

# Role of E-Banking Service Quality towards Customer Satisfaction and Customer-Organization Relationship: An Empirical Study on Indian Banking Sector

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**Abstract:** In the competitive world, every bank strives to maintain a long-term relationship with their customers to increase sales, boost loyalty, generate resilience to negative brand details, and reduce price susceptibility. With this as a backdrop, banks are investigating various ways for establishing such long-term and positive relationships with customers. The present study attempts to measure the possible impact of customer satisfaction on building a healthier relationship between banks and consumers. Thus, the first objective of the present study is to identify factors (relating to e-banking service quality) contributing to customer satisfaction in e-banking. The second objective is to measure the impact of customer satisfaction with e-banking services on building a Customer-Organization Relationship (COR). An offline questionnaire was employed to conduct empirical research, and data from 550 respondents were gathered and analyzed using the Structural Equation Modelling (SEM) technique. As per the SEM result, all structural pathways were found to be statistically significant. The study's outcome will definitely assist the banking sector in developing innovative marketing strategies, establishing long-term customer relationships, and gaining a competitive advantage in the marketplace. The improved e-banking service quality will scale up their marketing activities by fulfilling customers' needs and developing sound internet banking technology to strengthen their long-term customer relationships.

**Keywords:** E-banking; Service Quality; Customer Satisfaction; Customer-Organization Relationship; Indian Banking Sector

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## 1. Introduction

Every business organizations strive to improve customer satisfaction with the service they offer. Customer retention, in the long run, is much cheaper than making new customers. The existing customers are the ones who are fully contented with the services offered by the organizations. These customers promote the

company by sharing their positive experiences, serving as a way of WOM advertising for the company and, as a result, lowering the expense of obtaining news and prospective consumers. The customers are exposed to the world of competition where they have ample of alternatives. Therefore, the companies feel the need to retain their customers for long-term survival. This particular problem exists even for banks as they are continuously in contact with their clients, and rivalry among banks and Non-Banking Financial Corporation (NBFC) is rising. Modern techniques of offering financial services are crucial in building a competitive advantage for banks, attracting new and potential consumers, and retaining them through customer satisfaction. In today's world, banks provide consumers with innovative ways to do things daily. It is essential to maintain customer loyalty and ease of doing business.

The rapid development of ICTs has contributed to the transition of conventional trading methods towards new trade, namely, e-commerce. The organizations use these innovations to minimize operating and investment costs and improve business diversity to enhance the competitiveness of companies (Mulia, Usman, & Parwanto, (2020). Customers save time in sales, get better deals, have more product options, have faster order fulfilment, have access to products at all times and in all places, speedier product delivery, and access more product details (Haq & Awan, 2020).

The rapid development of ICTs has contributed to the transition of conventional methods towards a new way for businesses to communicate with their customers. As a result of this innovation in connecting with their consumers, the service sector, particularly the banking industry, has experienced a significant shift. The banking sector has fully capitalized on this development, developing various distribution networks to recruit tech-savvy consumers, expand market potential, and preserve customer loyalty (George and Kumar, 2014). Internet banking (e-banking) has emerged as a result of the convergence of Internet services. E-banking is a system that helps customers avail banking services through electronic communication channels (Ahmad, & Al-Zu'bi, 2011). As a highly successful e-commerce application, many banks have adopted internet banking to benefit from improved customer service and lower expenditures. (Wang et al., 2017).

Further, e-banking has several advantages such as reduction in transaction cost, improvement in customer relationship management, reduction in geographical barriers etc. The customers can avail the facilities of e-banking from home, which helps them save time and money as they do not visit the bank's branch. Despite having numerous benefits, banks are challenged with many difficulties optimizing their activities, which have been linked to customers' unwillingness to use e-banking (Rahi and Ghani, 2020). Furthermore, banks confront tremendous rivalry in recruiting and maintaining clients, and to compete; they must provide high-quality e-banking services, which may result in a competitive advantage (Amin, 2016).

