

## ANALYSIS OF ELECTRONIC BANKING AND CUSTOMER SATISFACTION IN NIGERIA

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### ABSTRACT

**T**his study examines the impact of electronic banking on satisfaction of corporate bank customers in Nigeria. Due to emergence of global economy; electronic banking has increasingly become an inevitable tool of banking business strategy and a strong catalyst for economic development. Data collected with a structured questionnaire was analysed by descriptive statistics and the hypothesis formulated was tested using chi-square test. The study found that there is a significant relationship between electronic banking and customers' satisfaction. Also that E-banking has become popular because of its convenience and flexibility, and transaction related benefits like speed, efficiency and accessibility. Although these are fraught with insecurity and most importantly power challenges. The paper suggests that critical infrastructure like power; security and telecommunication should be strengthened to ensure the application of electronic banking in Nigeria and optimum satisfaction on the part of customers. Implied from the above, foreign direct investment will increase, productive capacity will be doubled. This will improve standard of living of citizenry and further engender economic growth and development.

**Keywords: Customer Satisfaction, Electronic Banking, Economic Development and Growth**

## **INTRODUCTION**

### *Background to the Study*

Timothy (2012) posits that three or four decades ago, banking was a simple business; consumers saved their money with and received their financial services from banks. When customers open savings account, they received passbook from the bank with which the account would be operated; and when it is a current accounts, they received cheque books for the same purpose. Today, the banking industry has moved into an era of menu-driven ultra robust specialized software programmes called banking applications. These applications can carry out virtually all banking functions relying heavily on information collection, storage, transfer and processing. The application of electronic banking products/services to banking operations has become a subject of fundamental importance and concerns to all banks operating within Nigeria and indeed a condition for local and global competitiveness (Ezeoha, 2006; Ikechukwu, 2000). The recent consolidation exercise in Nigerian banking sector has drawn the attention of many banks to application of various technological devices in promoting/achieving better customer service delivery that guaranteed customer satisfaction that translates into increase profitability and higher return on investment.

Timothy (2012), customer's satisfaction holds the potential for increasing an organization's customer base, increase the use of more volatile customer mix and increase the firm's reputation. Consequently, obtaining competitive advantage is secured through intelligent identification and satisfaction of customer's needs better and sooner than competitors and sustenance of customer's satisfaction through better products/services. Technology is then essential in providing faster and more efficient services to customers. Technology acquisition must be based on actual needs and the proven ability to deliver customer – friendly solutions. But with globalization, Nigerian banks have no choice but to adopt electronic banking services to enhance effective service delivery that transcends to customer satisfaction, if they really want to stay in the business race, let alone be profitable (Madueme, 2009).

But it should be realized that electronic banking services is a brain child of Information and Communication Technology (ICT) that made it possible for service providers and their customers in developing economies to enjoy a good semblance of the services enjoyed in the developed societies. Electronic banking services have afforded banks the opportunities to impress customers which encourage them to keep coming back. Today, it would be difficult to see any bank in the country that does not render one form of electronic banking service or the other, even banks in the most remote parts of the world.

### **Statement of Problem**

E-banking was adopted by banks so as to improve their service delivery, decongest queues in the banking hall, enable customers withdraw cash 24/7, aid international payment and remittance, track personal banking transaction, request for online statement, or even transfer deposit to a third party account. Despite the effort of banks to ensure that customers reap the benefits of e-banking, the bank is met with complaints from customers as regards, malfunctioning Automated Teller Machines (ATMs), network downtime, online theft and fraud, non availability of financial service, payment of hidden cost of electronic banking like Short Message Services (SMS), for sending alert, mandatory acquisition of ATM cards, non acceptability of Nigerian cards for international transaction amongst others. This study is aimed at finding out the reason why these problems occur and in most cases persist, and then to make recommendations based on the outcome of the study.

