Modern Banking and Customer Satisfaction

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Abstract:

Purpose – *The purpose of this paper is to measure customer's satisfaction towards the development in the banking services due to the innovative technology and it also discusses the different kinds of modern banking services which are useful to enhance customer satisfaction.*

Design/methodology/approach– *The approach of structured questionnaire was used to collect the data from the sample size of 120 bank users. Sample was consisting on different groups based on age, income, occupation and gender group. The collected data from sample was then analyzed by using SPSS. Regression and correlation tools were used to test the all hypothesis.*

Findings – *The results indicate that there is significant relationship between all the independent variables and dependent variable but the intensity of each relationship is different. Responsiveness and reliability have strong relationship with customer satisfaction while the rest of the variables as security, awareness, ease of use and trust have moderate relationship with the customer satisfaction.*

Practical implications –*This study will help the bankers to understand that the modern banking services are the main reasons of customer satisfaction. So the bankers should focus on these services, by improving the services with innovative development being used in services industries.*

Keyword: *ATM, Modern banking, Service quality, Customer satisfaction.*

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Introduction:

Modern banking covers all the aspects as like mobile banking, online banking, ATMs. In all over the world, banks are using internet technology in banking sector to manage it successfully. Modern banking is to use the internet as connection between customer and banks for managing, preparing and controlling financial transactions. In the era of globalization and with the increasing competition in all the fields around the world many companies have modified their strategies so they can reach their customers around the world easier and cheaper. However, the rapid growth of economy is based on modern banking that is especially based on internet, computer systems and cell phones.

Customer satisfaction is the important factor for the long term success of the organization. By keeping the importance of customer satisfaction in mind there is a need of banks to maintain close and stable relationship with their customers by providing the high quality of product and services. So there is a need to judge the level of customer satisfaction. The satisfaction of customer cannot be measured unless the factors which affect the satisfaction level of customers are not determined. As the banking industry is the high involvement industry. Banks are being aware of the importance of this fact that the provision of high quality service to customers is necessary for their survival and the success in today's global and competitive environment (Wang, Han, & Wen, 2003).

There is a rapid change in the needs, wants and the expectations of the customers. Hence, what would have pleased and amazed them a short while back, might not satisfy them now at present (Richards & Jones, 2008).

In today's environment the customers becomes more demanding they wants the new technology and more quick response of services. Customer satisfaction has a measure able impact on the customer retention, their purchase intention and the financial performance of the firm. So in this dynamic and competitive environment many banks are seeking the new strategies that facilitate the online transactions and sharing of information. One of these competitive strategies is the linking of the business of banks with the customers by the use of mobile phones and PDAs.

Mobile banking is the using of mobile devices to deliver communication , financial information, and customer's transactions such as checking of account balances, accessing the other banking services and products transferring funds at any time, from anywhere (Ensor, *et al*., 2012;ITU, 2012).

2

There are many benefits of mobile banking on both the customers and banks. The most of the services provided by the mobile banking includes receiving and sending of messages, access of subscription and prepaid and instructions. In user's SIM card the mobile banking applications installed which help in facilitate of withdraws, deposits and the transfer of money between the two parties (Hernandez, 2011).

The services of mobile banking can also improve operational performance and also increase the amount of data processing (Laukkanen and Lauronen, 2005).

In this research paper, we are focusing on how much customer is satisfied from modern banking.

Mobile banking have a high potential to deliver the reliable services to their customers living in those remote areas where the facility of internet is limited (Cruz *et Al*, 2010).

The banking industry has encountered huge changes realized by aggressive competition between banks to fulfill client needs and innovative advancement. Advancement has happened as clients are moving to innovative based self-administration methods for elective universal administration experiences. This gives profits to both the bank, as it declines the expense for every transaction, and the client, who is offered expanded comfort.

This study identifies the gap in the literature which describes customer satisfaction towards any type of modern banking in Pakistani context. It develops a model that describes, what are important erratic that have effect on customer satisfaction towards modern banking.

In today's environment the satisfied customer are more loyal to the organization otherwise they switch to other organizations. So for the sake of this we are going to use the explanatory variables that describe the different dimensions of a satisfied customer. In this study we check out the Customer Satisfaction through two different ways. One of them is indirectly linked with the customer satisfaction through banking service quality. So the variables that are indirectly effect the customer satisfaction are Responsiveness, Reliability, Security, Efficiency, Awareness and Cost while Trust and Ease of use are Variable that affect directly.