Despite an increase in the number of people using e-banking, adoption has fallen short of expectations. The reason may be attributed to customer dissatisfaction due to poor service quality (Akgül, 2018). Therefore, Kaura et al. (2015) state that further investigation is needed into the factors contributing to high-quality service in the banking business. Moreover, the satisfaction level is regarded as an essential norm for customer retention in the banking sector. It is a necessary aspect behind the success or failure of the e-banking system in India. Customer satisfaction in an e-banking system is determined by various variables such as the efficiency of financial services, the accuracy of the information, the effective administration of online portals, and so on. Customer attitudes regarding e-banking services must be identified and understood for the determination of customer satisfaction.

Every bank strives to establish an emotional bond with their clients to increase sales, boost loyalty, generate resilience to negative brand details, and reduce price susceptibility in the competitive world. From customers' point of view, a positive relationship between customers and banks reduces switching costs, minimizes consideration set and enhances psychic benefits. With this as a backdrop, banks are investigating various ways for establishing such long-term and positive relationships with customers. Thus, the present study attempts to measure the possible influence of customer satisfaction on building a healthier relationship between banks and consumers. Many research like Casaló et al., 2008; Chen (2013); Ahmad & Al-Zu'bi (2011), and Chen et al. (2012) have already stated that customer satisfaction acts as an essential factor in creating stronger relationships, but none of the studies have done empirical studies to assess the interlinkage between banks and customers. Previously, most of the studies have mainly focused on customer satisfaction in e-banking by identifying factors contributing to improved online banking services (Altobishi, Erboz, & Podruzsik, 2018; Madavan, & Vethirajan, 2020) and further its impact on Behavioral Intention to Use (Ayyash, 2017), Loyalty (Raza, Umer, Qureshi, & Dahri, 2020; Haq, & Awan, 2020), Purchase Intention (Khatoon, Zhengliang, & Hussain, 2020) and Positive WOM (Aldas-Manzano et al., 2009 and Dahlstrom et al., 2014). Thus, the first objective of the present study is to identify factors (relating to e-banking service quality) influencing customer satisfaction in e-banking. The second objective is to measure the influence of customer satisfaction on creating a stronger relationship between banks and consumers.

This study contributes substantially to the study of banking literature and is also valuable to academics since it shows how the determinant of e-banking service quality predict the level of satisfaction of customers, which eventually builds a strong bond between banks and customers. In the present study, mainly five components of e-banking service quality have been considered from the extensive literature review: Efficiency, Reliability, Security & Privacy, Responsiveness & Communication, and User Friendliness. These factors were assumed to be impacting customer satisfaction and Customer-Organization Relationship (COR). This current research will help financial institutions, especially the banking industries, develop innovative marketing strategies to establish enduring bonds with customers and gain a competitive advantage in the market. The improved e-banking service quality will scale up their marketing activities by fulfilling customers' needs and setting up a sound E-banking framework to strengthen their long-term relationships.

## **2. Literature Review**

### **2.1 E-banking**

Internet Banking is a payment mechanism that enables a banking and financial institution to make monetary and non-monetary transactions through the internet. The banking system is sometimes called e-banking or online banking. This service provides users with online access to practically every banking service previously only available at a local branch, such as fund transfers, deposits, and online bill payments. The Internet banking service is open to anyone who has signed up for online banking at a bank or who has an active bank account or any other. E-banking comprises mobile banking, Smart Cards, Internet banking, electronic fund transfer system etc. E-banking has several advantages such as reduction in transaction cost, improvement in customer relationship management, reduction in geographical barriers

etc. The customers can avail the facilities of e-banking from home, which helps them save time and money as they do not visit the bank's branch.

## 2.2 Customer Satisfaction

Consumer satisfaction is a phenomenon of particular significance for the assessment process of shopping, spending on products or services use experiences and thus constitute an essential part in the long-term consumer responses. Due to high competition and the latest technological advances, satisfaction in the financial sector has also been paid greater attention. As the banking sectors provide similar salable products and services, there are various attempts in customer satisfaction to explain differentiation and customer choice for satisfaction with the services. Thus, it can be concluded that internet banking provides the best of best's services to the clients for their most significant benefits.

