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Customers Satisfaction and its Implications for Bank Performance in Nigeria

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Abstract

Satisfaction is the customer‘s evaluation of a product or service in terms of whether that product or service has met their needs and expectations. Happy and satisfied customers behave in a positive manner. Customer satisfaction is derived largely from the quality and reliability of your products and services. However, almost every Nigerian bank encounters similar problems in meeting customer‘s expectation of services and customer satisfaction. It is against this background that this paper tries to evaluate customers’ satisfaction and its implications for bank performance in Nigeria using a primary data analysis.

Basically this paper adopts both the descriptive and explanatory survey design methods. Consequently, while the paper seeks to describe the characteristics of consumer behaviour in terms of their satisfaction; it does not ignore the explanation of the behaviour of customers vis-a-vis its determinants and effects on bank performance in Nigeria. Findings from the paper show that customers enjoying electronic banking services are still not satisfied with the quality and efficiency of the services. This is expressed in the number of times customers physically visit banks and length of time spent before such services are received. The paper concludes by suggesting that they should improve their service delivery to justify the benefits of electronic banking products and services. This way, customers’ interest would be aroused.

Key words: Customer Satisfaction, Bank Performance, Consumer Behaviour, Electronic Banking.

1.0 Introduction

1.1 Background to the Paper

It is believed that the goal of every organisation is to meet the needs and the requirements of its stakeholders. Meeting the needs and the requirements of the stakeholders will not only ensure the survival of the organisation but also allow it to flourish. Customers are presumed to be one of the most important stakeholders in any organisation because without them, organisations are not likely to succeed. Hence, marketers emphasise on research in the area of consumer behaviour and particularly behavioural intention. Knowledge of consumer behaviour will go along way in ensuring effective marketing policies towards the interest of customers which will eventually facilitates positive customer attitude towards the organisations. More especially, since customer behavioural intention is a strong indication of his actual behaviour.

As a result of financial sector liberalization in Nigeria in the 1980s, the banking sector experienced a boom. Low entry requirements by the regulatory authority and the high premiums that could be earned through foreign exchange business led to the quick entry by new players into the lucrative banking industry. Between the period of 1985 and 1993 the number of licensed banks rose astronomically from 41 to 120 (Central Bank of Nigeria, 1995). And this led to the increase of the sector's contribution to GDP and employment. Given that banks are important constituents of the sector, it can therefore be argued that banks in Nigeria contribute significant percentage of the country's GDP in the recent past (Adeoye, 2007). For instance, the sectoral contribution of service industry to the growth of GDP for 2004, 2005, 2006, 2007 and 2008 were 8.8, 8.0, 9.2, 9.9 and 10.5 respectively (CBN, 2009). The importance of the Nigerian banking sector does not limited to Nigeria alone but also spill over to most African countries; as such, a problem in the Nigerian banking sector could have a negative spill over effect to other African countries (Anaro, 2009).

This significant contribution of the services industry and specifically banking sector in Nigeria really warrant investigation in order to enhance the sector's continuous growth which will eventually result in the better performance of the economy. It is however noted that one of the ways through which banks can meet the expectations of their customers who are the back-bone of the banks' business is via the understanding of the customers' behaviour.

1.2 Issues of concern

It is clearly noted in the literature that the effects of customers' behaviour or satisfaction on the performance of the banking sector are perceptible. Given that the contemporary consumers are more informed than ever before, LeBoeuf (1987), posited that meeting their expectation is increasingly becoming more difficult. They want to get value for their money as they perceived it. Given the relatively high incidence of poverty which is around 54.0 (CBN, 2009), Nigerian consumers tend to be highly price sensitive. Additionally, banks customers in Nigeria were found to be dissatisfied with the quality of services provided by banks in Nigeria (Woldie, 2003). Again, these call for a paper to investigate how customers behave with regards to the charges of commercial banks in Nigeria.

