

IMPACT OF E-PAYMENT SYSTEM ON CUSTOMERS' SATISFACTION: A STUDY OF FIRST BANK NIGERIA PLC

EMANUEL EMENYI PhD
Department of Accounting
Akwa Ibom State University
emenyi007@yahoo.com
emenyi007@gmail.com

JUSTINA E. EKONG
Department of Marketing
Akwa Ibom State University
tinafidus@yahoo.com

ABSTRACT: *This study examined how e-payment system influenced customer's satisfaction of first bank Nigeria Plc. Electronic banking is a modern revolution in conventional banking services that provides consumers with the most convenience when conducting banking transactions electronically. The study adopted the survey method and a total of 160 questionnaires were sent out to the respondents for data generation. The results of the study revealed that 1% increase in ATM payment platform will increase customer satisfaction by 27% (Coeff. 0.2668, t-statistics 3.43, p-value 0.001) and in this study, we document that Automated Teller Machine (ATM) has a significant positive effect on customer satisfaction. This study therefore recommends that banks should invest in ATMs that are easy to use, guarantees privacy, affordable charges and once that allow customers to make deposits.*

Keywords: e-payment system, customer's satisfaction, transaction alert and ATM

INTRODUCTION

The payment system is an operational network governed by laws, rules and standards that links bank accounts and provides the functionality of monetary exchange using bank deposits (Dass & Pal, 2011). The payment system is the infrastructure consisting of institutions, instruments, rules, procedures, standards and technical means established to effect the transfer of monetary value between parties discharging mutual obligations. Its technical efficiency determines the efficiency with which transaction money is used in the economy and risk associated with its use (Shin, 2010). Traditional payment systems are negotiable instruments such as draft cheques and documentary credits such as letter of credits. With the advent of computers and electronic communications a large number of alternative electronic payment systems have emerged. These include debit cards, credit cards, electronic funds transfers, direct credits, direct debits, internet banking and e-commerce payment systems. Some payments include credit mechanisms, but that is essentially a different aspect of

payment. Payment systems are used in lieu of tendering cash in domestic and international transactions and consist of a major service provided by banks and other financial institutions. Payment systems may be physical or electronic and each has its own procedures and protocols. Standardization has allowed some of these systems and networks to grow at global scale, but there are still many countries and product-specific systems. Examples of payment systems that have become globally available are credit card and automated teller machine networks. Specific forms of payment systems are also used to settle financial transactions for products in the equity markets, bond markets, currency markets, futures markets, derivatives, option markets and to transfer fund between financial institutions both domestically using clearing and Real Time Gross Settlement (RTGS) Systems and internationally using the SWIFT network. Furthermore, an electronic payment system has the ability to track individual spending; to facilitate the design of products by the banks. This information is also useful to the government when making decisions. EPS also have the ability to reduce cash handling and printing costs. Since the overcoming of barter in the history of mankind, trade usually involve the exchange of goods and services and an equivalent abstract value such as money.

Berger (2013) and Asaolu, Ayoola & Akinkoye (2011) noted that since money was invented as an abstract way of representing value, system for making payments have been in place. In the course of time, new and increasingly abstract representations of value were introduced. A corresponding progression of value transfer systems, starting from barter, through bank notes, payment orders, cheques and credit cards has finally culminated in electronic payment system. As the transition to electronic payment systems take place, the stock of currency hold outside the banking system which constitutes a potential source of unproductive economic resources because they are not available for credit expansion is integrated into it thereby expanding the deposit base of the money system. Nigeria payment system has been predominantly cash-based for both positive and negative reasons positive because of its instant convertibility to other forms of value without intermediation of any financial institution and negative because of its anonymity and untraceability in unethical electronic payment was introduced because government was inundated with allegations of corruption. In Nigeria the evolution of electronic payment (e-payment) was pioneered by small, new generation banks which started with the use of automatic teller machine (ATM) and later included telephone banking, direct bill payment, electronic fund transfer and online banking. These services offered by e-banks are changing and being improved because of the intense competition between banks and government policies.

The use of electronic payment system by banks has made banks to introduce new services products to satisfy the needs and desires of their customers. Banks started having heavy competition which was not common in the 1980s and the early 1990s. E-payment has result to changes in the characteristics of customers as a result of difference in e-payment and traditional payment. These characteristics prompt people and organizations in the country to have changes in their banking activities. This study focused on the customer satisfaction of e-payment service of First bank Nig. Plc. which was established in 1894 and the oldest bank in the country. Currently, based on CBN Policies, the bank has limit withdrawer of cash on counter from its cashiers, within the banking hall. These is due to the up-grading of their ATM cards

from the magnetic stripe to the Euro-visa-master card standard (verve card), as it is more fraud resistant, and reduce long queues among many other reasons.

Statement of Problem

In the past, customers demand for banking services were driven by safety of their monies as well as interest accruing from such savings. However, the present day customer's demand has shifted from just safety of money to how banks deliver their services. The reason is that the present day customer requires efficient, fast and convenient services.

Customers want a bank that will offer them services that will meet their particular needs and support their business goals for instance; businessmen want to travel without carrying cash for security reasons. They want to be able to check their balance online, find out if a cheque is cleared, transfers funds among account and even want to download transaction/record it into their own computer. Customers want a preferential treatment and full attention by their choice bank. All these are only achievable through electronic payment system. The satisfaction of the customer is the aim of the banker. In view of this, the banker has over the years used various approaches to stimulate the customer by providing quality service, and satisfying the needs of the customer. The e-payment system is adopted by banks to have a better and improve quality of their services delivery, how adequate is the quality of these services, are there infrastructures for such services/products and are such banks qualified to be called e-banks.

