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The Challenges in the Services Rendered by Deposit Money Banks in Nigeria: A Case Study of Top Banks in Nigeria

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Abstract

This study examined the challenges in the services rendered by deposit money banks in Nigeria: A case study of top banking industry. Findings showed that this day in Nigerian deposit money banks, customer complaints have become concurrent issue.

A descriptive survey design was adopted using both qualitative and quantitative methods of data collection. Interview guide and validated structured questionnaire were administered during data collection. Data collected from 1505 banks' customers were subjected to statistical analyses and qualitative data were content analysed. Two Hypotheses were tested using appropriate inferential statistical tools.

Findings revealed that deposit money banks in Nigeria opened savings / investment bank account for bank users as reported by 40.3% respondents in the South-Western Nigeria. Addition to that, results of the survey showed that banks create current account for customers as well as other forms of money transactions at 23.9%. However, findings showed that 14.6% respondents in the current study operated both savings and current accounts while 21.3% used other forms of bank service such as money transfer, school money, ATM services, online banking and internet banking, buying recharge cards, fixed deposits, credit facilities, bank draft, over-draft, issuance of Bank Guarantee (BG), bill payments etc. Banks customers face challenges which may include waiting for long hours in the banking hall before getting served, long turn-around -time for cash withdrawal referrals/confirmations, continuing breakdown of network connectivity and systems and high charges on ATMs and current accounts.

This study concluded that customer expectations (tangibles, reliability, responsiveness, assurance and empathy) have significant influence on service quality among customers of Deposit Money Banks in the South-Western Nigeria. It was recommended that banks management should be more dynamic in their innovations to create more services for the customers with cost consideration at a reduced rate to enhance customer expectation and bank performance. Therefore, bank managers, directors and bank regulatory bodies can help encourage employee work innovation to improve the banking system especially Deposit Money Banks in Nigeria.

Keywords: Challenges, Services Rendered, Deposit Money Banks, Nigeria, Top Banking Industry

Introduction

The role of banks in any economy can never be over stressed. Banks play very important roles in the economic development of a country, connecting the surplus and the deficit units of the economy by means of its financial intermediation role. In Nigeria, banking started with Elder Dempster Company which metamorphosed into the British Bank for West Africa (BBWA). Later in 1893, the West African Currency Board, a board charged with receiving, issuing and storing West African silver coins and issuance of promissory notes was established.

The Nigerian banking industry, among a few other banks globally, is confronted with challenges arising from quality service, customer satisfaction, customer loyalty and customer retention. This is the high point of this research work. Quality service which plays a major role in achieving customer satisfaction and creating customer/brand loyalty in the banking industry is rather a matter of great concern particularly considering the ways most banks discharge their responsibilities towards meeting their customers' needs.

Banks and other Financial Institutions began to adopt some form of best practice banking strategies that made their businesses more profitable and sustainable. What used to be the seemingly unpalatable days of banking had now passed and what we have now could be described as something pretty close to 'banking at your door step'. Now there is healthy rivalry and just like Harris' Interactive (2012) research shows; it is six to seven times more expensive to acquire a new customer than to keep an existing one, but 86% of customers will pay more for a better experience. Banks are very aware of this fact and as such they want to very much retain their customers. As it is general knowledge, customers are very sensitive to the way and manner by which they are attended to, and a subconscious gesture of a show of respect or recognition on the path of the service provider could go a long way in creating a lasting impression

Consumers all over the world have become more quality conscious; hence there has been an increased customer demand for higher quality service. Service operations worldwide are affected by this new wave of quality awareness and emphasis (Lee and Lin, 2005). Therefore, service-based companies like the banks are compelled to provide excellent services to their customers in order to have sustainable competitive advantage, especially in the current trend of trade liberalisation and globalisation.

High patronage of services depends on the satisfaction customers derived from a service. Sales are directly related to customer satisfaction. Generally, it is believed that services which continuously and consistently delight customers make them happy and satisfied. In such situation, product/brand loyalty is initiated and sustained much more especially in differentiated marketing. As a consequence, there is a shift in quality focus from the original producers' point of view, which goes under different names such as "service-based quality" Garvin (1984), "objective and subjective quality" Stone, *et al*., (2000) cited in (Summers, 2005), and "operations management quality" (Steenkamp, 1990) towards the customers‟ base quality, recognizing quality as a subjective matter (Summers, 2005). Subjective quality has received much preference and attention, especially in free-market economies (Kondo, 2001), so as to win customers. Therefore, this paper has addressed the challenges in banking industry and make recommendations for improvement.

