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Effect of ATM Service Quality on Customer Satisfaction: A Study of Selected Banks in Abia State

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Abstract: *This paper takes a critical look at the effect of ATM service quality on customer satisfaction. The major problem of the study is how to operationalize the two major constructs, service quality and customer satisfaction, with respect to ATM, given diverse views of several authors on this issue. However, this paper adopts the RATER model, but with a little modification to suit this context. The major hypothesis of this study is that 'there is no significant difference between customers' expectation of ATM service quality and its performance. To test this, a twenty-two item, five point likert scale, ranging from strongly disagree to strongly agree and grouped under the RATER model was used. Four hundred copies of questionnaire were used for the analysis. T-test independent statistics and regression analysis were used to test hypotheses 1and 2, respectively. The independent t-test conducted to test hypothesis 1 shows that the performance of ATM is not significantly different from customers' expectation of ATM services quality. This shows that there is customer satisfaction as a result of customers' expectations being met. This corroborates the fact that customers in Nigeria use ATMs as a result of the satisfaction they derive, despite the challenges they face. It, therefore, recommends that banks should give every dimension of the RATER model (Reliability, Assurance, Tangibles, Empathy and Responsiveness) the special attention it deserves knowing that customer satisfaction is imperative if they must thrive in this highly competitive industry. In specific terms, banks in Nigeria should ensure that security at ATM points, especially those located outside banks' premises are reinforced, given the height of insecurity in the country. More so, bureaucracy associated with some ATM error reversals, especially dispensing errors should be seriously eliminated. Finally, strict multiple security layers should be put in place to reduce ATM fraud to the barest minimum.*

Key Words: *Service Quality, ServQual, Customer Satisfaction*

1. INTRODUCTION
1.1 Background of the Study

The Automated Teller Machine (ATM) is a self-service machine that dispenses cash and performs some human teller functions. Litan (1999) described the introduction and rapid use of ATM as the most visible revolution in the banking sector. In his words, "ATM offers customers the convenience of banking in many more locations than ever before." Certainly, it was launched to decongest long queues at banking halls and provide 24/7 services designed to rescue people who are constrained by circumstances to go for odd-hour banking. It is also designed to pay bills, transfer funds, check ledger balances, among others.

ATM was introduced into Nigerian market in 1989, when the National Cash Register (NCR) installed it for Societe Generale Bank Nigeria (SGBN). Due to certain challenges, like phobia, illiteracy, irregular power supply, network failure, insecurity, regular machine breakdown, long

queue, among others, the growth in the use of ATM then was not astronomical. Agboola (2006) reports that only one bank had ATM in Nigeria in the year, 1998. However, with the reforms of 2004 in the banking sector, which ushered in intense competition among banks, there was a rapid surge in the use of ATM, despite the presence of those intractable challenges. Wole and Louisa (2009), posit that the deployment of ATM by banks and its use by bank customers is just gaining ground and has burgeoned in recent times. Buttressing these points, Fasan (2007), asserts that the growth in the use of ATM is as a result of the recent consolidation of banks, which has in all probability made it possible for more banks to afford to deploy ATMs or at least become part of the shared networks.

The CBN Annual Report of 2011 reveals that the use of ATM in Nigeria has grown from 92.1% in 2006 to 93.4% in 2011. Of well over 32,000 bank customers in 43 countries, including Nigeria, Kenya and South Africa who were surveyed by EY in 2014, it was revealed by this Global Consumer Banking report that Nigerians are the heaviest ATM users in Africa (Encomium, May 13, 2014). Why the growth in the use of ATM? Could it be that these Nigerians are satisfied with the quality of ATM services they receive or what? Could it also be that these people are not satisfied with ATM service quality, but are circumstantially constrained to use it? This seminar is poised to empirically weigh the impact of ATM service quality on customer satisfaction.

1.2   Statement of the Problem

With the rise in the use of ATMs in Nigeria, one begins to wonder if this rise is as a result of the satisfaction which customers derive from the service quality of ATM, or a smart escape from the drudgery and bureaucratic nature of banking hall services, or a structural imposition by banks that makes it compulsory for all account holders to adopt. It is pertinent to note   that users of ATMs face some challenges which include the breakdown of machines, long queues, retraction of cards, ignorance on the use of ATMs, insecurity, environmental hazards, poor network, power failure, ATM fraud, among others. Why the surge in the use of ATMs in the face of all these challenges?

