

Prospects and Challenges of Electronic Banking in Société Générale Ghana Limited: Evidence from Accra Metropolis

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Abstract

The study examines the prospects and challenges of E-banking using SOCIETE GENERALE GHANA LTD in Greater Accra, Region of Ghana. Simple random sampling technique was used to sample Ninety (90) respondents for the study. Data was collected with structured questionnaires. Descriptive and inferential statistics were used to analyse the data. The results revealed that about 97% of respondents used E-banking products. These products include: ATM, text message, internet. Electronic mail, and Telephone. ATM is most popular E-banking products used by the respondents. The study further revealed the following benefits which the respondents derived from the use of E-banking products: saving of time, quickness in banking transactions, easy access to account details and reduction of long queues in banking halls. According to the study, customer satisfaction and competition from other banks were the main influencing factors for E-banking adoption. Notwithstanding E-banking advantages, it is confronted with challenges such as frequent network failure, high bank charges, limit on amount of cash withdrawal and wrong debit was identified as the paramount challenges. Nevertheless, respondents recommended that for effective E-banking system, customer education and marketing of E-banking products should be the key strategy to use to attract more customers, increasing security for E-banking products, reduction of charges of E-banking products and increasing more ATM outlets in the country.

Keywords: electronic banking, Ghana, Universal bank,

1. Introduction

The increasingly competitive environment in the financial service market has resulted in pressure to develop and utilise alternative delivery channels. The most recently delivery channel introduced is online or electronic banking also known as e-banking Daniel & Storey,(1997). Online or electronic banking systems gives everybody the opportunity for easy access to their banking activities. These banking activities may include: retrieving an account balance, money transfers between a user's accounts, from a user's account to someone else's account, retrieving an account history. Some banks also allow services such as stock market transactions, and the submission of standardized accounting payment files for bank transfers to third parties (Claessens et al., 2002). It had been projected that more than 32 million households globally were banking online by 2003 (Simpson, 2002). Banks and other financial institutions have moved to e-banking in their efforts to cut costs while maintaining reliable customer service (Kolodinsky and Hogarth, 2001).

It is evident that banks and other financial institutions in developed and developing countries are embracing e-banking. As technology evolves, different kinds of electronic banking systems emerge, each bringing a new dimension to the interaction between user and bank. They include Automated Teller Machine (ATM), mobile and Internet (online) banking, electronic funds transfer, direct bill payments and credit card (Gikandi and Bloor, 2010; Liaoa and Cheung, 2002). The use of these facilities is on the increase. For example, in Kenya and Singapore a recent survey indicates that there is steady increase in use of E-banking technologies such as Automated Teller Machine (ATM), mobile and Internet (online) banking, electronic funds transfer, direct bill payments and credit card (CBK 2008; Liaoa & Cheung, 2002). Among these E-banking facilities, the Automated Teller Machine (ATM) is the first well-known and widely adopted system that was introduced to facilitate the access of the user to his banking activities (Nyangosi et al. 2009; Claessens et al., 2002)

In Ghana, most banks are also adopting e-banking system which is the state - of- the art. In addition, many banks are making what seem like huge investments in technology to maintain and upgrade their infrastructure, in order not only to provide new electronic information based services, but also to manage their risk positions and pricing (Abor, 2004). The earliest forms of electronic and communications technologies used mainly in Ghanaian banking offices were automation devices. However, Telephones, telex and facsimile were employed to speed up and make more efficient the process of servicing clients (Abor, 2004).

SOCIETE GENERALE GHANA is the 4th largest bank in Ghana and has 38 networked branches in Ghana (www.societegenerale.com.gh/bank/ accessed on 29/3/11). The mission of the bank is to create the preferred banking institution, which employs professionalism, teamwork and innovation to provide quality

products and services that best satisfy the needs of customers. The Bank operates in the Retail, Corporate, Small and Medium scale Enterprise banking markets (www.societegenerale.com.gh/bank/ accessed on 29/3/11).

They operate both the traditional form of banking alongside the E-banking. SOCIETE GENERALE GHANA was the first bank to introduce the following products in the country: Doorstep Banking: the physical collection of cash at the doorstep of corporate customers, Special Farmers Loan: whereby Cocoa farmers are given pre-harvest financing and Consumer Credit Loan Scheme for workers.