Several businesses in Nigeria today do not strive because of their attitude to their customers. If the banks of old had realized that the patronage they enjoyed from their customers is what kept their banks afloat, they would have possibly deemed it fit to treat customers better. If the customers had a choice back then, they would have utilized it. There is no need to reiterate the fact that there were people who kept their money under their beds. The major reason most people keep their money in the bank asides maintaining savings accounts so as to earn interests, is because everyone believe banks are safer. The beauty of a business is not just being able to get customers, the joy lies in the ability to retain these customers (i.e. attracting and retaining them). In Nigeria today, members of the general public keep various types of accounts with various banks. Hence, it is observed that even among dependent class of people in the society (people who still rely on their parents or guardians for financial support such as; students, unemployed youths, youth corps), it is a normal practice to have and maintain two to three bank accounts. However, few studies have contemporarily investigated challenges in the services rendered by deposit money banks in Nigeria.

Research Questions

Following the above statement of problem, the evolving questions are:

1. What are the Services rendered by Deposit Money Banks in Nigeria?
2. Will customer expectations significantly predict the perceived service delivery quality in the deposit money banks?

Hypotheses

Based on the statement of the research problem, the following alternate hypotheses are thus formulated

1. There is significant relationship between service rendered by Deposit Money Banks and customer satisfaction,
2. Customer expectations will have significant composite and relative influence on the perception of service delivery quality in the deposit money banks,

Brief History of Banking

History of banking can be traced to have begun about 5000 years ago in the Babylonian civilization of Mesopotamia (modern Iraq). The banking civilization arose because of the development of trading routes around the region between the ancient Babylonian city which is located strategically in the lower Tigris - Euphrates Rivers near the Persian Gulf as well as other states around the Mediterranean. (Nzotta: 1999). From history (medieval civilization) it was discovered that the first institution engaged in banking activities was known as the Temple Samas, in Snipper of Babylonia.

This Temple Samas was the centre of secular and religious (non-secular) learning. It also had mercantile and banking undertones: Adekanye (2006). From available records it was discovered that from about 1850 B.C. loans were made from the temple income of tithes of private individuals in kind (e.g. grain) or commodity (metal, silver), short term deposits were also accepted. The beginning of modern banking is usually traced to 1587AD when the Banco di Rialto was established in Venice, Italy. Prior to this time, early Italians carried out banking business at benches in the street.

The word “Banking” comes from the Italian word “banco” meaning bench. Commercial banking later spread to Europe and became more organized through the activities of Gold Smith in Britain. In the quest for looking for a place to keep their valuables, the people considered some members of the public for this purpose, including the Accountants, solicitors (who were formerly called scriveners) the King and the Gold Smith: Obisesan (2005)

The Gold Smith issued receipts to cover various deposits made with them by the people. These receipts were in denominations and they were BEARER receipts. The lucrativeness of this business to the Goldsmith attracted the King’s attention and subsequently led to the establishment of Bank of England in 1694: Obisesan (2005).

Evolution of Banking Business in Nigeria

Nigeria, the largest country in Africa in terms of population (about 141 million in 2006) also has the largest financial system in terms of the number of institutions, the range of services provided and the level of sophistication of customer requirements. According to Nzotta (1999):

> “On the eve of independence the financial system was underdeveloped and most of the complex ramifications which are integral to it today were not there. The Central Bank was only established two years before independence and up to that date, there was little or no regulation of the banking industry. Fiscal policy in colonial Nigeria was frankly rudimentary. Most of the banks were foreign-owned and foreign managed, and their orientation was essentially foreign. Rural banking was unheard of.”

The two decades preceding the country’s independence were, therefore, a period of tremendous growth and development in this crucial sector of our national economy. This rapid transformation of the financial structure has been both qualitative and quantitative. The period from 1986 to the present had witnessed even more dramatic institutional growth, with the banking system recording unprecedented increases both in the number of banks and in the range of institutions.

These include the establishment of a purely 'consumer' bank – the Peoples' Bank of Nigeria, the concept of the community bank and, more recently, mortgage finance institutions, and discount houses, and the newly established microfinance institutions. The banking system may be conceived as a network of monetary financial institutions which act together as a repository for the community's wealth; the inter-bank financial markets (foreign exchange and money markets) which provide a web of debt instruments; and the framework of laws and regulations which control the flow of money and credit in time and space. This is the concept of financial intermediation.

The first attempt to establish a formal bank in Nigeria was the establishment of a branch of the African Banking Corporation in 1891 in Lagos. It was solely established to import and distribute new silver coins and a banker to the colonial government. The establishment of this bank or commencement of banking business in Nigeria was not backed up by any formal legislation. The African Banking Corporation was merely given administrative mandate by the colonial authorities to commence banking business. The bank's progress was dissatisfactory so it was sold to Elder Dempster& co. Ltd in 1893 (Goldface – Irokalibe 2007).

