

THE IMPLICATIONS OF CUSTOMERS' TRUST IN THE USE OF AUTOMATED TELLER MACHINE (ATM) SERVICES IN THE BANKING SECTOR: A CASE STUDY OF SOKOTO STATE, NIGERIA

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ABSTRACT

Automated Teller Machine (ATM) was the first form of electronic banking introduced in Nigeria by Societe Generale Bank (SGBN) in 1990. Since then, the growth of ATM in the Nigerian banking sector rose from 83% to 89% in 2006 and 2007 respectively. It was also reported that Nigeria has over 30 million ATM card holders, who perform over 100 million operations monthly. Despite enjoying the advantages link with the introduction of ATM, customers are still battling with the issues associated with trust in the use of the system. Therefore, this article investigates the implication of security and privacy on the level of customers' trust in the use of ATM services. Questionnaire was used to collect data from 300 customers of Guaranty Trust Bank, Zenith Bank, First Bank, Eco Bank and Mainstreet Bank in Sokoto State, Nigeria. Correlation analysis results shows that security and privacy significantly affect customers' trust in the use of ATM services. The result was supported by the literature but, was not in line with the sociological perspective of the study.

Keywords: faceless commitment, conceptualisation of trust, privacy, security