Their E-banking facilities include Automated Teller Machine (ATM), Sika Card: the first electronic smart card in Ghana. Sikatel, the first banking access by phone in Ghana, Sikatext: Banking information by SMS (www.societegenerale.com.gh/bank/ accessed on 29/3/11). These devices are making banking very easy and convenient comparable to the traditional way. However, as the banking industries embrace these new opportunities they have to contend with issues and face challenges that arise in the context of banking risks. Less documentation was done in Ghana concerning customer preference, challenges and prospect in the E-banking section of SOCIETE GENERALE GHANA. This study intends to find out how the bank is facing these challenges and the way forward.

One main advancement technology has brought to us is the introduction of electronic banking or E-banking. Traditional banking is characterized by physical decentralization, with branches scattered around populated areas to give customers easy geographical access (Ainin et al., 2005). E-Banking does away with the need for most visits to the bank. However, according to Lockett & Littler (1997), physical banks assure customers that their banks has substantial resource and guarantee the security of their savings. A study indicated that although electronic banking has been available in the UK since the early 1980s, it is still at an embryonic stage. It is not clear whether all customers want or are comfortable with electronic banking (Daniel & Storey, 1997). Technology is changing at a rapid pace making it difficult for both the customer and the bank to determine the best approach. Particular problems arise with trying to integrate new channels with legacy channels. It is for these reasons that academic research is needed in this newly emerging delivery channel (Daniel & Storey, 1997).

Similarly, in Ghana, most banks practicing E-banking are also facing challenges such as customer preference of the E-banking facility, convenience of clients to utilize and adopt E-banking facilities. While numerous studies have been undertaken to examine issues in the wider context of E-banking and customer loyalty, comprehensive research in the area of E-banking issues and customer preferences in the specific context of Ghana has been rather limited. This study therefore, assesses the perception of customers of E-banking in a case bank in Ghana.

2. Related literature

2.1 Defining Electronic banking

The term electronic banking means different things to different people. Different authors have defined it in different ways based on their understanding of the application of electronic banking.

There are different explanations of electronic banking or E-banking. They include the following:

E-banking is online banking (or Internet banking) which allows customers to conduct financial transactions on a secure website operated by their retail or virtual bank, credit union or building society .

Another definition is that E-banking is a service that allows an account holder to obtain account information and manage certain banking transactions through a personal computer via the financial institution's Web site on the Internet (helpwithmybank.org/dictionary/index.html accessed on 30/3/2011).

E-banking is also defined as the automated delivery of new and traditional banking products and services directly to customers through electronic, interactive communication channels

For many consumers, electronic banking means 24-hour access to cash through an Automated Teller Machine (ATM) or Direct Deposit of pay checks into checking or savings accounts (FTC, 2006). But electronic banking now involves many different types of transactions.

Electronic banking, also known as Electronic Funds Transfer (EFT), is simply the use of electronic means to transfer funds directly from one account to another, rather than by cheque or cash.

2.2 Importance of E-banking

Electronic banking systems provided easy access to banking services. The interaction between user and bank has been substantially improved by deploying ATMs, Internet banking, and more recently, mobile banking (Claessens et al. 2002).

Electronic banking (E-banking) reduces the transaction costs of banking for both Small and Medium Enterprises (SMEs) and banks. SMEs need not visit banks for banking transactions, providing round the clock services (Cheng, 2006).

Customers prefer E-banking for conveniences, speed, round the clock services and access to the account from any part of the world (Cheng, 2006). E-banking offers benefits to banks as well. Banks can benefit from

lower transaction costs as E-banking requires less paper work, less staff and physical branches (Cheng, 2006). E-banking leads to higher level of customers' satisfaction and retention Polatoglu & Ekin, (2001). E-banking reduces loan processing time as borrowers loan application can be viewed by loan processing and loan approval authority simultaneously Smith and Rupp, (2003). Typically, loan applications received at branch level and sent to head office for approval. This documents transfer to and from branch to head office consume much time and delay loan sanction period (Riyadh et al., 2009).

