

# **ELECTRONIC BANKING SERVICE DELIVERY AND CUSTOMER SATISFACTION**

A Dissertation submitted to Office of the Dean, Faculty of Management in partial fulfilment of  
the requirements for the Master's Degree.

by

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## **CERTIFICATION OF AUTHORSHIP**

I hereby corroborate that I have researched and submitted the final draft of dissertation entitled **“Electronic Banking Service Delivery and Customer Satisfaction”**. The work of this dissertation has not been submitted previously for the purpose of conferral of any degrees nor. It has been proposed and presented as part of requirements for any other academic purposes.

The assistance and cooperation that I have received during this research work has been acknowledged. In addition, I declare that all information sources and literature used are cited in the reference section of the dissertation.

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## REPORT OF RESEARCH COMMITTEE

Mr. Mahesh Marasini has defended research proposal entitled “**Electronic Banking Service Delivery and Customer Satisfaction**”, successfully. The research committee has registered the dissertation for further progress. It is recommended to carry out the work as per suggestions and guidance of supervisor Suman Kamal Parajuli and submit the thesis for evaluation and viva voce examination.

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We, the undersigned, have examined the thesis entitled “**Electronic Banking Service Delivery and Customer Satisfaction**” presented by Mahesh Marasini a candidate for the degree of master of Business Studies (MBS Semester) and conducted the Viva voce examination of the candidate. We hereby certify that the thesis is worthy of acceptance.

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This study entitled “**Electronic Banking Service Delivery and Customer Satisfaction**” has been prepared in partial fulfillment for the Degree of Master of Business Studies (MBS) under the Faculty of Management, Tribhuvan University is based on research models involving the electronic banking services and satisfaction of customer.

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# TABLE OF CONTENTS

	<i>Page No.</i>
<i>Title Page</i>	<i>i</i>
<i>Certification of Authorship</i>	<i>ii</i>
<i>Report of Research Committee</i>	<i>iii</i>
<i>Approval Sheet</i>	<i>iv</i>
<i>Acknowledgements</i>	<i>v</i>
<i>Table of Contents</i>	<i>vi</i>
<i>List of Tables</i>	<i>viii</i>
<i>Abbreviations</i>	<i>ix</i>
<i>Abstract</i>	<i>x</i>
<b>CHAPTER – I INTRODUCTION .....</b>	<b>1</b>
1.1 Background of the Study .....	1
1.2 Problem Statement.....	2
1.3 Objectives of the Study.....	3
1.4 Rationale of the Study.....	3
1.5 Limitations of the Study.....	4
<b>CHAPTER – II LITERATURE REVIEW.....</b>	<b>5</b>
2.1 Conceptual Review .....	5
2.1.1 Electronic Banking.....	5
2.1.2 Status of Electronic Banking in Nepal.....	7
2.1.3 Impact of Independent Variables on Dependent Variables .....	10
2.2 Technology Acceptance Model .....	13
2.3 Theoretical Review .....	14
2.3.1 The Porter’s Five Forces Perspective .....	14
2.3.2 The Technology Acceptance Model (TAM).....	14
2.3.3 Effectiveness of Digital Marketing Strategies .....	15
2.3.4 Digital Marketing and Competitive Advantage.....	16
2.3.5 Digital Marketing and Customer Service .....	17

2.3.6 Digital Marketing and Growth.....	18
2.3.7 Segmentation, Targeting, and Positioning (STP): .....	19
2.3.8 Consumer Behavior Theories .....	19
2.4 Empirical Review.....	20
2.4.1 Review of Literature in Nepalese Context.....	30
2.5 Research Gap .....	35
<b>CHAPTER – III RESEARCH METHODOLOGY .....</b>	<b>36</b>
3.1 Research Design.....	36
3.2 Population and Sample, and Sampling Design .....	36
3.4 Nature and Sources of Data Collection.....	37
3.6 Data Analysis Methods .....	37
3.5 Research Framework and Definition of Variables.....	39
<b>CHAPTER – IV RESULTS AND DISCUSSION .....</b>	<b>42</b>
4.1 Demographic Study of Respondents.....	42
4.1.1 Profile of Respondents .....	42
4.1.2 Banking Experiences of Respondents.....	43
4.1.3 Respondents' Frequency of Using Banking Services .....	43
4.2 Descriptive Analysis .....	44
4.2.1 Descriptive Analysis of Survey .....	44
4.2.2 Perceived Usefulness .....	45
4.2.3 Ease of Use .....	46
4.2.4 Social Influence .....	47
4.2.5 Convenience.....	47
4.2.6 Factors Influencing the Satisfaction.....	48
4.3 Measurement of Reliability.....	49
4.3.1 Correlation Analysis .....	49
4.3.2 Regression Analysis.....	51

4.4.3 Summary of the hypotheses .....	53
4.5 Discussion .....	54
<b>CHAPTER V .....</b>	<b>56</b>
<b>SUMMARY AND CONCLUSION .....</b>	<b>56</b>
5.1 Summary .....	56
5.2 Conclusion .....	57
5.3 Implications.....	58
REFERENCES	
QUESTIONNAIRE	

## LIST OF TABLES

Table 1 Summary of Empirical Review.....	27
Table 2 Demographics Characteristics of Respondents.....	42
Table 3 Banking Experience-Wise Distribution of Respondents .....	43
Table 4 Frequency of Using Banking Services-Wise Distribution of Respondents .....	43
Table 5 Overall Descriptive analysis .....	44
Table 6 Descriptive Statistics of Perceived Usefulness .....	45
Table 7 Descriptive Statistics of Ease of Use .....	46
Table 8 Descriptive Statistics of Social Influence .....	47
Table 9 Convenience.....	47
Table 10 Factors influencing the Satisfaction.....	48
Table 11 Reliability Test.....	49
Table 12 Correlation Matrix .....	50
Table 13 Result of regression analysis of PU, PEOU, PCRED and CONV.....	52
Table 14 Summary of hypothesis .....	53

## **ABBREVIATIONS**

AD	:	Anno Domini
ANOVA	:	Analysis of Variance
CRM	:	Customer Relationship Management
D	:	Dissatisfied
EBL	:	Everest Bank Limited
Etc.	:	Et cetera
Fig.	:	Figure
HBL	:	Himalayan Bank Limited
IT	:	Information Technology
Ltd.	:	Limited
Max.	:	Maximum
Min.	:	Minimum
MSQ	:	Minnesota Satisfaction Questionnaire
No.	:	Total number of observations
N	:	Neutral
NBL	:	Nepal Bank Limited
No.	:	Number of
Reg.	:	Registration
S	:	Satisfied
SD	:	Standard Deviation
SERVQUAL	:	Service Quality
SPSS	:	Statistical Package for Social Science
VD	:	Very Dissatisfied
VS	:	Very Satisfied

## **ABSTRACT**

The study aimed to determine how well digital banking methods performed in comparison to commercial banks in Nepal. A descriptive and informal research design was employed, focusing on a population of 20 active commercial banks in Nepal. Primary data were gathered through self-administered questionnaires and analyzed using descriptive statistics. Regression analysis was applied to evaluate the success and outcomes of digital marketing strategies.

The study considers convenience, creditworthiness, usefulness, and ease of use as independent variables, with digital banking as the dependent variable. Correlation analysis revealed a significant positive relationship between digital banking practices and the factors of usefulness, ease of use, creditworthiness, and convenience. Likewise, regression analysis indicated that usefulness, ease of use, creditworthiness, and convenience are statistically significant with positive coefficients for digital banking. Additionally, digital banking itself showed positive significance, and the dependent variable exhibited positive significance when combined with the independent factors.

*Keywords: Usefulness, Easy to Use, Creditability, Convenience, Digital Banking*

# CHAPTER - I

## INTRODUCTION

### 1.1 Background of the Study

E-banking is an electronic banking channel that enables bank customers to perform their financial transactions online whenever they want and without being constrained by regular bank operating hours using a laptop or personal computer. Although it's state-of-the-art delivery system with a significantly lower cost structure than previous delivery methods, it is more geographically pervasive and has higher wait times than traditional branch banking. E-banking is therefore very appealing to banks and consumers who are adopting new technology. Segal and Woods (2018) Due to the increased use of free internet banking, many banks now only conduct business online. This reduces costs and enables them to provide more competitive savings account rates that result in higher profit margins.

Electronic banking, or e-banking, is one of the newest developments that banks have embraced as technology develops. E-banking, one of the channels for electronic banking, allows bank customers to conduct their financial transactions online using a laptop or personal computer at their convenience and without being restricted by the usual hours of the bank. While e-banking offers longer wait times and greater spatial persuading than traditional branch banking is a state-of-the-art delivery technique that provides a substantially less cost structure than conventional techniques. E-banking is therefore very appealing to banks and consumers who are adopting new technology. Segal and Woods (2018) Due to the growing popularity of free internet banking, many banks now exclusively do business online. This reduces costs and enables them to offer more attractive savings account rates, which boosts their profit margins.

Electronic banking is a subset of electronic finance that refers to the use of electronic delivery systems for banking products and services. Using electronic and communication tools, both traditional and modern financial services are provided automatically, swiftly, and efficiently. The technology that customers use to access their accounts, do business, and get information is one of the primary forces behind raising service standards in the banking sector. The practice of leveraging digital media to supply retail and low-value banking services and products is known as e-banking. Among these are taking deposits,

making loans, keeping track of accounts, providing financial advice, taking electronic bill payments, and providing other electronic payment services and goods, like electronic payments. A growing number of businesses are providing online financial services as a result of the revolution and redefining of electronic banking (Manzoor, 2011).

## **1.2 Problem Statement**

Electronic banking is expanding quickly these days, altering how people do business and offering services for personal finance and other banking requirements. The majority of Nepal's commercial banks are also trying to adopt electronic banking in an effort to cut expenses and simplify operations. Even if these services are offered, their clients are not aware of them. In order to reduce cash transactions and improve customer service, it will be more advantageous for bank management and consumers in the future to understand customer views and intents surrounding the Satisfaction of electronic banking. People are reluctant to use internet banking and ATM cards even if they are available. Instead, they are still encouraged to use traditional retail banking techniques like checkbooks and cash transactions.

It is well known that Nepali people and enterprises are late adopters of technology in terms of both Satisfaction and utilization. This kind of problem has also affected most Asian and Middle Eastern countries. Since joining the World Trade Organization on April 23, 2004, Nepal's government, banking, and other services should be able to hold up against international standards and maintain the trust of its customers. Implementing new technologies and keeping up with technological changes is the bank's only opportunity to enhance customer service. The inhabitants of Nepal do not have access to contemporary infrastructure and technology, in contrast to wealthy nations like the United States and Europe. People are sluggish to embrace new services and technologies in every industry.

The research on electronic banking carried out in Nepal is presented in this report. The primary focus of this study is the acceptance and usage of electronic banking. This investigation will be based on the viewpoint of Nepalese banking system users as obtained through in-country surveys. Its objective was to ascertain how many customers used ATMs, mobile devices, and internet banking in addition to electronic banking. Due

to the rapid technological and infrastructure growth in Nepal's communication industry, a large number of individuals now own mobile phones and can communicate.

Because of the new service and the increasing demand, customer tastes might have changed. Furthermore, people's opinions about the internet and electronic banking may have shifted as a result of the increased usage of technology and communication devices. Investigating their objectives and opinions regarding the use of electronic banking would be preferable, as would offering some recommendations that might broaden the body of knowledge already accessible on the subject of consumer perception and intention. The main question this study poses is:

- i. How does the Nepalese commercial bank currently stand in terms of e-banking services?
- ii. Is there a connection between Nepalese commercial banks' electronic banking services and consumer satisfaction?
- iii. How do Nepalese commercial banks' customers feel about their electronic banking services?

### **1.3 Objectives of the Study**

It is empirically necessary to comprehend the relationship between online banking and performance. Therefore, the study's primary goal is to investigate and evaluate the effects of commercial banks' e-banking services on customer satisfaction and service quality. Additionally, the following goals have been established by the study:

- i. To evaluate the current state of Nepalese commercial banks' e-banking arrangements.
- i. To examine the relationship between customer satisfaction and electronic banking services of Nepalese Commercial Banks.
- ii. To analyze the impact of electronic banking service effect on customer satisfaction of Nepalese Commercial Banks.

### **1.4 Rationale of the Study**

Electronic banking is the practice of conducting financial transactions using electronic devices. To satisfy all of our financial needs, electronic banking is accessible online twenty-four hours a day, seven days a week. Anywhere there is internet connectivity, financial transactions can be conducted. Customer convenience has always been a top

priority for online banks. For instance, we could avoid the inconvenience of waiting for the checks to clear if our paychecks were transferred into our accounts and made available that same day. Among the benefits of using internet banking for financial transactions are automatic bill payment and automated deposit.

The goals of implementing the study's recommendations are to encourage the use of e-banking, identify growth-stumping issues, and determine the best ways to offer e-banking services in order to determine relevant policy implications. Without having to make investments in physical facilities, they may then use this information to determine whether to use e-banking as a competitive weapon to increase the operational potential, profitability, and reach of their branch networks.

### **1.5 Limitations of the Study**

The study's goal is to ascertain how electronic banking services impact customer satisfaction in Nepalese private banks. The architecture and level of computerization of the industry make it clear that banks will be modern in the future, with new technologies facilitating connectivity. Information technology will be crucial to banks' continued existence. Banks must therefore be prepared to seize the opportunities brought about by globalization and financial deregulation. The electronic banking services provided by Nepal's commercial banks would be the main subject of the study. Only a few Nepali commercial banks would be the focus of the inquiry. Despite the fact that most of Nepal's twenty commercial banks employ e-banking, only five have been selected for the sample.