1.3   Objectives of the Study

Given the problems earlier stated, this paper is designed to:
1. find out if there is a significant difference between customers' expectation of ATM service quality and its performance;
2. ascertain if ATM service quality significantly affects customer satisfaction in the banking subsector.

1.4   Hypotheses

$H_0 1$: There is no significant difference between customers' expectation of ATM service quality and its performance.

$H_0 2$: ATM service quality does not significantly affect customer satisfaction.

2.   REVIEW OF RELATED LITERATURE
2.1 Theoretical Framework
> ### Service

Kotler (2003) defines service as any act or performance that one party can offer to another that is essentially intangible and does not result in the ownership of anything. The author further stresses that the production of service may or may not be tied to a physical product.

Anyanwu (2013) in corroborating this assertion, opines that services would include:

a.   Intangible benefits offered for sale independently (insurance, legal service);

b.   intangible activities that must go with tangible goods (house rentals, transportation service); and

c.   intangible activities purchased jointly with products (credit, training).

The outstanding feature of service here is its intangibility. Apart from services being intangible, they are also heterogeneous, perishable and inseparable.

Kotler (2003) asserts that various experts have defined quality as "fitness for use," "conformance to requirements," "freedom from variation", and so on. Globadian, Speller and Jones (1994), define quality by classifying the concept into five (5) broad categories:

1. **Transcendent**: The relationship between individual salience and perceived quality.

2. **Product Led**: This is defined as units of goodness. This relies on the   quantification of the service units of goodness or   tangible attributes.

3. **Process or Supply Led**: This is seen as conformance to requirements. The focus is internal management and control of the supply side.

4. **Customer Led**: This is fitness of purpose, satisfying customers' requirements.

5. **Value Led**: This is seen from the angle of cost to producer and price to customer.

American Society for Quality Control defines Quality as the totality of features and characteristics of a product or service that bears on its ability to satisfy stated or implied needs (Miller, 1993). Quality can be seen from both the buyer and suppliers' perspectives. The consumer sees quality from the angle of the product or service being able to meet its needs - whether stated or implied, while the seller sees it as the ability of a product or service to meet or exceed the expectation(s) of its customers. Schneider and White (2004) define Quality based on three (3) different dimensions:

(1) **Philosophical approach** – innate excellence. People know quality, but they cannot define it further.

(2) **Technical approach** - Objective or conformance quality. Quality can be objectively measured through investigation of defects or deviation from standards.

(3) **User-based approach**. Quality is determined by the user. The user's perception of quality is what matters**.**

This work relies on the technical and user-based approaches to quality dimension.

Having considered the definitions of service and quality, it is imperative to conceptualize the construct, service quality, to make its operationalization easier.

> ### Service Quality

Jiang, Klein, Chen and Tesch (2003), define Service Quality as the comparison between what the customers feel should be offered (expectations) and what is actually delivered (perceptions). This work relies on this view. Parasuraman, Berry and Zeithamal (1988), define Service Quality as

the global overarching judgment or attitude relating to the overall excellence or superiority of the service (conceptual aspect). These authors in trying to view service quality from measurement perspective define it as the degree of discrepancy between customers' normative expectations for the service and their perceptions of the service performance. Lewis and Booms (1983) supports the latter definition, when they define service quality as how well the service level delivered matches the expectations of the customer.

From the definitions above, service quality would be seen as the degree to which services offered meet the expectation of the consumer.

Customer

For the purpose of this work, a customer would be seen as "the recipient of a good, service, or idea, obtained from a seller, vendor, or supplier for a monetary or other valuable consideration" (Blythe, 2008).

Satisfaction

Satisfaction is a judgment following a consumption that a product provided (or is providing) a pleasurable level of consumption – related fulfillment (Oliver, 1997).

In the words of Zeithmal and Bitner (2003), "Satisfaction is the consumer fulfilment response. It is a judgment that a product or service feature, or the product or service itself, provides a pleasurable level of consumption-related fulfillment.

Customer Satisfaction

Customer Satisfaction is a transaction specific affective response from customers' comparison of product performance to some pre-purchase standard (Halstead, David and Sandra, 1994).