Usman, Monoarfa, & Marsofiyati (2020) argued that customer satisfaction is the primary objective in every business setting, and Hammoud, Bizri, & El Baba (2018) noted that good business-customer relationships allow businesses to build up valuable skills and enhance results. In this regard, Sardana & Bajpai (2020) illustrated that consumer satisfaction with financial performance has a positive relationship. Similarly, Asiyani and Ishola (2018) findings exhibited that the businesses that prioritize satisfying the demands of their consumers attain better levels of efficiency. Thus, banks must learn to concentrate and develop both products and services that will accommodate a highly varied consumer base to stay competitive in a global world. This calls for a greater focus on gaining and retaining a competitive edge by researching the primary driver of customer satisfaction to speed up the company's efficiency. Therefore, in developing countries like India, where banks struggle to compete with other foreign banks, customer satisfaction becomes utmost essential.

## 2.3 Dimensions of E-Banking Service Quality and Customer Satisfaction

In business concerns, including the banking sector, Barboza et al. (2016) describe that customers' satisfaction is given top priority to serve their needs. Service quality measurement is essential for understanding customers' demands by examining their experiences and satisfaction with the services offered (Asiyani & Ishola, 2018 and Haq & Awan, 2020). Users' sentiments and attitudes about different aspects that impact their use of a product or service for sale are added up to determine the degree of user satisfaction (Ghotbabadi et al., 2015). Customer satisfaction, however, is a complicated concept that may be seen in many ways and from various viewpoints; over the years, its nature has changed. Several studies have sought to measure consumer happiness with banking services, but only a handful have shown the most important factors contributing to this satisfaction. According to Oliver (2014), the managerial approaches of these critical drivers do not always ensure customer satisfaction, and a behavioural focus should be employed to satisfy customers better.

Since the late 1990s, many authors have conducted substantial research on customer satisfaction with online services (Hammoud, Bizri, & El Baba, (2018). Eid, (2011) confirm that increasing customer satisfaction with online services promotes future purchase intent and loyalty. However, in the domain of banking sectors, marketing research has only recently focused on online satisfaction as a component of customer decision-making behaviour in online settings (Ayyash, (2017).

Pooya, Khorasani, & Ghouzhdhi (2020) recognized that client happiness is vital to the success of E-banking, and banks use a variety of media to adapt their goods and services to meet customer needs. In many parts of the world, research into the acceptance and usage of e-banking services has risen. However, the focus has been primarily on the factors of online banking adoption rather than on customer satisfaction (Liébana Cabanillas et al., 2013). According to Zafar et al. (2011), customer satisfaction with E-banking services is directly connected to the services offered by the firm through this medium. Customers' satisfaction with prior experiences with the online services provided on the bank's website had a favourable effect on customer loyalty and positive WOM (Raza et al., 2020; Haq & Awan, 2020; Ahmad & Al-Zu'bi, 2011). Thus, based on the extensive literature review, several factors (online banking service qualities) have been identified to measure online customer satisfaction with financial products and services. The factors extracted are Efficiency, Reliability, Security & Privacy, Responsiveness & Communication, and User Friendliness. The definitions of these factors are presented in Table 1. Thus, the proposed hypotheses are:

H1: The efficiency of e-banking services has a positive influence on customer satisfaction.

H2: The reliability of e-banking services has a positive influence on customer satisfaction.

H3: The security and privacy of e-banking services have a positive influence on customer satisfaction.

H4: The responsiveness and communication in e-banking services have a positive influence on customer satisfaction.

H5: The user-friendliness of e-banking services has a positive influence on customer satisfaction.

#### **2.4 Customer-Organization Relationship**

The consumer is the lifeblood of any firm. As a result, establishing an effective relationship with customers is critical for any business organization (Dovaliene, Masiulyte, & Piligrimiene, 2015). In recent decades, both business practitioners and academicians have emphasized the tactics for creating and maintaining quality relations with consumers (Hennig-Thurau et al., 2010). The term Customer-Organization Relationship (COR) is the result of extensive research on customer relations. Today, businesses widely use customer relationship management (CRM) to respond proactively to customers' essential needs, encourage a transparent dialogue, improve customer engagement, strengthen R & D capacity, and establish customer-driven strategies to achieve competitive advantage.

