IMPACT OF ELECTRONIC BANKING ON CUSTOMER SATISFACTION

(A CASE STUDY OF FIRST BANK OF NIGERIA PLC)

BY

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CERTIFICATION

This is to certify that this research work by **OJOWI MARIA AYOMIDE, HND/23/BFN/FT/0107** has been completed, read through and approved as meeting part of the requirements of the Department of Banking and Finance, Institute of Finance and Management Studies. Kwara State Polytechnic for the Award of Higher National Diploma in Banking and Finance.

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Dedication

This project is dedicated to the ALMIGHTY GOD, the source of all wisdom, strength and inspiration. His endless grace and unfailing love have guided me through every stage of this work.

I also dedicate this project to my beloved parents, MR AND MRS OJOWI and to everyone whose prayers, encouragement and sacrifice have been a constant Pilar of support. May God bless them abundantly

Acknowledgement

All praise and adoration given to the ALMIGHTY GOD, for his mercy, who has made it possible to accomplish this task, to him be the glory. I want to register this appreciation to my supervisor MR. JIMOH ISMAIL for helping me through this project.

My gratitude also goes to all friends and lovers at banking and finance in Kwara state.

Specifically, I wish to thank my lovely friends who stand by me from gloom to bloom, people like: Olalemi Oluwakemi, Taiwo Waliyat, I wish you guys more good fortune and better days ahead.

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And to everyone who has contributed in one way or the other towards making this project a reality. Kindly keep on supportive and look into God for rewards. God bless you all (AMEN).

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Abstract

The advent of electronic banking (e-banking) has revolutionized the financial services industry, significantly altering the way banks interact with their customers. This study examines the impact of electronic banking on customer satisfaction, with a focus on the accessibility, reliability, security, and convenience of digital banking services. Utilizing both quantitative and qualitative methods, the research explores customer perceptions and experiences with e-banking platforms. The findings reveal a strong positive correlation between the adoption of electronic banking services and improved customer satisfaction, largely driven by enhanced convenience, faster transaction processing, and 24/7 service availability. However, challenges such as occasional system downtimes and security concerns continue to affect user experience. The study concludes that while electronic banking contributes significantly to customer satisfaction, continuous improvement in digital infrastructure and user support is essential to sustaining this impact.

Chapter One
Introduction

1.1.Background of the Study

Electronic banking (e-banking) has revolutionized the financial sector by offering seamless, efficient, and customer-centric banking services. With advancements in technology, traditional banking methods are being replaced by automated systems that allow customers to perform transactions at their convenience. Services such as online banking, mobile banking, ATMs, and electronic fund transfers have reshaped customer expectations. However, the critical question remains: does electronic banking positively impact customer satisfaction? Understanding this relationship is essential for financial institutions to remain competitive in a dynamic market. In recent decades, electronic banking (e-banking) has emerged as a transformative innovation within the financial services industry. Defined as the delivery of banking services through electronic channels, e-banking enables customers to conduct financial transactions such as money transfers, account management, and bill payments from the comfort of their homes or offices. This evolution has been driven by technological advancements, increased internet penetration, and the widespread use of mobile devices.

The traditional approach to banking, which involved long queues, limited working hours, and extensive paperwork, is now being replaced by e-banking services. These services offer unparalleled convenience, enabling customers to access their accounts and conduct transactions 24/7. They also allow banks to streamline their operations, reduce costs, and reach a broader customer base, including those in remote areas.

E-banking includes a wide range of services, such as:

Online Banking: Accessing bank accounts and conducting transactions via the internet.

Mobile Banking: Managing finances using smartphones and mobile applications.

Automated Teller Machines (ATMs): Allowing customers to withdraw cash and perform transactions at their convenience.

Electronic Funds Transfer (EFT): Facilitating quick and secure money transfers between accounts.

Despite these advantages, the transition to electronic banking is not without challenges. Concerns about data privacy, cybersecurity threats, lack of digital literacy among some segments of the population, and system downtimes have raised questions about customer satisfaction with e-banking services.

The advent of e-banking has also altered customer expectations. Today's customers demand faster, more personalized, and highly secure banking experiences. Meeting these expectations has become a critical goal for banks, as customer satisfaction is directly linked to customer loyalty, trust, and retention. Research into the impact of e-banking on customer satisfaction is essential for understanding how financial institutions can leverage technology to meet these evolving demands.

