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THE EFFECT OF ELECTRONIC BANKING SERVICE QUALITY ON CUSTOMER SATISFACTION: THE CASE OF ZEMEN BANK S.C

**A Research Project Submitted to the College of Business and Economics
of Addis Ababa University in Partial Fulfillment of the Requirements for the
Award of Master's Degree in Business Administration Finance**

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School of Graduate Studies

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This is to certify that the thesis prepared by Hana Nigussie entitled “The effect of electronic banking service quality on customer satisfaction: the case of Zemen Bank share company” which is submitted in partial fulfilment of the requirements for the degree of master’s in Business Administration in Finance complies with the regulations of the university and meets the accepted standards with respect to originality and quality.

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DECLARATION

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I the undersigned, declare that this thesis is my original work and has not been presented for a degree in any other university and that all source of material used for the thesis have been duly acknowledged.

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Abstract

The research is undertaken on the effect of electronics banking on the customers' satisfaction in Zemen Bank. Since customer satisfaction is a high priority as one of the goals of Zemen bank, this study aims to investigate the effect of e banking on customer satisfaction. This study has been explanatory research regarding purpose and/or research design. Qualitative and quantitative research approach was used. The statistical population consists of 384 customers of CBE. Moreover, structured questionnaires were used to collect the information. The questionnaires were developed in two sections by the researcher. Inferential and descriptive data analysis technique has been used. The validity of the questionnaire was confirmed by a group of experts. Furthermore, SPSS version 20 software has used to analyze the data. The major findings of this study were service performance and service security of e-banking has been significant factor on customer satisfaction. The researcher concludes that there was a linear relationship between e-banking and customer satisfaction. There is the need to create awareness and educate majority of the banking population or users on e-banking especially in mobile and internet banking as a recommendation.

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CHAPTER ONE

INTRODUCTION

1.1. Background of the Study

The world has become a global village, and practically everything has been accomplished thanks to technological advancements. The rise of information technology in the world is becoming a crucial factor in the potential development of organizations and sectors around the world. In the twenty-first century, the traditional banking system is gradually paving the way for alternative financial approaches. Luaran and Lin (2005).

Electronic payments have been implemented as a result of significant changes in the way payments are made, contributing to economic growth and social change. The Financial Institutions Electronic Payment Value Proposal addresses the transformation of financial services through the provision of open and functional financial products as well as the promotion of a productive and profitable business environment. With the adoption of electronic payments by nations, the benefit extends to economic growth, as it speeds up financial inclusion for developing countries by combining consistency, transparency, and accessibility. However, the move from cash to electronic payments is not smooth, and despite the compelling method, cash still accounts for the majority of global customer transactions. NBE (2020)

Financial institutions are being compelled to become digital since their competitiveness and long-term viability are dependent on the availability of quicker, faster, and more reliable payment options. All of these new developments, such as technological disruptions, rising customer demand, and strengthened regulatory environments, have compelled banks and other industry players to undergo Digital Transformations, which bring together the institution's various assets (people, process, and technology) to fully exploit the institution's capabilities. NBE (2020)

In Africa, electronic banking is starting to take hold throughout the continent. For example, according to Madueme (2009), Nigerian banks must choose between embracing electronic banking services and globalization in order to enhance effective service delivery that exceeds

consumer satisfaction. Companies that wish to grow while keeping their competitive edge must understand the importance of service quality and client happiness. In today's competitive climate, good service quality is the key to a long-term competitive edge. Customer satisfaction has a beneficial impact on the profitability of a business.

Repeat sales, brand loyalty, and favorable word of mouth from pleased consumers boost any business. Several models have been developed to assess the quality of service provided by businesses in various organizations. Because of their link to client happiness, it's critical to modify service quality models. E-banking is one of the most current venues for financial organizations to offer services. This technique was first launched in the mid-1990s, and it quickly gained popularity in developing countries, it has been used extensively. In developed economies, however, the spread is much more limited. As suggested by Classens, Glaessner, & Klingebiet (2002), developing countries in general have an advantage as they can learn from the experience of advanced economies.

Ethiopia's banking system now consists of eighteen commercial banks, two of which are state-owned and the rest of which are privately held. Following the financial sector's deregulation in 1992, private banks entered the business (Rahel, 2015). Despite the introduction of new companies into the sector, nothing has changed in terms of service offerings and distribution methods employed throughout the decades. While most of the rest of the world has embraced internet banking, Ethiopian banks have traditionally relied on physical locations to reach out to their clients. Banking technology advancements in industrialized economies stretch back to the 1960s and 1970s. By that time, much of the attention had shifted from manual and paper-based recordkeeping to electronic and paperless transactions. Information technology is becoming increasingly essential in the growth of the financial services business, particularly in the banking sector. The banking industry is centered on the sharing of knowledge, which primarily relies on information and communication technology, in order to gather, interpret, and transmit data to all relevant users (ICT).

As a result, information technology is critical not only for data analysis, but also for enabling the banking industry to differentiate its product (service) from competitors and therefore become a market leader. In this sense, the banking industry must constantly develop and update its service

dimension in order to satisfy the needs and requirements of individual clients while also guaranteeing that the service is quick, efficient, and lucrative. As a result, the development of the concept of electronic financial services, also known as "E-banking," is critical for day-to-day transactions to meet the expectations of customers (flexibility of financial services without paying more, and the ability to conduct transactions wherever, whenever, and however the customer desires) and internal users (employees) through facilitated workflow. The aim of the study is to assess the effect of electronic banking service quality on customer satisfaction: the case of Ethiopia. The study is going to be conducted in the case of Zemen Bank S.C.

1.2. Statement of the Problem

In a competitive environment, service quality is the most essential measure that must be prioritized if a firm wants to outperform its competitors. This is especially true in the service industry, as customers are directly involved in ensuring that the firm outperforms its competitors and delivers exceptional service. Customer satisfaction is obviously a crucial factor in winning this competition, since it is closely connected with the quality of services supplied by competing businesses. Salman et al (2010)

Electronic banking was introduced into the banking sector to increase bank profitability by introducing service quality and customer happiness. Customers may perceive this technology as just another branch rather than a new distribution channel unless it improves customer loyalty over traditional brick and mortar locations. Electronic banking, according to Daniel (1999) and Mols (1998), provides a competitive edge over traditional banking by decreasing costs and offering the greatest client satisfaction.

Ling & Wang (2006) explains "customer satisfaction could be considered a comparative behavior between inputs beforehand and post obtainments". This implies customer satisfaction measures how well an organization's product or service meets or exceeds customer expectations. These expectations often reflect many aspects of the firm's activities, such as its products or services, physical environment, facilities, staff behaviors/ performance etc.

In spite of the increasing adoption of e- banking and its relevance towards customer satisfaction in the Ethiopian banking industry, the above-mentioned empirical study or research has been

conducted in understanding factors of e-banking service provision that prime to customer satisfaction. Although, there are some empirical researches which focus on the challenges and opportunities of e-banking to adopted; they have not been assessed the customer side effect of e-banking in Ethiopia. The researcher here want to answer the above problems mentioned and findings touching them that was to investigate the “impact of e-banking service quality on customer satisfaction” have been recommended by previous researchers for future study, this research mainly focus on to know customer view about e-banking service quality, and to see the affiliation of e-banking variables listed by other researchers which causes customer satisfaction in e-banking would look like in the study area and the researcher believes that previously no research has been done in this specific topic in the city to provide empirical evidence of the effect on customer satisfaction of e-banking. Therefore, this study tries to fill the gap of empirical research by conducting a study on effect of electronic banking service quality on customer satisfaction in the Zemen Bank.

So far, no concrete study has been carried out in Zemen bank S.C. regarding neither the e-banking attributes in general, nor on the customer satisfaction in this matter, which successively has a negative effect on the success and overall image of the bank. No tangible framework is set by the bank for monitoring and evaluation practice of e-banking projects. Therefore, there is a need to conduct a profound study to identify key challenges and problems for proper implementation of monitoring and evaluation process. This research is intended to investigate the existing practice of monitoring and evaluation process of Zemen Bank S.C. and recommend on the problems that are currently observed.

This research is conducted to know the satisfaction level of customers in e-banking service with reference to Zemen Bank, by identifying factors that contributes towards customer’s satisfaction. The study is unique in its regard that no substantial study has been conducted before till date in Ethiopia. Hence, the researcher believe it will bridge this gap & serve as a foundation work for future researchers interested in the area. The study aims to understand customers concern and identify areas that needs improvement that will have a direct impact on increasing the satisfaction level of customers.

1.3. Research Questions

The research questions of the study are presented below:

1. What does service reliability of e-banking affect customer satisfaction?
2. What does transaction efficiency of e-banking affect customer satisfaction?
3. What does performance of e-banking affect customer satisfaction?
4. What does ease of use of e-banking affect customer satisfaction?
5. What does service security of e-banking affect customer satisfaction?

1.4. Objective of the Study

1.4.1. General Objective

The general objective of the study was to explore the effect of e-banking attributes on customer satisfaction in the case of Zemen Bank S.C.

1.4.2. Specific Objectives

The specific objectives of the study are:

1. To examine the effect of service reliability of e-banking on customer satisfaction;
2. To find out the influence of transaction efficiency of e-banking on customer satisfaction;
3. To determine the effect of service security of e-banking on customer satisfaction;
4. To determine the effect of service performance of e-banking on customer satisfaction;
5. To examine the effect of ease of usage of e-banking on customer satisfaction.

1.5. Significance of the Study

To incorporate these perceptual qualities into their mobile banking in order to fulfill the communication goals effectively and to maximize the potential of mobile banking in terms of utilization of banking services and their link with consumer satisfaction. The importance of this study is highlighted by the fact that the vast majority of prior mobile banking studies were not conducted locally and so could not be anticipated to represent the same scenario circumstances as those seen in Ethiopia, The findings of this study will give Zemen Bank a new perspective on important mobile banking attributes and provide directions for understanding their relationship

with customer satisfaction, allowing the banking industry, marketers, and mobile banking designers to better understand consumers' satisfaction with mobile banking.

It is beneficial to the management of an organization by providing information about important mobile banking attributes and providing directions for understanding their relationship with consumer satisfaction, and most importantly, it is beneficial to the banking industry, marketers, and mobile banking designers by providing information about the satisfaction that mobile banking provides to customers.

