European Journal of Business and Management
ISSN 2222-1905 (Paper) ISSN 2222-2839 (Online)
Vol.6, No.31, 2014

SMS and Customer Satisfaction in the Banking Industry

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ABSRACT

The study sought to examine Short Messaging Service (SMS) as a marketing communication tool and customer satisfaction in banking. The study draws on multi-variables to explain consumer perception of receiving text messages and the influences on understanding of customer satisfaction in the banking industry. The key variables that were related to customer satisfaction included benefits of SMS, facilitation of relationship, SMS as nuisance and the relationship between Short Messaging Service (SMS) and customer satisfaction. These factors were measured against customer understanding of customer care by selected banks in the Kumasi Metropolis. One hundred and three (103) customers participated in the study through random selection. A Likert scale questionnaire was used to gather responses from the customers. The study found that there is relationship between SMS and customer understanding of customer care and customer satisfaction. There was no statistical significance of the contributory variables, satisfaction however, showed a highly statistical significance relationship with Short Message Service (SMS) as a marketing communication tool in the banking industry.

Keywords: Short Messaging Services, customer satisfaction, marketing communication

INTRODUCTION

Bank customers, nowadays, have a wide range of options to conduct banking transactions. One of the facilities of conducting a banking transaction, which is also easy to access, is SMS banking. Previously, SMS banking was only available at Bank Islam Malaysia Berhad (Bimb) but now this banking channel facility is available at most commercial banks in Malaysia. Recently, Bank Simpanan Nasional (BSN) offered SMS banking to its clients for the purpose of account balance query, bill payment and more. By definition, SMS banking is defined as a banking transaction through short messaging service (SMS) using mobile phone (Amin, 2007). Previously, SMS evolved among people as a key social memo to connect with family members, friends, and teachers. At present, SMS has evolved as a medium of disseminating banking information to make individual contact with banks better (Amin, 2007). SMS banking was first introduced in 2004 in Malaysia. Since then, SMS banking has become an interesting topic of research, not only in Malaysia but also in other countries (Mattila, 2003; Kleijnen et al., 2004; Laforet and Li, 2005).
The mobile channel is fast becoming an important component of business communications strategies worldwide. SMS or text messaging is an effective tool for business communications because of its simplicity, ease of use and reach. SMS is available on virtually all mobile phones and over all mobile networks with a reach of 5 billion phones worldwide, making it the world's most pervasive communications technology. For example, in the United States alone, consumers exchanged more than 5 billion text messages per day in March 2010 (CTIA, 2010). And, according to Nielsen Mobile, the average consumer sends 600 messages per month compared to using less than 200 voice minutes. It is astounding that almost one quarter of the U.S. population lives in mobile-only households, meaning that they have substituted their landline for mobile phones (CTIA, 2010). As this trend continues, the ability to communicate with consumers via mobile phones is going to become vital. The payoff is significant considering that more than 90 percent of text messages are opened and read, compared to less than 40 percent of email solicitations, according to research commissioned by Single Point in June 2010.
The usage of SMS continues to grow because it is simple, easy to use and has enormous reach. Ultimately, consumers like to have choices in the way they communicate with businesses and increasingly consumers are turning to SMS.

Organizational communication now has emerged to be an important tool to every firm's success; therefore several inventions of marketing communication have emerged to help firms achieve their communication objectives. Marketing Communication has been defined by Clow et al, (2007) as "messages and related media used to communicate with a market", marketing communications is the promotion part of the marketing part of the marketing mix or the 4Ps which are product, price, promotion and place. There are several forms of marketing communication which includes; advertising, sales promotion, sponsorships, personal selling and direct marketing. Any or a combination of the above can be used by a firm to achieve its communication objectives.

A critical look is given to direct marketing in this context. Direct marketing is said to be "directly reaching a market (customers and potential customers) on a personal (phone call, private mailing) basis or mass media basis (infomercials, magazines). It is therefore said to be reaching a customer base with the messages of an organization which is done internally (meaning there is no use of advertising agencies).