### **Aim and Objectives of the Study**

The study aims at investigating the impact of e-banking on customers' satisfaction. The specific objective of this study is to:

1. Find out the reason for persistent complaints from customers as regards e-banking in Nigeria;
2. Identify the challenges facing effective implementation of electronic banking system in Nigeria; and
3. Proffer solutions to the identified challenges of electronic banking in Nigeria.

### **Relevant Research Questions**

In attempting to establish a relationship between electronic system and banking, the following research questions are imperative:

1. What are the challenges facing effective implementation of electronic banking system in Nigeria?
2. What is the impact of electronic banking on customers' service delivery?
3. What are the possible solutions to e-banking challenges in Nigeria?

### **1.5 Relevant Research Hypothesis**

Ho: There is no significant relationship between electronic banking and customers' satisfaction.

H1: There is a significant relationship between electronic banking and customers' satisfaction.

The primary objective of this study is to appraise e-banking services to banks' customers in Nigeria. A search light will therefore be beamed on the banking sector to help us to illuminate challenges faced by banking industry with regards to rendering e-banking services to their respective customers.

### **Significance of the Study**

The outcome of this study will be of immense benefit to the management of GTB Bank Nigeria Plc, since it will help identify most of the challenges faced by the banks as well as the complains table by the customers. Solutions will then be proffered on theses identified challenges. This will go a long way to help the bank achieve its stated objectives, and in the long run increase shareholder's wealth. Furthermore, the study would enable banks executives and indeed the policy makers of the banks and financial institutions to be aware of electronic banking system as a product of electronic commerce with a view to making strategic decisions.

### **REVIEW OF RELATED LITERATURE**

Timothy (2012), electronic banking refers to the use of the Internet as a remote delivery channel for providing services, such as opening a deposit account, transferring funds among different accounts and electronic bill presentment and payment. This can be offered in two main ways. First, an existing bank with physical offices can establish a Website and offer these services to its customers in addition to its traditional delivery channels. Second, is to establish a virtual bank, where the computer server is housed in an office that serves as the legal address of such a bank. Virtual banks offer their customers the ability to make deposits and withdraw funds via ATMs (Automated Teller Machines) or other remote delivery channels owned by other institutions, for which a service fee is incurred. Ahasanul (2009) Electronic banking (e-banking) is the newest delivery channel of banking services.

## **Theoretical Review**

### **Innovation Diffusion Theory**

This theory developed by Roger in 1983 explains individuals' intention to adopt a technology as a modality to perform a traditional activity. The critical factors that determine the adoption of an innovation at the general level are the following: relative advantage, compatibility, complexity, trialability and observability. It is concerned with the manner in which a new technological idea, artefact or technique, or a new use of an old one, migrates from creation to use. According to (IDT) theory, technological innovation is communicated through particular channels, over time, among the members of a social system. The stages through which a technological innovation passes are: knowledge (exposure to its existence, and understanding of its functions); persuasion (the forming of a favourable attitude to it); decision (commitment to its adoption); implementation (putting it to use); and confirmation (reinforcement based on positive outcomes from it).

Early users generally are more highly educated, have higher social status, are more open to both mass media and interpersonal channels of communication, and have more contact with change agents. Mass media channels are relatively more important at the knowledge stage, whereas interpersonal channels are relatively more important at the persuasion stage. Innovation decisions may be optional (where the person or organization has a real opportunity to adopt or reject the idea), collective (where a decision is reached by consensus among the members of a system), or authority-based (where a decision is imposed by another person or organization which possesses requisite power, status or technical expertise).

Important characteristics of an innovation include: relative advantage (the degree to which it is perceived to be better than what it supersedes); compatibility (consistency with existing values, past experiences and needs); complexity (difficulty of understanding and use); trialability (the degree to which it can be experimented with on a limited basis); observability (the visibility of its results). Different adopter categories are identified as: innovators (venturesome); early adopters (respectable); early majority (deliberate); late majority (skeptical); laggards (traditional).

