

# A Research on Consumer Complaint Behavior of Online Banking in Malaysia

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## ABSTRACT

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Understanding consumer behaviour is one of the most crucial aspects in marketing as it helps business organizations to recognize their target markets' needs, wants, perceptions, attitudes, beliefs, and motivation, which in turn will significantly influence the target markets' buying patterns. Effective marketing strategies can only be established if the business organizations possess an in-depth knowledge about their target markets when they engage in different stages of the decision-making process.

The online banking system spread rapidly within Malaysia in recent years. With the advantages of being convenient, safe, efficient and economical, Malaysia's banks are confident that online banking benefits would outweigh traditional banking services in the future and therefore, are eager to implement the new technology and services in order to grasp, penetrate the market, and gain competitive advantages. Most retail banks in Malaysia now provide online banking as add-on services to the existing branch activities while mobile banking is in the initial stage of implementation. These banks implement this new service which has several advantages for customers; one, is the guarantee of the safety of the clients' funds; two, the service can be accessed 24 hours, 7 days a week, and finally, a cheap going rate of RM0.10 for every successful transaction plus no charges for unsuccessful transactions with the whole process taking a few seconds to complete after the user sends his message.

There are five stages in the consumer decision-making process, namely problem recognition, information search, evaluation of alternatives, product choice, and post-purchase evaluation (Soloman, 1996). The first four stages are considered as pre-purchase activities and the last stage deals with consumers' behaviour after consuming a product. However, the process can be more complex in nature when consumers deal with service purchasing.