

Challenges and Benefits of Inter-Bank Transactions in Effective Service Delivery to Nigerian Commercial Banks Customers

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Abstract

In Nigeria, today, banks play significant roles in satisfying customers' needs in terms of depositing and withdrawals of their deposits anywhere in the world with help of modern technological advancement, especially commercial banks. Despite the benefits of the commercial bank services offered to customers from various functions, customers undergo inevitable problems in some instances and banks record complaints regarding the inter-bank transactions in effective service delivery to customers. This research work aims at assessing the benefit, problems and prospects of inter-bank transaction in services delivery to commercial banks customers in Yobe State. Documentary and questionnaire methods for data collection will be employed to obtain data from respondents among the population of the study area and the secondary source is document to be obtained from Commercial Banks in Yobe State. 488 respondents were drawn from the sampled banks under study. Frequency distribution table, percentages and Chi square were used for data analysis and interpretation of results. Finally, recommendations are to be made based on the research findings.

Key words: *Inter-bank transaction, Challenges, Benefits*

1. INTRODUCTION

Introduction

Modern banking is now technology driven. It has moved from the drudgery associated with manual methods to a more sophisticated method that is purely digitalized. These changes have resulted in new patterns of transactions in the banking system.

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 a savings account, they received passbook from the bank with which the account would be operated; and when it is a current account, they received cheque books for the same purpose. Today, the banking industry has moved into an era of menu-driven ultra robust specialized software programs 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 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.

We therefore can never have said enough when it comes to the value of the customer to any organization. No wonder the banking industry would stop at nothing in ensuring that customers are treated like the “king” that they are, having it in mind that they are the reason for being in business. Truth be told, all the banks have almost

the same products to offer, but their services can never be the same. Mostly with the advent of technology and globalization, a highly competitive stage has been set for organizations and any organization that will live above board and survive this 21st century competitive edge must be decked on the horn with strategies and tactics of

customer loyalty and customer retention.

Timothy (2012), also holds the view that customer 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). Electronic banking, enabled by Information and Communication Technology (ICT), allows service providers and customers in developing economies to enjoy services similar to those in developed societies. This has given banks the opportunity to impress and retain customers. Nowadays, nearly all banks, even in remote areas, offer some form of electronic banking service. However, every technology has its challenges, and electronic banking is no exception. These technologies can impact customer experiences both positively and negatively. This study aims to investigate

the role of electronic banking in customer service relations.

1.2 Statement of Research Problem

Banks native e-banking to enhance service delivery, reduce queues, enable 24/7 cash withdrawals, serve international payments, artifact transactions, request online statements, and transfer deposits. However, customers frequently complain about issues such as malfunctioning ATMs, network downtime, online theft, unavailability of services, hidden costs like SMS alerts, mandatory ATM cards, and the non-acceptance of Nigerian cards internationally. Effective organizations range customer interactions and address complaints promptly. They communicate operational changes clearly and explain questioning to gain customer trust and understanding. On September 13, 2018, the CBN distributed a circular to all deposit money banks, microfinance banks, other financial institutions, mobile money operators, development finance institutions, payment service providers, and other stakeholders outlining the rules governing instant inter-bank electronic funds transfers in Nigeria. The rule, which is set to take effect on October 2, 2018, is stated to be made in support of the CBN's responsibility for the growth of Nigeria's electronic payments system. However, this research work aims at assessing the challenges and benefits of

inter-bank transaction in services delivery to commercial banks customers in Yobe

State.

1.3 Objective of the Study

The primary objective of this study is to appraise challenges and benefits of inter-bank transaction in effective services delivery to commercial banks customers in Nigeria. A search light will therefore be beamed on the banking sector to help us to clear up challenges faced by banking industry with regards to rendering inter-bank transaction services to their respective customers

The specific objective of this study is to:

- 1) To find the perception of customers on inter-bank transaction to effective services delivery in Nigerian banking system.
- 2) Find out the reason for persistent complaints from customers as regards inter-bank transaction in Nigerian banking system;
- 3) Identify the challenges facing effective implementation of inter-bank transaction platform banking system in Nigeria; and
- 4) To Proffer solutions to the identified challenges of inter-bank transaction by customers.

