

**IMPACT OF E-BANKING SERVICE QUALITY ON CUSTOMER
SATISFACTION IN NEPALESE COMMERCIAL BANKS**

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RECOMMENDATION LETTER

This is to certify that research report entitled “IMPACT OF E-BANKING SERVICE QUALITY ON CUSTOMER SATISFACTION IN NEPALESE COMMERCIAL BANKS” submitted by Krishna Kumar Paudel is an authentic piece of research work carried out by him under my supervision. The presentation is impressive and the thesis is in a form suitable for publications. This work evinces the capacity of the candidate for critical examination and independent judgment. He has put in at least 6 months after registering the proposal. The thesis is forwarded for examination.

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APPROVAL LETTER

We, the undersigned, certify that we have carefully read the research project report submitted by Krishna Kumar Paudel and conducted the viva-voce examination of the candidate. We are fully satisfied with the quality and academic standard of the research project report. The candidate has defended her research work impressively. We, therefore, recommend that the research report entitled “IMPACT OF E-BANKING SERVICE QUALITY ON CUSTOMER SATISFACTION IN NEPALESE COMMERCIAL BANKS” be accepted as partial fulfillment of the requirements for the award of the degree of Master of Business Management (MBM) of Tribhuvan University.

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STATEMENT OF AUTHORSHIP AND ORIGINALITY

I hereby declare that I am the sole author of this master thesis and that I have not used any sources other than those mentioned in the bibliography section and enlisted as references. Sources are properly credited according to accepted standards for professional publications.

I further declare that I have not submitted this thesis in any form to any other institution to obtain a degree. This report was solely prepared by me for the purpose of partial fulfillment of requirements for the MBM degree of Faculty of Management, Tribhuvan University.

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Krishna Kumar Paudel

Date:

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ABBREVIATIONS

AMOS	Analysis of Moment Structures
AVE	Average Variance Extracted
CFA	Confirmatory Factor Analysis
CR	Composite Reliability
CS	Customer satisfaction
E	Error term
E-Banking	Electronic Banking
EBS	Electronic Banking Services
EF	Efficiency
EFA	Exploratory Factor Analysis
EFTS	Electronic Fund transfer Services
FL	Factor Loading
IBS	Internet Banking Services
ICT	Information and Communication Technology
IT	Information Technology
MBM	Master of Business Management
MBS	Mobile Banking Services
R	Reliability
RC	Responsiveness and Communication
S	Security and Privacy
SEM	Structure Equation Model
Sig	Significance
SPSS	Statistical Package for Social Science
TU	Tribhuvan University

EXECUTIVE SUMMARY

The purpose of this study was to examine the relationship between the dimensions of E-Banking service quality and customer satisfaction to determine which dimension can potentially have the strongest influence on customer satisfaction. Data were gathered using a survey instrument, which was distributed among bank clients in the Lebanese banking sector. The data were statistically analyzed using structural equation modeling with SPSS and Amos (20).

The findings show that reliability, efficiency, and ease of use; responsiveness and communication; and security and privacy all have a significant impact on customer satisfaction, with reliability being the dimension with the strongest impact. E-Banking has become one of the essential banking services that can, if properly implemented, increase customer satisfaction, and give banks a competitive advantage. Knowing the relative importance of service quality dimensions can help the banking industry focus on what satisfies customers the most.

The data collection for this research was done with the help of structured survey questionnaires conducted with 384 respondents by using the convenience sampling. The research questionnaire gathered demographic attributes like age, academic background, income and occupation of the respondents, as well as their impact of different service quality factors and analyzed it to derive their perception and satisfaction level. The collected was coded and recorded in SPSS and AMOS software to generate results. The statistical method used for this research implemented various methods of analysis including percentage, accumulation, cross tabulation, Chi-square, SEM and correlation for testing the validity and reliability of the formulated hypotheses.