The days of a customer adopting one product or company for life are long gone. With easy access and global competitiveness, customers are often swayed by advertising and a chance at a ―better deal. Quality levels and features between competing brands and organizations are often comparable. The thing that separates competitors is their level of service. It is not unusual for customers to switch back and forth between products or organizations simply because of pricing, a bad first impression from the organization or lack of quality service. This is sometimes referred to as service churn (Lucas, 2005).

Satisfaction is the customer's evaluation of a product or service in terms of whether that product or service has met their needs and expectations (Zeithaml and Bitner, 2003). Happy and satisfied customers behave in a positive manner. They will buy a lot from you and will give you a large share of their business. Customer satisfaction is derived largely from the quality and reliability of your products and services (Curry and Curry, 2000).

However, almost every Nigerian bank encounters similar problems in meeting customer's expectation of services and customer satisfaction. For example, the issue of money transfer in banks is one major problem that customers of certain banks have been made to experience. In most cases the customer hardly receives the payment of the money transferred into his account immediately. The long queues and huge crowds in the banking halls can be highly devastating and discouraging most times, especially when the weekend is near. Most times, these long queues are as a result of the breakdown of the computers used by these cashiers, sometimes it occurs as a result of the cashiers, absolving them from duty and passing the bulk to someone else.

One of the benefits banks derive from the current technologies in banking operations especially with respect to service delivery is improved efficiency and effectiveness of their operations so that more transactions can be processed faster and most conveniently, which will undoubtedly impact significantly on the overall performance of the banks. The customers on the other hand, stand to enjoy the benefit of quick service delivery, reduced frequency of going to banks physically and reduced cash handling, which will give rise to higher volume of turnover. However, these developments in the Nigerian banking industry seem not to have achieved their aims. Queues are still seen in the banking halls, bank customers still handle too much cash, and hardly do people talk about the electronic banking products that are available in Nigeria.

This raises a lot of research questions: are customers really enjoying these services? Are they satisfied with the banking services and products? What is the effect of the consumer satisfaction on bank performance? This paper will proffer answers to these questions. The paper is structured into five sections. After this introductory section, the next section (section II) contains the literature review and conceptual issues. While section III presents the methodology and the scope, the results and discussions are contained in section IV of the paper. Section V gives the summary and conclusions

2.0 Literature Review and Conceptual Issues

With the fast pace of modern-day living, utilization of services has increased tremendously. Marketing practitioners and researchers, likewise, increased their activity momentum in this area of business. However, despite this fast pace and resultant enrichment of service literature, the issue of perceived service quality remains elusive (Parasuraman, Zeithaml, and Berry 1985; Smith 1999).

A review of literature reveals that major efforts have been anchored in the perspectives of Gronroos (1982) and Parasuraman, Zeithaml and Berry (1988). Gronroos Nordic perspective (1982, 1984) viewed service quality in global terms of functional and technical quality. In contrast, the American perspective of Parasuraman, Zeithaml and Berry (1988) zeros in reliability, responsiveness, empathy, assurances, and tangibles, all related to or dependent upon the service encounter process. Carman (1999) found that since service quality evaluations are highly complex processes, they could be expected to be at several levels of abstraction. Service quality construct confirms to the structure of a third-order factor model that ties service quality perceptions to distinct and actionable dimensions (Brady and Cronin. Jnr, 2001; Parasuraman et al, 1988) who came up with the SERVQUAL model also known as the Gaps model, defines quality as the difference between customer‘s expectation and their perception of the service delivered. The SERVQUAL instrument provides a method of measuring service quality. It is the most frequently used measure of service quality (Mattson, 1994) and is based on five service quality dimensions (tangibles, reliability, responsiveness, assurance and empathy). Service quality is the result of human interaction between the service provider and the customer (Liu, 2005).

The relationship between service quality and customer satisfaction has received considerable academic attention in the past few years. Many researchers have operationalized customer satisfaction by using a single term scale and many others have used multiple item scales. Service quality and customer satisfaction has been investigated, and results have shown that the two constructs are indeed independent, but are closely related, implying that an increase in one is likely to lead to an increase in the other (Sureshchandar, Chandrasekharan and Anantharaman, 2002).

