

## Impact of Mobile Banking on Service Delivery and Customer Satisfaction in Nigerian Banking Industry

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### Abstract

This study examined the impact of mobile banking on service delivery in Nigerian banking industry with emphasis on tier 1 categorized deposit money banks. Primary data with the aid of a structured questionnaire was used to obtain information from respondents which constitute customers of Zenith Bank PLC, United Bank Africa PLC, First Bank PLC, Guaranty Trust Bank PLC and Access Bank PLC within Ilorin metropolis. The data collected were analyzed using both descriptive such as frequencies, mean, standard deviation and inferential statistics of multinomial logistic regression and multiple regression analysis with the aid of STATA 11.0 computer statistical software. The findings revealed that relationship mobile banking services have a positive effect on service delivery and customer's satisfaction. It recommends that banks should continuously be creative and innovative in their approach to meet customer's requirement by creating an improved quality of service that can stimulate the demand to use mobile banking services in order to deliver high customer satisfaction

**Keywords:** Mobile Banking, Services Delivery, Customer Satisfaction, Banks, ICTs.

### CISDI Journal Reference Format

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## 1. INTRODUCTION

The evolution of information and communication technology (ICT) and innovative thinking have dramatically changed the functions and attitudes of individuals and the design, quality and delivery of services or products. The contemporary world is faced by a rapid development in technology; such advancement (ICT) has introduced a number of new systems in all the aspect of life and the economy in general. Science has lately joined the world through the use of internet systems which were in the early 20th century used for mail communication and advertisement plans by several companies in the world. The 21st Century, shaped by the technological revolution, is the age of globalization. In the 21st century, electronic business is no longer an option for businesses; it is a need (Wisdom, 2012). The nature of ICT, deregulation and extensive competition within the banking industry have drastically transformed the landscape of the industry (John & Kaka, 2011; Aliyu *et al.*, 2012a; Dutta & Mia, 2010)

Irefin, Abdul-Azeez and Tijani (2012) were of opinion that many organisations of all kinds are currently making use of new technology around the world, not only for cutting cost and improving efficiency, but also providing better customer service and satisfaction. A vibrant banking industry in any country is pivotal to achieving economic growth development through efficient financial services as they provide a mechanical system to group savings and convert them into investment.

Thus, a bank principally serves as an intermediary between savers or depositors and borrowers. Globalization and financial liberalization constitute major changes that have significantly affected banks and this has resulted in competition among banks forcing individual banks to find new market to expand (Olanipekun, Brimah, Ajagbe, 2013).

Fagbemi and Olowokudejo (2013) posits that Nigerian banks just like any organization operate in a very dynamic marketing environment as a result of rapid changes in technology, consumer tastes, economic and social forces. In order to survive, Nigerian banks like all other organizations must adapt to the changing business environment including changing customer needs and wants. Timothy (2012) opines that three or four decades ago, banking was a simple business; consumers saved their money with and received their financial services from banks. When customers open savings account, they received passbook from the bank with which the account would be operated; and when it is a current accounts, they received cheque books for the same purpose. Today, the banking industry has moved into an era of menu-driven ultra robust specialized software programmes called banking applications. These applications can carry out virtually all banking functions relying heavily on information collection, storage, transfer and processing. The application of electronic banking products/services to banking operations has become a subject of fundamental importance and concerns to all banks operating within Nigeria and indeed condition for local and global competitiveness (Ezeoha, 2006).

