

## The Impact of New Services to Attract Customers in Bank Branches of Bank Saderat Bushehr

Zoheir RAJAEI<sup>1,\*</sup>, Mansoor AMINI LARI<sup>2</sup>

<sup>1</sup>*M.A of Business Management, Faculty of Management, Azad Marvdasht University, Marvdasht, Iran.*

<sup>2</sup>*Assistant Professor, Faculty of Management, Azad Marvdasht University, Marvdasht, Iran.*

Received: 01.02.2015; Accepted: 06.06.2015

**Abstract** Today, services are one of the strongest tools for banks to build competitive advantage and attract more customers and profit has become. Customers for the service they receive from banks in case they judged and they tend to have a positive or negative and they will received. Therefore, several banks need to know whether there is a link between their services and attract customers and, if there are which services help customer's attraction. The aim of this study was to investigate the effects of modern banking services including telephone banking, ATM services, internet services, services Pos, along the banks of the Sepehr, to attract customers. Study in term of purpose is applied in term of method is descriptive of the survey branch. The population of the research consisted of all staff and customers at Bank Saderat Bushehr. According to the research population sample 400 was selected that this number achieve by Morgan table. Data collection tool was questionnaire that was designed in a range of five options Likert and its reliability or the use of experts and its reliability was measured using Cronbach's alpha. In the process of analyzing the data SPSS software was used. Tests used are: correlation and regression. The results of the study showed that the independent variables that phone service bank, ATM services, Internet services, Pos Services, Sepehr services is dependent variable that is attract customers at 95% and there is a significant positive relationship. Regression test results showed the strong influence of independent variables on the dependent variable. This research can help to banks, to attracting new customer and provide better services for current customers.

**Keywords:** Modern banking services, consumer attraction, electronic banking, Saderat bank

### 1. INTRODUCTION

Features of this century is the development of information and communication technology and applying it miraculous to increase the speed and quality in the delivery of services. While the service sector in about twenty percent of total world trade during the past fifteen years, such as trade in goods has been the rapid growth of 5.8 percent<sup>1</sup>. Survival in today's turbulent competition force organizations accepts change. The change origins outside the boundaries of the organization and its outlets within the organization, and imbalance of excellence not end without a plan to get out of balance, strategy and long-term goals, the implementation of a systematic, regular and structured programs in various fields, evaluate the planning and implementation of programs and address the weaknesses, reinforcing strengths, the opportunities and deal with threats to improve system performance decisions<sup>2</sup>.

Bank as a service institution in the of society has great sensitivity in relation to the elements of the debate is the area of customer satisfaction, because success of this institution depends on identifying the needs of customers, internal recruitment and training programs to the needs of customers, implement and improve the former. However, progress occurred in communications and information technology, banking and its severe impact and has led to major changes in the industry. Speed development of the IT industry caused a major change in the form of money and the transfer of resources in the banking system and new concepts of banking emerged as electronic banking<sup>3</sup>.

\* Corresponding author. *Email address: Rajae3580@gmail.com*

All companies are looking to attract customers and increase satisfaction. In today's world competition requires that managers of organizations focused on enhancing customer satisfaction, reduce production costs and provide a high level of quality in the work<sup>4</sup>. Because customers in the process of organizational activities played a major role and his thoughts and policies affect the fate of the organization, so it is not only recognize their obvious needs, but anticipate, identify and guide the hidden needs of customers and design and implementation of programs and services to meet the needs of basic and organizational<sup>5</sup>. This is especially the banks that are in constant contact with customers is important, and also competition among banks and loan institutions and other forms of financial resources is increasing; thus creating a competitive advantage for the survival of banks seem to be necessary. One of the main ways of banks for their customer's satisfaction is electronic banking. Electronic banking is to use advanced technology software and hardware-based network and communications and resource sharing financial information in electronic form that can be eliminates the need for the physical presence of the customer in the bank branches. In other words, the use of modern tools for financial and banking services to customers so that the slightest reference to the Bank and necessary satisfaction in terms of speed, accuracy, is easy to use and secure<sup>6</sup>.

