

Customer Perception on Internet Banking and Its Effect on the Performance of Bank in Bangladesh

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Abstract: *The objective of the study was to show the customer perception on Internet banking by identifying factors that influence the performance of banks in Bangladesh.. The study was basically a survey on IBBL, Narayanganja branch that used quantitative data & a structured questionnaire was used to collect data from 45 customers. The results of the study showed that maximum number of respondents responded positively on Internet banking. It was found that customers wanted high level of security in such type of banking and they were likely to grant i-transfer service than i-recharge service. In the part of satisfaction and importance level it was found that respondents were satisfied on IBBL Internet banking service. But people want validated security level certainty and they thought i-recharge and i-transfer system should be improved . Internet banking service is a part of the e-banking bundle and it is an alternative means of offering the customers self-controlled transactions, using the internet as the medium for the transaction.. Bank can expand more service such as foreign exchange and investment in this system. Higher Security level must be applied and employees under this system should be expertised and automatic login features must be avoided in this banking system. The study recommended that future studies should be carried out using non Internet users as respondents to investigate their intentions and perception of the Internet banking services in Bangladesh.*

Keywords: Internet Banking, Customer, Perception, Satisfaction.

1. Introduction

There has been significant improvement in the communication sector of Bangla-

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desh with growth being registered in key areas. Over the past decade, serious efforts have been given in promoting information and communication technology (ICT) to develop the nation and economic recovery. These efforts have impacted in the Internet usage in particular and telecommunications industry in general. Beginning from the late 1990's to date internet banking has steadily grown to become a standard offering of most banks. When a new innovation appears it attracts attention and the attention to internet banking is due in part to the rapid diffusion of the internet and growth of e-commerce. Despite this attention very little is known of the systematic information on the scope of Internet banking. Internet banking has been noted to be one channel within the electronic banking bundle. (Lustsik, 2003), he defines e-banking as being a combination of the following platforms: (a) Internet banking (or online banking), (b) telephone banking, (c) TV-based banking, (d) mobile phone banking, and (e) PC banking (or offline banking). The emphasis of this work is on internet banking, which has been noted as one of the most rapidly developing part of e-banking.

As we know that Internet banking can fast banking activity by reducing time and cost. By such system using i-banking customer can be benefited by saving their cost and time and can maintain accurate transaction summery. There are no recorded data that how many users are likely to be involved in i-banking service. Most banks are operating their activities in traditional way. But if the entire banks move to i-banking service and if the customers accept this service then: 1) Customer can maintain their transfer money from one account to another by using Internet from anywhere without coming bank. But to do this customer must provide a security code. 2) Customer can get their statement without coming bank. 3) Customer can save time and transportation cost. 4) Bank will be able to satisfy their customer by providing best services and can maintain a long run relationship with customers. 5) Internet banking system increase organization reputation. (Brent Warrington, 2008)

Thus most of the customers in the banking system of Bangladesh still have to visit their branches for picking check books, third party account transfers, payment for utilities, issuing of signed statements of account, check deposits etc. This would not only eliminate the often cited convenience and time saving attributes of Internet banking if the consumer must still visit the branch to finish a transaction started online, but may also impact the adoption of Internet banking which in most cases is a paid-up service (Taylor and Todd).

Internet banking is totally a new concept in banking sector of Bangladesh. Due to technological changes people of modern world are much dependent on Internet. They want to mix this with every sphere of their activities. Their perception on i-banking is very important that should be measured. Again, many of the customers do not know how to run i-banking service. So, their perception is an important thing. Customer perception on Internet banking is changing day by day. Now-a-

days customers want more reliable and frequent service. Therefore, it is no longer sufficient for banks to increase the number of branches, but to focus on how customer service can be fulfilled by being available internet banking system. To build stronger customer loyalty, banks need to know about customer changing perception. As the customers want quick service in short time then i-banking system should be implemented by the bank. This study attempts to measure the perceptions of customers on i-banking system. Though it is a new idea in modern era, it will be helpful for the management of banks of Bangladesh for performing cond their i-banking service customer friendly.

