

DIGITALIZED BANKING SYSTEM AND FINANCIAL PERFORMANCE OF DEPOSIT MONEY BANK IN NIGERIA

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ABSTRACT

In the new global economy, technology has become a central issue not only for banks but to other financial services industry. Application of information and communication technology policies, processes, policies, and implementation methods in banking services has become a critical and timely issue for all banks, as well as a necessary prerequisite for global and regional banking competitiveness. Thus, the focus of this study was on digitalized banking system and financial performance of deposit money bank in Nigeria. The population for this was 13 deposit money banks for 2013-2021. The study was anchored on technology acceptance theory. The statistical tool adopted was regression analysis which aided by SPSS version 20.0. the proxies adopted to represent digitalized banking are: mobile banking, automated teller machine and point of sale, while the measures for performance are earnings per share, return on asset and return on equity using bank size to moderate the study. Findings of the study shows that there is a relationship between digitalized banking system and financial performance of deposit money banks in Nigeria. In conclusion, Nigeria is a developing country advancing in the use of electronic banking for its banking operations in comparison with others in African region. With high level of e-banking fraud, some customers feel discouraged with the use of Automated Teller Machines (ATM), an electronic banking product as chapter laid the foundation of the study.

Key Words: *Digitalized Banking System and Financial Performance, Automated Teller Machines (ATM), Electronic Banking, On Line Banking, Points of Sale, Earnings Per Share Return on Asset Return on Equity*

INTRODUCTION

In the new global economy, technology has become a central issue not only for banks but to other financial services industry. Application of information and communication technology policies, processes, policies, and implementation methods in banking services has become a critical and timely issue for all banks, as well as a necessary prerequisite for global and regional banking competitiveness. The market climate in the financial sector is highly competitive as a result of this technological improvement, observing drastic changes are forcing banks to provide online assistance to their customers while using internet banking (Singh and Kaur, 2013). According to Hammoud, Bizri and Baba, (2018), since the 16th century, businesses had to provide high standards for their goods and services. Therefore, company needs to represent its clients as efficiently and as effectively as possible. In recent years, banks have been struggling to offer the highest level of technical infrastructure, which has led to widespread use of electronic-banking platforms through the spread of websites to meet consumer needs. Despite the variations in prices and types of e-services offered, many banks use e-banking services to purchase, sell and exchange services via e-commerce websites.

Digital Banking is a system which enables banking transactions like transfer of funds, payment of loans and EMI's, deposit and withdrawal of cash virtually with the help of internet. It is one among the extended features which banks provide in addition to the traditional banking. It is the most used feature by the Indian citizens after the effect of demonetization. There are different types or sectors under digital banking services. The major services, offered by banks are internet banking, mobile

banking, ATM's, NEFT, PPIs, SMS Banking, e-cheques, debit and credit cards etc. The first bank in India to offer digital banking was ICICI Bank in 1996. Since then, a number of other banks have followed this and today most of the banks provide digital banking services. There were a few more indirect banking channels like ATMs, phone-banking, mobile banking etc. However, their aim was to cover only basic banking service through electronic banking. However, digital banking is very wide concept and it covers all possible banking service and all alternate banking channels like Automated Teller Machines (ATM), Point of Sale (POS), Internet Banking, Mobile Banking, Banking through Application, Phone Banking etc. except branch banking. Digital Banking can also be termed as "Direct Banking Channel".

Chipeta and Muthinja (2018). cites several opinions of what digital banking means. He says, what digital essentially does is that it uses technology to design experiences, both seen and unseen. Digital is all about making what can be seen unseen – making services so smooth and seamless that it becomes invisible to the customer. It involves planning for digital initiatives which requires more than just the automation of services, but to also taking into account the emotional aspect of banking – how do customers feel about money and what do they do with it? Emotional needs must be at the centre of the entire customer experience." Digital communication should feel natural for digital customers, and banks have a crucial opportunity here to present themselves in a new light and to a new audience accustomed to a completely different way of interacting with friends and for whom purchasing online is second nature. Deepening the customer relationship, in a seamless fashion and in step with the user's lifestyle, precludes any thoughts of being too present – this is the key of knowing customer preferences and thinking, how much presence, when and in what ways. Getting it right reaps rich rewards over the long-term; getting it wrong portends a potential lost generation of customers. The digital banking offering should be based on a solid understanding of digital consumer behavior as well as consideration of how to build and extend bank brand value for digital consumers. Fundamentally, good customer service is crucial to the value of long-term customer loyalty.

Statement of the Problem

Most developed and some undeveloped countries has witnessed success stories in their century in banking technology, such technologies like the ATMs, Local Area Networks (LAN), Wider Area Networks (WAN), credit cards, electronic point of sales (PoS) systems, imaging systems, information filling systems, integrated banking system and client information filling (CIF) systems are now being routinely used by many banks to ensure a more efficient and effective operations. Nigeria is presently not left out. The use of various forms of e-payments has grown significantly within and after the past decade. Even at the growth of digitalized banking not all banking transactions are carried outside banking hall as most transaction is still done in the banking hall. This means that a perfect internet and mobile banking system is not there to satisfy the need of all internet and mobile banking users. The ATM and POS systems should be readily available to satisfy all deposit and withdrawal needs. But this happens only in an ideal World. This would enhance the role of banks as financial intermediaries. The intermediation efficiency entails financial intermediaries being able to harmonise the transfer of funds from the surplus spending units to the deficit spending units and vice versa.

The Nigerian banking system is not completely efficient yet, as there are lapses evident in the day to day running of electronic banking by Nigerian banks today. These lapse ranges from delayed transaction process time, delayed remittance time in case there was a failed transaction, and insecurity or theft of money. Most times it takes the bank 20 working days or more to track a failed transaction on a Point-of-Sale system. This leaves the customers in fear, as most Nigerians are poor and can't afford to have their money pending while the banks conduct their rigorous search on the transaction.

Despite its safety and efficacy, computerized accounting system suffers from several major drawbacks, these drawbacks have made users to question if digitalized banking is a blessing or curse? One of the major reasons Nigeria adopted a cashless policy, which gave rise to digital banking was to combat crime and ensure security to users. These purposes have not been achieved as there are numerous cases of bank account hacking and internet fraud. With just a snap of a finger on a tablet or computer, internet thieves can easily empty their victim account without having to carry any physical cash transaction. Most of these thieves goes free because the victims find it difficult to get hold of them as the police and other security agencies are not helping matter. These victims become fed up along the line when comparing money spent while trying to catch the thieves and also time spent on the process. Though many research works have been done on digitalized banking. Study such as (Do, Trang, Ha An, Eleftherios and Hoan. (2022) Aswin Rivai (2021), Kabir, Kurfi, Isa (2021), Njoku, Nwadike and Azuama, (2021), Kitsios, Giatsidis and Kamariotou (2021)). None of these studies has provided ways and measure to combat these bank account hacking thereby giving hope to users. This is the gap this study wants to fill. Thus, this study tends to analyze the relationship between digitalized banking system and financial performance of deposit money bank in Nigeria within the period of 2013-2020.

Aim and Objectives of the Study

The aim and objective of this study is to evaluate the relationship between the Digitalized Banking System and Financial performance of Deposit Money Banks in Nigeria. The following specific objectives were to be accomplished:

- i. To determine how digital banking relates to Earnings Per Share (EPS) of Deposit Money Banks in Nigeria.
- ii. To determine how digital banking relates to Return on Asset (ROA) of Deposit Money Banks in Nigeria.
- iii. To determine how digital banking relates to Return on Equity (ROE) of Deposit Money Banks in Nigeria.