2.3 Types of E-banking services

Over the past years, two types of electronic banking services have emerged in the banking sector; they are internet and phone banking

Internet banking is a new age banking concept. It uses technology and brings the bank closer to the customer. Internet or Online banking is another form of an electronic banking service that is becoming more popular every day. For those that have access to the internet and a computer all you need to do is proceed to your banks website and login. From there you have access to all of your accounts that you have at that bank. Transfer funds between your accounts with ease. You can also use online banking to see how much money you have in your accounts and where the money you have spent has gone

Broadly, the levels of banking services offered through internet can be categorized in to three types: The Basic Level Service is the banks' websites which disseminate information on different products and services offered to customers and members of public in general. It may receive and reply to customers' queries through e-mail. The second level involved a simple Transactional Websites which allows customers to submit their instructions, applications for different services, queries on their account balances, etc., but do not permit any fund-based transactions on their accounts. The third level of Internet banking services are offered by Fully Transactional Websites which allows the customers to operate on their accounts for transfer of funds, payment of different bills, subscribing to other products of the bank and to transact purchase and sale of securities.

The above forms of Internet banking services are offered by traditional banks as an additional method of serving the customer. There are also banks that deliver banking services primarily through Internet or other electronic delivery channels. Some of these banks are known as 'virtual' banks or 'Internet- only' banks and may not have any physical presence in a country despite offering different banking services.

2.4 E-banking in Ghanaian Banks

The banking industry in Ghana is undergoing rapid growth with the liberalization of the financial sector by the Bank of Ghana and positive economic environment Adams & Lamptey,(2009). And because of this, most banks are catching up with increasingly newer technologies by bringing more innovative concepts into the banking sector. One of key concept is the introduction of E-banking, which involves 24-hour service provision to their clients. In Ghana, the earliest forms of electronic and communications technologies used were mainly office automation devices. Telephones, telex and facsimile were employed to speed up and make more efficient, the process of servicing clients. For decades, they remained the main information and communication technologies used for transacting bank business (Abor, 2004).

Technological innovation coupled with availability of internet services in Ghana results in banks in Ghana networking their branches and provision of service products. Because of competition almost all banks in Ghana are now providing various forms of E-banking services. For instance, a report by Abor (2004) showed that Barclays Bank (Gh.) LTD and Standard Chartered Bank (Gh.) LTD pioneered this very important electronic novelty, which changed the banking landscape in the country.

Banks in Ghana have launched many commercials and a range of products and services. The Trust Bank Ghana, in 1995 installed the first ATM. After that, the other major banks began their ATM networks at competitive positions. Ghana Commercial Bank started its ATM offering in 2001 in collaboration with Agricultural Development Bank (Abor, 2004). In Ghana, ATM is the most extensive and widely utilized E-banking services. The ATM has been the most successful delivery medium for consumer banking in this county. Customers consider it as important in their choice of banks, and banks that delayed the implementation of their ATM systems, have suffered irreparably. ATMs have been able to entrench the one-branch philosophy in this county. By being networked, people do not necessarily have to go to their branch to do some banking (Abor, 2004).

Various E- banking cards have been introduced by Ghanaian Banks. For instance, the first major cash card is a product of Social Security Bank, now Soccite Generale SSB, introduced in May 1997 in this country. Furthermore, in the earlier part of year 2001 Standard Chartered Bank launched the first ever debit card in this country. A consortium of three (3) banks (Ecobank, Cal Merchant Bank and The Trust Bank) introduced a further development in electronic cards in November 2001, called 'E-Card'. This card is online in real time, so anytime a client uses the card, or changes occur in their account balance, their card automatically reflects the change (Abor 2004).

2.5 SOCIETE GENERALE GHANA offers various forms of E-services and products which are available throughout Ghana. However, among the facilities, ATM is the commonest and the mostly patronized one. It also offers a wide-range of smart cards; The SOCIETE GENERALE GHANA Visa Cards. The highly secured debit cards can be conveniently used at both the ATMs and merchant points and allows the cardholders to make transactions with ease. The cards allow a 24hour, 7 days a week access to the account. The SOCIETE GENERALE GHANA Visa Cards are the one of the few cards on the market with an electronic chip that allows usage on both ATMs and at merchant outlets. They can also be used at all Visa braned ATMs in the country, making money available to clients at all times