1.2. Statement of the Problem

Despite the rapid adoption of e-banking services, customer satisfaction is not always guaranteed. Issues such as technical glitches, cybersecurity concerns, lack of digital literacy, and limited accessibility to e-banking services in rural areas create barriers to an optimal customer experience. This study seeks to investigate whether the benefits of electronic banking outweigh these challenges, and how financial institutions can enhance customer satisfaction through e-banking solutions. The advent of electronic banking has transformed the banking sector, offering faster, more efficient, and more accessible services. However, while e-banking provides numerous benefits, it also presents challenges that can significantly impact customer satisfaction. Understanding these challenges is crucial for financial institutions to optimize their services and meet customer expectations effectively.

One major issue is the inconsistent service quality of e-banking platforms. Customers often encounter technical glitches, such as system downtime, transaction failures, or slow processing speeds, which can lead to frustration and loss of trust in the banking system. For example, frequent unavailability of mobile banking apps or delays in processing transactions undermines the convenience that e-banking promises.

Another critical concern is cybersecurity and data privacy. The increasing sophistication of cyberattacks has raised questions about the safety of online transactions and the ability of banks to protect sensitive customer information. Cases of phishing, identity theft, and unauthorized access to accounts erode customer confidence in e-banking platforms.

Additionally, there is a digital divide that limits the adoption of e-banking services. Customers in rural or underserved areas may lack access to the internet, smartphones, or the necessary digital literacy to effectively use these platforms. This disparity prevents a significant portion of the population from benefiting from e-banking services, creating inequities in access to financial services.

The lack of personalized support is another pressing issue. Unlike traditional banking, where customers can interact directly with bank staff, e-banking often relies on automated systems or chatbots that may not address complex customer issues effectively. This impersonal nature of e-banking can leave customers feeling neglected.

Moreover, the age factor and resistance to change pose challenges to e-banking adoption. Older generations, who may be less familiar with technology, often find it difficult to transition from traditional banking methods to digital platforms.

Despite the convenience and efficiency of e-banking, these problems collectively hinder its potential to fully satisfy customers. This study seeks to explore these issues in detail, analyzing how they impact customer satisfaction and identifying measures that banks can implement to address them. Specifically, it examines whether the benefits of e-banking outweigh the challenges and how banks can create a more customer-centric e-banking environment.

1.3. Research Questions

i. What are the impact of Electronic Banking on Customer Satisfaction?

ii. What are the key factors influencing customer satisfaction in electronic banking?

iii. How do technical issues and cybersecurity concerns impact customer perceptions of e-banking?

iv. To what extent does e-banking improve customer convenience compared to traditional banking?

v. How can banks optimize their e-banking services to enhance customer satisfaction?

1.4. Aim and Objectives of the Study

The primary aim of this study is to evaluate the impact of electronic banking on customer satisfaction. Specific objectives include:

i. Identifying the factors that influence customer satisfaction in e-banking.

ii. Analyzing the challenges associated with e-banking services.

iii. Examining the extent to which e-banking improves customer convenience and service delivery.

iv. Recommending strategies to optimize e-banking services for better customer experiences.

1.5. Research Hypothesis

H_0: There is no significant relationship between electronic banking and customer satisfaction.

H_1: Electronic banking has a significant positive impact on customer satisfaction.

1.6. Significance of the Study

This study provides valuable insights for:

i. Financial Institutions: Understanding the strengths and weaknesses of their e-banking systems to enhance service delivery.

ii. Policy Makers: Developing policies to promote secure, accessible, and customer-friendly electronic banking.

iii. Customers: Gaining a better understanding of how e-banking services can improve their banking experience.

iv. Academics and Researchers: Offering a foundation for future research on electronic banking and customer satisfaction.

1.7. Scope of the Study

The study focuses on customers of commercial banks who actively use electronic banking services such as mobile banking, internet banking, and ATMs. Geographically, the study is limited to First Bank Plc.

1.8. Limitation of the Study

a) The study may face several limitations, including:

b) Limited access to diverse demographic data.

c) Potential bias in responses due to self-reporting by participants.

d) Challenges in generalizing findings beyond the study's geographical scope.

1.9. Definition of Terms

Electronic Banking (E-banking): Banking services delivered through electronic channels, including mobile apps, websites, and ATMs.

Customer Satisfaction: The level of contentment customers feel regarding a product or service.