Earlier adopting individuals tend not to be different in age, but to have more years of education, higher social status and upward social mobility, be in larger organizations, have greater empathy, less dogmatism, a greater ability to deal with abstractions, greater rationality, greater intelligence, a greater ability to cope with uncertainty and risk, higher aspirations, more contact with other people, greater exposure to both mass media and interpersonal communications channels and engage in more active information seeking.

Important roles in the innovation process include: opinion leaders (who have relatively frequent informal influence over the behavior of others); change agents (who positively influence innovation decisions, by mediating between the change agency and the relevant social system); change aides (who complement the change agent, by having more intensive contact with clients, and who have less competence credibility but more correctly or trustworthiness credibility).

The change agent functions are: to develop a need for change on the part of the client; to establish an information-exchange relationship; to diagnose the client problems; to create intent to change in the client; to translate this intent into action; to stabilize adoption and prevent discontinuance; and to shift the client from reliance on the change agent to self-reliance.

## Empirical Review

Internet banking also forms part of what is generally known as new products/services in the Nigerian banking industry. This is given the overwhelming success of online banking in other developed societies of the world. It is on this wise that, banks in Nigeria are gradually embracing the product/service and radical changes are taking place in the Nigerian financial landscape (Ovia, 2005). The growth of this product/service has been unprecedented especially immediately after the consolidation exercise of the Nigerian banking system. This according to Christopher, Mike and Army (2006) is in line with the CBN directives of 2005, that banks must have a global reach and be competitive at the international level. With internet banking, opportunities are also created for small banks to compete on more equal footing with other larger banks in the world (Agboola, 2006). Customers who are increasingly raising the stake of expectations for quality products and customers service can quickly find it at a click of the mouse. Gupta (2008) observed that, banks and customers could engage in dialogue and learn from each other through this service. Mohammed and Siba (2009) found that with this service, customers can also access the balance and transactions on their account and perform other banking services such as transfer of funds from one account to the other, carry out transactions with other bank customers etc. Studies by Ovia (2005), Mahdi and Zhila (2008) and Gonzaliz (2008) have revealed that, at least 50% of the over 800 banks in Africa offer one form of online banking service or the other.

Although the internet has become highly fashionable, the developing countries are still struggling hard to catch up with their counterparts in the developed countries. According to reports released in 2006 by the National Space Research and Development Agency, only about 2% (about 2.4 million) of Nigeria's over 140 million populations actively use the internet (Ovia 2005: Mohammed and Siba ;2009). The report put internet access points in the country at 685,459, with offices having 530,968 of this, representing 77.4%; homes, 122,431 points, representing 18.9%; and cyber cafes accounting for the remaining 32060 points, representing 4.7% of the total internet access points available in the country.

Nigeria has performed dismally in internet usage generally; and so performance in internet banking cannot be an exception. In fact, among the 5 top economies in the continent (South Africa, Egypt, Morocco, Algeria) Nigeria has the poorest internet usage record, when compared with its huge population (Ovia, 2005). Ahasanul (2009) the major instrument of globalization of markets is the development in communications and information technology. This development has therefore made the introduction of electronic purse a reality in banking and is redefining what a legal lender is in monetary terms (Agboola, 2006). According to Oyesola (2007), there are two major card business services providers that implement and manage electronic card scheme in Nigeria. They are Valucard and GEM card. They further stressed that as at March 2004, Valucard card had a consortium of forty three banks while Gem card, had about twenty banks in her consortium. As at 2004, about 184,924 cards have been issued (Maholtra and Singh, 2007). Valucard Nigeria plc, which acts as the clearing institution for the card scheme, also coordinates the hardware and software procurement.