Churchill and Surprenant (1982) define customer satisfaction as summation of satisfaction with various attributes of a product. Fornell (1992) defines customer satisfaction as an overall post purchase evaluation. Cacioppo (2000) defines customer satisfaction as the state of mind that customers have when their expectations have been met or exceeded over the lifetime of a product or service. It is a key performance indicator within business and is often part of a Balanced Scorecard. In a competitive market place where businesses compete for customers, customer satisfaction is seen as a key differentiator and increasingly has become a key element of business strategy (Farris, 2010). Customer satisfaction is a measure of the degree to which a product or service meets the customers expectation. In other words, when a customer evaluates his post purchase expenses and he sees that the product/service meets or exceeds his expectations, he feels satisfied.

2.2 Operationalization of Customer Satisfaction with Respect to ATM

It is pertinent to note that Service Quality (SQ) is an important construct in Customer Satisfaction studies. Anderson and Fornell (1994) support this assertion by affirming that SQ is important in the study of customer satisfaction because many empirical researches have shown that SQ is an antecedent of customer satisfaction. Research on SQ and its relationship with customer satisfaction has been broadly conducted in literature. Poretia and Thanassoulis (2005) corroborate when they assert that SQ influences performance superiority and that performance directly affects customer satisfaction. Naik, Gantasala and Prabhakar (2010) carried out a study on Service Quality and its Effect on Customer Satisfaction in Retailing. Hazlina, Nasim and Reza (2011) did an empirical study on the Impact of Service Quality on Customer Satisfaction: Study of Online Banking and ATMs services in Malaysia. Similarly, Yong and Fang (2004)

researched on Online Service Quality Dimensions and Their Relationships with Satisfaction. All these are pointers to the fact that service quality is a predictor of customer satisfaction. Because service quality is most likely to affect customer satisfaction which in turn leads to loyalty, positive words of mouth and the like; most firms try to measure their service quality in order to ensure the satisfaction of their customers. To that effect, many authors have tried to operationalize the service quality construct using different models. Gronroos (1982) and Parasuraman, et al. (1985), alternatively came up with two (2) popular schools of thought of SQ called the 'North American School' and 'Nordic School' respectively. Gronroos, in 1982 came up with a model called the perceived Service Quality Model. According to Gronroos (1982), Service Quality should be based on the customer perception of quality and not that of the designers or operations. In his terms, "the quality of a service as perceived by the customer is the result of a comparison between the expectations of the customer and his/her real life experiences. If the "experienced quality "exceeds "expected quality", the total perceived quality is positive. If expectations are not met by performance or the actual experience, the perceived quality is low.

