A COMPARATIVE ANALYSIS OF CUSTOMER SATISFACTION ON SELF SERVICE TECHNOLOGY CHANNELS BETWEEN STATE AND PRIVATE BANKS IN GAMPAHA DISTRICT

By

JAYASEKARA MUDIYANSELAGE THARAKA MADHUSANKA
EU/IS/2012/COM/79
INDEX NO: COM 1579

FCM 2095
Project Report
Library - EUSL

LIBRARY
05 JAN 2019
EASTERN UNIVERSITY, SRI LANKA.

A Project Report

submitted to the Faculty of Commerce and Management, Eastern University, Sri Lanka, as a partial fulfillment of the requirement for the Degree of Bachelor of Commerce Honours (B.Com Hons)

DEPARTMENT OF COMMERCE
FACULTY OF COMMERCE AND MANAGEMENT
EASTERN UNIVERSITY, SRI LANKA

2018

PROCESSE
Main Library, EUS

ABSTRACT

The last two decades in the banking industry has seen many developments to face the competition among its competitors. Technology is one field that banking industry focuses on for this competition. Nowadays self-service technology channels are the popular technologies used by banks. Self-service technology is the outcome of technological innovations and competition. The customers' satisfaction is also very important to face the challenges for the banks to cope up with other banks. Hence this research focuses on the satisfaction level of customers towards self-service technology channels provided by public and private sector banks in Gampaha district. The objectives of this study were, to find out the level of customer satisfaction on attributes of SST channels between state and private banks in Gampaha district and identify the level of overall customer satisfaction towards their SST channels. The primary data were collected from questionnaire method and the sample of 100 customers has been selected using random sampling method from two private and two public banks. From the analysis, it is found that with regard to satisfaction in SST channels, the customers of both sectors of banks are high level satisfied.

Also the customers are moderate satisfied on the security of SST channels provided by both state and private banks. It is suggested that both banks are should make attention on the security of SST channels. Therefore banks should develop its applications more security and privacy. Further, efficiency, ease of use, reliability and convenience of SST channels provided the high level of satisfaction to their customers. And the researcher proposes the banks must pay attention and plan to make the SST channel for all kinds of banking transactions.

Keywords: *Self Service Technology Channels, Customer Satisfaction, Banking Industry*

TABLE OF CONTENTS

Acknowledgement .... (i)
Abstract .... (ii)
Abbreviation .... (iii)
Table of Content .... (iv)
List of Tables .... (viii)
List of Figure .... (x)

Chapter One: Introduction 1-7
1.1 Background of the Study 1
1.2 Problem Statement 2
1.3 Research Questions 4
1.4 Objective of the Study 5
1.5 Scope of the Research 5
1.6 Significant of the Study 6
1.7 Limitations of the Research 6
1.8 Assumptions of the Research 6
1.9 Chapter Summary 6

Chapter Two: Literature Review 8-14
2.1 Introduction 8
2.2 Self-Service Technology 8
2.3 Self- Service Technology Channels 9
2.4 Customer Satisfaction 9
2.5 Service Quality on Customer Satisfaction 10
2.6 Self-Service Technology and Customer Satisfaction 12
2.7 Self-Service and Quality Attributes 13
2.8 Summary 14

Chapter Three: Conceptualization and Operationalization 15-21
3.1 Introduction 15
3.2 Conceptualization 15

3.3 Determinants of Customer Satisfaction on SST Channels 17
  3.3.1 Efficiency 17
  3.3.2 Ease of Use 17
  3.3.3 Reliability 18
  3.3.4 Convenience 19
  3.3.5 Security 19
3.4 Operationalization of Variables 20
3.5 Chapter Summary 21

Chapter Four: Methodology 22-26
4.1 Introduction 22
4.2 Research Design 22
4.3 Data Collection Method 22
  4.3.1 Primary Data 22
  4.3.2 Secondary Data 23
4.4 Questionnaire 23
  4.4.1 Part I Personal Information 23
  4.4.2 Part II Research Information 23
4.5 Method of Measurement 23
4.6 Sample Design 24
  4.6.1 Population 24
  4.6.2 Sample Selection 24
  4.6.3 Sample Size 24
  4.6.4 Sampling Method 25
4.7 Data Processing 25
4.8 Data Analysis and Presentation 26
4.9 Chapter Summary 26

Chapter Five: Data Presentation and Analysis 27-52
5.1 Introduction 27
5.2 Reliability Analysis 27
5.3 Data Presentation 28
  5.3.1 Frequency Distribution Analysis - Personal Information of Respondents .. 28

5.3.2 Frequency Distribution Analysis - Research Information of Respondents .35
5.4 Univariate Analysis 37
5.4.1 Efficiency..........37
5.4.2 Ease of Use 39
5.4.3 Convenience 41
5.4.4 Reliability 43
5.4.5 Security..........44
5.4.6 Overall Satisfaction 46
5.5 Mean Comparison Analysis 47
5.5.1 Mean Comparison between Demographic Factors and Customer Satisfaction 47
5.6 Chapter Summary..........52

Chapter Six: Discussion.......... 53-59
6.1 Introduction 53
6.2. Discussion on Personal Factors..........53
6.2.1 Gender of the Respondents..........53
6.2.2 Age of the Respondents..........54
6.2.3 Educational Status of the Respondents..........54
6.2.4 Profession of the Respondents..........55
6.2.5 Monthly Income of the Respondents..........55
6.3 Discussion on Research Variables 56
6.4 Implementation of Research Objectives 56
6.4.1 Discussion on Objective 1:..........56
6.4.2 Discussion on Objective 2:..........57
6.4.3 Discussion on Objective 3:..........57
6.4.4 Discussion on Objective 4:..........58
6.4.5 Discussion on Objective 5:..........58
6.4.6 Discussion on Objective 6:..........59
6.5 Chapter Summary..........59

Chapter Seven: Conclusion and Recommendation 60-62
7.1 Introduction 60
7.2 Conclusion..........60