The banking industry no doubt has witnessed advancement in technology just like any other sector; the adoption of e-banking service is one of these as it affects banking operations entirely. With the adoption of Self Service technology by the banks, e-banking system has continued to service the populace, in which mobile banking is one of them. They offer convenience to customers and provide banking services well beyond the traditional service period. It therefore encourages a cashless society. The apex financial institution in any economy which is the Central Bank of that country and plays a major role in the economic development process of that nation. In Nigeria, the mission statement of the Central Bank of Nigeria (CBN) is to be proactive in providing a stable framework for economic development through the effective, efficient and transparent implementation of monetary and exchange rate policy and management of the financial system (CBN,2011). It is in line with this mandate that it has introduced various monetary policies that would strengthen the financial system and cashless policy which ensures efficient and modern payment system is one of such which is geared to achieve the goal of being amongst the top 20 economies by year 2020 (Vision 20:2020). This is in fact one of the cardinal objective of cashless policy. (Olanipekun, Brimah, Akanni, 2013). The demerits of a cash based economy are enormous as it is not without cost to the banking system, government and individuals. The Nigerian Security and Minting, Plc (NSPM) spends colossal amount annually to print new bank notes as a result of frequent handling of cash even as the high cash usage results in high cost of processing borne by every entity across the value chain.

Banks offer a wide range of these services as reported by Central Bank of Nigeria (CBN) (2003) that electronic banking products available in Nigeria banking system are automated teller machine (ATM), smart cards, telephone banking, personal computer banking, mobile banking and internet banking. Banks have radically converted from the traditional use of banking to branchless positions of banking. The latest adoption of using technology has helped banks to extend their customer base, while electronic banking has proved to be the main advancement. Adoption of latest technology has enabled banks to extend their customer base, where electronic banking has proved to be the chief advancement (Cruz and Laukkanen, 2009). Mobile banking can be categorized as the latest advancement in electronic banking, which has widened customers' access to banks accounts through wireless channels. Bank customers can now review: Balance inquiry, credit transfer, check account, SMS, payment transaction and other businesses according to banks instruction that send to them through mobile phones (Saleem & Rashid, 2011). Mobile banking is considered as the provision of banking services to the customers on their mobile phones and other mobile devices. Mobile banking is used for operation of the bank in case of current and deposit or savings account. This is because mobile phones and other handheld devices have been established firmly as an alternative form of payment in the technological advanced societies (Saoji and Goel, 2013).

Cruz and Laukkanen (2009) opine that mobile phone would be a frontline technology in banking as it provides consumers facilities to get done their banking services through electronic channels. Amin, Baba, and Muhammad (2007) opine that mobile banking is defined as a form of banking transaction carried out via a mobile phone". Moreover, it is defined as a "type of execution of financial services in the course of which - within an electronic procedure- the customer uses mobile communication techniques in conjunction with mobile devices (Anckar and Incau, 2002).

### 1.1 Statement of the Problem

The continual widespread advances in computer technologies have encouraged many businesses to adopt new methods of interacting with customers to improve service, to lower costs and to maintain competitive advantage. The banking sector is continuously searching for ways to use technology for these purposes, and for the customer, create more convenient methods of banking. Banking has altered significantly since the time when it was conducted in a customer's local branch with the advent of electronic banking. The use of technology therefore forms the backbone for better results in banking. This is articulated in the HSBC report of 2000, which stated that benefits from technology are more than three times its cost. Today's banking situation demands continuous innovation in order to meet the yearnings and aspirations of the ever-demanding customers.

Hence, banks need to roll out new products and services quickly and effectively, using latest cutting edge technology (Augusto, 2002). Research has proven that, electronic banking services (EBS) are the wave of the future banking by providing enormous benefits to consumers in terms of ease and cost of transactions through online banking (Markku, 2012). Despite increased attention of researchers on electronic banking, there is a scarcity of empirical research on the impact of mobile banking on service delivery (Adewoye, 2013; Yinus and Oladejo, 2013 and Yang, 2009). This research therefore attempts to fill this gap. Thus, an empirical study becomes imperative to assess the significant factors that may cause mobile banking to have an impact on customer service delivery in Nigerian commercial banks. Similarly, Adewoye (2013) opine that recent empirical evidences show that quality of services and products is a key determinant of customer satisfaction and customer loyalty. Mobile banking is expected to improve banks service delivery in a form of transactional convenience, saving of time, quick transaction alert and cost saving. The extent to which the use of mobile banking by Nigerian commercial banks customers can improve service delivery in is worth exploring.