According to Zeithaml and Bitner (2003), satisfaction and service quality are fundamentally different in terms of their underlying causes and outcomes. Although they have certain things in common, satisfaction is generally viewed as a broader concept, whereas service quality assessment focuses specifically on dimensions of service. Service quality is a component of customer satisfaction.

Service quality is a focused evaluation that reflects the customer‘s perception of elements of service such as interaction quality, physical environment quality, and outcome quality. These elements are in turn evaluated based on specific quality dimensions: reliability, responsiveness, assurance, empathy and tangibles. Satisfaction, on the other hand, is more inclusive: it is influenced by perceptions of service quality, product quality, and price as well as situational factors and personal factors. According to Parasuraman, Zeithaml and Berry (1988), five principal dimensions that customers use to judge service quality include- reliability, responsiveness, assurance, empathy, and tangibles as shown below.

Reliability: the ability to perform the promised services both dependably and accurately. Reliable service performed is a customer’s expectation and means that the service is accomplished on time, in the same manner, and without error every time.

Responsiveness: the willingness to help customers and to provide prompt service. Keeping customers waiting particularly for no apparent reason creates unnecessary negative perceptions of quality. If a service failure occurs, the ability to recover quickly and with professionalism can create very positive perceptions of quality.

Assurance: the knowledge and courtesy of employees as well as their ability to convey trust and confidence. The assurance dimension includes the following features: competence to perform the service, politeness and respect for the customer, effective communication with the customer, and the general attitude that the server has the customer‘s best interests at heart.

Empathy: the provision of caring, individualized attention to customers. Empathy includes the following features: approachability, sensitivity and effort to understand the customer‘s needs.

Tangibles: the appearance of physical facilities, equipment, personnel, and communication materials. The condition of the physical surroundings is tangible evidence of the care and attention to detail that are exhibited by the service provider. This assessment dimension also can extend to the conduct of other customers in the service

Ogunaike (2010) in a related paper examines the relationship between service quality and customer satisfaction in the Nigerian banks. Two hypotheses were formulated in this paper and appropriate statistical techniques employed to test the hypotheses were multiple regression and correlation. The paper reveals that service quality has significant effect on customer satisfaction. The result also shows that there is a relationship between gender and customer service. Conclusion was drawn and it was recommended based on the findings of the paper that the banks should focus more on their customers rather than on the products and services, which they sell because customers are the true business of every company.

3.0 Methodology and Scope

This paper adopts both the descriptive and explanatory survey design. Consequently, while the paper seeks to describe the characteristics of consumer behaviour in terms of their satisfaction; it does not ignore the explanation of the behaviour of customers vis-a-vis its determinants and effects on bank performance in Nigeria.

The population of this paper comprise of all the individual customers of commercial banks in Nigeria. For easy and more valid representation of the population, samples were drawn from customers and individuals that patronise Union Bank of Nigeria Plc in Lagos State. In an attempt to achieve maximum representativeness, this paper employs a Multi-stage sampling procedure. This is apparent considering the nature of the population which seems quite complex and might not be well represented by straight forward sampling technique. This is in line with the view of Babbie (1990) that social research requires the selection of samples from populations that cannot be easily listed; hence it is necessary to create and execute a more complex sample design.

A structured questionnaire consisting of closed ended multiple choice-questions were employed for the survey. Given that most of the items in the questionnaire were targeted to measuring the respondents' perceptions and attitudes, hence, Likert-type scale is considered more appropriate and reliable (Alreck & Settle, 1995; Miller, 1991). The combination of both descriptive and inferential statistics was used as methods of data analysis. Descriptive statistics according to Babbie (1973) provide a method of reducing large data to manageable summaries to permit easy understanding and interpretation.

4.0 Results and Discussions

4.1 Results

A total of 180 questionnaires were administered to bank customers. Out of the 180 questionnaires distributed, 155 were answered and returned which represented 86% of the total respondents. This shows that the degree of response was very high. Though the questionnaire covered various issues, only the relevant findings are reported here.