Another factor leading to competitive advantage in the banks, providing banking services is a new style. A new way of providing banking services in close relation with information and communication technologies and the crucial factor in creating a competitive advantage for banks and attract customers and their satisfaction<sup>7</sup>. The modern methods of providing banking services considered in this study forms of electronic banking which aims to attract and satisfy customers in different banks offered. It provides services in the branches of the bank including ATM machines, Sepehr, telephone bank, the bank's systems, devices, POS, system of questions and answers, mobile and banking and internet banking. E-banking can be the use of advanced technology and telecommunication networks for the transfer of resources (money) banking system introduced. In fact, e-banking means optimal integration of all the activities of a bank through the use of modern information technology based on the organizational structure of the bank matches banks and the possibility of offering customers all required services it provides<sup>8</sup> 9. Basically, electronic banking provides customers access to banking services by using a secure medium without the physical presence<sup>10</sup>. Electronic banking is an essential tool for survival, and caused a fundamental change in the world's banking industry. Today, by clicking on the mouse, banking services are provided to customers in less time is able to choose different vendors as well as customers to meet their financial needs so that electronic banking for banks has become a strategic weapon<sup>11</sup>. Given the importance of customer satisfaction in banking operation, the aim of this study was to evaluate the effect of new ways of providing banking services to attract customers and improve the efficiency of bank emphasis on branch staff time and costs with providing these services.

Alhiari Fard in a study entitled "E-banking services and the administrative needs in comparison costs of the different banking services study the electronic banking methods (internet, intranet and mobile) is the cost of services in a variety of banking systems Iran has calculated. The results of this study, the average time takes to perform any transactions in internet banking and intranet significantly reduced compared to traditional banking. In another study at the Research Department of Bank Sepah (saving electronic banking application in traditional banking, "the comparison of saving time in the city of Tehran subscription bill payment by ATM and Branch (traditional and electronic payment )is explored . Based on the results in the payment of the bills by ATM machines almost 894,526 hours or 111,816 days, or 372 years in saving time what can be expected<sup>12</sup>.

Shoktgozar in a study entitled "Evaluation of the feasibility of electronic banking in banks" with that country in terms of ease of access to e-commerce is among the six countries out of 58, electronic banking, based on economic feasibility, technical and human resources is examined. To check the technical variables, factors such as: the possibility establishing the Bank, software

and hardware possibility, create sufficient security, improve and evaluate the economic variables, factors such as: The cost of acquiring software, reducing the cost of customer service, long-term budget for the purchase or production of software, etc., to investigate the changing workforce, business factors such as expertise, the ability to design, analysis, implementation (support of senior management) is considered<sup>13</sup>. Vardi in a study entitled (to attract and retain customers step on the path to development and success of the Bank) stated that today banks and institutions trying to gain a larger share of the market and market leadership to take control. One of the factors that banks and banking institutions in the development and success helps maintain customer attraction. The main strategies to attract customers Banks are: creating a culture of customer orientation, empowerment of human resources, modeling the directors, understanding customers, understanding competitors, compliance with international standards and, ultimately, succeed in providing quality customer service, requires a full commitment to customers. Banks with the philosophy of customer service and continuous improvement can retain their customers<sup>14</sup>.

Farokhi Ostad et al in a study titled the effect of electronic banking service quality on customer satisfaction using a combination model of Kano and gap analysis) stated that the aim of this study was to determine and evaluate the gap between customer expectations and perceptions of electronic service quality in Tejarat Bank branch in Zahedan. This study data using questionnaires and interviews in the fall of 2013 were collected. The results show that with expectations of the customers has three basic dimensions, performance and motivation of the bank with their perception is significant<sup>15</sup>. Ameri et al (2012) in a study titled (The relationship between service quality with customer satisfaction and loyalty, indoor sports facilities, public and private in Urmia) stated that the purpose of this study was to investigate the relationship between service quality and customer satisfaction and loyalty indoor sports facilities are public and private city of Urmia. This study conducted as descriptive, correlative and field. Research tools include standard questionnaire Liu (2008) with reliability 0.87. Clients of Urmia sport facilities private and state with at least three months sport activities formed the study sample. Data using the Pearson correlation test and multiple regression analysis were analyzed.