### 1.2 Objectives of the Study

- i. To investigate the extent to which mobile banking services influence customer's service delivery of deposit money banks in Nigeria?
- ii. To assess the relationship between mobile banking and customers satisfaction of deposit money banks in Nigeria

### 1.3 Research Hypotheses

- H<sub>01</sub>: Mobile banking services has no impact on the customer's service delivery of deposit money banks in Nigeria.  
H<sub>02</sub>: There is no relationship between the mobile banking and customer's satisfaction of deposit money banks in Nigeria.

## 2. LITERATURE REVIEW

### 2.1 Conceptual Clarifications

#### 2.1.1 Mobile Banking

Cruz (2009) define mobile banking as any transaction, involving the transfer of ownership or rights to use goods and services, which is initiated and/or completed by using mobile access to computer-mediated networks with the help of an electronic device. They further indicate that mobile banking refers to provision of bank-related financial services with the help of mobile telecommunication devices. The scope of offered services may include facilities to conduct bank and stock market transactions, to administer accounts and to access customized information from the bank. Mobile banking is most often performed via short message services (SMS) or mobile internet, but can also be used by special programs called clients downloaded to the mobile device. Over the past few years, advancement in information technology has changed the way organizations operate and conduct their business (Arbore and Busacca, 2009). The Federal Reserve survey (2013) defines mobile banking as "using a mobile phone to access your bank account, credit card account, or other financial account. Mobile banking can be done either by accessing your bank's web page through the web browser on your mobile phone by text messaging or by using an application on downloaded to your mobile phone". Mobile banking (m-banking) is a term used for performing banking transactions via mobile device such as mobile phones (Asfour and Haddad, 2014).

Mobile banking is a part of new banking dimension i.e. branchless banking to make any bank digital. This branchless banking has great potential to extend the distribution of financial services to poor people who are not reached by traditional bank branch network; it lowers the cost of delivery, including cost of both to the banks of building and maintaining a delivery channel and to customers of accessing services (Ivatuary and Mas, 2008). Mobile banking can offer services such as account information, mini statements, checking of account history, alerts on account activity (passing of set thresholds) monitoring of term deposits, access to loan statements, access to card statements, mutual funds (equity statements, stop payment on cheque, ordering cheque books, balance checking in the account. Also, it can do payments, Deposits, Withdrawals, and Transfers such as domestic and international fund transfers, micro-payment handling, mobile recharging, commercial payment processing, bill payment processing, peer to Peer payments, withdrawal at banking agent, deposit at banking agent (Masamila, 2014).

### 2.1.2 Customer Satisfaction

A customer sometimes known as a client, buyer, or purchaser is the recipient of a good, service, product, or idea, obtained from seller vendor or supplier for a monetary or other valuable consideration. Customer satisfaction is a term frequently to measure of how products and services supplied by a company meet all surpass customer expectation. Customer satisfaction can be defined as the number of customers or percentage of total customers, whose reported experience with a firm, its products or services exceeds specified satisfaction goals. Oliver (1997) defined customers satisfaction as the customers post purchase comparison between pre-purchase expectation and performance received. In a competitive marketplace where businesses compete for customers, customer satisfaction is seen as a key differentiator and increasingly has become a key element of business strategy.

The need for customer retention is of two fundamental reasons which are firstly, efficiency in marketing programmes because it has been estimated that an average company spends seven times more to get a new customer than it does to hold a current one and secondly effectiveness in marketing programmes because in most cases than is assumed, marketing can succeed in building a loyal following of repeat buyers rather than constantly wooing new recruits (Kotler, 1997). Kotler (2002) opined that a highly satisfied customer generally stays loyal longer, buys more as the company introduces new products and upgrades existing products, talks favorably about the company and its products, pays less attention to competing brands and is less sensitive to price, offers product or services ideas to the company, and cost less to serve than new customers because transactions are routine. Satisfaction will also depend on product and service quality According to East (1997), customer satisfaction is the feeling or attitude of a customer towards a product or service after it has been used. The satisfaction of the customer especially in the service business had a great importance because the satisfaction of the customer directly linked with the customer loyalty or the repetition of using the services the modern banking has provided (Ravichandran et al., 2010).