Hypothesis

There is no significant relationship between digitalized banking system and financial performance of deposit money banks in Nigeria.

Digitalized banking

Kithaka, (2014). note that the digital banking technology has greatly advanced there by playing a major role in improving the standards of service delivery in the financial institution sector. They say that days are long gone when customers would queue in the banking halls waiting to pay their utility bills, school fees or any other financial transactions. They can now do this at their convenience by using their ATM cards or over the internet from the comfort of their homes. Additionally, due to the tremendous growth of the mobile phone industry most financial institutions have ventured into the untapped opportunity and have partnered with mobile phone network providers to offer banking services to their clients.

Cross (2014) cites several opinions of what digital banking means. He says, what digital essentially does is that it uses technology to design experiences, both seen and unseen. Digital is all about making what can be seen unseen making services so smooth and seamless that it becomes invisible to the customer. It involves planning for digital initiatives which requires more than just the automation of services, but to also taking into account the emotional aspect of banking – how do customers feel about money and what do they do with it? Emotional needs must be at the centre of the entire customer experience.” Digital communication should feel natural for digital customers, and banks have a crucial opportunity here to present themselves in a new light and to a new

audience accustomed to a completely different way of interacting with friends and for whom purchasing online is second nature. Deepening the customer relationship, in a seamless fashion and in step with the user's lifestyle, precludes any thoughts of being too present – this is the key of knowing customer preferences and thinking, how much presence, when and in what ways. Getting it right reaps rich rewards over the long-term; getting it wrong portends a potential lost generation of customers. The digital banking offering should be based on a solid understanding of digital consumer behavior as well as consideration of how to build and extend bank brand value for digital consumers. Fundamentally, good customer service is crucial to the value of long-term customer loyalty. The digital tipping point is a crucial opportunity and one that offers substantial benefits to those who exploit it well. In addition to properly addressing the relevant technological and security aspects, digital banking strategy for private banks should be developed with a clear focus on current and future customer behavior and needs. (Vekya, 2017).

Digital Banking Channels

Dilara (2014). emphasize the fact that customers expect to experience banking without boundaries, just as they do in retail and other industries. What matters most to them is how they experience the bank's brand. There are various channels as far as digital banking is concerned. The channels to be discussed under electronic banking and this channel includes: Online Banking, Mobile banking ATMs and POS terminals.

Electronic banking

Emerging information technology tremendously affects the growth and flexibility in the user friendliness of electronic banking (Sathye, M. (2005). In recent times electronic banking has been highly appreciated in the banking sector service provision, and especially in online banking services. Foreign as well as local banks are adopting online banking system to enhance their services. They have adopted superior technology through automated transaction systems for attracting clients and offering inter-branch and inter-bank networking.

Sathye, (2005) observe that these systems seem neglected by the customers, in spite of rigorous efforts by the banks. It is perceived that in e-banking customer impression is quite vital for successful e-banking service delivery. The banking sector has tried to collect more information to discern factors that endear customers to online banking (Gerrard & Cunningham, 2003). Various authors have proposed different models on customer online banking adoption. These models comprise of technology acceptance model that has its origin from theory of reasoned action, which has become the most widely used, and the theory of planned behaviour.

In the words of Oluyemi (2001) e banking is "the totality of the deployment of modern information technology and communication systems to record financial transactions as well as deliver financial services to the customers". It is therefore the provision of bank services by financial institutions to their customers through electronic devices. In providing services via electronic devices, banks usually dispense of paper work, which is reputed for the inconvenience of requiring the physical presence of customers. Apart from this, electronic transactions are known to be quicker and more efficient, some, of which attributes may explain the growing popularity of electronic banking services. To tap the advantages aforementioned, banks adopt electronic method in their internal operations, interactions with other branches and relationships with other banks, reporting to supervisory/regulatory authorities and most importantly service offering to customers.

Pikkarainen et al (2004) define internet banking as an "internet portal, through which customers can use different kinds of banking services ranging from bill payment to making investments". With the exception of cash withdrawals, internet banking gives customers access to almost any type of banking transaction at the click of a mouse (De Young, 2001). Indeed, the use of the internet as a new alternative channel for the distribution of financial services has become a

competitive necessity instead of just a way to achieve competitive advantage with the advent of globalization and fiercer competition (Gan and Clemes, 2006).

On Line Banking

By integrating the operations of its branches to a central computer network, a bank can offer on-line banking services. Such a bank's customer is relieved of the restrictions of traditional banking that confine customers to branches where their accounts are domiciled. With on-line services, customers are free to carryout banking transactions in any of the bank branches with little consideration as to the branch their accounts are domiciled. This makes banking transaction convenient especially for itinerant bank customers like traders that hitherto needed to carry huge sums of money around in their business expeditions. They now only need to pay such monies into their bank account in one location and conveniently withdraw in another. On-line banking also makes fund transfer less cumbersome as payment into a customer account in a branch other than that where his account is domiciled is acceptable.

Mobile banking (M-banking)

A more current e-banking development is wireless internet applications of banking mostly called m-banking. With the combination of internet and mobile phone, a new service (mobile data service) is enabled and the first such wireless internet commercial transaction was performed by the banking industry. (Barnes and Corbitt, (2003). Mobile banking involves the use of mobile phone for settlement of financial transactions. It supports person to person transfers with immediate availability of funds for the beneficiary. Mobile payment uses the card infrastructure for movement of payment instruction as well as secure Short Message Service (SMS) messaging for confirmation of receipt to the beneficiary. Mobile banking is meant for low value transactions where speed of completing the transaction is a key. The services are covered under this product include account enquiry, funds transfer, recharge phones, changing of passwords and bill payment which are offered by few institutions Sathye, (2005).

According to Lennart, (2008). M-banking, is the term we use to describe financial services delivered via mobile networks using mobile phones. Normally, such services include depositing, withdrawing, sending and saving money, as well as making payments. According to Owen mobile banking refers to provision and availing of banking and financial service with the help of mobile telecommunication devices as a mobile phone~ which is most used in developing countries or Personal Digital Assistant (PDA). The scope of offered service may include facilities to conduct banking transaction, to administer accounts and to access customized information. Nasikye (2009) m-banking today can be performed through SMS. It is usually implemented through the use of special software called client that can be downloaded to the mobile phone These services may or may not be defined as banking services by the regulator, depending on the legislation of the country in question, as well as on which services are offered. Hence, we may refer to an initiative as M-banking service even though it would not fall into the banking definitions under that particular country's regulatory regime.

Agboola, A. (2006). The customer can access their accounts using telephone lines as a link to the financial institution's computer Centre. Services rendered here include account balance, transfer, change of pin etc. This product has also experienced low patronage due to inadequate awareness and education of the customer on how to maximally use their phone to transact simple banking operations Siyanbola, (2013).

Automated Teller Machine

One of the modern methods of electronic banking is using ATMs. Economy of ATM market is similar to other markets but differs in a way that ATM market is a monopoly one regarding similar markets like POS markets (Christopher; Knittel; Stango, 2011).