In 1893 the Bank of British West Africa was introduced in Lagos by George Williams Neville and registered in London the next year 1894 because there was no local legislation under which the bank could be incorporated. The bank grew steadily and opened another branch in Old Calabar in 1900 (I. J. Goldface-Irokalibe).

In 1899 the Bank of Nigeria was established by prominent Nigerian Merchants. The bank was officially known as "Anglo-African Bank Ltd" and thereafter named "Bank of Nigeria Ltd." The first branches of the bank were located in Calabar, Burutu and Lokoja and later in Jebba (I.J. Goldface-Irokalibe). The Bank of Nigeria was later acquired by Bank of British West Africa in 1912. So atthe time of the amalgamation of the Southern and Northern protectorates into one Entity-Nigeria in 1914, the Bank of British West Africa was undisputedly the only bank existing in Nigeria.The year 1916 witnessed the emergence of another bank known as the Colonial Bank with branches in Lagos and Zaria and later extended its branches to Port-Harcourt,

Jos and Kano. (I.J. Goldface-Irokalibe). The Colonial Bank constituted a very strong competitor to the Bank of British West Africa. The name of Colonial Bank was subsequently changed to Barclays Bank (Dominion, Colonial, and Overseas). It resisted all attempts of the Bank British West Africa to acquire it.

As time went on other banks started emerging, such as the British and French Bank for commence and Industry (later known as British and French Bank). In 1961 the Nigerian branches of the bank were named United Bank for Africa, which still exists up till now. Other expatriate Banks that entered Nigeria were Bank of America and later became Savannah Bank of India later known as Allied Bank. Due to the banking consolidation exercise in 2005 some of these banks were merged or acquired by other banks and have ceased to exist.

Recent Development in Nigerian Banking

Early banking practice in Nigeria was characterized by arm-chair banking. This is a practice whereby a manager sits tight in his office expecting customers to come on their own. Not much was known about customer satisfaction during this era in fact, no one really cared about customer satisfaction.

Services like Account opening and Operations, Funds Transfer, Cheque Cashing facilities, Foreign Exchange Services, among others, were the order of the day.

By and large, and as times went on, the banking landscape changed drastically from what it used to be as modern banking services emerged. This development was facilitated by globalization and the outburst of Information Technology.

Some recent developments in the Nigerian banking system are summarized below:

Electronic Banking Revolution in Nigeria

Electronic banking can be described as the act of carrying out the business transaction of a bank using electronic devices which used include Computer Systems, Global System for Mobile Communication (GSM) phones, Automated Teller machine (ATM), Internet facilities, Optical Character Recognition (OCR), Smart Cards, etc.
E-banking is about using the infrastructure of the digital age to create opportunities, both local and global by enabling the dramatic lowering of transaction costs, and the creation of new types of banking opportunities that address the barriers of time and distance.

The evolution of e-banking dates back to 1986 with the deregulation of the banking sector in Nigeria The resultant effect of this deregulation brought far-reaching transformation through computerization and improved bank service delivery.

In effect, the emergence of a crop of new generation banks in the 1990s then culminated in the liberalization of bank licensing with its attendant high technology deployments in the Nigerian banking system. This liberalization of banking license equally came with liberalization of the customers too, by providing wider banking choices to customers

as customers, who ordinarily would have found it almost impossible to leave the banks they were already familiar with for a new one that was yet to find its feet, quickly noticed the difference in the available products and service delivery systems of the two categories of banks (old and new generation). The customers without hesitation opted to pay for the extra values that would satisfy the extra-personalized product services and the attendant personalized marketing.

E-banking makes use of Personal Identification Number (PIN). These are usually a series of codes which is only known to the customers or anyone else the person(s) wished to have access to his account without which access to such accounts are usually denied.

Services

Services are attitudes, processes and functions (Zeithaml*et al*, 1996).A service is an intangible task that satisfies the need of the customer and business uses. Hausemark and Albinson(2004).“A service is a process consisting of a series of more or less intangible activities that normally, but not necessarily always, take place in interactions between the customer and service employees and/or physical resources or goods and/or systems of the service provider, which are provided as solutions to customer problems” (Grönroos, 2000). Service is an act or activity, necessarily immovable and intangible suggested by one transaction partly to another one that would lead to ownership of no external object. Service production may attach to physical good or not (Kotler& Armstrong, 1990).

