

AN ANALYSIS OF THE EFFECTIVENESS AND APPLICATIONS
OF
ELECTRONIC BANKING IN NIGERIA

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ABSTRACT

This study was aimed at analyzing the effectiveness of electronic banking in Nigeria. The study appraised the use and applications of electronic banking in Nigeria, its perception and major setbacks. The study also examined the extent to which electronic banking contributes to achieving corporate goals and missions and the various opportunities and benefits, which banks can derive from the applications of electronic banking. The study equally analyzed the security, control and risk management issues in electronic banking in Nigeria.

To generate responses on these issues, two sets of questionnaires were administered, one to the banks and the other to the banks' customers. It was observed after a detailed analysis of the data generated from the study that electronic banking in Nigeria was still evolving. Many of the banks in Nigeria operate one form of electronic banking or the other. The major forms of electronic banking operated by the Nigerian banks include; Mobile Telephone Banking, Internet banking, Automated Teller Machine (ATM), Electronic Funds Transfer and smart cards including value cards and several forms of card based banking modes.

Significant number of banks in Nigeria has good websites. However the rate of visits to these websites is still low. Banks in Nigeria need to create adequate knowledge and awareness of the websites. The level of literacy in the country and exposure of the masses is identified a major problem to the effectiveness of electronic banking in Nigeria. From the study, electronic banking offers a good channel for marketing and showcasing banks products