E-payment is new adoption service and thus, it requires more detail study. Then, this initiates the researcher to undertake this work. Therefore, this study will be focusing on assessing the impact of newly started electronic payment system on customers' satisfaction in Nigeria.

Objectives of the Study

The main objective of this study is to examine the impact of e-payment system on customers' satisfaction. Specific objective include:

To identify level of the customers' reliability, security of privacy, responsive/service excellency from bank through e-payment system and customers' satisfaction.

Research Hypothesis

In order to realize the objective of this study, focus would be on proofing the validity of the hypothesis.

Ho: There is no significant relationship between the level of customers' reliability, security of privacy, responsive/service excellency from bank through e-payment system.

Scope of the Study

The scope of this study covers the period from 2010 to 2021. This period is considered long enough to provide useful results to ascertain the level of customers' satisfaction and e-payment system.

Significance of the Study

Electronic payment is critical in the transformation drive of banks in areas such as products and services and how they are delivered to customers. Thus, it is seen as a valuable and powerful tool in the development, growth, promotion of innovation and enhancing competitiveness of banks. Given the significant role of electronic banking in the developmental

drive of banks, information technology has been found to lead to improvement in business efficiency and service quality and hence attract customers as well as retain them. Electronic payment contributes significantly to the distribution channels of banks such as automated teller machine (ATM), Phone-banking. Tele-banking. PC-banking and now internet banking. In addition, transfer of funds, viewing and checking savings account balances, paying mortgages, paying bills and purchasing financial instruments and certificates of deposits processes have improved significantly as a result of internet banking. This implies that, Electronic payment has resulted in efficiency in service delivery in the banking sector because customers can transact business from one side of the country to another and from both long and short distance. E-payment has made life much easier and paying much faster for both customer and banks. The significant of e-payment to government is providing easy flow of financial transaction.

Operational Definitions of terms peculiar to the Study

Access Product: Product that allow consumers to access traditional payment instrument electronically generally from remote locations.

ATM Card: UBA debit card is a chip device consisting of circuit element on single silicon chip. The card is a complex circuit that process microprocessors with a single chip that contain a complete arithmetic and logic unit of computers, its provide for First banks customers to perform balance inquiry, mini statement and cash withdrawal as well as transfer through the use of automated teller machine. The green card can also be used or internet or online and P.O.S transaction.

Chip Card: Also known as an integrated circuit (IC). A card containing one or more computers chips or integrated circuits for identifications, data storage or special purpose processing used to validate personal identification monitors, authorize purchase, verify account balance and store personal records.

Electronic Data Interchange (EDI): The transfer of information between organizations in machine readable form.

Electronic Money: Monetary value measured in currency units stored in electronic device in the customers'possession. This electronic value can be purchased and held on the device Unit reduced through purchase or transfer.

Electronic Payment System: This is products that enable banking leverage on the internet banking system module in-built on the new banking application (banks). Implemented by the bank to serve the e-payment needs of the bank's customers.

Mobile Banking: This is a product that affect customers of a banking to access services such as account balance, transaction enquiries, stop check's and other customer's services, service verification, bill payment, electronic fund account balance, updates, and history, customers service via mobile transfer between account etc.

Smart Card: A card with a computer chip ended, on which financial health, educational and security information can be stored and processed.

Transaction Alert: Over customers carryout debit/credit transaction on their accounts and the need to keep track of these transactions promote the creation of the alert system by the bank to notify customers of those transactions. The alert system also serves as notification system to reach out to customers where necessary information need to be communicated.

Western Union Money Transfer (WUMT): Western union money transfer is a product that allowed people with relatives in Diaspora who may be remitting money home for family upkeep, project financing, school fees etc. Nigeria communities are known for having their sibling gainfully employed in other parts of the world and idle market for western union money transfers.

Concepts of Electronic Payment

E-payment or electronic payment refers to all types of banking transactions performed electronically, without visiting a brick and mortar bank, for customers, this means performing actions such as paying bills, checking balances, transferring funds and purchasing financial instruments using personal computers, phone or the internet. Most of the applications involved in e-banking involve the internet it is the infrastructure for the current age used as a means of technological connection. It has made banks develop new relationship with customers, suppliers, regulatory authorities and banking partners with digital age tools.

The advent of internet, electronic commerce, communication technology has opened opportunity for many businesses including the financial institution. Nigeria at first had a slow adoption of electronic payment practice but there is a rapid change and the electronic payment system delivery is fast gaining ground with different e-paying channels such as electronic cards, internet banking and mobile banking services have been introduced. Electronic payment is a kind of systems that enable financial institution customers, individuals or businesses, to access accounts, transact business, or obtain information on financial products and services through the Internet. E-payment is a type of e-banking service where customers' instructions are taken and attended to through the internet. It offers customers the possibility of enjoying banking services from the comfort of their homes and offices. What this means is that customers can buy goods by placing orders from the net, instruct their banks to pay the vendor the invoice amount involved, and the products are delivered to the destination where the buyer wants. Withdraw money and get a bank statement book manually updated by a teller over the counter (OTC) (Daniele., 1999)

With the introduction of computer networks, a networked printing machine started replacing the manual update of statements. Then, cash dispensers (CDs) and automated teller machines (ATMs) were introduced to facilitate withdrawals, deposits and even transfers accommodating mobility in much wider geographical areas. Phone banking was a revolutionary concept in banking since it made banking accessible from anywhere as long as phones were available. With the successful diffusion of mobile phones, phone banking is moving into a next phase of development. However, one of the most substantial changes in banking technology is the recent introduction of internet banking (Geffen, 2004).