The use of direct marketing has become a key figure in the banking industry nowadays. This has been as a result of inability to attend to the growing size of customers on an individual basis. This lead to the development of electronic banking in the sector, whereby customers can access their banking needs through the use of the internet and also mobile phones specifically text messaging. Text messaging banking since its inception has reduced the pressure on banks to serve its clients as more customers can receive their services on their phones through text messages. Text messages sent to customers have over the years come with merits and demerits. This paper therefore sought to examine the use of SMS, consumer perception, customer expectation of the use of SMS by banks, the extent of benefits SMS provide to customers and the relationship between SMS as a marketing communication tool and customer satisfaction in the banking industry in the Kumasi Metropolis

LITERATURE REVIEW

MOBILE BANKING

Internet and mobile technologies are increasingly being adopted and utilized in the banking industry; this has reshaped the consumption of financial services (Laukkanen, 2005),
In this research we analyze the security of electronic banking services with an emphasis on mobile commerce transactions with a focus on mobile banking using mobile devices specifically cell phones.

Electronic banking is considered a way of delivering banking services through the internet to the consumer at a reduced cost to the banking industry and improved convenience to the customer (Pousttchi and Schurig, 2004),

However there exists a low internet connectivity in the developing countries given the costs of connection especially in rural areas and yet banking services need to be brought closer to the population to enhance development (Kenny, 2000). A viable solution here is mobile banking. Here we are interested in what the implications are in the terms of security and also in the economic viability of these technologies in developing countries.

Mobile commerce shall be defined as commercial transaction activities carried out via communication networks that interface wireless or mobile devices.
A mobile device is a device used to connect to a mobile service for example cell phones and Personal Digital Assistants (PDA). The high diffusion rate of mobile phones coupled with the stability of mobile communication technologies have greatly contributed to the enhancement of mobile banking solutions in the provision of financial services in the world (Mallat et al., 2004). Mobile banking is considered as a service that enables users to receive information regarding the status of their accounts, to transfer among bank accounts, to facilitate stock trading and direct payment confirmation using mobile devices.

TRENDS IN MOBILE BANKING

Mobile Banking (also known as M-Banking,) is a term used for performing balance checks, account transactions, payments etc. via a mobile device such as a mobile phone. Mobile banking today is most often performed via SMS or the Mobile Internet but can also use special programs downloaded to the mobile device (Riivari, 2005).

The advance of the Internet has revolutionized the way the financial services industry conducts business, empowering organizations with new business models and new ways to offer 24x7 accessibility to their customers.

The ability to offer financial transactions online has also created new players in the financial services industry, such as online banks, online brokers and wealth managers who offer personalized services, although such players still account for a tiny percentage of the industry.

Over the last few years, the mobile and wireless market has been one of the fastest growing markets in the world and it is still growing at a rapid pace. According to the GSM Association and Ovum, the number of mobile subscribers exceeded 2 billion in September 2005, and now exceeds 2.5 billion (Stephan, Herstat & Cornelius, 2006)

Many believe that mobile users have just started to fully utilize the data capabilities in their mobile phones. In Asian countries like India, China, Indonesia and Philippines, where mobile infrastructure is comparatively better than the fixed-line infrastructure, and in European countries, where mobile phone penetration is very high (at least 80% of consumers use a mobile phone), mobile banking is likely to appeal even more.

This opens up huge markets for financial institutions interested in offering value added services. With mobile technology, banks can offer a wide range of services to their customers such as doing funds transfer while traveling, receiving online updates of stock price or even performing stock trading while being stuck in traffic. According to the German mobile operator Mobilcom, mobile banking will be the "killer application" for the next generation of mobile technology.

