, with a compound annual growth rate (CAGRs) of 23.1% (International Data Corporation, 2008). Given the size of the online banking user community and the recent developments in online banking in China (as mentioned above), it is important to study this area since it represents a large part of the Internet economy – China surpassed the United States in its number of Internet users in June 2008, and is now ranked first in the world (China Internet Network Information Center, 2009).

Accordingly, the purpose of this study is to investigate the antecedents of customer satisfaction with online banking in China and explore the effects of experience on the relationships between the antecedents and customer satisfaction. To attain the objectives of this study, we first identify the antecedents of customer satisfaction with online banking based upon a theoretical review and logical reasoning, and we then analyze the effects of experience on the relationships between the antecedents and customer satisfaction using a structural multi-group (a high-experience group and a low-experience group) model. The next section of this study will introduce the antecedents of customer satisfaction with online banking. Our hypotheses will be explained in the third section. The research design and survey results will be presented in the fourth and the fifth sections, respectively. In the sixth section, we will discuss our results and will explain the implications of this study and further research directions.

2. Antecedents of customer satisfaction with online banking

The concept of customer satisfaction occupies a central position in marketing thought and practice (Churchill & Surprenant, 1982). Researchers have focused on antecedents of customer satisfaction because customer satisfaction is generally assumed to be a significant determinant of repeat sales, positive “word-of-mouth”, and consumer loyalty (Bearden & Teel, 1983).

Although the subject of satisfaction has been discussed extensively in the literature of information systems, e-commerce and marketing (see DeLone & McLean, 1992; Liu, He, Gao, & Xie, 2008), the exploration of antecedents to customer satisfaction with online banking is still in its infancy. Recently, some researchers (e.g., Liao & Cheung 2008) have started to investigate the determinants of customer satisfaction with online banking. Yet, there is no current consensus on the antecedents or determinants of customer satisfaction with online banking. Given that online banking deals with information systems, e-commerce, and marketing activities, we propose conducting a literature review of the antecedents of customer satisfaction with online banking.

2.1. Ease of use

In information systems literature, ease of use has been regarded as a factor that influences users' satisfaction (Doll & Torkzadeh, 1988; McHoney & Cronan, 1998), a measurement of system quality (DeLone & McLean, 1992), and a determinant of IT adoption (Davis, 1989). These phenomena have been supported by e-commerce studies. That is, in those studies that propose a key dimension of web quality (Aladwani & Palvia, 2002; Palmer, 2002) or find determinants of customer satisfaction (Pikkariainen, Pikkariainen, Karjaluoto, & Pahnla, 2006), ease of use is frequently used. In particular, Liao and Cheung (2008) proposed and empirically tested ease of use as a measurement of consumer satisfaction with online

banking. Therefore, ease of use is an antecedent of customer satisfaction with online banking.

2.2. Transaction speed

Transaction speed (often referred to response time) has received attention in the context of information systems and e-commerce due to an increase in focus on the efficiency of operational resources. Therefore, it is frequently discussed as an important factor of user satisfaction in information systems (DeLone & McLean, 1992; Srinivasan, 1985) or commercial web site evaluations (Aladwani & Palvia, 2002). Liao and Cheung (2002) argued that in advanced societies, consumers tend to be highly sensitive to the speed of service delivery, thus transaction speed, as a time-saving feature – is an essential consideration for customers' satisfaction with self service technologies such Automated Teller Machines (ATMs) and is expected to have a positive influence on customer satisfaction with online banking.

2.3. Design

Usability and design are important to human–computer interaction (HCI) because they influence user satisfaction and task performance when using a computer (Palmer, 2002). Usability refers to the extent to which the user and the system can communicate clearly and without misunderstanding through the interface (Benbunan-Fich, 2001). Good web site design enhances usability, thus affecting the success of the websites. Ranganathan and Ganapathy (2002) argued that a web site's design plays an important role in attracting, sustaining and retaining the interest of a consumer in the site. Also, several studies have empirically verified that the design of a web affects users' satisfaction (Liu et al., 2008; Zviran, Glezer, & Avni, 2006). Hence, the design of the online banking web site may also have a positive influence on customer satisfaction.

2.4. Security

Because e-commerce is based on the Internet, which is an open network, security is an important factor for e-commerce applications. Despite various technical advancements in Internet security such as cryptography, digital signatures and certificates, and authentication, consumers are still concerned about the security of monetary transactions when using the Internet (Ranganathan & Ganapathy, 2002). Monetary transactions over the Internet are the main role of online banking; therefore, if the security concern of online banking is removed, customers' satisfaction with online banking may increase. Several studies (Jun & Cai, 2001; Liao & Cheung, 2008) also argued that security was a significant determinant of online banking. To summarize, the security of online banking may have a positive influence on customers' satisfaction.

2.5. Information content

The key characteristics of a web site may be categorized into either content or design (Huizingh, 2000). Content refers to the information offered in the web site. The contents play an important role in influencing the behaviors of consumers. Thus, a lot of studies have selected content (or information content) as a measurement of web site quality (Ranganathan & Ganapathy, 2002). Although originally online banking focused on the function that performs bank transactions in Internet, most online banking web sites now provide a variety of information areas such as investment, real estate, and personal financial planning information. The information content of online banking may therefore have a positive influence on customers' satisfaction.

متن کامل مقاله

دریافت فوری ←

ISIArticles

مرجع مقالات تخصصی ایران

- ✓ امکان دانلود نسخه تمام متن مقالات انگلیسی
- ✓ امکان دانلود نسخه ترجمه شده مقالات
- ✓ پذیرش سفارش ترجمه تخصصی
- ✓ امکان جستجو در آرشیو جامعی از صدها موضوع و هزاران مقاله
- ✓ امکان دانلود رایگان ۲ صفحه اول هر مقاله
- ✓ امکان پرداخت اینترنتی با کلیه کارت های عضو شتاب
- ✓ دانلود فوری مقاله پس از پرداخت آنلاین
- ✓ پشتیبانی کامل خرید با بهره مندی از سیستم هوشمند رهگیری سفارشات