The Privilege Card, a Visa Gold card, is top of the range of cards offered. The Priority Card for the Priority Customer is next in line. These two cards have additional international features allowing use in Ghana and abroad. The other two cards available at SOCIETE GENERALE GHANA are the Express card for the Current account holders and the Saver card for the Savings Account holders are mainstream domestic cards. In addition there is the E-zwich smart card which is a new and secured way of paying for goods and services throughout the country based on biometric (fingerprint) identification

3. Methodology

3.1 Profile of the study organisation

The study was carried out in three selected branches of SOCIETE GENERALE GHANA branches in Accra namely, Ring road Central, Accra main and Kaneshie branches. These branches were chosen because various E-banking facilities or products including ATM services, Sikanet, Sikamail etc. are available. Furthermore, they are closer to the researcher and access to information is also easy. The banking service has different departments which rely on the services of E-banking in a way to carry out their jobs.

3.2 Data collection and analysis

Primary data was used in this study and it was collected from customers and employees of the case bank in Ghana. Data and information were collected through a combination of individual interviews using well-structured questionnaire and focus group discussions. Structured questionnaire was used to collect data from customers and interview guide was used to solicit information from employees of the bank.

The respondent's customers were selected via simple random sampling procedure while the employees were sampled through the use of non-probability sampling technique specifically purposive sampling technique. Data were analysed using Statistical Package for Social Sciences (SPSS) version 1 software.

In sampling customers for the study the case bank officials were contacted and they gave a list of customers per each branch. The 3 branches was purposively selected because these are the branches that had ATM machines which is likely to encourage electronic banking of the customers of the case bank who do business at these branches. A simple random sampling technique was used to select customers from the list of customers given by the branches of the case bank.

Thirty (30) representative respondents were interviewed in each selected branch. They consist of IT staff (5), other banking staff (5) and customers of E-banking facilities (20). These categories of respondents were interviewed at the three branches making a total sample of 90.

Descriptive statistics such as frequency tables and percentages were used to present the socio – economic characteristics of the respondents as well as challenges they have identify with electronic banking with respect to the case bank.

3.3 Results and Discussion

Demographics of respondents

The study was carried out in three branches of a case bank in Accra -The number of respondents who took part in the survey were ninety (90) of which 81.1% were males whiles 18.9% were females. The results indicated that all respondents had some level of education and know the essence of banking. There were no illiterates among respondents which might be due to the fact illiterates do not prefer banking.

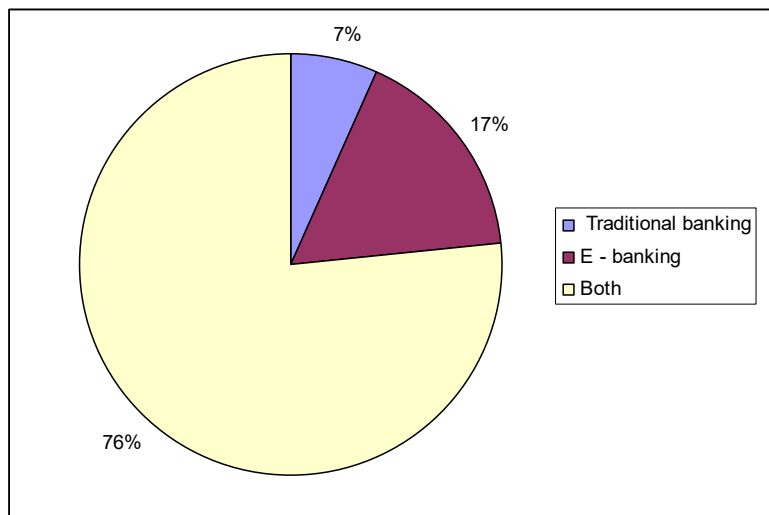
Table 1: Descriptive statistics

Items	Sub levels	Frequency	Percentage
Gender	Male		81.1
	Female		18.9
Education	No formal education		
	Secondary/SSS	3	3.3
	Vocational/Technical	3	3.3
	Polytechnic/HND	20	22.2
	Professional certificate	11	12.2
	University graduate	53	58.9
Category of the respondents	IT staff		17
	Other staff		22
	Customers		61
Customer type	Individual		74.4
	SME banking		11.2
	Corporate		14.4
Usage of banking types	Traditional banking only		7
	E-banking only		17
	Both types of banking		76

Source: Field Survey, 2011

The respondents were drawn from different categories. They included sampled staff of the bank and sampled customers. However, customers formed core (61%) of respondents (Table 1) This enabled the study to have diverse and in-depth information regarding E-banking.