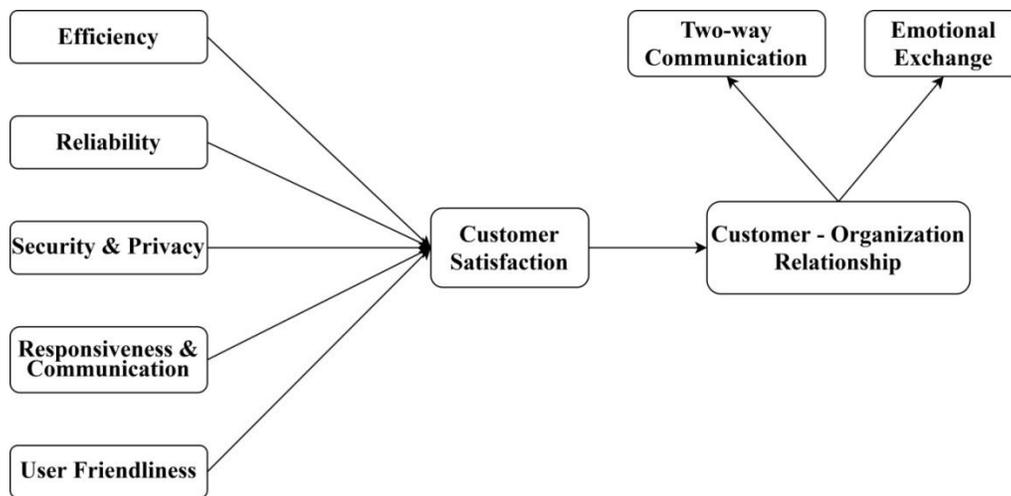
The foundation of a perfect relationship lies in the long-term collaborations from both the parties involved actively. Further, relationship building also involves active communication and mutual exchanges between both parties involved (Ferrand and McCarthy (2008). Since the last decade, social media has been extensively used to build emotional bonds between customers and business organizations through active communications. The prior studies have shown the relationship quality can be measured in terms of several factors like mutual legitimacy, reciprocity, openness, trustworthiness and firm commitment (Hon and Grunig, 1999). Further, Ledingham & Bruning (1998) explored six parameters of relationship using interpersonal relationship theory which was later adopted globally to measure relationship quality. These parameters are satisfaction, trust, commitment, exchange relationship, control mutuality, and cooperative relationship (Men & Tsai, 2014). Besides, a study by Kumar and Kaushik (2020) has used two unique

parameters (i.e. two-way communications and emotional exchange) to measure the quality of the relationship, which have been scantily researched. Hence, these two parameters were chosen to quantify the quality of the interaction between firms and customers.

**2.5 Customer Satisfaction and Customer-Organization Relationship**

Customer satisfaction has been an essential element for building a solid bond between consumers and successful organizations. Customer satisfaction refers to comparing post-product/service performance with pre-formed expectations. This implies that when customers realize that actual product/service performance is higher than expectations, they feel a sense of belonging towards the organization, leading to emotional solid bond creation. While measuring the impact of customer satisfaction on brand loyalty, few authors have acknowledged increasing bonds between customers and organization (Dahlstrom et al., 2014; Chen, 2013; Chen et al., 2012; Aldas-Manzano et al., 2009). Since brand loyalty is a component of building relationship quality, the present study assumes that customer satisfaction will also positively impact building a customer-organization relationship. Thus, the proposed hypothesis is:

H6: Customer satisfaction with e-banking services has a positive influence on the customer-organization relationship.