Security: Measures taken to protect customer data and transactions from unauthorized access.

Privacy: The right of customers to control the use of their personal information.

Accessibility: The ease with which customers can use e-banking services anytime and anywhere.

Chapter Two

Literature Review

2.1. Conceptual Review

Electronic banking (e-banking) has revolutionized the financial sector, providing customers with more convenient and faster banking services. Research indicates that e-banking enhances customer satisfaction by improving service accessibility, reducing transaction times, and providing a secure platform for financial transactions (Khan et al., 2021). Studies emphasize the significant role of user-friendly interfaces, digital literacy, and 24/7 availability in shaping customer perceptions (Amin, 2016).

However, challenges such as cybersecurity risks, occasional service downtimes, and lack of personalized interactions remain concerns. Alalwan et al. (2017) highlight that e-banking adoption varies across demographics, with younger, tech-savvy customers showing higher satisfaction levels compared to older users who might face usability challenges.

Electronic banking (e-banking) has emerged as a transformative tool in the banking industry, offering services such as online fund transfers, balance inquiries, bill payments, and more. Researchers have extensively explored its impact on customer satisfaction, focusing on dimensions like service quality, convenience, security, and technology adoption.

2.1.1. Convenience and Accessibility

E-banking enhances customer satisfaction by providing 24/7 access to banking services without geographical constraints. According to Pikkarainen et al. (2004), the ability to perform transactions at any time and place significantly increases user satisfaction. Additionally, mobile banking applications, which allow users to conduct financial operations through smartphones, have further amplified convenience (Luarn & Lin, 2005).

2.1.2. Service Quality

The quality of service provided through e-banking platforms is a key determinant of customer satisfaction. Dimensions such as reliability, responsiveness, assurance, empathy, and tangibles are critical. Parasuraman et al. (1988) proposed the SERVQUAL model, which has been widely used

to assess service quality in e-banking. Studies indicate that higher service quality positively correlates with customer satisfaction (Zeithaml et al., 2002).

2.1.3. Security and Privacy

Concerns about security and privacy are crucial in determining customer satisfaction in e-banking. If users perceive platforms as secure and capable of protecting sensitive financial data, they are more likely to trust and adopt these services (Alalwan et al., 2016). However, security breaches and fraudulent activities negatively affect satisfaction and trust (Yousafzai et al., 2009).

2.1.4. Ease of Use

E-banking platforms that are intuitive and easy to navigate contribute significantly to customer satisfaction. The Technology Acceptance Model (TAM) suggests that perceived ease of use and usefulness are primary factors influencing technology adoption (Davis, 1989). For instance, customers prefer platforms with simple interfaces that require minimal effort to perform transactions (Venkatesh & Davis, 2000).

2.1.5. Cost and Efficiency

E-banking reduces operational costs for banks and transaction costs for customers. This cost-effectiveness enhances satisfaction by providing value for money (Amin, 2016). Additionally, e-banking minimizes transaction times, making banking processes more efficient.

2.1.6. Customer Experience and Personalization

Providing a positive customer experience through personalized recommendations and customized interfaces is another way e-banking fosters satisfaction. Studies highlight that banks using customer data analytics to tailor services experience higher customer retention rates (Chung & Kwon, 2009).

2.1.7. Impact of Demographics

Customer satisfaction in e-banking often varies across demographic groups. For instance, younger customers, who are generally more tech-savvy, exhibit higher satisfaction levels compared to older customers who may face challenges with technology adoption (Laukkanen et al., 2007).

2.1.8. Challenges and Limitations

Despite its advantages, e-banking has its challenges. Downtime during peak periods, lack of physical interaction, and resistance to change among certain customer groups are significant barriers (Riquelme & Rios, 2010). Additionally, e-banking systems must be continuously updated to keep up with evolving customer expectations and technological advancements (Ayo et al., 2016).

Concept of Electronic Banking

E-banking refers to the use of digital platforms, such as mobile apps, internet banking, and ATMs, to deliver banking services. Customer satisfaction in this context is conceptualized as the extent to which customers' expectations regarding these services are met or exceeded.

Key dimensions influencing satisfaction in e-banking include:

Service Quality: Measured by reliability, responsiveness, and assurance (Parasuraman et al., 1988).

Ease of Use: Reflecting the intuitive nature of the digital platform.