1.4 Research Hypothesis(optional)

Ho1: Inter-bank transaction banking system impacts significantly on customers' satisfaction.

HO2: The challenges of inter-bank transaction banking limit the satisfaction of bank customers.

2.0 LITERATRE REVIEW

This chapter basically looks at the various studies and research previously done on the topic of inter-bank transaction (electronic banking) in relation to customer satisfaction on effective service delivery. The chapter also focuses at the various electronic channels available used in Nigeria commercial banks, its positive impact and drawbacks.

2.2. ICT and growth of Electronic Banking in Nigeria.

Globalization has made the world a dynamic place and as such the world is evolving everyday which in turn is transforming the different aspect of our daily lives. This development has given way for a change of state in which the new is point in time out the old. It thus infers that for any sector of the economy to grow it cannot feign ignorance of the current trends. Amuchie (2001, p. 48) asserts that, "in a world that has become a global village, any

country that stands aloof, whether out of ignorance or lack of appreciation of this basic necessity will certainly contend with sub-normality"

This indeed would be the simple logical explanation why nations all over the world are investing so much in technological based approaches to their operations. One of the most vibrant sectors of any economy is the banking sector, and as such cannot be left out of this change if it must stay in business. The banking industry has always being a competitive market. Among the commercial banks, each one of them devise means by which they can best satisfy their customers in order to win their loyalty. Customers' insatiable appetite for efficient service had compelled financial institutions to move fast to a more radical transformation of their business systems and models by embracing internet banking (Ovia, 2001). This can also be said to mean advancement in information communication and technology popularly known as ICT. This has helped banks come up with great technological innovation which in turn has facilitated the bank's organization structure, business strategy and customer services. No matter the distance, ICT has made it possible for banks to reach the geographically distant and diversified market (Onivefu et al, 2023 b,c)

In the 1980s, Nigeria witnessed an astronomical increase in the number of banks both merchant and commercial banks. This of course was assisted by the deregulation measure introduced at that time. By 1989, the number of banks had increased from 32 to 81 which also include numerous non-bank financial institutions. However, the consolidation strategy introduced in 2005 during the period of Charles Soludo, who then was the Governor of the Central Bank of Nigeria [CBN] reduced the number to just 25 commercial banks in the country. The aim of the restructuring which necessitated 25 billion naira as minimum capital base was to strengthen the financial sector and to enable them to face foreign competition at all times. The restructuring of

banks in Nigeria has paved way for an interesting experience. It created a highly competitive environment among the financial institutions, then arose the need for innovative and modernized banking operation in the face of increased market pressure and customers' demand for improved service delivery and increased convenience. The adoption of electronic banking therefore became vital.

Today the state of the financial institutions is entirely different. Banks have not only adopted electronic measures but have advanced from simple and basic retail operation of deposit and cash withdrawals as well as cheque processing to delivery of sophisticated product such as foreign exchange and internet rate swaps which is effectively enhanced through electronic means. As suggested by Rafiu and Mary Salawu (2007) The main objectives of electronic banking includes:

Customers can verify their account online without leaving the comfort of their offices, homes and wherever there is a phone and computer system.

- To provide real-time access information to customers.
- To provide a secure communication line between the customers and the banks
- To reduce loss resulting from physical cash handling.
- To erase all forms of difficulty it takes to perform a banking transaction.

With the banks' drive for increased profits, turnover of resources, guaranteed customer's satisfaction as well as new vision for strategic breakthrough in a competitive market, the financial institutions therefore cannot afford to slack in developing more ways of maintaining a formidable edge out there.

Years ago, it would have been almost impossible to achieve some outlined banking activities in a day or better still alot of quality time would have been lost to achieve it.