The researcher's capacity to carry out the study is severely hampered by the dearth of easily accessible data on the subject. Another example is that the busy schedules of commercial banks will make it very difficult to find relevant data or material for the study, which will make research more challenging. Additionally, the banks' confidentiality restrictions make it difficult to obtain the data required for the study. Asking busy respondents to complete questionnaires will be one of the study's drawbacks.

## CHAPTER – II

### LITERATURE REVIEW

The acceptance of electronic banking studies by commercial bank customers is reviewed and discussed in this chapter. This chapter is divided into four sections. The first provides an overview of the development of electronic banking and its current status in Nepal. The second section examines various viewpoints on the Technology Acceptance Model and previous research on applied TA in electronic banking. The third portion discusses the research gap on the topic, and the fourth section discusses the study's theoretical framework.

#### 2.1 Conceptual Review

##### 2.1.1 Electronic Banking

The bank finds it impossible to imagine developing new products and services without technology, which is becoming more and more commonplace worldwide. The time of electronic commerce, banks' long-term viability depends on their ability to provide electronic banking services (Burnham, 1996).

Technology has transformed businesses and the issues that occur in commercial partnerships. Through supply chains, autonomous structures, contract warehousing, and delivery, this has made it possible to restructure design, marketing, production, delivery, and services. Both tech-savvy companies and large, well-established high-tech organizations are adopting the sophisticated digital transformation that technological innovation has fostered (Idiegbeyan-ose, 2015). The techniques for administration, access, and archiving are somewhat comparable to the methodical digitization process. Additionally, the author developed other digitization methods, some of which are mentioned (Satyendra, 2016).

**Launching of undertaking and initial phase:** It includes the work that must be done in advance of the digitization process, such as recruiting the necessary personnel, purchasing the necessary tools, and educating them to produce the necessary digital data.

**Document and activity selection for digitization:** The hard copy documents are then sorted and chosen in order to get them ready for digitization. The physical formats of the sheets would not need to be altered if hand processes had never been utilized. It covers

the preparatory work needed before digitization begins, such as purchasing the necessary tools, recruiting personnel, and educating them to produce the necessary digital data.

**Removal, Admission, and Conservation:** The entails enhancing usability, ensuring that the already used digital records are error-free, and establishing appropriate protocols and regular maintenance plans. Understanding that maintenance must come in starting point that should prevent the whole system failure or an unforeseen damage of all numbers is crucial when adopting digitalization processes.

The banking sector underwent a revolution in information technology, especially with regard to distribution methods, when credit cards, ATMs, and ATM networks were introduced in the early 1970s. In the late 1980s and early 1990s, personal computer banking, cable television banking, and telephone banking were introduced. Many banking operations that were formerly completed over the counter through physical channels can now be completed online thanks to information technology (Giannakoudi, 1999).

The use of electronic banking services is made possible by the bank's size, reputation, and other elements. Understanding the service, its benefits, and the amount of information available to them can all have a significant impact on a consumer's decision to use online banking (Fink, 2005). The amount of work and involvement that users must put in when utilizing electronic banking is known as control. Satisfaction decisions have been found to be influenced by technical self-efficacy, adaptability, and familiarity with the online banking platform (Thornton, 2001).

Elements Influencing Indian Customers' Satisfaction of Internet Banking to look into the factors influencing the Satisfaction of internet banking. The authors skillfully demonstrated how perceived utility, perceived simplicity of use, and perceived reliability all impact electronic banking using their partial least square (PLS) model for online banking. Marketing professionals are recommended to emphasize the advantages of online banking services when promoting them. Increasing the services' visibility may also aid in drawing more users to the platform.

The factors impacting the usage of electronic banking by intellectuals were investigated by (Muzividzi, 2013). The research claims that although banks have made every attempt

to promote internet banking, the service's Satisfaction has been sluggish. The project's goal was to determine the elements influencing the Satisfaction of electronic banking in an effort to come up with solutions. The study focused on IT professionals with more experience than the average sector worker. Four thousand students and faculty members were surveyed and interviewed at Chinhoyi University of Technology in order to gather data. Out of the entire population, 450 workers and students were chosen as a sample. The study identified a number of characteristics that both promote and impede the Satisfaction of online banking. The two main ones were a breakdown in transaction security and marketing exposure.

The banking industry has been undertaking research to better understand why customers want to perform their financial transactions online (Gerrard, 2003). The usage of online banking by consumers is being extensively studied by many scholars (Sayar, 2007). In addition to improved business conditions including reduced commission rates, consistent service quality, and time-saving advantages, customers who utilize electronic banking have access to financial services at any time and from any location (Yu, 2008).

### **2.1.2 Status of Electronic Banking in Nepal**

As computer and internet technology advanced in the 1980s, the idea of self-service banking was first proposed, and ATMs became the driving force behind it. Banks began providing financial services as the internet advanced, allowing customers to view their bank statements simply by logging in. Banks began offering mobile banking services as smartphones and mobile data became more widely used. After the establishment of Nepal Bank Ltd., the country's first bank, in 1937, it took more than 53 years for Nabil Bank Ltd. to begin issuing credit cards in the early 1990s. Himalayan Bank Ltd. was a pioneer in Nepal's electronic banking industry, having launched telebanking and automated teller machines in 1995. Customers had to wait more than 65 years for internet banking after the first bank, the banking sector, and the bank itself were established. Online banking was first made available in Nepal in the year 200 by Kumari Bank Ltd. Online banking has been around for ten years, but it is still not a common financial choice in Nepal. Even while most urban banks offer internet banking and major towns like Biratnagar, Pokhara, and Kathmandu have strong internet infrastructure, the majority of bank customers do not now use it. According to a study, the Kathmandu Valley is home to half of Nepal's 200,000 internet users. However, only 3,000 people, or 1.5% of all internet users, use

online banking. Internet (computer-based) banking is still unavailable in Nepal, despite the fact that mobile banking is becoming more and more popular and that most banks have installed ATM services for electronic banking.

The usage of voice-based artificial intelligence (AI), robots doing routine banking duties in branches, robot advisers for banking and financial services, and other innovative advancements are examples of current global trends in banking services. The oldest and most popular banking program in Nepalese banks is called Pumori. In the 1990s, the shift to computerized financial services began. Debit/credit cards, automated teller machines (ATMs), electronic banking, and mobile banking were all introduced in this decade and have since become integral components of the financial services provided by banks of all sizes.

Due to the extensive usage of cellphones and the internet, more customers in Nepal are utilizing electronic banking services. This has greatly raised the value and respect for banks by making banking services more accessible through digital channels. This has decreased the friction associated with financial services and ensures that clients receive services immediately. However, in Nepal, electronic banking services are still relatively new. The banking industry in Nepal still has a lot of room to grow, including the possibility of adding more banks to its clientele. Because they are convenient and easy to use, mobile banking apps are becoming more and more popular. First and foremost, banks may offer client service via mobile banking at a substantially cheaper cost than through branch banking, according to financial analysis.

Initially, the primary function of computerized banking services was to provide account statements. The capabilities and applications of online banking were not completely understood by customers. The Satisfaction of electronic banking technologies is a very slow process. The vast majority of individuals use the Internet and their smartphones these days. Consumers can now conduct banking transactions online and through mobile devices. Nepali banks offer the following digital and ICT-based delivery channels (Khatta, 2018).

**a. Internet Banking**

When using this service for online banking, customers can make financial transactions using a range of devices, including PCs, laptops, and mobile phones. Customers may be able to transfer funds between accounts, pay their bills, and monitor their account details, depending on the services the bank offers. By contacting the bank, subscribers can also ask for specialized banking services.

**b. Mobile Banking**

Customers of this service can make bank transactions using a portable mobile device. Message transactions are regularly transmitted to the bank's system by SMS from a portable mobile device. Among the various functions that this service typically offers are bill payment, mobile top-up, financial transfers, account information viewing, and bank communication. In 2004, Laxmi Bank Limited introduced this service for the first time in Nepal. It is currently offered by most class "A" banks. As of mid-September 2018, 50,86,069 people in Nepal were using mobile banking.

**c. Plastic Cards**

Another well-known online banking platform is this one. Prepaid plastic cards, debit cards, and credit cards can all be used. These cards can be used for online transactions, cash withdrawals, and bill payment at POS and ATM terminals, among other things. The magnetic stripe used to store data on the back of plastic cards is being replaced by the more secure chip-based EMV card. The first commercial bank in the nation to offer plastic credit cards was Nepal Arab Bank Limited, which is today known as NABIL Bank, in 1990. As of mid-September 2018, Nepal had 1,04,721 credit card users, 55,44,253 debit card users, and 96,816 prepaid card users. Plastic cards are widely available from banks in Nepal.

**d. Point-of-Sale and Automated Teller Machine**

An ATM can be used to pay bills in addition to being a device for cash withdrawals. Himalayan Bank Limited first made it available in Nepal in 1995. As of mid-September 2018, there were 2,791 ATMs in use, and the number of ATMs being placed is increasing every day. An integrated shared network of ATMs was created once SCT 2001 was implemented. This network is fostering ATM interoperability by embracing a variety of

device types and establishing standards. Additionally, a VISA network enables the use of a card from one bank in an ATM that is under the management of another bank.

#### **e. Branchless Banking**

Through a Point of Transaction (POT) machine provided by a bank or its branchless banking agent, customers can access their bank accounts, make withdrawals from their accounts, transfer monies to other accounts, and pay for goods and services. Biometrics or plastic branchless banking cards can be used to access the service. For most biometric authentication processes, a fingerprint is required. As of mid-September 2018, there were 1,30,660 branchless banking members and 12,85 branchless banking facilities.

#### **f. Mobile Wallets**

It is newest and maximum well-liked e-banking product in Nepal. This makes it possible for people without bank accounts to have finance on their phones. This method can be used to pay for both products and services. Customers may decide to fund this product directly from their bank accounts. Customers without bank accounts can now access financial services thanks to this offer. Given the high incidence of mobile device usage and the rough geography that makes it difficult to establish banks and bank branches, this could be a great instrument for financial inclusion in Nepal. Globally, financial services that use QR codes are growing in popularity, mostly because to IT vendors. In addition to Union Pay International, Nabil Bank has launched a QR (Quick Response) Code Payment Service.

### **2.1.3 Impact of Independent Variables on Dependent Variables**

#### **Perceived Security Risk (PSR)**

Lin et al. (2020) state that the loss of personal data in an online banking system, transaction failures, transaction hurdles, and network connection instability are characteristics of security risk. Additionally, security refers to the protection of consumer transactions on a website, including the encoding of credit, payments, shared data, and other information. An essential component of online banking transactions is online trust (Sathiyavan & Shivany, 2018). Online banking transactions usually entail risk for customers (Malaquias & Hwang, 2016). The product, delivery, timing, safety, threat, or other elements that affect the online transaction could all be associated with this risk. Previous studies have shown that a person's perception of security risk is the most

significant factor determining their propensity to use online banking. Other researcher found that consumers' perceptions of risk have a significant impact on their behavioral perspectives regarding security.

### **Perceived Usefulness (PU)**

Customers' views and willingness to embrace information technology are influenced by the perceived utility, which also speeds up tools, according to Kaur and Malik (2019). Furthermore, PU is defined as how customers view using online banking services to fulfill their financial demands, objectives, and transactions (Bashir & Madhavaiah, 2014). When deciding how someone will feel comfortable using online banking services, PU is a significant and positive factor (Davis, 1993). On the other hand, perceived usefulness (PU), which influences behavioral intention to adopt technology, is the extent to which a person expects and feels that using new information technology would enhance his or her working performance (Davis et al., 1989). Additionally, bank management can encourage clients to adopt internet banking by improving and developing user-friendly technology for customer transactions (Lee & Turban, 2001). Customers' degree of PU is positively connected with their desire to use online banking services, according to previous studies. This implies that customers' Satisfaction of online banking services is significantly influenced by PU (Yoon & Steege, 2013). Further earlier research by Kaur and Malik (2019) suggests that the PU should accelerate consumers' propensity and willingness to acquire and use financial services through online platforms.

PEU, or perceived usability Perceived ease of use is the extent to which an individual feels that utilizing a technological device would free up mental and physical energy (Davis, 1989). Furthermore, the willingness to use online services is increased by the degree of PEU and the ease of online banking (Chong et al., 2010). Customers are more inclined to bank online because of the technical platform's ease of use (Alalwan et al., 2018). Accordingly, a person's willingness and desire to use online banking is determined by their higher degree of PEU (Vukovic et al., 2019). Furthermore, earlier research has demonstrated that perceived simplicity of use has a substantial impact on the Satisfaction and use of online banking services (Lee, 2009). When people think and understand that online banking services are easy to use, they are more likely to use them (Pikkarainen et al., 2004). According to Lee (2009), Yoon & Steege (2013), Marakarkandy et al. (2017),

and another study, the online banking system's thought to be a impact on Satisfaction. Additionally, perceived simplicity of use is a decisive factor that has a favorable and considerable impact on the Satisfaction of online banking services (Karahanna et al., 1999).