Mobile devices, especially smart phones, are the most promising way to reach the masses and to create “stickiness” among current customers, due to their ability to provide services anytime, anywhere, high rate of penetration and potential to grow. Shipment of smart phones is growing fast, and should top 20 million units (of over 800 million sold) in 2006 alone (Stephan, Herstat & Cornelius, 2006)

CONCEPT OF SHORT MESSAGING SERVICE (SMS)

Text messaging, or texting, is the act of typing and sending a brief, electronic message between two or more mobile phones or fixed or portable devices over a phone network. The term originally referred to messages sent using the Short Message Service (SMS); it has grown to include messages containing image, video, and sound content (known as MMS messages. The sender of a text message is known as a texter, while the service itself has different colloquialisms depending on the region. It may simply be referred to as a text in North America, the United Kingdom, Australia and the Philippines, an SMS in most of mainland Europe, and a TMS or SMS in the Middle East and Asia.

Chaffey et al, (2009) define Short Messaging Service (SMS) generally called ‘texting’ as a form of e-mail but it creates communication between mobile phones rather than personal computers.
Cheng et al (2009) argued that it is too fast communication service and it delivers with in a very short time. Cheng et al (2009) explain some of the benefits of SMS as a marketing communication tool as: high speed text message delivery, Interactivity, More customer reach (Mass communication) and response rate for SMS is five times more than direct postal mail.

Dickinger et al. (2004) argued that SMS marketing is very much cost effective and the only cost which company has to bear is the cost of purchasing phone numbers which normally goes up to 30 U.S dollars for 1000 phone numbers however this cost seems very minor after the SMS reaches to its exact target customer. Furthermore, Menke (2007) argued that mobile phone technology is developing very rapidly and because of this great increase in the number of mobile users marketers have got more opportunity to use this channel effectively for the communication.
According to Fill (2005) the financial industry can get benefits from this SMS service as it is same as e-mail and likewise sales promotion and brand awareness can be created by using mobile marketing. Furthermore, mobile coupons for price discount can be sent through SMS for generating sales promotion (Carter, 2004).

Text messages can be used to interact with automated systems to, for example, order products or services, or participate in contests. Advertisers and service providers use direct text marketing to message mobile phone users about promotions, payment due dates, instead of using mail, e-mail or voicemail.

In a straight and concise definition for the purposes of this English Language article, text messaging by phones or mobile phones should include all 26 letters of the alphabet and 10 numerals, i.e., alpha-numeric messages, or text, to be sent by texter or received by the textee.

SMS in the Banking Environment

SMS deployment in financial services closely aligns to the implementation of mobile banking. Tower Group projects that the base of mobile banking customers will grow from 18 million globally in 2010 to more than 53 million in 2013. Mobile banking transactions will surge to more than 14 billion globally during the same period.
FSIs that deploy SMS strategies consistently reach three conclusions. First, opt-in customers, by their nature, are receptive to SMS communications. Second, FSIs can expect a reduction in call center contact once customers link balance alerts and event notifies to their banking habits. Finally, empowering the customer to calibrate the velocity and type of communications enhances loyalty and retention (Woodburn, 2002).
Financial institutions continue to deploy mobile banking and payments capabilities to a consumer base that is increasingly reliant on mobile devices. Some financial institutions choose a particular mobile modality to deploy mobile banking (typically mobile Web, a downloadable mobile application, or SMS) to minimize their investment and downside exposure; more robust programs cover multiple modalities. Regardless of the modality they deploy initially, financial institutions eventually realize that no single mobile banking modality best supports all users across all transactions. Tower Group continues to recommend that financial services institutions deploy mobile banking and payments across all available modalities, develop and deploy the mobile capabilities most aligned with each modality, and allow their customers to select their preferred modality based on their individual needs and preferences.
The SMS mobile banking modality has the unique advantage of reach. The vast majority of handsets support SMS, whereas less than half support mobile Web and even fewer support mobile applications. This mix may change over time as advanced handsets become more widely available, but text messaging is and will continue to be the most used feature of a Smartphone. Further, performing mobile transactions is generally far quicker via SMS than via modalities that require multiple navigation steps for the consumer to find the correct Web page to execute a desired transaction (Suoranta & Mattila, 2004)

Push vs. Pull as strategies for text message in banking

Today, marketers use push and pull strategies when delivering text messaging to their clients (Scharl et al., 2005).While push strategy campaign, a predominant method, involves delivering unsolicited messages, pull strategies involve delivering messages based on customers' requests (e.g., based on information they found via mobile applications or on banner ads). A study by Dickinger & Haghirian (2004) found that 50 percent of text messages were in a push mode, 45 percent in pull and 5percent in both. Even though push strategies are more economical to companies than that of pull strategies, customers may view the unsolicited contents as intrusive and unwelcome (Yunos et al., 2003).