Today, ICT which is the bedrock of electronic banking would ensure that all of these could be carried out in the comfort of your living room, car or anywhere at all with so much ease. ICT is assisting banks to be more customer focused by building a solid ground for more effective customer relationship management. Everyday, the population of internet users is on the rise and definitely will continue in that trend. This is because as the number of online users keeps rising, the need for online transactions against the traditional method of doing banking processes would definitely change. The banks have shifted from just being banks characterize by long queues and difficulty ways of processing transaction but a service industry which

competitively needs to stay ahead of its peers.

2.3. Perspectives on Electronic Banking.

According to Abid and Noreen, (2006) electronic banking is defined as any use of information and communication technology, and electronic means which a bank uses to conduct transactions and have interaction with stakeholders. In Arunachalam and Sivasubramanian (2007) view, electronic banking is a banking process where customers can access his or her bank account via the internet using PC or mobile phones and web browser. Similarly, Daniel (1999) contends that electronic banking is the delivery of banks' information and services by banks to customers via different delivery platforms that can be used with different terminal devices such as personal computers and mobile phone with browser or desktop software, telephone or digital television. Also, the Basel Committee Report on Banking Supervision (1998) advanced that e-banking involves the provision of retail and small value banking products and services (e.g. deposit taking, lending, account management, the provision of financial advice, and electronic bill payment) through electronic channels.

Further, Thornton and White (2001) in a study of customer orientations and usage of financial distribution channels in the Australian financial

industry, revealed that due to the competitive pressure following the deregulation in the 1980s, most financial institutions adopted Information Technology (IT). In addition, Rafiu (2007) asserted that the challenge to expand and maintain banking market share has influenced many banks to invest more in making better use of the Internet. The emergence of e-banking had made many banks rethink and review their IT strategies in the competitive markets. This translates to the fact that e-banking services have significant effect on banking operations. Stan (1997) also defined electronic payment as a system of payment whereby transaction takes place electronically without the use of cash.

In a much encompassing definition of the term, Saleh , Nsouli and Schaechter (2002) defined electronic banking as banking based on the chart below with the summation that electronic banking is making provision for banking products and services through the electronic delivery channels.

Ayo (2006) investigated the prospects of e-commerce based on Ability, Motivation and Opportunities (AMO) model and observed that virtually all companies have an online presence. The paper reported the motivation and opportunities for e-commerce as low based on lack of e-Payment infrastructure and access to Information and Communication Technology (ICT) facilities

Electronic Banking or Electronic Business is the use of Internet facilities to connect, facilitate and empower business process activities and effective flow of communication and collaboration within an organization and organization with its customers, suppliers, other business stakeholders and the outside world electronically. E-business as a tool has transformed traditional business practice and virtually every organization at present is an active user. The advent of the Internet has empowered consumers. Consumers can access a virtually unlimited selection of products, brands and sellers.

In summary, we can say that electronic banking is simply the delivery or processing of transactions through the use of electronic based channels or means. For quite a while the electronic means of payment has been there in the form of automated teller machine popularly known as the ATM, and gradually, with the growth in technological advancement other electronic means of transaction consummation came up. These include the Point Of Sale (POS), internet banking platforms, mobile banking etc. electronic banking is a major innovation in the field of banking.

In Nigeria however, the earliest form of electronic banking was the use of ATM. It was introduced in 1989 and was first installed by the National Cash Registrars (NRC) for the defunct Societe Generale Bank of Nigeria (SGBN) in the same year. Since its introduction, many Nigerian banks have installed ATM in response to the changing nature of modern banking operations. Until 2003, a small number of banks operate their own propriety ATM fleets. The main share ATM network in First Bank of Nigeria [FBN]. Today, however, the story is significantly different from what it used to be in the early 2000. Other super ways of electronic banking have evolved, and the

pace is not going to change.