Table 4.1: Percentage distribution of respondents by occupation of the respondents

S/N	Category of Occupation of the Respondents	Percentage Distribution
1.	Civil servant	29.2
2.	Organized private sector	21.5
3.	Self employed	18.5
4.	Traders/business	6.2
5.	Artisan	4.6
6.	Others	20.0
	Total	**100.00**

Source: Field survey, 2010

The percentage distribution of the respondents by occupation comprises of different categories of occupation as reported in Table 4.1 above. It however reveals that the percentage distribution of the civil servant was 29.2%, organized private sector 21.5%, self employed 18.5%, trade/business 6.2%, artisans 4.6%, and respondents from other occupations 20.0%. It is important to note that the analysis shows that the civil servants had the highest point which is 29.2%. The implication of this result is that civil servants form the majority of the bank's customers.

Table 4.2: Percentage distribution of respondents by other occupation of the respondents

S/N	Category of other Occupation of the Respondents	Percentage Distribution
1.	Student	80.4
2.	Banker	12.5
3.	Entrepreneur	5.4
4.	House wife	1.8
	Total	**100.00**

Source: Field survey, 2010.

The percentage distribution of respondent by other occupations is further broken down to show the categories of respondents that form the bulk of class of these respondents. This category which include students, bankers, entrepreneur and house wife are presented in Table 4.2. The percentage distribution shows that the student was 80.4%, the banker was 12.5%, entrepreneur 5.4% and house wife 1.8%. Based on this analysis, the percentage distribution of the student carries the highest percentage which is 80.4%.

Table 4.3: Percentage distribution of respondents by Age of the respondents

S/N	Age Group (years)	Percentage Distribution
1.	18-25	38.4
2.	26-40	34.9
3.	41-60	26.7
	Total	**100.00**

Source: Field survey, 2010

The percentage distribution of respondents' age of the respondent was grouped as follows: age group 18-25 has (38.4%) as its percentage distribution, age group 26-40 (34.9%) and finally age group 41-60 (26.7%). The age group 18-25 has the highest percentage. Generally, from the distribution, it shows that majority of the customers that patronise banks are the most active population who are in the age bracket of 18 to 40.

Table 4.4: Percentage distribution of respondents by time engaged in deposit transaction of respondents

S/N	Time (minutes)	Percentage Distribution
1.	1-10	35.4
2.	11-20	36.5
3.	30-60	20.8
4.	Above 60	7.3
	Total	**100.00**

Source: Field survey, 2010

The percentage distribution of respondents by the time engaged in deposit transaction of respondents between the customers and the staff is captured in Table 4.4. The time intervals and the percentage response are 1-10minutes (35.4%), 11-20 minutes (36.5%), 30-60minutes (20.8%) and above 60minutes (7.3%). From this distribution, it can be deduced that majority of the respondents asserted that it takes 11-20 minutes for transactions to take place between the customers and the bank staff.

Table 4.5: Percentage distribution of respondents by time it takes the bank to attend to customers

S/N	Time (minutes)	Percentage Distribution
1.	1-10	29.9
2.	11-20	27.8
3.	30-60	37.1
4.	Above 60	5.2
	Total	**100.00**

Source: Field survey, 2010

The result in Table 4.5 further reinforces what obtains in Table 4.4. The results show that the time it takes the bank staff to attend to a customer is between 30 – 60 minutes. This revelation from the results in both Tables 3.4 and 3.5 is not quite encouraging because the time in which transaction is been done is too much. This is enough reason to discourage the customers from patronising Nigerian banks.