Services have many characteristics that distinguish them from physical goods. As stated by Grönroos (2000), some of the main differences between services and physical goods are that services are processes; they are intangible and heterogeneous; they cannot be kept in stock and there is no transfer of ownership; production, distribution and consumption are simultaneous processes in the service context; the core value is produced in buyer-seller interactions and most importantly in service contexts, customers participate in the production process.

This last characteristic of services that customers participate in the production process is of utmost importance when the issue of service quality is discussed. The reason is that because of the participation of customers in the production of the service, the quality of the service is directly perceived by the customer in the time of production. That is why service quality can be defined as the quality as it is perceived by customers (Grönroos, 2000) and therefore the measurement of service quality has been a real challenge for the Banking Industry.

Concept of Customer Satisfaction and Service Quality

The concept of service quality originates from consumer behaviour and confirmation/disconfirmation paradigm (Gronroos, 1982). The paradigm postulates that customers compare the quality of the product after usage to that of their expectations before usage (Swan and Comb, 1976), and indicate their satisfaction/dissatisfaction with the products or services purchased (Woodruff et al., 1983). Literature maintains that customers evaluate service quality by comparing the service provider’s actual performance “perception” with what they think service performance would be `expectations‟ in their service experience (Gronroos, 1982; Lehtinen and Lehtinen, 1982).
Service quality is defined as customer perception of how well a service meets or exceeds their expectations (Czepiel, 1990) or the degree of discrepancy between customers‟ normative expectation for service and their perceptions of service performance (Parasuraman, Zeithaml and Berry, 1985). Many practitioners define service quality as the difference between customer’s expectations for the service encounter and the perceptions of the service received (Munusamy*et al*., 2010).

Customer expectation and perception are the two key ingredients in service quality. Oliver (1980) posits that customers judge quality as “low” if performance (perception) does not meet their expectation and quality as “high‟ when performance exceeds expectations. Service quality can be seen as the extent to which a service meets customer's needs and expectations (Lewis and Boons. 1983).

Service quality can thus be defined as the difference between customer expectations of service and perceived service. If expectations are greater than performance, then perceived quality is less than satisfactory and hence customer dissatisfaction occurs (Parasuraman*et al*1995).Parasuraman*et al*. (1985, 1988, 1990, 1991, and 1994) had conducted a series of studies to define service quality and identify the criteria that customers use while evaluating the service quality in any service organization- (Vanamburg, 2004).

Service quality has been recognized as having the potential to deliver strategic benefits, such as improved customer retention rates, whilst also enhancing operational efficiency and profitability (Cronin 2003; Rust & Lemon. 2001; Zeithaml. 2000). Maria Souca (2011) suggested that e-service quality is amongst a firm's competitive capabilities that lead to business performance.

Among the more recent delivery channels introduced is electronic banking. In its simplest form, electronic banking means the provision of information about the bank and its products via a page on the internet.

Customer expectations are beliefs about a service that serve as standards against which service performance is judged (Zeithaml et al., 1990); which customer thinks a service provider should offer, rather than on what might be on offer (Zeithaml, Parasuraman et al., 1996).This is influenced by their personal needs, past experience, word-of-mouth and service provider‟s communications. Literature explains expectation as predictions made by consumer about what is likely to happen from a transaction.

Methods

This section presents the methodology of the research, highlighting the area of study, research design, sources of data, sampling procedures, method of data analysis.This study covered the five biggest deposit money banks in Nigeria, i.e . Zenith Bank Plc; Eco Bank Plc; First Bank Plc; Guaranty Trust Bank Plc; and Access Bank Plc; drawn from South West Geo-Political Zone of Nigeria. The South West Geo-Political Zone of Nigeria consists of six states, including: Lagos, Ogun, Oyo, Osun, Ondo and Ekiti States. Capitals cities of these six states were used as study population.

Research Design

The research design adopted for this study is the descriptive survey method of research. The adoption of this research design is based on the fact that descriptive research allows the assessment of certain attributes, properties or characteristics in a prevailing situation and explains a phenomenon by tracing what is already in existence and its effect on the variables to be studied.

Sample Size and Sampling Techniques

Purposive sampling criteria was used because the regional branches of these banks in each state capital in the South Western Geo-Political zone was selected from the five biggest banks used as case study. The regional branches were selected because they afforded the researcher to get in contact with various classes of customers ranging from the most sophisticated to the not-too-literate ones. Fifty questionnaires were administered on customers of each of these branches to achieve the objectives of this research work. At the end of the exercise, a total of One Thousand Five Hundred and five questionnaires were validly coded for the data analysis.

This study covered five biggest Deposit Money Banks in Nigeria, i.e . Zenith Bank Plc; Eco Bank Plc; First Bank Plc; Guaranty Trust Bank Plc; and Access Bank Plc; while the selection of the Five Biggest banks in Nigeria was based on the standard classification, Extractions from: The Banker Magazine, London and The Flitch Rating International as at 29th June, 2018.

