

Factors Influencing the Satisfaction of Mobile Banking Services

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ABSTRACT

Abstract—The purpose of this research was to study demographic characteristics, and service marketing mix factors influencing the satisfaction of mobile banking services in Thailand. The sample group of 350 users were selected using cluster sampling and using questionnaires as a data collection tool. The statistics used in the data analysis were percentage, mean and standard deviation. The hypothesis was tested by using Independent Sample t-Test, One-Way Analysis of Variance, and Multiple Regression Analysis. The research results revealed that consumers with different levels of gender, age, education, occupations and monthly incomes had different satisfaction of using the mobile banking. In addition, the service marketing factors in term of product, place, promotion, process, physical evidence affected the satisfaction of using mobile banking at statistical significance of 0.05. While marketing factors in term of price and people did not affect the satisfaction of using the mobile banking.

Keywords— Mobile banking, Satisfaction, Service marketing mix

INTRODUCTION

As Thailand has moved towards a cashless society, electronic money transfers and payments via mobile banking have become the main channel for consumers. Some Thai consumers have changed their behavior to transfer money and pay for goods and services using mobile banking instead of using ATMs or cash, resulting in a growing trend of using mobile banking in Thailand continuously. In 2022, money transfers and payment for goods and services via mobile banking are expected to continue to grow. Although it has been driven by contactless payment behavior and consumers have reduced purchasing power. As a result of the economic contraction and due to the epidemic situation of COVID-19. The volume of money transfers and payment for goods and services via mobile banking is expected to be around 7,758.0 - 7,927.5 million transactions, an increase of 57.5 - 61.0 percent, while the transaction value will be around 28,910.4 - 29,707.2 billion baht, expanding approximately 18.4 - 21.7 percent from 2021 (Kasikorn Research Center, 2022).

From the spread of the COVID-19 virus causing consumers to be limiting the area to only within the dwelling from the government's policy of asking for cooperation, which has resulted in the number of internet usage being tracked. The situation through online channels has greatly increased in the past, especially the media related to entertainment, including the use of financial services through mobile application. In addition, the use of a trading application that focuses on going to online trading to avoid going out in public and to be in compliance with government policies and reduce the risk of contracting COVID-19 as well. However, Mobile Banking service providers will still have to face the challenge of intense competition from the arrival of various new operators, especially the arrival of social network platform providers. It also faces rising consumer expectations amid rapidly changing consumer behavior.

However, due to the intense competition of service providers, the expansion of Mobile Banking users, coupled with the COVID-19 outbreak and the government's promotion of a cashless society. It can be seen that Mobile Banking has tendency to expand a lot as Thailand is entering the digital economy. Mobile Banking users, both consumers and merchants, want convenience, speed and efficient systems to make shopping as easy as possible (Wongkangwan, 2022). This resulted in competition among Mobile Banking service providers themselves. Therefore, it is necessary to study the behavior of service users as well as to understand the acceptance and the use of technology of service users, including the intention of using the system and attitudes of the service marketing mix (7Ps) in terms of products, prices, place, promotion, processes, people and physical evidence to be able to meet the needs of service users (Kotler & Keller, 2016).

Therefore, the researcher is interested in studying the Mobile Banking usage behavior of smartphone users in Bangkok. It can be used by merchants or interested parties to plan or develop marketing strategies to meet the needs of target users most effectively. The results of the research will be a guideline for entrepreneurs to use information to develop, improve efficiency and effectiveness in various fields of the Mobile Payment business, including as a guideline for government agencies to promote and support in response to the entering a digital economy and a cashless society.

LITERATURE & THEORY

Service Marketing Mix Factors

Marketing Mix (Kotler & Keller, 2016) refers to the key elements in marketing operations that are factors that the company can control. It is necessary to have an appropriate marketing mix for use in marketing strategy, consisting of 7 factors, namely Product, Price, Place, Promotion, People, Process, and Physical Evidence, which are known as 7Ps.

Product means something that the company offers to sell to cause interest by consumption or use of the service which can make customers satisfied. The customer will receive the utility and the value of the product. The product may be something that is tangible called goods or things that are intangible called services. Formulating product strategies need relevant factors such as product differentiation mean products or services that are different from other service providers in the market in order to create outstanding competitiveness. Including the product component or the properties of the product refers to product features, efficiency and benefits. As well as the appearance of the product uses in presenting and responding to the needs of consumers correctly.