### 2.1.3 Customer Service Delivery

Customer service delivery has been defined in different context and has divergent views, some scholars are of the view that customer service delivery is the quality of services render to the customer, while others were of the view that customer satisfaction should be on the quality of the goods or product (Aliyu *et al.*, 2012; Joseph & McClure, 1999; Musiime & Biyaki, 2010; Peggy & Johne, 2007). Customer service is the provision of service to customers before, during, and after purchase. According to Turban and Lee (2004), "Customer service is a series of activities designed to enhance the level of customer satisfaction – that is, the feeling that a product or service has met the customer satisfaction.

Yinus and Akande (2016) opine that service delivery has been described to be one of key performance indicators of a banking organisation. The extent to which customer are satisfied with the service rendered has great impact on the overall performance and must be taken seriously players in the industry. Customer service delivery relies on the ability of the organization to determine customers' requirements and then meet these requirements. The quality of services performed can only be assessed during or after consumption (Amoah-mensah, 2011; Ganguli & Roy, 2011; Zhengwei,2012). Research has shown that the more comprehensive and personal the electronic services are, the more loyal to patronise or repeat transaction by the customers (Floh & Treiblmaier, 2006).

## 2.2 Theoretical Review

### 2.2.1 Technological Acceptance Model (TAM)

Technological Acceptance Model (TAM) is one of the often quoted theories when researching on mobile banking. Emerging information technology cannot deliver improved organizational effectiveness if it is not accepted and used by potential users. Technology Acceptance Model (TAM) is one of the most successful measurements for computer usage effectively among practitioners and academics (Sherif, 2004). Thus, it is a theoretical foundation to explain and predict the individual's acceptance of information technology. TAM is based on two main assumptions Perceived usefulness (PU) Perceived ease of use (PEOU). Perceived Usefulness (PU) refers to the degree to which a person believes that using a particular system would enhance his/her job performance, while perceived ease of use (PEOU) refers to the degree to which a person believes that using a particular system would be free of effort. Technology Acceptance Model (TAM) tries to establish a relationship and it also describe the intention of users and how users are influenced by a product or service. It emphasizes the importance of perceived usefulness and ease of use in technology adoption (Karayanni, 2003).

### 2.3 Empirical Review

Masrek, Omar and Khairuddin, (2012) investigated how mobile banking utilization predicts user satisfaction and does satisfaction in mobile banking predicts loyalty. The study population was in Malaysia. A survey methodology involving 312 respondents, the finding showed that mobile banking use is positively related to satisfaction not loyalty also it is found that satisfaction significantly predicts loyalty. Malarvizhi & Rajeswari, (2012) carried out a study which was aimed at shedding lights on the customer's criteria for selecting mobile banking services in Coimbatore. Primary data were collected from 100 samples and were selected by adoptive purposive sampling technique during the period January 2010-feburay 2010, the quantitative technique were applied. The study results finds that mobile banking users are all educated belongs to business group and middle income group, the study concludes that customers are likely to find mobile banking more useful and their expectation would also increase .In addition, the banks must be ready to meet expectations and provide them a hassle-free mobile banking experience

The study of Amiri Aghdaie & Faghani (2012) applied the SERVQUAL model to identify the relationship between customer satisfaction and mobile banking services. Their findings indicate that reliability, empathy, responsiveness, and tangibility are positively correlated with customer satisfaction while assurance has no correlation. Khraim, Al-Shoubaki, Kharaim (2011) investigated the factors affecting Jordanian consumer's adoption of mobile banking services. Data were collected for the study using a questionnaire containing 22 questions, out of 450 questionnaires in Hashemite Kingdom of Jordan. According to the chosen methodological research approach the quantitative data was analyzed using statistical methods by SPSS statistical descriptive was used to find out the respondents demographics and general characteristics to provide a descriptive of the respondents. This study results find that all the six factors: self efficacy, trial ability, compatibility, complexity, risk and relative advantage were statistically significant in influencing mobile banking that the potential factors that may influence the intention of mobile users to adopt mobile banking services.

