

Identifying the needs of customers in providing services through electronic channels with a mixed approach (case study: Bank Mellat customers in Ilam city)

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Abstract

The purpose of this research is to identify the needs of customers in providing services through electronic channels with a mixed approach. The statistical population includes two groups of managers and experts in the field of electronic banking services, and all customers of Bank Mellat in Ilam city. The sampling of the qualitative part was done in the form of a snowball; and 10 experts and managers were selected, and 384 people were selected in the quantitative part by simple random sampling and through Cochran's formula. The tool for data collection is semi-structured interviews in the qualitative part and researcher-made questionnaires in the quantitative part. To analyze the data, the qualitative part was analyzed by the theme analysis, and the quantitative part by the structural equation model. The results showed that a total of 28 components were identified and extracted in the 5 main categories of service characteristics, service reliability and security, access and service delivery time, understanding and recognition, communication with the customer, and price and cost. Also, the results of the structural equations indicate that the 5 identified categories are among the factors affecting the needs of customers.

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Extended Abstract

Introduction

In every industry, in order to respect the customer and create satisfaction, one must move along with the needs and demands of the customers. Since the first Iranian bank started the activity of the army staff payment in a booth until now when a large range of bank branches – Financial and credit institutions - cooperatives and charitable loan funds are operating, all of them have started these activities and creations in order to provide a group of needs of their customers, which according to the diversity of these organizations and the varieties of the service in terms of their customer-oriented statutes, which they have placed at the top of their organization, their activity shows the satisfaction and provision of a group of customers' needs (Ramezani, 2016).

The implementation of e-commerce requires the implementation of electronic banking. For this reason, the use of electronic systems in the financial and credit institutions of the world is expanding rapidly, and the number of users of electronic banking services is increasing day by day. What differentiates the services of banks in the use of electronic banking systems from the current methods is the quantitative and qualitative expansion in customer service, in other words, electronic banking gives the customer the possibility to have a wider and more diverse range of services. (Kholosi adab et al., 2017).

The current issue is the increasing need of customers to use banking services through electronic channels in order to reduce the effort and increase the opportunity costs of using these services, so providing faster services through information technology, which is currently the top priority of all Banks of the country and the world have been placed in the attention of the majority of customers, because of not paying appropriate attention to it has become a threat to negligence of some customers to the banks. Therefore, using the opinions and demands of customers in providing banking services to them through electronic channels will make the organization successful in the field of electronic banking and increase the number of bank customers due to the fulfillment of their demands. It can be said that creating trust, satisfaction, and usefulness and saving time are among the cases and scales of using electronic banking tools that should be cultured in its growth and promotion.

In fact, the main problem of this research is to identify the needs of customers in providing services through electronic channels with a mixed approach.

Theoretical framework

The banking industry and providing financial and monetary services is one of the important service sectors in every country. The process of privatization and the entry of private banks in Iran for the past two decades has drastically transformed this sector and has led to intense competition in providing better and faster banking services in order to attract the maximum number of customers (Shayestehfar, & Yazdani, 2018).. Electronic banking services are a general concept in the digital development of banking services and the use of services such as mobile banking and internet banking, and the concept of electronic banking and its functions are not yet fully understood by many people, and the necessity of developing electronic banking services in the banking industry is undeniable. (Shaikh, & Karjaluo, 2015)

Kurzack et al, (2021) state that companies must reconsider the way they create value and develop their business in order to thrive in the unstable and uncertain business environment of the future. For this purpose, they developed a model of long-term value creation that supports companies in creating long-term value and determining their strategies based on this, and banks and financial institutions can use this model to evaluate the justification of their investments and loans in the future.

Kaur et al, (2020) also investigated the effect of electronic service quality on the satisfaction of commercial bank customers of the Republic of Botswana; they have emphasized on the effect of aspects such as system availability, execution and privacy as components of electronic service quality of ATMs, on commercial banking customer satisfaction.

Research methodology

The current research is developmental-applicative in terms of its purpose, and a descriptive research of an exploratory type in terms of strategy. In terms of the type of data, the current research is classified in the field of mixed research (qualitative-quantitative). The statistical population of the research in the qualitative part includes experts and managers in the field of electronic banking services. In order to identify experts to participate in the research process, the purposeful sampling method available by the snowball method has been used, and by using this method, a statistical sample of 10 people was selected in the qualitative section and their information was used in the research process. In the quantitative part, the statistical population includes all the customers of Mellat Bank in the city of Ilam, which has been determined as a sample of 384 people using the simple random sampling method and using the Cochran formula method for the unlimited population. Quantitative data was collected through a researcher-made questionnaire and data analysis was done through structural equations. Therefore, the quantitative phase of the research is implemented according to the results of the qualitative phase.

Research findings

In this research, first by using theme analysis and through interviews with experts in the field of electronic banking, the needs of customers have been identified in 5 categories as the main components in this research: service characteristics, reliability, access and service delivery time, understanding and knowledge of customer relationship, and price and cost, then after identifying the components, the effects of these components were investigated using smart pls software, and the results of the structural equations indicated that the access and service delivery time with the coefficient Beta 0.374 and T coefficient 151.7 is one of the needs of customers in providing services through electronic channels. Also, the results show that cost price with a beta coefficient of 0.142 and T coefficient of 3.799, reliability with a beta coefficient of 0.558 and a T coefficient of 8.275, service characteristics with a beta coefficient of 0.127 and a T coefficient of 2.883, and understanding customer communication with a beta coefficient of 0.183 and a T coefficient of 5.499 are other needs of customers in providing services through electronic channels.

Conclusion

The current research was conducted with the aim of identifying the needs of customers in providing services through electronic channels with a mixed approach (case study: Bank Mellat customers in Ilam city). The components identified in this research with the influential components investigated in studies price component (Amiri et.al, 2020), customer perception component (Abualsauod and Othman, 2019), customer perception components), Customer relationship (Vafa et.al, 2019, customer understanding component (Farrokhi and Teymourpour, 2017), customer relationship components and service quality convergence (Hakimi et.al, 2019), and is divergent with the results obtained from studies (Yasin et.all, 2020) and (Rejaobelina et. al, 2018).

According to the results of the research, it is suggested that banks can help the customer's sense of trust by providing additional and complementary services. When an additional service beyond the current level of service is offered to customers, it creates a feeling of being

noticed in the bank customer and leads to an increase in his level of trust in the bank. Banks can develop the enthusiasm of customers to use these software by designing user-friendly banks and simplicity in performing various banking processes in the relevant software. Include customers in the design of software programs and other banking services and create offers that not only identify with the customer, but also demonstrate that you understand them.