Sources of Data

This study exploited mainly primary sources of data obtained through structured questionnaire which was designed to comprehensively capture individual/specific items in the SERVQUAL Model e,g, Tangibility, Reliability, Responsiveness, Assurance and Empathy as well as personal interview from respondent bank customers.

Research Instrument

Self-developed questionnaire was used to elicit responses from respondents. Each questionnaire consists of section A for the bio-data, Section B, for Bank Account Holding Information, Section C, for Factors and Actions that cause Dissatisfaction, Section D, for Customer Expectation and Perception, Section E, for Service Delivery and Customer Satisfaction Section F for five point Likert scale questions addressing Service Performance and Customer Retention Assessment, and Section G, addressing New expectations from customers. The weighted Likert scale was categorized into Very Satisfied, Satisfied, Dissatisfied, Very Dissatisfied, and No opinion. Weights were assigned to the options as appropriate.

The variables included in the questionnaire were demographic variables such as age, gender, educational qualification, marital status, religion, types of employment, and place of residence, Bank Account Holding Information, Factors and Actions that cause dissatisfaction as well as questions relating to Customer expectation and Perception of the SERVQUAL model in the areas of Tangibles, Reliability, Responsiveness, Assurance, and Empathy. Customer Service Assessment embodying determinants of customer satisfaction such as courtesy, customer care, value added services, prompt service, adequacy of facilities, and reliability were also considered.
The reliability of the instrument was estimated using the Cronbach's Alpha reliability of above 0.75 to ensure internal consistency of the scale. A test-retest reliability method was adopted and the results presented thus using Cronbach's alpha (α); 5-item measuring factors and actions causing customer dissatisfaction (α =.897 and α =.907); 11-item measuring customer expectation of service quality (α =.549 and α =.789); 8-item measuring service delivery and customer satisfaction yielded (α =.824 and α =.838); 9-item measuring customer overall satisfaction produced (α =.80 and α =.894). The reliabilities for the instrument used for data collection met up with the conventional specifications and standards. Similarly, a convergent form of construct validity was established in the pilot study.

Cronbach's Analytical Tool for Reliability

The conventional range of Cronbach's Analytical Tool for Reliability is >.50 which confirms the reliability of the tool.

Conbach's Alpha Coefficients for the Scales:

1 Customer Expectation 13-item (0.87)
2 Service performance and Customer Retention 13- item (0. 67)
3 Perception and Service Quality Ratings 13- item (0.87)
4 Service Performance and Customer Retention, 8- items (0.80)

In the current study, the range for Cronbach's alphas of the tool is (0.67- 0.87) which shows that the instruments used for data collection have adequate reliability co-efficient ranging 0.67-0.87

Method of Data Analysis

The data collected were subjected to series of statistical approaches in order to achieve the research objectives. Both descriptive and inferential statistics were conducted using Statistical Packages for the Social Sciences (SPSS-Version 22.0 IBM). Descriptive statistics adopted include frequency distribution, mean, standard deviation, and variance. However, the hypothesis one was tested using Pearson Product Moment Correlation (PPMC) to determine relationship between two (2) variables, while the second hypothesis was tested using Multiple Regression Analysis- Ordinary Least Squares (OLS) to identify both composite and relative contributions of independent variables to changes in the dependent variable. However, hypothesis three was tested using Multivariate Analysis of Variance (MANOVA).

Model Specification

For the purpose of this study the customer satisfaction model based on SERVQUAL Model of service delivery by Parasuraman et.al (1985, 1988) was adopted. The SERVQUAL instrument covering tangible, assurance, responsiveness, reliability and empathy was modified to suit peculiar environment of banking industry in Nigeria. It has been established that SERVQUAL with additional dimensions is a reliable instrument for measurement of service quality delivery in the banking industry in Nigeria. A particular advantage of SERVQUAL is that it is a tried and tested instrument which can be used comparatively for benchmarking purposes (Brysland and Curry,2001).

SERVQUAL does however, benefit from being a statistically valid instrument as a result of extensive field testing and refinement. It therefore escapes the pitfall of being perceived by service users and providers as "something that has been invented off the top of the head" or a questionnaire that has been skewed to elicit certain types of response. As a generic and universally-applicable instrument, SERVQUAL can also be administered on a repeated, regular basis and used for comparative benchmarking purposes.

The ordinary least squares regression model to be adopted for this study followed the approach by Jawaria et al (2009).