From the studies reviewed e-paying providers are doing a lot to enhance customer satisfaction the various studies have indicated that the technological revolution has made the whole world to become a global village. This technology can be considered or has result to a remarkable development in the banking sector. Which give birth to the e-payment system.

These studies have made it obvious that e-payment is part of the new development of banking which is due to introduction of new technology through the use of the internet, and the high competition among banks for customer satisfaction and loyalty for better profit and productivity.

According to these various studies, their views have shown that it is expected that the perception of technology would impact on the relationship of the banker and the client/customer. These perception has develop a better understanding of technology in use by the customer and banker and it gave them the need to accept e-payment as a part of development in their transactions and relationship.

Concept of Service Quality

In an attempt to clarify the distinction between satisfaction and perceived quality, Anderson et al (1994). Consider that satisfaction requires previous consumption experience and does not normally depend on price.

Service quality has been found to have a profound input on customer satisfaction and royalty as a whole and is defined as the result of the comparison that customers make between their expectation about a service and their perception of the way the service has been performed Parasuraman et al, referred in Caruana, (2002).

According to Caruana (2002), service quality is split up into two terms, first the technical quality which refers to what is delivered to the customer and functional quality, which concerns the end result of the process which was transferred to the customer. Furthermore, service quality concerns two aspects, psychological and behavioral, which include the accessibility to the provider, the way service providers perform their tasks the content of their saying and the way the service is done. The perception of service quality is based on the customers' assessment of three dimensions of service encounters, which are the customer employee interaction, the service environment and the service outcome.

Aydin and Ozer (2005) assumed service quality to be "the customer's judgment about the overall excellence or superiority of a service." They also mentioned that the attribute of service quality are as follows; services are intangible, services are heterogeneous, meaning that their performance often varies with respect to the provider and the customer; services cannot be placed in a time capsule and thus be treated and retreated over time; and the production of service is likely to be inseparable from their consumption.

Because of the attributes of services, the evaluation of service quality is more difficult than the evaluation of product quality. Also, the evaluation may be connected with the service delivery process, along with output Cody and Hope, (1999). Service quality is seen as a critical factors for profitability and thereby a firm's success. Two underlying processes generally explain the contribution of service to profitability. First service quality is regarded as one of the few means for service differentiation and competitive advantage that attracts new Customers and contributes to the market share Venetis and Ghauri, (2000).

Second, service quality enhances customers' inclination to buy again, to buy more, to buy other services, to become less price sensitive and to tell others about their favorable experience (Venetis and Ghauri, 2000). Bloemer et al (1998) have pointed out that there is a positive relationship between service quality and repurchase intention, recommendation, and resistance to better alternatives.

Service quality has a positive effect on the bottom- line performance of firm and thereby on the competitive advantages that could be gained from an improvement in the quality of service offering, so the perceived service exceeds the service level desired by customers (Caruana, 2002, Chumpitaz, 2004).

Perceived value is often assumed to involve a customer's assessment of the ratio of perceived benefits Zeithaml, (1988). Bolton and Drew (1991) suggested that perceived value is a "richer measure of customer Overall Evaluation of a service than perceived service quality"

Quality perceived by the customer is what makes the customer satisfied and satisfaction of quality service result to customer royalty and the royalty of the customer is the benefit that is experience by the bank through increase customer satisfaction through e-banking.

Evaluation of E-payment in Nigeria

In achieving the mission of introducing e-payment system in Nigeria it is crystal clear that only a few of the objectives have been achieved. These include among others the following:

- Elimination of many risks involved in carrying large sums of money such as armed robber, fraud, theft and others.
- At least government organizations no longer pay cash to "contractors" and civil servants.
- Elimination of the use of cash to facilitate speedy payments for all transactions. But to a very large extent, the following objectives have not been met.
- Fast tracking the implementation of government policies through the elimination of delays in government payment system. There are instances of delay in payment to contractors who are not ready to play bale. There has been a complaint from some contractors handling projects in the rural areas over difficulties associated with the e-payment model.
- Minimize interaction of government, officials and contractors to eliminate opportunity for corruptive tendencies. It will be difficult to eliminate this as interaction at which every level will continue formally or informally if Nigerians are to be honest with themselves. In which ever case, there is need to ask the question. Who are the contractors? Is the due process of government working or not? Who are the officials subverting this and other laudable programme of government? Can corruption really be stamped out of the system?
- Achievement of economy and efficiency in government financial transactions. For as long as corruption remains within the polity, there can be no efficiency in the system. The EFCC and the judiciary will have to find a common ground to tackle this cankerworm that has defiled all solution. China's example could be the best solution but for tribal and religions sentiment among some Nigerians.
- Enhancement of real time reporting and improve quality of financial reporting system in the public sector it has been observed that since the implementation of the policy, there have been late returns or no response in respect of unapplied funds. The existing system cannot guarantee real-time reporting of finances. As result there can be no good financial reporting (Ogedebe & Babatunde, 2012).

Concept of customers' satisfaction

The satisfaction of the customer is what makes the customer royal, therefore satisfaction is a customer's post-purchase evaluation and effective response to the overall product or service experience. Lin (2003) defines customer satisfaction as the outcome of a cognitive and affective evaluation of the comparison between expected and actually perceived performance, which is based on how customers appraise delivery of goods and services.