Furthermore, it will serve as a point of reference and a stepping stone for those researchers who wish to undertake additional research in the field. Additionally, the study may be utilized as an initiation for those who like to conduct a comprehensive investigation and a thorough investigation

1.6. Scope of the study

The research is conducted in six distinct branches of Addis Ababa for the goals of this investigation. Participants were chosen for the study based on their willingness to participate and whether or not they are accountable for their bank account. Only dependability, transaction efficiency, service security, simplicity of use, and performance e-banking service quality are considered in this study. The research employed a quantitative method and included both primary and secondary data. The location of the questionnaire used to collect data was chosen as part of the survey research method. It also utilized a structured survey with official lists of questions that were asked in the same way to all respondents.

Because Zemen Bank is extensively operational in the banking industry, it was the sole option for the purpose of the study. As a result, the study's primary goal was to determine the link between service dependability and customer happiness. The reason for this in-depth examination of the connection is because Zemen Bank is known for catering to high-end clientele who want excellent service and are unconcerned about the cost. This makes it difficult to monitor risk, and the bank was unable to do so due to the infrastructure inability to offer all services without glitch.

Infrastructure is the most essential resource for every business, but it is especially vital for banks because they rely on data. Employees, management, and sales agents all play critical roles in the

company's service delivery. It's rare in this sector for a day to go by without a system outage. As a result, the firm is unable to provide the required service to its clients. The firm made no attempt to enhance the system's efficiency. There was no survey done to assess the efficacy and efficiency of employees, management, and sales representatives in providing the needed services.

1.7. Organization of the Study

The first chapter presents an overview of the study it consists of background of the study, statement of the problem, objective of the study, research question, hypothesis of the study, definition of terms, significance of the study, scope of the study and organization of the study. The second chapter presents a survey of the literature, as well as ideas, definitions, and a conceptual framework. The research approach utilized to explore the research topic is discussed in detail in Chapter 3. The sample size and design, as well as the research tools and statistical methodologies utilized to evaluate the data, are all highlighted. The fourth chapter focuses on the research study's expected outcomes. Summary, conclusion, limitation, and recommendation will be discussed in Chapter 5.

CHAPTER TWO

LITERATURE REVIEW

2.1. Theoretical Review

2.1.1. Definition: E-banking

Electronic banking refers to the distribution of bank information and services to clients via various delivery channels that may be accessed by various electronic devices such as a computer, a mobile phone with browser software, a phone, or a digital television.

Electronic banking is defined as an "online interface through which consumers may access many types of financial services ranging from bill payment to making investments" (Pikkarainen et al, 2004). Aside from cash withdrawals, electronic banking allows clients to conduct a variety of financial transactions with the click of a mouse (De Young, 2001). With the advent of globalization and fiercer competition, the use of electronic banking as a means of financial institution distribution has evolved into a competitive instrument rather than merely a means of achieving a competitive advantage of preference (Flavián et al, 2004; Gan and Clemes, 2006).

Electronic banking (Timothy, 2012) refers to the use of the Internet as a remote delivery channel for providing services such as establishing a bank account, moving cash between accounts, and electronic bill presentation and payment. This can be done in one of two ways. A bank with physical locations can create a website and offer these services to its customers in addition to the traditional methods of payment. The second option is to set up a virtual bank, with the PC server placed in an office that acts as the bank's legal location. Banks provide their customers with the ability to deposit and withdraw cash using ATMs (Automated Teller Machines) or other remote conveyance channels claimed by various foundations, for which a fee is charged (Ahasanul et al., 2009). Electronic banking is a new way of receiving banking services.

There are several definitions for e-banking, all of which explain the same concept. Some of these definitions are shown in the next section. E-banking is a type of banking service in which monies

are exchanged between financial institutions using electronic signals rather than cash, cheques, or other negotiable instruments (Kamrul, 2009).

E-banking, often known as electronic money transmission, is a type of online banking (EFT). It's simply the use of electronic means to transfer funds from one account to another instead of using a check or cash (Malak, 2007). Online/internet banking, often known as e-banking, is the use of the internet as a remote delivery route for financial services (Furs t& Nolle, 2002, p.5).

E-banking is the use of a computer to obtain and process banking data (statements, transaction details, and so on) and to initiate transactions (payments, transfers, service requests, and so on) directly with a bank or other financial service provider through the internet. It should be remembered that electronic banking encompasses more than just online banking.

There are number of reasons for which customer's satisfaction on e-banking has been improved.

Customers may withdraw and transfer funds at any time and from any location. Technological advancements have increased accessibility by allowing clients to do business from their homes and offices. It makes banking transactions and operations very simple to comprehend. Direct control with the bank is not required because services may be performed anywhere the consumer desires. It has decreased the customer's waiting time; there is no need to stand in a large line. Employee availability is not necessary at all times because these services are available 24 hours a day, seven days a week. Internet-based services have allowed corporate and retail consumers to do business from their homes, offices, and while on the road. Online fund transfer allowed customers to move monies at the same time from one bank to another or inside the same bank. E-banking has enhanced communication and engagement between the bank and the client. In general, we can say that e-banking has become a popular way to conduct financial transactions and improve consumer satisfaction.

2.1.2. Benefits of E-banking

Branding that is competitive, as well as a deeper understanding of market expectations. If a bank is recognized for its technological advancements, it improves their image as a brand that they like. E-banking has the potential to replace time-consuming and ineffective banking practices.

Electronic banking has created a global open door for banks and businesses, as seen by the manner they handle financial transactions (Michael and Jen (2006). Customers who use electronic banking may check their accounts, transfer money, and use a variety of banking goods and services. Customers are not required to visit banks in order to do business (Cheng et al., 2006).

2.1.3. Service Quality

Because perceived product quality is becoming the most significant competitive aspect in the corporate world, the current business age has been dubbed the "Quality Era" (Bedi, 2010). It is currently the most potent competition weapon and the lifeblood of the company. The consumer's overall attitude or evaluation of the service's overall excellence or superiority is referred to as perceived service quality. It is the outcome of customers comparing their expectations with their impressions of service (Caruana& Malta, 2002). That is, it may be defined as the degree of mismatching or disagreement between the service provided and the customer's expectations (Parasuraman, Zeithmal, & Berry, 1988). Delivering quality service means conforming to customer expectations on a consistent basis (Thakur, 2011).

Service quality is currently one of the most popular study areas in the field of services. It is critical for service providers to comprehend how clients assess service quality. Customers evaluate the quality of their experience with their past expectations when they consume a product, resulting in pleasure or dissatisfaction. As a result, instead of adopting manufacturing quality ideas, eservices marketing researchers concentrated their efforts on establishing a service quality concept based on customer behavior (Dhandabani, 2010). As a result, it was established that consumers assess service quality by comparing actual performance to service expectations (Thakur, 2011).

2.1.3.1. Reliability

It involves two concepts, dependability and uniformity in performance. Reliability also means worship the promises in areas such as billing accuracy, proper record maintenance and delivering the service within acceptable time limit (Saha and Zhao, 2005). It also “refers to the correct technical functioning of a self-services technology and the accuracy of service delivery”

(Weijters et al., 2005). Many authors have detected that reliability is significant in the determination of service quality (Bagozzi, 1990; Davis et al., 1992; Parasuraman et al., 1988; Zeithaml & Bitner, 2000).

In addition, Cronin & Taylor (1992) suggested that reliability is the most critical characteristics for customers in the assessment of service quality. Zeithaml and Bitner (2000) advised that customers should be specifically influenced by the reliability of new technology because they might be associated with risks such as the technology mal functioning. Parasuraman et al. (1988) also considered reliability of the service as an important factor of service quality. Research on the use of computers or technologies which share similar characteristics also affect performance (or dependability) as it is an important attribute (Davis et al., 1989; Bagozzi, 1990; Davis et al., 1992).

Finally, Dabholkar (1996) in his study revealed that reliability and accuracy are appropriate measure for assessing service that has to do with technology. This shows that if there is no technology reliability, the customers may not use it and doing things very well. So, we can conclude that reliability has a positive impact on customer satisfaction using e-banking service based on the literature review assessed.

2.1.3.2. Transaction Efficiency

Customers' ability to use any e-banking service, discover the desired product and accompanying information, and check out with little effort is referred to as transaction efficiency. Transaction efficiency may alternatively be defined as e-banking performance based on the following factors: current information, response time, download time, comprehensive product information, tutorial/demonstration, and assistance function (Leelapongprasut et al, 2005).

2.1.3.3. Service Security

This is an important factor for e-banking users against their account information guarantee that the record showing banking activities and security of account information is not shared (Yang and Fang 2004). According to Madu (2002) indicated that security is another common interest of customers to decide usage of Internet banking. So, while the privacy of customers is not well

kept with the given bank the service offered; the customer will totally cease their usage. Pavlou (2003) study indicated that security concerns kept both bankers and customers away from e-banking. Polatoglu and Ekin (2001) also indicated that risk in terms of financial, physical and social characteristics was the main cause of slow growth of internet banking usage.

Clottey and Collier (2008) in their study also found out that most individuals had faint knowledge and understanding of online banking security risks though they know of the risks. A further finding shows that individuals are aware that their bank will protect their privacy hence their strong confidence in their bank but have a weak confidence in technology use for online banking. Oliver (1981) stated in the findings that security issues are the major factor preventing customers from using the Internet for financial transactions. The study further concludes by indicating that customers do not see the benefit of using the internet for commerce and that an educational campaign would be needed to make new internet offering successfully (Oliver, 1981). Finally, Churchill (1982) indicated that one of the most important future challenges facing individuals or customers of a bank is the fear of higher risks associated with using the Web for banking and financial transaction.

2.1.3.4. Ease of Life

Davis (1986) noted while the technology is no need of more effort, therefore it would have a power of acceptance by its users. Literally, Davis defined ease of use as “the degree to which a person believes that using a particular service would be free of effort” (Davis, 1989). Dabholkar (1996) also indicated that when there are different technologies in choosing them option, customers likely to take the one which is ease to use. Later, Davis et al. (1989) and Bagozzi (1990) discovered that effort and complexity were the face of one coin in the “ease of use” attribute. As we understand from both authors, ease of use is also an important contribution to individuals that use computer or similar technologies.

