



**THE INFLUENCE OF ONLINE BANKING SERVICE
QUALITY ON BANKING PERFORMANCE:
EXAMINING THE MEDIATING ROLE OF CUSTOMER
CONFIDENCE**

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Abstract

This study conducts an examination of the complex relationship between internet banking service quality and customer acceptance in the quickly changing digital banking system. The research attempts to identify the elements that influence customer confidence and overall banking performance in the context of online banking services. A systematic approach to data gathering, complete data cleansing, and rigorous validity and reliability assessments form the research process. To get significant insights into the complicated relationships between numerous factors, extensive correlation and regression analyses were performed. The outcomes of the study reveal substantial links between service quality parameters and client acceptability of internet banking services. Notably, factors such as dependability, accessibility, user-friendliness, efficiency, and responsiveness have a significant impact on client approval. Furthermore, perceived usefulness, security, and privacy identified as critical elements influencing consumer happiness and overall banking performance. Several significant recommendations are made based on the research findings to improve banking performance in the dynamic digital era. Financial institutions must invest in solid digital infrastructure in order to provide seamless and safe online banking experiences to their consumers. Banks may foster consumer pleasure and long-term customer loyalty by prioritizing service quality and guaranteeing the highest level of data security. Furthermore, the study emphasizes the significance of developing financial literacy in order to create a better understanding and use of online banking services. Offering accessible and efficient customer service via several channels, including innovative technologies such as chat bots and email, would surely boost customer confidence and contribute to a great banking experience. The study also advises for strategic cooperation with partners in the technology industry to use their experience and new solutions. Financial institutions may speed the development and deployment of cutting-edge digital services by forming important partnerships, ultimately positioning themselves as industry leaders in the digital banking space. This study emphasizes the critical importance of high-quality online banking services in developing client acceptance and improving overall banking performance. Financial institutions can negotiate the digital transition and survive in the ever-changing digital banking ecosystem by aligning their services with client demands and preferences. In this digital age, the pursuit of client-centric initiatives, reinforced by constant development in online banking solutions, will be critical to ensuring long-term profitability and sustaining customer loyalty.

Keywords: Online Banking, Service Quality, Customer Confidence, Banking Performance