The results shows that majority (74.4%) of the respondents were individual customers, whilst SME and Corporate customers represents 11.2% and 14.4% respectively. Generally, there are two main forms of banking services in Ghana namely, traditional and E-banking services. Figure 1.

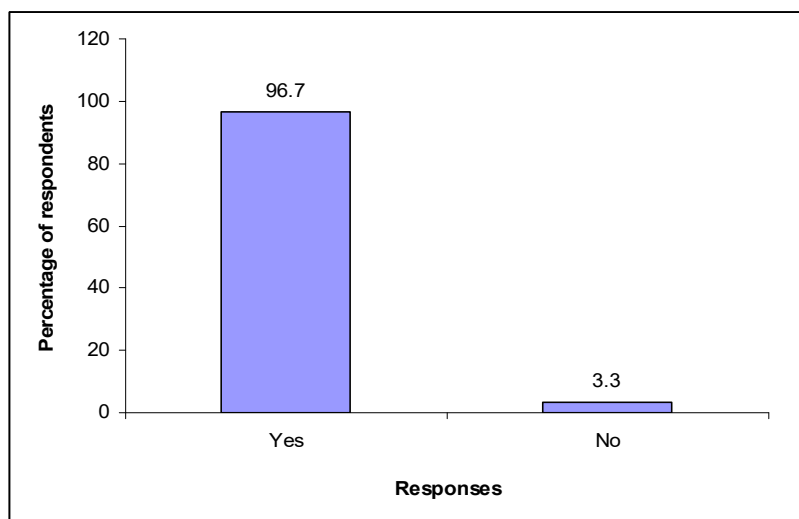


The results of the study in Figure 1 indicated that majority of the respondents (76%) knew both form of banking services in Ghana. The results further indicated that 7% of the respondents are aware of only the traditional banking services, while 17% also revealed that they are aware of only the E-banking services. A study by Abor (2004) indicated that introduction of E-banking services in Ghana begun in the 1980s with proliferation of personal computers. Barclays Bank (Ghana) Limited and Standard Chartered Bank (Ghana) Limited pioneered this very important electronic novelty, which changed the banking landscape in the country.

Respondents' perception on E-banking

The study sought to find out how respondents' perceived E-banking. The results presented in figure 2. revealed that majority of respondents (96.7%) have heard of E-banking whiles 3.3% said they were not aware of any banking services called E-banking.

Figure 2.



Those who heard of E-banking understood it in different ways. According to most respondents (53.31%) they explained E-banking as the use of internet and electronic media to bank (Table 2). E-banking is explained as conducting financial transactions on a secure website operated by a retail or virtual bank, credit union or building society (en.wikipedia.org/wiki/Electronic banking accessed on 30/3/2011). Explanation by respondents conforms to the general web definition.

The term electronic banking means different things to different people. Different authors have defined it in different ways based on their understanding of the application of electronic banking. Also, 27.8% of the respondents viewed “E-banking” to mean electronic banking, while 18.9% of respondents viewed it to mean virtual banking service provision system.

Table 2: Respondents’ view of E-banking

Statements	Frequency	Percentage
Use internet and electronic media to bank	48	53.3
Virtual banking service provision system	17	18.9
Electronic banking	25	27.8
Total	90	100.00

Source: Field Survey, 2011

Respondents having access to E-banking

Results in Figure 2 indicate that 96.7% of respondents have access E-banking facilities, while 3.3% indicated that they did not have access to E-banking facilities.

This implies that information gathered were reliable since they have access to the E-banking facilities.

Places respondents use E- banking facilities

Respondents have E-banking products from different banks including the case bank This is because they were operating accounts with other banks. However, most respondents (78.9%) were only the case bank customers and use E-banking products from the bank (Table 3).

Table 3: Places respondents use E-banking

Location where E-banking is used	Frequency	Percentage
Case bank SOCIETE GENERALE GHANA	71	78.9
Case bank + Barclays	7	7.8
Case bank + GCB	4	4.4
Case bank + Prudential Bank	2	2.3
Case bank + Ecobank + Standard Chartered	6	6.6
Total	90	100.0

Source: Field Survey, 2011

Types of E-banking facility used by respondents

Table 4 indicates that respondents who use E-banking facilities have different types of E-banking products from the case bank. The data reveals that 41.1% use only ATM cards (Table 4). ATM is the most widely used E-banking products within SOCIETE GENERALE GHANA. ATMs are able to provide a wide range of services, such as making deposits, funds transfer between two or more accounts and bill payments (Abor, 2004).