Additionally, Guriting (2006) surveyed the determinant to use internet banking in Malaysia Borneo. The researcher found out that “the perceived ease of use and perceived usefulness factors are considered to be fundamental in determining the acceptance and use of various information technologies” Dabholkar (1996) supported that most persons are concerned about ease of use in so as to save time and effort but also to reduce social risk. Szymanski and Hise

(2000) posited that “convenience” is similar to the element “ease of use” (Dabholkar & Bagozzi, 2002). In the views of the authors, convenience looks to be an essential factor of satisfaction with internet banking.

2.1.3.5. Performance

According to Timothy, (2012) it deals with getting Availability to help ATM, Phone access, E-mail access, and account access when abroad. It involves approachability and ease of contact (Timothy T. 2012). The major motivator for internet banking examined by US survey is access which it can provide time saving and 24/7 access (Pew, 2003). Furthermore, the adoptions of e-banking have been linked to high levels of workplace internet use (Durkin, 2004). Access has increasingly been linked to internet customer choices. With more convenient way, online banking also permits consumer to have direct access to their financial information and to undertake financial transactions (Rotchanakitumnuai and Speece, 2003). The banking industry is now utilizing the new communication media (internet) to provide its flexible services to the customers with easy and convenience (Haque, 2009).

2.1.4. Customer Satisfaction

Although there are numerous articles on customers’ satisfaction, there is no unique or common definition in theoretical literature. According to Jamal, (2004) noted that during the last four decades, satisfaction was considered as one of the most important theoretical and practical subjects for most of the marketers in this field. Generally, there are two different perceptions for customers’ satisfaction: cumulative satisfaction and exchange satisfaction (Olsen & Johnson 2003). Cumulative satisfaction means that customers’ satisfaction is not only based on recent shopping experiences, but also customer evaluation on all of his/her shopping experiences (Johnson, M. D., & Fornell, C. 1991). Exchange satisfaction refers to customers’ satisfaction of product evaluation based on recent experiences (Oliver 1997). Today, cumulative satisfaction is used in most customers’ satisfaction research (Gupta, S. & Zeithaml, V. (2006).

Customer happiness is viewed as a significant differentiator in a competitive market situation where firms fight for consumers, and it has increasingly become a fundamental aspect of company strategy. It's regarded as a significant performance indicator in the business world, and

it's frequently included in a Balanced Scorecard. As a result, it's critical for businesses to effectively manage customer satisfaction. Organizations need reliable and representative satisfaction measures to do this.

When companies conduct satisfaction surveys, they often question customers if their product or service met or surpassed their expectations. As a result, one of the most important factors in determining happiness is expectations. When customers have high expectations and the reality falls short, they will be disappointed and will likely rate their experience as less than satisfying.

Cumulative satisfaction has more influence in the banks performances and services and is necessary for predicting the behavior of customer shopping (Parasurman et al., 1998). By considering these two perceptions, there are many definitions for customers' satisfaction. In 23 academic literature, customers' satisfaction is defined as a function of the difference between past experiences and current perceptions based on shopping (Churchill, G.A. J. & Surprenant, C. 1982). Based on Jamal and Nasser (2003) also defined customers' satisfaction as a feeling or attitude in the customer related to one service or product after using it. Customers' satisfaction can be defined as evaluating one product or service based on customer needs and perceptions (Oliver 1980). As such, customer satisfaction is the customer perception of meeting his/her expectations after using the product which influences future behavior (Adamson et al., 2003)

2.1.4.1. Customer Satisfaction in Banking

Customer satisfaction is a critical element in determining whether or not a customer would leave or stay with a bank. Keeping consumers, on the other hand, is based on a variety of different things. These benefits include a broader selection of service options, more convenience, lower costs, and increased earnings (Thakur, 2011).

In a competitive market like the banking sector, differentiation is practically impossible, according to (Ioanna, 2002) referenced in (Thakur, 2011). Banks all across the world provide almost identical services. As a result, bank executives frequently use service excellence to set their company apart from rivals. In the banking sector, service quality is a critical factor that influences client happiness. In general, quality in banking is a multidimensional term that

encompasses many forms of convenience, reliability, service portfolio, and, most importantly, the people offering the service (Storbacka et al., 1994). (Thakur, 2011).

Minimum price with maximum use and profit always leads to a greater degree of satisfaction (Jamal and Kamal, 2004), as mentioned in (Afsar, 2010). Dissatisfaction is common when price does not match the demands of the customers. Interest rates on loans, fees for using online services such as ATM machines, and the processing fee are all important sources of contention between banks and their clients in the banking sector. Customers switch if they believe the prices are more than they should be for their requirements. The banking sector is currently extremely competitive, as it has become far too easy to create an account with any other bank, resulting in very low switching costs. However, if a client is happy, loyalty develops naturally, and the consumer stays with their present banker for longer and longer periods of time (Fox & Poje, 2002). (Afsar , 2010).

2.1.4.2. Measuring Customer Satisfaction

Customer satisfaction is measured on an individual basis, although it is nearly typically reported as a group. Customer satisfaction is a nebulous and abstract term, and how it manifests itself varies from person to person and product to product. The level of satisfaction is influenced by a variety of psychological and physical factors that are linked to satisfaction behaviors like return and recommend rate. The level of satisfaction might also vary based on the customer's other alternatives and other items against which the organization's offerings can be compared (David, 2010).

It is also widely acknowledged that, due to the specific characteristics of services, assessing service quality is more challenging than measuring product quality. The following are the primary features of services in general and financial services in particular (Parasuraman, Zeithmal, and Berry, 1988):

The majority of researches discovered that service quality is a predictor of customer happiness (Bedi, 2010; Kumar et al., 2010; Kumar et al., 2009; Naeem and Saif, 2009; Parasuraman et al., 1988). Customer service and happiness are widely acknowledged as the most essential criteria in attracting and keeping bank customers (Jamal, 2004; Armstrong and Seng, 2000; Lassar et al.,

2000). One of the important success elements that influences an organization's competitiveness is service quality. By offering high-quality service, a bank may set itself apart from its competitors. Over the last decade, one of the most appealing areas for studies in the retail banking business has been service quality (Avkiran, 1994; Stafford, 1996; Johnston, 1997; Angur et al., 1999; Lassar et al., 2000). Customer satisfaction, according to (Tse & Wilton, 1988), is the consumer's reaction to the perceived disparity between past expectations and the product's actual performance.

2.2. Empirical Review

Several relevant investigations are being carried out by various researchers in various regions of the world. However, just a few research on e-banking technologies have been done in Ethiopia. In particular, (Gardachew, 2010) investigated the benefits and drawbacks of e-banking in Ethiopia. The research looked into the current state of electronic banking in Ethiopia, as well as the key obstacles and possibilities associated with developing an e-banking system. The author conducted a survey on banks' current operating styles and identified some barriers to using the e-banking system, including a lack of appropriate legal and regulatory frameworks for e-commerce and e-payments, political instability in neighboring countries, high rates of illiteracy, and the lack of financial networks that connect different banks.

Wondossen & Tsegai (2005) looked at the problems and potential of e-payments in Ethiopia, with the goal of learning more about e-payment practices in poor countries. The authors used interviews and on-site observation to investigate e-payment challenges in Ethiopia, and discovered that the main barriers to the development of e-payments are a lack of customer trust in the initiatives, a lack of payment laws and regulations, particularly for e-payments, a lack of skilled manpower, and frequent power outages. A proper legal structure and security environment, according to Wondwossen & Tsegai it might encourage the usage of e-payments, which contradicts the previous study's findings.

Based on Tornatzky and Fleischer's technology-organization environment model (TOE), a research framework was created. According to the findings of the study, the primary hurdles to electronic banking adoption include security risk, a lack of confidence, a lack of legal and

regulatory framework, a lack of ICT infrastructure, and a lack of competition between local and international banks.

The research recommends a number of steps that the banking sector and government might take to solve the issues identified. These steps include providing a clear legislative framework for the use of technology in the banking business, investing in ICT infrastructure to support the banking industry, and focusing banks on technological innovation competition rather than conventional retail bank rivalry.

Furthermore, at two private banks in Gondar city, (Assefa, 2013) did research on the influence of e-banking on customer satisfaction. This study was confined to clients of two private banks, and the researcher used descriptive and inferential statistics to analyze it. The study's findings indicated that the majority of e-banking users are young, educated, salaried, and students, that business men and women are not actively using the service, that e-banking is currently available only for saving and current account holders, that e-banking reduced the frequency of bank hall visits for banking services, that e-banking reduced customer waiting time, that e-banking enabled customers to control their account movements, and that there is a significant opportunity to expand e-banking

The study by (AlaEddin & Hasan, 2011) on e-banking functionality and customer satisfaction results in Jordanian commercial banks seeks to evaluate the adoption of e-banking functionality and the impact of e-banking on customer satisfaction outcomes in Jordanian commercial banks. Customers with the required demographic parameters (e.g., gender, age, and computer use), prior internet experience levels, and product-related knowledge were recruited using a purposive sample approach. The study found that e-banking adoption (accessibility, convenience, security, privacy, content, design, speed, fees and charges) improved consumer satisfaction at Jordanian Commercial Bank. In their study in Singapore, Gerrard and his colleagues found that risk is a significant element in Internet Banking adoption. All of the respondents who did not utilize online banking had a poor impression of the security of the service. When utilizing the internet, the respondents said there were several security concerns. They were concerned about their privacy, believing that all of their financial information may be compromised.

The study (Kerem, 2003) on the adoption of electronic banking: underlying consumer behavior and critical success factors conducted in Estonia was designed to learn more about how consumers perceive electronic banking during the heyday of interactive channels in Estonia, as Estonia is known internationally for being a leader in the acceptance of new technologies. In Estonia, a series of in-depth interviews with key industry professionals were undertaken. The responder was chosen based on their involvement in the development of Internet banking systems from the beginning.

The survey performed for this study looked at six distinct factors that influence Internet banking adoption (Better prices, Recommendations, Better service, marketing efforts, better access and higher privacy). The most essential aspects to consider when beginning to utilize Internet banking are greater access to services (convenience), lower pricing, and more privacy. Better service (i.e., preferring self-service than office service) was also ranked higher than average. Bank marketing operations and personal recommendations from friends and colleagues were two variables that respondents did not feel important to their adoption choice. Also, according to the survey (results of a preliminary study, 100 respondents), the most important factors discouraging the use of Internet banking are lack of Internet access and not having a chance to try (computers are difficult, no access to the internet, internet banking is expensive, low security, have had no chance to try, and preference of personal contact). Finally, if the overall infrastructure, economic climate, and government measures are not favorable, banking operations alone may not be sufficient to achieve growth.