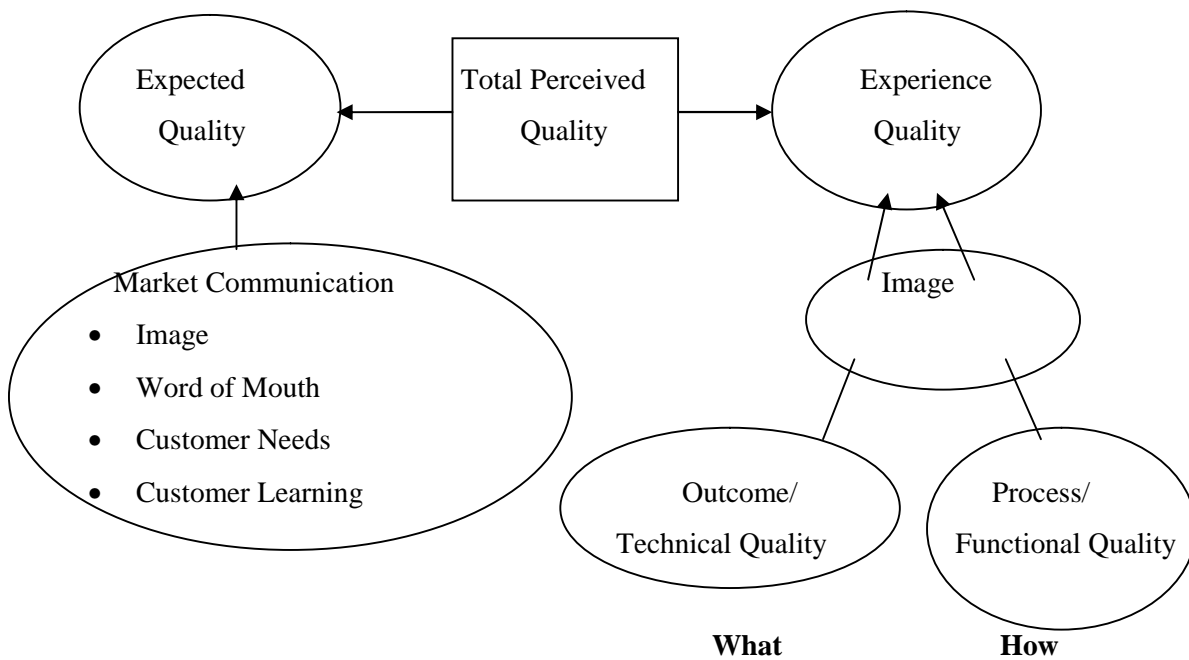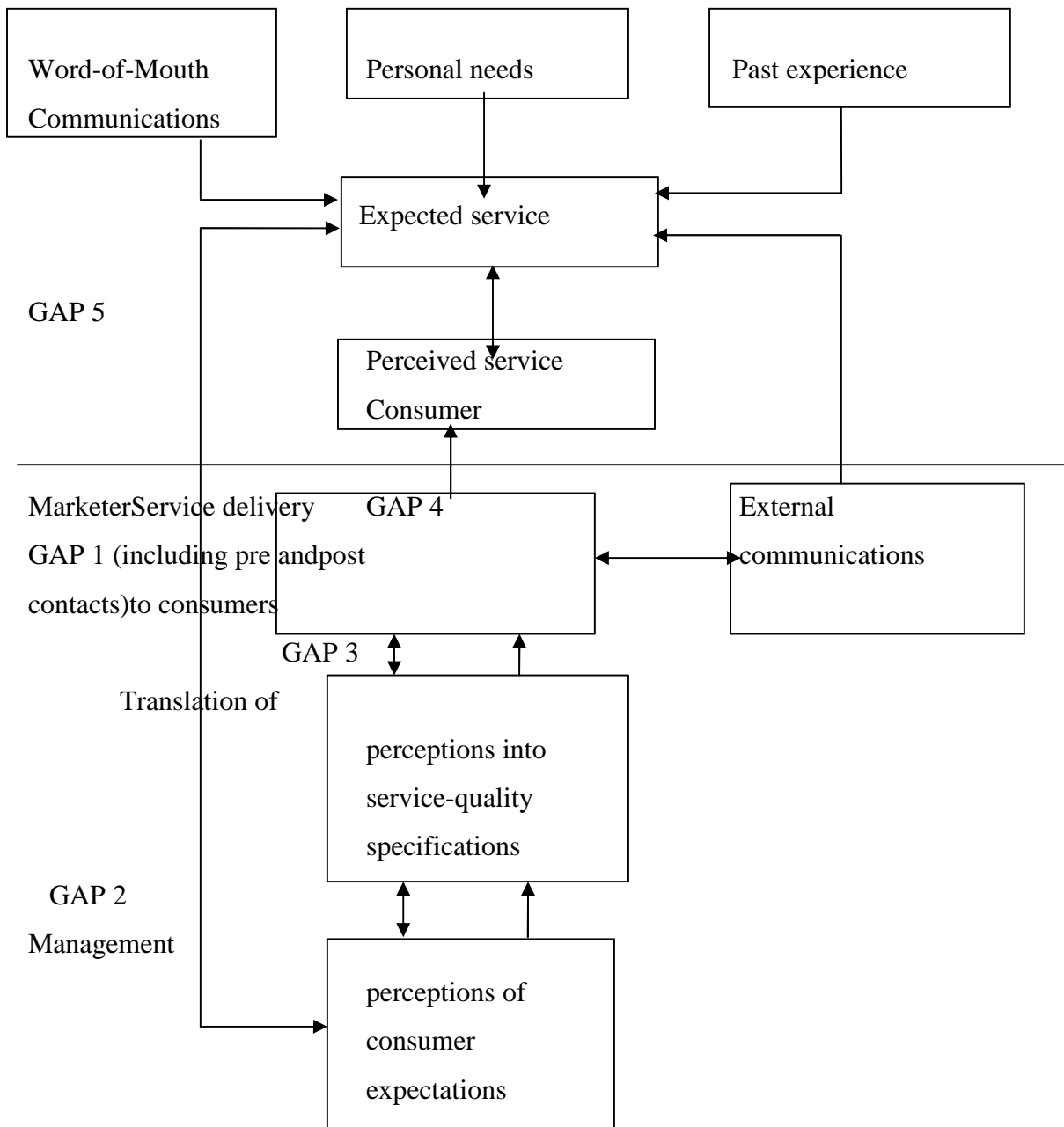**Figure 1:   GRONROOS' NORDIC MODEL**

Source: Gronroos, C. (1991)."Quality Comes to Service," The Service Quality Handbook.