Currently in Nigeria, banks under the value-card consortium have joined the Visa International Network, the largest e-payment service provider. Visa is a membership association owned by more than 21000 financial institutions around the world that provides member institutions with global payment platform development. While research findings showed that, while about 5000 Nigerians carry e-cards (30,000 Valucard and 20,000 Smart card) only about 50,000 actually use them due to insecurity and the use of different cards on one terminal (Kanabara and Nayayan, 2005). To effectively correct this problem, Ovia (2005) opined that, Nigeria should replicate the South African success story where tremendous progress has been made in the use of smart cards. He further enunciated that, the estimated 44 million people in South Africa use smart

cards about 40 million times per day. This he said is very impressive and worthy of emulation. Al-Sukkar (2005) pointed out that, in South Africa, smart cards are being put to use in various areas: salaries, pensions, car parks, post offices, cinemas and stadia.

### **Challenges and Insecurity of Internet Banking**

Nigeria is the third highest ranked in internet 'money offer' frauds. As was reported in one of the national newspapers, frauds and forgeries in Nigerian bank as at June 2005 stood at 329 or N1.15 billion monetary equivalent, against 222 cases or N1.47 billion monetary equivalent in April same year. There is even global suspicion that a Nigerian crime syndicate that coordinates global crimes such as money laundering, bank fraud and 419 seams exists today. These issues basically defeat the key ingredients of information technology, which includes confidentiality, integrity and availability.

Several factors are responsible for the above situation. They include inordinate tolerance for corruption among Nigerian public and government agencies; weakness of the existing legislative/judicial institutions to make and enforce relevant laws on cyber-crimes; quality of graduates in terms of professional values and ethics; chronic unemployment among graduates, and the widening gap between the few rich and the many poor caused mainly by bad governance. In the main, erosion of good value principles and corruption constitute the greatest cause of rising cyber-crimes among Nigerian (Domestic electronic payment in Nigeria) \*(Amedu, 2005). This, according to transparency International, is worsened by fact that several generations of Nigerians have been raised in this norm. Hence, what is seen as a dangerous global crime is socially acclaimed and glamorized in Nigeria.

The above situation constitutes the environment upon which Information technology has emerged in Nigeria. Although the level of the adoption and practice of information technology (especially Internet banking) has remained quite insignificant, global projections still remains that Information Technology would continue to play a revolutionary role in the development and delivery of banking products and services all over the world. In effect, it is this projection that has raised pertinent regulatory questions concerning Information technology, especially in Internet fraud-infested countries like Nigeria. One key issue here borders on how to handle the rising level of frauds and forgery prevalent in the entire banking system; and how to make Internet banking fit well in the banking structure of a country so notoriously identifiable with criminals use Internet access.

### **METHODOLOGY**

As earlier stated, the primary objective of this paper is to determine the impact of e-banking on customers' satisfaction. The discussion will further focus on the population, sample size, methods of study and procedure for data analysis. The research design for this work is a sample survey because of timeliness of the data obtained. The customers of GTB Bank of Nigeria Plc., Lagos represents the population of study. This is made up of the different levels of management in the organization. The sample size consists of one hundred and twenty (120) corporate and individual customers of GTB Bank of Nigeria Plc. The instrument for data collection is questionnaires. The questionnaires were structured to allow respondent select the option for each questionnaire which they considered most appropriate. Of the one hundred and twenty copies of questionnaire distributed to selected respondents (120) on one hundred (100) copies were returned. Data collected was analyzed using the simple percentages while hypotheses were tested using the chi-square.



The formula for chi-square ( $\chi^2$ ) value is given below:

$$\chi^2 = \sum \frac{(o-e)^2}{e}$$

- O = Observed Frequency  
e = Expected Frequency  
e = Row Total X Column Total  
Grand Total  
 $\chi^2$  = Chi Square  
 $\sum$  = Summation.

The data collected are presented in tables of frequency distributions and simple percentage. The Chi-square was used to interpret the results obtained during the cause of the research. One hundred and twenty (120) copies of questionnaire were administered, out of which one hundred (100) were completed and returned.