Many of banking affairs would be performed via ATM regarding the fact that the person is needed near the machine with his card in his hand and he needs to enter his password and of course the security precautions are less considered. In recent years, technologies like ATM are more prevalent as a method of sustaining loyal customers and increasing market share. Banks utilize technologies to face competitive challenges imposed by competitors and online banks and also as a method for decreasing costs of services which used to be performed exclusively by employees (Faqih; Jarada, 2015).

ATM card is made of a plastic having magnetic stripe that hold all the information about the customer such as customer name, account, card number, card limit, concerned bank etc. ATMs can be described as computer terminal, having record keeping system and cash vault in one unit, permitting customers to enter the bank's book keeping system with a card holding a Personal Identification Number (PIN) or by punching a special code number into the computer terminal linked to the bank's computerized records 24 hours a day.

This is an electronics device which allows a bank's customers to make cash withdrawals and check their account balances at any time without the need for a human teller. Many ATMs also allow people to deposit cash or cheques, transfer money between their bank accounts or even postage stamps. To withdraw cash, make deposits, or transfer funds between accounts, you generally insert an ATM card and enter your personal identification number (PIN). Some ATMs impose a surcharge, or usage fee, on consumer who are not member of their institution or on transactions at remote locations. ATMs must disclose the existence of a surcharge on the terminal screen or on a sign next to the screen.

ATMs or automatic teller machines could automatically play the role of a teller and perform all the teller operations and based on its speed and efficiency, this system could easily substitute bank branches in hotels, institutes and big malls and practically, serve bank customers all the cash services in every time and place. Often, ATM cards have been associated with saving and checking accounts and allow access to money all day long and all year long. Also, these cards could be used for depositing cash into the account, transferring assets among accounts, receiving account balance and in some cases, paying bills (Venus and Mokhtarian, 2005) insert, the factors influencing the quality of customer satisfaction regarding ATM services are as follows.

The benefits of using ATM are: (i) Continual access and increasing productivity of banking services, (ii) Ability to pay different payments via ATMs in every hour of day/night, (iii) Decreasing the volume of customer traffic in rush hours, (iv) Preventing time and human resource loss for performing daily bank affairs which would be done by ATM easily and more precisely, and (v) An increase in public chance of using ATMs may lead to an economic decrease in the costs of note's printing since it reduces the usage of notes. In details, it should be noted that an ATM increases the rate of commerce in institutes it is installed in. Generally, customers with ATM cards purchase %20-25 more than customers with no ATM cards. Therefore, ATMs prosper businesses (Carbo and Rodriguez, 2008).

The POS

Points Of Sale are among the most common payment devices for credit cards, debit cards, checks, smart cards, electronic bank transfer (EBT) and other electronic transactions in a retail and wholesale environment. These terminals are used in face-to-face deals (Amir Shahi, 2010). POS is

a device which provides automatic transfer of purchasing price from seller's account via telephone or network connection to bank systems. Apart from payment, POS includes different performances including account balance, account billing, postponing a purchase and daily reports which has benefits of a small bank branch for its owners (Begona, Dolores and Zaida, 2014).

In fact, points of sale or POS refers to small store systems used in the exit parts of stores, restaurants, hotels and alike for receiving customers' cash. In a more common sense, POS refers to the point allocated to this activity and in a more special sense, it could be the device performing this activity. Amazing development of ICT and its development into monetary markets and banking systems has changed current banking methods and facilitated affairs for bank customers. New technologies and electronization of banks enable banks to increase the speed, quality, precision and diversity of their services and to decrease the costs for presenting these services. Efficient payment systems are among main components of efficient economies and monetary markets and facilitates the transaction of products and services and assets. The growth of electronic payments could significantly decrease social costs of a country's payment system (Humphrey; Willeson; Bergendahl; Lindblom, 2006).

POS is a totally known device in the world economy and in a way, is considered as a catalyst in global economic system (Begona, et al 2014). This device boasts numerous benefits but unfortunately, there is not enough attention toward it due to a lack of culture and inconsistency among numerous departments in Iran. In this system users are issued with electronic cards which can be slotted into special electronic machines in order to effect payments. At the centre of such payment system are the Point of Sales (POS) terminals (Azeez, 2011). These are to be deployed across commercial points in the country. These POS terminals thus deployed will serve like the Automatic Teller Machines (ATM). In this case, upon completing a transaction and the value ascertained, the amount is entered into a POS terminal into which the electronic card has been slotted. The cash equivalent of the amount is transferred from the payer's account into the account of the payee automatically (Olaegbe, 2011). Users are issued with a card (the electronic purse). The electronic purse is topped up using revaluation terminals. There are different types of terminals: coin & note, credit card and payroll deduction terminals. The cards are simply inserted into the revaluation terminal and certain programmed instructions are followed, and money is added onto the electronic purse.

Performance of Deposit money bank

Performance in the literature is based on the value of the firm. Digitalized banking affects value as a result of reduced expropriation by insiders and improvement in the expected cash flow that can be distributed to investors (Black et al., 2006). To evaluate profit, it is necessary to determine the constituents of good profit using performance indicators. To be useful, a performance indicator must be measureable, relevant and important to the organization. Financial performance used in empirical research on digitalized banking fit into both accounting-based measures and market-based measures. The most commonly used accounting-based measures include net profit, return on assets (ROA) and return on equity (ROE) etc.

ROA is used to measure operating performance based on the shareholders equity and it explains the efficiency of the management. ROA shows how profitable company's assets are in generating revenue. It is given by the ratio between net income and total assets. It indicates the unit amount of earning derived from each unit of assets used. It is a useful tool in comparing competing companies in the same industry (Black et al., 2006).

Return on Assets (ROA)

Return on asset or ROCE is a profitability ratio that measures how efficiently a company can generate profits from its capital employed by comparing net operating profit to capital employed. In other words, return on asset shows investors how many dollars in profits each dollar of capital employed generates. ROCE is a long-term profitability ratio because it shows how effectively assets are performing while taking into consideration long-term financing.

ROA is one of the most popular and useful of the financial ratios. ROA has been used in industry since at least 1919 when the DuPont Company used it as the top of its ratio triangle system. The ratio was called return on investment and was calculated as Profit/Total Assets. The base of the DuPont triangle was the expanded ROA formula: Profit Margin (Profit/Sales) and Capital Turnover Ratio=Sales/Total Assets (Horrigan, 1968). The importance that educators and practitioners place on ROA can be seen in three ways. First, at least one ROA formula is presented in most business textbooks. ROA was the third most frequently presented ratio in a study of business textbooks, appearing in 70 of the 77 textbooks. Only the current ratio and inventory turnover ratio occurred more often than ROA.

Return on assets (ROA) show the profitability of the company's assets in generating profits. In other words, it indicates the effectiveness of the firm's assets in increasing shareholders economic interest (Haniffa&Hudaib, 2006). It also shows the efficiency of management in using its asset to generate earnings. (Finkelstein &D'Aveni 1994; Weir &Lating 1999); disclosed that return on Assets assesses the effectiveness of capital employed and provides a basis in which investors can measure the earning generated by the firm from its investment in capital assets (EPPS &Cereol 2008). The return on assets (ROA) is a measure which shows the amount of earnings that have been generated from invested capital. It is an indication of the number of kobo earned on each naira worth of assets. It allows users, stakeholders and monitoring agencies to assess how well a firm's corporate governance mechanism is in securing and motivating efficient management of the firm (Chagbadari, 2011). The return on Assets is also the ratio of annual net income to average total assets of a business during a financial year. ROA is calculated as:

$$\text{ROA} = \frac{\text{Annual Net Income}}{\text{Average Total Assets}}$$

Return on Equity (ROE)

ROI (Return on equity) is a concept of performance in any form of investment. For shareholders the ultimate goal of the company is expressed in ROI. ROI is an indicator that shows to which extent a specific business produce gain from the use of capital. It shows the extent to which the amount invested in a particular action returns as profit or loss.