Results of the analysis showed a significant relationship between service quality and its subscales including "quality programs, quality of facilities, the quality of interaction" satisfaction and loyalty with customers. According to the results it can be stated that requires commitment and repeat customer visits, high service quality is the quality of services must be diverse and attractive programs and classes, coaches informed the user and the apparent attractiveness of sporting goods, high morale, engagement and attention to the players, provide timely guidance and increased understanding of the special needs of each participant<sup>16</sup>. Feizi et al in a study titled (customer relationship management and analysis of customer satisfaction based on the quality of service of Parsian e-commerce Serkoal company) suggests that the direct relationship between the use of customer relationship management and customer satisfaction in Parsian e-commerce Serkoal company confirmed. In other words, we can say that the customers of Parsian e-commerce Company satisfy the use of customer relationship management and company's performance<sup>17</sup>. Amiri in a study titled (Study of Service Quality and Customer Relationship Management CRM in banking system with optimization program using the TOPSIS (A Case Study Tejarat Bank of Shiraz) stated that the customer satisfaction and critical factor service quality is in analysis of the competition. Given these underlying earnings and surpassed the competition in the long term. Organizations to survive, overtaking competitors in the market competition and development and their progress in the shortest period of time identify problems and resolve them to action. Proper implementation of customer relationship management in many organizations increase competitiveness, increase revenue and reduce operational costs. Therefore, it is important that the main goal of this research is to optimize Customer Relationship Management in Tejarat Bank of Shiraz. Therefore, after reviewing the articles and literature on CRM, components and dimensions of customer relationship management system and the banking system was determined after confirming indicators using

factor analysis, the CRM functionality in Shiraz Tejarat Bank is located. The analysis of the gap between expectations and perceptions of customers of these components is discussed. The TOPSIS technique identified the key components of the matrix - yield, ranking the importance of each of these components was determined and critical components for optimal CRM program are determined. The study found that Tejarat Bank performance is not satisfactory in all aspects and components of CRM

Finally, using the results, Optimal's customer relationship management (CRM) in Shiraz Tejarat Bank developed and presented<sup>18</sup>.

The number of university professors Dubai in a study Internet banking compared to the banking system in Jordan and the United States of America and have identified major difference between network applications of America and Jordanian bank. Also show the difference between developed countries and developing banking system as well as. The findings of this study, the difference between the two systems to different services on a Web site knows about them. Bank of America on its website, in addition to providing banking services, terms of investment, stock purchase, bill payment and other financial calculations are provided. While in Jordanian banks are major weaknesses in this regard can be seen<sup>19</sup>. In a study to test a new way of providing banking services by some university professors Multimedia has been done in Malaysia and the development of communication technology and telecommunications platforms, and major change and mutation has been introduced in the banking sector in Malaysia. As a result of this change is the widespread use of modern means of banking services, such as ATM machines, telephone banking and home banking. The major changes have been made to the satisfaction of bank customers. The services offer the most popular and lowest ATM machines and Telephone Bank. According to studies, internet banking in Malaysia has not been made, but it seems the government has sought to create the conditions for its implementation<sup>20</sup>.



Figure 1. Conceptual model.

## 2. METHODOLOGY

This section provided information on the methodology.

### 2.1. Objective and Methodology

The purpose of this study was part of research and in terms of research, study, non-experimental and survey of the branch.

### 2.2. Population, samples and sampling method

The population of this study includes customers Bushehr Saderat bank branches, which can use modern banking services (those who are older than fifteen years bank card except customers who have only been in the banking book) the total number of 148,000 people. First, using a two-step cluster method Saderat bank branches were selected. It is composed of 5 field line as a division headquarters clusters and each cluster in the field of branches and the most regular

customers, and services have been selected as the location for sampling. The sample size was calculated based on Morgan table with respect to the sample size was 384 estimated. The researchers distributed 425 questionnaires and 25 questionnaires were returned.

### 2.3. Data collection tool

A questionnaire was used for data collection for clients. The questionnaire included questions about the characteristics of modern banking services, as well as questions related to the six types of banking services, ATM machines, Internet services, telephone banking, and card reader, along the banks and is the voice of Sepehr. Questions designed to measure customer satisfaction possible from any of the modern methods of providing banking services at branches (satisfaction of speed, accuracy, quality) and given the mentality and attitude of their previous traditional methods banks (long pause in the queue window, etc.) provided. Likert questionnaire was designed based on a set of five ratings. In addition, to ensure the validity of the views of management professionals and experts knowledgeable in modern banking, and on the basis of comments received and the use of assessment tools designed to ensure the validity. Cronbach's alpha reliability coefficient was calculated to determine the amount of which is equal to 0.93.