Gronroos' model sees service quality from two (2) dimensions - expected and experience quality. According to his model above, while expected   quality is a function of market communication, image, word-of-mouth, customer needs and customer learning; experience

quality is a function of technical quality and functional quality which in turn form the image of the service that the customer has.

Parasuraman et al. (1985) argue that quality evaluations are not made solely on outcome of service - they involve evaluations of the service delivery process. These authors came up with the concept of expectation and perception of service quality which they used the gaps model of service Quality to represent.

Figure 2: The Gap Model

| Word-of-Mouth Communications | Personal needs | Past experience |

Expected service

GAP 5

Perceived service
Consumer

MarketerService delivery
GAP 1 (including pre andpost
contacts)to consumers

GAP 4

External
communications

GAP 3

Translation of

perceptions into
service-quality
specifications

GAP 2
Management

perceptions of
consumer
expectations

Source: Kotler, P. (2003). **Marketing Management**. New Delhi, India: Pearson Education, Inc.

Initially, the model comprised of ten (10) dimensions of service quality, namely: tangible, reliability, responsiveness, competence, access, courtesy, communication, credibility, security and understanding/knowing the customer (Berry, et al. 1985). Owing to criticisms, Parasuraman, et al. (1985) reduced the ten (10) dimensions of their earlier model to five (5) dimensions, which is popularly called the SERVQUAL or RATER model. These dimensions are:

i. **Reliability**: The ability to perform the promised service dependably and accurately.
ii. **Assurance**: The knowledge and courtesy of employees and their ability to inspire trust and confidence.
iii. **Tangibles**: Physical facilities, equipment, appearance of personnel and communication materials.
iv. **Empathy**: The caring, individualized attention the firm provides its customers.
v. Responsiveness: The willingness to help customers and to provide prompt service.

Gaps in the Model
The gaps in the model are the cause of unsuccessful delivery. They are:

1. **Gap between consumer expectation and management perception**: Management does not always correctly perceive what customers want.
2. **Gap between management perception and service quality specification**: Management might correctly perceive customer's want, but not set a performance standard.
3. **Gap between service quality specifications and service delivery**: Personnel might be poorly trained or incapable or unwilling to meet the standard; or they may be held with conflicting standards.
4. **Gap between service delivery and external communications**: Consumer expectations are affected by statements made by company representatives and ads.
5. **Gap between perceived service and expected service**: This gap occurs when the consumer misperceives the service quality.

The SERVQUAL model is hinged on expectation and perception as basis for evaluating service quality. It is one of the major models of conceptualizing service quality and has been the basis of many SQ models (Examples: Kettinger and Lee, 1997; Johns and Jyas, 1997; Aspinwall, 1998; Wang, Xie and Goh, 1999; Wong, Dean and White, 1999, Frochot and Hughes, 2000). To this end, this model stands appropriate as the basis of this study. In the SERVQUAL instrument, twenty-two (22) statements measure the performance across these five dimensions, using a seven point Likert Scale measuring both customer expectations and perceptions (Gabbie and O'neil, 1996).

The use of SERVQUAL model as a framework for operationalizing Service Quality has been criticized from its dimensional structure to its implementation. Thus, the universality of SERVQUAL's five dimensions has been questioned (Cronin and Taylor, 1994, Carman, 1990). These criticisms notwithstanding, SERVQUAL model has remained a basic foundation for the

conceptualization of SQ in many industries and therefore, behooves that researchers adapt this model to suit their contexts. To this end, this work critically adapts the ServQual model to fit into the banking industry where it is domiciled.

3. METHODOLOGY

Both primary and secondary sources of data were used in this study. The primary data were gathered from the field survey conducted in some local government areas in Abia. The researcher administered five hundred and three (503) copies of questionnaires on respondents spread across the three senatorial zones of Abia state. Four hundred (400) copies were retrieved and analyzed accordingly. This gives 80% retrieval rate. These ATM users were customers of both First Bank and Union Bank Nig. Plc. They were selected using convenience sampling technique which is a non-probability sampling technique. This method was chosen because it is quite convenient, less time consuming and inexpensive in terms of gathering the required data, unlike the simple random sampling technique. A twenty-two item, five point likert-scale, ranging from strongly disagree to strongly agree was used for data collection. The twenty-two items were grouped into the five variables proposed by Parasuraman et al (1985) in their ServQual model. These variables: reliability (statements 1, 2, 3, 4 and 5), assurance (statements 6, 7, 8, 9 and 10), tangibles (statements 11, 12, 13 and 14), empathy (statements 15, 16, 17 and 18) and responsiveness (statements 19, 20, 21 and 22) consist of positive statements. The questionnaire was split into two major parts to enable the researcher generate data relating to expectation and performance of service quality.