The study's goal was to collect data from Ethiopia in order to test hypotheses about the factors that influence Internet banking adoption and compare the results to those from other countries. The study employed an online questionnaire to obtain empirical data, and the findings suggest that attitudinal variables, as well as perceived behavioral control elements to a lesser extent, can predict intention to use internet banking, but not subjective norms. Except for banking needs, all attitude elements are shown to be significant, with complexity and risk indicating a negative connection.

Five service quality dimensions, namely reliability, responsiveness, assurance, empathy, and tangibles, are established based on the SERVQUAL model and the literature review in (Jannatul,

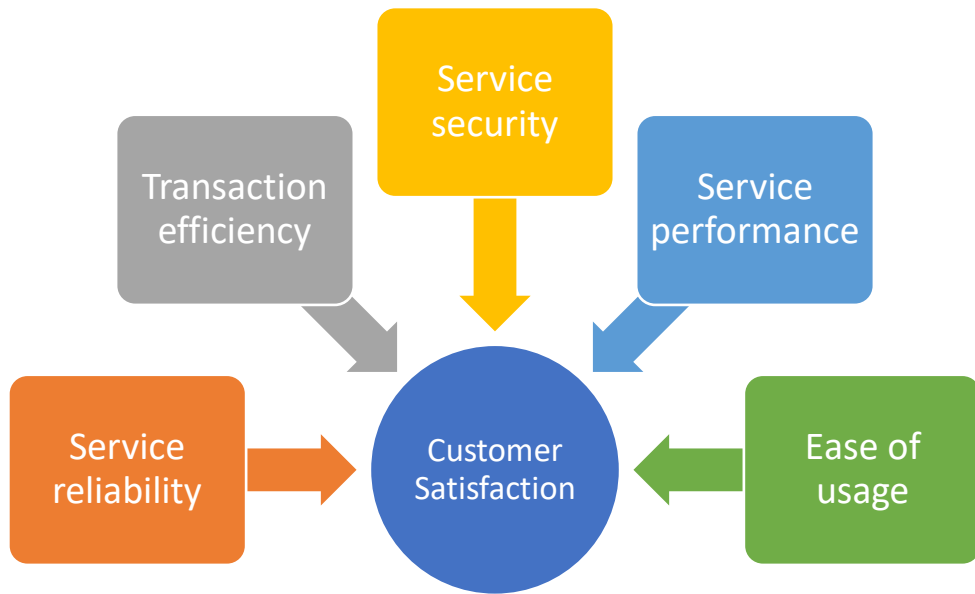
2009) study of e-banking & customer satisfaction, which focuses on understanding the effect of e-banking variables on customer satisfaction in Bangladesh. In e-banking, these factors are examined to see if there is a link between service quality and client happiness. A standardized questionnaire was used to collect data from 250 consumers during a survey interview. These are the main service quality parameters for customer satisfaction in e-banking, according to the study.

In general, most e-banking-related research are too distant for our situations, and even a study (Assefa, 2013) that is determined to be comparable to the current issue but was done qualitatively overlooks state-owned e-banking clients. This study is aimed to evaluate the influence of e-banking on customer satisfaction in six selected branches of Zemen Bank S.C. to address the existing gap in the literature, methodology, and question of representativeness.

2.3. Conceptual Framework

Customer happiness is heavily influenced by service quality (Cronin and Taylor, 1992). Customer satisfaction, in turn, is thought to influence post-purchase behavior, perception, and future decisions. The link between service quality factors and customer satisfaction may be illustrated as follows, based on the literature review. The five Service quality dimensions used in this conceptual model were chosen from Parasuraman's study in (1988) using 10 service quality characteristics, Parasuraman et al. (1985) performed study on several service organizations (Bank, Hotel, Electrical Corporation, Hospital, Transportation) (tangibility, reliability, responsiveness, communication, access, competence, courtesy, credibility, security, and knowledge). Later study was done by Parasuraman et al., (1985), and the 10 dimensions were purified and refined into five dimensions (tangibility, reliability, responsiveness, assurance and empathy). The applicability of each service quality component to diverse service companies was the rationale for reducing the 10 aspects to five. Therefore, this convinced the researcher to use the model of Parasuraman et al., (1988)

Figure 1: Conceptual framework of the effect of customer service quality on customer satisfaction.



Source: Parasuraman et al., (1988).

CHAPTER THREE

RESEARCH METHODOLOGY

3.1. Research Approach

The researcher wants to answer specific questions that can help the researcher analyze the data presented. Since objectivity is essential, both quantitative and qualitative research methods were used. It requires gathering and translating data into numerical form in order to conduct statistical calculations and draw conclusions.

Data is gathered by various methods in accordance with a strict protocol and then prepared for statistical analysis. Objective ideas can be tested using both qualitative and quantitative approaches. This can then be calculated using instruments, resulting in numbered data that can be analyzed using statistical procedures (Creswell, 2008). The relationships between electronic banking service quality and customer satisfaction using inferential statistical approach, the assumptions that generalize to the population from a selected sample, and the assumptions that generalize to the population from a selected sample are all important to understand when collecting and analyzing data using a quantitative approach (Trochim, 2006).

3.2. Research Design

In the instance of Zemen Bank S.C., the major goal of this study is to analyze and determine the link between e-banking service quality and customer happiness. As a result, in order to uncover the cause-and-effect link between e-banking service quality and customer satisfaction, this study used an explanatory research methodology. To determine causality, notice variation in the variable that is thought to be responsible for the change in the other variable(s), and then measure the changes in the other variable(s). Other confounding effects must be accounted for so that the results are not skewed, either by maintaining them constant during the experimental data collection process or by utilizing statistical approaches. When dealing with people's views and motives, this sort of study is extremely complicated, and the researcher can never be absolutely confident that there are no other factors impacting the causal link. Many times, even the respondent is unaware of much deeper psychological concerns.

An explanatory research design, according to Creswell (2012), is a correlational design in which the researcher is interested in the extent to which two or more variables co-vary, or where changes in one variable are mirrored in changes in the other. Explanatory research methodology is applicable since this study tries to examine the influence of Advertising components (Independent variable) on purchase intention (Dependent variable).

3.3. Data collection Method

In order to collect firsthand data, a questionnaire will be created and distributed based on a review of relevant literature relevant to the study's topic. As a result, questionnaires were created as a method to gather data for this study. The study included two types of structured questionnaires: open-ended and closed-ended questions. The combination of open-ended and closed-ended surveys ensures the collection of quantifiable data. In order to collect qualitative data from customers regarding their perceptions of the impact of advertising on purchase decisions, both open-ended and closed-ended questions were used. As a result, surveys are created to concentrate on the impact of advertising on customer purchasing behavior. The questionnaire includes a 5-point Likert scale ranging from 1 to 5, with 1 indicating a strong level of disagreement and 5 indicating a high level of agreement. During the administration of the questions, the researcher asked the respondents to indicate the most appropriate response. Respondents are also expected to respond as quickly and intelligently as feasible.

3.4. Population of the study

All individual customers who were occasional and/or frequent users of Zemen Bank, who are either men or women aged 18 and above and had at least a foundation education, were included in the study's target group. The study's population was assumed to be limitless because the number of consumers could not be established. The sole target place where the service was accessible to acquire the respondents' data was Addis Ababa.

3.5. Sampling technique

Convenience sampling was employed in this study, in which demographic components were chosen in the sample based on convenience of access or respondents were chosen because they

happened to be in the right place at the right time. The researcher made contact with the target element in Addis Ababa, who agreed to take part.

3.6. Sample size

The following sampling formula for infinite population was used to come up with the sample size.

$$n_0 = \frac{Z^2 pq}{e^2}, \text{ where}$$

n_0 -Sample size

Z – z value at specified confidence interval, e.g., z=1.96 at 95% CI

p – Degree of variability (0.5)

q – Q=1-p (0.5)

e – Desired level of precision ($\pm 5\%$)

Where n_0 is the sample size, Z is the z value of the normal curve that cuts off an area at the tails (1 –) equals the desired confidence level, e is the desired degree of accuracy, p is the estimated proportion of an attribute that is present in the population, and q is 1-p. The value for Z may be found in statistics tables that show the area beneath the normal curve.

As an example, assumed p=.5 since there was a big population and we didn't know the fluctuation in the proportion of people who followed the practice (maximum variability). Furthermore, a 95 percent confidence level and a 5% accuracy level were needed.

$$n_0 = \frac{Z^2 pq}{e^2} = \frac{(1.96)^2 (0.5) (0.5)}{(0.05)^2} = 384.16 \approx 384$$

3.5 Source of Data

Primary source of data was the major data source of the study. Customer surveys were used to get primary data. The researcher looked at both primary and secondary data sources throughout the investigation. The key data, which is directly relevant to the goal, was obtained through a consumer survey to determine the impact of e-banking service quality on customer satisfaction. Secondary data relevant to the aim was gathered informally from censuses, information collected by government departments, organizational records and data.

3.7. Methods of Data Analysis

The information was gathered, verified, and full questionnaires were identified. The information is then entered into SPSS (a statistical software for social research) and coded according to the variables chosen and the questions answered. The descriptive and inferential statistics were used to analyze the data. The data was processed using version 20 of the SPSS statistics (Statistical Package for Social Scientists) program.

3.7.1. Descriptive statistical Analysis

The necessary demographic information was compiled into a final report using central tendency measures (frequency and frequency distribution, valid & cumulative percentage and comparison of mean). With the aid of SPSS, tabular explanations are also utilized to present the results.

3.7.2. Inferential statistical Analysis

Using the statistical package for social sciences (SPSS) software, correlation and multiple linear regression techniques were used in inferential statistical analysis. The next sections discuss how to utilize these statistical tools and how to present them.

A. Correlation

The degree and direction of a link between two variables is described by correlation (r). Pearson product moment correlation was employed since all variables are assessed on an interval level. The result of the correlation coefficient " r " is always between -1.0 and $+1.0$, and if " r " is positive, the variables have a positive connection. If it's negative, the variables have a negative

connection. The significance threshold for computing a correlation should be set at 95% with an alpha value of 0.05, or a likelihood of occurrence of an unusual correlation should be 5 out of 100 observations.