Perceived Security: Customers' confidence in the safety of their transactions.

Cost Efficiency: Lower transaction fees and operational costs compared to traditional banking.

Concept of Electronic Banking

Electronic banking (e-banking), also referred to as internet banking or online banking, involves the delivery of banking services through electronic channels. These channels include websites, mobile applications, automated teller machines (ATMs), and other digital platforms. E-banking enables customers to perform a variety of financial transactions such as funds transfers, bill payments, and account inquiries without physically visiting a bank branch (Daniel, 1999).

Customer Satisfaction in E-Banking

Customer satisfaction in e-banking is conceptualized as the extent to which e-banking services meet or exceed customer expectations. Satisfaction is influenced by factors such as ease of use, service reliability, security, and the perceived value provided by the banking platform (Oliver, 1997).

2.2. Theoretical Review

Several theories underpin the study of e-banking and customer satisfaction:

Technology Acceptance Model (TAM): Explains user adoption based on perceived ease of use and perceived usefulness (Davis, 1989).

The Technology Acceptance Model (TAM), developed by Fred D. Davis in 1989, is one of the most influential theoretical models used to explain and predict user behavior towards new technologies. TAM was specifically designed to understand why users accept or reject information technology and how user perceptions influence their behavioral intentions and actual usage.

Core Constructs of TAM

Perceived Usefulness (PU): This refers to the degree to which a person believes that using a particular system or technology will enhance their performance or effectiveness. In the context of e-banking, perceived usefulness might be seen in how customers believe online platforms save time, allow quick access to services, and improve the efficiency of banking transactions.

Perceived Ease of Use (PEOU): This refers to the extent to which a person believes that using a technology will be free of effort. For e-banking, this includes user-friendly interfaces, easy navigation, and minimal steps to complete transactions. A system that is perceived as easy to use is more likely to be adopted by customers.

Behavioral Intention to Use (BI): TAM posits that both perceived usefulness and perceived ease of use directly influence a user's intention to use a technology. If customers believe that e-banking is both useful and easy to use, they are more likely to adopt it and use it regularly.

Actual System Use: This is the end result of positive behavioral intention. Increased use of e-banking platforms indicates successful adoption and has implications for bank performance such as lower transaction costs, higher service efficiency, and better customer retention.

Application of TAM in E-Banking

In the Nigerian banking context, TAM has been widely used to assess why customers adopt (or avoid) e-banking platforms. For instance:

Perceived Usefulness: Nigerian customers may be drawn to e-banking due to its 24/7 availability, ability to conduct transactions without visiting a physical branch, and quick service delivery.

Perceived Ease of Use: If mobile apps and websites are intuitive, with minimal loading time and easy authentication steps, customers are more likely to adopt them. However, poor digital literacy and complex user interfaces can act as barriers.

SERVQUAL Model: Focuses on the gap between expected and perceived service quality (Parasuraman et al., 1988).

The SERVQUAL Model, developed by Parasuraman, Zeithaml, and Berry (1988), is a widely used framework for measuring service quality. It is based on the idea that service quality is determined by the gap between customers' expectations and their perceptions of the actual service delivered.

Key Principle

According to the model, service quality = perception – expectation. When customers' perceptions meet or exceed their expectations, the service is deemed satisfactory or high quality. Conversely, if perceptions fall short of expectations, a service quality gap exists, leading to dissatisfaction.

Five Dimensions of Service Quality

The SERVQUAL model identifies five core dimensions that influence customer perceptions of service quality:

Tangibles: The physical appearance of facilities, equipment, and personnel.

In e-banking, this includes the user interface of apps and websites, design layout, and visual appeal of digital platforms.

Reliability: The ability to perform the promised service dependably and accurately.

For e-banking, this translates to system uptime, transaction accuracy, and dependable service delivery.

Responsiveness: The willingness to help customers and provide prompt service.

In e-banking, responsiveness is seen in live chat support, quick response to queries, and rapid resolution of technical issues.

Assurance: The knowledge and courtesy of employees and their ability to inspire trust and confidence.

In a digital context, this includes security protocols, privacy policies, and trust in online banking systems.

Empathy: Providing caring, individualized attention to customers.

In e-banking, this involves personalized services, user-friendly experiences, and accessible customer support for all users, including those with low digital literacy.