Jamal and kamal (2002) describes customer satisfaction as a feeling or attitude of a customer towards a product or services after it has been used. Egan (2004) puts the definition

of several authors together and describes customer satisfaction as a psychological process of evaluating perceived performance outcome based on predetermined expectations.

The desire of the customer is to gain satisfaction from the product or services provided by the market. Benefits of having ease and flexibility in e-banking service has influence the impression of the customer towards the products and services of the e-banking banks. Ease and flexibility is one of the reasons for customer satisfaction towards e-banking, but there are other factors that makes customer satisfied. Lin (2003) explains that any performance that is perceived less than expected makes the customer unsatisfied, and when perception is more than expected or exceed expectation there is satisfaction by the customer. The past experiences of the customer built his royalty and encourage others (friends, counterparts and family) towards a product or service.

Customer satisfaction is a measure of how products or services meet or surpassed customer expectations. In a competitive market like the banking industry, it consists of various strategies aimed at keeping, meeting or exceeding customers' expectations. Saha and Zhao (2005) see customers' satisfaction as a collection of outcome of perception, evaluation and psychological reactions to the consumption experience with a product / service. In other words, it is a result of a cognitive and affective evaluation where some consumption standard is compared to the actually perceived performance. Thus, if the performance perceived is less than expected, customers will be dissatisfied, and where the perceived performance exceeds expectations, customers will be satisfied and this would lead to positive behaviors or outcome (Saha and Zhao, 2005; Yau, 2007). A satisfied customer tend to be loyal (Timothy et-al, 2007), takes less time, are less sensitive to prices (Gan et-al, 2006) and pay less attention to competitors advertising (Stum and Thiry, 1991). Umorok (2009) in his study noted that satisfied customers would not only continue their patronage, but would keep on referring prospect to the firm and that such continuous patronage is likely to lower the retention elasticity of the firm. Therefore, understanding the level of customer satisfaction is important to the bank because satisfaction in consumer contexts amounts to beliefs and thoughts about the outcomes of purchasing. Satisfaction is also connected with emotions that accompany purchase outcomes and related events. Price, Arnould and Zinkhan (2002) caps it all by defining satisfactions as a judgment of pleasurable levels of consumption related fulfillment, including levels of under fulfillment or over-fulfillment. Accordingly, they draw some analogy based on this definition,

Namely:

That consumer makes satisfaction judgment with respect to any or all of the aspects or stages of product and service experience.

That satisfaction also focuses on fulfillment. This suggests that consumers may feel fulfilled or satisfied with the removal of a negative state, or may feel over fulfillment and satisfaction with a product or service experience that provides unexpected pleasure or experience satisfaction when a product or service gives greater pleasure than anticipated in a given situation even though it does not exactly fill them up.

That satisfaction is an internal state suggesting that accounts of satisfaction must highlight the meanings that operate in the customers' field of awareness.

Electronic payment and Customer Satisfaction

Satisfaction has been considered as one of the most important theoretical as well as practical issues for most marketers and customer researchers (Jamal, 2004). Oliver (1981) firstly defined it in the consumption context as “the summary psychological state resulting when the emotion surrounding disconfirmed expectations is coupled with the customer's prior feelings about the consumption experience”. In other words, we may say that satisfaction reflects a post-purchase evaluation of product quality given pre-purchase expectations (Kotler, 1991).

On one hand, within literature on services marketing, satisfaction has traditionally been defined as a cognitive-based phenomenon (Westbrook, 1987). Cognition has been studied mainly in terms of the expectations/disconfirmation paradigm; also known as the confirmation/disconfirmation paradigm, which states that expectations originate from the customer's beliefs about the level of performance that a product/service would provide (Oliver, 1980). Many marketing scholars (Tse and Wilton, 1988 Anderson and Sullivan, 1993; Patterson et al, 1997), indicate that customer satisfaction is related to the size and direction of disconfirmation, which is defined as the difference between the post-purchase and post-usage evaluation of the performance of the product/service and the expectations held prior to the purchase (Sharma & Ojha, 2004).

On the other hand, other studies (Dube-Rioux, 1990; Homburg et al, 2006) have recognized that the affect experienced during the acquisition and consumption of the product or service can also have a significant influence on satisfaction judgments (Homburg et al, 2006). Dube-Rioux (1990) points out that a consumer affective response can be used to predict satisfaction more accurately than cognitive evaluation. Therefore, it is hypothesized that customer satisfaction has positive impact on customer loyalty.

Numerous studies support the idea that there exist a link between online banking and customer satisfaction (Saha & Zhao, 2005; Casalo et-al, 2008). Studies such as; Raman et al, (2008), Michael, (2007) produced hard data qualifying these relationship. Both studies emphasized a direct relationship between electronic payment and consumer satisfaction. Boateng and Molla (2006) maintained that constraints related to customer location, the need to maintain customer satisfaction and the banks capabilities in maintaining software all affect the decision to enter electronic banking services and thus affecting the level of satisfaction. When customers are satisfied they are bound to continue their patronage, thereby growing the relationship which leads to continuous loyalty. Zeithaml et al (1996) observed that loyalty and commitment or retention is critical indices of customer satisfaction.

Accordingly, Casalo et-al (2008) contends that higher level of Website usability can lead to higher levels of consumers’ affective commitment to the Website as well as a direct and significant relationship between satisfaction in previous interactions and the consumers’ commitment to a financial service Website.