4. RESEARCH ANALYSIS AND FINDINGS

The two hypotheses formulated in section 1 were tested and the results presented in this section.

Hypothesis 1

$H_0 1$: There is no significant difference between customers' expectation of ATM service quality and its performance.

The independent t-test was used to test hypothesis one as the computations are shown in table 4.1 below:

Table 4.1 Responses of Customers on Performance of ATM Service Quality

i	Statements	SD	D	U	A	SA	Score	$x - \bar{x}$	$(x - \bar{x})^2$
		1	2	3	4	5	x		
1	ATM does not delay in dispensing cash	56	36	18	212	78	3.55	-0.0182	0.0003
2	Cash dispensed by ATMs is always accurate	26	21	53	149	151	3.95	0.3818	0.1458
3	ATM printed balance slip always shows customer's true balance	15	28	33	186	138	4.01	0.4418	0.1952
4	ATMs do not dispense fake currencies	35	23	30	149	163	3.96	0.3918	0.1535
5	Balance after each transaction is always accurate	39	40	21	159	141	3.81	0.2418	0.0585
6	Only one customer is allowed to enter the ATM cabin	25	67	12	170	126	3.76	0.1918	0.0368
7	Voice prompt does not announce transactions to others	41	21	18	142	178	3.99	0.4218	0.1779
8	Presence of security officers is felt at ATM points at all times	23	148	19	168	42	3.15	-0.4182	0.1749
9	Cards are retracted after third attempt of keying in wrong PIN	26	42	26	154	152	3.91	0.3418	0.1168
10	There is 24/7 illumination at ATM points	41	28	15	165	151	3.89	0.3218	0.1036

		HU	U	N	E	HE	Score		
11	Key pads of ATMs are easy to press	22	34	29	236	79	3.79	0.2218	0.0492
12	Touch screen is easy to manipulate	23	128	16	164	69	3.32	-0.2482	0.0616
13	ATMs rarely break down	71	69	11	174	75	3.28	-0.2882	0.0831
14	Menu options match corresponding menu keys	23	33	13	164	167	4.05	0.4818	0.2321
15	ATM displayed language is easy to understand	24	24	20	158	166	4.07	0.5018	0.2518
16	ATM users are shaded from sunshine and rainfall	39	91	25	139	106	3.46	-0.1082	0.0117
17	Long queues are not always seen at ATM points	162	173	25	29	11	1.89	-1.6782	2.8164
18	Security officers assist illiterate ATM card users who need help	26	30	16	147	74	3.73	0.1618	0.0262
19	ATM errors are easily reversed within reasonable time	85	126	44	125	20	2.67	-0.8982	0.8068
20	Retracted cards are always retrieved within reasonable time	28	107	40	176	49	3.28	-0.2882	0.0831
21	Request processing time is always reasonable	39	71	9	182	99	3.58	0.0118	0.0001
22	ATMs rarely run out of cash	73	20	63	161	83	3.40	-0.1682	0.0283
Total							78.50		5.6135

Source: Field Survey, 2018.

Mean of Performance $= \bar{x}_P = \dfrac{\sum x_i}{n} = \dfrac{78.50}{22} \doteq 3.5682$

Standard deviation for Performance $= S_P = \sqrt{\dfrac{\sum(x_i - \bar{x}_P)^2}{n-1}} = \sqrt{\dfrac{5.6137}{21}} = \sqrt{0.2673} = 0.5170$

Standard Error of Mean for Performance $= \dfrac{S_P}{\sqrt{n}} = \dfrac{0.5170}{\sqrt{22}} = 0.1102$