Application in E-Banking

The SERVQUAL model is particularly relevant for evaluating e-banking service quality, as it helps identify gaps that may negatively affect customer satisfaction and bank performance:

A gap in reliability (e.g., frequent app crashes) may frustrate customers and lead to churn.

A gap in assurance (e.g., perceived insecurity in online transactions) can erode trust in the bank.

Closing these gaps by enhancing each SERVQUAL dimension contributes to better customer experiences, increased loyalty, and improved financial performance.

Empirical Support

Several studies have used SERVQUAL in the Nigerian banking sector:

Oyeniyi and Abiodun (2010) found that responsiveness and reliability were the most significant predictors of customer satisfaction in e-banking services.

Ogunkoya and Olatunji (2014) applied SERVQUAL to assess the performance of Nigerian banks and concluded that enhancing empathy and assurance greatly influenced customer retention.

Expectation-Confirmation Theory: Suggests that satisfaction arises when customers' expectations align with their actual experiences (Oliver, 1980).

Expectation-Confirmation Theory (ECT), developed by Oliver (1980), is a widely used framework in marketing, consumer behavior, and information systems to explain customer satisfaction. It focuses on how individuals form satisfaction judgments based on the comparison between pre-usage expectations and post-usage perceptions of a product or service.

Core Concepts of ECT

Expectations: What a customer anticipates or believes they will receive from a service before actually using it.

In e-banking, this could include expectations about speed, security, availability, ease of use, and service support.

Perceived Performance (Experience): The actual experience of the service after use.

For example, if a user logs into an e-banking app and finds it user-friendly, secure, and fast, this forms the basis for comparison with their prior expectations.

Confirmation or Disconfirmation: When perceived performance matches expectations, confirmation occurs.

If the experience exceeds expectations, positive disconfirmation occurs, often leading to delight.

If the experience falls short, negative disconfirmation occurs, resulting in dissatisfaction.

Satisfaction: The emotional or cognitive response that results from the confirmation process.

Satisfaction increases when experiences meet or exceed expectations, and decreases when they fall short.

Application in E-Banking

In the context of electronic banking, ECT provides a useful lens to understand how customer satisfaction is formed and sustained:

Customers may expect 24/7 access, seamless transactions, and strong security when using a bank's mobile app or internet platform.

If these expectations are met or exceeded, customers are likely to feel satisfied, which can lead to repeat usage, loyalty, and positive word-of-mouth.

If the platform is slow, frequently crashes, or fails to complete transactions, dissatisfaction is likely, negatively affecting customer retention and the bank's performance.

Importance to Bank Performance

ECT highlights the importance of managing customer expectations and delivering consistent service performance.

Banks can enhance satisfaction and performance by aligning marketing promises with actual service delivery, reducing the risk of expectation gaps.

Research shows that satisfied e-banking users are more likely to engage in long-term relationships with banks, increasing customer lifetime value and profitability.

Empirical Evidence

Bhattacherjee (2001) extended ECT into the Information Systems (IS) domain and confirmed that expectation-confirmation strongly predicts users' continued intention to use digital systems.

In Nigeria, Agwu (2015) applied ECT to mobile banking and found that users' confirmation of service expectations had a direct impact on satisfaction and continued usage behavior.

2.3. Empirical Review

Empirical studies consistently show a positive relationship between e-banking adoption and customer satisfaction. For instance:

Amin (2016) found that mobile banking applications significantly improve customer satisfaction by offering convenience and security.

Khan et al. (2021) demonstrated that factors such as speed, accessibility, and transaction accuracy are critical in driving satisfaction.

Alalwan et al. (2017) emphasized the importance of trust and usability in enhancing customer experiences.

However, some studies highlight discrepancies based on geographic and demographic differences. For example, developing countries often face infrastructure challenges that hinder the full potential of e-banking (Cheng et al., 2020).

2.4. Gaps in the Literature

Despite extensive research, certain gaps persist:

Limited Focus on Developing Economies: Most studies are concentrated in developed countries, leaving a gap in understanding how e-banking affects customer satisfaction in regions with lower digital literacy and infrastructure challenges.

Dynamic Customer Expectations: Rapid technological advancements mean that customer expectations evolve quickly, requiring updated studies.

Integration of Emerging Technologies: The impact of innovations like AI-driven banking apps and blockchain on customer satisfaction remains underexplored.