ROE, along with return on assets (ROA), is one of the all-time favourites and perhaps most widely used overall measure of corporate financial performance (Rappaport 1986). This was confirmed by Monteiro (2006) who stated that ROE is perhaps the most important ratio an investor should consider. The fact that ROE represents the end result of structured financial ratio analysis, also called Du Pont analysis (Stowe, Robinson, Pinto &McLeavy (2002); Correia, Flynn, Uliana& Wormald, 2003; Firer, Ross, Westerfield& Jordan, 2004) contributes towards its popularity among analysts, financial managers and shareholders alike. These ratios cover the categories of profitability, asset management and financial structure. Instead of regarding ROE as the point of departure, one could also view it as the final result of structured financial ratio analysis (Firer et al., 2004). ROE is calculated by taking the profit after tax and preference dividends of a given year and dividing it by the book value of equity (ordinary shares) at the beginning of the year. Average equity can also be used. Equity would consist of issued ordinary share capital, plus the share

premium and reserves. The calculation of ROE can be broken up into three separate ratios, as follows:

$$\text{ROE} = \text{Earnings} / \text{Equity}$$

The three components, or ratios, can be described (in sequence) as profitability, asset turnover and financial leverage. The ROE can therefore be improved by improving profitability, by using assets more efficiently and by increasing financial leverage. Over time it has become clear that improving the ROE may not necessarily improve shareholder value.

Pursuing a higher ROE may lead to wealth destruction, which is not in line with the economic principles of shareholder value creation. Rappaport (1986) has pointed out that the second component of ROE, namely asset turnover, is affected by inflation in such a way that it may increase even when assets are not utilised better. He reasons that sales immediately reflect the impact of inflation, whereas the book value of assets, which is a mixture of new and older assets, does not adapt as quickly to the effects of inflation.

Rappaport's (1986) studies in the 1970's revealed that although the earnings of Standard & Poor's 400 companies decreased dramatically during the 1970's, their ROEs actually increased through increased levels of asset turnover and gearing. The markets, however, were not misled by this apparent 'better performance'. Consequently, the market returns during this period were generally very poor, or 'dismal', according to Rappaport.

Earnings per share (EPS)

Balaputhiran (2014), the study found the relationship between firm performances and earnings per share. The earnings per share were taken as a dependent variable while firm performance, net profit and return on assets were used as independent variables. Ebrahimi M and Arezzo (2011), the majority of stockholders, investors and other stakeholders give priority to watch movements of earning information of a company. EPS is one of the most important factors that need to be considered for a company's profitability, Felix (2012).

Harrison, Jennifer & Morton (2010), adjusted earnings are known as non-stationary earnings and they do not give profit-oriented figures. They only contain the earning per share (EPS) numbers. Hunjra, Muhamad, Muhammad, Sabih-ul and Umer (2011), the variation in stock prices has become a major issue especially in the non-financial sectors including (Sugar, Chemical, Food & personal care, Energy). This study attempted to evaluate the impact of dividend yield, dividend payout ratio, return on equity, earning per share & profit after tax on stock price in Pakistan. The data set of 63 companies listed in KSE from 2006-2011 was taken for analysis. Panel data with the help of ordinary least square regression model used as a statistical tool. It was resulted that dividend yield and dividend payout ratio have significant impact on stock price, dividend yield is negatively and dividend payout ratio is positively related with stock price.

EPS is one of the essential variables that affect the profitability. Increase in EPS will lead to increase equity & will also affect market value of share. The increase in profitability will lead the demand of that company shares, Muhammad, Ghulam, Naqvi, Nadeem & Khan (2014). Thirteen cement companies listed on (SECP) were selected as a sample for the analysis of secondary data for the period of five years. The data was analyzed by using SPSS. The result concluded that EPS significantly impact the market value of share.

Empirical Review

Medyawati and Yunanto (2022), analyzed the influence of financial technology on the financial performance of banks listed on the Indonesia Stock Exchange (IDX) during the 2014-2020 period. Financial technology was measured by the number of Automated Teller Machine (ATM)

transactions and internet and mobile banking, while bank profitability was measured by Return on Assets (ROA). Furthermore, this study used the panel data regression analysis, with the Automated Teller Machine (ATM) transactions as well as internet and mobile banking as the independent variables, and ROA as the dependent variable. Purposive sampling was used to select six banks as samples. The results showed the fixed effect as the most suitable model, where ROA is affected by the internet and mobile banking, while the ATM technology has no effect.

Aswin and Rivai (2021) analyzed the effect of digital banking technology on banks efficiency and employee demand/recruited in Indonesian banking industry and also to study the impact of foreign shareholdings on technology adoption of the acquired local banks. The non-parametric DEA efficiency is utilized to measure bank efficiency and the ratio of IT-related cost to total bank operational cost is used as proxy of digital technology. The panel data regression model used banks efficiency scores-based result of DEA analysis and ratio of IT related cost as dependent variables. Duration of the study is 2010-2020 with cross-section samples of all banks used in the DEA analysis. The sample used in this study is totally 29 Banks purposively selected based on the aggressiveness in utilizing digital banking technology which is assumed due to foreign shareholdings. It is concluded that higher digitization tends to increase efficiency but decrease number of employee demand /recruited. It is also found that higher portion of foreign shareholdings significantly increase magnitude of technology adoption in its acquired local banks.

Kabir et al (2021). Discerned the impact of electronic banking on the financial performance of Deposits Money Banks in the Nigerian banking industry. The study relied on descriptive study. The study was centered on all the 21 Deposits Money Banks governed and licensed in Nigeria. The study made use of secondary data for the period 2013 to 2017 obtained from reports and publications. Statistical package for the social sciences (SPSS) used to analyses the data's descriptive statistics. To determine the associations between the return on assets and the electronic banking variables (ATM value of transactions, mobile banking value of transactions and internet banking value of transactions), a multiple linear regression model was put to use. The study established that electronic banking has contributed positively to the financial performance of Nigeria's commercial banks. The study also showed that mobile, internet banking and use of ATM cards positively and significantly influenced the financial performance of Nigeria's Deposits Money Banks as measured by the return on assets.

Njoku et al (2021) examined the impact of electronic banking on economic growth in Nigeria over the period of 2009 – 2018 using quarterly data. Secondary data were collected from the CBN statistical Bulletin and the Nigerian Bureau of Statistics so as to establish the relationship between the dependent variable (Real GDP) and the independent variables (Automated Teller Machines, Point-of-Sale, Internet Banking and Mobile Banking). The research adopted the Vector Error Correction Model (VECM) and the results of the analysis show that electronic banking has significantly impacted on the economic growth of Nigeria. The VECM result shows that R² is 0.5897, which shows that the model explains about 58.97% of the total variations in Economic growth as explained by the independent variables during the period of the study, while 41.03% is explained by variables not included in the model. The result of the analysis shows that Electronic Banking has a significant relationship with Nigeria's economic growth, while Point of Sales, Internet Banking and Mobile Banking, individually have no significant effect on Nigeria's economic growth, while Automated Teller Machine has significant effect on economic growth in Nigeria for the period under consideration.