SMS Convenience Factor to Customers

The convenience of executing simple transactions and sending out information or alerting a customers through text messages is often the overriding factor that dominates over the skeptics who tend to be overly bitten by security concerns.
As a personalized end-user communication instrument, today mobile phones are perhaps the easiest channel on which customers can be reached on the spot, as they carry the mobile phone all the time no matter where they are. Besides, the operation of SMS banking functionality over phone key instructions makes its use very simple. This is quite different from internet banking which can offer broader functionality, but has the limitation of use only when the customer has access to a computer and the Internet. Also, urgent warning messages, such as SMS alerts, are received by the customer instantaneously; unlike other channels such as the post, email, Internet, telephone banking, etc. on which a bank's notifications to the customer involves the risk of delayed delivery and response.
The SMS banking channel also acts as the bank's means of alerting its customers, especially in an emergency situation; e.g. when there is an ATM fraud happening in the region, the bank can push a mass alert (although not subscribed by all customers) or automatically alert on an individual basis when a predefined 'abnormal' transaction happens on a customer's account using the ATM or credit card. This capability mitigates the risk of fraud going unnoticed for a long time and increases customer confidence in the bank's information systems (Grönroos, 1994).

CUSTOMER SATISFACTION

Businesses need to attract and establish a customer market and would need to retain it through satisfaction. That is the key to its business performance (Johnson et al., 2000). In order to attain this goal, a company should have a high satisfaction rate from its clients. The increasing competition, whether for profit and non-profit purposes, is forcing the business sectors to pay much and more attention to satisfying customers. Colgate (1990) suggests that increased levels of customer satisfaction and loyalty are frequently attributed or linked to positive outcomes for a firm. Measurement of the rate of customer satisfaction is also a measurement of how products and services supplied by a company meet or surpass customer expectation. It is seen as a key performance indicator.

This is due to the fact that one of the factors needed in order to attain high competency and also high competitiveness is a high market share through an increased, established and well-sustained customer or client population. Industries are beginning to understand the concept that their customers, the ones who purchase their products and use their services, are the primary drivers of their position on the profitability ladder. Satisfaction is a multidimensional construct which has been conceptualized as a prerequisite for building relationships and is generally described as the full meeting of one’s expectations (Oliver, 1980), and is a feeling or attitude of a customer towards a product or service after it has been used (Jhan and Khan, 2008).

Industries also recognize that the support of the customer requires a complex infrastructure which should not only design, produce, and distribute a product or service which can be used by the customer without fear of defect, it should also contain a mechanism whereby the customer is effectively supported (Lowenstein, 1997). Anderson and colleagues (1994), found out that firms with higher reported satisfaction levels also show significantly higher returns. They say that an annual 1% increase in customer satisfaction is worth an 11.4% improvement in current return on investment.

Companies then need to align their activities and efforts to satisfy and retain customers, agreeing on the importance of customers in driving performance (Johnson et al., 2000). As markets shrink, companies are scrambling to boost customer satisfaction and keep their current customers rather than devoting additional resources to chase potential new customers. This is because it costs five to eight times as much to get new customers than to hold on to old ones is key to understanding the drive toward benchmarking and tracking customer satisfaction (Cacippo, 2000).

Satisfying and keeping customers is simply less expensive than constantly replacing them. They have recognized that quality and satisfaction are not enough to boost the profitability of the business, thus they are moving beyond by focusing directly on customer loyalty as the key (Johnson et al., 2000). Because of this, companies are re-aligning their efforts and strategic plans towards increasing customer satisfaction and establishing loyalty from the clients or the customers who are purchasing or availing the services being provided by the company. Researchers have also argued that increasing customer loyalty helps to create future revenues (Fornell, 1992), decrease price elasticity (Anderson, 1996) and reduce cost of future interactions (Reicheld and Sasser, 1990). Because of this, organizations are increasingly interested in retaining existing customers while targeting non-customers, measuring customer satisfaction provides an indication of how successful the organization is at providing products and/or services to the marketplace. The tireless pursuit of improvement would not only increase efficiency but also increase customer satisfaction in the process, saving enough on costs and bringing in enough new and repeat business to more than cover any expenditures quality (Johnson et al., 2000).