#### 2.3.1. Validity and reliability of measurement tools

To ensure the validity of both questionnaires the views of management professionals and experts knowledgeable in modern banking, and on the basis of comments received and the use of assessment tools designed to ensure the validity. As well as to determine the reliability of the questionnaire before the pilot data collection questionnaire distributed among 30 persons and the collection of Cronbach's alpha coefficient was used to assess reliability; its values greater than 0.7 for both variable and reliability of the questionnaire was confirmed (Table 1).

**Table 1.** The results of the reliability of variables.

No	Variable name	Number of questions	Alpha	Approved / rejected
	Banking services	13	0/921	0/863
7	Attracting customers	12	0/863	Confirmed
The minimum acceptable value = 0.70				

### 2.4 Method of data analysis

In the process of data analysis, SPSS software was used. The test used in the process of data analysis is: correlation test and at the end regression testing.

## 3. DATA ANALYSIS

The process of data analysis in two stages as descriptive statistics and inferential statistics are divided.

### 3.1 Descriptive Statistics

In descriptive statistics, demographic data were analyzed first, and then the mean and standard deviation and any of the variables listed.

#### 3.1.1. Demographic variables

After collecting information from respondents identified 244 respondents are male (61%) and 156 females (39%), respectively. 148 less than 30 years of age (37%) 164 patients between 30 and 39 years (41%) and 88 men between 40 and 49 years (22%). The extent respondents from each of the bank's new services were evaluated. The results are shown in Table 2.

**Table 2.** The use of modern banking services.

No	Variable name	Frequency	Percent
1	Providing mobile banking services	25	6/25
2	Providing mobile banks	75	18/75
3	Providing internet services	35	8/75
4	Providing services Card Reader	110	27/5
5	Providing voice services Sepehr	35	8/75
6	Providing ATM services	120	30

As can be seen, most customers use ATM services and the frequency of the service, with 30% allocated to telephone service bank with approximately 6%, the lowest rate among the service.

**3.1.2. Variables descriptive statistics**

The descriptive statistics of the variables presented.

**Table 3.** Descriptive statistics variables.

No	Variable name	Mean	Standard deviation	Middle
1	Providing Mobile banking services	10/21	2/79	10
2	Providing mobile banks	12/15	1/84	12
3	Providing internet services	10/11	2/77	10
4	Providing services Card Reader	7/11	2/05	7
5	Providing voice services Sepehr	6/50	2/77	10
6	Providing ATM services	5/52	2/05	10
7	Attraction customer	45/25	9/63	47

According to the calculated mean values, it can be seen that the respondent’s cell phone service or cell banks are in good shape with a mean value of 12.15 and then the phone banks, Internet service, services, card reader, audio Sepehr and the ATM with the lowest average is 5.52.

**3.2. Inferential statistics**

In the inferential statistical test research hypotheses is addressed. The following assumptions were used in research and testing is described.

**3.2.1. Correlation**

The first test used in the present study is the correlation coefficient. Correlation wants to know whether the test variables if there is a connection, positive or negative.

**Table 4.** Results of correlation test.

		The dependent variable: Acquisition		
Hypothesis	Independent variable	Confidence level	The value of solidarity	Approve / reject the hypothesis
First	Mobile banking services	0/00	0/250	Confirmed
Second	ATM services	0/00	0/338	Confirmed
Third	Providing internet	0/00	0/334	Confirmed
Fourth	Providing services point of sale	0/00	0/228	Confirmed
Fifth	mobile banks	0/00	0/235	Confirmed
Sixth	Sepehr services	0/00	0/210	Confirmed
Confidence level =95%				

According to Table 4 the correlation test results are summarized, which has been shown, it is clear there is a significant positive relationship between all independent variables that phone service bank, ATM services, internet services, Pos services, Sepehr services with the dependent

variable attract customers at 95%. It should be noted it can be said with regard to the relationship between the variables most relevant to ATM services and attract customers with the 0.338 and the lowest related to the provision of voice services and Sepehr services consumer value is 0.210.