B. Multiple Regression Analysis

Multiple regression analysis is a major statistical tool for predicting the unknown value of a variable from the known value of variables. And it is about finding a relationship between variables and forming a model. The Model for this study was developed using five mobile banking factors or predictors which have influences on customer satisfaction.

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \dots + \beta_n X_n + \varepsilon$$

Where Y is the dependent variable and the independent variables are those which explain the response ranges from X1 to X5.

Table 1: Model Specification of Variables.

S. No	Predictor Variable (X)	Beta Coefficient (β)	Predictor X-Value Assigned
1	Service reliability	β_1	X1
2	Transaction Efficiency	B2	X2
3	Service security	B3	X3
4	Service Performance	B4	X4
5	Ease of Usage	B5	X5
6	Customer Satisfaction	Constant	Y

Source: SPSS output of the survey, 2021

3.8. Reliability and Validity Analysis

Reliability Analysis

The degree of consistency of the outcomes under the same settings is referred to as reliability. If the study needs to be repeated, it should be done the same way. After assembling questionnaires filled out by respondents, those responses were converted to excel sheets to maintain a high degree of dependability for primary data. The findings were then double-checked to ensure that there were no errors. Questionnaires were filled out on the spot to get more trustworthy

responses and genuine perspectives from the respondents. The secondary data's trustworthiness is also reviewed and ensured, as it is gathered from reputable sources such as university databases, journals, and academic publications authored by marketing lecturers and professors.

Validity analysis

The degree to which a test is actually measuring what it is meant to assess is referred to as validity, also known as construct validity. It expresses how effective a test is in a certain circumstance (Bhattacharjee, 2012). If a test's validity is low, it's not measuring the content and skills it should. According to Kothari (2004), content validity refers to how well a measuring instrument covers the issue under investigation. The content validity of an instrument is excellent if it contains a representative sample of the universe. It makes decisions based on judgment and intuition. It can also be determined by a panel of people who will assess whether or not the measuring equipment satisfies the requirements, but there is no numerical method to represent it. The content validity of the research was validated based on this definition by the research adviser, who examined the suitability of the questions and the measuring scale. Discussions with fellow researchers, as well as comments from the pilot survey, were used to double-check the questions' suitability. Only relevant papers and literature from academic, scientific, and marketing databases were used for secondary data in this study.

3.9. Ethical Considerations

It is critical that ethical considerations be taken into account while developing the assessment and data collecting plan. Consider the following:

Confidentiality refers to the fact that no personally identifiable information is made available to or accessed by anybody. Anonymity is a more stringent kind of privacy than confidentiality since the participant's identity is concealed.

While conducting the research, various ethical considerations were considered. Participants in this study had the option of participating or not participating. They were also kept up to date on all elements of a research project. Consumers were also guaranteed the right to privacy when it came to the data they gave. The participant's name was never mentioned in any of the data presentation and it will remain confidential.

3.10. Research Hypotheses

A hypothesis, according to Frank (1979), is a preliminary assertion of fact that the researcher has yet to verify. One dependent variable was compared to five independent variables in order to answer the third research question, which was about factors that may explain the influence of mobile banking on customer satisfaction. The variables studied and their measures are based on previous literature (e.g., Sharif (2010), Jermakawicz (2007), and Chamisa (2000)), with minor modifications to fit this study. The dependent variable is the customer satisfaction while the independent variables of mobile banking attributes like service reliability, transaction efficiency, service security, service performance and ease of usage

The hypotheses guiding the research has been summarized in table below. These are discussed in more detail with analyses in the subsequent chapters of the research.

Table 1: Research Hypothesis

No	H	Hypothesis
1	H1	service reliability has negative effect on customer satisfaction
2	H2	transaction efficiency has negative effect on customer satisfaction
3	H3	service security has negative effect on customer satisfaction
4	H4	service performance has negative effect on customer satisfaction
5	H5	ease of usage has negative effect on customer satisfaction

CHAPTER FOUR

Data Presentation, Analysis and Discussion of Results

4.1. Introduction

The following is a general outline for this chapter: It includes a reliability test for the measures employed, as well as a presentation and analysis of the demographic profile of the respondents. The findings of descriptive analyses were provided first, followed by the results of Pearson's correlation coefficient, to make performing the empirical study easier.

4.2. Response rate

A total of 384 questioners were sent out, with 379 being returned. After 14 invalid questionnaires were eliminated, a total of 365 valid questionnaires were accepted, yielding a response rate of 98.69 percent. As a result, 95.05 percent of the 384 questionnaires given were returned as legitimate surveys.

4.3. Demographic profile of respondents

Three demographic background information obtained during the questionnaire survey was used to classify the samples in this study. The goal of the demographic analysis in this study is to characterize the sample's characteristics, such as the number of respondents, the proportion of men and females in the sample, the respondents' age range, and their academic qualifications. Table 4.1 on the following page summarizes the demographic makeup of the respondents.

The bulk of E-banking consumers are between the ages of 30-39, as seen in the table (42.5 percent). Males made up the majority of the participants (52.9%), while females made up 47.1 percent. Furthermore, bachelor's degree, master's degree, and certificate holders accounted for 34.5 percent, 29.0 percent, and 28.8 percent of the respondents' academic qualifications, respectively.

In summary, the majority of the respondents were males within the age group 30-39 having predominantly bachelor's degrees, master's degrees, and diploma holders. When we connect it with the objective of the study, we could identify the types of customers based on the age group. In this case, the bank should have to go the elderly and other age groups in order to duplicate its service. Here, the researcher would have understood one thing; that was youngsters are eager or keen to change or to use technology immediately without any incentives. According to the researcher males were near to usage of e-banking technology than females. For instance, when we see the previous researcher on the same topic or title most of their findings where males were taking e-banking service than females the researchers like, Parasuraman et al (1985), Bambore PL (2013), Kwashie W. (2012) of Ghana etc.

Table 4.1:

		Frequency	Percent	Cumulative Percent
Gender	Male	193	52.9	52.9
	Female	172	47.1	100.0
	Total	365	100.0	
Age Group	23-29	142	38.9	38.9
	30-39	155	42.5	42.5
	40-49	37	10.1	10.1
	50+	31	8.5	8.5
	Total	365	100.0	

Source: Survey Result, 2021

4.4. Descriptive statistics of the level of agreement of the respondent's Perception towards different variables of the research

To create a range, the researcher utilizes an itemized rating scale. This range was used to determine the respondents' perceived level of interest in each variable. To create the range, the researcher applies the formula below (Shrestha, 2015).

The researcher utilized the mean scores of each variable in this study's analysis, which was done using descriptive statistics or central tendency. The primary goal of this assessment was to show the average replies of respondents for each item contained under each dimension of the predictor variable, as well as to calculate the grand mean of each dimension. Finally, the interpretation is made by using the grand mean of each independent dimension for the aim of achieving partial research objectives of the study.

Itemized rating scale: $\frac{Max - Min}{5}$

$$= \frac{5 - 1}{5} = 0.80$$

The mean of each individual item ranging from 1- 5 falls within the following interval:

Interval of Means	Perception
1.00 – 1.80	Strongly Disagree
1.81 – 2.60	Disagree
2.61 – 3.40	Neutral
3.41 – 4.20	Agree
4.21 – 5.00	Strongly Agree

4.4.1. Customers' Perception on the reliability of E-banking

This portion of the survey examined respondents' attitudes and perceptions about E-dependability. Respondents were given with a sequence of three statements and asked to assess their degree of agreement with each statement. The mean and standard deviation for each item is shown in Table 4.3.

With a mean score of 4.09, respondents believe that E-banking completes a task properly, according to the statistics shown below. With a mean score of 4.07, respondents also believe that E-banking offers the service exactly as promised. With a mean score of 4.00, respondents agree

that E-banking provides the service correctly the first time. The overall mean for the perception of reliability of E-banking is 4.05, indicating that the majority of respondents are with agreeing on the level of a contract with the statements specified in the study.

Table 4.3:

	Mean	Std. Deviation
E-banking completes a task accurately	4.0932	0.72406
E-banking delivers the service exactly as promised.	4.0658	0.76392
E-banking performs the service right the first time.	4.0000	0.80178
Overall perception on reliability	4.05	0.763

Source: Survey Result, 2021

4.4.2. Customer's perception of transaction efficiency

This component of the survey examined respondents' attitudes and perceptions about E-banking transaction efficiency. Respondents were given with a sequence of two statements and asked to assess their level of agreement with each statement. The mean and standard deviation for each item is shown in Table 4.4.

According to the shown data, respondents' perceptions of E-banking give comprehensive support function, with a mean score of 4.09. With a mean score of 4.09, respondents also think that the Transaction procedure is quick. The overall mean for transaction efficiency perception is 4.08., indicating that the majority of respondents are towards agree level agreement with the statements specified in the study.

Table 4.4:

	Mean	Std. Deviation
E-banking provides a complete help function.	4.0877	0.85677
The transaction process is fast.	4.0877	0.88825
Overall perception regarding transaction efficiency	4.08	0.865

Source: Survey Result, 2021

4.4.3. Customers' perception regarding the security

This component of the survey examined respondents' attitudes and perspectives on E-banking security. Respondents were given with a sequence of four statements and asked to assess their degree of agreement with each statement. The mean and standard deviation for each item is shown in Table 4.6.

With a mean score of 3.67, respondents have a neutral opinion about E-banking keeping an accurate record of the transaction. Respondents were also questioned about E-banking providing security for transaction data and privacy, with a mean score of 3.89. They also agree, with a mean score of 4.05., that they feel safe when using e-banking. Furthermore, with a mean score of 3.07, respondents believe that they should be able to examine the legitimacy and detail of prior transactions at any time. The overall mean for respondents' perceptions of E-banking security is 3.74, suggesting that the majority of respondents had a neutral degree of agreement with the study's assertions.