Literature Review:

Customer satisfaction:
Satisfaction can be reflected as a feeling of pleasure when a person attains his or her wants, goals or motivation (Boonlertvanich, 2011).

Customer satisfaction can be defined as a feeling of customers by using a service or product (Metawa and Almossawi, 1998). Customer satisfaction is key factor of customer's desires for future purchase (Mittal & Kamakura, 2001). Besides, the satisfied customers will probably share their good experiences with others (Jamal &Naser, 2002).

Customer satisfaction considered as an essential factor of long-term behavior of customers (Ndubisi,O, 2004).

Banks are providing new innovative techniques of satisfying customers, such as online system and internet banking, telephone and call center. The two important elements of banks which effect the overall satisfaction of customers are competitiveness and ease. So in order to increase the efficiency of the organization it is necessary to measuring the customer satisfaction (Parasuraman, ZeithmaI& Berry, 1988).

According to Khattak and Rehman (2010), the one of essential factor of the strategy of any organization is the customer's satisfactions because customers are the ultimate source of company's revenue. So customer satisfaction is important for attracting the new customers and retaining the old ones.

From the last one and half decade, the banking industry is paying the attention towards the satisfaction of customers. It is because of the high competition among the banking sectors and mostly the marketing strategies of most of banks is the providing the satisfaction to customers. So, due to this competitive strategies the ultimate customers getting benefits (Khattak and Rehman, 2010).

The satisfaction of the customer especially in the service business had a great importance because the satisfaction of the customer directly linked with the customer loyalty or the repetition of using the services the modern banking has provided (Ravichandran et al., 2010).

Customer satisfaction is much vital in internet based companies. Good quality products and services are demanded by customers and if they don't get the desired services they can easily move away towards another option. All the online businesses are compelled to isolate and focus customer's need for their satisfaction (Kadir, Rahmani, & Masina, 2011).

All the customers who are using electronic and wireless banking services for their routine transaction may find modern banking according to their way of living and preferences. Subsequently if all modern banking firms want to catch the attention and retain customers, they must give importance and attention to the individual customer's way of living and his liking and disliking (Lin, 2011).

Modern Banking:

This study will provide the basic concepts related modern banking services and prove that modern banking services is useful for banks in term of customer satisfaction. Banking also improved Due to the adaptation of modern banking elements. Electronic banking also an important element of modern banking that was introduce in the mid of 1990. After that it was become the more important. So, modern banking is the only cause of customer motivation and satisfaction due toquick response, security, reliability and speedy transactions of modern banking services (Premalatha & Sundaram, 2012). The development of innovative technology in the banking provides the superior services to the customers. ATM, online and mobile banking are the modes of modern banking and these are helpful to maintain the customer loyal. Some studies stated that only the improvement in the banking services is the only cause of user's satisfaction (Khan, 2010).

As we know that services industry is totally changed due to the innovative technologies and only the organization who adapt these innovative changes in their services cause the customer satisfaction. The main reason behind this; the innovation in technology enhances the customer expectations. So customers are demanding according their exceptions. Due to this reasons banking also improved their services to meet the customer's expectations (Aliabadi1, et al., 2012). ATM was the first innovation in the modern banking services; by these modern techniques banks are become able to serve the customer's after the banking hours. So, the main reasons behind these developments in the services are to maintain the customer loyal. User can use these services without any hesitations anywhere at any time (Sultan Singh, 2009).

No organization can sustain the competitive advantage with the similar product and services over the time. So every organization have to change itself when the changes are required, so modern banking are innovative technology and all the banking have to adopt these technology for the sake of fulfillment of customers demands and also for sustain in the market(Islam, Sheel, & Biswas, 2009).

Reliability:
The feature of reliability defines providing the accurate and promised service at all times of transaction. Users of electronic banking want to obtain the right quality and right quantity of service at all times, as it is promised by the banks. In addition to this, customers have a preference to accurate billing of their accounts (Khan, 2010).

According to Wolfinbarger&Gilly, (2003), the strongest predictor of customer satisfaction is the reliability.

According to previous researches, reliability feature of ATM is important to consumers' use of bank's electronic channels (Liao & Cheung, 2002; Polatoglu&Ekin, 2001).

The accuracy in information about the transaction was a main interpreter which helps in perception of customers on service quality of ATM (Wan et al., 2005)

Tan et al., (2003) found that reliability is the main aspect which positively and significantly contributes toward perception of customer on service's quality.

