

FACTORS AFFECTING CUSTOMERS' SATISFACTION OF ATM SERVICES AT AGRIBANK, SON LA BRANCH

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Abstract

Service payment use without cash is more and more popular for Vietnamese people, especially payment card services. With a large number of the bank today are issuing cards, competition among banks in this activity is more and more severe. Commercial banks want to improve the quality of this service. Research in SERVQUAL model use aims to evaluate the influence level of factors to customer's satisfaction in the ATM service of Agribank Son La.

Keywords: *ATM service, customer satisfaction, SERVQUAL model, customers*

I. Introduction

The strong development in information technology has put commercial banks (commercial banks) in a fierce competition. Currently, the trend is to switch to non-cash payment, banks are strongly developing non-cash payment services, including card services. Commercial banks in Vietnam have almost developed this service and considered it as a service that can bring income and increase the competitiveness of banks. Agribank is not out of the trend. Since 2003, e-banking services have been started to develop, including card services. In recent years, Agribank has made great efforts to develop card services, but the efficiency has not been high, despite the considerable potential of the banking network.

In today's competitive environment, the customer is the deciding factor, the bank that creates interest and customer loyalty will win and grow. For the community, ATM card services have become popular in life, so using ATM card services will save a lot of time and cost for customers. Currently, the card market is increasingly active, banks are always aiming to satisfy customers when using cashless card payment services.

Agribank Son La branch is a branch located in a mountainous province, so in recent years, despite many efforts to develop card services, due to objective and subjective conditions, the results have not been achieved as expected. The services do not satisfy customers and compete with other banks in the area. Therefore, the accurate evaluation of customer satisfaction about the quality of ATM card services of Agribank Son La is now essential to further improve the ability to meet the increasing demands of customers.

II. Framework

Use the SERVQUAL model to analyze, measure and evaluate the quality of ATM card services, especially customer satisfaction when using ATM card services.

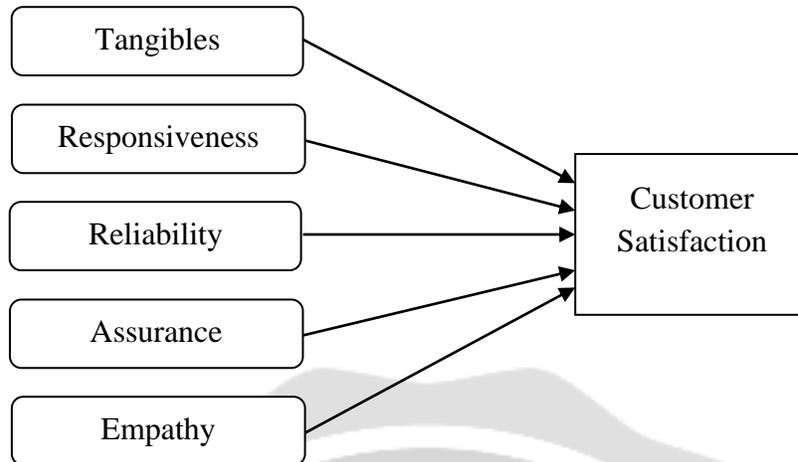


Figure 1. Dimensions of service quality - SERVQUAL Model
 Source: Parasuraman, Zeithaml & Berry, 1988

III. Method

Research data

The authors conducted a sample survey by distributing 200 paper questionnaires and sending electronic questionnaires to 100 customers for computer answers between May and November 2019. The results were a total of 190 notes of paper and 95 notes of answers by email. After performing the inspection and elimination of unsatisfactory survey questionnaires, there are 265 valid questionnaires, meeting the requirements of the research sample. The elements as well as the questionnaire were designed based on different research results at home and abroad in the past and received advice, suggestions from some customers, and experts' advice from Agribank's staff who are experienced in card services. The scale in the study is a 5-point Likert scale from "Disagree" to "Strongly agree".

Research method

In this study, the authors applied a mixed research method combining qualitative and quantitative research. In particular, the qualitative research method is an interview method by direct discussion with qualified and experienced experts. The results of discovering the factors affecting customer satisfaction on card service quality are examined by statistical methods. For quantitative research methods, conducted through the collection of questionnaire survey data and processing by SPSS software to analyze data by techniques: Descriptive analysis, Cronbach's Alpha test, EFA discovery analysis, multiple regression analysis.