*Figure 1: Conceptual Framework (Authors' Compilation)*

*Table 1: Definitions of the Components of E-banking Service Quality*

Components	Definition
Efficiency	The ability to maintain user faithfulness and ensure user fulfilment
Reliability	The ability to carry out a task in a timely and accurate manner
Security & Privacy	The degree to which an e-banking user submits personal information on an e-banking platform with confidence.
Responsiveness & Communication	The speed with which cyber-banking operators respond to consumers of the service.
User's Friendliness	An interface designed to ensure ease of service use

### **3. Research Methodology**

#### **3.1 Sample Selection and Data Collection**

From the research, it has been found that the rate of internet usage is highest among young adults ranging between 20-39 years of age (Kujur & Singh, 2019). Since the internet usage rate is highest among young adults, this study assumed that the rate of e-banking users would also be highest among this group only. Therefore, the present study considered sample targets to university students and young working groups as primary respondents in India. For data collection, a structured questionnaire was prepared by referring to past studies and the scales extracted were slightly tailored to match the current research objective. Further, a structured questionnaire for the survey purpose contained questions relating to the online services the customers enjoy from the e-banking services and the level of satisfaction they receive from these services. The questionnaire was framed on the 5-point Likert scale, ranging from “strongly disagree” (1) to “strongly agree” (5). The respondents who were actively using the e-banking services were considered eligible respondents in the study. The data was collected through offline mode using a structured questionnaire. The data collection period started after the first phase of the COVID-19 situation from January to March 2021. Snowball sampling technique was applied to gather more responses, for which the study requested many participants to suggest their friends and colleagues further to participate in the research. After screening the data for three months, all miscoded or suspicious-looking entries were removed, and only 550 responses were considered for the current study. The demographic result exhibited 53% (294 men) male participants and 47% (256 women) female participants 294 men in the research.

#### **3.2 Measures**

The scales of the construct in this study were all adopted from the past literature. A total of 34 items were taken for measuring the conceptual framework of this study. For details of the scales of the construct, please follow appendix 1.

#### **3.3 Confirmatory Factor Analysis (CFA)**

CFA is commonly used to check the accuracy of construct indicators with the researcher's knowledge of the construct's existence (or factor). CFA First Order analysis is performed to validate each indicator variable's representative element concerning previous/past literature. In CFA, both exogenous and endogenous variables are combined or pooled to make simpler and better than individual CFA, particularly time savings when performing the measurement model (Chong et al., 2014).

In the present study, CFA has been divided into First Order CFA and Second-Order CFA. The current study used a measuring model based on the First Order CFA to assess validity and reliability and assess the strength of item indicators selected and changed by the researcher. A pooled CFA First Order Analysis was used to examine the latent variables. The second level CFA, is a quantitative method for verifying that hypothesized components in a research load into a specific number of underlying sub-constructs. In the current study, the customer-organization relationship serves as hypothesized or primary concept. The sub-constructs of attachment are two-communication and emotional exchange.

3.3.1 CFA First Order

The CFA First Order result showed that the proposed factor structure has a strong measurement model fit (CMIN/DF= 2.065, GFI= 0.913, NFI= 0.922, IFI= 0.958, TLI= 0.951, CFI= 0.958, PCFI= 0.827, RMSEA= 0.042, RMR= 0.034).

For assessing high correlation among constructs, the validity analysis was performed in the measurement model using SPSS and AMOS version 21. An AVE value greater than or equal to 0.50 was used for calculating convergent validity, while for discriminant validity, and  $AVE \geq MSV$  was used.

Tables 2 and 3 indicate that there are no substantial issues with both data set's validity and reliability. The results, including factor loadings, construct validity and reliability, and model fit indices, show that the findings fulfil all of the CFA First Order test criteria. As needed in this investigation, the measuring model can advance to the next level, such as the CFA Second Order.

*Table 2: Factor Loadings of the Constructs (EFA, First Order CFA, Second-Order CFA)*

Second-Order Construct	First Order Construct	Indicator Code	EFA	First Order CFA	Second-Order CFA
	Efficiency	EFF1	.850	.829	.829
		EFF2	.836	.795	.795
		EFF3	.766	.698	.698
		EFF4	.746	.732	.732
	Reliability	REL1	.805	.766	.766
		REL2	.803	.723	.723
		REL3	.786	.755	.755
		REL4	.727	.684	.684
	Security & Privacy	SP1	.814	.730	.730
		SP2	.801	.717	.717
		SP3	.733	.778	.778
		SP4	.711	.753	.760
	Responsiveness & Communication	RC1	.811	.780	.780
		RC2	.808	.712	.712
		RC3	.796	.745	.745
		RC4	.750	.738	.708
	User Friendly	UF1	.952	.991	.991
		UF2	.941	.973	.973
		UF3	.838	.767	.767
		UF4	.831	.752	.760
	Customer Satisfaction	CS1	.859	.834	.834
		CS2	.857	.846	.846
		CS3	.825	.822	.822
		CS4	.816	.803	.803