Society's Impact (SI) A person's reciprocity with the elements of his social environment determines his social impact (SI), claim Xi Hu et al. (2019). Moreover, it could be read as the individual's view of their surroundings. When deciding whether or not to use online banking channels, most customers find that friends, family, coworkers, and peers play a significant role (Fong & Wong, 2015). People are encouraged to obtain the required acceptability and recognition from other members of their social circle by the idea of normative social influence. The impacted consumer is preoccupied with the decisions, opinions, aspirations, and preferences of the influencers that mold their motivation for using online banking (Xi Hu et al., 2019). According to Sanchez-Prieto et al. (2017), social influence or subjective norms are similarly defined as linked transactions. According to Utami (2017), social influence is when a person's actions—influenced by the people in his life—create peer particular performance, like buying something connected. Some studies indicated social influence or subjective norms have a substantial impact on an individual's motivation to use internet banking (Tarhini et al., 2016). However, SI may also be considered a strong predictor of behavioral intention to use online banking services, according to Martins et al. (2014). Furthermore, Abbasi et al. (2011) investigated the ways in which subjective norms and social influence (SI) impact people's inclinations to use online banking channels for their routine financial activities.

Innovativeness of Consumers (CI) Zhang et al. (2020) claim that a person's capacity and creativity dictate how quickly they adopt new ideas, methods, or products. According to Hwang et al. (2019), consumer innovativeness, on the other hand, is the prelude to a change in the characteristics or attitudes of consumers toward innovation or new thinking, which helps to transform the attitude toward accepting new technology. Therefore, innovativeness among customers is described as their inclination to use new technology or buy new and unique brands of items rather than adhering to previous consumer behaviors. Following this, talked about a range of innovativeness, such as cognitive and sensory innovativeness. While sensory innovativeness is described as unique encounters that invariably awaken the senses, cognitive innovativeness has been linked to novel

experiences that stimulate the mind. The study was also examined in a previous study (Aldas-Manzano, 2011). Furthermore, a study discovered that sensory innovativeness has a substantial impact on the interaction between consumers' and new items' innovativeness (Karande et al., 2011).

## **2.2 Technology Acceptance Model**

Since there were no established assessment tools available to forecast consumers' Satisfaction of IT, the TAM was developed as a solution. The claim is that "past research demonstrates that many measures do not correlate much with system use and that the study has been restricted by the lack of high-quality data for critical factors of user acceptability." Fred (1989). The informal relationships between system design features, attitude toward use, perceived utility, perceived usability, and actual usage behavior are illustrated by the Technology Accepted Model (TAM), which is shown in Figure 1 (Davis, Acceptance of TPC Scale - Validity and Reliability Study, 1993). The TAM model states that there are two main factors that affect how customers employ new information system (IS) technologies. Perceived utility (PU) and perceived usability (PEOU) are two of these TAM components (Chandio, 2011). Two factors that affect consumers' Satisfaction of recommendation technology are the probability that a user would use a web application frequently and the enjoyable aspects of engaging with the system.

According to Armenta, consumers will use an app if they think it would enable them to perform a task more effectively than they could without it. However, even if the software appears useful, users may not want to bother with it if it is too difficult to use. According to Kazi (2013), TAM is an effective teaching and learning tool.

TAM focuses a lot on the technology's usefulness and helps understand how consumers begin adopting new technologies. But occasionally, it fails to consider how a person's emotions and social life may influence their decision to use that technology. TAM's failure to consider individual differences, such as age, gender, or prior technology use, is one of its issues. These factors have the power to alter people's attitudes on utilizing new technologies.

## **2.3 Theoretical Review**

There are several theories on digital marketing, each of which defines a different paradigm and idea in the industry. Particularly relevant to the study are marketing theories that illustrate the expansion of digital marketing and its impact on the banking sector.

### **2.3.1 The Porter's Five Forces Perspective**

In theory, a company performs better if it can achieve a competitive edge by offering cost or benefit advantages (Porter, 1980). This perspective suggests that a company's competitive advantage arises from addressing external environmental factors, such as establishing entry barriers for rivals, distinguishing its products, requiring specific capital levels, and managing customer switching costs (Lady et al., 2002). This concept outlines five key factors that shape industry competitiveness: the bargaining power of suppliers, customer influence, industry rivalry, threat of substitute products, and the risk of new entrants (Porter, 1980). Additionally, the entry of new competitors, can all strongly affect an organization's competitive ability.

Businesses don't need to depend only on industry structure to determine who stands to benefit; they can actively shape. The five forces framework clarifies pardon is essential for managers and helps them identify which factors will provide the greatest long-term advantage. This theory suggests that gaining a competitive edge largely depends on an individual's ability to adapt to the specific needs of a company. The five forces model is a valuable tool for analyzing and understanding the various forms of internal competition within corporations. However, it tends to underappreciate the role of innovation and unique business characteristics, while placing too much weight on industry and strategic group structure as the main influences on firm profitability, resulting in a somewhat static view of competitiveness.

### **2.3.2 The Technology Acceptance Model (TAM)**

The primary focus of Davis' 1986 TAM Model is on the factors affecting end users' acceptance of computers. In TAM, a person's intention to use a system is shaped by two perceptions: perceived ease of use and perceived usefulness. Perceived usefulness refers to how much an individual believes the system will improve their job performance, while

perceived ease of use relates to the extent they expect the system to be free of errors. These two perceptions have the most significant impact on behaviors related to computer acceptance in TAM.

The TAM focuses on end-user computing technologies and populations, aiming to offer a succinct, theory-backed explanation of the factors impacting computer acceptance that can help interpret broader user behaviors. Drawing on nearly a decade of IS research, it serves as a valuable framework for modeling computer Satisfaction (Welch & Worthington, 2010). The TAM posits that a person's intention to adopt a technology is influenced in part by their perception of usability. Rowley (2011) suggests that technology should be intuitive and user-friendly, implying that users' views on ease of use positively influence their trust and likelihood of engaging.

### **2.3.3 Effectiveness of Digital Marketing Strategies**

The success will depend on how well it can adapt to evolving conditions, enhance customer insights, and transform those insights into better customer experiences and offerings. It also needs to engage with target customers, build a community with them, improve marketing effectiveness, and implement creative ways to communicate its value proposition and have its voice heard and remembered (Shabgoo, Gilaninia, & Mousavian, 2011). The quality of employees, their level of education, and their ability to collaborate will undoubtedly depend on the quality of the workforce.

### **Market Penetration**

**Methodology** The market penetration approach is the least risky, according to Johnston and Scholes (2002), because it leverages much of a firm's current resources and expertise in an industry that is emerging. Moreover, they argue, growth can be achieved simply by maintaining market share, and there may be opportunities to exit and expand market share once competitors reach the limits of their production capacity. In addition, while this plan would probably require the least amount of financing for expansion, it may require allocating resources to advertising efforts to attract and ultimately win customers. This could take the form of special promotions, short-term discounts, sponsorships, and advertising. The most obvious risk of this strategy is the possibility that competitors will retaliate. This risk increases when products can successfully substitute for each other or when competitors must lose market share to achieve penetration.

### **Market Development Strategy**

Pierce and Robinson (2001) defined market development as the process of selling an existing product to customers in related areas. These customers may be untapped geographic regions, untapped vertical markets, or other new opportunities. Companies are exploring new regions within their own country and abroad to discover potential consumer markets, broaden their distribution networks, and establish additional locations both domestically and internationally. They may also seek alternative products to replace rival brands in order to reduce their market share.

### **Product Development Strategy**

The new product development strategy is applied when external conditions suggest market saturation, rising competition, or other market risks, and internal factors reveal either weak distribution or strong product development capabilities. Alternatively, a new market development plan may be designed when internal factors show an untapped market potential for existing products due to effective distribution but limited production or product development capabilities (Jauch & Glueck, 1988).

### **Diversification Strategy**

There are two types of diversification: related diversification and unrelated diversification. Related diversification helps to avoid potential internal conflicts with current competitors and to reduce technologies (Doyle, 1994). Non-associative diversification is the process by which a business enters markets where growth is driven by financial rather than industrial factors, or markets that have little to do with what its technological or distribution strategy already offers. Unrelated diversification allows businesses to overcome the constraints of the markets they choose to enter and expand into. There are two types of unrelated diversification: conglomerate.

#### **2.3.4 Digital Marketing and Competitive Advantage**

The industry is experiencing a significant transformation, with advancements in information technology driving changes within financial institutions. At the heart of this global shift in digital marketing lies information and communication technology (Mirhoseini, 2010). In an ever-evolving world, innovation and adaptation have been constants, making it natural for marketers to continuously acquire new skills. It's routine now to learn new channels as they emerge. Rules are created and discarded when they no

longer serve a purpose. Unlike past developments, today's shifts demand more than mere adaptation to keep companies competitive.

The digital marketing framework is in need of a comprehensive redesign, with success hinging on collaboration across various functions. For some companies, achieving this collaboration necessitates a shift in corporate culture (Mauro & Tschoegl, 2008). Digital marketing has evolved swiftly with technological advancements in analytics, mobile, and social media, which have become integral for both employees and customers. As Lee (2009) observes, leaders across industries—including media, electronics, and paint manufacturing—are now presented with a wide array of new digital possibilities. They are paying close attention, even though there are few landmarks to help them navigate. Digital maturity is critical. All industries must take digital maturity seriously. And any company that can show leadership in this effort can apply the tactics employed by companies with high levels of digital maturity.

### **2.3.5 Digital Marketing and Customer Service**

Modern digital marketing facilitates market segmentation and customer focus. Market segmentation makes it easier to develop a more focused and efficient marketing mix to achieve marketing objectives. A segmented approach is more effective and successful than a market-wide integrated approach. Through market segmentation, specialized intended-use data are available to help producers better understand consumer preferences, behaviors, and expectations (Clark and Dorie, 2012). An organization's marketing activities aim to achieve the primary objective of fostering satisfying relationships with consumers that benefit both the firm and its customers. These attempts have led to the current situation in which marketing is a primary function in most businesses and in society. The relatively new concept of modern marketing needs to be recognized by companies and marketers. Currently, the focus is on the objectives of modern digital marketing and how it is implemented (Kates & Matthew, 2013).

Bickman and Rog (2008) attribute the rapid expansion of global banking to digital channels, namely online and mobile banking. The specifics of this evolution vary somewhat between developed and developing countries. However, the general trend remains consistent, with digital channels playing an increasingly prominent role in banking. As digital platform usage grows, banks will shift strategies from. The ultimate

aim is to achieve a seamless integration across multiple sales and marketing channels. This shift is further complicated by the rise of social media and the distinct nature of customer interactions within digital channels compared to traditional ones.

### **2.3.6 Digital Marketing and Growth**

A firm's customer base consists of individuals who regularly buy its products and services, serving as the primary source of revenue for the company. With consumer behavior being well understood through market research and previous experience, this customer base is often viewed as the company's target market (Rafaeli, 2010). One of the most significant innovations in banking, enabling broader consumer reach, is the swift growth of digital channels, as highlighted in a study by Novak and Hoffman (2010).

Novak and Hoffman (2011) suggest that digital marketing is significantly altering the operations of retail financial services firms. This shift is primarily fueled by the widespread use of cell phones and increased Internet access. Additionally, digital channels are producing an abundance of data that can be leveraged to profile customers, identify their needs, and target more specific segments with tailored offers.

Clark and Dorie (2012) emphasize that banks must acknowledge the importance of digital innovation, as their competitors, originating as online businesses, consider analytics a crucial skill. In developed nations, banks have typically succeeded in moving transactions away from physical branches to alternative channels. While this trend is expected to continue, the situation in developing countries differs, where there may be a need for additional branches. As fewer customers visit physical branches, banks will need to improve their digital marketing strategies by utilizing various methods and technologies.

Kates and Matthew (2013) suggest that well-established banks, operating in more regulated environments, encounter significant challenges in digital marketing. Poised to become leaders in the industry. Achieving this requires, among other factors, a centralized, real-time view of consumers, enhanced use of analytics like predictive analytics, and the ability to offer real-time promotions across multiple channels (Welch & Worthington, 2010). Mcmillan and Schumaker (2011) highlight that digital marketing plays a crucial role in delivering consistent, affordable, and personalized customer

communications, offering a stark contrast to traditional channels such as print, television, and direct mail.

### **2.3.7 Segmentation, Targeting, and Positioning (STP):**

**Segmentation:** The concept that a market can be divided into several categories based on various characteristics such as needs, behavior, psychographics, and demographics.

**Targeting:** After segmenting the market, companies decide which segment or segments to focus on based on market attractiveness and company skills. **Positioning** is the process of creating a clear and favorable impression of a brand or product in the eyes of the target market.

### **2.3.8 Consumer Behavior Theories**

The study of how customers choose what to buy is known as the theory of customer behavior. Predicting consumer buying behavior can help companies and marketers increase revenue by predicting when and how customers will buy something. Identifying the variables that influence these decisions and highlighting proactive behavior modification strategies can be beneficial. The challenging field of consumer behavior aims to understand how and why consumers make purchasing decisions. Many ideas and models have been developed to predict and analyze consumer behavior.

**Theory of Planned Behavior (TPB):** This theory, originated by Aisk Agen, holds that the most important factor that determines whether or not a person performs a certain behavior is the intention to perform that behavior. Attitudes toward the behavior, carrying out to engage in or avoid all significantly influence intention.

**Cognitive Dissonance Theory:** According to this theory, developed by Leon Festinger, people experience cognitive dissonance, or discomfort, when their attitudes and beliefs do not match their actions. Consumers may attempt to reduce this dissonance by changing their beliefs or justifying their behavior.

**Consumer Decision-Making Process:** This model describes the stages that a customer goes through before deciding what to purchase. It typically consists of determining the problem, obtaining information, evaluating options, making a decision, and reviewing the purchase afterwards.