- Dependent variable: Customer satisfaction on ATM card service quality
- Independent variables: Related factors as shown in Table 1

Table 1. Independent factors and hypotheses

Order	Variables	Codes	Hypothesis
1	Reliability	TC	+
2	Service efficiency	HQ	+
3	Service capability	NL	+
4	Sympathy	CT	+
5	Tangible Instruments	PT	+

(Source: Research by the authors)

IV. Results

Testing Cronbach's Alpha coefficients

About reliable components: including 5 observed variables are TC01, TC02, TC03, TC04, TC05. All 5 variables have a correlation coefficient of variables greater than 0.3 and Cronbach's alpha coefficient of 0.777 (greater than 0.6) so the scale of reliable components is satisfactory. These variables are included in the subsequent factor analysis.

Effective components: including 5 observed variables HQ01, HQ02, HQ03, HQ04 HQ05. All 5 variables have a correlation coefficient of variables greater than 0.3, so they are accepted. In addition, Cronbach's alpha coefficient is also quite high, which is 0.808 (greater than 0.6), so it meets the reliability requirement. These variables are included in the subsequent factor analysis.

About components of service capability: including 5 observed variables NL01, NL02, NL03, NL04, NL05. All variables with a total correlation coefficient greater than 0.3 should be accepted and a Cronbach's alpha coefficient of 0.808 (greater than 0.6) should meet the reliability requirement. These variables are included in the subsequent factor analysis.

About sensor component: including 5 observed variables (CT01, CT02, CT03, CT04, CT05). All 5 variables have a correlation coefficient of variables greater than 0.3, so they are accepted. In addition, the Cronbach's alpha coefficient is 0.828 (greater than 0.6) so the sympathetic component scale is satisfactory and suitable for subsequent factor analysis.

Regarding the composition of tangible instruments: including 5 observed variables (PT01, PT02, PT03, PT04, PT05). All 5 variables have a correlation coefficient of variables greater than 0.3, thus meeting the requirement. In addition, the Cronbach's alpha coefficient is quite high at 0.807 (greater than 0.6) so the scale of tangible media components is satisfactory and included in the next factor analysis.

Satisfaction scale: includes 4 observed variables HL01, HL02, HL03, HL04. All 4 variables have a correlation coefficient of variables greater than 0.3 and Cronbach's alpha coefficient is quite high, 0.938 so it satisfies the reliability condition. These variables are included in the subsequent factor analysis.

Thus, all 29 observed variables of the service quality scale are satisfactory and will be included in the next factor analysis. Cronbach's alpha coefficient of the components of service quality is greater than 0.7, which shows that this is a good measuring scale.

KMO test results

Factor analysis is an analytical technique that minimizes and summarizes data that is useful for identifying the set of variables needed for a research problem. The relationship between mutually related groups of variables is considered in the form of a number of basic factors. Each observed variable will calculate a ratio, called the factor loading. This factor tells the researcher which factors each "measure" belongs to.

In factor analysis, the KMO coefficient (Kaiser-Meyer –Olkin) must have a large value ($0.5 < \text{KMO} < 1$) showing that factor analysis is appropriate, and if the KMO coefficient < 0.5 , factor analysis may not be appropriate for the data. In addition, the factor load factor of each observed variable must be greater than 0.5 (Hair, 1998), and the total variance explained by each factor is greater than 50% to satisfy the requirement of the factor analysis (Gerbing & Anderson, 1988).

To conduct factor analysis, the author used the method of extracting the main components (Principal Components) with Varimax rotation and the method of calculating the factor is the Regression method.

After passing the reliability test, 29 observed variables will be included in the factor analysis. The analysis process is carried out as follows:

Analyzing factors affecting ATM card service quality

Testing KMO and Bartlett's shows that the KMO coefficient is quite high ($0.841 > 0.5$) with the total variance used to explain factors $> 50\%$ so it satisfies the conditions of factor analysis. Thus, the results of the analysis of factors affecting ATM card service quality have extracted 5 factors with 29 observed variables.

Table 3.21 shows that the scale of service capability, service efficiency and sympathy combined into one factor because these three components do not reach discriminant values. Thus, 5 components of service quality according to the theoretical model when evaluating the quality of automated banking services - ATM are as follows: reliability, service capability, service efficiency, sympathy and utility facilities Figure. With a total variance of 84.1%, these 5 factors explain the variance of 84.1% of the data.