Price refers to the value of a product, service or fee for receiving a service, which the consumer is willing to exchange for that service. Consumers tend to consider the price they pay along with the value they receive. If the value is higher than the price, the consumer will decide to purchase. Therefore, pricing must be including cost of services, value perceived by users, and pricing to be competitive and superior to competitors. Transaction fees per transaction affected confidence in using financial services through applications due to the comparison of transaction fees per time of service users.

Place means distribution channel where service providers deliver goods or services to consumers both directly and indirectly. Whether the distributor will be effective or not must be reflected through the convenience and satisfaction that consumers receive. Therefore, service providers must take the determination of distribution channels which can be comfortable and suitable for the lifestyle of the target group. The accuracy of the information that it is easy to use, fast, and the application is beautiful and attractive, which has influenced the decision to use phone banking of the Government Savings Bank.

Promotion means marketing communication tool between seller and buyer. Its purpose is to inform and induce attitudes, needs and attract behaviors in using that service. Communication mix consists of communication by using personal selling and communication without a non-personal selling, which requires the principle of Integrated Marketing Communication. This will enable users to be exposed to information, resulting in users having confidence in using financial services through mobile banking applications.

People means people who participate in the process of providing services, including employees of the Company. customers who come to use the service and other customers who come to use the service as well. People are an important element in both service production and service delivery. Therefore, the acquisition of quality personnel requires a process of selection, training, development of employees to have knowledge, skills, and willingness to serve to create satisfaction for users effectively. The service providers who have knowledge can provide complete information about credit cards and can answer questions from users that affects the decision to choose mobile banking.

Process refers to the process to deliver quality services to consumers with speed, accuracy and impress customers. A process involves a system or method, machine or tool, and a person. If a business can manage both systems, tools and people effectively, it will be able to create satisfaction for customers.

Physical Evidence refers to what the customer can be touched by choosing goods and services. It creates a difference and quality such as clean, tidy, gentle negotiations and prompt service which is necessary in service. It may also refer to a symbol that customers understand the meaning of receiving information from marketing communications to the public.

From the literature review, concepts, theories and related research, it can be concluded that marketing mix factors consisting of product, price, place, promotion, process, person, and physical evidences have influenced the satisfaction of mobile banking services.

METHODS

The population and sample used in this research were people who know how to make payments via mobile banking applications and live in Bangkok and its vicinity. The sample size at the 95% confidence level was total of 385 samples. The sampling method was cluster sampling and convenience sampling. The questionnaire is distributed to groups on Facebook who are expected to find samples that use the mobile banking service to conduct financial transactions.

The instrument used in this research was a questionnaire consisting of questions based on the characteristics to be measured such as demographic characteristics, service behavior and corporate image recognition factors. The researcher tested the validity and reliability of the questionnaire to obtain accurate research results and achieve the stated objectives. In this regard, the researcher will provide a preliminary questionnaire test of 40 sets. The results of the confidence check of each question have a confidence value between 0.812-0.924, which is between 0.7-1.00 passed the reliability criteria (Hair et al., 2010).

For data analysis, the researcher used descriptive statistical analysis such as frequency, percentage, mean and standard deviation in order to distribute the properties of the variables studied. Including inferential statistical analysis was used Independent sample t-test, One-Way analysis of variance, and Regression analysis.

RESULTS

Results of descriptive data analysis

The demographic characteristics of the 385 users of the mobile banking application found that most of the respondents were female (68.55%), age between 31-40 years old (37.25%), bachelor's degree (42.58%), working as a private company employee (42.45%), and have monthly income between 30,001-45,000 baht (30.49%).

The characteristics of the variables studied were the level of opinions about the marketing mix factors. The results found that majority of the respondents had their opinions on the place the most, followed by physical evidence, process, product, promotion, price and people, respectively, and overall were at a high level. In addition, it was found that respondents satisfied to use the mobile banking at a high level.

Results of hypothesis testing

The results of the comparison of satisfaction of using mobile banking services classified by demographic characteristics, it was found that respondents with different gender, age, level of education, occupation and monthly income had difference in their satisfaction in mobile banking services application.