Customer satisfaction is a psychological state; carefulness should then be taken when measuring it. Competitors that are prospering in the new global economy recognize that measuring customer satisfaction is a key. This is because of doing so, industries can hold on to the customers they have and understand how to better attract new customers (Cacippo, 2000). Customer feedback or measurements of customer satisfaction can help identify at-risk customers, employees and partners before they are lost. Customer satisfaction measurements can also provide valuable insights into new products or services your customers want, putting one’s company ahead of the competition (David, 2006).

The measurements or surveys of customer satisfaction can be used to measure satisfaction with both internal services such as human resources, information technology, financial, and contracting and external customers (Schay et al., 2000). Companies who will be successful recognize that customer satisfaction is a critical strategic weapon that can bring increased market share and increased profits (Cacippo, 2000). There had been a lot of mechanisms and surveys devised in order to measure the satisfaction level of a number or part of the population toward the performance and services rendered by a certain company which also allows researchers to analyze areas that are important and have much room for improvement (Colgate, 1997).
Because of the growing demand and interests in the customer satisfaction, all industries, including banking industries have been affected by this phenomenon. Some government agencies have also established and deployed an agency wide customer satisfaction survey that represents the best science and practice leading to customer satisfaction (Schay et al., 2000).

Banks may differ in their ability and willingness to satisfy customers with their service. According to Faulhaber (1995) suggests that customer satisfaction may be a highly profitable strategy for banks. Vavra (1995) explains that financial marketers appear to have overlooked the fundamental truth that the longer an institution keeps a customer, the more profitable the customer becomes. Banks then need to maximize their satisfaction with the institutions. Customer satisfaction can be correlated with a number of factors. In a study conducted by Colgate (1997), he has found out that customer service is the most important factor that influences satisfaction rates or levels. Followed by relationship closeness, listening to the needs of customers and value are also of significance.
According to Taylor (2004) decisions and discussions regarding the level of service to be provided always include the cost impact and relationship to customer life time value, competitive pressures and the wants and demands of the customers.

There is a significant difference in customer and job satisfaction in both private and public sectors.
A study showed that layoff threats, quick turn over, less welfare schemes, and less scope for vertical growth increase job dissatisfaction (Bajpai and Deepak, 2004). Experts have developed a structural model which incorporates bank decisions on productivity, risk taking and customer satisfaction into an equilibrium model of banking markets.
Faulhaber (1995) found that greater customer satisfaction correlates with greater profitability, principally due to higher levels of demand

It has been a growing trend today, for banks to move away from a transactional-based marketing approach to a relationship-based approach that has its core the recognition of the lifetime value of the customer. Satisfaction with banking services has been an area of growing interests to researchers and managers. There are a number of studies supporting and reinforcing that customer satisfaction is linked with performance of the banks (Jham and Khan, 2008). Customer satisfaction in the retail banking industry has been studied by a number of researchers including Ahmad (2002), along with customer profitability management being integrated and optimized for the customer (James, 2004). There has been a positive relationship that has been established between equity and satisfaction (Athanassopolous, 2004).

RESEARCH METHODOLOGY

Sampling issues- the study relied on the customer of the various bank scattered at the central business district in the Kumasi metropolis. One Hundred and three (103) customers of three banks were randomly selected to participate in the study, which investigates customer perceptions of SMS as a communication tool in ensuring customer care.