2 Literature Review

Internet banking

Recent literature on marketing in the banking industry shows that several scholars have investigated the adoption of Internet banking. From the 1980s up to date, channels of distribution in the banking services have witnessed a shift towards self-servicing alternatives. As a result of rising costs, ever more demanding customers, and the need to exert profitability whilst performing better than the competition, banks have thus resorted to investing in new customer service channels such as Internet banking (**Hernandez and Mazzon, 2006**).

Customer through internet banking can perform a wide range of banking transactions electronically via the bank's website and, this means that for a customer, internet banking provides a convenient channel to manage ones financial transaction (**Tan & Teo, 2000**).

The increasing customer demands, increasing competition amongst the banks, worldwide deregulation of financial services market and the drive by banks to be more efficient and reduce cost is some of the factors that are driving the acceleration of internet banking (**Hutchinson and Warren, 2003 while quoting National Office for the Information Economy, 1999**).

Ovia (2001) describe internet banking services in three ways:

1. **Informational** – this is when a bank's internet services are simply to display their products and services their websites. This type of service do not allow for any form of transaction on the banks website.
2. **Communicative** – the bank's system allows interaction between the system and the customer. This interaction is limited to electronic, account opening enquiry, loan application and static file updates. Because these servers have a path to the bank's internal network, the risk is higher compared to informational.
3. **Transactional** – this level of Internet banking allows banks to transact business with their customers. It presents the highest risk architecture

and must have the highest security and controls.

3 Objective and Methodology

3.1 The broad objective of this study is to analyze Customer perception on i-banking, with special reference to Islami Bank Bangladesh limited. More specifically, the objectives of the study are as follows:

- To find out the extent of i-banking service in the banking sector.
- To analyze the characteristics and use of i-banking
- To assess the satisfaction level of i-banking among the customers of IBBL
- To Suggest policy implications arising out of the study

All over the world Banks are currently investing heavily in Information Technology (IT) and have more recently begun to employ the use of wireless Internet access to support a range of innovative banking services with the aim of improving service relationships (**Hoehle and Scornavacca, 2007; Gartner, 2004**).

Benefit

It is noted that providing faster, easier and more reliable services to customers are amongst the top drivers of Internet banking development. The spread of internet e-commerce will depend on the perception of the consumer of its advantages and disadvantages. Among the benefits of e-commerce to bank customers are:

- Internet banking saves time and money for users and consumers can use e-banking to pay bills online or to secure a loan electronically (**Turban and King, 2003**).
- Online banking is most appropriate for most simple enquiries and money transfer and Internet banking have reduced the need to visit the branch (**Whiteley, 2000**).
- Ovia (2001) note that through internet banking, customers would enjoy sitting comfort of their homes and offices and with a PC log onto their banks' servers transact banking activities.
- Online real-time nature of the medium means that with i-banking customers can view real time balances and transactions on their account, pay bills etc. (**Zenith Bank, 2012**).

Trust and Internet banking:

Internet banking transaction is a trusting behavior; this is because the customer makes him or herself vulnerable by putting trusts on the internet to complete his or her transaction (Mayer, Davis & Shoorman, 1995). According to Dong et al. (2008), all interactions require an element of trust, especially those conducted in

the uncertain environment of e-commerce. Internet banking is highly uncertain as the parties involved in the transactions are not in the same place (Clark, 1997).

Mukherjee and Nath (2003) state that customers believe that the internet payment channels are not secure and can actually be intercepted, which reduces the customers' level of trust, discouraging them from engaging in online information search and making online banking transactions.

Customer Perception and Internet Banking

A marketing concept that encompasses a customer's impression, awareness or consciousness about a company or its offerings. Customer perception is typically affected by advertising, reviews, public relations, social media, personal experiences, technology and other channels. Perception is equated with reality for most practical purposes and guides human behavior in general.

In one words perception means the biological use of our sense of organs. But customer perception refers to much more than just the biological use of our sense organs. The entire process by which an individual becomes aware of the environment or a thing and interprets it so that it will fit into his or her frame of reference. (Walters et al, 1989, p. 333).

It is important that marketers understand the whole notion of perception and its related concepts so that they can more readily determine what influences customers to buy. (Schiffman et al, 1991).