Porteous (2006) studied the impact of mobile banking on transaction costs of microfinance institutions where he found out that by then, mobile banking had reduced transaction costs considerably though they were not directly felt by the banks because of the then small mobile banking customer base. Wang and Lin (2011) studied the factors affecting Malaysian mobile banking adoption from the point of an empirical analysis. This study aimed at extending the Technology Acceptance Model (TAM) to investigate mobile banking acceptance in Malaysia. More specifically, the objective of this study was to examine the relationships between constructs of perceived usefulness, perceived ease of use, social norms, perceived risks, perceived innovativeness, and perceived relative advantages towards behavioural intention in adopting mobile banking.

The findings of this study revealed that perceived usefulness, perceived ease of use, relative advantages, perceived risks and personal innovativeness were the factors affecting the behavioral intention of mobile users to adopt mobile banking services in Malaysia. Meanwhile, the social norms were the only factor found to be insignificant in this study. Al-Jabri & Sohail (2012) carried out a e study aimed at examining the factors affecting the mobile banking adoption in Saudi Arabia. Using diffusion of innovation as a baseline theory, data were obtained from 330 actual mobile banking. The findings indicate that relative advantage, computability, and observe ability have positive impact on adoption. The study recommends that banking industry in Saudi Arabia that should offer mobile banking services that are compatible with various current user requirements, past experiences, lifestyle and beliefs in order to fulfill customer expectations.

## 3. METHODOLOGY

The population consists of customers of Nigerian banks. The study focuses on activities of Deposit Money Banks (DMBs) registered as Public Liability Companies (PLC) and listed on the Nigerian Stock Exchange (NSE), post consolidation of Nigerian banking industry. i.e. banks financial year (FY) from 2005 to 2013 which represents the period after the consolidation era when banks were mandated to adopt a uniform financial year of January to December for all banks.

The choice of DMBs for the study is as a result of their dominance of the Nigerian financial sector (Osinupebi, 2012) while the emphasis on banks registered as public liability company (PLC) is based on the premise that they are by law (Companies and Allied Matters Act, 2004; Investment and Securities Act, 2007) mandated to publish/file their annual and periodic financial reports respectively. In this study, emphasis was placed on only the banks categorized in Tier 1 which includes (Zenith Bank Plc, UBA Plc, GTBank Plc, FBN Plc, and Access Bank Plc) because they are adequately capitalised based on their large asset size, shareholders fund, market share, gross earnings and profit before tax (Akanbi, 2013). The survey research design was adopted. This is because survey research design helps in collecting data from members of a population in order to determine their current status in that population with respect to one or more variables

This study adopted hypothetical sample in line with the view of Attewell and Rule (1991) which states that hypothetical sample may be used for an unknown population. Thus, on the basis of a sample of 200 with 40 customers from each bank was drawn using simple random sampling technique. Primary method of data collection was used in this study. The primary data consists of a number of items in structured questionnaire that was administered to the respondents. The decision to structure the questionnaire is predicated on the need to reduce variability in the meanings possessed by the questions as a way of ensuring comparability of responses. KPMG (2014) Customer Satisfaction Index (CSI) was adopted. It includes Convenience (Measuring accessibility and quality of service from delivery channels); Customer Care (Measuring interaction of bank staff with customers); Pricing (Measuring customers' perception on fees, charges and rates on products); Product and Services (Measuring product range and appropriateness to customers' needs) and Transactions, Methods and Payments (Measuring customer support processes/ systems & turnaround time)

The questionnaire was titled "Impact of Mobile Banking on Service Delivery and Customer Satisfaction in Nigerian Banking industry. However, only 168 out of 200 respondents returned their questionnaire and were used for final analysis in this study. This shows a respondent rate of 84%. To ensure the validity and reliability of the questionnaire used for the study, even number of experts were consulted to look at the questionnaire items in relation to its ability to achieve the stated objectives of the research, level of coverage, comprehensibility, logicality and suitability for prospective respondents. A pilot test which took the form of test-retest method was conducted at Ilorin, the capital city of Kwara State. Data collected from the questionnaire were analyzed, summarized, and interpreted accordingly with the aid of descriptive statistical techniques such as total score and simple percentage. Regressions Analysis and PPMCC was adopted to show the degree of relationship that exists between relationship marketing and customer's satisfaction. The two hypotheses were tested at 0.05 alpha levels. Data were run on STATA 11.0 Statistical Package.