Kitsios et al (2021) examined the acceptance rate of digital transformation in the banking sector in Greece. One hundred and sixty-one employees at Greek banks completed the survey. A Multivariate Regression Analysis was implemented to analyze the items of the Technology Acceptance Model. The findings of this paper indicate the perception of bank employees with

regard to new technologies. This paper provides a practical contribution for executives of Greek banking organizations to schedule targeted educational programs to facilitate the transition to the new digital era for their employee.

Raji, Zamani and Abdulwakil (2021) investigated the effect of electronic banking on customer satisfaction in Nigeria's banking industry, specifically, in Kwara State. The study determined the attributes of e-banking services that are crucial to customers, and examined the impact of e-banking attributes on customers' satisfaction using correlation and regression analyses. In addition, the challenges associated with electronic banking use were highlighted. To this end, a total number of 390 respondents were included in the study through Google survey form (questionnaires). The study used security, reliability, ease to use and user-friendly, transactional speed, responsiveness as the independent variables while customer satisfaction as the dependent variable. The correlation result shows a positive correlation between all the independent variables and customer satisfaction. Similarly, the regression result shows that security, transactional speed, ease to use, reliability, and responsiveness have a positive and significant impact on customer satisfaction.

Meena and Rathiha (2021) evaluated and examined the customer satisfaction towards Digital Banking. The purpose of this study is also observed and analyses the purpose of using digital banking, reason for banking digital banking services. They collect data from primary and secondary data collection method. For that we conduct questionnaire survey by using google form. We collect responds of 200 digital banking user. The study includes digital banking services in Coimbatore city. For the analyses the data, they have presented by charts and used percentage method. This study aims to measure the satisfaction levels of users towards the digital services provided by the bank. The finding of study is established that there is a strong positive relationship between consumer and digital banking. In some case the consumers are not satisfied with digital banking services.

Kriebel and Debener (2021). studied the link between digital transformation and bank performance. they found that digital transformation activities take up to five years to increase efficiency. Furthermore, they found that difficulties with digital transformation are informative of persistent decreases in efficiency and also profitability. In addition, we further show that problems related to IT infrastructure are a central obstacle to bank performance, which fits well with anecdotal evidence of so-called 'legacy IT'. This highlights the importance of careful digital transformation for sustainable bank stability.

Ngwengeh, Messomo and Mbu (2021) Sought determine the influence of digital financial services on the financial performance of commercial banks in Cameroon. Specifically, it examined the influence of Digital Savings Services, Digital Transfers Services, Digital Withdrawals Services and Digital Payment Services on the profitability of commercial banks in Cameroon. It covers 10 out of 15 commercial banks in Cameroon. Methodologically, it made use of survey research design. Item by item analysis of the questions was used to identify the reliability of digital financial services. The Taylor linearise variance estimation technique was used to determine their influence on commercial bank profitability. Results from the study showed that digital saving services, digital withdrawal services and digital transfer services have a positive and significant influence on the profitability of commercial banks in Cameroon. Digital payment on the other hand had a negative but significant influence on commercial Bank's Profitability at 10% level of significance. Generally, 48% of variations of profitability of commercial banks are caused by joint variations in the use of digital transfer services, Digital Savings services, Digital Withdrawal services and Digital Payment services. Consequently 0.52 or 52% of the variations in profitability are not accounted for by the study's model on digital financial services and bank profitability but caused by the error term.

Amos, Umar and Busari, Ekpe and Kolawole (2020) ascertained the effect of electronic banking on bank performance in Nigeria. Their study utilized secondary data derived from the audited annual financial statement of the deposit money banks quoted on the Nigerian Stock Exchange from 2008–2017. The study also made use of journals, textbooks, Nigerian Stock Exchange fact books, the Central Bank of Nigeria (CBN) Bullions and other published materials. Using the multiple regression analysis techniques, the findings revealed that e-banking measured by return on equity (ROE), return on assets (ROA), and earnings per share (EPS) has no significant impact on the performance of banks in Nigeria.

Technology Acceptance Theory

TAT was first proposed by Davis, Bagozzi and Warshaw (1989) to examine the conceptual model of the intention of user or the degree to which information system or new technology has been done. TAT is designed on the basis of perceived usefulness and ease of use of the new technology. Perceived usefulness of technology suggests the personal conviction to better the degree of work performed by a specific new technology or information system. Perceived ease of use of new technology implies how easy a person can learn the way to use or run a new technology or information system (Scott & Davis, 2015). The TAT model has stressed on the way perceived ease of use of new technology directly influences perceived usefulness of the technology. External variables such as environment factors surrounding an individual intervene in influencing perceived ease of use and usefulness. Hence, Technology Acceptance Theory has a basis in both crucial perceptive factors that is perceived usefulness and perceived ease of use. Technology Acceptance Theory is applied vastly on the researches involving IT. Liu and Arnett (2000) analyzed the important variables to come up with a successful website which has its basis on TAT theory. Technology Acceptance theory is a key theory that underpins the current study on how e-banking affects the way listed banks in Kenya perform.

METHODOLOGY

The study design was a cross – sectional survey. The population of study is money deposit in Nigeria by secondary data was collected from thirteendeposit money bank and financial performance measures figures (ROA, ROE and EPS) within the period within a period of 8 years (2013-2020). Pearson’s Product Moment Correlation Coefficient (PPMCC) was used for data analysis and hypothesis testing was done with the aid of SPSS package version 20.

Regression result analyzing the effect of digitalized banking and financial performance of deposit money bank in Nigeria

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.760 ^a	.577	.553	92.61254	.043	.489	1	1	.049	1.953

a. Predictors: (Constant), DB

b. Dependent Variable: PF

The table above suggest that Mobile banking, automated teller machine and point of sales significantly influences financial performance of deposit money banks in Nigeria. The R of 0.760,

while the R² is 0.577 which reveals that Mobile banking, automated teller machine and point of sales explains for 583% variation in the company's financial performance measure. This variation can be as a result of other variable/factors that stated in the study. More so, the intercept of the regression model is positive which implies that Mobile banking, automated teller machine and point of sales increases Earnings per share also increase slightly. The significant test shows that Mobile banking, automated teller machine and point of sales has a slight influence financial performance of these deposit money banks under study, thus we conclude that mobile banking, automated teller machine and point of sales impact on financial performance.

CONCLUSION

The study indicates that the Digitalized banking independent variables (mobile, ATM, and POS). This study was aimed to test whether the size of a bank influences on its performance or not. Nigeria is a developing country advancing in the use of electronic banking for its banking operations in comparison with others in African region. With high level of e-banking fraud, some customers feel discouraged with the use of Automated Teller Machines (ATM), an electronic banking product as chapter laid the foundation of the study. Thus, it was concluded that digital banking has a significant relationship with financial performance.