**Diffusion of Innovation Theory:** This concept, developed by Everett Rogers, describes how new items and inventions spread throughout a community. It classifies individuals as innovators, early adopters, early majority, late majority, and laggards based on their willingness to embrace new ideas.

**Cultural Influence Theory:** This concept emphasizes the importance of culture in shaping consumer behavior. Cultural factors, including habits, values, and beliefs, influence decision-making, product choice, and consumption.

**Social Identity Theory:** This theory examines how a person's self-concept and social identity influence what he or she consumes. Purchasing decisions are often influenced by the social, ethnic, and cultural group to which a person belongs.

## **2.4 Empirical Review**

Choudhury and Bharttachee (2016) investigated the relationship between electronic banking channels and consumer loyalty. The research was conducted using data collected from 400 businesspeople chosen through a stratified random sampling method. Customer loyalty was measured by behavioral and attitudinal loyalty, and the ease of use, cost, convenience of use, and self-control of the electronic banking service delivery channel were evaluated. The results showed that electronic banking delivery channels have a substantial positive effect on customer loyalty.

Tharanikaran (2017) conducted an analysis to assess customer satisfaction and service quality within the electronic banking sector of the Batticaloa district. A questionnaire with specific items was created to measure customer satisfaction and service quality, with data collected from 231 respondents. Single-sample t-tests were used to evaluate the assumptions. The study's findings suggest that the development and implementation of strategies for enhancing customer satisfaction and service quality in online banking are beneficial for practitioners, academics, and bank management. Electronic banking (e-banking) is essential for customers. Electronic banking allows for the transmission of cash transaction records, installment payments, and much more. Electronic banking requires access to a computer and the Internet, regardless of the location of the

participant. e-Banking, Kim and colleagues (2011) describe e-banking as encompassing a broad array of financial services that leverage.

Wadesango (2020) explored the impact of Electronic Banking services on the performance of commercial banks. As a result, this study investigated the influence of electronic banking on the financial performance of commercial banks in Zimbabwe. A quantitative research approach was adopted. The Satisfaction of digitization in the Zimbabwean banking sector is expected to affect the way banks produce financial services and products, which in turn affects customer satisfaction and bank performance. The study was conducted in one commercial bank. A data collection sheet was used to collect data. The Pearson correlation coefficient proved to be a valuable tool in assessing the impact of electronic banking on bank profitability. The other inferential test used to look at the relationship between electronic banking and financial success was multiple regression analysis. The study revealed that the ROA of CBZ, a commercial bank in Zimbabwe, was driven by an increase in online customer deposits through the electronic banking system. According to the report, online banking transactions as a percentage of total assets increased during the specified study period. The increase in the overall asset ratio was the result of higher ICT costs, fees, and commissions. Findings indicate that return on assets (ROA) is highly and favorably predicted by online banking transactions and that the increase in ROA is a result of the increase in online banking transactions. The report recommends that bank management enhance electronic banking to improve the financial performance of commercial banks.

Hossain (2021) explores the link between financial performance and the Satisfaction of e-banking in these banks. Using pooled ordinary least squares (OLS) estimation, the analysis of panel data from the sample banks reveals that the introduction of e-banking negatively affects profitability measures, such as return on equity, return on assets, and net interest margin, in the year it was introduced. However, the results also indicate that e-banking leads to a significant increase in return on assets in the year after its implementation.

Akhter (2022) conducted a study on Bangladeshi commercial bank customers to determine the elements that influence consumers' intentions to use online banking services. The growth of the global economy requires both e-business and e-commerce in

the modern Internet banking system. However, encouraging bank customers to adopt online banking services is critical to the prosperity of the banking sector in this technological age. Therefore, the purpose of this study is to identify the factors that influence commercial bank customers' intention to use online banking services in the Bangladeshi context. To confirm the objectives of the study, a survey instrument was developed based on previously available data. A convenience sampling strategy was used in this study. To collect data for this study, 250 bank customers were asked to participate. One hundred and eighty responses, or 72% of the total, were collected for the completely filled out questionnaire, making n=180 the sample size. Correlation analysis and hypothesis testing were conducted using SPSS version 23. The Bank Management Committee concludes that PU, PEU, SI, and CI should be adopted by bank users in their online banking activities to improve their technologies. This report makes recommendations to the Bank Management Committee of the Commercial Bank and provides several important suggestions for the next research study.

The study by Wuisan and Handra (2022) concentrated on utilizing digital advertising to enhance online marketing strategies. With the growing prevalence of the Internet, businesses are transforming their operations, particularly in retail, where e-commerce has emerged as the dominant mode of transaction processing. This research aims to explore the most effective methods of using online advertising to influence consumer purchasing behavior. The study also used a descriptive research approach with validation. Lazada users living in Bandung constituted the population of the study, with 96 people making up the sample. The results demonstrated that Internet advertising has a direct impact on consumers' purchase intentions on the Lazada website. The information technology sector is rapidly developing and supporting a wide range of business activities, large and small, to be recognized worldwide. This has implications for the local community. The most noticeable outcome is that, besides attracting attention, it can also boost sales and profits. Digital marketing is one of the most powerful marketing channels. In this context, social media and digital marketing collaborate to drive sales. This is because, in the age of globalization, social media has greatly influenced e-commerce platforms, leading to a notable rise in sales compared to traditional sales methods. Many consider digital marketing the most effective and successful form of advertising, with the potential to substantially increase sales.

Meria et al. (2023) As technology advances, more sophisticated tools are being developed as a medium for developing customer-oriented corporate processes. Many businesses are still struggling to implement digital marketing strategies, despite the fact that more and more are moving from traditional to digital marketing. the significance of digital marketing in the modern digital world and how technology advancements affect how businesses communicate with their clientele. One way to incorporate these technologies into marketing campaigns is through digital marketing techniques. By touching on the principles of digital marketing strategies, this study intends to evaluate and analyze how consumer satisfaction can be enhanced through the use of application-based techniques. Using a descriptive research approach, this study collected and analyzed data in an objective and systematic manner. A literature review was used to collect secondary research data, including theories and empirical findings from previous studies. The results indicate that the following elements are essential for a successful digital marketing strategy: a thorough comprehension of the target market and how it is segmented, the choice of suitable marketing channels, the creation of pertinent and engaging content, search engine optimization, and continuous engagement and communication with customers. The conversation comes to the conclusion that in order to choose the best digital marketing strategy, businesses need to take into account both internal and external elements. We refer to this type of digital marketing approach as application-based.

Nuseir et al. (2023) explored how digital marketing techniques influence customer experience. The study aims to examine the application of contemporary digital marketing technologies and strategies across different marketing contexts and efforts. Additionally, it investigates market segmentation in the digital era to enhance customer experience tools. The research will also identify which strategies are most successful in enhancing customer experience. A systematic literature review (SLR) is employed as part of the research methodology, involving the identification of key articles, data collection and integration, and the assessment of the quality of the selected publications.

Ayinaddis, Taye and Yirsaw (2023) investigated to examine the impact of electronic banking (e-banking) service quality on customer satisfaction in the emerging banking industry in Ethiopia. Data were obtained using a closed-ended structured questionnaire from a total of 385 participants selected using convenience sampling techniques. Quantitative data were analyzed using frequencies, percentage distribution, group mode,

standard deviation, chi-square correlation, and multinomial logistic regression. The results confirmed that the variables responsiveness, reliability, security and privacy, speed, and convenience had a significant impact on customer satisfaction. Similarly, customer satisfaction with e-banking service quality has a significant impact on customer loyalty. On the other hand, system availability, ease of use, and service fees did not have a statistically significant impact on customer satisfaction. Therefore, based on the results of this study, it is recommended that banks focus on factors related to responsiveness, reliability, system availability, and speed to maximize customer satisfaction and loyalty. Adopting electronic banking services that provide meaningful assurance, address problems quickly, deliver services exactly as promised, always available, and quickly, will increase customer satisfaction and thus create dedicated and loyal customers.

Dewi and Zulkifli (2024) analyzed on e-banking technology: a comprehensive study on customer satisfaction and bank services. This paper explores the dynamic state of e-banking technology, focusing on advances in hardware, software, and networks to provide innovative solutions. The moderate level of e-banking Satisfaction among survey respondents highlights the important role of customer satisfaction in banking services. Nevertheless, significant gaps were identified, which motivated a detailed analysis of the responses regarding cloud services, banking system security, service quality, and e-learning initiatives. In-depth data was collected from 125 respondents, mostly Tangerang students, who are active users of e-banking, to investigate the frequency and patterns of e-banking use. Through a comprehensive descriptive analysis, this study provides insight into customer satisfaction in the e-banking domain and sets the stage for future causal investigations. The ultimate goal is to gain a better understanding of the factors that influence customer satisfaction in e-banking.

Febriend and Qastharin (2024) examined on addressing the challenges facing traditional banks as they face increasing competition from digital banks. The banking sector in Indonesia is becoming increasingly competitive due to the rise of digital banks. As a result, customer preferences are evolving and demand for a seamless digital banking experience is increasing. In this changing landscape, there is a growing need for traditional banks like BCA to understand the factors affecting customer satisfaction and loyalty. A quantitative research approach was used with 210 BCA customers from Generation Z and Y.

Kashyap et al. (2024) examined on empirical assessment of customer satisfaction of internet banking service quality – Hybrid model approach. This study proposes and employs an innovative hybrid methodology based on a combination of factor analysis and artificial neural network (ANN) modeling to predict customer satisfaction from identified service quality dimensions in a developing country, India. A qualitative study was conducted among Internet banking users to understand the perceptions of e-banking users. Data were collected from 208 randomly selected customers in India using a questionnaire. First, factor analysis was conducted to identify factors affecting customer satisfaction, and four factors were extracted: efficiency, reliability, security and privacy, and dealing with problems. Next, a neural network model was applied to the factor scores to validate the critical factors. Finally, a comparative analysis was performed between the actual ANN and the regression prediction results. The ability of a linear regression model to succeed is tested when approximating a nonlinear problem such as customer satisfaction. It was concluded that the ANN model is a better fit than the linear regression model and is able to recognize complex connections between exogenous and endogenous variables. The results indicated that reliability, security, and privacy were the most influential factors.

Ogundipe et al. (2024) explored agile methodologies in digital banking, focusing on their theoretical foundations and implications for customer satisfaction. The study investigates the core principles of agile methodology and evaluates its potential to enhance customer satisfaction in digital banking. The theoretical framework of agile methodology draws on several key theories, including Complexity Theory. This theory highlights that complex systems, like the digital banking ecosystem, display emergent properties, which are challenging to predict using conventional linear methods. Agile acknowledges this complexity by adopting iterative development cycles and being flexible to evolving requirements. Lean Thinking, originating from manufacturing, focuses on removing waste and enhancing customer value. Agile achieves this by concentrating on brief development sprints, emphasizing features that have the greatest impact on customers while reducing unnecessary ones. In contrast to traditional models that often separate the customer from the development process, Agile encourages customer collaboration, actively involving them in design and testing.

This approach enhances the understanding of customer needs, leading to a more relevant and satisfying digital banking experience. Agile Methodology in Digital Banking includes a broad range of practices. This visual management system emphasizes optimizing workflows. User stories and acceptance criteria support a seamless workflow from development to deployment, with user acceptance criteria specifying the conditions a feature must meet to gain approval. These practices ensure alignment with customer expectations and needs. Agile methodologies have significant potential to boost customer satisfaction in digital banking. Through agile development, banks can introduce new features and functionalities more quickly, adapting to evolving customer demands. As a result, customers gain faster access to innovative solutions for their financial needs. The outcome is a digital banking experience that is user-friendly, effective, and tailored to individual needs. Enhanced innovation: Agile's iterative approach fosters ongoing learning and experimentation. Banks can experiment with new features, collect customer feedback, and make rapid adjustments to deliver a more innovative and adaptable digital banking experience. Greater transparency and trust: Agile methods encourage open communication and teamwork between development teams and customers. By keeping customers informed and involving them in the development process, it builds trust and a sense of ownership.

Rao (2024) examined the effect of a diverse sample of 120 active e-banking users was used to evaluate various dimensions of e-banking service quality and to measure their impact on customer satisfaction and to investigate their relationship with customer loyalty. The study employs a robust research design, employing a quantitative survey strategy with closed-ended questions distributed online. The demographic analysis revealed a gender balance, a high reliance on e-banking in the 18-35 age group, and a variety of occupations and educational backgrounds. The results indicate that there is a significant positive correlation between e-banking service quality, customer satisfaction, and loyalty. Regression analysis highlighted the important role of ease of use and customer support in influencing satisfaction and loyalty. The findings contribute practical insights to help financial institutions enhance their digital banking services, ensure a competitive edge, and build lasting customer relationships in the evolving digital banking industry.