**Table 1: Demographic Characteristics of Respondents (N=168)**

CHARACTERISTICS	CATEGORY	FREQUENCY	PERCENTAGE
Banks	Zenith Bank	30	17.9
	UBA Bank	34	20.2
	Gtbank Bank	37	22.0
	First Bank	35	20.8
	Access Bank	32	19.0
Sex	Male	93	55.4
	Female	75	44.6
Age Group	20-29	30	17.9
	30-39	71	42.3
	40- 49	43	25.6
	50 and above	24	14.3
Number of years with bank	1-7	91	54.2
	8-14	61	36.3
	15 years & above	16	9.5
Marital Status	Single	78	46.4
	Married	90	53.6

Source: Fieldwork, 2016

The demographic characteristics of the respondents are presented in table 1 above. A cursory look shows that 30 (17.9%) respondents were customers of Zenith bank, 34(20.2%) were UBA customers, 37(22%) were GTbank customers, 35(20.8%) were First Bank customers while Access Bank had 32(19.0%). The table also shows that of the 168 respondents, 93(55.4%) are male while 75(44.6%) are female. It also indicates that the respondents within age bracket 30-39 constitutes the majority, which is represented by 71 (42.3%), 20-29 are 30 (17.9%), 40-49 are 43(25.6%) while 50 years and above has the least population of 24(14.3%). Their marital status showed that 78(46.4%) were single while 90(53.6%) were married. On the number of years of being customers of the respective banks, 91(54.2%) had spent between 1-7 years, 61 (36.3%) had being customers of the bank between 8 - 14 years while 16 (9.5%) had spent above 15years.

**Table 2: Descriptive Statistics on Mobile Banking, Service Delivery and Customer Satisfaction**

S/N	Statement	Frequency	Mean	Std deviation
1	My bank provides convenient, accessible and quality mobile banking service	168	3.61	1.43
2	My bank usage of Information and communication technology via mobile banking services makes it convenient for my transactions	168	3.68	1.35
3	Mobile banking system facilitates quick response and saves time	168	3.53	1.42
4	Transfer of funds between accounts at different branches is available in my bank.	168	3.59	1.33
5	Bill payment/electronic payment are available in my bank.	168	3.68	1.36
6	My bank operational efficiency increases with electronic banking system.	168	3.91	1.30
7	Customer access their statement of account with ease via the use of mobile phones	168	3.74	1.31
8	My bank provides supplementary service benefits for its customers	168	3.58	1.29
9	Mobile banking services in my bank provides account alert, security alerts and reminders, account balances updates and history	168	3.63	1.30
10	There is timeliness in service delivery in my banking operations	168	3.55	1.32

The table above presents the descriptive statistics which shows the perception of respondents on the impact of mobile banking on customer satisfaction and service delivery in some selected deposit money banks in Ilorin metropolis. The mean score of the respondents for each statement on the average shows the effectiveness of mobile banking services as revealed by the high mean scores and low standard deviation score.

### 3.1 Test of Hypothesis

#### Hypothesis 1

$H_0$ : Mobile banking services have no impact on customer's service delivery

$H_1$ : Mobile banking services have impact on customer's service delivery

**Table 4.4 Multinomial Logistic Regression Analysis Showing the Impact of Mobile Banking Services on Customers Satisfaction**

Model	Chi <sup>2</sup>		Pseudo R <sup>2</sup>		P (Value)
		682.85		0.8476	
		Number of Obs.	168		
<b>Log likelihood</b>	-24.447675				
<b>Variable</b>	<b>Coef.</b>	<b>Std. Error</b>	<b>Z</b>	<b>P&gt; z </b>	<b>B</b>
<b>Mobile SMS Alert</b>	5.644701	2665.978	0.00	0.974	4427.720
<b>Mobile Financial Enquiries</b>	-1.124841	4896.921	-0.00	1.000	6642.521
<b>Mobile Funds Transfer</b>	11.82355	4290.649	0.00	0.897	5463.277
<b>(Constant)</b>	-123.1059	1513.947	-0.09	0.729	2020.123