The old researches strong support that the main determinant of perceived service quality by the customer and which also positively relates to customers' use of ATM services is the "reliability" (Fassnacht&Koese, 2006; Polatoglu&Ekin, 2001).

According to Rugimbana and Iversen (1994) which make the research on the perceived attributes of service quality of ATM and it's implication in market. They found that reliability, ease of use and convenience are main features, however unreliability (risk) and complexity are the main reasons of dissatisfaction.

H1. There is a significant relationship between reliability and customer satisfaction toward modern banking.

SECURITY:

Literature Review indicates the different dimensions of customer satisfaction through the use of ATM services. So security is one of the most important factors in the banking services that cause the customer satisfaction. Lovelock, (2000) defines the security in term of location; he defined as the convenient and secure location that causes the customer satisfaction (Khan, 2010). Mr. Ajay Bimbhit (2008) in his study defines that customer want multiple factors under the head of Banking Services, but the most important in the security and safety of his money (Premalatha & Sundaram, 2012).

Depending upon the prior studies, we linked the factors that defines that there is strong relationship between security and customer satisfaction. So the security is one of the major items from all the service quality items that can cause customer satisfaction and dissatisfaction as well (Khan, 2010).

Kumbhar (2011) also proposed in his study that with the other factors of E- Banking service quality like as Assurance, ease of use and responsiveness; security is also the important variable that affect the customer satisfaction (Aghdaie & Faghani, 2012). In the study of

Patrı´cio et al., (2003), he defines that the speed of operations, ease of use and accessibility are the strong predator of customer satisfaction while the low level of security and technical failures of the banking services also the strong dimensions of dissatisfaction (Khan, 2010).

The security has direct and positive relationship with customer satisfaction. More secure cause more satisfied while on the other hand more insecure cause more dissatisfied. Among all the services of modern banking only security is the main factor that can lead the customer to satisfaction or dissatisfaction. So, the study in Bangladesh defines that secure, safe, convenient location and 24 hours secure services are the strong predictor of customer satisfaction (Khan, 2010). Lake of privacy in transaction execution, feeling unsafe and the problem face by the person related to machines can cause the customer dissatisfied through feeling insecure (Joseph & Stone, 2003).

H2: There is a significant relationship between security and customer satisfaction toward modern banking**.**

Awareness:

A study has proved that awareness about the services of mobile banking is major factor affecting the mobile banking adoption and ultimately customer's satisfaction (Safeena, Hundewale, & Kam, 2011).

In a study done in Australia has shown that most of the people were not familiar with potential, benefits or difficulties of online banking services.   Developing awareness about the products and services in customers is significant factor to adopt modern services. As modern services are usually new thing for customers, hence less information and less awareness prohibit people to adopt modern banking (Sathye, 1999).

Banks are responsible to provide up to date information as it is an important factor for increasing the customer's satisfaction. This will increase the performance of internet banking services and quality (Chung & Paynter, 2002). Another research has also proved that awareness is most important thing that should be focused by managers to satisfy customers. This will create a good image on modern banking and customers will shift from retail banking to online and mobile banking (Srivastava, 2007).

There was investigation of factors that have effect on understand and use the electronic banking services. It has been proven that more the awareness of services lead to more use of modern banking. Finding revealed that internet banking services are easy to use, obvious and

7

easy to understand hence helped to shift from retail banking (Riffai, Grant, & Edgar, 2012). A study has exposed that awareness about the services has direct impact on increased usage of modern banking. Customers should clearly know about the services provided by bank that what are they and how they can be used. If customers are well aware of the information about services, advantage of online services and method of using these services than customer will more willing to use online banking (Howcroft, Hamilton, & Hewer, 2002).

A research concluded that deficient awareness of mobile banking is main hindrance of understanding about advantages of these services. Hence customers seem unwilling to modern services (Aghdaie&Faghani, 2012).

H3: There is a significant relationship between awareness and customer satisfaction toward modern banking**.**

Trust:

Trust as the belief of an organization in the honesty of its business accomplice and different considers applicable to this idea (Ganesan, 1994; Geyskens et al., 1998).

The person confidence towards other behavior they will behave in a way that they will expect from them to behave (Grazioli&Jarvenpaa, 2000; Luhmann, 1979).
When we talked about trust then we also considered another factor which is closely associated with trust is the perceived Risk in adoption of the modern banking and the new technological services the bank offered like the online facility, ATM, mobile transaction services etc (Featherman and Pavlou, 2003; Gefen et al., 2003; Lee and Turban, 2001).

