

Chapter 5

Identification of

Items

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5.1 Items Identified through Literature Study:

Through a thorough literature study 12 factors were identified which were observed to have an impact on the service quality of online banking services. These factors are shown below:

1. Security/ Trust:

It is the degree to which a customer thinks that the bank takes care of the personal information collected from the customer. It is the willingness of the customer to transact online for their banking needs with an expectation that the bank will fulfil its obligations. It is the degree to which an individual believes that something or someone is reliable, effective, and safe and no financial loss will have occurred. This also includes assurance that the customer's personal information provided to the bank is being protected. This factor also includes clear and understandable instructions, the security of internet transactions, and length of internet experience. This factor includes the degree to which the site is safe and protects customer information.

2. Efficiency:

It is the ease and speed of accessing and using a site. It refers to the ability of the consumers to get to the website, search for information, and logout with minimal effort. It is the speed at which a transaction is completed through the bank's website/application. This factor relates to the degree to which the bank's website accurately promises about the services being delivered. It is associated with the technical functioning of the site, particularly the extent to which it is available and functioning properly.

3. Responsiveness:

It is the effective handling of problems through the site. It includes prompt responses to queries and resolving problems encountered during an online transaction and quick repair of the breakdown of the website. It includes providing individualized attention to the consumers of the online banking services. It also includes the availability of assistance through telephone or online representatives. It is the availability of a bank official to speak to if a customer is faced with a problem. It involves keeping consumers informed in a

language they can understand and listening to them, and the speed at which the bank resolves problems encountered by the customer.

5. Ease of Use:

This factor defines the degree to which it is easy for the customer to navigate services on the site. It is the speed and ease at which a service is delivered by the online bank service portal. It includes the ease to operate a site, easy to navigate services and attractive appearance of the site/ application. Ease of use describes how easily bank consumers can use a service. The lesser the effort to find a service in the website/application, the higher is the perceived ease of use of the online service by the consumers. It includes time-saving and convenient ways of doing bank transactions. It is the degree of ease of navigating through the website. It is the ease at which the site can be tailored to individual consumers' preferences. This can be done by displaying the frequently used services on the home screen of the website/ application.

6. Cost involved:

The degree to which an individual compares the utilities he/she will obtain from the use of technology with the financial cost he/she will have to bear for using such systems. This includes the cost involved in procuring the services such as cost of internet connectivity and the cost of a computer/ mobile phone. It also includes fee charged by the bank per transaction.

7. Reluctance:

It is the degree to which a consumer feels overloaded by the complexity of technology-related services. This renders consumers less receptive to them and may even lead to an aversion or anxiety toward these kind of services. It includes the lack of willingness to adopt technology, level of awareness of current trends, and insufficient training/instructions for internet banking. This factor shows why non-adopters are still using the traditional method of banking.

8. Behaviour Intention

It is an individual's actual intention to use some new technology or system. When there is a positive behavioral intention the person is more likely to use the system and vice versa.

9. Social Influence

It is the degree to which an individual feels that other people expect him/her to use a new system. Before the use of technology the individual is most likely to check if his/her friend or family members are using the technology or not and how much they are benefited with the use of the technology.

10. Satisfaction

This includes the degree to which a customer feels satisfied after the use of a service provided by the bank. It is the degree to which the services meet the consumers' expectation.

11. Gender

Most of the studies were conducted on the binary gender of the population i.e. male and female.

12. Education:

It is the education level of the customer who is availing the online banking services.

5.2 Results of the Delphi Study:

The Delphi method is now often used in many fields to measure and support forecasting and decision-making. The principal aim of the Delphi technique is to produce a trustworthy consensus opinion from a group of experts through an iterative questionnaire process with controlled feedback thrown in.

To filter the items accumulated through the literature study, three rounds of the Delphi technique were conducted where separate structured questionnaires were designed for each of the rounds. For conducting this Delphi technique, a total of 7 banks were selected based

on the ratings of the banks in the “World’s best banks 2019” list. Forbes issued the ranking in collaboration with market research firm Statista. The list is based mostly on customer satisfaction ratings, with banks scoring on general satisfaction as well as crucial factors such as financial advice, trust, fees, and digital services. The banks selected from that list are – HDFC bank, ICICI bank, Syndicate Bank, Punjab National Bank, Allahabad bank, and Axis Bank. State Bank of India did not make the Forbes list, however, SBI was the only Indian bank to appear on the Fortune 500 list (ranked at 221) and hence, was selected for the Delphi Technique. However, due to non-response, data couldn’t be collected from Punjab National Bank and Syndicate Bank.

In the first round the experts were asked to rate the identified factors on a 5point Likert scale, where 1 denoted strongly disagree and 5 denoted strongly agree. The rating was done to identify if the mentioned factors are capable to measure online banking service quality as per the experts. The factor gender was observed to be disregarded as a factor influencing online banking service quality perceptions. The experts were also asked to suggest any other factor that may influence online banking service quality. The following three factors were suggested by the experts in the first round:

1. Inclusive:

It refers to the containment of all online features or services in one app/ website

2. Timeliness:

It refers to getting a task done by the customer in the app/website within a reasonable time.

3. Grievance Redressal:

It refers to addressing the problem faced by the consumers as fast as possible.

The second round of Delphi study was conducted to verify the additional factors resulting from the first round. The experts were again asked to rate the factors on a 5 point Likert scale, where 1 denoted strongly disagree and 5 denoted strongly agree. The rating was done to identify if the newly identified factors are capable to measure online banking service quality as per the experts. The results denoted that the factors were essential in identifying the online banking service quality as perceived by a consumer. The third round

of Delphi study was conducted to verify the questionnaire again with the final selected items. The same rating scale was used as the previous two sessions.

After finalizing the items from the Delphi study the items derived were framed into a questionnaire, which was again tested with the help of a pilot study to analyse the reliability of the items. The final questionnaire was then framed for collection of data. The first objective of the study is to determine the factors of service quality of online banking services. To fulfill this objective the items of the questionnaire are subjected to factor analysis, the results of the same is shown in Chapter 6.