2.4. Electronic Banking Services in Nigeria

There are a number of electronic banking services in use in Nigeria. They include:

2.4.1. Automated Teller Machine [ATM]

This of course is the foremost means of electronic banking which allows a customer to withdraw cash from his account via cash dispenser [machine] and the account is immediately debited. The essential advantage of the ATM is that it can be found in any location at all not entirely within the banking premises. Banks now have E-commerce centers and ATM galleries everywhere where customers can conveniently do their banking transactions. The ATM also allows for other forms of transactions like transfers, airtime top-up, bills payment etc. The ATM is a 24

hours/7 days accessible banking service. ATM has been given different names in different countries such as automated banking machine, cash point, cash line, mini bank, cash machine, cash dispenser etc. It is an electronic telecommunications device that enables the customer of a financial institution to perform financial transactions, particularly cash withdrawal, without the need for a human cashier, clerk or bank teller and the Indians call it 'all-time money' . According to the ATM Industry Association [ATMIA], there are now close to 3.5 million ATMs installed worldwide. On most ATMs terminals, the customer is identified by inserting a plastic ATM card with a chip that contains a unique card number and some security information such as an expiry date or card verification code CVV. The customer provides authentication by entering a personal identification number [PIN] which must match the PIN stored in the chip on the card. The Automated Teller Machine has shown itself to be most handy and all inclusive as it can be easily accessed in any part of the world, and it allows for most card holders. In Nigeria, ATMs are mostly located around banking areas and customer convenient areas. This allows customers to drive up and complete financial transactions without ever leaving the safety of their belongings. Automated Teller Machines [ATMs] are interconnected to allow anyone with a bank card to have access anywhere in the world because each system is connected to an interbank such

as PULSE, PLUS, CIRRUS and LINK to name few.

2.4.2. Mobile Banking

This is one of the easiest and most effective kinds of electronic banking. It is highly secured as personal experiences with bank users have complaints of security intrusion in their bank accounts using the mobile banking application. It is most available to android and Smartphone users who can download the application from their respective play store or Google store or the bank's

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site. Once the application has been successfully installed, the bank customer often times needs not visit the bank for set-up as it is easily understood to start the entire process. The mobile banking as a form of electronic banking allows the greatest access to perform banking transactions in the simplest form. It connects the user directly to the bank's server for complete bank functionality without having to navigate a mobile web browser.

For the customers, mobile banking is a terrific way to efficiently manage the occasional administrative task on the go for small and mid-size business owners. Mobile banking gives the precious gift of time – closing a sale, meeting new customers or waiting in line at the bank to deposit a wad of cheques

For the banks, mobile banking is a brilliant opportunity to simultaneously meet new customers while pairing operational costs. By responding to the innovations in mobile banking technology, banks are effectively saying they are paying attention to the needs of their customers while at the same time streamlining a number of processes to meet the fast-paced demand of the 21st century. The mobile banking application is so beautiful that it combines both the features of internet banking in some of the bank's designs. Apart from the normal cheques of account enquiry, the customers can request cheque books online, and can equally block the cheque if missing. The customer can request a debit card and also de-activate when missing without having to rush down to the bank or put a call through. The application in some banks is equally designed to help you locate branches that are close to you. The mobile banking in summation is easy banking no doubts. Its design or make-up is ultimately consumer friendly and hardly will you see a young android or Smartphone user without the application on

the screen.

2.4.3. Telephone banking

This is a service rendered by a financial institution that allows customers to perform transactions on their telephones without the need to visit a bank's branch. Security measures are most times imposed by banks who can choose to put restrictions on which limits are placed on the amount that can be transacted. This is because it is easily prone to fraud as anyone who has access to the customer's phone at that time can consummate transactions without the knowledge of the account holder. Today it is popularly called USSD banking. USSD stands for Unstructured Supplementary Service Data. It is sometimes referred to as 'short codes' or 'quick codes'. The USSD banking is a national unified platform offered on a short code. The service allows every banking customer to access banking services with a single number across all banks irrespective of the telecom service provider, mobile handset make or the region. USSD banking has shown to be the easiest form of making transactions amongst customers after the mobile banking application but in terms of security, it cannot be equaled. It has, however, been widely accepted because of its simplicity. Any layman can understand how it works. With USSD banking, you do not need to have an

internet connection access to make your transfers.