The OLS regression equation is stated as follows:

CS= ao +b1 Tan + b2Rel + b3Res + b4Ass + b5Emp +Ut

Where:

ao = Constant,
CS=Customer Satisfaction,
Tan= Tangibility,
Rel= Reliability,
Res= Responsiveness,
Ass= Assurance; and
Emp= Empathy,
Ut = error term

A priori Expectation

Based on earlier studies (Muhammad 2010; Booz, Allen and Hamilton 1995; Danaher and Rust 1996; Bolton 1998), all the independent variables (Tangibility, Reliability, Responsiveness, Assurance and Empathy) are expected to have positive signs, meaning the relationship between customer satisfaction (dependent variable) and the independent variables is expected to be positive.

Results

Demographic Profile of Respondents

Table 1.1: Distribution of Respondents by Demographic Variables

Gender		Frequency	Percent(%)
	Male	812	54.0
	Female	693	46.0
	Total	1505	100.0
Type of customer			
	Unemployed	355	23.6
	Public sector	734	48.8
	Private sector	416	27.6
	Total	1505	100.0
Age			
	18-35	496	33.0
	36-50	487	32.4
	51-65	307	20.4
	66 and above	215	14.3
	Total	1505	100.0

Table 1.2: Distribution of Respondents by Demographic Information

Variables		Frequency	Percent (%)
Educational level	Primary	7	.5
	secondary school	433	28.8
	Tertiary	732	48.6
	Post Graduate	333	22.1
	Total	1505	100.0
Account (s) Owned			
	1.00	724	48.1
	2.00	697	46.3
	3.00	48	3.2
	4.00	36	2.4
	Total	1505	100.0

Results presented in Table 1.1 indicate that male respondents in the distribution were 812 (54%) and female were 693 representing 46% in the population sampled, in a total population of 1505(100%). In terms of the type of customers comprised in the banks, unemployed were 355 (23.6%), those working in the Public sector were 734(48.8%), and Private sector employees were 416 (27.6%).

The distribution of respondents by age showed that 18-35years were 496 (33%), 36-50years 487 (32.4%), 51-65years 307 (20.4%) while those respondents of age 66 and above were 215 (14.3%).

In Table 1.2, the analysis of respondents' educational qualification revealed that only 7 (0.5%) had primary school leaving certificate education, secondary school leavers 433 (28.8%), tertiary 732 (48.6%) and holders of Post Graduate certificates 333 (22.1%).further descriptive data showed that the majority of respondents in this study manage single bank account as indicated by 724 (48.1%), those with double bank accounts were 697 (46.3%), three accounts owners 48 (3.2%), and lastly, respondents with four bank accounts 36 (2.4%).

Hypothesis 1: Services rendered by Deposit Money Banks in Nigeria .This Hypothesis was analysed using descriptive statistics of frequency distributions and the results are presented thus in Tables and Charts:

Table 1.3: Type of Bank Accounts Services Available for Customers in Deposit Money Banks in Nigeria.

Type of Accounts	Frequency	Percent(%)
Savings/Investments	606	40.3
Current	360	23.9
Both Savings and Current Accounts	219	14.6
Others	320	21.3
Total	1505	100.0

Table 1.3 reveals that deposit money banks in Nigeria opened savings / investment bank account for bank users as reported by 40.3% respondents in the South-Western Nigeria. Addition to that, results of the survey showed that banks create current account for customers as well as other form of money transactions at 23.9%. However, findings showed that 14.6% respondents in the current study operated both savings and current accounts while 21.3% used other forms of bank service such as money transfer, school money, ATM services, online banking and internet banking, buying recharge cards, fixed deposits, credit facilities, bank draft , over-draft, issuance of Bank Guarantee (BG), bill payments etc.

Table 1.4: Showing the Description of Bank Accounts Owned By The Respondents

Description of Account(s)	Frequency	Percent
Private/Personal	1121	74.5
Business/Company	384	25.5
Total	1505	100.0

As shown in Table 1.4, majority of the respondents (74.5%) operated private /personal bank accounts while the remaining 25.5% also used business and or company accounts. This implies that most bank customers based their relationship with the bank on personal savings compare to business and company accounts.

Table 1.5: Duration of Customer Relationship with the Bank(s)

How long have you been with the banks	Frequency	Percent
Major Customer (10yrs) & above	1136	75.5
Subsidiary Customer (below 10yrs but not less than 5yrs)	133	8.8
Minor Customer(below 5yrs)	236	15.7
Total	1505	100.0

The results in Table 1.5 show that most respondents have spent 10yrs and above with their banks as indicated by 75.5%, this category of respondents were described as Major customers in this study. Likewise, there are respondents who had been with their respective banks for over five years but less than 10 years, these were grouped as subsidiary customers 8.8%. However, 15.7% of the respondents had spent not more than five years with their bankers. The information suggests that majority of the respondents, above 75% have higher experience patronizing deposit money banks in Nigeria and the data collected for the whole analysis were reliable and valid.
Hypothesis 2: Customer expectations will not have significant composite and relative influence on the perception of service delivery quality in the deposit money banks. This hypothesis was tested using Multiple Regression analysis (OLS). The results are presented in Table 4.3.2.