Table 4.6: Percentage distribution of respondents by how easy it is to use ATM Cards

S/N	Degree of ease	Percentage Distribution
1.	Very easy	33.0
2.	A bit easy	43.3
3.	Easy	19.6
4.	Not easy	4.1
	Total	**100.00**

Source: Field survey, 2010

The percentage distribution of respondent by how easy it is to use ATM cards is shown in Table 4.6. The percentage of those that felt it was very easy was (33.0%), a bit easy (43.3%), easy (19.6%) and those that felt it was not easy (4.1%). The one with the highest degree of ease are those that felt it was a bit easy (43.3%). The analysis shows that the level at which people use ATM Cards is on a high side. Besides, it is also an indication that despite the introduction of this technology to reduce the effect of spending quality time during transactions in banks, some people still find it difficult to adapt to this technology.

Table 4.7: Percentage distribution of respondents by the degree of effectiveness in the use of ATM Cards

S/N	Degree of effectiveness	Percentage Distribution
1.	Very effective	22.7
2.	A bit effective	36.1
3.	Effective	35.0
4.	Not effective	6.2
	Total	**100.00**

Source: Field survey, 2010.

The percentage distribution of respondent by the degree of effectiveness in the use of ATM cards is presented in Table 4.7. The responses show that those respondents that indicate very effective are 22.7%, a bit effective are 36.1%, effective are 35.0%, and not effective are 6.2%. The group with the highest response are those that indicate that the use of ATM cards is a bit effective. This is an indication that in some cases, customers are disappointed with the ATM transactions as series of problems are associated with its operation such as, lack of enough cash, poor network, inability of the machine to dispense cash at will, etc.

Table 4.8: Percentage distribution of respondents by other services rendered by the bank to the customers

S/N	Other services rendered by the Bank	Percentage Distribution
1.	Agency services	10.2
2.	Domestic transfer of funds	44.3
3.	International transfer of funds	12.5
4.	All of the above	33.0
	Total	**100.00**

Source: Field survey, 2010.

The view of the respondents were sought with respect to other services rendered by the bank officials top their customers. Table 4.8 presents the response of the respondents on the type of other services rendered by the bank. The percentage distributions of respondents

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show as shown in Table 4.8 are as follows: agency services 10.2%, domestic transfer funds 44.3%, international transfer funds 12.5%, and all of the above 33.0%. The distribution shows that the bank pays more attention to domestic transfers as other services rendered to the customers other than accepting deposits from the customers.

Table 4.9: Percentage distribution of respondents by frequency of agency service rendered by the bank to customers

S/N	Frequency of agency service	Percentage Distribution
1.	Regularly	12.5
2.	Often	15.6
3.	Seldom	18.8
4.	Sometimes	15.6
5.	Irregular	37.5
	Total	**100.00**

Source: Field survey, 2010

The percentage distribution of respondents by frequency of agency service rendered by the bank to customers is presented in Table 4.9.The distribution shows that the frequency of agency services rendered to customers other than accepting deposits from the customers are irregular. Majority of the respondents affirm that most times banks' services to their customers are not regular. This is a major factor that could affect the performance of banks in Nigeria.

Table 4.10 Percentage distribution of respondents by frequency of safe keeping service rendered by the bank to customers

S/N	Frequency of safe keeping service	Percentage Distribution
1.	Regularly	23.3
2.	Often	20.0
3.	Seldom	13.3
4.	Sometimes	10.0
5.	Irregular	33.1
	Total	**100.00**

Source: Field survey, 2010

The percentage distribution of respondents by frequency of safe keeping service rendered by the bank to customers is contained in Table 4.10. This result further reinforces what obtains in Table 4.9. As stated earlier, majority of the respondents stated clearly that banks' services are irregular.

Table 4.11 Percentage distribution of respondents by frequency of business advice rendered by the bank to customers

S/N	Frequency of business advice rendered	Percentage Distribution
1.	Regularly	8.8
2.	Often	12.3
3.	Seldom	21.1
4.	Sometimes	14.0
5.	Irregular	43.9
	Total	**100.00**

Source: Field survey, 2010.

In terms of business advice, the response was not different from what obtains from the earlier analysis. In fact, almost half of the respondents indicate that their services with respect to rendering business advice are not regular. This shows that the bankers involve in businesses denying their customers the advice that benefit their businesses.