Tomark and Ponsonnealt (2001) in their studies found that electronic banking usage had a considerable effect on consumer loyalty among the electronic banking users; while it had a negative effect on non-users. They concluded that convenient, ease and fast banking services is associated with the human and technology based service delivery process. Alhawar and Ward (2005) also indicated that internet banking is positively related to customer satisfaction and retention. Thus, customer retention according to Power and Associates (2009) is defined as the

degree to which a customer exhibits repeat purchasing and price tolerance behavior to a service provider, and possesses a positive attitudinal and cognitive disposition.

Customers incur implicit *fixed costs* from adopting self-service technologies. These implicit costs include the costs of learning to use a new technology as well as the costs of establishing a relationship through a new channel (Klemperer 1987). Although these costs are sunk once the investment in a self-service relationship by the customer is made, they are relevant to the customer when considering the choice of remaining with a service provider or incurring the same costs to establish a similar relationship with another provider. Thus, customer adoption of self-service technologies may result in long-term benefits to the firm through higher customer retention rates.

Because acquisition expenses associated with new accounts are so high, financial services firms are increasingly looking to electronic channels to increase customer satisfaction rates. Online channels may create additional customer switching costs and improve satisfaction either because of increased product utilization or because of implicit switching costs such as those created by learning to use a new technology (Chen and Hitt 2002). However, customer use of online banking may reduce the importance of a bank's physical presence in any given local market, making customers more willing to switch to alternative providers with more favorable fees and interest rates.

The Evolution of Electronic Payment

The ancestor for the contemporary home online banking products and services were the distance banking products and services over electronic media from early 1980s. The term "online" became popular in the beginning of 1990s and referred to the use of a terminal, keyboard and TV (or monitor) to access the banking system using a phone line. Online services started in New York in 1981 when four of the city's major banks (Citibank, Chase Manhattan, Chemical and Manufacturers Hanover) offered home banking services using the videotext system (Cronin, 1997). Because of the commercial failure of video text these banking services never became popular except in France where the use of videotext (Minitel) was subsidized by the telecom provider and the UK, where the Prestel system was used.

Today, many banks are internet only banks. Unlike their predecessors, these internet only banks do not maintain brick and mortar bank branches. Instead, they typically differentiate themselves by offering better interest rates and online banking features. In Europe, adoption rates of internet banking usage decreases from north to south and from rich to poor. According to a research report from Deutsche Bank, GDP per capita and latitude explain statistically around 80 per cent of the variation in Europe, as suggested by linear regression analysis, and the European average (EU-25, 36%) is below the USA average (44%) (February, 2006). Internet banking grows – usually, but not always at the expense of branch visits. Bank customers in Europe increased their use of internet banking while Europeans do not discriminate between internet banking and e-commerce. By saying this, there is a tendency that those who shop online are also more willing to bank online with nordic countries to be more responsive to internet banking than their share of online shoppers would suggest while Germans and British exhibit a more reserved and constant attitude towards online banking (Deutsche, 2006)

Moreover, the same research report from Deutsche Bank states that the share of internet bankers does not decrease with age. In the opposite, internet usage declines with age

but relative to internet users as a whole, the share of internet bankers in the EU is constant for those over 24 years, e.g., out of those who use the internet, around 40 percent also use internet banking, irrelevant of age. In doing so, one of the most difficulties in people approaching the internet is their reluctance which is further an obstacle to proliferation of online banking between older customers. In addition, Europeans with higher education are more likely to use the internet and do financial transactions online because better educated people have fewer reservations about technology adoption and therefore, are early adopters of it.

However, following (Rousseau, 1998), customers' trust in e-payment is defined as willingness of customers to perform on-line banking transactions, expecting that the bank will fulfill its obligations, irrespective of their ability to monitor or control banks' actions. Security of online financial transactions is a main concern for customers' trust in e-payment services and specifically, in internet banking products and services. In doing so, even if security incidents have been on the fall, customers do not have trust in online banking services, partly, of their concern of losing their money. In the following section, withdrawal on security issues is raised in order for security to be better understood.

Theoretical Framework

Technology Acceptance Model (TAM) theory

Technology acceptance model is an adaptation of Theory of Reasoned Action (TRA) propounded by Ajzen and Fishbein (1980) to specifically deal with modeling user acceptance of information systems. Compared to TRA, Technology Acceptance Model is significantly less general. The model was developed to particularly explain the computer usage behavior. But since, TAM includes findings collected from over a decade of Information System (IS) research, so it is particularly well-suited for modeling computer acceptance.

Empirical Framework

Ali, Saeid, Reza and Hamed (2016) conducted a study on effects of E-banking services quality on customers' satisfaction and loyalty (Case Study: Agricultural Bank of Khuzestan Province). Therefore, the present study attempts to cast light upon the effects of e-banking service quality on customers' satisfaction and loyalty in Agricultural Bank of Khuzestan Province (Iran). The statistical population is all of the customers of Agricultural Bank of Khuzestan among which 385 of them were selected for the sample study. The research period is from March-April until May-June 2015. The library and field methods were used for the data collection. This study is of applied and causal-descriptive research and is specifically based on Structural Equation Modeling (SEM). At first, by using the descriptive statistics, the demographic conditions of respondents were determined. Afterwards, by the statistical inference, the hypotheses of the study were investigated. For the statistical analysis, LISREL 8.8 and SPSS Software 17 were used. To verify or not to verify the relations between the variables, Confirmatory Factor Analysis (CFA) was used. By and large, the results show that the quality of e-banking services has direct and positive effects on customers' satisfaction and loyalty.

Ogunlowore and Oladele (2014) did a study on analysis of electronic banking and customer satisfaction in Nigeria. Thus The 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 study 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.