### 3.2.2. Regression

In this section, using regression analysis to examine the impact of independent variables on the dependent discussed. Following the anticipated the impact of the independent variables in regression testing of our affiliates. Regression, linear regression was used in this study.

**Table 5.** Results of regression at the same related to the predictive power of the time providing new services to attract customers.

Variable	P	T	B	P<	Df	F	R2	R
mobile banks	0/19	1/301	0/10	0/00	399	11/626	0/151	0/358
ATM services	0/001	3/270	0/228					
internet services	0/00	3/700	0/289					
mobile banks	0/84	0/193	0/01					
Pos	0/68	0/405	0/023					
voice Sepehr	0/79	0/256	0/01					

To evaluate the predictive variables on attract customers regression was used. Based on the results, a strong correlation (R=0.388) there is a significant correlation between all variables and attract customers. R2= 0.151 shows that the independent variables explain the observed changes in population samples to attract customers had a significance impact. The results showed that only Internet service ( $\beta =0.289$ ) is a stronger predictive power to attract customers and internet service in beta coefficient at 0.00 level of significance has been confirmed. A total predictive variables between 1% of the variance in the dependent to predicted (R2 =0.151).

## 4. CONCLUSIONS AND RECOMMENDATIONS

Banks try to attract customers by offering services and increase deposits in physical capital, financial loans and credits to customers. Through this process of investment and credit, banks should be able to use international standards of quality, meet the needs of our customers, certainly with the entry of private competitors to lose market share. Banks should not only all their costs but also obtain their profit expectations<sup>21</sup>. To achieve the expected profit in a competitive situation, every bank should try to increase the satisfaction of our customers. Such as increased customer satisfaction leads to customer loyalty and repeat banks doing business with the Bank and this repeat customer transactions with the bank provides banking fields of activity and profitability. Organizations that consistently provide quality service and maintaining customer care, organizations are customer-oriented. The banks and financial institutions, many factors affect the quality of banking services. It maybe maintain customer, one of the most important measures of quality. It increases customer satisfaction, customer-oriented marketing philosophy banks should be able to move. Surely practice the philosophy of customer-oriented marketing success profit and provides banks. In the hope that all your marketing philosophy, marketing, customer-oriented banking philosophy choose and it has the potential to increase customer satisfaction by providing banks, and the banks to achieve good profitability.

The study found that modern banking services offered by the bank are the determining factor in the selection of the bank's customers. Banks attempt to use the equipment efficiently, modern banking services in a wider range of banks across the country, improve infrastructure and attention to the demands of e-banking and customer preferences can increase the level of

customer satisfaction and attract more customers effective. However, based on the results of this study, more than 50% of customers are satisfied with the current bank of new services offered. It expressed satisfaction although it can be interpreted that banks build customer satisfaction has come half way, but it is necessary to consider the fact that the banking system in our country, even in modern banking services which seeks profit advanced equipment and technology hardware standards in world away. So continue to have thought better services such as real-time banking services, elimination or reduction of the shortcomings of existing systems, electronic banking and the internet and so forth.

According to tests carried out, the new banking services in the Bank's total exports has increased customer satisfaction and the results with the findings of a study conducted in Malaysia with the highest demand for ATM and has provided satisfaction for customers is convergence. On the other hand, the convergence of the results with the experience of some developing countries, such as Jordan, the traditional habits of people as one of the main obstacles to the development of new services and business banking customers know, the need to review the design of systems, more flexibility in modifying software programs and promoting inclusive education with information and existing customers and the potential for their use of these services and ultimately increase customer satisfaction levels is advised. This result in inefficient bank managers with understanding new systems improve the efficiency of banks in the current circumstances is converging. In fact, the bank had a cost of a new system of bank and is able to satisfy our customers are relative and the effect in one of the main and major objectives of banks has been achieved.

The results of this study can be offered the following suggestions for future research:

- establish a network for the exchange of ideas within the bank clients and continuous assessment and opinion on the level of their satisfaction with the quality of services provided and attempting to use a critical and constructive comments of patrons and customers
- Since the performance aspect is one of the most important from the perspective of our customers, it is recommended to banks to provide their customers and their loyalty are the most attention to this aspect.
- To reduce the gap between expectations and customers' perceptions of the services proposed is manager's incentive pay special attention to the activities of the incentive, for example, one point for every 10 paid electronic bills to the person or the person's name for the draw, which will hold the bank, recorded. For example, when using an ATM cash machine when the account is automatically a light music play and exit with a message that is very pleasant thank the person for using ATMs.