Literature survey as discussed above revealed that Internet banking service is essential for modern banking. By using Internet Banking service customer can handle their self-support Banking services thus save time and cost. Again, clients of bank are increasing day by day. So, to meet the increasing customer demand it is essential to implement and improve Internet Banking service. It is informative and is one kind of trusting behavior. By using it customer can transfer their account sand complete their transactions. . So, Internet banking is a modern form of Technology and customer perception on it is gradually changing.

3.2 Methodology

Research Purpose

In order to obtain information concerning the current state of a phenomenon, descriptive research was used to describe the conditions that exist now in a situation. The researcher tried to describe customer's perception on internet banking by identifying some factors that explain their intention and importance to use Internet banking services. After consideration of the research topic and focus, the research purpose of this study was determined as descriptive as well as Quantitative

Sample selection and procedure

Using a sample rather than examining an entire population for a study is fairly obvious regarding time, cost and human resources. Convenient sampling technique was used and customers from Narayangonj IBBL Branch were chosen in order to have the population. The data were obtained from 45 respondents where Small 'n' is 45 and big 'N' is uncertain. So, convenient sampling was suitable for this study as it was not possible to get all information from uncertain respondent clients. Due to time and cost constraints, the researchers had to limit their study within one branch. Five demographic variables of the respondents were measured-age, gender, income, profession, and education level. The definition and specification of such variables are discussed. Age of an individual referred to the period of time from his birth to the time of interview. The age was measured in terms of years' education of an individual was determined in terms of the higher grade or class passed by them. The education of an individual receiving it outside school was determined on the basis of the level he or she attained in relation to education at a school; the Annual income of a household was considered as a total income earned by all working members of the households; In Bangladesh, most of the people are somewhat or rather involved with agriculture as farmer or coworker or petty businessman. In urban area, the situation is something different. As the study area of proposed research is located in urban area (Narayangonj), the professions are determined by business, service and others; Gender issue has become a point of discussion from various perspectives. Women are now considered as an important partner in any kind of development. Both male and female are determined in the survey.

For the purpose of measuring the customer perception and extent of satisfaction and importance on i-banking system quantitative research approach was undertaken. & there are two approaches to collecting data for the study and these are: primary data and the secondary data; To support this study, articles published by other researchers, books, journals, internet in the area of Internet banking were used extensively.

Primary data were collected through a structured questionnaire which was administered personally to the bank customers. The questionnaire was developed by using a 5 point Likert scale, where 1= strongly agree/ satisfactory 2= agree/satisfactory, 3= neither agree nor disagree/neutral, 4= disagree/dissatisfactory and 5= strongly disagree/dissatisfactory to measure the level of customer perception, satisfaction and also used 5 point scale where 1= Very high, 2=High and 3= neutral, 4=low 5= very low to measure the importance of i-banking among customers. A Likert scale is a psychometric scale commonly involved in research that employs questionnaires. It is the most widely used approach to scaling responses in survey research, such that the term is often used interchangeably with rating scale, or more accurately the **Likert-type scale**, even

though the two are not synonymous. . There is also an empty space for clients' suggestion. Questionnaire was pre-tested several times to ensure text formatting.

Data is processed through editing, coding and using mean. At first ,data were collected through questionnaire and edited them through tables. Numeric coding was used in this study. Some inappropriate additional questions were forfeited from the questionnaire. After coding, data were measured by using mean and then put the result in the table.

3.3 Limitation of the study

There are some limitations of this study.

First of all, this study is a part of internship program and took few respondents perception because of time constraints.

Second, this research study is made on the basis of perception of only IBBL customers at Narayanganj branch. Different customer of different banks may have different response and perception which was not possible to collect because of time and fund constraints.

Third, officers of the bank are unable to provide some necessary information for pressure of their work. Even they could not able to provide manual General banking and Investment list. Many respondents are not well in English and needed to translate them in Bengali. So, it is a matter of time and they are not expert in the use of Internet. **Fourth**, Few researchers were conducted their research on Internet Banking. So, it was very hard to find literature and some important papers.