Table 4.12 Percentage distribution of respondents by frequency of domestic transfer of funds by the bank to customers

S/N	Frequency of domestic transfer of funds	Percentage Distribution
1.	Regular	24.2
2.	Often	26.6
3.	Seldom	9.7
4.	Sometimes	21.0
5.	Irregular	22.5
	Total	**100.00**

Source: Field survey, 2010

With the distribution of respondents on the frequency of domestic transfer of funds, the response is mixed. While some respondents indicate that the domestic transfer of funds is often, some posit that it is regular. This may also depends on how often the customers use the banks' facilities.

Table 4.13 Percentage distribution of respondents by frequency of international transfer of funds by the bank to customers

S/N	Frequency of international transfer of funds	Percentage Distribution
1.	Regularly	10.7
2.	Often	12.5
3.	Seldom	10.7
4.	Sometimes	19.6
5.	Irregular	46.4
	Total	**100.00**

Source: Field survey, 2010

The percentage distribution of respondents by frequency of international transfer of funds by the bank to customers is presented in Table 4.13. The distribution shows that: those that indicate that the frequency is regular (10.7%), often (12.5%), seldom (10.7%), sometimes (19.6%) and irregular (46.4%). The irregular carries more percentage than the others. Therefore, international transfer fund is mostly done irregularly by the Nigerian banks.

Table 4.14 Percentage distribution of respondents by frequency of lending service by the bank to customers

S/N	Frequency of lending service	Percentage Distribution
1.	Regularly	5.9
2.	Often	3.9
3.	Seldom	19.6
4.	Sometimes	9.8
5.	Irregular	60.8
	Total	**100.00**

Source: Field survey, 2010

It is interesting to note that a more than proportionate percentage of the respondents (about 61.0%) indicate that the frequency of lending service by the banks to customers is irregular. This shows that banks in Nigeria have totally failed in their intermediation role. It should be noted that the primary role of the banks is to channel funds from the surplus unit to the deficit unit so that such funds can be invested into productive activities. This might have been one of the factors that are affecting the performance of banks in Nigeria.

Table 4.15 Percentage distribution of respondents on whether there is a relationship between customer's satisfaction and bank's performance

S/N	Response	Percentage Distribution
1.	Yes	72.5
2.	No	23.1
3.	Not sure	4.4
	Total	**100.00**

Source: Field survey, 2010

The respondents' views were sought on whether there is a relationship between customers' satisfaction and banks' performance in Nigeria. The percentage response shows that a larger proportion of the respondents agree that there is a relationship between customer's satisfaction and bank's performance in Nigeria. Thus, what this means is that the relationship between customers' satisfaction and bankers performance is highly significant. Also, one can deduce that an effective customer relation can improve the performance of banks.

Table 4.16 Percentage distribution of respondents' description of their relationship with the banks

S/N	Degree of relationship	Percentage Distribution
1.	Not encouraging	4.5
2.	Good	13.6
3.	Poor	18.2
4.	More effort	12.1
5.	Customer's good performance to the bank	10.6
6.	Positive relations	10.6
7.	Cordial relations (in terms of finance)	18.2
8.	Fair	4.5
9.	Improving	7.6
	Total	**100.00**

Source: Field survey, 2010

In terms of their relationship with the banks, the results in Table 4.16 indicate that the relationship is good and cordial. This is important in that it can serve as an impetus to enhancing bank's performance.

Table 4.17 Percentage distribution of respondents' description of the impact of customers satisfaction on bank performance

S/N	Degree of impact	Percentage Distribution
1.	Negative impact	1.5
2.	Easy transaction	6.1
3.	Very poor	18.2
4.	Improve effectiveness of the bank	21.2
5.	Satisfactory	30.3
6.	Customer's very important	4.5
7.	Fairly good	13.6
8.	Low lending rate for SME	3.0
9.	Comfort ability of customers	1.5
	Total	**100.00**

Source: Field survey, 2010.