Data collection instruments-Questionnaire was used as data collection instruments for the study. Questionnaire is a structured technique for data collection consisting of a series of questions, written or verbal, that a respondent answers to (Malholtra & Birks, 1999). The questionnaire helped in collecting specific responses to specific questions that aim to answer the research questions and provide grounds for testing of the study assumptions. The study used a Likert scale questionnaire (5-strongly agree, 4-agree, 3-neutral, 2-disagree, strongly disagree) to collect field data from the respondents.

Data analysis-data was analyzed quantitatively and edited in order to check mistakes and consistencies. Data was first analyzed using frequency tables and illustrated further with bar chart, pie chat and percentages. Statistical package for social science (SPSS) was used to tabulate the data and derived the frequency tables and charts for the interpretation and generalization of the response. Demographic characteristics of the respondents were analyzed using descriptive statistical tools. The various assumptions in the study were analyzed using symmetric measures for test of statistical significance of the variables in relation to SMS and customer satisfaction in the banking industry.

EMPIRICAL FINDINGS

Out of the 103 customers sampled, 75 (72.8%) constituted male and represent female, indicating a high proportion of males in customers sampled. Mean= (1.27), standard deviation= (.447) and Variance = (.200)

11 respondents were found to be technical/vocational holders which represent 10.7%, 19 were also found to be junior high school holders which represent 18.4%, 36 SHS holder which represent 35.0%, while 36 are also tertiary education holders which represent 35% and 1 was to be literate which represent 1%, it shows that average educational background of the respondent is 2.95, it implies that majority of the respondent were SHS and tertiary holders. The standard deviation was 1.004, variance was 1.009.

35 of the respondents fall within the ages of 21-30 years, 52 respondents' falls within 31- 40 years, 10 respondents' falls within 41-50 years, while 2 respondents' falls above 51 years. Therefore, it indicates greater number of respondent falls within 21 to 30 years which represents 57.3% and follows by 31 to 40 years which represent 34.7%. It is assumed that majority of the respondent fall within the working force since the youth are also part of the force. And also the mean of the respondent age was 1.53, which shows that average age of respondent is between 21 and 30 years: mathematically represent 25.5 year. The standard deviation of the ages of respondents (SD=0.739) and Variance (V= 0.546).

SMS AS A MARKETING COMMUNICATION TOOL

Communication: 71 of respondents which represent 68.9% strongly agree that SMS from bank gives regular information on transaction, 34 of respondents which represent 33.0% agree that SMS from bank gives regular information on transactions, 15 of respondents which represent 14.6% remained neutral that text massages (SMS) from bank gives regular information on transaction, 6 of the respondents which represent 5.8% disagree that text massages (SMS) from bank gives regular information on transaction, and 4 of the respondents which represent 3.9% strongly disagree that text massage (SMS) from bank gives regular information on transaction. The responses from customers of the selected banks were summaries in a descriptive statistics, which generated mean statistic (M=1.62), standard deviation statistic (SD=1.112) and Variance statistic (V=1.238)

Facilitates relationship: 17 of respondents which represent 16.5% strongly agree that SMS facilitates relationship with the customers, 43 of respondents which represent 41.7% SMS facilitates relationship with the customers, 33 of respondents which represent 32.0% recorded neutral that SMS facilitates relationship with the customers, 7 of respondents which represent 6.8% disagree that SMS facilitates relationship with the customers, and 3 of the respondents which represent 5.8% strongly disagree that SMS facilitates relationship with the customers. Mean statistic (M=2.38) standard deviation statistic (SD=.941) variance statistic (V=.885)

Influence Perception: 37 of respondents which represent 35.9% strongly agree that SMS influence their perception of the bank as providing customer care, 23 of respondents which represent 22.3% agree that SMS influence perception of customer care, 22 of respondents which represent 21.4% were neutral that SMS influence perception of customer care the commercial banks, 15 of respondents which represent 14.6% disagree that SMS influence perception of customer care, and 6 of the respondents which represent 5.8% strongly disagree that SMS influence perception of customer care by their bank. Summary statistics of mean(X), standard deviation (SD) and variance (V.) Mean statistic (M=2.31), standard deviation statistic (SD 1.262) and variance statistic (V=1.548)

Nuisance 27 of respondents which represent 26.2% strongly agree that SMS is not a nuisance, 33 of respondents which represent 32.0% SMS is not perceive as nuisance, 20 of respondents which represent 19.4% remained neutral that SMS is perceived as nuisance, 17 of respondents which represents 16.5% disagree that SMS is not perceive as nuisance, and 6 of the respondents which represent 5.8% strongly disagree that SMS is not perceive as nuisance. The descriptive statistics show a summary of Mean=2.44, SD=1.210 and Variance=1.464.