Recommendation for action and practice

1. There is dire need for commercial banks to increase their efforts towards adoption of e-banking to automate their service delivery to customers. This follows the positive effect that e-banking usage has on the financial performance of Nigeria's commercial banks as noted through the study.
2. The banking industry's policy makers and regulators also need to cogitate on e-banking as a major input when crafting guidelines to regulate the industry. This is as a result of the major influence that technology has on the performance of the commercial banks. As the country continues to take on developing partners to accentuate its technological capacity, banks will continue to increasingly leverage on technology to improve their performance notwithstanding the risks associated

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APPENDIX



ELECTRONIC BANKING OF 13 DEPOSIT BANKS FROM 2013-2020

(N'Billion)

S/N	BANKS	2013	2014	2015	2016	2017	2018	2019	2020
1	ACCESS BANK PLC	3,461,460	1,830,591	8,920,286	21,102,094	5,782,886	2,692	17,830	19,560
2	ECO BANK PLC	2,490	2,547	2,934	3,999	3,785	4,217	4,287	4,444
3	FCMB PLC	2,223,332	4,162,467	4,282,907	22,609,402	18,850,277	17,337,493	16,737,731	17,437,694
4	FIDELITY BANK PLC	6,628	1,460	6,180	6,661	1,764	2,852	2,947	3,165
5	FIRST BANK PLC	7,648	11,465	15,371	21,837	24,989	34,029	48,033	12,583
6	GTBANK PLC	1,499,675	1,638,088	1,649,059	1,853,839	2,113,904	1,876	2,864,119	3,131,068
7	STANBIC IBTC PLC	1,177	1,278	1,532	1,744	1,895	2,176	2,339	2,675
8	STERLING BANK PLC	5,211,207	5,886,131	6,597,313	3,501	4,135	4,848	6,785	5,779
9	UBA PLC	8,135	9,420	14,065	25,571	14,464	18,855	25,583	24,784
10	UNION BANK PLC	1,749	4,953	4,265	5,599	5,933	4,725	7,689	7,890
11	UNITY BANK PLC	1,330,497	1,699,564	2,876,009	1,280,458	1,456,238	2,779,388	2,941,014	2,863,147
12	WEMAN BANK PLC	2,168,232	2,100,957	2,529,517	2,730,300	3,458,732	2,845,751	3,758,718	3,655,908
13	ZENITH BANK PLC	26,076	26,168	12,967	16,863	27,710	19,307	41,162	42,388

Source: Banks Annual Reports & Accounts

Computerization in Nigeria banking industry was introduced first in the 1970's by Society General Bank Ltd. Until the mid 1990 few Banks that were computerized adopted the local



ON-LINE BANKING OF 13 DEPOSIT BANKS FROM 2013-2020

(N'Billion)

S/N	BANKS	2013	2014	2015	2016	2017	2018	2019	2020
1	ACCESS BANK PLC	5,892	6,722	6,599	7,126	7,435	7,897	8,546	7,856
2	ECO BANK PLC	2,432	2,765	2,987	3,270	3,198	3,367	3,586	3,228
3	FCMB PLC	4,856,946	5,795,107	6,888,473	7,545,237	7,900,546	8,769,081	9,622,143	9,543,540
4	FIDELITY BANK PLC	2,178	2,389	2,654	2,979	3,711	3,765	4,298	4,362
5	FIRST BANK PLC	1,008,673	985,980	1,244,378	1,399,548	1,543,985	1,764,537	2,189,756	1,570,084
6	GTBANK PLC	1,106	1,187	1,333	1,852	1,778	1,654	2,087	534
7	STANBIC IBTC PLC	1,028	1,295	1,444	1,265	1,309	1,543	1,789	1,876
8	STERLING BANK PLC	1,117	1,212	1,278	1,438	1,321	1,438	1,656	1,777
9	UBA PLC	9,632	11,800	12,675	13,465	13,890	15,327	15,768	16,548
10	UNION BANK PLC	3,123	3,269	3,637	3,875	4,277	4,521	4,438	4,679
11	UNITY BANK PLC	1,269	1,333	1,435	1,547	1,698	1,888	2,076	2,189
12	WEMAN BANK PLC	1,497,650	1,756,543	1,990,675	2,311,118	2,478,564	2,569,711	2,543,987	2,765,098
13	ZENITH BANK PLC	8,765	10,786	11,675	13,234	14,378	16,555	18,679	21,907

Source: Banks Annual Reports & Accounts

On-line banking was introduced in Nigeria in November 2000. It was set up because of the opportunity for developing customers trust in order to ensure the success of future banking transactions.



MOBILE BANKING OF 13 DEPOSIT BANKS FROM 2013-2020

(N'Billion)

S/N	BANKS	2013	2014	2015	2016	2017	2018	2019	2020
1	ACCESS BANK PLC	5,487	6,709	7,999	8,789	9,543	10,540	8,754	9,611
2	ECO BANK PLC	3,563	4,365	4,658	4,965	5,412	5,648	3,987	5,444
3	FCMB PLC	3,790,543	5,421,453	6,502,836	7,333,287	6,790,874	8,701,365	9,543,897	11,656,482
4	FIDELITY BANK PLC	3,217	3,655	3,789	4,532	4,875	4,790	4,375	5,398
5	FIRST BANK PLC	1,165,489	1,200,564	1,209,874	1,278,093	1,565,438	1,730,623	1,487,325	1,570,084
6	GTBANK PLC	123,465	140,723	144,932	78,392	227,477	284,224	290,673	534
7	STANBIC IBTC PLC	2,165	2,279	2,311	2,576	2,621	2,674	2,475	2,696
8	STERLING BANK PLC	1,388	1,589	1,655	1,795	1,821	1,854	1,777	1,964
9	UBA PLC	12,098	12,609	14,367	15,449	16,587	17,452	15,632	18,682
10	UNION BANK PLC	2,799	3,217	4,360	4,768	5,221	5,342	4,734	6,540
11	UNITY BANK PLC	1,768	2,100	2,167	2,423	2,571	2,895	2,769	3,679
12	WEMA BANK PLC	2,543,345	2,765,567	2,908,675	3,312,390	3,423,176	3,623,178	3,453,897	4,600,876
13	ZENITH BANK PLC	11,678	13,863	15,477	17,699	20,564	21,876	20,659	23,100

Source: Banks Annual Reports & Accounts

Mobile Banking Business officially opened in early 2011 after receiving approval from the Central Bank of Nigeria.



AUTOMATED TELLER MACHINE (ATM) OF 13 DEPOSIT BANKS FROM 2013-2020

(N'Billion)

S/N	BANKS	2013	2014	2015	2016	2017	2018	2019	2020
1	ACCESS BANK PLC	2,065,495	1,682,526	2,812,544	3,922,377	3,263,598	1,119	2,163	2,222
2	ECO BANK PLC	273	299	354	369	398	403	421	434
3	FCMB PLC	2,921,358	2,222,016	2,249,009	4,959,307	4,902,240	4,444,335	3,975,220	3,911,434
4	FIDELITY BANK PLC	4,578	931	978	2,588	3,474	3,588	4,440	4,654
5	FIRST BANK PLC	1,154	1,277	1,909	2,601	1,916	1,730	2,970	2,300
6	GTBANK PLC	1,538,907	1,678,511	1,621,722	1,617,498	1,662,443	1,699,204	1,794,370	1,338,748
7	STANBIC IBTC PLC	1,895	2,284	2,397	2,555	2,679	3,086	3,123	3,216
8	STERLING BANK PLC	2,759,692	4,415,853	2,901,436	3,467	5,467	3,436	4,611	4,593
9	UBA PLC	11,193	8,738	3,570	3,817	8,335	12,112	6,081	5,897
10	UNION BANK PLC	1,910	2,260	1,198	2,279	1,124	5,434	3,992	4,021
11	UNITY BANK PLC	516,428	549,537	700,411	765,345	896,342	653,773	933,166	945,636
12	WEMAN BANK PLC	2,048,318	2,506,158	2,505,169	1,739,438	1,137,045	964,660	1,078,759	1,156,487
13	ZENITH BANK PLC	2,411	5,797	8,132	9,954	11,387	18,008	19,623	20,458

Source: Banks Annual Reports & Accounts

Automated Teller Machine was conventionally introduced as a means of satisfying customers in 1989. It was instated by the defunct Societe Generale Bank of Nigeria (SGBN) in the same year. Since its installation, many Nigerian Banks have installed ATM in response to the changing nature of modern banking operation.