Worku et al. (2016) carried out a study on impact electronic banking has on customer satisfaction in comparing with traditional brick and mortar banking service, its relationship with that of age, occupation and education, its impact on branch visits, the level of customer understanding about e-banking and the opportunities and challenges of e-banking. The paper tried to see all the above among 402 properly filled and returned questionnaires of e-banking customers and interview with four branches of the two commercial banks which have started e-banking service in Gondar city when this study was conducted.

The study used tables, percentages, chi-square independency test to see the relationship between demographic characteristics and e-banking, independency t-test to see the visits of branches before and after e-banking by customers is significant or not and regression analysis test has been conducted to explain the variables which determine customers' satisfaction in e-banking.

The results of the study implied that majority of users of e-banking are the young, the educated, salaried and students, business men and women are not actively using the service of e-banking and there is also a relationship between e-banking and demographic characteristics, e-banking currently provided for saving and current accounts holders only e-banking has improved customer satisfaction, reduced frequency of bank hall for banking service, reduced waiting time for customers, there are customers who don't know the fee charged for being e-banking users, the bank customers' satisfaction increased after being e-banking users, enabled customers to control their account movements and there is high opportunity to expand e-banking service in the city.

Sharma (2011) conducted a study on bankers' perspective on e-banking in Northern India. The study aimed at finding out bankers' views on e-banking respondents, and the promotional measures used by banks to promote e-banking. Survey research was adopted and data were collected using questionnaire in the Northern region of India. 192 bankers were served with the questionnaire. Findings were that customers generally use e-banking services on persuasion of bankers; user-ship is mostly concentrated on professionals, business class and males of middle age; e-banking helps in improving the relationship between bankers and customers; and e-banking will bring patent improvement in the overall performance of banks. The banks should therefore use far-reaching promotional avenues of which print and electronic media are relevant.

Ahad and Al-Zubi (2011) undertook a study of e-banking functionality and outcomes of customer satisfaction: an empirical investigation. Survey design was adopted. Bank customers in Khuzestan Province, Iran made up the study population. 179 customers were selected using purposive sampling technique; sample was based on demographic characteristics of gender, age, and computer use. The questionnaire was used to generate primary data which were presented and analyzed using simple frequency tables and percentages. Adoption of e-banking was found to be characterized by accessibility, convenience, security, privacy, online design, speed, fees and charges. It was recommended that providers of e-banking services should ensure the functionality of e-banking facilities, safety of customers, and general attractiveness of the technology.

Ahad and Taleghani (2015) on field research studied the evaluation of electronic service quality impact on customer satisfaction, to demonstrate the impact of electronic service quality on customer satisfaction. A 5-point Likert scale questionnaire was used to source data from 171 customers of Saderate bank in Rasht city, Iran. Data were analyzed by use of SPSS software linear regression model. Independent variables: efficiency, reliability, responsiveness, fulfillment and privacy were found to be influential on customer satisfaction. Also general dimensions of electronic quality service influences customer satisfaction. Banks are therefore to hold educational seminars for better understanding of staff potentials; ensure the reliability of technical infrastructure; set up online questionnaire for customers' view to respond to public search for information; and prevent hackers' access to customers' information and identity, and protect customer information.

Ankit (2011) took on factors influencing online banking customer satisfaction and their importance in improving overall retention levels: an Indian banking perspective. The objectives were to investigate the major factors that influence online customers' satisfaction with the overall service quality of their banks, and to assess the power of the influencing factors in the context of online (internet) banking for improved level of customers' satisfaction 250 consumers from Vadodara in Western India were sampled. Self-administered questionnaire and interview were used to source primary data. Data analysis was by SPSS 17.0. 41 variables were reduced to 10 principal components using Varimax Rotation, Eigen values more than is significant. Chi-square test statistic was used to test the hypotheses. Multiple regression analysis was applied to assess the influencing power of the factors. Findings include: consumers of Indian bank services are present with a uniform set of pricing; Indian banks operate under standardized regulations; customers' identification with the 10 factor/variables; majority of the sampled customers were generally satisfied with the overall service level; banking needs, core services, problem resolution, cost saved, convenience and risk/privacy concerns strongly affect the overall online customer satisfaction. The study recommended that bank management should not only improve the level of customers' satisfaction but also strengthen the bond between banks and their customers, and banks should retain as well as expand their overall customer base.

Khrais (2013) studied the effectiveness of e-banking environment in customer life service: an empirical study in Poland. The study investigated the effective factors that facilitate use of ebanking services for customers, to enhance online services and beyond expectation; and to contribute in useful direction for further. Survey method of research was adopted. Data

were collected through questionnaire from 166 online banking users in Poland. 5-point Likert scale questionnaire was used for data collection. Data analysis was done using SPSS. Person correlation test was applied to determine the relationship between the variables.

Findings were that, personal device has a very good significance to support and reinforce e-banking services among online customers positively. There is a significant result between availability of internet and e-banking service. Convenience has a very good significance to support and reinforce e-banking service among online customers. Ho3 was accepted. Security has high significance in supporting and reinforcing e-banking services. Ho4 was also accepted. Valuable information from the study should be harnessed by practitioners and online banking systems developers as well as bank service providers when formulating online banking services. Developers of online technique factors should consider how to make online services of banks become easier to their customers. Further research is needed to compare e-service with traditional interpersonal services and differences in customer life services.