*Table 1*  
*Summary of Empirical Review*

Authors	Objectives	Methodology	Findings
Meria (2023)	The aim of this research is to assess and investigate how exposure to digital marketing strategy concepts can enhance customer satisfaction through the use of an application.	Descriptive research Design	The survey results indicate that a successful digital marketing plan includes several key elements: a deep understanding of the target market and its segmentation, choosing the appropriate marketing platform, crafting engaging and relevant content, implementing search engine optimization, and maintaining continuous customer engagement and interest.
Nuseir (2023)	The aim of this study is to explore the contemporary digital marketing strategies and tools and the role played by these in various marketing activities or areas.	Survey Method	Positive customer experiences encourage individuals to become social media influencers, which in turn enhances company productivity and revenue. The Internet is set to revolutionize strategies for branding, pricing, distribution, and promotion.
Akhter (2022)	The purpose of this study is to identify the factors that influence the intention of commercial bank users in Bangladesh to adopt internet banking services.	survey questionnaire method	The study suggests that bank management committees should use PUs, PEUs, SIs, and CIs to enhance customers' acceptance and willingness to use general banking services through online platforms in their online banking transactions.
Kano	This study aims to	Quantitative	The results showed that 78% of

(2022)	examine the marketing strategies employed by various lower-middle businesses that have transitioned online and explore how these strategies impact their competitive advantage.	ve methods with causality analysis	product marketing results were achieved using digital approaches, with the remaining 22% due to other factors such as capital, resource availability, and managerial expertise.
Lacarcel (2022)	The main objective of this review is to identify the main uses of artificial intelligence in digital marketing strategies.	Questionnaire Method	Artificial intelligence has opened new avenues for digital marketing methods in the tourism industry and offers many short-term opportunities.
Sambaombe (2022)	The aim of this was to establish the influence of online banking on customer satisfaction in commercial banks based on the TRA model using Stanbic Bank as a case study	This study employed the cross-sectional study design.	The survey results indicated a slight but positive link between customer happiness and the use of online banking. Additionally, factors such as being male, having less than a secondary education, holding negative behavioral beliefs, possessing negative attitudes, having negative behavioral intentions, and not using Internet banking were found to be linked with customer dissatisfaction.
Wuisan and handra (2022)	The goal of this study is to explore the most effective strategies for implementing online advertising and engaging consumer	Survey Method	The findings indicate that customers' purchase intentions on the Lazada website are directly affected by the use of online advertising. This group is shaped by the fast growth of the information technology sector,

	interest in making purchases.		which facilitates business activities of all sizes and enhances their global visibility.
Hossain (2021)	This study explores how e-banking Satisfaction impacts the financial performance of state-owned commercial banks in Bangladesh.	The pooled ordinary least square (OLS) estimate was applied	In the year after its implementation, e-banking was shown to notably enhance return on assets.
Wadesang o (2020)	To investigate the effect of Electronic Banking on financial performance of commercial banks in Zimbabwe.	Quantitative research methodology was adopted.	The findings revealed that online banking transactions were a strong positive predictor of return on assets (ROA), with an increase in the number of transactions leading to a higher ROA.
Vadivelu Tharanikaran (2017)	To assess the degree of service quality and customer satisfaction in the electronic banking context in Batticaloa district.	Questionnaire Method	The findings of this study will assist practitioners, academics, and bank management in creating and executing strategies focused on consumer well-being and service quality in electronic banking.
Choudhury & Bharttachee (2016)	To explore the connection between electronic banking channels and customer loyalty.	The study was based on data collected from a sample of 400 salaried employees	The results show that electronic banking delivery channels have a significant and positive impact on customer loyalty.

		selected through the stratified random sampling method.	
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#### 2.4.1 Review of Literature in Nepalese Context

Pandey (2023) conducted an analysis of how online banking affects the profitability of Nepalese commercial banks. The study investigates the influence of Internet banking on the profitability of these banks, with return on equity and return on total assets as the dependent variables. Independent variables include credit card, internet, mobile device, QR code, ATM, and POS banking. Primary data was collected to evaluate customer perceptions of online banking services. Data from both primary and secondary sources were gathered from 163 respondents. The study's objectives were addressed using a systematically developed questionnaire. Regression models and correlation coefficients were applied to assess the significance and impact of online banking on commercial banks' profitability in Nepal. The findings indicated a positive correlation between online banking and return on equity (ROE) and return on assets (ROA). Additionally, ATM banking showed a positive influence on both return on equity and return on total assets, suggesting that improvements in ATM banking services lead to better financial returns.

Upadhyay (2022) explored the impact of relationship marketing on brand loyalty in the context of Nepalese commercial banks. This research investigates how relationship marketing strategies employed by these banks influence customer loyalty to their brands. The study incorporates both qualitative and quantitative approaches in its design, utilizing self-administered surveys to assess the link between relationship marketing and the ability of commercial banks in Nepal to sustain brand loyalty. It draws on both primary and secondary data. The survey results indicated that Nabil Bank ranked first, with many customers in Chitwan remaining loyal due to strong relationships and mutual trust. Furthermore, relationship marketing significantly influences Chinese customers' brand loyalty toward commercial banks. Clients of Nabil Bank and Global IME in Chitwan

exhibit full trust in these institutions, attributed to their exceptional customer service and reliability.

Ghimire (2022) conducted an analysis on the Satisfaction of electronic banking by customers of commercial banks in Nepal. The study aimed to explore the influence of perceived usefulness, perceived ease of use, perceived reliability, and perceived convenience on the Satisfaction of e-banking. A total of 400 responses from an online survey were gathered as primary data for the research. The study group included representatives of a broad and diverse group of current or potential consumers of electronic banking services in Nepal. The results indicate that consumers' opinions about the ease of use, convenience, reliability, and accessibility of digital banking services have a significant impact on their intention to use these services.

Kandel (2022) investigated the impact of rebranding by Nepalese commercial banks on customer perception. The research explores the influence of rebranding strategies on consumer attitudes. The primary focus of the study is on revolutionary rebranding's that involve significant brand changes. The study population was the new customer base welcomed by the renamed commercial bank. The survey sample consisted of 261 individuals. Key information was obtained for this survey. The survey instrument was obtained in printed form. The sampling technique applied in this study is called purposive sampling. The survey data collected were analyzed using both descriptive and inferential statistics. For descriptive analysis, mean, standard deviation, minimum and maximum values were established. For inferential statistics, correlations, regressions, and t-tests were also studied. The results indicated the existence of a positive and strong relationship and influence between perceived quality and product attributes. Furthermore, repositioning has a small positive impact on consumer impressions. This analysis suggests that rebranding should be done after careful consideration of customers' opinions of a company's products and services. Rebranding campaigns have the potential to breathe new life into a business and are a useful tool for increasing customer favorability.

Devkota (2021) investigated on factors influencing attitude toward online advertising in Kathmandu valley. This paper examines the opinions of people in the Kathmandu Valley about online advertising. The study used a descriptive cross-sectional research design and a non-probability sampling method to collect data. Information was obtained from 401

online shoppers in Kathmandu Valley. A PLS-based structural equation model was employed to examine the hypotheses. The study first examined the association between favorable economic factors and online advertising perceptions. The results indicated the plausibility of the hypothesis that favorable economic characteristics have a significant impact on people's perceptions of online advertising. This article also examined the relationship between quality components and attitudes toward online advertising. The findings demonstrated that the quality advertising component had a substantial impact on attitudes toward online advertising on online platforms. The findings indicate that people's impressions toward these types of advertisements are significantly influenced by the positive characteristics of Internet advertising and the aspects of the sector that favor the economy.

Paudel (2020) examined on what determines customers' perception of banking communication? An empirical evidence from commercial banks of Nepal. This paper identifies the methods bank regulators employ to communicate with customers, the effectiveness of these tools, and the bank's expansion plans. Between April and September 2019, 373 consumers with accounts at commercial banks in Nepal were interviewed using a systematic questionnaire approach. A dummy-based perception index and ordinal logit regression model were used to determine how Nepalese customers feel about bank communication. As indicated by the ordinal logit, giving consumers time to resolve their problems and providing DEMAT services were found to be highly correlated with their level of awareness of bank communication. According to the Awareness Index, customer awareness of bank communication is only somewhat high. According to this study, using DEMAT tools and allowing sufficient time to resolve customer issues both increase awareness of bank communication. This study improves communication in the banking sector by removing barriers to communication and putting the customer's needs first.

Khatoon and Zhengliang (2020) analyzed on the mediating effect of customer satisfaction on the relationship between electronic banking service quality and customer purchase intention: evidence from the Qatar banking sector. This study investigates the relationship between electronic (e) banking service quality and customers' purchase intentions as mediated by customer satisfaction. Data were collected from a sample of 235 validated closed-ended questionnaires from employees and customers working in different banks in

Qatar. Correlation and regression analyses were conducted on the obtained data to test the research hypotheses, and the results were accurate as expected. The results of the study indicated that reliability, efficiency, responsiveness, communication, security, and privacy have a significant and positive impact on customers' willingness to purchase. When customers are satisfied with e-banking service quality, their purchase intention increases significantly; a mediating role of customer satisfaction was established for e-banking service quality and customer purchase intention. Customer satisfaction, validated as a mediator, partially influenced the relationship between information technology (IT), e-banking service quality, and customer purchase intention. The study made a significant contribution to the research area of behavioral finance, primarily in the area of behavioral finance. The study also has important implications for academics and practitioners.

Devkota (2020) conducted an analysis of bankers' communication skills, focusing on commercial banks in the Kathmandu Valley. The study aims to explore the communication experiences of employees within these banks. Its exploratory research design seeks to demonstrate the causal relationships between latent and observable variables. The study uses a random sampling technique with a systematic questionnaire designed to interview 355 individuals. An awareness index and descriptive analysis are used to determine the results. The employee awareness index indicates that 12% of employees do not have adequate knowledge of bank communication.

Adhikari (2019) explored the impact of innovation and technology on the productivity and profitability of commercial banks in Nepal. The study investigates how these factors influence the performance of banks in the country. Bank profitability and productivity are the dependent variables. The independent variables are POS banking, mobile, electronic payments, online, and ATM. Primary data was used to assess respondents' opinions on innovation and technology in commercial banks in Nepal. The sample for this study consisted of 160 respondents from 25 commercial banks in Nepal. A systematic questionnaire was developed to achieve the goals of the study. Multiple regression models were computed to investigate how innovation and technology affect the productivity and profitability of commercial banks in Nepal. The results of the study proved that online banking has a positive impact on bank efficiency and profitability. This implies that the higher the use of online banking, the higher the productivity and profitability of the bank. Similarly, the development of ATMs increases bank productivity

and profitability. This suggests that improved ATM services are directly related to higher bank productivity and profitability. Furthermore, the results also show that mobile banking increases bank productivity and profitability.

The future of banking lies in e-banking, which provides numerous advantages to consumers through services like ATMs, mobile banking, online banking, and other electronic delivery methods. This study aims to explore the impact of e-banking on the financial performance of commercial banks in Nepal. Both primary and secondary data were utilized for the analysis. Primary data was gathered through questionnaires, while secondary data came from annual reports and bank websites. Descriptive and analytical research methods were applied in this study. To present the data and analyze relationships between variables, multiple regression analysis, association frequency tables, and coefficient correlations were employed. The results revealed that electronic channels such as mobile banking and ATM cards had a minor and negative effect on bank profitability, as measured by ROE and ROA. In contrast, online banking was the only channel that significantly increased bank profitability in terms of ROA and ROE. Key barriers to expanding online services included the country's internet infrastructure, consumer lack of awareness, education levels, comfort with computers and the internet, as well as issues related to electronics, security, and trust.

Parajuli (2018) explored the impact of electronic banking services on customer satisfaction in Nepalese private commercial banks. The study aimed to assess how the availability of e-banking services influences customer satisfaction in these banks. Data was gathered through a standardized questionnaire from 70 respondents who were satisfied with the banking services. The research followed a descriptive, informal comparative design and employed a quantitative method for data collection and analysis. The statistical analysis and testing of several hypotheses were based on responses from a primarily organized questionnaire survey. A self-administered survey method was used. The study employed convenience sampling, or non-probability sampling. Customer satisfaction in online banking and ATMs was treated as the dependent variable, while independent variables included electronic funds transfer, debit and credit cards, and mobile banking. SPSS was used to establish and validate the correlations and regressions.

## **2.5 Research Gap**

This study aims to address a gap in existing research and conclude prior investigations on e-banking in Nepal. The effects of e-banking on the financial performance of Nepalese banks remain largely unknown, and many people are unaware that these institutions offer convenience through e-banking services. To bridge this knowledge gap, the research examines the history and development of Nepalese bank accounts over time. Furthermore, the paper offers recommendations for improving electronic financial services in Nepal. The goal of this study is to identify factors that may impact consumers' willingness to adopt e-banking in Nepal. This study will examine the important factors that influence users' decision to use electronic banking services in Nepal. This study aims to address a gap in existing literature and conclude previous research on electronic banking in Nepal. The effect of electronic banking on the financial performance of Nepali banks remains unclear, and many people are unaware that these banks also provide convenience through electronic banking services. By surveying bank accounts in Nepal and documenting their history and development over time, this research seeks to bridge this knowledge gap. Additionally, it will offer suggestions for enhancing electronic banking services in the country. The study is focused on filling this gap. The aim of this study is to identify the factors that could affect customers' willingness to adopt e-banking in Nepal. It will explore the key elements that influence users' decisions to engage with electronic banking services in Nepal.

## CHAPTER – III

### RESEARCH METHODOLOGY

This chapter outlines the steps taken to carry out the study, detailing the various actions and processes involved in its completion. It also covers the methods and strategies employed to gather, process, and analyze the data. In addition to the study design, the chapter includes sections on the target population, sampling approach, data collection, and data analysis.

#### **3.1 Research Design**

The two primary goals of a research design are to answer the research questions and to control variability. A research design includes the planning, organization, and methodology of the survey (Kerlinger, 1980). The plan serves as the central framework or structure of the survey. It defines the problem's layout and the strategy for gathering information and establishing connections between various issues. A research design is a plan for collecting and using data to test hypotheses accurately and comprehensively. In this study, several methods were employed to ensure data accuracy and completeness (Wetherbe, 2012). The research utilized both descriptive and causal-comparative research designs, with descriptive methodology primarily focusing on conceptualization.