Customer-Organization Relationship	Two-way Communication	TC1	.875	.872	.607
		TC2	.869	.860	
		TC3	.861	.884	
		TC4	.826	.810	
	Emotional Exchange	EE1	.807	.775	.619
		EE2	.796	.790	
		EE3	.793	.805	
		EE4	.784	.796	

*Table 3: Construct Validity and Inter-Construct Correlations*

	CR	AVE	MSV	RC	TC	CS	EE	EFF	UF	REL	SP
RC	0.791	0.558	0.177	<b>0.747</b>							
TC	0.917	0.734	0.311	0.236	<b>0.857</b>						
CS	0.896	0.683	0.187	0.294	0.180	<b>0.826</b>					
EE	0.870	0.627	0.311	0.281	0.558	0.179	<b>0.792</b>				
EFF	0.849	0.586	0.112	0.293	0.152	0.329	0.191	<b>0.765</b>			
UF	0.939	0.840	0.061	0.180	0.148	0.247	0.150	0.223	<b>0.916</b>		
REL	0.822	0.537	0.161	0.297	0.233	0.253	0.401	0.276	0.168	<b>0.733</b>	
SP	0.786	0.551	0.187	0.421	0.167	0.432	0.313	0.334	0.239	0.282	<b>0.742</b>

3.3.2 CFA Second Order

Tables 2 and 4 indicate that there are no substantial issues with both data set's validity and reliability. The results, including factor loadings, construct validity and reliability, and model fit indices, show that the findings fulfil all of the CFA Second-Order test criteria. As needed in this investigation, the measuring model can advance to the next level, such as the Structural Equation Modelling (SEM).

The CFA Second Order findings show that the suggested factor structure has a satisfactory measurement model fit (CMIN/DF= 2.061, GFI= 0.912, NFI= 0.921, IFI= 0.958, TLI= 0.952, CFI= 0.958, PCFI= 0.838, RMSEA= 0.042, RMR= 0.035). As a result, the measurement model fitness was obtained in the pooled CFA Second Order.

*Table 4: Construct Validity and Inter-Construct Correlations*

	CR	AVE	MSV	SP	CS	EFF	UF	REL	RC	COR
SP	0.786	0.551	0.186	<b>0.742</b>						
CS	0.896	0.683	0.186	0.431	<b>0.826</b>					
EFF	0.849	0.586	0.112	0.335	0.329	<b>0.765</b>				
UF	0.939	0.839	0.061	0.239	0.247	0.223	<b>0.916</b>			
REL	0.822	0.537	0.183	0.281	0.253	0.276	0.168	<b>0.733</b>		
RC	0.790	0.557	0.178	0.422	0.295	0.293	0.180	0.297	<b>0.746</b>	
COR	0.747	0.607	0.183	0.330	0.211	0.214	0.177	0.428	0.318	<b>0.779</b>

3.3.3 Structural Model

Structural Equation Modeling (SEM) was used to evaluate hypotheses in a two-step latent variable modelling technique. The summary notes were initially examined before delving into the test findings for the suggested study model. The model-fit indices for the structural model indicated that the model fit was rather excellent (CMIN/DF= 2.231, GFI= 0.904, NFI= 0.914, IFI= 0.950, TLI= 0.944, CFI= 0.950, PCFI= 0.843, RMSEA= 0.045, RMR= 0.057).