As shown in Table 4.17 above, while some respondents believe that the impacts of customers' satisfaction on bank's performance is satisfactory in Nigeria, some also still believe that the impact is still very poor as a lot needs to be done on banks –customers relationship in order to improve their performance.

Table 4.18 Percentage distribution of respondents' view on how customers suggestions improve customers satisfaction by the Bank

S/N	Suggestions	Percentage Distribution
1.	Love and Joy	2.6
2.	Visiting of customers	6.5
3.	Appreciating the customers	13.0
4.	Attending to the customers online	28.6
5.	Good tools	7.8
6.	Poor systems	2.6
7.	Staff motivation	16.9
8.	Employment of male staff	6.5
9.	Reduction in lending rate	1.3
10.	Encouraging customers	14.3
	Total	**100.00**

Source: Field survey, 2010.

More importantly, the respondents were asked to give suggestions on how customers' satisfaction can be improved by the banks. The different suggestions are contained in Table 4.18. Majority of the respondents feel that attending to customers online is a major way to improve the satisfaction of the customers. This implies that the use of technology is very important as it will reduce the waiting time of the customers inside the banking hall.

4.2 Discussion of the Results and Summary of major Findings

The findings from the paper show that many banks' customers in Nigeria are fully aware of the positive developments in information technology and telecommunications which led to the introduction of new delivery channels for Nigerian commercial banks' products and services. The aim is to satisfy and get customers delighted. Most customers however, still patronize the bank branches and find interaction with human tellers as very important. It also finds that customers enjoying electronic banking services are still not satisfied with the quality and efficiency of the services. This is expressed in the number of times customers physically visit banks and length of time spent before such services are received. Customers' perception of and reaction to these developments are issues of concern to both Government and banking industry. A lot need to be done to create confidence in the minds of customers about the benefits and security of the new delivery channels. Lack of patronage for electronic banking products is expressed in lack of confidence.

Success in the electronic-banking era is measured in the eyes of the customer. A bank has to profitably meet the needs of customers and continuously improve its ability to do so. It has to be accurate, reliable, helpful and understanding. The goal is not simply to satisfy customers but to positively delight them. The specific things that delight the customer vary from industry to industry and from product to product. But most customers want the same things. According to Balachandher (2001), customers are interested in quality, they desire good and effective service delivery, they want flexibility so that the specific product or service is obtained, and they covet value by not wanting to pay a price that exceeds the value received from the product. Therefore, banks in particular, need rebuild a customer focused banking with new improved processes, modern technology, a competitive range of delivery channels and focusing services on the best customers. This of course requires the radical remodeling of the banks delivery channels and business process engineering resulting in significantly improved: process excellence, speed of delivery, and value to customers. Through these, customers' perception of and reaction to electronic banking products and services would be positive.

Generally, bank customers' needs as reflected from the results could be classified into the following categories: borrowing, cash deposit and cash management, domestic and international money transfer services, safe custody, business advisory services and agency services. When a customer approaches a bank to borrow, his expectation is that he will receive what he perceives as good rates which will enable his business post a reasonable after- tax profit. A prospective borrower also expects that his banker would give him longer tenor with moratorium period, especially if she/he is embarking on a new project. Most borrowers are in search of a bank that could disburse money in a timely manner, immediately after approval of the facility. Bank customers get dissatisfied when a bank places undue reliance on collateral instead of looking at the profitability and degree of reliability of the borrower. Bank customers detest conditions that are erroneous in facility offer letters. A bank should constantly evaluate if it is able or currently meeting the expectation of customers. When performance falls short of what the customer desires, a search for a new banking relationship may commence.

