

MASTER'S THESIS

Service quality expectations and consumer innovativeness towards technology-based self-service options: a study of Internet banking

Cheung, Tak Hing

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Service Quality Expectations and Consumer Innovativeness
towards Technology-Based Self-Service Options:
A Study of Internet Banking

CHEUNG Tak Hing

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Abstract

Over the past decade, service quality has been regarded as a significant research area, in which personal interaction is the focus of the assessment of service quality. However, the growing role of technology in service encounters has altered the relationship from customer-to-human to customer-to-technology, which makes interpersonal contact less significant in the encounter (e.g. technology-based self-service option). Therefore, the present study aims to investigate the dimensions of expected service quality of technology-based self-service option with a particular focus on Internet Banking, and to understand the role of expected service quality in the relationship between consumer innovativeness and intention to adopt.

The study begins with a review of the literature on the notions of self-service, service quality and consumer innovativeness. Based on the extensive review, the research model (i.e. mediation model) is constructed and related hypotheses are developed.

For testing the research model, a non-probability quota sampling method has been applied in this study. Data were collected from 305 Internet users in Hong Kong, who have not used Internet banking for money transaction, via the use of personal intercept interview method.

Data analysis is divided into three parts. First, reliability test and exploratory factor analysis were used to purify the scale. Through the use of confirmatory factor analysis, five service quality dimensions for technologies-based self-service option have been determined; they are namely, speed of delivery, ease of use, reliability, enjoyment, and control. The unidimensionality, internal consistency and validity of each construct have also been ascertained. Second, the overall expected service quality is found to be a mediator in the link of consumer innovativeness and intention to use. In other words, consumer innovativeness is the antecedent of the formation of service quality expectation, which influences intention to adopt indirectly. In addition, among the demographic characteristics, age and occupation has revealed expectation differences on the dimensions of enjoyment and control. Also, early adopters in the domain of using self-service technology have been identified by the use of the domain specific innovativeness scale in the Chinese context.

The contributions of this study lie in the fact that (1) the role of expected service quality is found to be a mediator in the link of consumer innovativeness and intention to use; (2) the provision of a sound service quality measurement scale may allow practitioners to understand their customers expectations as well as perceptions of their technology-based self-service options; (3) service quality expectation differences have been identified across demographics and adopters groups; (4) recommendations in terms of design and promotion of the Internet banking service have been suggested.

In conclusion, this research attempts to understand the technology-customers linkage by addressing the importance of service quality of technologies-based self-service options in the services marketing literature, which is in need of attention as suggested by well-known scholars. Directions for future research have been presented, in which the impact of technology on customer-company-employee should be further investigated.

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