Table 5: Result of SEM Model

Hypotheses	Path			Standardized Estimate	S.E.	C.R.	P
H1	EFF	→	CS	.403	.036	6.232	***
H2	REL	→	CS	.334	.024	5.759	***
H3	SP	→	CS	.181	.021	3.497	***
H4	RC	→	CS	.228	.029	3.857	***
H5	UF	→	CS	.233	.030	3.947	***
H6	CS	→	COR	.740	.126	6.704	***
	COR	→	TC	.733			
	COR	→	EE	.761			

Table 5 provides a summary of the hypotheses, including the standardized, t -value, and statistical significance threshold. All structural pathways yielded statistically significant findings.

According to the SEM results, the efficiency of the E-Banking service has the greatest influence on customer satisfaction with e-banking services ( $\beta = 0.403$ ), followed by reliability ( $\beta = 0.334$ ), responsiveness and communication ( $\beta = 0.228$ ), user-friendliness ( $\beta = 0.233$ ), and safety and privacy ( $\beta = 0.181$ ), the last factor having the least influence on customer satisfaction.

Next, it was necessary to assess the influence of customer satisfaction with e-banking services on customer-organization relationships (COR). The present study predicted this hypothesis having a significantly positive relationship between customer satisfaction and COR, and this assumption was supported by the SEM result ( $\beta = 0.740$ ). This implies that customer satisfaction with e-banking services do help in establishing a solid and unbreakable bond with concerned banks in terms of two-way communication and emotional exchange.

4. Discussion and Conclusion

Due to the homogeneity trend in financial products and services with low switching costs, there is a high possibility of customers transferring efficiently from one e-banking to another. In this sense, there is an increasing need for research into customer satisfaction with e-banking services and customer retention by establishing a good and long-term relationship with them. In order to meet this current research gap, the present study has identified the factors of e-banking services qualities that have a strong and direct impact

on customer satisfaction. Further, the study has also measured the effect of customer satisfaction on a long-term relationship with a bank, i.e. COR.

The study's findings indicated that all e-banking service quality criteria (Efficiency, Reliability, Security & Privacy, Responsiveness & Communication, Personal Needs, and User Friendliness) significantly affected consumer satisfaction with online banking services. Out of which, efficiency is the essential component of e-banking service quality in affecting customer satisfaction. Previous research, such as Sharma and Malviya (2014), has found that the quality of e-banking services is a predictor of customer satisfaction, having a substantial and positive effect on it.

Efficiency is the most critical component of e-banking service quality. It facilitates customers to be quick and cost-effective in performing transactions and avails saving of money and time. This implies that customer satisfaction is directly dependent on the bank's efficiency in providing e-banking services like quick transactions, i.e. transfer of funds from one bank to another, low e-banking charges, and ease in using e-banking platforms. Reliability is also an essential factor in determining the quality of e-banking services. Current research indicates that it has a significant impact on consumer satisfaction with e-banking services. This implies that the customers have confidence in e-banking services to fulfil their banking related needs without even going to concerned banks. This sense of dependency and trustworthiness in e-banking services among customers increases the level of customer satisfaction. The current finding conforms to previous studies like Asiyambi & Ishola (2018) and Haq & Awan (2020).

Similarly, security and privacy is also an essential element of e-banking service quality. Still, compared to other e-banking service quality, it had a low and positive impact on customer satisfaction. This implies that customers are still not sure about the high protection of their e-banking transactions, leakage of personal data, and probability of fraud and hacking, etc. The bank personnel should consider this point and work on it constantly to remove this fear. In previous studies, the components of security and privacy have been observed low impact on customer satisfaction with e-banking services (Raza et al., 2020; Hammoud et al., 2018).

Likewise, responsiveness and communication were also essential components of e-banking service quality, which significantly impact customer satisfaction. This implies that timely response to customers' queries, availability of e-banking service 24/7 and effective communication affect customer satisfaction. The finding of this study is also consistent with previous studies like Raza et al. (2020) and Hammoud et al. (2018). Finally, user-friendliness also forms an essential part of e-banking service quality because every customer expects e-banking platforms to be user-friendly websites or applications, easy navigation, low freezing of the website or application. When customers find the e-banking system user-friendly, their level of satisfaction towards e-banking services increases gradually. This finding has been supported by authors like Raza et al. (2020).