To maintain the long term relationship with customers it's very necessary for the service provider to gain the trust of the individual or to identify those factors which create fears in the mind of the individual because of which they hesitate to adopt the new thing like the modern technological banking services except of the old bank service provider especially the peoples who are unaware or unable to use the modern banking technology. So it's very necessary for the modern banking service provider to gain the trust of the customer to remove their fear of risk to adopting the modern banking. As it considered that the modern banking is more risky as compared to the conventional banking (Kim et al., 2009).

The fear of security of money and issuing of their personal information which creating the hurdle in using the modern banking technology and on the overall satisfaction level of the

8

customer toward using modern banking. In this situation the belief will be helpful to reduce these factors which create fear like to minimize fraud, doubts and the possible risk to facilitate customers to do transaction through modern banking technology (Gefen, 2000, 2003; Gefen et al., 2003a; Pavlou, 2003; Suh& Han, 2002; Wang &Benbasat, 2005).

Trust is a factor which influenced by behavioral perception of the customer the usefulness of the modern technology and the ease of use (Pavlou, 2003).

The essential trust of the single person in administrations is communicated as the fundamental element for utilizing Modern banking an account (Kim et al., 2009).

The perception of the individual to adopt the modern banking or not depend upon the trust the individual have on the features of the modern banking technology (Payam Hanafizadeh, Mehdi Behboudi, Amir Abedini Koshksaray, 2012).

H4: There is significant relationship between trust and customer satisfaction toward modern banking.

Ease of Use:

Ease of use means the level to which the customer perceived that modern banking is easy to recognize and manage. All type of modern banking usually has user friendly appearance, so this quality makes it more easy to use for customer, that's why customer has positive feeling towards them (Lin, 2011).

Perceived ease of use defines as "the degree to which a person believes that using a particularly stem would be free of effort." This concept about ease of use goes behind from the definition of "ease": "freedom from difficulty or great effort." Effort is a limited reserve that a person may assign to the variety of activities for which he or she is accountable (Radner and Rothschild, 1975).

Furthermore when a customer experienced that modern banking is easy to use and operate, they will prefer to use these methods to do transaction with banks. For that reason banks which are using modern banking instruments must give their attention to design easy-to-use banking service transaction. Customer good perception about ease-of-use will contribute to an optimistic valuation of mobile banking, particularly by experienced customers (Lin, 2011).

The result of their study shows that the use of internet banking by customers, are greatly influenced by the perceived ease of use (PEOU) towards internet banking(Dash, Mohanty, Pattnaik, Mohapatra, & Sahoo, 2011)**.**Hence, the following hypothesis is developed:

H5: There is a significant relationship between ease of use and customer satisfaction toward modern banking**.**

Responsiveness:

The responsiveness feature of service quality of electronic banking is relates to the capability of staff of bank to deliver the agreed services accurately, dependably, timely and promptly. The preference of customers is to resolve their objections expeditiously (Karjaluoto et al., 2002). According to Khan (2010),the main dimensions of service quality of automated banking include ease of use, reliability, privacy, responsiveness and convenience. According to Gerrard and Cunningham (2003), the response of staff ATM of customers related to needs, impact their perception about quality of service. Previous studies found that responsiveness is essential to sustain quality of service and enables to build the long-term relationship between the customers and the service provider (Bauer et al., 2006; Long &McMellon, 2004).

The Quick response to needs and queries of customer related to the electronic banking related services are essential in order to develop standards of quality of service of electronic banking. This helps in enabling the customers to contribute in perfection of service quality, perform and learn, and have a satisfying experience through two-way communication. Bank should make a commitment to redress the service failures of ATMs (Khan, 2010). Solomon et al., (1985) claimed that role players should deliver compatibility among the expectation and perception during encounter of service.

