

**IMPACT OF QUALITY OF SYSTEM AND CUSTOMER  
SATISFACTION ON USAGE OF INTERNET BANKING IN  
BADULLA DISTRICT**

**BY**

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Project Report  
Library - EUJSL

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**2016**



## ABSTRACT

The aim of the study is to find out "How do the System quality and Customer satisfaction impact on Usage of Internet banking services in Badulla district?"

Conceptual model is developed based on the existing literature. This study was implemented with ten dimensions. Fund transfer function, Account control function, View only function, Credit products function and Apply for new product function are the identified dimensions to measure Usage of Internet banking services. Then dimensions of System quality are Accessibility, User friendly website and Security. Customer satisfaction is measured by two dimensions of Customer attitude and Customer loyalty.

This research study was implemented in Badulla district and, 190 customers participated to the survey and convenient sampling technique used to select the sample. Using a developed questionnaire the data was collected and five commercial banks named Commercial, Peoples, BOC, Sampath and HNB selected to the survey. The collected data was analyzed by using descriptive statistics, correlation analysis, regression analysis, cross tabulation analysis, ANOVA and Independent sample t test.

Based on the findings of the study, it concludes that there is a high degree of System quality and Customer satisfaction in Badulla district and Usage level of Internet banking services is also in the level of high. When consider the degree of impact of System quality to the Usage of internet banking services through Customer satisfaction, System quality and Customer satisfaction are good predictors of the Usage of internet banking services and there is a strong positive relationship between the System quality and Usage of Internet banking services and also Customer satisfaction is positively correlated with the Usage of Internet banking services. Customer satisfaction mediates the relationship between System quality and Usage of Internet banking services. There is no any difference in Usage of Internet banking services across the demographic characteristics of the respondents. Further System quality, Customer satisfaction and Usage of Internet banking services are not varying among banks in Badulla district.

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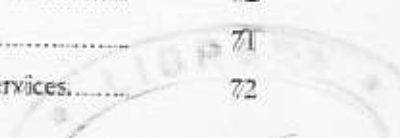
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