4 Nature and Extent of Internet Banking Service in Islami Bank Bangladesh Limited (IBBL)

Overview

Islami Bank Bangladesh Limited has been devoted to serving its customers since inception in 1983. The bank is committed to introduce new services and to make existing services faster and better than ever. Internet Banking is a cornerstone of their strategy, designed to accelerate commitment to enable customers to do banking at their own convenience. They have introduced two new services to all i-Banking customers that reflect the continuous endeavor to put the strategy into action- 1) i-Transfer system by which IBBL customer can transfer their balance/account from one account to another, 2) i-Recharge system by which IBBL customer purchase airtime/recharge account for their mobile anytime from all mobile operators in Bangladesh except Teletalk.

IBBL Profile

Islami Bank Bangladesh Limited is a Joint Venture Public Limited Company engaged in commercial banking business based on Islamic Shari'ah with 58.03%

foreign shareholding having largest branch network (246 Branches & 30 SME/Krishi Branches i.e. total 276 Branches) among the private sector Banks in Bangladesh. It was established on the 13th March 1983 as the first Islamic Bank in the South East Asia.

It is listed with Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd. Authorized Capital of the Bank is Tk. 20,000.00 Million (\$244.87 Million) and Paid-up Capital is Tk. 10,007.71 Million (\$122.53 Million) having 60,550 shareholders as on 31st December 2011. (www.islamibankbd.com)

Strategic objectives

As a leading private Commercial bank in Bangladesh banking sector, IBBL has some strategic objectives. These include:

- To ensure customer satisfaction.
- To ensure welfare oriented banking.
- To establish a set of managerial succession and adopting technological changes to ensure successful development of an Islamic Bank as a stable financial institution.
- To prioritize the clients welfare.
- To ensure diversification by Sector, Size, Economic purpose & geographical location wise Investment and expansion need based Retail and SME/Women entrepreneur financing.
- To invest in the thrust and priority sectors of the economy.
- To encourage sound and pro-active future generation.
- To ensure Corporate Social Responsibilities (CSR) through all activities.
- To promote using solar energy and green banking culture and ecological balancing.

Internet banking service of IBBL

Islami Bank Bangladesh Limited has been devoted to serving its customers since inception. They are committed to introduce new services and to make existing services faster and better than ever. I-Banking is a cornerstone of their strategy, designed to accelerate commitment to green banking and to enable customers to do banking at their own convenience. IBBL have introduced two new services to all i-Banking customers that reflect our continuous endeavor to put the strategy into action. Wherever you are, using i-Banking now you can transfer funds (**i-Transfer**) between IBBL accounts, Purchase airtime / Recharge account (**i-Recharge**) from all mobile operators in Bangladesh, except Teletalk.

Services

Account Service

- Account Balance
- Account Statement
- Transaction Summary

Transactional Service

- i-Transfer (Fund transfer)
- i-Recharge (Purchase airtime/ Recharge account)

Investment Report

- Investment Account Statement
- Customer Wise Liability
- Mode Wise Liability
- Liability at a glance of Party

Foreign Business Report

- Cost Sheet for Negotiation
- Cost Sheet for Realization
- Cost Sheet for Retirement of a Bill

Clearing Instrument

- Credit Clearing Instrument Status
- Debit Clearing Instrument Status

Ftt & Fdd

- FTT Message Search
- FDD Payment Search

5 Satisfaction and Importance level of Internet Banking among the Customers

Socio-economic background of the studied customers in the branch

Internet Banking is a modern revolution in Banking sector. Perception on Internet banking and their satisfaction result surveyed on IBBL customers, Narayanganj Branch is given below:

Table-1: Distribution of respondents according to their socio-economic characteristics.