Table 4.6:

	Mean	Std. Deviation
E-banking keeps an accurate record of transactions.	3.6795	1.23979
E-banking provides security for transaction data and privacy.	3.8959	0.93474
Feel safe when using e-banking.	4.0575	0.72965
Can check validity and detail of past transactions every time.	4.0740	0.81369
Overall Perception regarding the security	3.9267	0.92947

Source: Survey Result, 2021

4.4.4. Customers perception on ease of use

This portion of the survey looked at people's attitudes and opinions regarding how easy it is to use E-banking. Respondents were given with a sequence of three statements and asked to assess their degree of agreement with each statement. The mean and standard deviation for each item is shown in Table 4.7.

Table 4.7 demonstrates that respondents had a consensus on how easy it is to find information in the e-banking system, with a mean score of 3.71. They also have an agreeable degree of easy-to-understand language in e-banking displays, with a mean score of 3.69. Furthermore, with a mean score of 3.81, respondents believe that information and language are clear and easy to grasp. The overall mean for perceived ease of use is 3.73, suggesting that the majority of respondents agree with the study's assertions on a semi-neutral or agreeable level.

Table 4.7:

	Mean	Std. Deviation
Easy to find information in the e-banking system	3.7123	1.05194
The language in e-banking displays is easy to understand.	3.6959	0.96540
Information and text are clear and easy to understand.	3.8110	1.08430
Overall perception on ease of use	3.737	0.97847

Source: Survey Result, 2021

4.4.5. Customers perception on performance

This component of the survey examined respondents' attitudes and perceptions about E-banking performance. Respondents were given with a sequence of three statements and asked to assess their degree of agreement with each statement. The mean and standard deviation for each item is shown in Table 4.7.

With a mean score of 3.93, respondents have a positive attitude about E-banking being available in several languages, as shown in table 4.8. With a mean score of 3.90, they also agree on the capacity of performance to utilize various payment methods. Furthermore, with a mean score of 4.06, respondents believe that E-banking enables for transfers across various banks.

Table 4.8:

	Mean	Std. Deviation
E-banking is provided in multi-languages.	3.9370	0.77309
E-banking provides 24 hours -7 days service.	3.9096	0.89261
E-banking allows transferring between different banks.	4.0603	0.76796

Over All perception on Performance

3.968

0.81122

Source: Survey Result, 2021

4.4.6. Comparison of customers Perception on factors affecting customer satisfaction

Table 4.8 below shows the overall means of all items in the customer satisfaction of E-banking customers. According to the findings of the means, transaction efficiency represented the highest overall mean score (mean= 4.11).

Table 4.8:

Construct	Mean score	Standard deviation	Rank
Transaction efficiency	4.08	.865	1 st
Reliability	4.05	.763	2 nd
Performance	3.96	.811	3 rd
Security	3.93	.929	4 th
Ease of use	3.74	.978	5 th

Source: Survey Result, 2021

4.5. Correlation analysis: the relationship between the study variables

Pearson's correlation coefficient was utilized to evaluate whether there is a significant link between customer satisfaction and dependability, transaction efficiency, performance, security, and simplicity of use in this study. Pearson's coefficient of correlation is the most frequently used way of determining how closely two variables are related. This coefficient presupposes that the

two variables have a linear connection; that the two variables are causally connected (Kothari, 2004).

The findings of correlation on the relationship between independent and dependent variables are shown in the next section. The correlation coefficients between independent variables (reliability, transaction efficiency, performance, security, and ease of use) and their dependent variable (overall customer satisfaction) are linear and positive, ranging from moderate to strong correlation coefficients, as shown in Table 4.10.

Table 4.10:

		Customer Satisfaction
Reliability	Pearson Correlation	.431**
	Sig. (2-tailed)	.000
	N	365
Efficiency	Pearson Correlation	.519**
	Sig. (2-tailed)	.000
	N	365
Ease	Pearson Correlation	.327**
	Sig. (2-tailed)	.000
	N	365
Security	Pearson Correlation	.464**
	Sig. (2-tailed)	.000
	N	365
Performance	Pearson Correlation	.622**
	Sig. (2-tailed)	.000
	N	365

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

Source: Survey Result, 2021

As shown in Table 4.10, there is a moderate to strong and positive relationship between reliability and customer satisfaction ($r = .431$, $p.05$), transaction efficiency and customer satisfaction ($r = .519$, $p.05$), performance and customer satisfaction ($r = .622$ $p.05$), security and customer satisfaction ($r = .464$, $p.05$), and ease of use and customer satisfaction ($r = .327$, $p.05$) that is statistically significant at 95 percent confidence.

4.6. Multiple Linear Regression

4.6.1. Assumptions Testing in Multiple Regression

To preserve data validity and robustness of the regressed outcome of the study under numerous regression models, the essential assumptions must be met. As a result, assumption tests such as multicollinearity, outliers, autocorrelation, homoscedasticity, linearity, and normality were performed in this work.

Multi Collinearity

Correlations between the variables in the model are used to check for multicollinearity. At least one independent variable has a connection with the dependent variable (above 0.3 preferably). All of the measures (independent variables) in this example had a significant correlation with patient satisfaction ($r = .431$, $r = .519$, $r = .622$, $r = .464$ and $r = .327$).

The Tolerance and Variance Inflation Factor is used to perform collinearity diagnostics on variables as part of the multiple regression method (VIF). Tolerance is a measure of how much of the variability of a given independent variable is not explained by the model's other independent variables. If this value is very small (less than 0.10), it indicates that the multiple correlations with other variables are high, suggesting the possibility of multi-Collinearity (Pallant, 2010). Variance Inflation Factor (VIF) is just the inverse of the tolerance value (1 divided by tolerance). According to Pallant, (2010), VIF values above 10 would be a concern, indicating multi-Collinearity. The result shows that the tolerance value for each independent

variable is (0.644, 0.466, 0.627, 0.648, 0.548 and 0.297) respectively. Therefore, multi-Collinearity assumption is not violated. This is also supported by the VIF value, which is 1.552, 2.148, 1.594, 1.543, 1.826, and 3.371 which is well below the cut-off value of 10.

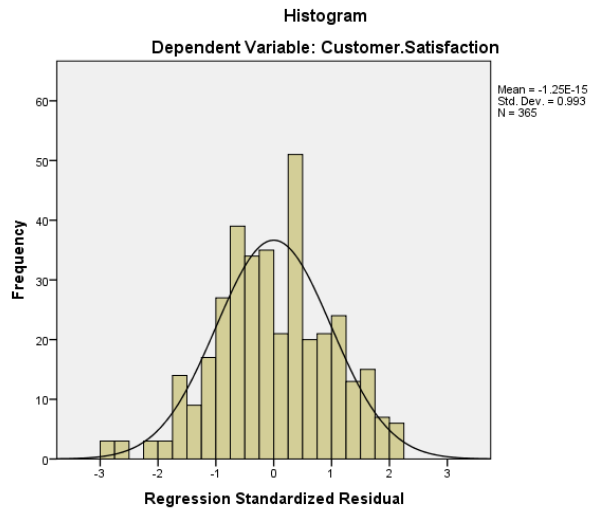
Table 4.11 Multicollinearity test

	Tolerance	VIF
Reliability	.644	1.552
Transaction efficiency	.396	2.527
Performance	.325	3.077
Security	.626	1.598
Ease of use	.514	1.946

Normality and Linearity

One of the ways that these assumptions can be checked is by inspecting the residuals scatter plot and the normal probability plots of the regression standardized residuals that were requested as part of the analysis. These are presented in normal P-P Plots of regression standardized residuals graph. In normal probability plots, the points will lie in a reasonably straight diagonal line from bottom left to top right. This would suggest no major deviations from normality. The finding from the normal P=P Plot reveals no violation of normality assumptions.

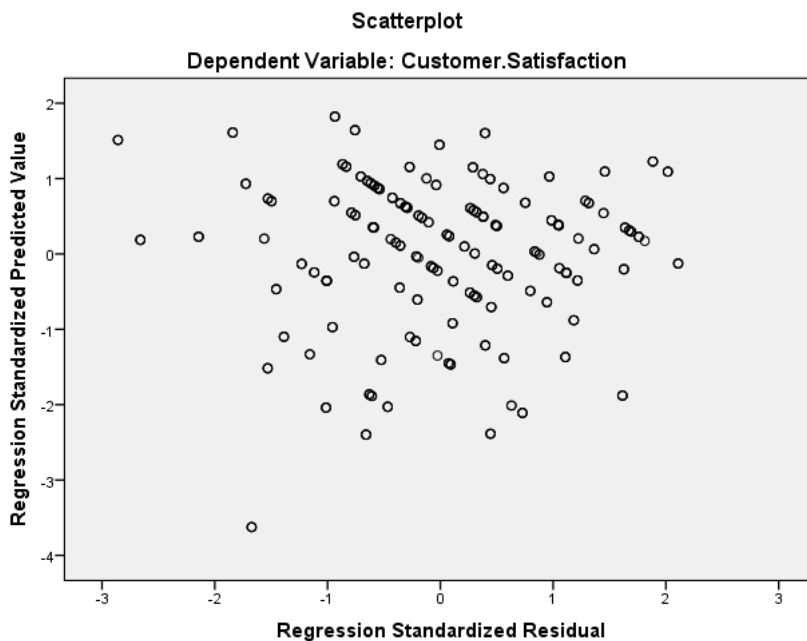
Fig 4.1 Histogram of Regression Standardized Residual



Source: Survey Result, 2021 Survey Result

The study used both methods of assessing normality; graphics of use using Normal Probability Plot (P-P) graph and numerical of use using Skewness and Kurtosis. Figure 4.1, depicted that the scores are normally distributed.

Fig. 4.2 Linearity scatter plot of regression standardized residual



Source: Survey Result, 2021

The skewness value indicates the symmetry of the distribution while kurtosis provides information about the sharpness of the peak of a frequency distribution curve. For variables with normal distribution the values of skewness and kurtosis are zero, and any value other than zero indicated deviation from normality (Hair, 2010). According to Hair (2010), the most commonly accepted value for (kurtosis/skewness) distribution is ± 2.58 . Therefore; as it can be seen in the following table, the kurtosis and skewness values of the variables fall within the range.

Table 4.12 Skewness and Kurtosis

	Skewness		Kurtosis	
	Statistic	Std. Error	Statistic	Std. Error
Reliability	-.817	.128	.254	.255
Efficiency	-.820	.128	.390	.255
Ease	-.162	.128	-.945	.255
Security	-.527	.128	-.163	.255
Performance	-.933	.128	1.388	.255

Source: Survey Result, 2021

4.6.2. Multiple Regression Analysis

Multiple regression analysis was employed to examine the influence of (reliability, Transaction Efficiency, Performance, Security, and Ease of use) on customers' satisfaction.