H6: There is a significant relationship between responsiveness and customer satisfaction toward modern banking**.**

Theoretical Frame work:
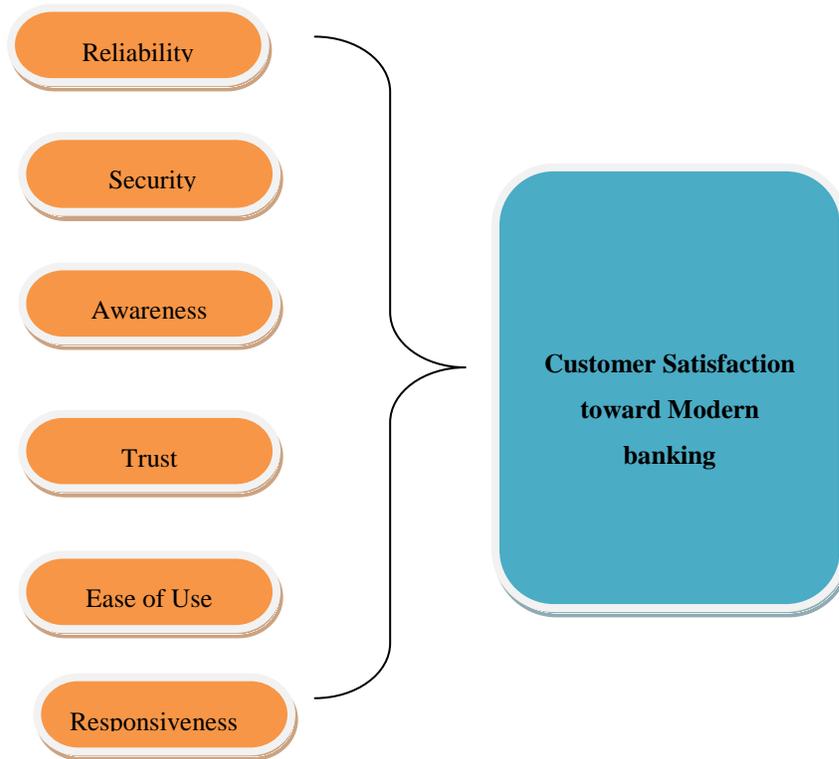
Research methodology:

Sample selection:

The sample was selected on general bases. Questionnaire survey, were conducted by customers of modern banking in order to increase the validity and reliability of the responses. The sample is contained on 120 individual customers of commercial retail banks. Since this study did not mean to measure customer satisfactions in relation to any particular bank, respondents were randomly approached in the offices, educational institutes, street and shopping centers. The sample is consisted of respondent's both male and female, age from 20 years to retired persons, income from 15000 to above 60000, students, professionals, businessman, and housewife, retired, and using modern banking services customers.

Research strategy:

Firstly, data is gathered from past publications, and got some variables that play a main role to increase customer satisfaction. Some variables were drawn in discussion with banking professionals and research instructor. After short listing variables that have most significant relationship with customer satisfaction is detailed discussed in literature review. The research framework and model was derived from literature review that is showing the positive and negative relationship between independent variable and dependent variable. On the bases model hypothesis were develop, empirical test is applied on this study to check either these hypothesis are going to accept or reject. The primary data is gathered through questionnaire survey from the modern banking customers. The response of customers is feed in SPSS (software package for social sciences) and find results.

Analysis:

Empirical test is applied on this study to check either these hypothesis are going to accept or reject. Different statistical tools are used in SPSS (software package for social sciences) and find results i.e. regression, co-relation, mean and standard deviation. Correlation analysis is a technique used to find out the relationship among the independent and dependent variables. On these statistical test bases we find the entire research hypothesis are accepted. Some variables as like trust, ease of use, security, awareness has a weak relationship with customer satisfaction but responsiveness and reliability has moderate relationship with customer satisfaction.

Profile of the Respondents:

Table 1:

Variable		Frequency	Percentage
Total No. of Respondents		**120**	**100**
Gender	Male	**83**	**69.2**
	Female	**37**	**30.8**
	Total	**120**	**100.0**
Age	Below 25 y	**70**	**58.3**
	26-35y	**29**	**24.2**
	36-45y	**15**	**12.5**
	46-55y	**3**	**2.5**
	above 56	**3**	**2.5**
	Total	**120**	**100.0**
Educational status	Matriculation	**1**	**.8**
	Intermediate	**7**	**5.8**
	Graduate	**33**	**27.5**
	Post Graduate	**79**	**65.8**
	Total	**120**	**100.0**
Occupational Status	Student	**71**	**59.2**
	Working Professionals	**23**	**19.2**
	Businessman	**13**	**10.8**
	Housewife	**9**	**7.5**
	Retired	**4**	**3.3**
	Total	**120**	**100.0**
Income Level	Below 20,000	**73**	**60.8**
	20,000-30,000	**25**	**20.8**
	30,000-40,000	**12**	**10.0**
	40,000-50,000	**5**	**4.2**
	Above 50,000	**5**	**4.2**
	Total	**120**	**100.0**
Which modern banking respondent are using?	Internet Banking	**12**	**10.0**
	ATM	**82**	**68.3**
	Mobile Banking	**26**	**21.7**
	Total	**120**	**100.0**