Table 4.2: Responses of Customers on their Expectations of ATM Service Quality

i		HU	U	N	E	HE	Score		
		1	2	3	4	5	x	$x - \bar{x}$	$(x - \bar{x})^2$
1	I expect ATMs not to delay in dispensing cash	24	36	1	62	277	4.33	0.5914	0.3498
2	I expect cash dispensed by ATMs to be accurate always	4	10	0	44	342	4.78	1.0364	1.0741
3	I expect ATM printed balance slip to always show customer's true balance	9	24	3	122	242	4.41	0.6714	0.4508
4	I expect ATMs not to dispense fake currencies	66	53	11	62	208	3.73	-0.0061	0.0000
5	I expect my balance after each transaction to be accurate always	39	40	21	159	141	3.81	0.0689	0.0047
6	There should be privacy at the ATM cabin (only one ATM user at a time)	13	32	1	266	88	3.96	0.2214	0.0490
7	Voice prompt should quietly voice my transactions to me	10	22	0	88	280	4.52	0.7764	0.6028
8	Security officers should be present at ATM points at all times	23	50	19	120	188	4.00	0.2614	0.0683
9	ATM cards should be retracted after third attempt of keying in wrong PIN	10	189	5	176	20	3.02	-0.7211	0.5200
10	There should be 24/7 illumination (no darkness) at ATM points	56	33	11	88	212	3.92	0.1789	0.0320
11	Key pads of ATMs should be soft and easy to press	55	74	15	111	145	3.54	-0.1961	0.0385
12	Touch screen should be easy to manipulate	69	87	10	172	62	3.18	-0.5611	0.3148

13	ATMs ought not break down always	72	99	20	191	18	2.96	-0.7786	0.6062
14	Menu options should match corresponding menu keys	83	115	50	99	53	2.81	-0.9286	0.8623
15	ATM displayed language should be simple and easy to understand	76	44	15	179	86	3.39	-0.3511	0.1233
16	ATM users should be shaded from sunshine and rainfall	21	31	9	239	100	3.92	0.1764	0.0311
17	Long queues should not be seen at ATM points	29	80	15	231	45	3.46	-0.2811	0.0790
18	Illiterate ATM card users who need help should be truly helped	65	47	8	142	138	3.60	-0.1361	0.0185
19	ATM errors should be conveniently reversed within reasonable time	21	33	0	171	175	4.12	0.3764	0.1417
20	Retracted cards should be conveniently retrieved within reasonable time	47	66	41	132	114	3.50	-0.2386	0.0569
21	Request processing time should be short	20	24	3	231	122	4.03	0.2889	0.0835
22	ATMs should dispense cash always	98	55	21	97	129	3.26	-0.4786	0.2291
							82.22		5.7364

Source: Field Survey, 2018.

$$\text{Mean of Expectation} = \bar{x}_E = \frac{\sum x_i}{n} = \frac{82.25}{22} = 3.7386$$

$$\text{Standard deviation for Expectation} = S_E = \sqrt{\frac{\sum(x_i - \bar{x}_E)^2}{n-1}} = \sqrt{\frac{5.7364}{21}} = \sqrt{0.2741} = 0.5235$$

$$\text{Standard Error of Mean for Expectation} = \frac{S_E}{\sqrt{n}} = \frac{0.5235}{\sqrt{22}} = 0.1116$$

Table 4.3: Summary of Statistics of performance and expectation of ATM Service Quality

Group	N	Mean	Std. Deviation	Std. Error Mean
Performance	22	3.5682	0.5170	0.1102
Expectation	22	3.7386	0.5235	0.1116

$$t = \frac{(\bar{x}_P - \bar{x}_E) - (\mu_P - \mu_E)}{\text{Standard error of difference of } \bar{x}_P - \bar{x}_E} = \frac{(3.5682 - 3.7386) - 0}{0.1569} = \frac{-0.1705}{0.1569} = -1.087$$

A summary of the independent t-test for equality of means of performance of ATM Service Quality and expectation of ATM Service Quality are shown in the Table 4.4 below:

Table 4.4: Results of t-test for performance and expectation of ATM Service Quality

Mean Difference	Std. Error of Difference	T	DF	Sig. (2-tailed)
-0.1705	0.1569	-1.087	42	0.283

Hypothesis 2
$H_0 2$: ATM service quality does not significantly affect customer satisfaction.