Variables	No. of Respondents	Percentage of row total (%)
<u>AGE</u>		
21-30 Years	11	25
31-40 Years	18	40
41-50 Years	11	25
51-60 Years	5	10
<u>EDUCATION</u>		
Under Graduate	11	25
Graduate	23	50
Post-Graduate	11	25
<u>INCOME LEVEL</u>		
TK 10,000-25,000	11	25
TK 25,001-40,000	16	35
TK 40,001-50,000	13	30
TK 50,000- Above	5	10
<u>OCCUPATION</u>		
Service	15	35
Business	23	50
Housewives	2	5
Others	5	10
<u>GENDER</u>		
Male	36	80
Female	9	20

Source: Field survey (2012)

Age is an important factor. The researchers divided respondent age level in four groups and it was taken 25% (11) respondents who are 21-30 years old, 40% (18) respondents within 31-40 years old, 25% (11) respondents within 41-50 years old and only 10% (5) respondents have been taken from 51-60 years old. This is a study of findings perception level of i-banking service. So, it was thought that people between 25-50 age groups can provide their best perception level in research questions. The above groups of respondents gave their perception efficiently.

The researchers divided education level into three groups. I think education is an important factor in this study. . It was found that 50% (23) respondents were

graduated and 25% (11) respondents were Undergraduate and 25% (11) respondents completed their Master degree.

For this study it was needed to divide respondents' income level into four groups. The researcher chose 25% (11) respondents whose income was 10000t to 25000 BDT, 35% (16) respondents whose income was between 25001 to 40000 BDT, 30% (13) respondents between 40001 to 50000 BDT and the rest of the respondents income was above 50000 BDT. Maximum respondents belonged to the middle group whose income was between 25001 to 50000 BDT.

In the study, it was found that 35% (15) respondents were service holder and 50% (23) respondents were Businessman. According to the survey, maximum account holders of IBBL, Narayanganj branch, were Businessman and the service holders who live in abroad were the remittance earners. The rest of the respondents were Housewives (5%) and other (10%) were students, bank employees, unemployed persons etc. Most of the housewives account holders of the branch came from rural areas.

In this study, the researcher collected information from both male and female. The female account holders were less compared to male in this branch,, the researcher took 80% male respondents and 20% female respondents. considering the situational context.

Results of respondents on their bank visit and use of Internet banking service

Table -2: Distribution of respondents on their bank visit and use of Internet banking service

Variables	No. of Respondents	Percent (%)
<u>BANK VISIT</u>		
More than 10 days	4	10
8-10 days	9	20
5-7 days	16	35
1-4 days	16	35
<u>REASONS FOR BANK VISIT</u>		
To make deposit	20	45
To withdraw cash	16	35
Loan/Investment	7	16
Others	2	4
<u>USE OF INTERNET SERVICE</u>		
Less than 2 hours	9	20
3-5 hours	19	42
6-8 hours	13	29
9-11 hours	4	9
<u>SUBSCRIBE FOR USE OF INTERNET BANKING SERVICE</u>		
Yes	25	55
No	20	45

Source: Field survey (2012)

It was found that most of the respondents clients usually visited bank 1 to 7 days in a month. So, the researcher classified this group into four groups. It was found that 10% (4 persons) came to the bank more than 10 days, 20% (9 persons) came 8 to 10 days, and 35% (16 persons) came 5 to 7 days and 35% (16 persons) 1 to 4 days in a month.

It was showed in the study that average 20(45%) respondents out of 45 visited bank for the purpose of making deposit. Numbers of 16(35%) respondents out of 45 came to the bank for the purpose of withdrawal. . Because now-a-days most people use ATM system for their withdrawal. Seven respondents(16%) were for Investment/Loan purpose and rest 2 respondents (4%) were for different purpose i.e. foreign exchange, DD, TT etc.

Table-2 also shows the result of respondents using internet per week. The table showed that 20% (9 people) use internet less than 2 hours per week. The highest group 19 (42%) respondents liked to use internet 3-5 hours in a week.13 (29%) respondents used internet 6-8 hours and only 4 (9% respondents) used internet 9-11 hours in a week.. So, It was thought that the use of internet by respondents was very low but it was a very good indication that respondents used internet in a standard range (3 to 8 hours) in a week.

This result was very shocking. Respondents said about i-banking service very confidently but it was shown that only 25 (55%) respondents used i-banking service. The rest of the respondents wanted to get this service, but due to improper knowledge of using this system they were unable to use this.

Result of Customer Perception on Internet Banking

The main Purpose of this report is to find customer perception level. The secondary purpose is to find their satisfaction level on it and count a deviation between satisfaction and importance.