2.4.4. Internet Banking

This is a banking process in which transactions are performed electronically via the internet. Internet banking of today is a higher version of mobile banking. It was due to changes in the digital world that is constantly evolving and banks always willing to keep up with the latest trend that is making banking simpler. Internet banking as a more sophisticated form of mobile banking allows customers of a financial institution to conduct banking transactions on a secure website operated by the institution. The internet banking as a platform of a financial institution does much more of banking

transactions than other kinds of electronic applications.

2.4.5. POS

In full, it stands for point of sale. The POS terminal allows a customer do all manner of transactions wherever it is located. It allows for the creation and printing of receipts. Just like the automated teller machine, it creates the possibility for payment cards with those who have them. For the customer who wants a safe solution on how to increase

sales and get value for their businesses, POS is the quick answer.

3.0 METHODOLOGY

Research Methodology

In order to generate data for the study, the study adopted survey research design. The survey technique allows researchers to examine many variables – demographic and lifestyle information, attitudes, motives, intentions and so on and to use different statistics to analyze the data (Oshireku et al., 2023). There is an average number of 182 depositors in Access, 179 in First Bank and 123 in Stanbic Bank all in Damaturu branches respectively. A survey will be conducted taking a total number of 488 depositors to ascertain how their complaints are handled. An interview will be conducted on the banks customer service heads to find out how they handle customer complaints in their relationship. The researcher used a sample of 400 respondents, with 186, 179 and 123 respondents randomly drawn at alternate days from both banks. While interview was conducted on senior relationship heads in the selected branches of the three banks. The sampling technique refers to the method that the researcher employ to arrive at the sample. To determine and select the 488 respondents, the researcher used the simple random and purposive sampling. Simple random sampling was used to draw respondents from each branch while, the purposive sampling technique was used to select the respondents for the interview. The convergence model of triangulation designs were employed in analyzing the data. In this model, quantitative data and

qualitative data were analyzed separately. Both data were then used to answer the research questions raised in the study. However, the data generated was analyzed using 16.0, Statistical Package for Service Solutions (SPSS). The

questionnaire was analyzed in frequency tables, simple percentages and text.

Data analysis and interpretation of results Gender Distribution of the Respondents

			Bank		Total
		Access Bank	First Bank	Stanbic Bank	
Gender	Male	159	141	84	384
		32.58%	28.90%	17.21%	
	Female	27	38	39	104
		5.53%	7.79%	7.99%	
Total		186	179	123	488
		100%	100%	100%	100%

Source: Field Survey, 2025

The gender distribution of respondents indicates that 384 of respondent are male (%)

while 104 respondents are females (%)

Table 2. Age Distribution of the Respondents

			Bank		Total
		Access Bank	First Bank	Stanbic Bank	
Age	18 - 25 year	30	42	27	99

	s				
		5.47%	8.61%	5.53%	
	26 - 35 years	74	60	32	166
		15.16%	12.29%	6.56%	
	36 - 45 years	41	24	32	97
		8.40%	4.92%	6.56%	
	46 - 55 years	22	37	19	78
		5.51%	7.51%	3.89%	
	56 - 65 years	19	16	13	48
		3.89%	3.28%	2.66%	
Total		186	179	123	488
		100%	100%	100%	100%

Source: Field Survey, 2025

Table 2 shows the age distribution of respondents. Respondents who fall between the intervals of 18 to 25 years are 99 in number. Those who are in the interval of 26 to 35 years are 166 in number. The respondents who fall between the ages of 35 to 45 years

are 97 in number while those aged 56 and above account for 48 respondents.

Table 3. Marital Status of the Respondents

			Bank		Total
		Access Bank	First Bank	Stanbic Bank	
	Married	160	152	80	392
		32.79%	31.15%	16.39%	
	Single	12	20	20	52
		2.46%	4.10%	4.10%	
	Divorced	14	7	23	44
		2.87%	1.43%	4.71%	
Total		186	179	123	488
		100%	100%	100%	100%

Source: Field Survey, 2025

Table 3 shows the marital status of the respondents. Of the total respondents, 392 are married, 52 respondents are single while 44 respondents are divorce respectively.

Table 4. How long have you been a customer of the bank?