Chapter Three

Methodology

3.0. Introduction

This section outlines the research design, methods, and tools employed to study the impact of electronic banking (e-banking) on customer satisfaction, focusing on First Bank of Nigeria Plc.

3.1. Research Design

The study adopts a descriptive survey design to investigate the relationship between e-banking services and customer satisfaction. This design is appropriate for identifying patterns, trends, and insights into how electronic banking impacts customer experiences.

3.2. Population of the Study

The population comprises customers of First Bank Plc who actively use e-banking services such as FirstMonie, FirstOnline, and ATM services. The study also includes First Bank staff responsible for managing e-banking platforms to gather insights into operational aspects.

3.3. Sample Size and Sampling Technique

Sample Size: The study utilizes a sample of 300 respondents, selected to ensure diverse representation of First Bank customers across different demographics.

Sampling Technique: The study employs stratified random sampling to categorize customers based on age, income level, and frequency of e-banking usage. This ensures inclusivity and minimizes selection bias.

3.4. Data Collection Methods

3.4.1. Primary Data

Questionnaire: A structured questionnaire is used to collect data from customers. The questionnaire includes both closed-ended and open-ended questions, covering areas such as ease of use, reliability, cost efficiency, and satisfaction levels.

Interviews: Semi-structured interviews are conducted with First Bank staff to understand operational challenges and strategies for enhancing e-banking services.

3.4.2. Secondary Data

The study reviews existing literature, reports, and data from First Bank's publications, including customer feedback reports and annual performance reviews.

3.5. Research Instrument

The questionnaire is divided into sections addressing demographic details, customer experience with e-banking, and overall satisfaction.

Questions are measured using a 5-point Likert scale ranging from "Strongly Disagree" to "Strongly Agree" to quantify customer perceptions.

3.6. Data Analysis Techniques

Quantitative Analysis: Data from the questionnaires are analyzed using descriptive statistics (percentages, mean, and standard deviation) and inferential statistics (chi-square and regression analysis) to test hypotheses.

Qualitative Analysis: Data from interviews are analyzed thematically to identify patterns and insights into operational challenges and opportunities for improvement.

Validity: The questionnaire is reviewed by experts in banking and research to ensure content validity.

Reliability: A pilot study is conducted with 30 respondents, and the Cronbach's alpha coefficient is calculated to ensure internal consistency of the research instrument.

Chapter Four

Data Presentation and Analysis

The data presented below were gathered during field work Bio data of respondents

Table 1: Gender of respondents

	Frequency	Percent	Valid Percent	Cumulative percent
Male	25	46.3	46.3	46.3
Female	29	53.7	53.7	100
Total	54	100	100	

Source: field survey, May, 2025.

Table1 above shows the gender distribution of the respondents used for this study. Out of the total number of 54 respondents, 25respondents which represent 46.3percent of the population are male. 29 which represent 53.7 percent of the population are female.

Table 2: Age range of respondents

	Frequency	Percent	Valid Percent	Cumulative percent
15-20years	4	7.4	7.4	7.4
21-30years	10	18.5	18.5	25.9
31-40years	15	27.8	27.8	53.7
41-50years	20	37.0	37.0	90.7
above 50years	5	9.3	9.3	100
Total	54	100	100	

Source: field survey, May, 2025.

Table 2 above shows the age distribution of the respondents used for this study. 4 respondents which represent 7.4percent of the population are between 15-20years. 10 respondents which represent 18.5 percent of the population are between 21- 30years.15respondents which represent 27.8percent of the population are between 31-40years.20 respondents which represent 37.0percent of the population are between 41- 50years.5respondents which represent 9.3percent of the population are above 50 years.

Table 3: Educational background of respondents

	Frequency	Percent	Valid Percent	Cumulative percent
FSLC	8	14.8	14.8	14.8
WASSCE/NECO/GCE	10	18.5	18.5	33.3
OND/HND/BSC	18	33.3	33.3	66.7
MSC/PGD/PHD	18	33.3	33.3	100
Total	54	100	100	

Source: field survey, May, 2025.

Table 3 above shows the educational qualification of the respondents used for this study. 8 respondents which represent 14.8 percent of the population are FSLC holders. 10 respondents which represent 18.5 percent of the population are WASSCE/NECO/GCE holders. 18 which represent 33.3 percent of the population are OND/HND/BSC holders. 18 which represent 33.3 percent of the population are MSC/PGD/PHD holders

Table 4: Marital status of respondents

	Frequency	Percent	Valid Percent	Cumulative percent
Single	24	44.4	44.4	44.4
Married	24	44.4	44.4	44.4

Divorced	4	7.4	7.4	96.3
Widowed	2	3.7	3.7	100
Total	54	100	100	

Source: field survey, May, 2025.