Table 1.6: Multiple Regressions (OLS) Showing the Influence of Customer Expectations (CEs) on Perception of Service Delivery Quality in the Deposit Money Banks (South-West Nigeria)

Predictors(CEs)	R	R^2	F	P	Beta	T	P
Tangibles					.885	49.344	***
Reliability					-.109	-6.054	***
Responsiveness	.835	.698	692.50	<.01	-.011	-.747	.455
Assurance					.085	5.576	***
Empathy					-.065	-4.324	***

Dependent Variable: Perception of Service Quality

(* p<.001, **p<.01)**

(P<.001=significant at 99.99%, p<.01=significant at 99%)

Table 1.6 revealed that customer expectations (tangibles, reliability, responsiveness, assurance and empathy)jointly predicted service quality among customers of Deposit Money Banks in the South-Western Nigeria {R=.835, R^2 = .698, F(5, 1499) = 692.50, p<.01}. This result implies that tangibles, reliability, responsiveness, assurance and empathy jointly accounted for about 70% variance in the level of perceived service quality among customers. Further results showed that tangibles (β=.885, t=49.344;p<.01), reliability (β=-.109, t=-6.054;p<.01), assurance (β=.085, t=5.576 ;p<.01), and empathy (β=-.065, t=-4.324 ; p<.01) had significant relative contributions to variance in perceived service quality except for the responsiveness. Another implication of the results is that, responsiveness alone cannot influence customers' perception of service quality in the banking sector and the customer expectations are quite beyond being responsive. Therefore, the tested null hypothesis is not confirmed and rejected in this study.

Qualitative Data Analysis

In-Dept Interview (IDI) /Content Analysis

To buttress the result, a bank customer had this to say as regards what causes dissatisfaction with bank services;

> *'Well, waiting for long hours in banking hall. At times we have to queue and wait and wait and wait before you are being attended to. Waiting for 20-30 minutes sometimes makes me feel unsatisfied….. Also, the attitude of the staffs while attending to customers can be offending sometimes….. Also, the charges make me to be unsatisfied with the services. For instance, the charges by Zenith bank are usually high compared to the other 2 banks I use. Breakdown in connectivity only happened to me once.'* ***(IDI/Female/36-50 years/Public sector)***

Another bank customer had these to say;

> *'Let me say the charges deducted when I use ATM is what gives me greater dissatisfaction… deducting 100 naira, 200 naira and so on… and I do make complaints o, but they wouldn't just listen to me.* He went further; '*As regards connectivity on ATM, it is really, really annoying because we would have had the mind that you will withdraw but when you now get there, you will now see service error, unable to dispense messages on the machine. Someone will now have to trek to another far bank which is really not okay***.' (IDI/Male/18-35 years/Unemployed)***

From the perspective of another bank customer;

> *'Waiting time can be dissatisfying, attitude of bank staffs, long reversal of money debited and not dispensed through ATM. -Although it happened to me three times. I had to talk to the security man who asked me to wait that I might be lucky to receive the credit alert. I waited for more than two hours without hope reversal of money trapped was eventually credited back to my account after three months and one week- too bad!.'****(IDI/Male/18-35 years/Private sector)***

Another female bank customer had this to say;

> *'High charges on ATM makes me to always be dissatisfied with the services of the bank. In the instance where I misplaced my ATM, there should be means by which charges for re-issuance of new ATM to special cases like students be reduced.*' ***(IDI/Female/18-35 years/Private sector)***

From the above interview conducted, most customers identified that long waiting hours is one of those factors that makes them feel dissatisfied with the services of the bank, regardless of the type of bank. In addition, it was emphasized that exorbitant charges on ATM as well as other transactions makes bank customers feel dissatisfied even though they were attended to at the end of the day.