13

Findings and Discussion

Reliability Analysis

On the whole the Cronbach Alpha for the 19 questions regarding customer satisfaction towards modern banking was 0.848. Reliability of the questions which were asked to identify the level of customer satisfaction was 0.815. According to Nunnally (1970) acceptable level of Cronbach alpha must be greater than 0.50 and all dependent variables have crossed this acceptable level as Cronbach Alpha of reliability, security, awareness, trust, ease of use and responsiveness are 0.531, 0.557, 0.585, 0.504, 0.565 and 0.577 respectively. This Cronbach alpha demonstrates that these questions' results are reliable and adequate to measure the customer satisfaction towards modern banking.

Table 2

Scale	items	Cronbach Alpha
Customer Satisfaction	3	0.815
Reliability	2	0.531
Security	2	0.557
Awareness	3	0.585
Trust	3	0.504
Ease of use	3	0.565
Responsiveness	3	0.577

Table 3 Correlation Results:

		Customer Satisfaction
Reliability	Pearson Correlation	.486**
	Sig. (2-tailed)	.000
Security	Pearson Correlation	.525**
	Sig. (2-tailed)	.000
Awareness	Pearson Correlation	.192*
	Sig. (2-tailed)	.035
Trust	Pearson Correlation	.265**
	Sig. (2-tailed)	.004
Ease of use	Pearson Correlation	.450**
	Sig. (2-tailed)	.000
Responsiveness	Pearson Correlation	.518**
	Sig. (2-tailed)	.000
	N	120

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

*. Correlation is significant at the 0.05 level (2-tailed).

Table 4 Regression Results:

	RSquare	F	Beta
Reliability	0.309	52.816	0.580
Security	0.215	32.296	0.555
Awareness	0.037	4.541	0.206
Trust	0.07	8.881	0.285
Ease of use	0.203	29.979	0.683
Responsiveness	0.268	43.175	0.753

Hypothesis Testing

Test of Hypothesis 1:

According to the table 3 which shows the results of correlation test, there is high significant relationship at the 0.01 level (2-tailed) between reliability and customer satisfaction towards modern banking because p value is (.000<0.05). But there is weak correlation because correlation value is 0.486. In table 4 results of linear regression analysis are shown. R square value is 0.309 shows that the change in dependent variable (customer satisfaction) is 30.9 % due to change in the reliability. Beta is 0.580 and F value is 52.816 which demonstrate that hypothesis 1 is accepted.

Test of Hypothesis 2:

Hypothesis 2 is also accepted because the p value is .000 so security's correlation is highly significant at the 0.01 level (2-tailed) with customer satisfaction towards modern banking. Correlation value 0 .525 and there is moderate correlation among dependent and independent variables. In Regression test if we see R square value then we can conclude that 21.5% change in customer satisfaction is due to security. F value is also acceptable as it is 32.296 and Beta is 0.555 which shows the momentous effect of security on customer satisfaction level.

Test of Hypothesis 3:

Awareness has week correlationat the 0.05 level (2-tailed) as the value of correlation is 0.192 because when the value is closer to the 0 then relationships is week. P value is .035 which is less than 0.05 so we can conclude that hypothesis 3 is also accepted but according to the results

there is not highly significant association between awareness and customer satisfaction towards modern banking. In table 4 R square value of awareness sows that customer satisfaction change only 3.7% due to this variable. And F value is also very low and if customer satisfaction is 1 than beta value of awareness is 0.206.

Test of Hypothesis 4:

Based on results we accept our 4th hypothesis also as Correlation is significant at the 0.01 levels (2-tailed) between trust and customer satisfaction as the value of p is .004. Furthermore intensity of relation is **0**.265 and that is week correlation between these dependent and independent variable. **RSquare** value of regression test results shows that trust on modern banking causes only 7 % change in customer satisfaction. F value of trust is not acceptable because it shows here model unfitness. When Customer satisfaction is 1 then the influence of trust will be 0.285 (Beta).