#### **3.2 Population and Sample, and Sampling Design**

The population for this study consists of the total number of employees in the Kathmandu metropolitan area who are using electronic banking. From this population, a sample of 400 employees was selected using the convenience sampling method. To determine the sample size for such unknown populations, the study applies the formula provided below (Charan, 2013).

$$n = Z^2 \times (p \times q) / E^2$$

Where,

$z$  = Z-score or a standard normal deviation

$p$  = estimated proportion of the study variables

$q$  = 1- $p$

$E^2$  = acceptable error

### **3.4 Nature and Sources of Data Collection**

Data were gathered using a self-administered questionnaire. The researcher utilizes this questionnaire to collect and document the necessary data for the study. Respondents then provide answers to questions crafted to evaluate key elements of the study. Once the data is collected, a measurement scale is applied to assess the quality of the information. The questionnaire used in the study was sourced from Falahat's 2019 publication and also drawn from Arsiwala's 2020 article. Similar information was gathered from several other sources. The questionnaire itself was divided into two sections.

The first section of the questionnaire addresses demographic characteristics of respondents, such as gender, age, education level, and occupation. The survey was distributed to respondents via Facebook, Instagram, and email. A clear explanation of the study's purpose was provided on the questionnaire page. The questionnaire featured a five-point Likert scale ranking system, named after its creator, Lennys, which is commonly used for ratings. Respondents rated each item on a scale from 1 (strongly disagree) to 5 (strongly agree).

### **3.6 Data Analysis Methods**

The responses were transformed into Excel numbers, and the data were imported into SPSS software for analysis. SPSS (Statistical Package for Social Sciences) is commonly used by researchers to assess complex statistical data. It offers a comprehensive reporting and visualization package that is both robust and user-friendly. SPSS is employed to conduct statistical calculations.

#### **Descriptive Analysis**

Descriptive analysis was employed to account for respondent demographics, independent variables, and factors influencing the Satisfaction of electronic banking. The calculations utilized means, standard deviations, frequencies, and percentages to describe the variables.

### Mean

The arithmetic mean is the most commonly used measure for a single variable's data. It is calculated by dividing the total sum of all items by the number of items. The mean for different variables reflects the average value over the study period.

$$\text{Mean } (\bar{X}) = \frac{\sum X}{n}$$

### Standard Deviation

Variance is the degree of variation of individual items relative to a central value. Standard deviation measures absolute dispersion. The larger the variance, the larger the standard deviation. A small standard deviation means a high degree of uniformity in the observation, and a high degree of uniformity in the series.

$$\text{Standard Deviation (SD)} = \sqrt{\frac{\sum (X - \bar{X})^2}{n}}$$

### Correlation Analysis

Correlation analysis is a statistical tool that can be used to show the extent to which one variable is related to another. In this study, simple correlation was used. The correlation coefficients between the following financial variables were computed and presented in matrix form, thereby being thoroughly interpreted. We can measure the correlation coefficient between two variables X and Y by the following equation

$$\text{Correlation Coefficient (r)} = \frac{n\sum XY - \sum X \sum Y}{\sqrt{n\sum X^2 - (\sum X)^2} \sqrt{n\sum Y^2 - (\sum Y)^2}}$$

$r = 0$  means that there is no correlation between the variables.  $r = -1$  means that there is a perfect negative correlation between the variables.  $r = +1$  means that there is a perfect positive correlation between the variables.

### Coefficient of Determination ( $r^2$ )

The coefficient of determination is a measure of the degree of linear association or correlation between two variables where one variable is the independent variable and the other is the dependent variable. In other words,  $r$  measures the percentage of overall variation in the dependent variable. The coefficient of determination can have a value from zero to one. A value of 1 occurs only when the unexpected variability is zero, which simply means that all data points in the scatterplot fall exactly on the regression line.

### Regression Analysis

The effect of the independent variable on the dependent variable is determined using multiple regression analysis, either by itself or in combination with additional moderating variables. The following regression models are recommended for this study:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \dots + \beta_p X_p + e_i \dots \dots \dots (i)$$

Where,

Y = the expected rate

X<sub>1</sub>, X<sub>2</sub>...X<sub>3</sub> = value of independent variables

α = (the Y-intercept) when (X<sub>1</sub> through X<sub>2</sub>) are equal to zero.

β<sub>1</sub>, β<sub>2</sub>,...β<sub>p</sub> represents the population slopes, or estimated regression coefficients.

e<sub>i</sub> = error factor.

### 3.5 Research Framework and Definition of Variables

A research framework offers a structured approach to understanding the meaning of a subject and the necessary actions, while considering others' viewpoints and academic research. It can help clarify the rationale behind the chosen methodology. Additionally, it aids in understanding and applying the ideas of others who have conducted similar research. A roadmap functions similarly to a framework. The development of the conceptual model presented below was shaped by the literature review. This model heavily relies on previously described sources and thoroughly examines several online banking factors, such as Usefulness, ease of use convenience, privacy, and security, which are key predictors of e-banking Satisfaction.

To address the research gaps, the following research framework model is suggested, based on the previously discussed literature review. To overcome the study's limitations, the theoretical framework shown in the figure is proposed in connection with the literature review (Kamutuezu, 2016).

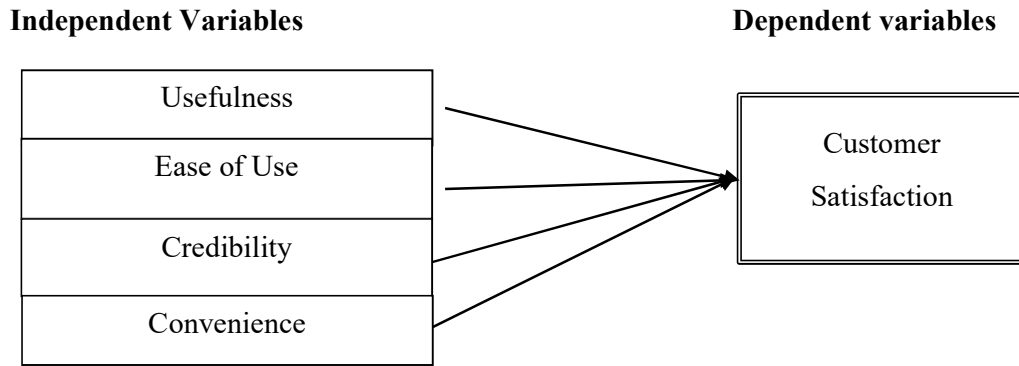


Figure 1

*Research Framework*

(Source: Akhter, 2022)

In studies examining customer satisfaction, the independent variables are usefulness, ease of use, credibility and convenience.

**Usefulness**

The extent to which the product or service meets the needs and requirements of the customer.

**Ease of Use**

Ease and convenience in using the product or service.

**Perceived Credibility**

Observed The belief that someone else's word may be relied upon, especially under unforeseen circumstances, is known as credibility. Perceived credibility has a significant influence on consumer acceptance prior to service enrollment since individuals tend to steer clear of service providers they don't trust.

**Convenience**

Convenience (CONV) is defined as the "customer's attitude toward adoption of a new information system" level. It's said to have a big impact on how information systems are adopted. Customers' attitudes on using e-banking services are influenced by a variety of factors, such as technology, security, convenience, comfort level with new technologies,

and past personal banking experience. The ease of use of digital banking services seems to be concentrated on the time and effort required to execute transactions; the biggest advantages are time savings and round-the-clock accessibility.

### **Customer Satisfaction**

The dependent variable, customer satisfaction, measures the overall level of satisfaction or fulfillment experienced by customers as a result of using a product or service. Customer satisfaction reflects the customer's subjective evaluation of their experience, including factors such as product performance, service quality, and responsiveness to expectations.

## CHAPTER - IV

### RESULTS AND DISCUSSION

This chapter will outline the main findings of the study and the analysis of the data. Respondent data will be verified using statistical techniques in SPSS and MS Excel, such as frequencies, graphs, percentages, means, standard deviations, correlations, and regression analysis. Additionally, the results will be summarized and presented in tables for clarity. The study's theory was examined through data analysis, which was also conducted to fulfill the study's objectives.

#### 4.1 Demographic Study of Respondents

##### 4.1.1 Profile of Respondents

Table 2

*Demographics Characteristics of Respondents*

Respondent Character	No. of Responses	Percentage
Gender		
Male	136	34
Female	264	66
Total	400	100
Age		
Under 25	8	2
26-35	336	84
36-45	40	10
46-55	12	3
Over 55	4	1
Total	400	100
Present Position		
Manager	4	1
Officer	80	20
Worker	188	47
Other	128	32
Total	400	100
Earning Per Month		
Up to Rs.24000	12	3
Rs.24001- Rs.40000	64	16
Rs.40001- Rs.74000	280	70
Above Rs.74000	44	11
Total	400	100

*Source* Field Survey, 2023

#### 4.1.2 Banking Experiences of Respondents

The following table shows a breakdown of the respondents' banking experience base.

Table 3

*Banking Experience-Wise Distribution of Respondents*

Banking Experience	No. of Respondents	Percentage (%)
Up to 5 Years	4	1
5 Years to 10 Years	280	70
10 Years to 15 Years	64	16
15 Years to 20 Years	40	10
Above 20 Years	12	3
Total	400	100

*Source* Field Survey, 2023

Table 3 shows that 4 respondents (1% of the total sample of 400) have less than 5 years of banking experience, while 280 respondents (70%) have between 5 and 10 years of experience. Additionally, 64 respondents (16%) fall within the 10 to 15 years range, and 40 respondents (10%) have between 15 and 20 years of banking experience. Finally, 12 respondents (3%) have more than 20 years of experience.

#### 4.1.3 Respondents' Frequency of Using Banking Services

The frequency of use of banking services is categorized as daily, weekly, monthly, and other. The “other” category indicates that the frequency of use is more than one month. The following table shows the breakdown of the frequency of respondents' use of banking services.

Table 4

*Frequency of Using Banking Services-Wise Distribution of Respondents*

Frequency of using bank	No. of Respondents	Percentage (%)
Daily	12	3
Weekly	96	24
Monthly	282	72
Others	10	2
Total	400	100

*Source* Field Survey, 2023

From Table 4, it can be understood that 96 respondents, representing 24.20% of the total sample of 400, use banking services daily, 12 respondents, representing 3%, use banking services weekly, and 282 respondents, representing 72%, use banking services monthly. Furthermore, it can be inferred that 10 respondents, accounting for 2% of the total sample of 400 respondents, use banking services for more than one month.

## 4.2 Descriptive Analysis

This section focuses on the descriptive analysis of data gathered from questionnaires during the survey phase. Descriptive analysis is a statistical method used to summarize and measure the characteristics of the collected data. Its purpose is to provide an overview of the sample, rather than to infer details about the population it represents. The analysis includes the calculation of statistical measures such as the mean, standard deviation, maximum, and minimum values. In total, 30 questions were analyzed, each generating a mean score, maximum, minimum, and standard deviation through SPSS output. A total of 400 responses were collected for all the questions.

A five-point Likert scale was employed to assess the four independent variables in this study: perceived usefulness, perceived ease of use, perceived reliability, convenience, and electronic banking Satisfaction, with “1” representing “strongly disagree” and “5” representing “strongly agree.” A mean score below 3 reflects disagreement, while a mean score of 3 or above indicates agreement with the statement.

### 4.2.1 Descriptive Analysis of Survey

The table below presents the respondents' feedback on convenience, ease of use, reliability, the convenience of using electronic banking, and Satisfaction.

Table 5

*Overall Descriptive analysis*

Variables	N	Minimum	Maximum	Mean	Std. Deviation
PU	400	1.00	5.00	4.19	0.72
PEOU	400	1.00	5.00	4.17	0.74
PCRED	400	1.00	5.00	4.17	0.74
CONV	400	1.00	5.00	4.25	0.72
SAT	400	1.00	5.00	4.19	0.70

*Source:* Field Survey 2023

Table 5 shows the mean, standard deviation (S.D.), minimum, and maximum values of the variables. The respondents rated the usefulness of customer satisfaction as high, as indicated by the mean of 4.19 (0.72), which indicates the perceived usefulness of customer satisfaction. The mean of 4.17 (0.74) for perceived ease of use indicates that respondents felt that electronic banking was being adopted in terms of ease of use.

Respondents' mean level of reliability was 4.17 (0.74), indicating that they have a high degree of confidence in the implementation and customize customer satisfaction. The average convenience score is 4.25 (0.72), the highest among all characteristics. Similarly, the average Satisfaction score is 4.19 (0.70), suggesting that respondents strongly support the use of electronic banking by commercial banks in Nepal.

#### 4.2.2 Perceived Usefulness

Table 6

##### *Descriptive Statistics of Perceived Usefulness*

Code	Variables	N	Min	Max	Mean	S.D.
PU1	Using Electronic Banking expedites my transactions.	400	1.0	5.0	4.21	1.08
PU2	Time is being saved by using Electronic Banking.	400	1.0	5.0	4.02	0.83
PU3	My ability to complete banking operations is enhanced by using the Electronic Banking information system.	400	1.0	5.0	4.27	0.89
PU4	Using Electronic Banking allows me to have command over my transaction.	400	1.0	5.0	4.19	1.03
PU5	I can get all the services I need from my bank.	400	1.0	5.0	4.22	0.88

*Source:* Field Survey, 2023

The minimum, maximum, mean, and standard deviation (S.D.) of the variables are displayed in Table 6. The mean of 4.21 (1.08) for PU1 suggests that e-banking saves transaction time. With a mean of 4.02 (0.83), PU2 shows that respondents save time through e-banking. PU2 has the lowest mean among all items, while PU3, with a mean of 4.27 (0.89), has the highest mean across all items. Similarly, PU4 also has a mean of 4.27 (0.89), ranking as the lowest among all items.