In addition, from the in-depth interview (IDI) conducted, dimensions of the how much the expectations of bank customers were met were classified into; tangibility, reliability, responsiveness, attitude of bank staffs, assurance, empathy. Accordingly, one of the interviewed bank customers had this to say;

> *'At times some of the staff don't do well…. I will rather say they fall into the category of fairly unresponsive'.* She went further to say this concerning assurance; *'Ahh. Let me say fairly unassured because it is not all I ask them that they are able to supply the response to me'.****(IDI/Female/36-50 years/Public sector)***

Discussion of Findings

The studies examined services rendered by Deposit Money Banks in Nigeria and determine the influence of customer expectations on perceived service delivery quality among bank customers.It was found that deposit money banks in Nigeria opened savings / investment bank account for bank users as reported by 40.3% respondents in the South-Western Nigeria. Addition to that, results of the survey showed that banks create current account for customers as well as other forms of money transactions at 23.9%. However, findings showed that 14.6% respondents in the current study operated both savings and current accounts while 21.3% used other forms of bank service such as money transfer, school money, ATM services, online banking and internet banking, buying recharge cards, fixed deposits, credit facilities, bank draft, over-draft, issuance of Bank Guarantee (BG), bill payments etc. Also, findings revealed that majority of respondents have spent 10yrs and above with their banks as indicated by 75.5%, This category of respondents were described as Major customers in this study.

Also, findings revealed that banks customers face challenges which may include waiting for long hours in the banking hall before getting served, long turn-around -time for cash withdrawal referrals/confirmations, continuing breakdown of network connectivity and systems and high charges on ATMs and current accounts. Survey reveals that high interest rate on bank loan was disgusting and causing dissatisfaction, difficult to access bank credit facilities, inadequacy of ATM point, and difficulty in getting choices of currency denomination at the ATM etc.

In addition, hypothesis tested using Multiple Regression analysis (OLS)revealed that customer expectations (tangibles, reliability, responsiveness, assurance and empathy)jointly predicted service quality among customers of Deposit Money Banks in the South-Western Nigeria. This result implies that tangibles, reliability, responsiveness, assurance and empathy jointly accounted for about 70% variance in the level of perceived service quality among customers. Further results showed that tangibles, reliability, assurance and empathy had significant relative contributions to variance in perceived service quality except for the responsiveness. Another implication of the results is that, responsiveness alone cannot influence customers' perception of service quality in the banking sector and the customer expectations are quite beyond being responsive. Therefore, the tested null hypothesis is not confirmed and rejected in this study.

This finding support several reports in the existing literature such as Lewis & Booms, (1983;2015); Lehtinen&Lehtinen, (1982) (as in Parvez 2005); Grönroos, (1984); Parasuraman, Zeithaml and Berry (1985, 1988, 1994), Adegoke (2010) when customers' expectations effect was examined on perceived service quality as cited in Lewis & Booms, (2015); accordingly, service quality is deemed sufficient when customer perceptions of service performance (loyalty) are equal to or greater than the expected level of service. Other researchers (e.g., Brady *et al*., 2002; Cronin & Taylor, 1992) have argued that performance dimension alone predicts behavioral intentions and behaviors at least as well as the complete model. The feelings service workers display toward customers contributes to the need to understand what drive these behaviours.

Conclusion

Findings revealed that deposit money banks in Nigeria opened savings / investment bank account for bank users, current account for customers as well as other form of money transactions while additional forms of bank service include money transfer, school money, ATM services, online banking and internet banking, buying recharge cards, fixed deposits, credit facilities, bank draft, over-draft, issuance of Bank Guarantee (BG), bill payments etc. Therefore, it is concluded that banks have multiple services for their customers beyond savings and opening of other forms of account.

Also, this study concluded that major challenges of customers with the services of Deposit Money Banks in Nigeria include waiting for long hours in the banking hall before getting served, long turn-around - time for cash withdrawal referrals/confirmations, continuing breakdown of network connectivity and systems and high charges on ATMs and current accounts. However, finding revealed that customer expectations (tangibles, reliability, responsiveness, assurance and empathy) have significant influence on service quality among customers of Deposit Money Banks in the South-Western Nigeria.

Recommendations

Based on the findings of this study, it was therefore recommended that banks management should be more dynamic in their innovations to create more services for the customers with cost consideration at a reduced rate to enhance customer expectation and bank performance. Therefore, bank managers, directors and bank regulatory bodies can help encourage employee work innovation to improve the banking system especially Deposit Money Banks in Nigeria.In addition, reducing interest rate on bank loans will create satisfaction for customers and breaking the barriers to access bank credit facilities. Hence, installation of more ATM point in the city with choices of currency denomination at the ATM will increase customer retention and satisfaction.However, finding revealed that customer expectations (tangibles, reliability, responsiveness, assurance and empathy) have significant influence on service quality among customers of Deposit Money Banks in the South-Western Nigeria. This study recommends that every possible method should be explored by the banks to meet customer expectations so as to strengthen customer loyalty and retention.

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MAP OF SOUTH-WEST NIGERIA