## DATA PRESENTATION

### Presentation of Respondents Bio-Data

#### SECTION A

**Table 1: DISTRIBUTION BY SEX**

VARIABLE	NO OF RESPONSE	PERCENTAGE
MALE	59	59
FEMALE	41	41
TOTAL	100	100

Source: Field Survey 2013

Table 4.2.1 above shows that the sample of the respondents is made up of (59%) male and (41%) female, indicating that the male respondents are more than the female respondents.

**Table 2 DISTRIBUTION BY AGE**

VARIABLE	NO OF RESPONSE	PERCENTAGE
21 – 25 years	22	22%
26 – 30 years	42	42%
31 – 35 years	32	32%
36 – 40 years	3	3%
Above 41 years	1	1
Total	100	100

Source: Field Survey 2013

From table 4.2.2 above, those that fell within the age group (21 - 25 years) are 22% of the sample. Respondents within the age group (26 - 30 years) constitute 42% of the sample, 32% fell within the age range (31 – 35 years), while those within the age range (36 – 40 years) are 3%. Only 1% of the sample was within the age group of (above 40 years.)

**Table: 3**                      **EDUCATIONAL QUALIFICATION**

VARIABLE	NO OF RESPONSE	PERCENTAGE
WASC/ SSCE	0	0
OND	55	55
HND	12	12
BSC	20	20
MSC/MBA	11	11
TOTAL	100	100

Source: Field Survey 2013

From Table 4.2.3 above, (55%) of the sample had OND, respondents with HND qualification are 12%, (20%) of the respondents possessed BSC, while (11%) of the sample had masters degree. Showing that the workforce are well educated.

**Table 4**                      **Working Experience**

VARIABLE	NO OF RESPONSE	PERCENTAGE
Below 5yrs	42	42
5 – 10 yrs	46	46
11 – 15yrs	12	12
16 – 20yrs	-	-
20 – 25yrs	-	-
25 yrs	-	-
TOTAL	100	100

Source: Field Survey 2013

From Table 4.2.4 above, those that fell within the length of service range (below 5 years) are 42% of the sample. Respondents within the length of service range (5 – 10 years) constitute 46% of the sample, 12% fell within the length of service range (11 - 15 years), while none of the respondents fell in the other working experience ranges.



**SECTION B****Table ;6 What are the reason for persistent complaints from customers as regards e-banking in Nigeria**

STATEMENTS/QUESTIONS		SA %	A %	U %	D %	SD %	TOTAL
6.	Poor level of security is a recurrent issue in e-banking in Nigeria.	51	33	3	2	10	100
7.	Frequent power outages during transaction discourage customers' satisfaction.	33	57	7	2	1	100
8.	Customers complain about frequent downtimes of ATM machines.	52	34	11	-	3	100
9.	Poor interconnectivity among banks on online platforms is a major issue raise by customers engaged in e-banking	5	50	16	11	18	100
10	Regulations enforcing the use of ATMs for certain cash withdrawals does not go down well with customers.	60	31	7	-	2	100
11	Customers complaints about identity theft is becoming common place in e-banking platforms	64	35	1	-	-	100

From question item 6 above, 51% strongly agree, 33% agree, while 3% were undecided. Furthermore, 2% disagree and 10% strongly disagree with the research question. This implies Poor level of security is a recurrent issue in e-banking in Nigeria.

From question item 7 above (33%) and (57%) of the respondents strongly disagreed and agreed respectively with the question, 7% were undecided while 1% and 2% agree and strongly agree respectively with the question. One can conclude that frequent power outages during transaction discourage customers' satisfaction.

From question item 8 above (52%) strongly disagreed while 34% of the respondents disagreed respectively with the question, 11% were undecided while 0% and 3% agree and strongly agree respectively with the question. It is safe to conclude that customers complain about frequent downtimes of ATM machines.