STATISTICAL TEST OF THE RELATIONSHIP BETWEEN SMS AND CUSTOMER SATISFACTION

A symmetric measures values obtained from the study showed a highly statistical significant between SMS and customer satisfaction in the banking industry. In a question item that purports to summaries the multiple variables, the respondents indicated the level of satisfaction when they receive regular test messages from the bank. The frequency distribution show that 42 of respondents which represent 40% strongly agree that SMS from bank increases customer satisfaction and acceptance, 34 of respondents which represent 33.0% agree that SMS from bank increases customer satisfaction and acceptance, 22 of respondents which represent 21.4 % neutrally agree that SMS from bank increases customer satisfaction and acceptance, 4 of respondents which represent 3.9% disagree that text massage (SMS) from bank increases customer satisfaction and acceptance, 1.0% strongly disagree that text massage (SMS) SMS from bank increases customer satisfaction and acceptance. The descriptive statistics results generated mean statistic (M=1.91), standard deviation statistic (SD=0.930) and Variance statistic (V=0.865.)

Symmetric Measures

		Value	Approx. Sig.
Nominal by Nominal	Phi	.469	.000
	Cramer's V	.469	.000
N of Valid Cases		103	

The symmetric measures of the above information test the statistical significance of SMS and consumer understanding of customer care as a tool for customer satisfaction. This item sought to specifically find out from the respondents that SMS a tool for customer satisfaction. V=.469 at relationship level. This indicates a highly relationship between SMS and its influence on customer understanding of customer satisfaction. The significance level (approx.sig =.000) which is highly statistically significant at ($p < .05$), means the relationship can be generalized to SMS as a suitable marketing communication tool for customer satisfaction in the banking industry.

CONCLUSION AND IMPLICATION

SMS in banking industry still is in a growing stage and has a long way to go before the sender and the receiver can fully utilize a service that can bring in a revolution. As the empirical data show relationship between SMS and consumer perception of customer care, meaning that customers obviously react towards SMS as a marketing communication tool in the banking industry. A substantial portion of the respondents were young people and do not perceive SMS as nuisance. The approx. sig (0.000) shows that there is a statistically significant relationship between short massages services (SMS) and customer satisfaction. The findings can confidentially conclude that banking operations through text massage have positive effect on customer satisfaction.

The Banking industry is therefore required to improve the use of SMS to customers. Customer satisfaction tools may be affected if the SMS tends to become a nuisance to the customers. Text messages which do not appear to be clearly defined may generate a negative responses from customers rather than what is expected to create satisfaction.

In order to know what customers reaction and attitude towards SMS in banking industry, it is important to recommend to managers in the banking industry that SMS banking emerging tool for marketing communication, it broadens the theoretical foundations of direct marketing. Actually it is an interesting marketing tool which can reach the target customers.

On the other hand, SMS may disturb the customers resulting in more negative perception about the products and services of the bank. Therefore, the message must be the relevant and interesting to the customers. Unnecessary massage should therefore be avoided. Also massages should not be sent to customers at mid night and their account number should not be included in the massage because of security reasons. Lastly, better procedures should be set against standards to measure the result and its impact on customer’s attitude. A limitation of this study is that it focuses on only on SMS as a marketing communication variable for customer satisfaction in the banking industry. Another limitation is that the study did not use a big data set (n =103) and only focuses on one sector (commercial banking) of the financial institution. It is expected that future study will utilize and build on these findings for the entire financial industries and also a bigger data set for study customer satisfaction. Finally, further study should address the customer satisfaction issues on other aspect of SMS and customer satisfaction such as security, private and confidential issues.

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