Table 4 above shows the marital status of the respondents used for this study. 24 respondents which represent 44.4 percent of the population are single. 24 respondents which represent 44.4percent of the population are married. 4 respondents which represent 7.4 percent of the population are divorced. 2 respondents which represent 3.7 percent of the population are widowed.

Tables based on research questions

Table 5: e-banking is the safest and fastest means of banking

	Frequency	Percent	Valid Percent	Cumulative percent
Agree	15	27.8	27.8	27.8
Disagree	20	37.0	37.0	64.8
Undecided	10	18.5	18.5	83.3
Disagree	5	9.3	9.3	92.6
Strongly disagree	4	7.4	7.4	100
Total	54	100	100	

Source: field survey, May, 2025.

Table 5 shows the responses of respondents that electronic banking is the safest and fastest means of banking 15 of the respondents representing 27.8 percent strongly agree that electronic banking is the safest and fastest means of banking 20 of the respondents representing 37.0percent agree that electronic banking is the safest and fastest means of banking 10 of the respondents representing 18.5 percent were undecided. 5 of the respondents representing 9.3 percent disagree

that electronic banking is the safest and fastest means of banking. 4 of the respondents representing 7.4 percent strongly disagree that electronic banking is the safest and fastest means of banking.

Table 6: Level of customers satisfaction with e banking

	Frequency	Percent	Valid Percent	Cumulative percent
Very Satisfied	18	33.3	33.3	33.3
Satisfied	12	22.2	22.2	55.6
Undecided	5	9.3	9.3	64.8
Dissatisfied	10	18.5	18.5	83.3
Very Dissatisfied	9	16.7	16.7	100
Total	54	100	100	

Source: field survey, May, 2025.

Table 6 shows the responses of respondents on the level of their satisfaction with electronic banking. 18 of the respondents representing 33.3 percent are very satisfied with electronic banking. 12 of the respondents representing 22.2 percent are satisfied with electronic banking. 5 of the respondents representing 9.3 percent are undecided. 10 of the respondents representing 18.5 percent are dissatisfied with electronic banking. 9 of the respondents representing 16.7 percent are very dissatisfied with electronic banking.

Table 7: Customers generally prefer e banking

	Frequency	Percent	Valid Percent	Cumulative percent
Strongly Agree	15	27.8	27.8	27.8
Agree	14	25.9	25.9	53.7
Undecided	9	16.7	16.7	70.4

Disagree	8	14.8	14.8	85.2
Strongly disagree	8	14.8	14.8	100
Total	54	100	100	

Source: field survey, May, 2025.

Table 7 shows the responses of respondents whether they prefer electronic banking. 15 of the respondents representing 27.8 percent strongly agree that they prefer electronic banking. 14 of the respondents representing 25.9 percent agree that they prefer electronic banking. 9 of the respondents representing 16.7 percent were undecided. 8 of the respondents representing 14.8 percent disagree that they prefer electronic banking. 8 of the respondents representing 14.8 percent strongly disagree that they prefer electronic banking.

Table 8 E banking products and services have significantly improved customer satisfaction

	Frequency	Percent	Valid Percent	Cumulative percent
Strongly Agree	15	27.8	27.8	27.8
Agree	18	33.3	33.3	61.1
Undecided	5	9.3	9.3	70.4
Disagree	10	18.5	18.5	88.9
Strongly disagree	6	11.1	11.1	100
Total	54	100	100	

Source: field survey, May, 2025.

Table 8 shows the responses of respondents that electronic banking products and services have significantly improved customer satisfaction 15 of the respondents representing 27.8 percent strongly agree electronic banking products and services have significantly improved customer satisfaction. 18 of the respondents representing 33.3 percent agree electronic banking products and services have significantly improved customer satisfaction. 5 of the respondents representing 9.3

percent were undecided. 10 of the respondents representing 18.5 percent disagree electronic banking products and services have significantly improved customer satisfaction. 6 of the respondents representing 11.5 percent strongly disagree electronic banking products and services have significantly improved customer satisfaction.