POINT OF SERVICE (POS) OF 13 DEPOSIT BANKS FROM 2013-2020

(N'Billion)

S/N	BANKS	2013	2014	2015	2016	2017	2018	2019	2020
1	ACCESS BANK PLC	356,680	586,973	632,818	463,459	249,927	249,000	518,000	549,000
2	ECO BANK PLC	175	198	232	265	287	312	318	321
3	FCMB PLC	450,532	1,184,482	1,184,482	496,955	685,657	484,373	717,410	699,231
4	FIDELITY BANK PLC	433	288	408	924	706	772	517	546
5	FIRST BANK PLC	1,919	1,374	3,154	5,178	3,601	7,865	13,789	11,765
6	GTBANK PLC	211,779	215,273	272,844	365,768	552,042	865,880	1,314,151	2,002,064
7	STANBIC IBTC PLC	1,287	1,333	1,376	1,541	1,680	1,566	1,657	1,769
8	STERLING BANK PLC	1,108,677	2,666,794	1,419,334	1,450	1,441	1,966	1,721	1,855
9	UBA PLC	3,915	2,969	4,002	4,206	5,431	3,979	6,636	6,321
10	UNION BANK PLC	1,318	1,639	995	1,209	1,427	1,670	1,935	2,098
11	UNITY BANK PLC	477,563	587,934	643,252	675,908	643,098	425,930	394,671	381,658
12	WEMAN BANK PLC	916,641	611,389	629,639	1,739,438	1,046,006	1,113,996	835,777	865,444
13	ZENITH BANK PLC	6,125	4,903	5,365	3,004	3,509	4,518	6,021	6,387

Source: Banks Annual Reports & Accounts

Computerization (Internet banking) in the Nigeria banking industry was introduced in November 2000



EARNINGS PER SHARE (EPS) OF 13 DEPOSIT BANKS FROM 2013-2020

S/N	BANKS	2013	2014	2015	2016	2017	2018	2019	2020
1	ACCESS BANK PLC	1.57	1.15	1.74	2.21	1.77	2.54	2.07	2.25
2	ECO BANK PLC	0.60	1.69	0.28	-1.01	0.72	0.78	0.78	0.01
3	FCMB PLC	0.30	1.12	0.24	0.72	0.43	0.75	0.87	0.98
4	FIDELITY BANK PLC	0.27	0.48	0.48	0.19	0.31	0.79	0.98	0.92
5	FIRST BANK PLC	2.16	0.16	0.06	0.21	0.26	0.26	0.39	0.94
6	GTBANK PLC	2.91	3.03	3.35	4.31	5.39	5.67	5.95	6.05
7	STANBIC IBTC PLC	0.83	1.31	0.99	0.06	2.50	1.51	2.31	2.37
8	STERLING BANK PLC	0.52	0.42	0.36	0.18	0.28	0.33	0.35	0.39
9	UBA PLC	1.41	1.22	1.36	1.31	1.17	1.20	1.83	1.66
10	UNION BANK PLC	0.30	1.21	1.05	0.92	0.72	0.83	0.83	0.85
11	UNITY BANK PLC	-58.74	17.45	12.34	18.68	-127.62	-65.83	28.94	17.85
12	WEMA BANK PLC	0.08	0.06	5.90	6.70	6.00	8.60	13.50	11.90
13	ZENITH BANK PLC	1.15	2.95	3.15	3.62	4.87	5.27	5.74	6.30

Source: Banks Annual Reports & Accounts

S/N	BANKS	VARIABLES	2013	2014	2015	2016	2017	2018	2019	2020
1	ACCESS BANK PLC	PAT	31,365,396	46,142,422	65,177,914	78,230,565	65,140,136	75,248,146	79,213,716	90,195,877
		Total Assets	1,704,094,012	1,981,955,730	2,411,944,061	3,094,960,515	3,499,683,981	3,968,114,608	6,307,588,224	7,624,979,723
		Return on Assets	1.84	2.33	2.70	2.53	1.86	1.90	1.26	1.18
2	ECO BANK PLC	PAT	147,773	394,770	107,464	-204,958	228,534	249,180	274,934	88,319
		Total Assets	22,532,453	24,243,562	23,553,919	20,510,974	22,431,604	22,502,727	23,641,184	25,939,473
		Return on Assets	0.66	1.63	0.46	1.00	1.02	1.11	1.16	0.34
3	FCMB PLC	PAT	6,027,752	5,396,908	2,523,055	14,338,882	8,612,978	14,971,528	17,337,274	19,610,454
		Total Assets	131,482,189	131,570,290	129,378,261	1,172,778,078	1,186,524,939	1,431,298,022	1,668,505,795	2,058,393,492
		Return on Assets	4.59	4.10	1.95	1.22	0.73	1.05	1.04	0.95
4	FIDELITY BANK PLC	PAT	7,721	16,142	16,315	5,457	17,768	22,926	28,425	26,650
		Total Assets	1,081,217	1,187,025	1,231,722	1,298,141	1,379,214	1,719,883	2,114,037	2,758,148
		Return on Assets	0.71	1.36	1.33	0.42	1.29	1.33	1.35	0.97
S/N	BANKS	VARIABLES	2013	2014	2015	2016	2017	2018	2019	2020
5	FIRST BANK PLC	PAT	59,365	79,351	2,180	7,507	9,275	9,342	13,862	33,860
		Total Assets	3,246,579	3,490,871	282,831	266,903	269,621	270,324	276,176	300,623
		Return on Assets	1.83	2.27	0.77	2.81	3.44	3.46	5.02	11.26
6	GTBANK PLC	PAT	85,545,510	89,170,777	94,308,123	126,836,792	158,727,705	166,753,084	175,125,281	178,188,398
		Total Assets	1,904,365,795	2,126,608,312	2,277,629,224	2,613,340,074	2,824,928,985	2,712,521,494	3,097,248,495	4,061,543,605