Table 4.13 Model Summary

Model Summary					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.706 ^a	.498	.491	.35885	1.290

Source: Survey Result, 2021

The regression model presents how much of the variance in the measure of sales performance is explained by the diversification elements. The predictor variables i.e., reliability, Transaction Efficiency, Ease of use, Performance and Security have accounted for 49.8% of the adjusted R square which indicates 49.1% of customer satisfaction was explained by the variation of the five predictor variables.

Table 4.14

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.057	.170		6.215	.000
	Reliability	.131	.042	.146	3.152	.002
	Efficiency	.069	.039	.100	1.793	.074
	Ease	-.094	.034	.137	-2.772	.006
	Security	.186	.041	.227	4.511	.000
	Performance	.413	.038	.520	10.821	.000
a. Dependent Variable: Customer.satisfaction						

The significance levels for all independent variables are less than 0.05. This indicates that there is a strong positive and significant relationship between the independent variables (reliability, transaction efficiency, performance, security, and ease of use) and the dependent variable (customer satisfaction). The standardized beta value for performance is 0.520. This indicates that performance has a relatively strong degree of importance for customer overall satisfaction.

$$CS = \alpha + \beta 1 (R) + \beta 2 (E) + \beta 3 (P) + \beta 4 (S) + \beta 5 (U) + e$$

$$CS = 0.473 + 0.146R + 0.100E + 0.520P + 0.227S + 0.520U + e$$

Where;

CS = Customer satisfaction

R = Reliability

E = Transaction efficiency

P = Performance

S = Security

U = Ease of use

Table 4.15 ANOVA

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	45.931	5	9.186	71.338	.000 ^b
	Residual	46.228	359	.129		
	Total	92.159	364			

Source: Survey Result, 2021

(F) Value is (71.338) at 0.000 which states that there is a statistically significant effect of variables on customer satisfaction

4.7. Hypothesis Testing

According to the research method, the Pearson Correlation Coefficient is used to test the hypotheses. Five hypotheses aim to see if there is a relationship between the three independent variables of diversification (reliability, transaction efficiency, ease of use, performance, and security) and customer satisfaction. The Sig result of each hypothesis test is less than 0.05 except transaction efficiency. The tests are summarized as follows:

Table 4.16: Hypothesis testing

Hypothesis	Result
Service reliability has a negative effect on customer satisfaction	Rejected (the outcome of the coefficient of regression does not support the hypothesis: $\beta = .146$, $p < .05$).
transaction efficiency has a negative effect on customer satisfaction	Accepted (the outcome of the coefficient of regression does not support the hypothesis: $\beta = .100$, $p > .05$).
service security has a negative effect on customer satisfaction	Rejected (the outcome of the coefficient of regression does not support the hypothesis; $\beta = .227$ $p < .05$).
service performance has a negative effect on customer satisfaction	Rejected (the outcome of the coefficient of regression does not support the hypothesis; $\beta = .520$, $p < 0.05$).
ease of usage has a negative effect on customer satisfaction	Rejected (the outcome of the coefficient of regression supports the hypothesis; $\beta = .137$, $p < .05$).

Source: Survey Result, 2021

As it is clearly indicated in Table 4.10, a moderate to strong and positive relationship was found between reliability and customer satisfaction ($\beta = .146$, $p < .05$), transaction efficiency and customer satisfaction ($\beta = .100$, $p > .05$), performance and customer satisfaction ($\beta = .520$ $p < .05$) security and customer satisfaction ($\beta = .227$, $p < 0.05$) and ease of use and customer satisfaction ($\beta = .137$, $p < .05$) which are statistically significant at 99% confidence level.

First Hypothesis: According to the results of the regression analysis, the research hypothesis is not confirmed at a standardized beta coefficient of 0.146 and thus, there is a positive relationship between the reliability of E-banking and customer satisfaction.

Second hypothesis: According to the results of the regression analysis, the research hypothesis is not confirmed at a standardized beta coefficient of 0.100 and thus, there is a negative relation between transaction efficiency of E-banking s and customer satisfaction.

Third hypothesis: According to the results of the regression analysis, the research hypothesis is not confirmed at a standardized beta coefficient of 0.227 and thus, there is a positive relationship between the security of E-banking and customer satisfaction.

Fourth hypothesis: According to the results of the regression analysis, the research hypothesis is not confirmed at a standardized beta coefficient of 0.520 and thus, there is a positive relationship between performance and overall customers' satisfaction.

Fifth hypothesis: According to the results of the regression analysis, the research hypothesis not confirmed at a positive standardized beta coefficient of 0.137 and thus, there is a positive relationship between ease of use and customer satisfaction.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

This chapter presents the conclusion derived from the study. The answers of the research questions are discussed followed by the contribution of the study and suggestions for Managers. Further, it also provides reflection of the study along with recommendations for future research in the area of customer satisfaction and e-banking attributes.

5.1. Summary of the Study

This chapter provides a summary of the characteristics of participants in the samples as seen in previous chapters. The responses received from the sample show there were more male participants than female (52.9% males and 47.1% females). Male users had a slightly higher proportion than female users, which contradicts previous studies that stated more females tended to accept and adopt electronic banking, compared to male users (Singh, 2012).

Previous studies showed that younger age groups were more likely to use online banking (Talla, 2013). Talla's research showed that people between the ages of 20 and 30 made up the oldest group of online banking users. To the researcher's surprise, it was noted that users aged between 30 and 39 used electronic banking more than the younger population. This study shows that people who fall between the ages of 30 and 39 (42.5%) make more use of electronic banking than 38.9% of younger users (aged 20 to 29). This can be explained in two different ways.

Firstly, as people age, they are more likely to use electronic banking. Secondly, older people tend to have more savings and it is at this stage of their life that selecting a safe way of banking would be advantageous. Online banking is much safer than carrying large amounts of cash around. This proves that older Addis Ababa could easily handle and accept new technologies. Younger age groups will try new technologies and give up along the way for several reasons such as turning to newer technologies or giving up learning to use new technologies. In most cases, they find it hard to maintain usage. The more educated people become the more they accept and adopt electronic banking as compared to the less educated people. 29% of users were postgraduates while 34.5% were bachelor's degree holders. This group of people will more likely learn and

master new technologies quicker and easier. It was also discovered that the more experienced users were with a particular service, the more they made use of those services. This explains why the older age groups used online banking. They have had time to decide on a service, saved enough to afford an account, and had more experience using the internet and computers. As a result, they are confident in using electronic banking. Hence, the more familiar and confident a user is with a particular feature, the more likely he or she is to use it.

It would be worth noting that not only did online banking users continue to use the electronic banking service, but non-users also expressed their interests and intentions to accept and adopt electronic banking services and new technologies. It is notable that the younger age group who participated in this study and provided positive feedback expressed great interest in using internet banking. This age group is likely to accept and adopt new forms of technology with little regard to how well that technology functions. Another aspect to note is that respondents agreed to electronic banking based on customer satisfaction. What is interesting is that non-users expressed the willingness to accept e-banking based on customer satisfaction; however, they did not make use of e-banking, so it may be that other factors were more important than customer satisfaction.

The regression results have indicated that out of the five dimensions; one dimension is been found to be significant in influencing customer satisfaction of e-banking in Ethiopia. Based on view point of customers, service performance is the major factors that strongly lead to customer satisfaction of the e-banking customers. It has been further found that Reliability, efficiency and service security were the three dimensions which have insignificant impact on the customer satisfaction.

As the analysis shows that from the alternatives hypothesis service performance is accepted because it has a strong significant effect on customer satisfaction; the reverse of this the researcher rejects the Null hypothesis.

And also, the Null hypothesis in which Reliability, efficiency and service security were accepted because they didn't have a significant impact on the customer satisfaction based on the regression result. Therefore, it may be interpreted from the above analysis that banks provide the

facilities to its customers more comfort through prompt services delivery via the internet usage and customers visit on websites. Customers can get services without any interpretation and delay at their access through internet banking, mobile banking, ATM and POS banking. As concerning the insignificant influence of the factors Reliability, efficiency and service security; since, so such dimensions may not be that significantly unpleasant dimensions for customer satisfaction. However, Banks must secure the information regarding customers' internet banking activities and should not share customers' personal information with others users to be reliable in e-banking services.

5.2. Conclusion

A winning strategy now a day is to deliver excellent services. Quality service is essential to gain competitive advantage in the market place also it helps to sustain customer's confidence (Leonard et al., 1994). Companies develop different strategies in order to meet the quality expectations of its customers and to ensure the smooth service delivery they continuously engage themselves in improving the quality standards. To develop effective strategies that leads to increased level of satisfaction and customer loyalty, companies need to know how quality effects the satisfaction level, its role and cost to assess the customer value and its relationship with customer satisfaction. (Tam, 2004).

Profit strategy is always linked with excellent services as it results in more business with existing and new customers. The focus of this research is to identify the ways through which companies can improve the quality of their services and extend to which the quality affects the satisfaction level of customers. It was analyzed that the quality of service and customer satisfaction both are crucial factors for success in the business world. However, quality is not the only aspect that customers demand to get satisfied. There are other factors together with the quality that effect customer perceptions and expectations about the services. These factors (as identified in the findings) are reliability, transaction efficiency, performance, security, and ease of use.

Different practices are used both in academic and industry to improve quality internally and externally in the organization. It was found that quality can be improved on consistent basis through constant monitoring and evaluating all the aspects that directly or indirectly affect the customer.

The question is about the effect of e-banking attributes on customer satisfaction. The result shows that quality of service does affect the customer satisfaction, but up to some extent only as both concepts are distinct and the relationship found between them is casual.

The relationship between both constructs in this research is explained in terms of customer expectations and perceptions about the quality of services and the way it is performed/delivered, together with the influence of word of mouth /personal needs and the factors affecting the both constructs.

Findings revealed that quality of service has significant contribution towards customer satisfaction because there are other factors as well. Those factors are reliability, transaction efficiency, performance, security, and ease of use affect the most. It can be concluded that customers demand the quality of service together with all factors that directly or indirectly effect the services to make them satisfied.