Table-3 presents the perception level of customer on internet banking service. The mean value of the i-banking service of banking sector of Bangladesh is 2.10 which indicate high. Mean value of Internet banking of IBBL is 1.66 which is high and it shows that internet banking is necessary for IBBL customer as it is one of the leading private bank in Bangladesh and hold highest number of deposits. Every customer of the bank wants security first as they will conduct their transaction from anywhere. So, they want that the security system of IBBL should be like in a way which is unable to hack by hacker. Customer profile decoration is neutral. Customers think i-banking is necessary for i-transfer rather than i-recharge. So, the mean value of i-transfer is lower (1.85) than i-recharge (2.42). They think that they can recharge for their phone from any recharge shop without internet. But they can not transfer their account, money, and important document without using Internet banking service. By calculating rest of the dimensions it is seen that total customer perception mean value is 1.88 which refers strong. So, it can be said that the

customer of IBBL revealed Internet banking is important in Bangladeshi banking and their perception is strong on it.

Table-3: Customer Perception Result

Dimension	Mean Score
1. Perception on i-banking service in Banking sector	2.10
2. Perception on i-banking service of IBBL	1.66
3. Perception about security of internet banking	1.37
4. Perception on decoration of customer profile for i-banking	2.48
5. Perception on i-recharge of IBBL by using i-banking service	2.42
6. Perception on i-transfer service of IBBL by using i-banking service	1.85
7. Perception on employees for i-banking service can promote customers	1.93
8. Perception on customers who can run i-banking service	2.06
9. Perception that i-banking service can save time and cost	1.06
AVERAGE	1.88

Source: Field survey (2012)

Result of Customer Satisfaction Level

Table-4 shows the customer satisfaction level of IBBL. By averaging total score the final mean score is 2.06 which regard their customer satisfaction good. Highest mean score form dimensions is employees expertise (2.26). Employees who are engaged in the control Internet banking service of IBBL are neither good nor bad. So, customer expressed their satisfaction level on it. Customer satisfaction on accurate service and ittransfer and irecharge service is good. Average score of speed and efficiency is 1.91, irecharge and ittransfer is 2.18, and saving cost and time is 2.09. Total average is 2.06 which express that customer satisfaction level is best and they provide good internet banking service. Table-2 shows the result below:

Table-4: Customer satisfaction level

Dimensions	Mean Score
1. Satisfaction level of Accurate and Quick ibanking service of IBBL	1.86
2. Satisfaction level of security of ibanking services of IBBL	2.03
3. Satisfaction level of speed and efficiency of ibanking of IBBL	1.91
4. Satisfaction level by using irecharge and ittransfer system?	2.18
5. Satisfaction level on employees who are engaged to operate ibanking service	2.26
6. Satisfaction level by saving time and cost using ibanking service	2.09
AVERAGE	2.06

Source: Field survey (2012)

Result of Importance level of Internet banking

Table-5 shows the importance level of Internet banking. The score of importance level of internet banking in Bangladesh is 2.12 which is good. Strong security in i-banking is also a good factor. They think that security is very much essential subject in i-banking service and the mean score is 1.53. They agree with this dimension that Internet banking save time and cost as anyone can use it from anywhere by using Internet (Mean value is 1.68). The value of importance of i-recharge and i-transfer is 1.86 i.e., good. If the employees are not expertise in this service they can not provide something good for the customer. So, it showed the average value is 1.94. Total average of importance level is 1.83 which indicated that there is importance of internet Banking in Bangladeshi banking sector as well as IBBL

Table-5: Importance level

Dimensions	Mean score
1. Importance of ibanking service of banking sector in bangladesh	2.12
2. Importance of strong security while using ibanking service of IBBL	1.53
3. Importance of ibanking service to save time & cost	1.68
4. Importance of irecharge and ittransfer	1.86
5. Importance of Employees Expertise of IBBL	1.94
AVERAGE	1.83

Source: Field survey (2012)

Internet banking customer value measuring (IBBL)

Table-6 illustrates the value measuring results. It is created by taking the score of importance level of i-banking service and satisfaction level of i-banking service of IBBL. It is just a difference between these two. It is seen in the table that no one dimension is matched. So, the i-banking service of IBBL should be developed.