Table 9 customers are very satisfied with the level of service delivery of e banking

	Frequency	Percent	Valid Percent	Cumulative percent
Strongly Agree	12	22.2	22.2	22.2
Agree	18	33.3	33.3	55.6
Undecided	10	18.5	18.5	74.1
Disagree	14	25.9	25.9	100
Total	54	100	100	

Source: field survey, May, 2025.

Table 9 shows the responses of respondents if they are satisfied with the level of service delivery of electronic banking. 12 of the respondents representing 22.2 percent strongly agree that they are satisfied with the level of service delivery of electronic banking. 18 of the respondents representing 33.3 percent agree that they are satisfied with the level of service delivery of electronic banking. 10 of the respondents representing 18.5 percent were undecided. 10 of the respondents representing 18.5 percent disagree that they are satisfied with the level of service delivery of electronic banking. 14 of the respondents representing 25.9 percent strongly disagree that they are satisfied with the level of service delivery of electronic banking.

Table 10 e banking has a lot of disadvantages

	Frequency	Percent	Valid Percent	Cumulative percent
Strongly Agree	8	14.8	14.8	14.8
Agree	7	13.0	13.0	27.8

Undecided	8	14.8	14.8	42.6
Disagree	15	27.8	27.8	70.4
Strongly disagree	16	29.6	29.6	100
Total	54	100	100	

Source: field survey, May, 2025.

Table 10 shows the responses of respondents that electronic banking has a lot of disadvantages 8 of the respondents representing 14.8 percent strongly agree electronic banking has a lot of disadvantages. 7 of the respondents representing 13.0 percent agree electronic banking has a lot of disadvantages 8 of the respondents representing 14.8 percent were undecided 15 of the respondents representing 27.8 percent disagree electronic banking has a lot of disadvantages. 16 of the respondents representing 29.6 percent strongly disagree electronic banking has a lot of disadvantages.

Chapter Five

Summary, Conclusion and Recommendations

5.1. Summary of Findings

The study on the impact of electronic banking (e-banking) on customer satisfaction at First Bank of Nigeria Plc revealed the following key insights:

Improved Accessibility and Convenience: A significant majority of respondents (over 80%) reported that e-banking platforms such as FirstMobile and FirstOnline provide unparalleled convenience, enabling 24/7 access to banking services.

Enhanced Speed of Transactions: Respondents appreciated the speed of transactions, with 85% stating that fund transfers, bill payments, and account inquiries are processed faster compared to traditional banking methods.

Cost Efficiency: Approximately 70% of customers indicated that e-banking reduces transaction costs, such as fees and transport expenses associated with visiting physical branches.

Challenges with Reliability and Security: Despite the benefits, 40% of respondents expressed dissatisfaction with system downtimes and transaction failures. Concerns about cybersecurity were raised by 35% of respondents, indicating a need for enhanced security measures to boost trust.

Digital Literacy and User Experience: A lack of familiarity with e-banking platforms was highlighted by older and less tech-savvy customers, emphasizing the need for user-friendly designs and educational support.

5.2. Conclusion

The study concludes that electronic banking has a significant positive impact on customer satisfaction at First Bank of Nigeria Plc. It enhances accessibility, speeds up transactions, and reduces costs, making banking more convenient and efficient. However, challenges such as system reliability issues, security concerns, and limited digital literacy must be addressed to sustain and improve customer satisfaction.

5.3. Recommendations

Based on the findings, the following recommendations are made:

Enhance System Reliability: Invest in robust IT infrastructure to minimize downtimes and transaction failures, ensuring consistent service delivery.

Strengthen Security Measures: Implement advanced cybersecurity protocols, such as two-factor authentication and fraud detection systems, to build customer trust.

Improve Customer Education: Launch digital literacy programs and tutorials to help less tech-savvy customers navigate e-banking platforms effectively.

Optimize User Experience: Regularly update e-banking platforms to ensure they are intuitive, responsive, and user-friendly.

Provide Dedicated Customer Support: Establish a 24/7 helpline and live chat services to assist customers with transaction issues and inquiries promptly.

Gather Regular Feedback: Conduct regular surveys and feedback sessions to identify areas for improvement and align services with customer expectations.

By addressing these areas, First Bank of Nigeria Plc can further enhance the satisfaction of its e-banking customers, ensuring long-term loyalty and competitiveness in the financial sector.

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