The other Question is how the quality of service may be improved in the organizations. Results reveal that highly motivated workforce can help to raise the quality standards. For this purpose, it is important to manage the workforce through constant monitoring and evaluating and by offering them rewards based on performance evaluations. Quality checks on monthly or yearly basis can also help in this regard. Workforce can be managed well by developing a strong strategy in place. This could be done through capacity planning training, innovation, automation, and use of IT, reengineering the systems and by developing a culture in which customers are the main focus. The importance of customer services can't be neglected in this regard. Findings depict that Responsiveness (the way they are dealt by the service provider) is the most valuable element for the customer in service settings. Also, it is observed that companies need to work more on complaint resolution systems to make their services more reliable. As the whole service industry lies on the concept of fairness, fulfilling the commitments on time is important to win the customer's trust.

Firstly, data for this research was collected by the use of multiple method approaches such as electronic mails, phone and face-to-face interviews, when administering questionnaires. The researcher spent time explaining the different factors to respondents in order to facilitate understanding. Interviews conducted provided insight into how bank operated. Data collected

was analyzed by the use of SPSS, which was one of the best statistical tools for data analysis. However, it was limited to previous research conducted in this field. This research, therefore, sets a new pattern in the research on electronic banking.

Perceived convenience was an important factor for online banking acceptance. Although perceived convenience was not supported by the hypothesis drawn, it was still important when people considered taking up online banking. For online banking to be convenient, people would need to be able to open an online account from anywhere in the world by going to the bank' websites, carry out all transactions, pay bills, view or print out their bank statements, transfer money, or pay people in the comfort of their own homes or any location in the world by use of their online banking system or app.

The findings from this research suggest that bank that provide online banking services in Ethiopia have limited services, for instance people still need to go into bank to carry out services that could otherwise be done online such as opening an online banking account. Some bank stated the presence of online banking on their website; however, these services could not be accessed online.

Furthermore, reliability is an important factor that enables e-banking. This research did not research this factor in depth because previous studies had already done so. However, what previous researches like Cletus (2012) failed to do was state the level at which banking in Ethiopia was to be considered reliable by Addis Ababa and making comparisons with other bank' online banking in countries such as Kenya whose online banking services are similar to those of developed countries.

For instance, even though certain factors are beyond the bank' control like constant internet and electricity failures in Ethiopia in general and Addis Ababa in particular or an ATM breakdown, customers should be able to access their online accounts from anywhere in the world with no fear of page errors or power outages, transaction security, and promptness, amongst others. In summary, bank need to improve their services and provide alternative options to customers. This simply means although reliability is a factor that would enable e-banking acceptance in certain contexts, it is not in Ethiopia.

5.3. Contribution of the Study

The study identifies and discusses the effect of e-banking attributes on customer satisfaction and the factors affecting both constructs. It also describes different ways to develop service improvement strategy in the organization. The relationship between e-banking attributes and customer satisfaction is explained by developing SQCS (E-banking attributes and Customer Satisfaction) model. The relationship between both constructs is not widely discussed in academics as various authors didn't relate quality with satisfaction. However, e-banking attributes and customer satisfaction both are discussed as distinctive concepts in the literature. This study has a unique contribution in this regard and future research can be done on the basis of this study to examine the effect of e-banking attributes on customer satisfaction.

The study also contributes for service firms aiming to improve the quality standards to satisfy their existing and future customers. Some improvement methods are discussed in this study which can be implemented in different sectors of service industry.

The results of this study are considered reliable and scope is wide. As the research is done in two different banks in two different countries. Therefore, the results can be generalized up to some extent particularly in the banking sector.

Contribution	Explanation
Benefits to financial institutions	Quantitative analysis was used to process data with SPSS and the results were discussed in terms of their academic contributions. Challenges and barriers that affected electronic banking acceptance were identified and included the cost of opening accounts, low income, and lack of knowledge, procedures, and slow internet services. From this research, bank and financial institutions will gain more insight into factors that influence customers to accept online banking. They can then devise suitable services to help attract new customers and retain old ones.
Extended TAM focused on Ethiopia	This study also makes significant contributions across all the banking sectors in Ethiopia. Data was collected from customers through questionnaires, which led to the decision to base the study on the well-known TAM with extensions to make it more relevant for a developing country like Ethiopia. The Ethiopian environment is significantly different from that of the developed Western countries from where the technology originated. More extensive research has been conducted in

	<p>other African countries such as Kenya and Ghana but not Ethiopia. This research contributes to the general literature on the TAM, with respect to Ethiopia. From this, bank can work on developing new products and services to meet the needs of all Addis Ababa who use or wish to use e-banking. This is because the products offered by bank do not currently fit the diverse multi-cultural institution of Ethiopia</p>
Contribution to the general body of literature	<p>This research makes a substantial contribution to the growing research areas of digital channels that are currently underreported in academic literature. Previous research did not provide insight based on Ethiopia bank directly. This research studied the existing Zemen bank in general and especially those that provide e-banking. It also attempts to provide solutions to some implications noted during this research. This has never been done before in the Ethiopian context and the researcher aims at sharing this research with some Ethiopian bank to provide them with an overview of a few things they may have missed or overlooked regarding electronic banking. For instance, bank will gain more clients if they make their websites more accessible and more interactive or by providing enough information for clients to digest and decide.</p>
Convenience does not apply to the Ethiopia as a factor that enable e-banking acceptance	<p>This research also contradicted the literature which stated that convenience was an important factor for electronic banking adoption in Ethiopia. Although convenience was a factor that would enable e-banking acceptance in certain contexts, it was not in the Ethiopian context at the time this research was conducted.</p>
New source of referencing	<p>This study can be used as a source for referencing by other researchers. They were able to acquire better and more updated insight into factors that enable e-banking specifically relating to Ethiopia.</p>

5.4. Recommendations

E-banking attributes and customer satisfaction are proved to be the important determinants to maintain the overall performance system of the firm. There are some suggestions for service managers derived from the findings of this research. Managers should consistently monitor and improve all channels through which product/ service pass regularly. For this purpose, capacity planning of employees is necessary to avoid stressful situations. It can be done by setting employees targets to be achieved daily to measure over and under capacity of their work. Capacity planning help in setting targets and measuring the performance by evaluating the amount of work employee can deliver each day.

Thus, services can be improved by aligning the functions of all the departments and by organizing the intercommunications between cross functional departments in timely manner.

Also, it is necessary to measure employee performances on monthly or quarterly basis. Quality checks and measurements on monthly basis can help to raise the quality standards. For this purpose, mystery shopping is a useful technique in order to be updated about various branch operations.

Employee motivation is a key thing to achieve organizational goals and objectives. To trigger employee motivation, reward system should be introduced at the work place. Developing a framework for employees by setting the example of behaviors to be followed by the managers can really help in this regard. Furthermore, the importance of proper market research and analysis cannot be neglected to know about competitors move and to capture the market. In last, managers should always consider the fact that a good customer service can cover the flaws or loop holes of overall service system.

5.5. Implication for further study

Current research is based on banking industry from only two countries, Sweden and Pakistan. When we talk about money transactions, the majority of world's economies both corporate and basic consumers rely on banking industry. Therefore, future research can be performed within the context of study in banking sector of different countries and the results (including this research) can be compiled to develop better techniques and suggestions to serve the consumers by improving overall quality standards. It would be a great contribution for banking sector and its customers.

Qualitative research methodology is used in this study to gather information from manager's perspectives. For this purpose, managerial interviewees were conducted from the banking industry to get an expert opinion. However, if this research was done by using quantitative methodology (surveys & questionnaires) more interesting results could be examine from customer's perspective regarding e-banking attributes and customer satisfaction.

Further research can be performed with similar concepts in different areas of service industry (Insurance companies or telecommunication industry) to better generalize the results. This investigation would also help to analyze different ways to serve the customer by improving the e-banking attributes and produce more revenue for the companies.

As customer satisfaction is not a common measure of quality, another suggestion for future research is to use the impact of image in relation with customer satisfaction. Because now day's businesses are driven by image factor however it is observed that what customer experience, is somehow different.

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APPENDIX

QUESTIONNAIRE

QUESTIONNAIRE

Dear respondent

I am kindly requesting you to participate on this survey questionnaire to assess the effect of e-banking on customer's satisfaction in the case of Zemen Bank S.C. All data included in this questionnaire will be used only for academic research and will be used as primary data for partial fulfillment of the requirements for the second degree in Master of Business Administration. Your participation in this study is completely voluntary. Your genuine response and cooperation is vital for this study. All your responses are strictly confidential and data from this research will be reported only in the aggregate. I would like to express my heartfelt gratitude in advance for your kind participation.

Hana Nigussie

Part I - General Background of Respondents (Demographic Information)

1. Please indicate your Gender

A. Male

B. Female

2. Please indicate your age?

A. 23-29

B. 30-39

C. 40-49

D. Above 50

Part II – Main Questions

A.CLOSE ENDED QUESTIONS

Directions: Please look at the following statements carefully and show the extent of your agreement by circling the scale given alongside of the question below. Where, 1= poor, 2=Below average, 3 = Average, 4 = Above average, 5 = Excellent.

NO	DESCRIPTION	Strongly Disagreed	Disagreed	Neutral	Agreed	Strongly Agreed
Reliability						
1	E-banking completes a task accurately					
2	E-banking delivers the service exactly as promised.					
3	E-banking performs the service right at the first time.					
Transaction Efficiency						
6	E-banking provides complete help function.					

7	Transaction process is fast.					
Service Security						
16	E-banking keeps accurate record of transaction.					
17	E-banking provides security for transaction data and privacy.					
18	Feel safe when using e-banking.					
19	Can check validity and detail of past transaction every time.					
Ease of Use						
1	Easy to find information in the e-banking system					
2	E-banking is easy to use.					
3	The language in e-banking displays is easy to understand.					
4	Information and text are clear and easy to understand.					

Performance						
E-banking is provided in multi-languages.						
E-banking provides 24 hours -7 days service.						
E-banking allows transferring between the different banks.						
Customer Satisfaction						
I am satisfied with the reliability of the e-banking services						
I am satisfied with the transaction efficiency of the e-banking services.						
I am satisfied with the security of the e-banking services						
I am satisfied with the ease of use of the e-banking services						
I am satisfied with the overall performance of the e-banking						