The mean score for PU4 is 4.18 (0.83), suggesting that respondents feel they have control over their transactions when using electronic banking. The mean score for PU4 is 4.19

(1.03), showing that electronic banking meets all the services respondents expect. The mean for PU5 is 4.22 (0.88), indicating that respondents perceive the services provided by electronic banking as beneficial.

### 4.2.3 Ease of Use

Table 7

*Descriptive Statistics of Ease of Use*

Code	Variables	N	Min	Max	Mean	S.D.
PEOU1	I would have no trouble picking up the Electronic Banking system.	400	1.0	5.0	4.29	0.99
PEOU2	I could easily use the online banking system to handle my finances.	400	1.0	5.0	4.10	0.86
PEOU3	I would communicate with the Electronic Banking system in an understandable and transparent manner.	400	1.0	5.0	4.24	1.05
PEOU4	I find it easy to interact with the Electronic Banking system.	400	1.0	5.0	4.16	0.87
PEOU5	I could easily pick up the skills necessary to use the online banking system.	400	1.0	5.0	4.23	0.89

*Source:* Field Survey, 2023

Descriptive statistics of perceived ease of use are presented in the tabulated results, on a 5-point Likert scale, each answered by 400 respondents. The mean values for the factors displayed in the table range from a minimum of 4.10 to a maximum of 4.29. From the table, the highest mean value, PEOU 1, indicates that respondents find it easy to learn how to use the electronic banking system. Similarly, PEOU2, with a mean of 4.10, indicates that respondents find it easy to use the online banking system; PEOU4 and PEOU6 have the same mean; the PEOU5 variable indicates that respondents find it easy to learn to use the online banking system. The PEOU5 variable indicates that respondents think it is easy to become proficient in using an online banking system.

Similarly, the standard deviation values are also explained by the statistics. The code PEOU3 is represented by the largest value range of 1.05, and the code PEOU2 by the smallest value range of 0.86.

#### 4.2.4 Credibility

Table 8

##### *Descriptive Statistics of Credibility*

Code	Variables	N	Min	Max	Mean	S.D.
CR1	My family encourages me to use electronic banking services.	400	1.0	5.0	4.23	1.13
CR2	I feel social pressure to use electronic banking platforms.	400	1.0	5.0	4.07	0.86
CR3	There is reliability in the Electronic Banking information system.	400	1.0	5.0	4.25	0.85
CR4	My colleagues recommend electronic banking as a convenient option.	400	1.0	5.0	4.02	0.87
CR5	The popularity of electronic banking in my community motivates me to use it.	400	1.0	5.0	4.24	0.98
CR6	I trust electronic banking more because influential people in my life use it.	400	1.0	5.0	4.19	0.87

*Source:* Field Survey, 2023

Table 8 presents the descriptive statistics for perceived reliability, measured using six different variables, each answered by 400 respondents on a 5-point Likert scale. The mean values of the factors in the table range from 4.02 to 4.25. SI3 has the highest mean value of 4.25, while SI4 has the lowest at 4.02. The lowest mean corresponds to the statement "whenever respondents make a mistake using the electronic banking system, they recover quickly and easily." The highest mean reflects the greatest level of agreement on overall trust in electronic banking.

Finally, the table also displays the standard deviations; SI1 has the widest standard deviation and SI3 has the smallest.

#### 4.2.5 Convenience

Table 9

##### *Convenience*

Code	Variables	N	Min	Max	Mean	S.D.
CONV1	I use Electronic Banking because it is convenient.	400	1.0	5.0	4.34	0.90

CONV2	Electronic banking involves the minimum number of steps needed to complete my desired task.	400	1.0	5.0	4.18	0.79
CONV3	I can use Electronic Banking without the need for written instructions.	400	1.0	5.0	4.31	0.96
CONV4	Electronic banking meets all of my expectations.	400	1.0	5.0	4.17	0.89
CONV5	Electronic banking simplifies the process of managing banking tasks.	400	1.0	5.0	4.29	0.84
CONV6	Electronic banking provides me with greater control over my finances.	400	1.0	5.0	4.21	0.89

*Source:* Field Survey, 2023

The table presents descriptive statistics for convenience. Six statements were used to assess convenience, using a 5-point Likert scale with responses from 400 participants. The mean values for the factors listed in the table range from 4.17 to 4.34. The lowest mean value, 4.17, is for CONV4, suggesting that respondents felt electronic banking met all their expectations. In contrast, the highest mean of 4.34 was given by those who considered electronic banking to be very convenient. In addition, standard deviations are displayed in the table from the highest to the lowest degree. The maximum and minimum standard deviations are 0.96 and 0.79, respectively.

#### 4.2.6 Factors Influencing the Satisfaction

Table 10

*Factors influencing the Satisfaction*

Code	Variables	N	Min	Max	Mean	S.D.
SAT1	Ease of use	400	1.0	5.0	4.33	1.03
SAT2	Trust and relationship	400	1.0	5.0	4.07	0.86
SAT3	Low service charge	400	1.0	5.0	4.22	0.90
SAT4	Accessibility	400	1.0	5.0	4.11	0.82
SAT5	Convenience	400	1.0	5.0	4.22	0.97
SAT6	Security of transaction	400	1.0	5.0	4.21	0.89

*Source* Field Survey, 2023

According to the narrative results, respondents agreed with the phrase “consider ease of use,” with a mean score of 4.33 (1.03). Respondents' relationship and trust in the implementation of electronic banking is indicated by the mean value of 4.07 (0.86) for the statement. The mean for “affordability of services” was 4.22 (0.90), with respondents generally agreeing with this statement. The mean for “convenience” was 4.22 (0.97) and respondents generally agreed with this statement. The mean for “transaction security” was 4.21 (0.89), and respondents generally agreed with this statement.

### 4.3 Measurement of Reliability

In this study, Cronbach's alpha values were used to assess the consistency of item scales for continuous dependent and independent variables. The results of the alpha reliability test for the Likert scale question items are shown below.

Table 11

#### *Reliability Test*

Variables	Cronbach's Alpha	No. of Items
Perceived Usefulness	0.870	6
Perceived Ease of Use	0.904	6
Perceived Credibility	0.889	6
Convenience	0.903	6
Satisfaction	0.882	6

*Source* Field Survey, 2023

Statistics on the reliability of the data obtained from the questionnaire survey are presented in Table 10. The alpha values for perceived usefulness, perceived ease of use, perceived reliability, convenience, and Satisfaction cronbach's alpha are, in order, .870, .904, .889, .903, and .882. These values indicate that the data from the questionnaire survey are reliable enough to continue the analysis.

#### 4.3.1 Correlation Analysis

Bivariate studies, also known as correlations, evaluate the direction and strength of the relationship between two variables. A higher correlation coefficient signifies a stronger connection between the two data sets. A correlation of 1 or -1 represents a perfectly linear positive or negative relationship, respectively, while a correlation of 0 indicates no

relationship. A positive correlation is seen when the coefficient is above 0, and a negative correlation is present when it is below 0.

### Correlation Matrix

Pearson correlation coefficients were applied to assess the direction and strength of the relationship between the independent variables (PU, PEOU, PCRED, and CONV) and the dependent variable (ADOP).

Table 12

#### *Correlation Matrix*

Variables	SAT	PU	PEOU	PCRED	CONV
SAT	1				
PU	.787** .003	1			
PEOU	.795** .000	.827** .008	1		
PCRED	.795** .001	.827** .007	1.000** .000	1	
CONV	.790** .000	.780** .000	.769** .000	.769** .004	1

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

Source Calculation from SPSS

PU represents perceived utility, PEOU represents perceived ease of use, CONV represents convenience, and PCRED represents perceived credibility, while SAT represents customer satisfaction. At the 1% level, the findings showed a strong association between the use of customer and all independent variables. At a significance level of 0.01, the Pearson correlation ( $r$ ) between e-banking Satisfaction and perceived usefulness was 0.790, indicating a positive relationship between the two. As customer Satisfaction increases, so does the perceived usefulness. The correlation between e-banking Satisfaction and ease of use was 0.780, with a significant  $r$ (two-tailed) value of  $p = 0.000$ , suggesting a strong positive linear relationship between these factors. Similarly, the Pearson coefficient ( $r$ ) measuring the perceived ease of use and e-banking Satisfaction was 0.769, with a significance level of  $r$  (two-tailed),  $p = 0.000$ , indicating a significant positive linear relationship between these two variables.

The Pearson correlation coefficient ( $r$ ) for perceived trustworthiness and customer Satisfaction was 1.000, with a significant  $p$ -value of 0.000 (two-tailed), highlighting a strong relationship between perceived reliability and the Satisfaction of customer. Additionally, convenience and the acceptance of customer demonstrated a notable positive correlation ( $r = 0.769$ ) at the 0.01 significance level, which suggests that as convenience increases, the usage of customer also rises.

#### 4.3.2 Regression Analysis

Regression analysis can only determine if there is a significant relationship between two variables. It is a statistical method used to assess the connection between variables in statistical modeling. The analysis primarily examines the relationship between a dependent variable and one or more independent variables, utilizing various techniques to model and evaluate multiple variables.

A correlation study can only reveal whether there is a significant relationship between two variables. Even if the correlation coefficient indicates a strong connection, the precise nature of that relationship remains unclear. In this context, regression analysis offers more insights by determining the slope of the relationship. It helps in predicting outcomes and explaining the collaboration between variables. This analysis identifies the proportion of variation in the dependent variable that can be attributed to the independent variable, helping to clarify which independent variable best accounts for the changes in the dependent variable. In this case, linear regression analysis was used to compare the dependent variable (Satisfaction of electronic banking) with the independent variables (perceived usefulness, perceived ease of use, perceived reliability, and convenience). One key benefit of linear regression is its ability to assess the influence of multiple independent factors on the dependent variable simultaneously, providing deeper understanding of the relationship's slope.

#### Multiple Regression Model

$$Y = \alpha + \beta_1 PU + \beta_2 PEOU + \beta_3 PCRED + \beta_4 CONV + e_i \dots \dots (i)\text{-Model}$$

Where,

Dependent Variable:

$Y$  = Satisfaction (Satisfaction of Customer)

Independent Variables:

$X_1 = \text{PU} = \text{Perceived Usefulness}$

$X_2 = \text{PEOU} = \text{Perceived Ease of Use}$

$X_3 = \text{PCRED} = \text{Perceived Credibility}$

$X_4 = \text{CONV} = \text{Convenience}$

$a = \text{Constant}$

$E_i = \text{Error term}$

Multiple regression analysis revealed the key factors affecting respondents' use of electronic banking. The independent variables include perceived usefulness (PU), perceived ease of use (PEOU), perceived reliability (PCRED), and convenience (CONV), with the dependent variable being the Satisfaction of electronic banking (ADOP). The findings from the multiple regression analysis are shown in Table 13.

Table 13

*Result of regression analysis of PU, PEOU, PCRED and CONV*

Coefficients					ANOVA			
Model	B	Std. Error	T	p-value	R Square	Adj. R Square	F	Sig. F
(Constant)	0.399	0.122	3.276	0.000	0.732	0.730	34.123	0.000
PU	0.268	0.053	5.070	0.000				
PEOU	0.766	0.030	25.349	0.000				
PCRED	0.287	0.287	5.780	0.000				
CONV	0.346	0.346	7.633	0.000				

*Source:* Field Survey

$0.399 + 0.268\text{PU} + 0.766\text{PEOU} + 0.287\text{PCRED} + \text{CONV}0.346$  is the equation for the introduction of electronic banking (ADOP). (i)- Model 1: The equation demonstrates a positive correlation between the independent factors and the dependent variable. The table indicates that the p-value for each model is below 0.05 at the 1% significance level, providing strong evidence for the model's validity. The fitted total regression model helps predict the dependent variable's value within the range of the independent variables in the sample data. The data reveal that for every one-unit change in customer usability related to the Satisfaction of electronic banking, there is a 0.268 unit change in the other independent variables. In a similar manner, a one-unit change in perceived ease of use leads to a 0.766 unit change in electronic banking Satisfaction, assuming the other independent variables stay the same. Additionally, a one-unit change in perceived reliability results in a 0.287 unit change in e-banking Satisfaction, with the other

independent variables held constant. Moreover, a one-unit change in perceived ease causes a 0.346 unit variation in electronic banking Satisfaction, again with the other independent variables remaining unchanged.

This graph, with a value of 0.766, demonstrates that perceived ease of use (PEOU) has the most significant effect on the initiation of electronic banking. The coefficients for perceived convenience (CONV), perceived utility (PU), and perceived reliability (PCRED) are 0.268, 0.287, and 0.346, respectively. The P-values for perceived convenience, perceived utility, perceived ease of use, and perceived reliability are all below 0.05. Various factors, including perceived ease of use, perceived utility, perceived reliability, and perceived simplicity, influence the Satisfaction of electronic banking. Perceived usefulness, perceived ease of use, perceived credibility, and convenience all have a positive and significant impact on electronic banking Satisfaction. Additionally, perceived ease of use is positively linked to the Satisfaction of electronic banking.