Further, customer satisfaction with e-banking services found a positive and significant impact on COR. When customers are satisfied with the e-services offered by banks, it leads to building a strong bond between customer and bank in the long run. The strength of the relationship has been measured in terms of two-way communication and emotional exchange. Two-way communication refers to customers' keen interest in hearing from the bank regarding launching new products/services, any updates or information

about the bank, etc. Emotional exchange refers to the overall confidence that banks would provide the customers efficiently and effectively. This is customers' trust and belief that the particular bank will never fail in facilitating all the services they require. The result shows that emotional exchange contributes more to the customer-organization relationship than two-way communication. Since this hypothesis is empirically measured for the first time, no comparison is available in the literature.

## 5. Managerial Implications

From the findings, it can be concluded that clients are drawn more to banks that enable quick monetary transactions through easily accessible e-portals. In the Indian banking system, all financial products/services are homogeneous; hence, all banks lack USP for retaining and acquiring new and existing customers. Therefore, banking practitioners should emphasize higher satisfaction among customers by bettering its e-banking services quality like efficiency, reliability, security & privacy, responsiveness & communication, and user-friendliness. The result shows that security and privacy is still an issue for the customers. The banks should ensure that their e-banking system is secured and customers' personal data is safe. Further, banks should also prioritize customer satisfaction because satisfied customers are more interested in receiving updates about the banks and develop trust and belief towards the e-banking system and are more likely to continue purchasing products/services.

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#### **APPENDIX 1**

SN	Construct	References
1	<b>Efficiency</b>	Alawneh, Al-Refai, and Batiha, (2013)
	The use of E-Banking services are time saving	
	The service delivered through the E-Banking services is quick	
	I can complete quickly any transaction through the E-Banking service channels	
	I found that E-Banking services is easy to use	
2	<b>Reliability</b>	Alawneh, Al-Refai, and Batiha, (2013); Toor, Hunain, Hussain, Ali, and Shahid (2016)
	I have high confidence in the E-Banking services in the bank	
	E-Banking service is reliable and dependable	
	I have always found E-Banking service channels in working order	
	I prefer using E-Banking services instead of visiting the branch for doing my transactions	
3	<b>Security and Privacy</b>	Alawneh, Al-Refai, and Batiha, (2013); Toor, Hunain, Hussain, Ali, and Shahid (2016)
	E-Banking service provides high protection for my banking transactions	
	E-Banking services do not allow others to access my accounts	

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	E-Banking service is secured and safe from any fraud or hacking	
	The security devices of the E-Banking services protect the data that are sent by me	
<b>4</b>	<b>Responsiveness and Communication</b>	Alawneh, Al-Refai, and Batiha, (2013); Toor, Hunain, Hussain, Ali, and Shahid (2016)
	E-Banking services are available 24/7	
	E-Banking services respond immediately to clients' requests	
	E-Banking services provide answers to your questions	
	Bank deals gently with customer complaints about electronic service	
<b>5</b>	<b>User Friendliness</b>	Sikdar et al. (2015); Toor et al. (2016)
	The website of online banking is user-friendly	
	Navigation on the website of online banks is easy	
	Pages at the website of online banks do not freeze	
	I strongly recommend that others use the online banking	
<b>6</b>	<b>Customer Satisfaction</b>	Alawneh, Al-Refai, and Batiha, (2013); Toor, Hunain, Hussain, Ali, and Shahid (2016)
	I am satisfied with the transaction processing via E-Banking services	
	I am satisfied with the bank's e-services quality	
	Overall, E-Banking services is better than my expectations	
	I think I made the correct decision to use the E-Banking services	
<b>8</b>	<b>Two-way Communication</b>	Kumar, & Kaushik, (2020)
	I want to be informed about the services offered by bank	
	I am more willing to learn news about this bank than other banks	
	I take keen interest to the information provided by this bank	
	I will be willing to be informed about this bank in the future	
<b>9</b>	<b>Emotional Exchange</b>	Kumar, & Kaushik, (2020)
	This bank means more to me than other banks	
	I feel comfortable with all aspects provided by this bank	
	This bank is like a person with whom I am close to	
	Over time this bank becomes more important to me	