## REFERENCES

- [1] Unctad Electronic Commerce and Development Report 2001; Unctad Nations Publication: Europe, 2001.
- [2] Bazgosha, G., Eizi, N., Nawaser, K., Parhizgar, M. M., Technology of E-banking: Perspective of Costumers' Perceived Risk and Uncertainty. Indian Journal of Science and Technology, 2012, 5(2), 2200-2208.
- [3] Ali H, Poorfard, F. E-banking, quarterly economic events, 2003, vol23 No. 100, pp: 53
- [4] Mahdianfar, Z.. An Analysis of the Effects of Quality Features of Bank Natural Customers in their Credit Rating, using Neural Network and Fuzzy Inference System. Indian Journal of Science and Technology, 2015, 8(12), pp. 1-12.
- [5] Colae, M.. Organizational Behavior and Customer phenomenon, Journal of Management, 2001, pp:35
- [6] Mirabi SS, Vahidreza., E-commerce, Porseman: Tehran, 2004.



- [7] Ali Mohammadi, M. Customer relationship management, Scientific and Educational Affairs Magazine, 2002, Vol16 (129), pp: 129
- [8] Manasa, S., Mullaimalar, P., Singh, G. G., Manivannan, S. S., Securing Online Bank Transactions from Phishing Attacks using MFA and Secure Session Key. Indian Journal of Science and Technology, 2015, 8(S2), pp. 123-126.
- [9] Davar V, Mokhtaran, M, E-banking and the need for its development in management, The National Conference on Entrepreneurship and business management knowledge base ,2002, vol 30 number 67 and 68, pp: 58
- [10] Nourouz K, E-banking situation in Iran and the world, Economic Journal 2003, vol21(55), pp: 62
- [11] Ali H, Sadeghi, T, Effects on the development of the banking system, electronic banking, Economic Journal, 2003, vol25, No. (25) pp: 56
- [12] Mahmoud AF, Comparison between traditional banking and e-banking services in Iran MA thesis, Islamic Azad University of Tehran, tehran, Pp: 71
- [13] Shoktgozar, R, With emphasis on the feasibility of the implementation of e-banking in Bank Sepah, MSc thesis, Islamic Azad University, Tehran center branch, 2003, pp: 23-28
- [14] Varedi, F., Attract and retain customers step on the path to development and success of the bank, The National Conference on Entrepreneurship and business management knowledge base, 2012, pp: 23
- [15] Farokhi Ostad, M., Mohammad P, Sencholi, H, Shirvan K, The effect of electronic banking services to customers using a combination of Kano and gap analysis, management conference, Challenges and Solutions. Shiraz, January 92, 2013, pp: 70
- [16] Ameri, Mir Hossein Seyed Ameri, Bahrami, S., Sayadi, Mohamad Amin Examined the relationship between service quality and customer satisfaction and loyalty, indoor sports facilities, public and private Urmia, management and research applications in the life sciences, sports, numbers, 2012, pp: 23-36
- [17] [Kamran F, Kazazi, A., Shojaee K, Vahab, Customer Relationship Management and Customer Satisfaction: An Analysis based on quality of service (Serkoal) (Paesian electronic Tejarat Company), Improvement and transformation of management 2008, Vol23 (57), pp:50-55
- [18] Yasser A Quality of Service and Customer Relationship Management CRM in the banking system improved planning techniques using TOPSIS (Case Study: Shiraz Tejarat Bank), Industrial Management, 2009, 4 (10), pp: 23-39
- [19] Evans, D., Sezer, H. A. "Time Preference Measure of the Social Discount Rate for the UK"., Applied Economics, 2004, 34(15), pp. 1925-1934.
- [20] Guru K, Santa A, Vaithilingam Electronic Banking in Malaysia: Anote on Evaluation of services and consumer Reactions. www. Arravdev.com/commerce/jibc/0001-07 html. 2004.
- [21] Kumar, V. R., Sethi, M., Krishnakumar, D., Transforming Banking through Telecom-An Approach. Indian Journal of Science and Technology, 2015, 8(S4), pp. 1-12.