However, significant proportion of respondents (22.2%) also uses combinations of E-banking products from the case bank

Table 4: Types of E-banking facility used by respondents

Types of E-banking products		Frequency	Percent
Valid	ATM	37	41.1
	Internet	7	7.8
	Text messages	4	4.4
	ATM + internet + mail + text	20	22.2
	ATM + text	8	8.9
	Mail	6	6.7
	mail + text	3	3.3
	ATM +mail	5	5.6
	Total	90	100

Source: Field Survey, 2011

Reasons for using E-banking facilities

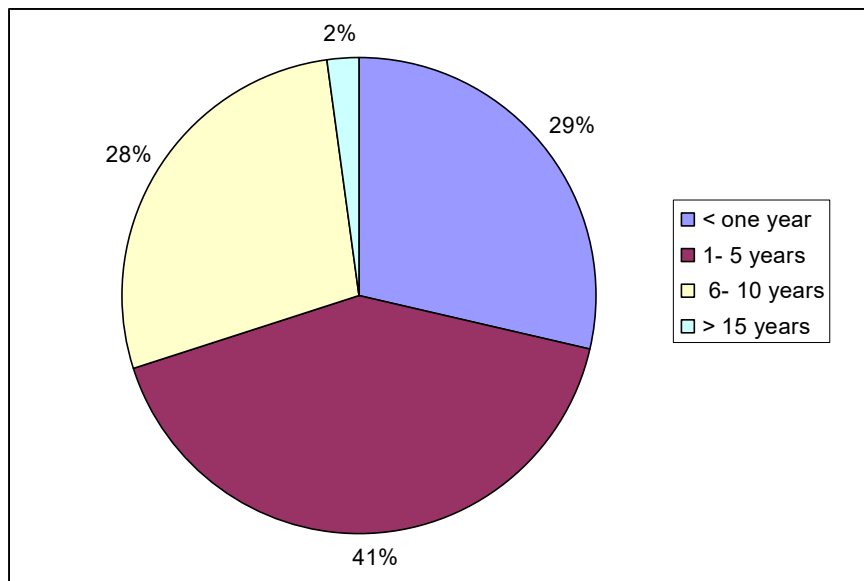
Respondents of this study indicated their reasons for using E-banking products in Table 5. The dominant reason was easy access to money and account information (30%). Avoidance of long queues which are associated with the traditional banking was actually eradicated by the introduction of E-banking products. Customers indicated that using E-banking products is very convenient and fast; it makes them save a lot of time for other businesses (Table 5). This result compares favourably to Liaoa and Cheung (2002) in Singapore, who also pointed out that individuals can E-bank over the internet at any time in any properly equipped location, the quality attribute of time and location convenience is likely to be significant in differentiating it from traditional retail banking.

Table 5: Reasons for using E-banking products

Statements	Frequency	Percent
Easy access to funds 24 hrs	13	14.4
Easy access to account information	17	18.9
Easy access to funds and account information	27	30
Makes transactions very fast	14	15.6
Convenient and saves time	19	21.1
Total	90	100.0

Source: Field Survey, 2011

Figure 3: Distribution of respondents concerning usage duration of E-banking products.



Source: Field Survey, 2011

Respondents Preference of E-banking products

Table 6 illustrates respondents' preference of E-banking products. Results presented indicate that most respondents (44.4%) prefer ATM facility out of the other E-banking products being offered at SOCIETE GENERALE GHANA (Table 6). However, significant proportions of respondents also preferred combination of the E-banking products. This is because ATM is 24-hour teller electronic terminals which give consumers the opportunity to bank at almost any time. However, the ATM is located at vantage points and more often within the premises of SOCIETE GENERALE GHANA. This is because customers could save time by moving to these ATM facilities, they use other E-banking products such as Sikatext to access account information on their phones. According to the survey, most respondents (47.8%) preferred E-banking because of their efficiency and user friendliness (Table 7). This might be due to the fact that operation of E-banking products was not difficult. Most often, there are simple steps to follow with instructions being offered by the system and within some few seconds the information being access is retrieved.