For the second hypothesis, the regression analysis is used to test the hypothesis as the data for the regression analysis and the result of the regression analysis are shown in Tables 4.5 and 4.6 below:

Table 4.5: Data on ATM Service Quality and Customer Satisfaction

Respondent	ATM Service Quality	Customer Satisfaction
1	97	35
2	82	30
3	87	26
4	76	26
5	84	27
6	73	24
7	100	26
8	96	29
9	99	26
10	107	32
11	74	21
12	78	22
13	105	35
14	89	28
15	94	32
16	86	34
17	107	28
18	105	27
19	108	25
20	106	34
21	108	31
22	101	35
23	94	25
24	102	27
25	110	27
26	85	34
27	77	22
28	106	33
29	98	22
⋮	⋮	⋮
389	81	20
390	62	23
391	63	25
392	56	17
393	68	28
394	70	17

395	67	14
396	106	35
397	78	17
398	66	35
399	62	19
400	86	29

Table 4.6: Result of regression analysis of ATM Service Quality and Customer Satisfaction

Variables	Unstandardized Coefficients		t	P-value
	B	Std. Error		
Constant	15.251	1.427	10.691	0.000
ATM Service Quality	0.143	0.017	8.615	0.000

Dependent Variable: Customer Satisfaction

5. DISCUSSION OF RESULTS

The result of Table 4.4 shows that the mean difference between performance of ATM Service Quality and Customers' expectation of ATM Service Quality is -0.1705 with a standard error of difference of means of 0.1569. These yield a test statistic of -1.087 at 42 degrees of freedom and a p-value (sig. value) of 0.283. This shows that there is no significant difference between performance of ATM Service Quality and Customers' expectation of ATM Service Quality. Hence the null hypothesis one is not r ejected at 5 percent significant level. This invariably indicates that there is customer satisfaction as a result of customers' expectations of ATM Service Quality matching ATM Service Quality performance. The results of this work lend credence to the findings of Ravichandran et al. (2010), Aghdale and Faghani (2012), (2014), among others.

For the second hypothesis, the result of Table 4.6 reveals that ATM service quality has a positive effect (0.143) on Customer Satisfaction. That is, a unit improvement in ATM Service Quality yields (0.143 = 14.3 percent) increase in the percentage improvement in customer satisfaction of ATM service quality. This 14.3 percent effect of ATM Service Quality, has a standard error of 0.017 and a test statistic of 8.615 with associated p-value of 0.000, which shows that the effect of ATM Service Quality on Customer Satisfaction of ATM Service Quality is significant at almost 0.0 percent.

6. LIMITATIONS

As expected of every research, this work has some limitations. First, is the use of non probability sampling technique. This was used because of the cost, time and rigours involved in the use of probability sampling technique. Second, is the use of the two sets of questionnaire. This, not only made it tasking for users who accepted to complete the questionnaires to do that on time, but also made others to decline the request for completion of questionnaire. However, since it was not possible to drop the questionnaires with the respondents and come back to pick them, the researcher administered the questionnaires only on respondents who had patient and also indicated interest to complete the two sets of questionnaire. A gentle approach was used to make the respondents do the needful.

7. CONCLUSION

ATMs have primarily decongested long queues at banking halls and ensured 24/7 hours banking, which were not obtainable before now. The surge in the use of ATM in Nigeria is an affirmation that it has been good to Nigerians. Its service quality has led to the satisfaction of customers despite the challenges faced in its use. However, all hands must be on deck to reduce the challenges enumerated above and ultimately ensure that ATM users continue to derive satisfaction at all times.

8. RECOMMENDATIONS/IMPLICATIONS

- The ServQual model is a powerful model for determining the impact of service quality on customer satisfaction. Therefore, banks should handle every dimension of the model (Reliability, Assurance, Tangibles, Empathy and Responsiveness) with the seriousness it deserves to ensure that customers' satisfaction is enhanced.
- Banks in Nigeria should ensure that security at ATM points, especially those located outside banks' premises, are reinforced given the height of insecurity in the country.
- Bureaucracy associated with some ATM error reversals, especially dispensing errors should be seriously eliminated. Errors should be reversed in record time.
- Strict multiple security layers should be put in place to reduce ATM fraud to the barest minimum. This includes the use of bio-data in addition to the use of personal identification numbers.
- Alternate channels should be opened up for people who, for any reason, do not want to embrace the use of ATMs.
- ATMs should be regularly maintained to avert regular breakdowns, especially at critical seasons.
- Customer care staff should be positioned at ATMs to help alleviate the plight of first time users or users who have challenges in the use of ATMs.
- Number of ATMs in Nigeria should increase to reduce the queues at ATM points and these machines should meet global standards.
- Effective sensitization programmes should be carried out on a regular basis to educate ATM users on the risks associated with the use of ATM cards.
- Federal government cashless policy in Nigeria should be promoted to deemphasize the excessive cash transactions witnessed in the country today.

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