		Bank		Total
		Access Bank	First Bank	Stanbic Bank
	5 - 14 years	51	17	98
		10.45%	3.48%	20.08%
	15 - 24 years	130	33	25
		26.64%	6.76%	5.12%

25 - 34 years	5	62	0	67
	1.02%	12.70%	0.00%	
35 - 44 years	0	20	0	20
	0.00%	4.10%	0.00%	
45 - 54 years	0	43	0	43
	0.00%	8.81%	0.00%	
55 yr & above	0	4	0	4
	0.00%	0.82%	0.00%	
Total	186	179	123	488
	100%	100%	100%	100%

Source: Field Survey, 2025

The distribution of length of banking with the respective banks indicates that 166 respondents have about 5 to 14 years banking experience with their banks, 188 respondents have been banking for between 15 to 24 years, 67 respondents have been banking with their respective banks for within 25 to 34 years, 20 of the respondents have been banking with their respective banks for 35 to 44, 43 of the respondents have been with their banks for 45 to 54 while only 4 of the respondents have been

with their banks for 55 years and above respectively.

Table 5 Are you aware of Interbank Transaction using electronic banking system in your bank?

	Bank	Total
	Access Bank	First Bank
	Stanbic Bank	

Aware	155	164	103	422
	31.76%	33.61%	21.11%	
Partially aware	31	15	20	66
	6.35%	3.07%	4.10%	
Unaware	0	0	0	0
	0.00%	0.00%	0.00%	
Total	186	179	123	488
	100%	100%	100%	100%

Source: Field Survey, 2025

The table above shows the distribution of respondents on awareness inter-bank transaction using electronic banking. The chi-square values indicates no significant difference on awareness by bank of respondents ($X^2=3.046$, $df=2$, $P>0.05$). None of the respondents indicated that they are not aware of inter-bank transaction using electronic banking system. 422 respondents held that they are aware while 66 respondents are partially aware of the inter-bank transaction using electronic banking

system respectively.

Table 6 How did you get to know about inter-bank transaction with the aid of electronic banking?

	Bank	Total
	Access Bank	First Bank
	Stanbic Bank	
From the Bank	44	29
	9.02%	5.94%
Television	72	48
	14.74%	9.84%

From Advertisement	30	91	32	174
	6.15%	1865%	6.56%	
From Friends	40	11	19	70
	8.20%	2.25%	3.89%	
Total	186	179	123	488
	100%	100%	100%	100%

Source: Field Survey, 2025

The table above shows source of information about inter-bank transaction using electronic banking system. There is no significant difference in source of knowledge of inter-bank transactions in e-banking by banking of respondents ($\chi^2=3.145$, $df=3$, $P>0.05$). Most respondents got to know of inter-bank transaction in e-banking from Advertisement and Television, other noted sources are from their banks and from friends respectively. The implication of this finding is that the banking themselves do promote electronic banking to a large measure towards their customer base. It also indicates that word of mouth is also an effective marketing tool for inter-bank

transaction in E-banking.

Table 7 E-banking products used by respondents for inter-bank transactions.

	Access Bank		First Bank		Stanbic Bank		Total		X2 Value
	Yes	No	Yes	No	Yes	No	Yes	No	
ATM	488	0	488	0	488	0	488	0	-
POS	155	31	157	22	109	14	421	67	0.598
USSD	126	60	108	71	82	41	316	172	0.054
Mobile Banking	139	47	121	58	79	44	339	149	0.059
Internet Banking	20	166	36	143	19	104	75	413	0.034

practices of consumers across the three banks.

From the table above, the distribution of responses on the use of specific electronic banking products for carrying inter-bank transaction is displayed. From the analysis, all the respondents uses ATM. 421 use point of sale (POS) for their e-banking product, 315 use USSD as their e-banking product, 339 uses Mobile banking while Few respondents use internet banking across the banks as their means of inter-bank transactions respectively. This implies that a large proportion of the sample use one or more electronic banking product. Electronic banking is the entrenched in banking

Table 8 What are your reasons for the usage of electronic banking?