Test of Hypothesis 5:

P value of independent variable, ease of use is .000at the 0.01 level which shows that there is highly significant relationship between ease of use and customer satisfaction towards modern banking. But correlation test results also verify that their relationship is week as the Pearson correlation value is 0.450. In table 4 R square values is 0.203 and according to this figure 20.3 % change in customer satisfaction is caused by ease of use. F value of 29.979 is also acceptable because it shows the fitness of model and beta is also 0.683 that is greater than required level of 0.05 so we accept our 5th hypothesis.

Test of Hypothesis 6:

There is moderate correlation between responsiveness and customer satisfaction towards modern banking because according to table 3 Pearson Correlation value is 0.518. P value is .000 at the 0.01 level (2-tailed) which demonstrates that there is highly significant relationship between these dependent and independent variable of our research. Regression test results also provide practical evidence to accept our 6th hypothesis as the beta of responsiveness is 0.753 which is highest beta as compare to all other independent variable. **RSquare** value is 0.268 and **F** figure is 43.175 which are acceptable. On this basic we can say that responsiveness has highest value in determining the customer satisfaction.

Conclusion:

The research paper is about to the check the customer satisfaction towards the use of modern banking. The study has identified six Factors which affect the satisfaction level of customer in using the modern banking services. The satisfaction of the customer especially in the service business had a great importance because the satisfaction of the customer directly linked with the customer loyalty or the repetition of using the services the modern banking has provided. The major factors of the research are awareness, security, and trust, ease of use, responsiveness and reliability which shows the relationship between the customer satisfaction and the modern banking services. From the testing of hypothesis it is identified that all the hypothesis are accepted which shows that the all the variables identified in the research have a significant positive relationship with customer satisfaction towards the modern banking but the relationship effect of some factors is strong then others. The result shows that the Awareness have a weak relationship with customer satisfaction toward modern banking its mean the familiarity of peoples to use the modern banking services does not affect so than other factors. The reliability however has a moderate effect on satisfaction of the customer to use the modern banking services. Providing the accurate and promised services at all time of transaction is more valuable to the customers. They demand the quality services as modern banking service provider claim. The security has a positive relationship with the customer satisfaction but it is a weak relationship. Convenient and the secure location also plays an important role in the satisfaction of the customer. Trust and the Ease of use both have significant positive but week relationship with customer satisfaction in the perspective of using the modern banking services. The easiness to managing the services provided by the modern banks and having a belief of customer on the service provider plays an important role in using the modern banking service with the satisfaction but their effect level is low as compared to others. The responsiveness has moderate relationship with the customer satisfaction. The customer is preferred that the bank staff will be responsive enough to provide   accurately and consistent services and on time.

Overall the factors have discussed above affect the satisfaction of the customer but the factors varying according to their effect level. The modern banking service should focus on the on time delivery of their promised services along with quality and having a good relation with customer by providing accurate information with responsibility and according to the need of the customer as it will prove benefited for the service provider in the long run and retain valued

customer. As the quality of the services provided by the modern banking improve continuously the customer satisfaction increases towards modern banking. The overall study shows that the customers are willing to use the modern services like the online banking, ATM etc. they prefer the facility provided by the modern banking but some factors like Responsiveness and reliability have effect their level of satisfaction. The satisfaction level of customer increase towards the use of modern banking servicesif the bank provide more reliable services with quality they promised and on time.

Recommendations:

As all of the discussion shows that each variable indicated in the paper has effect on customer satisfaction towards modern banking. Customer satisfaction is related with proper adoption and usage of modern baking services. Hence it is recommended for banks to improve the information channel by making motivational strategies regarding methods of using services and their benefits. Security, trust and reliability should also be focused by banks by enhancing security of transactions, ensuring proper network system and timely service providing. Bank can also make services more enjoyable for customers by conducting informative seminars and conferences to instruct customers about use, privacy and safety of modern banking services. Mainly in Pakistan many customers are not well aware of modern technologies being used in modern banking services. Hence they can be trained by providing basic technological skills. All of the above a human factor is always there. For enhancing customer's satisfaction service providers are required to involve human to some extent as for dealing with complaints or issues related to services and for timely response to meet customer's expectations. This research is done in small area of Pakistan. Secondly, research includes only service related factors for customer satisfaction. Further research can be conducted with large sample size covering the major cities of Pakistan. Even a comparable study among various developing countries will be fruitful Further research can also consider the factors like Age, education and gender to determine customer's satisfaction towards modern banking. Further research can also explore more factors like information delivery and information quality about use and security of modern banking services.

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