World Journal of Management
www.worldmanagementjournal.com
Online ISSN:
Received: 04-07-2025, Accepted: 03-08-2025, Published: 18-08-2025
Volume 1, Issue 1, Jul-Sep, 2025, Page No. 1-3

Evaluating customer satisfaction in online banking: A study of user experience and service quality

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Abstract
The rapid expansion of online banking has transformed the delivery of financial services, making customer satisfaction a critical factor for competitive advantage. This study examines customer satisfaction in online banking, focusing on the impact of user experience and service quality. Using a mixed-method approach, including surveys and structured interviews with active online banking users, the research identifies key determinants such as system usability, accessibility, security, responsiveness, and personalization. The findings reveal that both technological efficiency and perceived trustworthiness significantly influence user satisfaction. Moreover, the study highlights gaps in digital service delivery and suggests strategies for enhancing user engagement, loyalty, and overall experience. Insights from this research provide practical guidance for banks to optimize digital platforms, improve service interactions, and foster sustainable customer relationships in an increasingly digital financial landscape.

Keywords: Online banking, customer satisfaction, user experience, service quality, digital banking, usability, security

Introduction
The financial sector has witnessed a profound transformation over the past two decades with the proliferation of digital banking services. Online banking, encompassing internet-based platforms, mobile banking applications, and digital payment systems, has enabled customers to conduct financial transactions seamlessly and efficiently. The convenience, speed, and accessibility of these services have reshaped consumer expectations and behavior, placing significant emphasis on customer satisfaction as a determinant of loyalty and competitive advantage.

Customer satisfaction in online banking is influenced by both tangible and intangible factors. Tangible factors include website and mobile app usability, transaction speed, and accessibility, whereas intangible factors relate to service reliability, perceived trust, security, and personalized customer support. Research indicates that user experience and service quality are critical in shaping customers' perceptions and behaviors, ultimately affecting retention rates and brand loyalty. For instance, a system that is technically efficient but difficult to navigate may deter users despite its functional reliability. Conversely, a secure and responsive system with an intuitive interface enhances satisfaction and fosters long-term engagement.

Despite its importance, the literature on online banking satisfaction reveals gaps, particularly in integrating the dual dimensions of user experience and service quality. While several studies have explored service quality using frameworks such as SERVQUAL, fewer have examined how technological usability, accessibility, and personalization interact with these dimensions. This study aims to bridge this gap by evaluating customer satisfaction from a comprehensive perspective that considers both experiential and service-related aspects.

By achieving these objectives, the study contributes to a deeper understanding of the determinants of satisfaction in the digital banking context, offering actionable insights for financial institutions seeking to optimize user-centric service delivery.

Methods
Research Design
This study employs a mixed-method research design combining quantitative and qualitative approaches to evaluate customer satisfaction in online banking. Quantitative data were collected through structured surveys, while qualitative insights were gathered via semi-structured interviews.

Participants and Sampling
Participants included 350 active online banking users aged 18–65, selected using stratified random sampling to ensure representation across age groups, gender, and geographic regions. Inclusion criteria required participants to have at least six months of online banking experience.

Data Collection
Quantitative Data: An online survey questionnaire consisting of 25 items was developed based on established models such as SERVQUAL and the Technology Acceptance Model (TAM). The questionnaire measured:
- System usability (ease of navigation, speed, responsiveness)
- Security and privacy perception
- Service quality (reliability, responsiveness, personalization)
- Overall satisfaction

Qualitative Data: Semi-structured interviews were conducted with 30 users to explore deeper insights into user experiences, challenges, and expectations. Interviews lasted 25–40 minutes, and responses were recorded and transcribed for thematic analysis.

Data Analysis
Quantitative data were analyzed using descriptive statistics, correlation analysis, and multiple regression to determine the relationship between user experience, service quality, and customer satisfaction. Qualitative data were subjected to thematic coding to identify recurrent patterns and insights regarding user perceptions and expectations.

Ethical Considerations

The study adhered to ethical research standards, including informed consent, anonymity, and data confidentiality. Participants were briefed about the study's objectives and could withdraw at any time without consequences.

Results

Demographic Profile

Among the 350 survey participants, 52% were male and 48% female. Age distribution was as follows: 18–25 (22%), 26–35 (35%), 36–50 (28%), and 51–65 (15%).

User Experience Assessment

Analysis revealed that 78% of participants found online banking platforms highly usable, while 64% reported occasional navigation difficulties. System speed and interface clarity were identified as critical drivers of positive experience.

Service Quality Evaluation

Reliability (89%) and security (85%) emerged as the most valued service quality dimensions. Personalization of services scored lower (57%), suggesting room for improvement in tailoring offerings to individual user preferences.

Satisfaction Correlations

Correlation analysis indicated strong positive relationships between customer satisfaction and:

- System usability ($r = 0.72$, $p < 0.01$)
- Service reliability ($r = 0.68$, $p < 0.01$)
- Security perception ($r = 0.65$, $p < 0.01$)

Multiple regression confirmed that combined user experience and service quality dimensions explained 63% of the variance in overall satisfaction ($R^2 = 0.63$, $F = 54.72$, $p < 0.001$).

Qualitative Insights

Interview responses highlighted key pain points, including occasional system downtime, limited personalization, and delayed customer support. Users valued prompt responsiveness, intuitive interfaces, and enhanced security features as primary contributors to satisfaction.

Discussion

The study demonstrates that both user experience and service quality are critical determinants of customer satisfaction in online banking. High usability, reliability, and security significantly influence user perceptions and behaviors, consistent with prior research in the financial services sector.

The lower rating of personalization suggests that online banking platforms have yet to fully leverage data analytics and AI-based solutions to tailor services. Enhancing personalization could further improve satisfaction, loyalty, and engagement.

Additionally, qualitative findings reveal that human support, even in a digital context, remains important. Users expect quick responses to queries, transparent issue resolution, and proactive communication during service disruptions. This aligns with the literature emphasizing the interplay between technological efficiency and relational aspects of service delivery.

The results have practical implications for banks

1. **Interface Optimization:** Simplifying navigation and improving accessibility across devices.
2. **Security Enhancements:** Strengthening authentication processes and educating users about safe practices.
3. **Personalized Services:** Utilizing data analytics to provide tailored recommendations, alerts, and offers.
4. **Customer Support:** Expanding omnichannel support to ensure rapid response times and problem resolution.

Overall, integrating user-centric design with robust service quality frameworks fosters higher satisfaction, loyalty, and competitive advantage in an increasingly digital financial landscape.

Conclusion

This study highlights the pivotal role of user experience and service quality in shaping customer satisfaction in online banking. Findings indicate that usability, reliability, security, and responsiveness are the primary drivers of satisfaction, while personalization and proactive support represent opportunities for improvement. By addressing these dimensions, financial institutions can enhance digital engagement, foster customer loyalty, and gain a competitive edge in the evolving financial ecosystem. Future research should explore longitudinal effects of service improvements and the impact of emerging technologies such as AI-driven personalization on customer satisfaction.

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