	Bank			Total
	Access Bank	First Bank	Stanbic Bank	
Safe and secure	71	52	63	186

Low service charge	20	24	18	62
Convenience	35	32	13	80
Time Factor	44	49	19	112
Curiosity	16	22	10	48
Total	186	179	123	488

	100%	100%	100%	100%
		%		%

The table above reveal the reasons of the usage of e-banking system in carrying out the inter-bank transaction. Of the total respondents, 186 respondents are of the opinion that e-banking system is safe and secured. 112 of the respondents agreed on the time factor, 80 of the respondents opined e-banking is conveniences, 62 of them agrees low service charge and only 48 of the total respondents are of the opinion that e-banking system for curiosity respectively.

Table 9: Benefits of Inter-bank Transaction

	Strongly agree	Agree	Disagree	Undecided	Total
E-banking facilities business activities	262	192	34	-	488
E-banking has minimized regular visit to the bank	257	231	2	-	488
E-banking reduces crowd and time spent in banking hall	331	123	32	2	488
E-banking enable account monitoring	354	134	-	-	488
It is easy to use or operate by customers	178	147	96	67	488

Consideration for use of E-banking facilities formed the basis for the set of responses above. Most respondents 262 strongly agreed that E-banking facilitates business activities with 192 agreeing. Respondents of 257 held that E-banking minimized regular visits to the bank. 331 strongly

agree that E-banking reduces crowd and time spent in banking hall, 354 of the respondents strongly agrees that E-banking enable account monitoring while 178 of the respondents strongly agree that It is easy to use

or operate by customers from their respective banks.

Table 10 Challenges to E-banking

	Strongly agree	Agree	Disagree	Undecided	Total
Poor availability of network affect patronage	210	158	106	14	488
Payment of high cost for SMS alert	167	219	102	-	488

Available machine force banking often malfunction	313	111	60	4	488
Online theft, fraud and pin maneuvers are of high side	241	48	92	107	488
Few numbers of E-banking centers	322	153	-	13	488
Long queue in available machines	176	201	90	21	488

The table above indicating the challenges encountered by the commercial banks customer in inter-banking transaction when using e-banking. On the analysis, some of the respondents relating these challenges to Poor availability of network affect patronage, some are relating to Few numbers of E-banking centers, some are relating to Available machine force banking often malfunction, some relating to the Long queue in available machines, some of them relating this challenges to Online theft, fraud and pin maneuvers are of high side and some of the relating to the Payment of

high cost for SMS alert respectively.

Table 11 Response to satisfaction with e-banking across bank

	Access Bank	First Bank	Stanbic Bank	Total
Strongly Agree	97	103	79	279
Agree	69	54	44	167
Disagree	-	2	-	2
Undecided	20	20	-	40
Total	186	179	123	488

There is a significant difference in responses by bank of respondents as the chi-square value indicates. Respondents of the sampled Banks indicated that they strongly agree that they are

satisfied with E-banking platform provided by their banks.

Table 12 A cross-information of responses on satisfaction by frequency of use of electronic banking.

How often do you make use of electronic banking?

	Daily	Weekly	Anytime	Total
Strongly agree	121	94	67	282
	24.79 %	19.26%	13.73%	
Agree	49	83	31	163
	10.04 %	17.01%	6.35%	
Disagree	-	4	2	6
		0.82%	0.41%	
Undecided	2	20	15	37
	0.41%	4.10%	3.07%	
Total	172	161	155	488
	100%	100%	100%	100 %

There is a significant relationship between customers effective service delivery satisfaction and the frequency of use of E-banking facilities.

The chi-square calculated indicates a significant association as the chi-square value is significant at the $P < 0.05$ level. Respondents who use e-banking facilities daily largely reported higher rates of effective service delivery satisfaction (24.79% strongly agree and 10.04% agree) when compared to those who use the facility weekly (19.26% agree and 6.52% strongly agree) and weekly (19.26% strongly agree and 17.01% agree). There is thus a significant impact of electronic banking on customers effective service delivery satisfaction.

From the Pearson correlation coefficient series above, only responses on poor availability of network affecting patronage correlated negatively with customers' satisfaction $r = -.107$ $P < 0.05$) all other challenges did not correlated with customers satisfaction.