RETURN ON ASSETS OF 13 DEPOSIT BANKS FROM 2013-2020

		Return on Assets	4.49	4.19	4.14	4.85	5.62	6.15	5.65	4.39
7	STANBIC IBTC PLC	PAT	8,332	13,136	9,871	609	25,165	15,499	33,727	26,369
		Total Assets	75,401	75,671	75,902	92,852	97,374	107,952	126,866	147,243
		Return on Assets	11.05	17.36	13.01	0.66	25.84	14.36	26.59	17.91
8	STERLING BANK PLC	PAT	8,274,864	9,004,973	10,292,577	5,182	7,954	9,468	10,163	11,110
		Total Assets	707,200,790	824,539,426	799,451,417	830,803	1,068,798	1,085,876	1,165,509	1,281,830
		Return on Assets	1.17	1.09	1.29	0.62	0.74	0.87	0.87	0.87
S/N	BANKS	VARIABLES	2013	2014	2015	2016	2017	2018	2019	2020
9	UBA PLC	PAT	46,483	40,083	47,642	72,264	77,548	78,607	89,089	113,765
		Total Assets	2,217,417	2,338,858	2,216,337	3,504,470	4,069,474	4,869,738	5,620,907	7,697,980
		Return on Assets	2.10	1.71	2.15	2.06	1.91	1.61	1.59	1.48
10	UNION BANK PLC	PAT	5,121	20,486	17,721	15,391	13,008	18,093	24,366	25,129
		Total Assets	882,097	920,230	998,137	1,123,483	1,334,921	1,324,297	1,711,739	2,073,758
		Return on Assets	0.58	2.23	1.78	1.37	0.97	1.37	1.42	1.21
11	UNITY BANK PLC	PAT	-22,582,339	10,692,476	4,689,157	2,183,798	-14,917,938	-7,695,320	3,383,189	2,086,393
		Total Assets	403,629,290	413,305,111	443,321,012	492,681,647	134,957,181	210,800,841	293,052,070	492,020,329
		Return on Assets	5.60	2.59	1.06	0.44	11.05	3.65	1.16	0.42
12	WEMAN BANK PLC	PAT	1,596,531	2,372,445	2,327,275	2,591,800	2,301,158	3,359,259	5,210,748	4,592,217
		Total Assets	330,872,475	382,562,312	396,743,314	421,221,036	385,388,304	477,915,742	704,955,604	968,582,084
		Return on Assets	0.48	0.62	0.59	0.62	0.60	0.70	0.74	0.47
13	ZENITH BANK PLC	PAT	83,414	92,479	98,784	113,885	155,003	165,480	180,332	197,852

		Total Assets	2,878,693	3,423,819	3,750,327	4,283,736	4,833,658	4,955,445	5,435,073	7,124,987
		Return on Assets	2.90	2.70	2.63	2.66	3.21	3.34	3.32	2.78

Source: Banks Annual Report & Accounts

Return on Assets (ROA) is a financial ratio that shows the percentage of profit a company earns in relation to its overall resources. It is commonly defined as net income divided by total assets.



RETURN ON EQUITY (ROE) OF 13 DEPOSIT BANKS FROM 2013-2020

S/N	BANKS	VARIABLES	2013	2014	2015	2016	2017	2018	2019	2020
1	ACCESS BANK PLC	PAT	31,365,396	46,142,422	65,177,914	78,230,565	65,140,136	75,248,146	79,213,716	90,195,877
		Total Equity	1,704,094,012	1,981,955,730	2,411,944,061	3,094,960,515	3,499,683,981	3,968,114,608	6,307,588,224	7,624,979,723
		Return on Equity	4.46	2.33	2.70	2.53	1.86	1.19	1.26	1.18
2	ECO BANK PLC	PAT	147,773	394,770	107,464	-204,958	228,534	249,180	274,934	88,319
		Total Equity	2,134,648	2,655,085	2,523,245	1,764,078	2,172,083	1,733,022	1,885,777	2,027,713
		Return on Equity	6.92	14.87	4.26	11.62	10.52	14.38	14.58	4.36
3	FCMB PLC	PAT	6,027,752	5,396,908	2,523,055	14,338,882	8,612,978	14,971,528	17,337,274	19,610,454
		Total Equity	131,321,521	130,777,616	128,349,993	178,164,401	187,461,812	183,427,106	200,666,647	227,120,200
		Return on Equity	4.59	4.13	1.97	8.05	4.60	7.46	8.64	8.63
4	FIDELITY BANK PLC	PAT	7,721	16,142	16,315	5,457	17,768	22,926	28,425	26,650
		Total Equity	163,455	173,111	183,516	185,402	201,361	194,416	234,030	273,533
		Return on Equity	4.72	9.33	8.89	2.94	8.82	11.79	12.15	9.74
5	FIRST BANK PLC	PAT	59,365	79,351	2,180	7,507	9,275	9,342	13,862	33,860
		Total Equity	350,709	423,047	459,746	282,833	269,619	270,324	276,176	300,623
		Return on Equity	16.93	18.76	0.47	2.65	3.44	3.46	5.02	11.26
6	GTBANK PLC	PAT	85,545,510	89,170,777	94,308,123	126,836,792	158,727,705	166,753,084	175,125,281	178,188,398
		Total Equity	324,289,258	359,912,076	405,608,348	476,917,853	578,576,776	510,185,839	605,889,596	702,399,525

		Return on Equity	26.38	24.78	23.25	26.60	27.43	32.56	28.90	25.37
7	STANBIC IBTC PLC	PAT	8,332	13,136	9,871	609	25,065	17,499	23,727	24,369
		Total Equity	71,846	72,990	72,360	72,970	92,654	102,210	122,685	138,201
		Return on Equity	11.60	18.00	13.64	0.84	27.16	15.16	27.49	19.08
8	STERLING BANK PLC	PAT	8,274,864	9,004,973	10,292,577	5,182	7,954	9,468	10,163	11,110
		Total Equity	63,457,896	84,715,285	95,565,747	85,681	101,599	98,009	119,328	135,390
		Return on Equity	13.04	10.63	10.77	6.05	7.83	9.66	8.52	8.21
9	UBA PLC	PAT	46,483	40,083	47,642	72,264	77,548	78,607	89,089	113,765
		Total Equity	259,538	281,933	338,231	390,900	400,860	364,598	446,522	477,940
		Return on Equity	17.91	14.22	14.09	18.49	19.35	21.56	19.95	23.80
10	UNION BANK PLC	PAT	5,121	20,486	17,721	15,391	13,008	18,093	24,366	25,129
		Total Equity	187,783	205,268	230,668	271,670	345,741	225,632	252,342	264,318
		Return on Equity	2.73	9.98	7.68	5.67	3.76	8.02	9.66	9.51
11	UNITY BANK PLC	PAT	-22,582,339	10,692,476	4,689,157	2,183,798	-14,917,938	-7,695,320	3,383,189	2,086,393
		Total Equity	28,212,639	76,263,995	82,574,531	83,106,980	-270,916,085	-284,374,654	-278,855,888	-275,409,796
		Return on Equity	80.04	14.02	5.68	2.63	5.51	2.76	1.21	0.76
12	WEMAN BANK PLC	PAT	1,596,531	2,372,445	2,327,275	2,591,800	2,301,158	3,359,259	5,210,748	4,592,217
		Total Equity	41,395,151	43,768,648	46,064,114	48,502,340	49,692,140	50,998,880	55,366,851	59,352,834
		Return on Equity	3.86	5.42	5.05	5.34	4.63	6.59	9.41	7.74
13	ZENITH BANK PLC	PAT	83,414	92,479	98,784	113,885	155,003	165,480	180,332	197,852
		Total Equity	472,622	512,707	546,946	610,953	697,983	675,032	778,995	905,232
		Return on Equity	17.65	18.04	18.06	18.64	22.21	24.51	23.15	21.86