The Gap in Literature

Onodugo (2015) worked on the overview of e-payment in Nigeria; Ayuba and Aliyu (2015) specified no area, but surveyed the whole Nigeria with a sample of 180 (employees & customers of 4 selected banks). Akpan (2012) carried out a study on Nigeria as a country using 200 staff and customers of 3 selected banks. Their sample sizes are inadequate and findings did not show any information on Anambra State. Adewoye (2013) carried out a study in Lagos, so also Ogunlowore and Oladele (2014). Other empirical studies seen and read by the researchers were done in other countries like India, Iran, Malaysia, Ghana, Australia, Bangladesh, Zimbabwe, Poland, etc. This study is therefore undertaken to fill the gap in literature concerning Nigeria. Secondly, many researchers had just one objective of study – Ahad and Taleghani (2015), Ali et al (2016), Ogunlowore and Oladele, 2014; and Jawaid, 2014). But this study has 3 objectives for better guideline. Besides, the study is also positioned to explore the relationship between some findings of the reviewed empirical literature and the outcome of this similar study in Nigeria.

METHODOLOGY

The research design adopted for this study was survey method. This design was adopted because instrument used for data collection was a researcher's constructed questionnaire. The population of this comprised customers of first bank plc, Uyo, Akwa Ibom State. The data used for this study were majorly primary and these were obtained from the field through the use of questionnaire. The questionnaire used in this study took the form of a written list of questions, which were constructed and adequately selected for the purpose of obtaining information. The questions were closed-ended, and structured on a five-point Linkert scale response options as follows: Strongly Agree, Agree, Undecided, Disagree, Strongly Disagree. The questionnaire was weighted as follows: Strongly agree -5; Agree – 4; Neutral – 3; Disagree – 2; Strongly disagree – 1. Data gotten from the questionnaire were analyzed with the aid of statistical package (STATA version 16). From the data gotten, Cronbach alpha was then used to test for the validity, consistency as well as the reliability of the data-set. All the constructs or items had Cronbach's Alpha above the minimum acceptable reliability coefficient between 0.5 to 0.9 and therefore exhibits good internal consistency. Since all the constructs had Cronbach's Alpha above the

minimum acceptable reliability coefficient it can be considered valid and reliable, therefore suitable for usage.

DATA PRESENTATION, ANALYSIS AND DISCUSSION

Data Presentation and Analysis

Using both mathematical and statistical techniques this section present an analysis of the questionnaire administered and retrieved from the respondents, from which our recommendation and conclusion are drawn from. A total of 160 questionnaires were sent out to the respondents for data generation as shown in the table below:

Table 4.1
Analysis of Questionnaire

Questionnaires	Copies	Percentage
Retrieved	150	94%
Un-retrieved	10	6%
Sent copies	160	100

Source: Author Compilation from field work, 2021

From the table above, out of the 160 questionnaire that was sent, 150 of them were retrieved. This represented 94% of the total Questionnaire sent and this was the number that was used for analysis in the subsequent sections that will follow. 10 of the questionnaires could not be retrieved representing 6% which is not significant.

Table 4.2:
Gender Distribution of Respondents

Gender	No	Percentage
Males	92	61%
Females	58	39%
Total	150	100%

Source: Author Compilation from field work, 2021

Also, from the retrieved questionnaires and as seen from the table above, it is observed that 92 of the respondents were males, which represented 69% of the total questionnaire retrieved. Similarly, 58 of them were females representing 31% of the total questionnaire retrieved

Table 4.3
Age Distribution of the Respondents.

Age	No	Percentage
20–25	13	9%
26 – 35	15	10%
36 – 45	65	43%

46 – 55	57	38%
Total	150	100

Source: Author Compilation from field work, 2021

From table 4.3 above, it is observed that 13 of the respondents were in the age bracket of 20-25, representing 9% of the Respondents. 15 of them were in the age bracket of 26 - 35%, representing 10% of the respondents. 65 of the respondents were in the age bracket of 36 – 45 which implies about 43% of the Total Respondents and 57 of them were 46 and above, representing 38% of the total respondents.

Table 4.4
Alpha Test for Reliability, Consistency and Validation

Test scale = mean(unstandardized items)

Item	Obs	Sign	item-test correlation	item-rest correlation	average interitem covariance	alpha
cust_satis	150	+	0.7792	0.3201	-.0067841	0.8765
atm	150	+	0.7141	0.2018	.0684825	0.8706
intbank	150	+	0.4362	0.0995	.1696048	0.8187
Test scale					.077101	0.8503

Source: Author Compilation from STATA 16

The table above shows Cronbach Alpha test for reliability, consistency and validity of the study instrument which is the questionnaire. The minimum acceptable value for Cronbach's alpha is 0.70; Below this value the internal consistency of the common range is low. Meanwhile, the maximum expected value is 0.90; Above this value is perceived as redundancy or duplication. Alpha values between 0.80 and 0.90 is usually preferred. In this study, the Cronbach Alpha test results as seen from the table above shows a value of 0.85 which makes the instrument for this study reliable and valid.

Table 4.5:
Descriptive Statistics

Variable	Obs	Mean	Std. Dev.	Min	Max
cust_satis	150	3.802222	.7985788	2	5
atm	150	3.736667	.8020458	1.5	5
intbank	150	3.338333	.4873713	2	4.5

Source: Author Compilation from STATA 16

The table above shows the descriptive statistics of the study. From the table it is observed that on the average customer satisfaction was 3.08 with a standard deviation of 0.79. Similarly, Automated Teller Machine (ATM) on the average was 3.72 with a standard deviation of 0.80 while internet banking on the average was 3.34 with a standard deviation of 0.48.