Source: Researcher's Analysis (2015) using STATA version 11. (Statistically significant at 5%)

The multinomial logistic regression analysis results obtained in the examination of the extent to which mobile banking services have impacted on customers service delivery shows that Mobile SMS Alert, Mobile Financial Enquiries and Mobile Funds Transfer are significant predictors of customer's service delivery which gives Chi-Square value of 682.85 and Pseudo R-Square of 0.8476 statistically significant at P-value(0.0000\*\*). The table shows the summary of the analysis which indicated that collectively all the coefficient is statistically significant at 5% because it's P-value is 0.0000\*\* with the Chi-square value of 682.85. Therefore, the null hypothesis which states that mobile banking services have no impact on customer's service delivery is rejected and the alternative hypothesis is accepted. This result is consistently in line with the findings of Yinus and Oladejo, (2013) Adewoye (2013)

### Hypothesis 2

**H<sub>0</sub>:** There is no relationship between the quality of mobile banking service delivery and customer's satisfaction.

**H<sub>1</sub>:** There is relationship between the quality of mobile banking service delivery and customer's satisfaction

**Table 4.5: Multiple Regression Analysis Showing the Quality of Mobile Service Delivery and Customer's Satisfaction.**

Model	R Square		Adjusted R Square		Root MSE	
1	0.8916		0.8813		0.12413	
Source	Sum of square	Df	Mean square	F	Sig	
Model	290.652238	5	71.6835341	450.85	0.0000*	
Residual	11.3755397	162	0.0207727			
Total	302.027778	167	1.10932106			
Variable	Coef.	Std. Error	T	p>/t/	B	
Cost per transaction	.2021711	.056914	5.31	0.000	.2140701	
Operating Guide	.0402634	.037724	1.35	0.004	.3149315	
Security Concern	.4490266	.035389	5.52	0.000	.4181549	
Network Connection	.0792421	.0514244	2.75	0.001	.2908475	
Perceived Benefit	.0177281	.0325419	2.85	0.002	.0927381	
Ease of use	.0111279	.0308835	1.43	0.007	.0271927	
(Constant)	.0176197	.0336597	1.82	0.412	.0286588	

Source: Researcher's Analysis (2015) using STATA version 11. (Statistically significant at 5%)

The regression analysis results obtained in the evaluation of the impact of electronic banking system on banking habit of customer indicates that the R<sup>2</sup> coefficient (0.8916) which is the coefficient of determination indicates that the explanatory variables account for 89% of the variation of factors that influence the satisfaction of the customers as regards mobile banking services of the banks. The adjusted R<sup>2</sup> is 88% with 0.0000\* at 5% of significant. This is an indication that the independent variables in the model jointly and significantly explain the factors that influence customer's satisfaction. The null hypothesis is rejected and the alternate hypothesis is accepted which states that indeed the quality mobile banking service delivery has impacts the satisfaction of customers. This is consistently in line with previous studies of Malarvizhi & Rajeswari, (2012) Mattila and Suoranta (2002). Laukkanen and Lauronen, (2005)

## 4. CONCLUSION AND RECOMMENDATIONS

Banks like all organizations are said to be operating in a turbulent and hyper competitive environment, and it is their desire to continue to operate successfully by creating and delivering superior value to their customers while also learning how to adapt to a continuous and dynamic business environment. Based on the findings of this study, it can be concluded that mobile banking have a positive effect on the service delivery and customer's satisfaction. It therefore becomes imperative and germane for banks to be creative and innovative in their approach to continuously meet customer's requirement by creating an improved quality of service that can stimulate the demand to use mobile banking services in order to deliver high customer satisfaction by way of provision of high quality service delivery.



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