Table 3.21. KMO and Bartlett's Test test results

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.841
Bartlett's Test of Sphericity	Approx. Chi-Square	6167.102
	df	300
	Sig.	.000

Regression analysis results

Table 2 - Regression coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
1 (Constant)	-.422	.234		-1.805	.072
Reliability	.124	.052	.102	2.386	.018
Service efficiency	.258	.050	.239	5.125	.000
Service capability	.151	.046	.153	3.270	.001
Sympathy	.171	.044	.163	3.836	.000
Tangible instruments	.386	.044	.418	8.701	.000

a. Dependent Variable: Satisfaction

From the results of Table 2, there are 5 statistically significant factors: Reliability; Sympathy; Tangible Instruments; Network and Service prices. Particularly, the factor of responsiveness and guarantee due to sig> 0.05 should not be suitable and disqualified. Therefore, the regression equation is defined as follows:

$$HL = 0.142TC + 0.258HQ + 0.151NL + 0.171CT + 0.386PT - 0.422$$

In addition, the F statistic of variance analysis has a p-value of 0,000, which shows that the estimated result is suitable. The adjusted R2 value = 0.510 indicates that the independent variables in the model can explain 51% of the variation of the dependent variable. In other words, the adjusted R2 value explains 51% of the model fit. The VIF coefficient of the dependent variables in the model are all less than 2 so it shows that no collinearity phenomenon exists.

V. Discussion and Conclusion

Based on the results of quantitative research on the factors affecting customer satisfaction for card service quality at Agribank Son La, some conclusions can be drawn as follows:

The multiple linear regression equation extracted from the standardized Beta coefficient shows that the Tangible Instruments factor (PT) has a higher standardized Beta factor than all the other factors. The standardized Beta coefficients of the remaining factors are: Reliability (ML) by 0.124; Service efficiency (HQ) is equal to 0,258; Sympathy (CT) equals 0.171; Service capability (NL) is equal to 0.151. Therefore, it can be concluded that tangible media is the most influential factor in customer satisfaction for Agribank Son La's card service quality. Agribank has always been a familiar bank for

every family, especially for business households, farmers and small traders. Prices of services in general and of card services in particular of Agribank are usually stable, less volatile and much lower than the common service level of banks of other joint-stock commercial banks in the area.

In order to increase customers' satisfaction with card service quality, Agribank Son La leaders need to pay attention to constantly improving the price of card services and the network, continue to improve the factors to improve the trust and empathy of our customers. As follows:

Firstly, Agribank Son La should comply with its commitments with customers, especially to ensure the safety and confidentiality of customer information, so that customer information is not exposed to fraudulence like draining money and assets in customer accounts related to card transactions. To achieve this, Agribank Son La needs to have a team of staff knowledgeable about business processes, dynamic in handling work, receiving information processing from customers quickly. Besides, the investment in equipping security and network information security systems should be paid attention to and supervise regularly and continuously.

Secondly, regularly organize market surveys to capture the needs, tastes of customers, strengths and weaknesses of card product quality provided by Agribank, timely regulating. Continuing to maintain the hotline operation, the department that receives feedback from customers has caught inadequacies, the factors that have not satisfied customers about the transaction process, as well as the quality of service of the staff. Agribank Son La staff promptly rectifies the staff, create a feeling of being next to the customer and is ready to solve all customer problems adjusting the process to suit each stage to operate the card service more efficiently, improve customers' trust.

Thirdly, the sympathy of Agribank Son La must come from the fact that when customers need it, they must deal with it immediately if it is within the staff's decision range or submitted to a higher authority person to decide in case beyond their responsibilities. When the operation must be accurate and quick to avoid the case of making records and making customers feel being annoyed if banks do not understand, do not share when receiving customer records, so check carefully and guide customers to add once, avoid cases that require customers to add more times.

Fourthly, Agribank Son La should pay attention to upgrading equipment, facilities, ensuring ATMs are always funded in time, quickly overcome incidents and technical errors to ensure customer requirements promptly to improve the professionalism in transactions, creating trust for customers when trading. Need to arrange more ATM locations near densely populated areas, industrial zones; arrange more transaction points through POS at stores, mini-mart, restaurants ... where customers use food and accommodation services more to create favorable conditions for customers to pay.

Fifthly, to further enhance customer satisfaction, in the coming time, Agribank Son La should pay attention to a number of policies such as Exemption and reduction of fees for using ATM cards for customers such as Issuance fee, annual fee, withdrawal fee, intra-network remittance fee ... according to the roadmap after having recovered a part of the initial investment capital. Reducing interest rates via credit cards, overdraft loans at reasonable levels suitable to the market. Non-term deposit interest is applied to balances on card accounts and interest rates near term for balances of one month or more.

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