From question item 9 above (5%) and (50%) of the respondents strongly agreed and agreed respectively with the question, 16% were undecided while 11% and 18% disagree and strongly disagree respectively with the question. This consolidates the fact that poor interconnectivity among banks on online platforms is a major issue raise by customers engaged in e-banking

From question item 10, (60%) and (31%) of the respondents strongly agreed and agreed respectively with the question, 7% were undecided while none disagreed and or 2% strongly disagree with the question.. It is safe to conclude that regulations enforcing the use of ATMs for certain cash withdrawals does not go down well with customers.

From question item 11 above (64%) and (35%) of the respondents strongly agreed and agreed respectively with the question, 1% were undecided while none disagree and strongly disagree with the question.. This consolidates the fact that customers complaints about identity theft is becoming common place in e-banking platforms

**Table 7 What is the impact of electronic banking on customers' service delivery?**

	STATEMENTS/QUESTIONS	SA %	A %	U %	D %	SD %	TOTAL
13	Most users of banking services are not literate enough to understand the usage of e-banking services.	66	9	4	20	1	100
14.	The effect of e-banking has not permeated into the rural areas, since it is majorly concentrated in the urban areas.	41	41	1	3	13	100
15	Inadequate regulation of the e-banking structures is a fundamental constraint of banking in Nigeria	17	51	14	6	11	100
16.	Electronic banking has increased banking cost and charges for banks in Nigeria.	27	50	8	5	10	100
17	The removal of service charge form ATMs retrogresses profitability of banks.	66	18	-	4	12	100

Question 13 above shows that, (66%) and (9%) of the respondents strongly agreed and agreed respectively with the question, 4% were undecided while 20% and 1% strongly disagree respectively with the question. One can conclude that most users of banking services are not literate enough to understand the usage of e-banking services.

From question 14 above, 41% strongly agree, 41% agree, while 1% were undecided. Furthermore, 3% disagree and 13% strongly disagree with the research question. One can infer that the effect of e-banking has not permeated into the rural areas, since it is majorly concentrated in the urban areas.

Question 15 above shows that, 17% strongly agree with the research question, 51% agree, while 14% were undecided. In addition, 6% disagree and 11% strongly disagree with the research question. This consolidates the fact that inadequate regulation of the e-banking structures is a fundamental constraint of banking in Nigeria

From question 16 above, 27% strongly agree, 50% agree, while 8% were undecided. Furthermore, 5% disagree and 10% strongly disagree with the research question. It is safe to conclude that electronic banking has increased banking cost and charges for banks in Nigeria.

From question 17 above, 66% strongly agree, 18% agree, while 0% were undecided. Furthermore, 4% disagree and 12% strongly disagree with the research question. It is safe to conclude that the removal of service charge form ATMs retrogresses profitability of banks.

**Table 8 What are the possible solutions to e-banking challenges in Nigeria?**

	STATEMENTS/QUESTIONS	SA	A	U	D	SD	TOTAL
		%	%	%	%	%	
17	The organization should utilize e-banking to the fullest advantage in order to enhance their effectiveness	82%	14%	4%	-	-	100
18	Banks should be dynamic in the use of e-banking in management of operations so that service delivery will not be based on obsolete technology	22%	37%	6%	22%	13%	100
19	The organization should always train and retrain their staff to ensure that they keep up with the dynamism of information technology.	64%	14%	2%	18%	2%	100
20	There is a significant relationship between e-banking and customers' satisfaction	64%	30%	4%	2%	-	100

From question 17 above, (82%) strongly agree, 14% agreed, while (4%) remained undecided with the research question. None of the respondents disagreed or strongly disagree with the questionnaire item. One can therefore conclude that the organization should utilize e-banking to the fullest advantage in order to enhance their effectiveness

From question 18 above, (22%) and (37%) of the respondents strongly agreed and agreed. However, contrary to their opinion, (22%) and (13%) respectively disagreed and strongly disagreed, while (6%) of the respondents remained undecided. This implies that banks should be dynamic in the use of e-banking in management of operations so that service delivery will not be based on obsolete technology

From question 19 above, (64%) strongly agree, 14% agreed, while (2%) remained undecided with the research question. (18%) disagree while (2%) strongly disagree with the questionnaire item. One can therefore conclude that the organization should always train and retrain their staff to ensure that they keep up with the dynamism of information technology.