Table 13 Pearson correlation coefficient test on the relationship between satisfaction and response on challenges

	I am satisfied with the E-Banking platform provided by your bank	P values
Available machines fore-banking often malfunction	R = .061	R = .388
Poor availability of network affects its patronage	R = -0.73	R = .281
Long queue in available machines	R = .054	R = .385
Payment of high cost for SMS alert etc	R = -130	R = .039
Few numbers of E-banking centers	R = .022	R = .875

Online theft, fraud and pin maneuvers are of high side	R = .143	R = .143
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4.0 RESULT AND DISCUSSION

4.1 Introduction

All over the world, technology has change several aspects of our lives - private and public including the economic system. However, one segment that has immensely benefited from the movement of these technological progression in the banking sector. Gone are the days when banking was associated with long queues and so many other difficulties costumer's experience just to consummate a banking transaction. It was even said that a few years back in the 2000s, costumers do come to the bank to take tag numbers, go back home and get back later in the day to be attended to. Being a banker in itself was not an enviable profession most especially for the female folks because of the late nights closure. However, the proliferation and advancements in internet-based technologies have resulted in fundamental changes in how banking operations are carried out.

From the findings, the perception of customers about e-banking indicated that it is a technology that is convenient, and time saving, they also held that if he became beneficial as it has reduced visit to banks, facilitates businesses, enhanced relationship with customer service agents with a reduction in crowds at banking hall. This is in line with the findings of Celik (2008) in positive attitudes to E-banking by Turkish customers. This shows that transactions with customers are eased with the introduction of technology in the workplace much is the key assumption in the technology determinism theory.

A larger proportion of respondents expressed satisfaction with E-banking platform as 67% of Access and First Bank respondents strong agreed that they are satisfied with E-banking products. While 47.5% of Stanbic bank customers strongly

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agree. This is indicative of an acceptance of the work organization shift in the banking industry with ramification for the way work will be organized in the future. Noted challenges of e-banking product delivery were related to crime, cost and poor infrastructure base for e-banking, such challenges have been noted by number of scholars (Celik, 2009), Ezeole, 2006, Worku, 2010 and Kumar, 2015). This indicates that e-banking platform is not perceived to be free from the problems that plague the general society. The finding that the frequency of e-banking use affects customers' satisfaction implies that the use of such facilities is subject to the challenges identified. In line with this becomes the situation that the challenges can affect user experience. This is in line

with the observation of Celik (2008).

Conclusion

The study set out to investigate the relationship between electronic banking and customer service relations. The author observed that 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 among others. It is difficult to gauge the perception of electronic banking customers on electronic banking services available and if the customers truly get the deserved and desired customer service experience they wanted. While it is easy for customers to complain, there is the

need to find out from the banks the reasons for the continuous complaints from depositors and the challenges associated with the effective implementation of electronic banking services and what measures can be taken to address them. This is what the study seeks to ascertain. In line with this observation, the following objectives were raised;

- To find the perception of customers on electronic banking, □ To ascertain if customers truly get the deserved and desired customer service experience they wanted.
- Find out customers' knowledge about online banking platforms available in Zenith and Guarantee Trust Banks.
- Find out the reason for persistent complaints from customers as regards electronic banking in Nigeria;
- Identify the challenges facing effective implementation of electronic banking system in Nigeria.
- Proffer solutions to the identified challenges of electronic banking by customers.

The study attempts to investigate electronic banking and its effects on customer service relations findings indicated that e-banking correlates with customer experience. Hence, the perception of customers reflects the perception of bank services such as e-banking products and outcome.

This section of research presents the result obtained after experimentation.

6. RECOMMENDATIONS

Banks should regularly ensure effective feedback mechanisms on e-banking platforms.

In line with the finding of this research the following recommendation are made.

E-banking facilities should be made more accessible with wider deployment.

There is the need for refresher courses on customer's expectations to ensure e banking product satisfaction in line with the demands of relationship management theory.

There is the need for massive investment in the infrastructure for e-banking across the sampled banks.

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