

The Impact of Internet Banking Service Quality on Customer Satisfaction in Sri Lanka

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Banking Sector plays a vital role in economic and financial development of a country due to its impact on the financial activities. Internet banking has become one of the widely used banking services among Sri Lankan retail banking customers in recent years. Providing high quality service to the customers is the ultimate objective of any organization. The key objective of this study is to ascertain the relationship between internet banking service quality and customer satisfaction in Sri Lankan banking context. In this empirical study, the SERVQUAL model, originated by (Parasuraman, et al., 1988) has been applied to examine the five dimensions of service quality namely tangible, reliability, responsiveness, assurance and empathy on customer satisfaction of commercial banks in Sri Lanka. The data were gathered through a structured questionnaire with 188 banking customers from five selected banks in western province using simple random sampling method. A descriptive analysis and regression analysis used to explore the level of service quality of Sri Lankan commercial banks from the customer's perspective. The results revealed that tangible, reliability, responsiveness and assurance have more contribution to satisfy the customers in online banking. The study also explored that empathy has no influence on customer satisfaction in Sri Lanka. Therefore these findings will help the banks to establish a customer oriented strategy to retain their customers in future.

Keywords: Internet banking, Service quality, Customer satisfaction, SERVQUAL model