The adjusted R-square (Adj. R2) of 0.730 and R-square (R2) of 0.732 suggest that the independent component in the model explains 73.2% of the variation in the dependent variable when no variables are relaxed. Higher correlation coefficients lead to a greater proportion of variance being accounted for. An ANOVA summary of the relationship between the independent and dependent variables is also provided. The F value helps assess whether the relationship is statistically significant. In this instance, the significance value is 0.000 at a 0.01 significance level, with an F p-value of 34.123 for each model. The findings indicate that each independent variable plays a role in the Satisfaction of electronic banking by commercial bank customers, and the regression model holds explanatory power.

#### 4.4.3 Summary of the hypotheses

A summary of each hypothesis test is presented in Table 13:

Table 14

##### *Summary of hypothesis*

Hypothesis	P-value	Results
H1: The Satisfaction of Customer is positively impacted by perceived usefulness.	0.000 ( $p \leq 0.05$ )	Accepted
H2: The Satisfaction of Customer is positively	0.000	Accepted

impacted by perceived ease of use.	(p<=0.05)	
H1: The Satisfaction of Customer is positively impacted by perceived credibility.	0.000 (p<=0.05)	Accepted
H1: Convenience influences Customer uptake in a favorable way.	0.000 (p<=0.05)	Accepted

*Source* Survey Data, 2023

#### 4.5 Discussion

This section summarizes the key noteworthy findings of the survey.

Social norms and family structures in developing countries like Nepal manifest and perpetuate the subordinate status of women. One of the norms is the continued preference for boys over the birth of girls, which exists in almost all societies and communities. Societies are also biased against boys when it comes to education, nutrition, and other opportunities. According to a recent report, the Living Standards Survey of Nepal, there is still a belief among the Nepali population that girls are restricted from going to school. This inequality is also practiced in the promotion of the sands of employment. In the public and private sectors, women face countless handicaps in an environment customized and dominated by men.

The results of this study present descriptive statistics on customer satisfaction. These results reveal a lower overall standard deviation for credit card services compared to other services, aligning with the results of Akhter (2022) and Meria et al. (2023), but differing from the findings of Vadivelu Tharanikaran (2017). These outcomes can be explained by the perception that credit card users value credit card services for bypassing long bank lines and for their ability to travel within the city without facing traffic congestion.

The second goal of this study was to explore the connection between perceived usefulness, perceived ease of use, perceived credibility, and convenience in electronic banking at Nepalese commercial banks. A positive and significant relationship was found with perceived usefulness, whereas the link between credibility and customer satisfaction was insignificant, showing a negative coefficient. These results align with those of Hossain (2021) and Wuisan and Handra (2022). A strong positive correlation, significant at the 1% level of significance, was found for Convenience and Electronic Banking,

followed by Convenience and Electronic Banking. Banking, followed by Convenience and Electronic Banking. In the same way, ease of use showed a positive relationship with satisfaction. Additionally, the results of this study align with those of Choudhury & Bharttachargee (2016), yet contradict those of Wadesango (2020).

The third and final goal is to examine how electronic banking in commercial banks in Nepal is influenced by perceived usefulness, perceived ease of use, perceived reliability, and convenience. Perceived usefulness has a positive and significant effect on electronic banking, which aligns with the findings of Nuseir et al. (2023), although Sambaombe (2022) does not support this result. Perceived ease of use also shows a positive and significant relationship with electronic banking, whereas perceived credibility does not show a significant positive effect, consistent with Choudhury & Bharttachargee (2016). Additionally, both perceived credibility and convenience were found to have no significant positive effect on electronic banking. Additionally, Perceived Credibility and Convenience do not show a negative significant relationship with customer satisfaction, which aligns with the findings of Wadesango (2020). Building on this, the regression analysis in this study demonstrates that six variables—perceived usefulness, perceived ease of use, perceived reliability, convenience, and electronic banking—account for the variation in consumer satisfaction. The ANOVA for the regression model reveals a linear relationship between electronic banking and significant perceptions of usefulness, ease of use, reliability, and convenience.

## **CHAPTER V**

### **SUMMARY AND CONCLUSION**

This chapter summarizes the conclusions of the entire thesis. Key findings based on objective research results are detailed in this chapter. Conclusions and implications of further research are also included in this chapter.

#### **5.1 Summary**

Job satisfaction is a complex and multi-dimensional concept that can have different meanings for different individuals. While there is generally a link between motivation and job satisfaction, the precise nature of this connection remains unclear. Satisfaction and motivation are distinct concepts. Customer satisfaction is viewed as a concept rather than a tangible product. This study primarily aims to examine how independent variables like usefulness, ease of use, credibility, and convenience influence electronic banking. Additionally, it seeks to explore the relationship between these independent and dependent variables to better understand the factors that contribute to overall satisfaction. Regression and correlation analysis are two types of descriptive statistics employed in this study. The relationship and impact of the independent variables on the dependent variable will be examined using SPSS version 23.

This study employed an unconventional and descriptive research design. The target population included all employees of commercial banks. Simple random and judgmental purposive sampling techniques were utilized to select the sample from the commercial banks, while the standard sampling method was applied to choose the respondents. A total of 400 respondents were included in the sample. Quantitative data were gathered from the employees.

In the study, the researchers personally distributed the questionnaires and requested that participants manage their time effectively to complete them. Data analysis was performed using SPSS software version 23. The data's nature was described using frequencies and percentages, while means and standard deviations were applied to assess employees' experiences with the airline service variables. Regression analysis was employed to

examine the relationship between the independent variables and work-life balance. The hypotheses were tested using ANOVA results.

To collect data, the researchers employed a structured questionnaire, which was organized into seven sections. The first section focused on demographic details of the participants. The second section addressed the interpersonal services provided by the financial institution. The third section explored the participants' perceptions of usefulness, ease of use, reliability, and convenience. The fourth section was dedicated to electronic banking services. The final section aimed to gather suggestions for enhancing electronic banking operations. Customer experience and satisfaction were assessed using a five-point Likert scale.

## **5.2 Conclusion**

This research explores the e-banking services provided by the banking sector and investigates how these services influence customer satisfaction in private commercial banks in Nepal. The findings from the descriptive analysis reveal that most bank users are aged between 31 and 40, with female users outnumbering male users. Salaried employees and students represent the largest user groups, and the majority of users have at least some level of education. Additionally, banks employ standardized procedures to enhance accessibility and manage customer profiles, indicating they do not maintain detailed records of these profiles.

Customer satisfaction in e-banking is more strongly influenced by demographic factors than in traditional banking. The study revealed no significant relationship between customer satisfaction and services such as ATMs, credit and debit cards, Internet banking, mobile banking, and electronic funds transfers. Additionally, the research showed that ATMs exhibited the highest variation (0.848), while credit card services (CCS) had the lowest variation (0.807), suggesting that credit card services are offered more frequently by banking institutions in Nepal compared to other services. In conclusion, the use of e-banking services enhances customer well-being, reduces wait times for banking services, and helps customers manage their account transactions more efficiently.

### **5.3 Implications**

The findings of this study will be advantageous for bankers, customers, scholars, and researchers in related areas. The results indicate that perceived convenience, reliability, usefulness, and ease of use all have statistically significant impacts on electronic banking.

Globally, perceived utility has become a widely used strategy in banking. While it offers numerous benefits, several challenges hinder its complete potential from being fully realized for both the public and the banks. Due to the complexity of e-banking, it is impossible to capture all insights in a single survey. Given these factors, the researcher suggests allocating resources for a follow-up study involving other banks, as the findings indicate that there are both benefits and challenges associated with the use of electronic banking services.

Banks should work towards broadening their customer base across various factors such as gender, age, education, and occupation. They need to identify which customer characteristics are most closely linked to satisfaction with e-banking services. Expanding e-banking services can help reduce the need for customers to visit bank counters. Instead of just issuing cards, banks should offer formal training to users to improve their understanding of e-banking and make them aware of the associated fees. To ensure continuous service, banks should not only meet their commitment to 24/7 availability but also take steps to prevent disruptions from network issues, power failures, or other technical difficulties. Efforts should focus on improving customer satisfaction beyond current levels, and customer surveys should be conducted to obtain accurate data on satisfaction levels.

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# APPENDICES

## Research Questionnaires

Dear All,

I am Mahesh Marasini, a student of Masters of Business Studies Shanker Dev Campus, Tribhuvan University. I am collecting data for my Thesis Report on the topic "ELECTRONIC BANKING SERVICE DELIVERY AND CUSTOMER SATISFACTION". This research is conducted for the partial requirements for the completion of the MBS Program of Shanker Dev Campus, Tribhuvan University. The information provided by you will be purely used for academic purposes only and your identity will be kept confidential. Thank you very much for your kind support and valuable time.

Hoping for your favorable response!

Mahesh marasini

### Section A: Demography of respondents

1. Please select your gender

Male                       Female

2. Please select your age (in years)

Under 25       26-35       36-45       46-55       Over 55

4. Please select your job position

Manager                       Officer                       Worker                       Other

5. Earning Per Months

Up to Rs.24000       Rs24001 to 40000       Rs.40001 to 74000       above Rs.74000

6. Airlines Experience

- Up to 5 years     5 to 10 years     10-15 Years     15-20 Years     Above 20 years

7. Frequency of using airlines services-wise

- Daily                       Weekly                       Monthly                       Others

**Part II**

**Likert Scale Questionnaire**

1-Strongly Disagree

2- Disagree

3-Neutral

4-Agree

5-Strongly Agree

S.N.	Questions	1	2	3	4	5
<b>A</b>						
<b>Perceived Usefulness</b>						
1	Using Electronic Banking expedites my transactions.					
2	Time is being saved by using Electronic Banking.					
3	My ability to complete banking operations is enhanced by using the Electronic Banking information system.					
4	Using Electronic Banking allows me to have command over my transaction.					
5	I can get all the services I need from my bank.					

<b>S.N.</b>	<b>Questions</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
<b>B Perceived Ease of Use</b>						
1	I would have no trouble picking up the Electronic Banking system.					
2	I could easily use the online banking system to handle my finances.					
3	I would communicate with the Electronic Banking system in an understandable and transparent manner.					
4	I find it easy to interact with the Electronic Banking system.					
5	I could easily pick up the skills necessary to use the online banking system.					

<b>S.N.</b>	<b>Questions</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
<b>C Social Influence</b>						
1	My family encourages me to use electronic banking services.					
2	I feel social pressure to use electronic banking platforms.					
3	There is reliability in the Electronic Banking information system.					
4	My colleagues recommend electronic banking as a convenient option.					
5	The popularity of electronic banking in my community motivates me to use it.					
6	I trust electronic banking more because influential people in my life use it.					

<b>S.N.</b>	<b>Questions</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
<b>D Convenience</b>						
1	I use Electronic Banking because it is convenient.					
2	Electronic banking involves the minimum number of steps needed to complete my desired task.					
3	I can use Electronic Banking without the need for written instructions.					
4	Electronic banking meets all of my expectations.					
5	Electronic banking simplifies the process of managing banking tasks.					
6	Electronic banking provides me with greater control over my finances.					

<b>S.N.</b>	<b>Questions</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
<b>E Adoption</b>						
1	Ease of use					
2	Trust and relationship					
3	Low service charge					
4	Accessibility					
5	Convenience					
6	Security of transaction					

**Thank You**

# ELECTRONIC BANKING SERVICE DELIVERY AND CUSTOMER...

By: Mahesh Marasini

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ABSTRACT The study aimed to determine how well digital banking methods performed in comparison to commercial banks in Nepal. A descriptive and informal research design was employed, focusing on a population of 20 active commercial banks in Nepal. Primary data were gathered through self-administered questionnaires and analyzed using descriptive statistics. Regression analysis was applied to evaluate the success and outcomes of digital marketing strategies. The study considers convenience, creditworthiness, usefulness, and ease of use as independent variables, with digital banking as the dependent variable. Correlation analysis revealed a significant positive relationship between digital banking practices and the factors of usefulness, ease of use, creditworthiness, and convenience. Likewise, regression analysis indicated that usefulness, ease of use, creditworthiness, and convenience are statistically significant with positive coefficients for digital banking. Additionally, digital banking itself showed positive significance, and the dependent variable exhibited positive significance when combined with the independent factors. Keywords: Usefulness, Easy to Use, Creditability, Convenience, Digital Banking

CHAPTER - I INTRODUCTION 1.1 Background of the Study E-banking is an electronic banking channel that enables bank customers to perform their financial transactions online whenever they want and without being constrained by regular bank operating hours using a laptop or personal computer. Although it's state-of-the-art delivery system with a significantly lower cost structure than previous delivery methods, it is more geographically pervasive and has higher wait times than traditional branch banking.

E-banking is therefore very appealing to banks and consumers who are adopting new

2

technology. Segal and Woods (2018) Due to the increased use of free internet banking, many banks now only conduct business online. This reduces costs and enables them to provide more competitive savings account rates that result in higher profit margins.

Electronic banking, or e-banking, is one of the newest developments that banks have embraced

2

as technology develops. E-banking, one of the channels for electronic banking, allows bank customers to conduct their financial transactions online

using a laptop or personal computer at their convenience and without being

2

restricted by the usual hours of the bank. While e-banking offers longer wait times and greater spatial persuading than traditional branch banking is a state-of-the-art delivery technique that provides a substantially less cost structure than conventional techniques.