Table 4.6
Spearman Rank Correlation

Key			
	<i>rho</i>		
	Number of obs		
	Sig. Level		

	cust_svs	atm	intbank
cust_satis	1.0000 150		
atm	0.3003 150 0.0002	1.0000 150	
intbank	0.1434 150 0.0800	0.0451 150 0.5837	1.0000 150

Source: Author Compilation from STATA 16

Specifically, the analysis from the spearman rank correlation showed that all the independent variables are positively correlated with the dependent variable. However, the associations are seen to be weak hence there is no room to suspect the presence of multicollinearity in the estimated models.

Table 4.7
OLS Regression Estimation Result

Variables	ATM	Internet Banking
-----------	-----	------------------

Customer Satisfaction

Coefficient	0.2668	0.2959
t_ Statistics	(3.43)	(2.31)
Probability_t	{0.001} **	{0.022} **
F(2, 147)=	8.42	
Prob > F	= 0.0003	
R-squared	= 0.1027	

Note: t -statistics and respective probabilities are represented in () and { }

Where: ** represents 5% level of significance

Source: Author Compilation from STATA 16

Specifically, the study provides interpretation for least square regression as shown above, and the model goodness of fit as captured by the F-statistics and the corresponding probability value. From the table it is observed that the probability values of the F-statistics for the three models shows a 5% statistically significant level suggesting that the entire model is fit and can be employed for interpretation and policy recommendation. More than this, the diagnostic test reveal that the model did not violate the homoscedasticity assumption of the ordinary least square regression. This is revealed by the low probability value (0.003) of the Breusch-Pagan Test for Heteroskedasticity.

Discussion of Findings

Electronic banking is a modern revolution in conventional banking services that provides consumers with the most convenience when conducting banking transactions electronically. Over the last few decades, all banks, especially large banks and mutual banks, have gradually increased the number of Internet banking services available to customers (Momeni, 2013). In this study, we document that Automated Teller Machine (ATM) has a significant positive effect on customer satisfaction. This is revealed as: ATM (Coeff. 0.2668, t-statistics 3.43, p-value 0.001). Following the results, it is observed that a 1% increase in ATM payment platform will increase customer satisfaction by 27%. This finding agrees with those of Dass & Pal, (2011); Shin (2010); Kumar & Ravindran, (2012); Cheah, (2011);Puschel et al (2010);Kaynak&Harcar, (2015); Poon (2008) and Nupur (2010) who concluded that customers are satisfied with the provision of ATM payment and withdrawal systems thus reducing waiting time on the queue. Similarly, we document a positive significant effect between internet banking and customer satisfaction. This is revealed as: Internet Banking (Coeff. 0.2959, t-statistics 2.31, p-value 0.022). Following the results, it is observed that a 1% increase in internet banking payment platform will increase customer satisfaction by 30%. We contradict prior studies of Anbalagan (2011) and Gikandi& Bloor (2010) who observed that half of the people that have tried banking services through internet banking will not become active users. Berger (2013) claims that internet banking is not living up to the hype.

CONCLUSION AND RECOMMENDATIONS

Consumer satisfaction is a measure of how well a company's goods and services meet or exceed customer expectations. The growth of e-payment channels has radically changed the rules and operations in the banking industry in recent years. As the industry has moved quickly to deploy and deliver new banking services to customers through e-channels, e-banking services have exploded in popularity. Several financial firms are now attempting to place a

greater emphasis on customer-oriented services. In order to establish and maintain improved customer relationships, it is important to introduce new banking services. As a result, gaining competitive advantage is almost entirely dependent on customer satisfaction with banking services. This study examined the effect of electronic payment systems on customer satisfaction of First Bank Nigeria. A total of 160 questionnaires were sent out to the respondents for data generation. The responses were scored using Likert scale. We employed ordinary least square regression to test the hypotheses. From the findings of the study, we conclude that e-payment platform used by first bank has a positive effect on customer satisfaction. Succinctly, we carefully recommend that banking intuitions should enhance their internet banking to make it flexible, fast and easy to use. Furthermore, the study established that user friendly ATMs, ease of access of ATMs and privacy of ATMs affects customer satisfaction to a great extent. Using ATM cards in supermarket, convenience of bank ATMS and affordability of ATM charges have moderate effect on customer satisfaction. This study therefore recommends that banks should invest in ATMs that are easy to use, guarantees privacy, affordable charges and once that allow customers to make deposits.

REFERENCES

- Anbalagan, C. (2011). *Impact and role of technology in Modern Financial Innovation and Invention*. Sri Krishna International Research & Educational Consortium
- Berger, A. N. (2013). The economic effects of technological progress: Evidence from the banking industry. *Journal of Money, Credit, and Banking*, 35(3), 22-41.
- Dass, N.M. & Pal, J. (2011). Service quality: Gaps in the telemarketing industry. *Journal of Business Research*, 55(10), 845-852.
- Gikandi, T. & Bloor, J. (2010). Customer satisfaction with retail banking services in Kenya. *Thunderbird International Business Review*, 56(4), 353 - 371.
- Kaynak, E. & Harcar, T.D. (2015). Consumer value creation in mobile banking services', *International Journal of Technology Marketing*, 1(1), 62-78
- Kumar, L. & Ravindran, G. (2012). Technological guideposts and innovation avenues. *Research Policy*, 14(1), 61-82
- Momeni, N. (2013). The behavioral consequences of PC banking. *International Journal of Bank Marketing*, 16(5), 195-201.