Table-6: Customer value measure of i-banking service of IBBL

Dimensions	Importance Mean	Satisfaction Mean	Difference
1. Security in using i-banking	1.53	2.03	-0.50
2. i-banking save time & cost	1.68	2.09	-0.41
3. i-recharge & i-transfer system	1.86	2.18	-0.32
4. Employees expertise in i-banking	1.94	2.26	-0.32

Source: Field survey (2012)

5 Concluding Remarks

The results shown that the perception of IBBL customer is strong on i-banking service. Table-1 shows this result and revealed that they wanted more innovative service of i-banking. This study also searched customer satisfaction level and importance of i-banking service to get understand how much it need i-banking service and what they are getting now. There are some satisfaction gaps among customers who use i-banking service of IBBL. It is found in Table-4, Internet banking customer value measuring. In the following, summary of recommendations are suggested so that the bank may follow them to improve it's their i-banking service by understanding their customer perception.

- **Using system should be easier:** Using system of internet banking should be easier. Table-1, 9 no. dimensions shows the mean of i-banking service run by customer is 2.06. So, it is gradually approaching to moderate scale. The bank should make their Internet banking system in a way that will be easily understandable by the customers.
- **Add extra service option:** Internet banking service included limited number of services. So, more service option should be included in this system. IBBL offers 4-5 items that customer can do through internet banking. But cash deposit can be included in this system by increasing the service.
- **Increase customer confidence in security:** All customers want strong security. But Table-2, no. 3 dimension shows that i-banking security is strong of IBBL and people give more attention on i-banking security service (Table-1, no. 3 dimension). So, security system of internet banking should be very strong and it can create confidence in customer mind.
- **Employees of i-banking service should be expertise:** Employees who are recruited for running i-banking service should be expertise in technological side and must be well known about it. Because customer perception on expert employees is strong (Table-1, no. 7 dimension). But IBBL customer satisfaction level on customer expertise is slightly under strong (Table-2, no. 5 dimension). So, it is more important to improve or recruit expert employees for internet banking service (Importance: Table- 3, no. dimension).
- **Avoid automatic login feature that save ID and password:** The bank should withdraw this option as people want more security. Because if one login that service and forget to logout it, then it may be automatically login by the people who will seat in front of that computer.

There are some additional recommend about i-banking that can be given from this study:

- Install commercial anti-virus and desktop firewall software on all computer systems. Free anti-virus software may not provide adequate protection against the latest threats compared with an industry standard product. .
- Verify use of a secure session (https not http) in the browser for all online banking activity.
- Never leave a computer unattended while using any online banking or investing service.

Recommendation may help the other banking institution when they want to open internet banking service for their customers. Most private bank of Bangladesh already runs this system with the modernization of latest banking services. Though this study has been made on the basis of searching customer perception of IBBL customer, a very few dimension may be differ when it will implement on some international bank in Bangladesh.

The findings from this study also have important implications for banks that offer Internet banking services or intend to offer such services. The study revealed that knowing customer perception and their want is more important to run this service. It is therefore essential for banks to educate potential customers about benefits of using Internet banking having in mind that potential adopters are found to rely more on their own efforts to search for information. Information relating to the advantageous nature of using Internet banking should be provided by bank tellers and customer services assistants at the branches. It is also essential for banks to offer free trial service of Internet banking to potential adopters, especially male educated working professionals who earns significant income. This can be done by the banks setting up Internet banking terminals at bank branches, shopping malls, airports and other busy venues for potential adopters to trial the service for its usage benefits.

By identifying above limitations it can be said that the factor of this study may not be match with other perception. As a result, the expansion of the number of the surveyed banks in any future study could improve the ability to generalize for more banks in the country. Further studies should include larger respondents because all customers are important to marketers. In addition, future studies should be carried out using non-Internet users as respondents to investigate their adoption intentions of IB services. Finally, it should be noted that measurement of certain items in the questionnaire did not work out as expected possibly because of its reverse coding nature. It is suggested that future studies should seriously consider the use of reverse coded items in questionnaires.

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