When customers who are net placers of funds deposit money, they would want a bank that pays higher interest rates and is quick at adjusting the rate upward in line with the dictates of the market. Given the volatility of rates in the Nigerian environment, most bank customers expect a shorter tenor that would enable them make investment changes swiftly. What is paramount to the Nigerian bank depositor is the safety of his deposits. Soundness of a bank is an issue of the perception of the customer. Therefore, each bank should manage its own public image. When a bank is barred from the Central Clearing House or the Foreign Exchange Market, it could lead to a conclusion by customers that all is not well with the bank. Each bank should manage the press very well so as to avoid adverse reports in the media. A customer who places a deposit with a bank is guided by the need to withdraw his money with ease at any of the advertised branches. The frequent breakdown in systems in some branches does not promote customer satisfaction. Also, if a system is slow or its capacity is limited, it would affect the operations staff service delivery to customers.

Each discerning customer expects his account officer to advise him on alternative investment outlets. If a bank official is self-centered and refuses to advise the customer on investment switching, in the long-run, the customer will feel dissatisfied and change to another bank that is proactive in offering the required advice. As insignificant as the dispatch of statement of account could be, customers, particularly corporate organizations, expect their bankers to make bank statements available as and when due. Customers should be able to vouch for the accuracy and integrity of a bank's entries in the statement of account. Frequent errors or reversal entries appearing on statement of account could be a source of dissatisfaction to some customers.

In the case of domestic and international funds transfer, most customers expect promptness in effecting transfers. They also expect their bankers to be accurate in passing instructions to third parties. Customers would normally frown at delivery errors or disbursement of wrong amounts. When a bank deducts, without informing his customer, some charges from the principal sum, the customer could be dissatisfied. In making transfers, bank customers expect that paper work would be reduced to the barest minimum or, at least, would not be allowed to jeopardize prompt delivery of funds. Trading customers with network of branches, expect their bankers to have a wide network of branches and to have correspondent banking relationship with reputable banks in the world's commercial centers.

It is expected that a bank that provides business advisory services to its customer should ensure the quality and timeliness of advice. Customers who enter into long term relationships with their bankers expect their bankers to be partners in the business so that they can offer professional advice that could help solve the customers' specific business problems. It is the expectations of customers that their bankers would demonstrate a sound understanding of the dynamics of their businesses and the changes in the economic environment. Customers could be delighted when a bank obtains on time and provides customers with copies of their analysis of the National or State Budget. Such analysis should draw out the strategic implications of government policy shifts or initiatives on the customer's business.

5.0 Summary and Conclusion

In view of the findings of this paper, it is concluded that electronic banking in Nigeria is yet to create any significant impact on service delivery, which will consequently lead to improved customer satisfaction. Based on the findings of this research, it is recommended that:

- Much needs to be done in the area of creating awareness about the availability of electronic banking products and services, how they operate and their benefits. Banks should organize public exhibitions and talk shows and make products accessible to all customers. In addition, they should improve their service delivery to justify the benefits of electronic banking products and services. This way, customers' interest would be aroused.
- Banks should try to win customers' confidence by providing adequate security of transaction back up of critical data files and alternative means of processing information. They should also ensure good connectivity and power base that will enable them serve customers faster and more conveniently. The banks should ensure that at no time should service cease as a result of network problem.
- Government should provide adequate regulatory framework that will ensure customer protection, and security of transaction. That way, bank customers' confidence in electronic banking would be secured.

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The best measure of customer satisfaction is growth in the customer base of the bank. In the Nigerian environment, where most customers do not know or exercise their legal rights, profit level may not be a sufficient parameter for measuring customer satisfaction. Internally, each bank should establish the deliverables and these should be made known to the customers and staff. Where the bank falls short of its deliverables, it should review its operations and systems. Employees who man the service points should be given training on customer service management. Service providers in banks should create good impressions and be solution providers. They should demonstrate in their promises and conduct that the bank is indeed a friend of the customer. Customers should be made to have value for their money. Banks should match price with service quality. Regular visits are needed to reassure the customers of the bank's preparedness to serve the customer better. Efforts at continually improving services should be communicated orally and in written form to the customer. Each bank should be prepared to commit resources to providing excellent customer services that would reduce complaints to the barest minimum. Finally, a winning bank is the one that makes customer satisfaction its top priority.

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