The result of regression analysis was found that service marketing factors in term of product, place, promotion, process, physical evidence affected the satisfaction of using mobile banking, which was consistent with the research hypothesis. While marketing factors in term of price and people did not affect the satisfaction of using the mobile banking, which was inconsistent with the research hypothesis. When considering the weight of the effect of the independent variable which determined from the multiple regression coefficients in the form of a standard score, it was found that the forecaster with the highest multiple regression coefficient was marketing factors in term of place, followed by physical evidence, process, product and promotion, respectively, with all variables can be predicted together. It was statistically significant at $F=56.34$, and could explain 51.69% of the variance of satisfy in using the mobile banking. The multiple regression coefficients can form a predictive equation of satisfaction to use mobile banking of consumer in Thailand. The forecast equation is as follows:

Satisfaction to use mobile banking = $3.851 + .248$ (Product) + $.311$ (Price) + $.325$ (Place) + $.203$ (Promotion) + $.221$ (Process) + $.093$ (People) + $.256$ (Physical evidence)

CONCLUSION AND FUTURE WORK

Conclusion and Discussion

The results found that majority of the respondents had their opinions on the place the most, followed by physical evidence, process, product, promotion, price and people, respectively, and overall were at a high level. In addition, it was found that respondents satisfied to use the mobile banking at a high level.

The results of the comparison of satisfaction of using mobile banking services classified by demographic characteristics, it was found that demographic characteristics of service users with different gender, age, levels of education, occupation and income had different levels of satisfaction with using the mobile banking service. The results were consistent with the research of Yooprasert (2019) found that Demographic characteristics of service users include gender, age, status, highest education level, occupation, and average monthly income are different, there are different behaviors of using Mobile Banking service. Consistent with Sereerat (2009) explained that demographic factors are important market segmentation variables that indicate different consumer needs and result in behavioral changes. Because demographic factors differ, they tend to have different thoughts, attitudes, values, perceptions, and decisions.

The result of regression analysis was found that marketing factors in term of product, place, promotion, process, physical evidence affected the satisfaction of using mobile banking, which was consistent with the research hypothesis. While marketing factors in term of price and people did not affect the satisfaction of using the mobile banking, which was inconsistent with the research hypothesis. The factor of place or service channel affected the satisfaction of using Mobile Banking service the most because Mobile Banking is a channel through online which users can make transactions anywhere, anytime without having to carry cash which makes the service users more comfortable. This was consistent with some of many researches such as Mahamongkol (2011), Mechai (2012), Kurukitvanich (2015), and Yooprasert (2019) found that place was the greatest importance factor on using financial transactions which can use it anywhere, anytime and can be comfortable and suitable for the lifestyle of users at present. In addition, mobile banking has a variety of transaction features that can meet the needs of users that is consistent with the marketing mix concept for service businesses. The study of Muengling (2015) found that having a variety of functions that support transactions through the application and has a way to quickly report problems affects confidence in using financial transaction services as well. In the line with a study of Meechai (2012) found that the application's menu structure in service is appropriate. There are simple functions to use and having the image of a reliable service provider will influence users to make decision to use financial transactions via mobile phones. If what is offered by a business to satisfy its customers' needs consists of a product, service, idea, place, organization which must have utility valuable in the eyes of customers, thereby enabling the service to be sold (Kotler & Keller, 2016).

The result of regression analysis was found that marketing factors in term of people did not affect the satisfaction of using mobile banking, which was inconsistent with the research hypothesis. This may be because Mobile banking service has made it possible to communicate with employees less by using communication over the Internet and social media to replace it. However, when it comes to communication with employees, employees who provide service should willing to provide services with good manners and have knowledge in giving advice as well. This will affect the decision to use the mobile banking service. Consistent with the study of Kurukitvanich (2015), it was found that employees who provide service are willing to provide services with good manners and have knowledge in giving advice as well. This will affect the decision to use the Bank's phone banking service. In accordance with the study of Panyathanaphat (2015), it was found that service providers who have knowledge can provide complete information about credit cards and can answer questions from users that affects the decision to choose mobile banking.

Recommendation and Future Work

The researcher has the following suggestions:

1. Mobile banking business should apply demographic characteristics and consumer behavior data to determine market segmentation and target groups for developing strategies that are appropriate to meet the needs of consumers. In addition, mobile banking service provider should think about creating an application that is suitable for the needs of the target group.

2. Mobile banking business should focus on marketing factor in term of people so that service users can easily contact service providers. Personnel must be able to answer questions or concerns clearly and accurately,

able to resolve problems quickly and are willing actively consulting. Including they should have good human relations, polite and friendly to customers. Therefore, in order to maintain the customer base, mobile banking business should regularly train employees to have knowledge about the company's products and add a variety of communication channels through social network or the company's website, and call center to reach more service to users.

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