From question 20 above, (64%) and (30%) of the respondents strongly agreed and agreed respectively with the research question. However, contrary to their opinion, (4%) and (2%) respectively disagreed and strongly disagreed with this research question, while (0%) of the respondents remained undecided. This implies that there is a significant relationship between e-banking and customers' satisfaction

### Testing of Hypothesis

Ho: There is no significant relationship between electronic banking and customers' satisfaction.

H1: There is a significant relationship between electronic banking and customers' satisfaction.

**Question 13** Electronic banking has helped to increase customer's satisfaction.

VARIABLE	NO OF RESPONSE	PERCENTAGE
Strongly agreed	64	64
Agreed	30	30
Undecided	4	4
Disagreed	2	2
Strongly disagreed	-	-
TOTAL	100	100

Source: Field Survey 2013

### CONTINGENCY TABLE

O	E	(O-E) <sup>2</sup>	$\frac{(O-E)^2}{E}$
64	20	1936	96.8
30	20	100	5
4	20	256	12.8
2	20	324	16.2
-	20	400	20
Total			150.8

Source: Field Survey 2013

Calculated  $X^2 = 150.8$

### Tabulated

Degree of freedom = (r-1) = (5-1) = 4

$X = 0.05$  with 4 degree of freedom.  $X^2 = 9.48773$

Accept H1, reject H0, and then conclude that there is a significant relationship between electronic banking and customers' satisfaction.

## SUMMARY, CONCLUSION AND RECOMMENDATIONS

### Summary

The paper investigates the impact of e-banking on customers' satisfaction. It also review extant literatures that have expounded the existing factors that affects electronic banking system in Nigeria, how they have been managed, and its relative effect on profitability and performance of banks in Nigeria. The study's research design was the survey design and the population was the entire staff GTB bank Nigeria Plc in Lagos. A simple random sampling technique was employed to get 100 respondents. Simple percentage was used to analyze the data, while chi-square was used to test the hypothesis.

## **Conclusion**

It was revealed that high literacy level negatively impact on the e-banking in Nigeria electronic fraud and infrastructural deficiency are a major constraint to internet banking in Nigeria. The study further revealed that power cuts during transaction send wrong signals about e-banking and poor regulation of the e-banking structures is a limitation of banking in Nigeria. A significant portion of the population are of the opinion that electronic banking has increased banking cost and charges and that customers have been compelled against their wish to use ATM in a bid to imbibe e-banking culture. Furthermore, some banks have lost customers due to poor implementation of e-banking. The study also shows that nevertheless electronic banking has helped to increase customer's satisfaction especially the corporate ones. There is a significant improvement in general banking services as a result of the introduction of electronic banking, while the level of profit made by banks can be attributed partly to the introduction of electronic banking. Electronic banking has help to increase banks market share.

## **Recommendations**

Having identified E-banking to be very crucial to an organization and its effectiveness, organizations are therefore encouraged to utilize e-banking to the fullest advantage in order to enhance their effectiveness. As ICT reduces the work of the manager in terms of close supervision it also improves the drive, initiative and quality of work of the employees thus assist them to be more committed to achieving the goals and objectives of the organization and this has the tendency of enhancing effectiveness among workers within the organization. It is recommended that critical infrastructure like power; security and telecommunication should be strengthened to ensure the application of electronic banking in Nigeria and optimum satisfaction on the part of customers. The organization should always train and retrain their staff to ensure that they keep up with the dynamism of information technology. Implied from the above, foreign direct investment will increase, productive capacity will be doubled. This will improve standard of living of citizenry and further engender economic growth and development.

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