Table 6: Preference of E-banking products

E-Banking products	Frequency	Percent
ATM	40	44.4
Sikanet	7	7.8
Sikatext	4	4.4
ATM and Sikatext	11	12.2
ATM + Sikamail	19	21.1
ATM + Sikamail + Sikatext	3	3.3
Sikamail + Sikatel	3	3.3
Sikamail	3	3.3
Total	90	100.0

Source: Field Survey, 2011

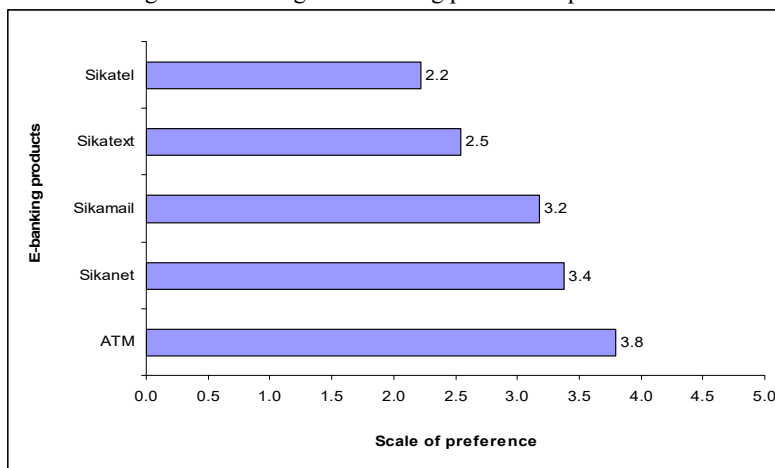
Table 7: Respondent's reasons for preference of their E-banking products

Reasons	Frequency	Percent
Efficient and user friendly	43	47.8
Access to money anytime	17	18.9
Very fast in transacting business	16	17.8
Avoidance of long queues	2	2.2
Access to account details are easy	12	13.3
Total	90	100.0

Source: Field Survey, 2011

Preference of E-banking products was in the domain of the customers. On a scale of 1 to 5, with 1 being the lower rank and 5 being the higher rank, most respondents ranked ATM as the preferred E-banking product. ATM scored the highest rank with an average score of 3.8 (Figure 4). This clearly shows that out of the various E-banking products being offered in SOCIETE GENERALE GHANA, customers prefer ATM usage relative to others. This is supported by similar study in Kenya showing that the trend of ATM banking grows over a period of 5 years, between the years 2002 and 2007, as evidenced by the increase in the number of ATMs (Gikandi and Bloor, 2010).

Figure 4: Ranking of E-banking products in preference



Factors Influencing Adoption of E-banking in SOCIETE GENERALE GHANA

There are factors influencing adoption of E-banking products in SOCIETE GENERALE GHANA. Results in Table 8 indicated that most respondents (33.3%) believed satisfaction of customer needs was the main influencing factor for adoption of E-banking in SOCIETE GENERALE GHANA. Significant proportion of respondents also said competition from other banks also has a strong influence on E-banking adoption (Table 8). This is because other banks have introduced E-banking hence would lure customers if SOCIETE GENERALE GHANA had not. These two main factors were also identified as an E-banking adoption influencing factors in Kenya. Their results indicated that only 60% of the banks identified competitive forces as a factor driving their banks to adopt E-banking. Seventy percent of the surveyed banks identified the number of other retail banks adopting E-banking as a driver of 'some' significance, while 80% deemed customers demand as a driver of extreme importance Gikandi, and Bloor, (2010). This follows observations by Bradley and Stewart (2003) who noted that banks have realised that customers are the core to their businesses and thus must respond to their needs. Enhanced ability to deal with customers was identified by all banks as being a driver of extreme importance. This conforms to earlier findings by Hwang et al. (2003) that E-banking provides faster and cheaper services to the customers. Another study also revealed that competitive forces are motivators of adoption of E-banking. This is in line with findings by Mols (2000). Adoption of E-banking is viewed as a defensive measure against competitive activities and thus a competitive necessity within the industry. Similarly, suitability has emerged as an important driver of E-banking confirming findings by (Hughes 2003).

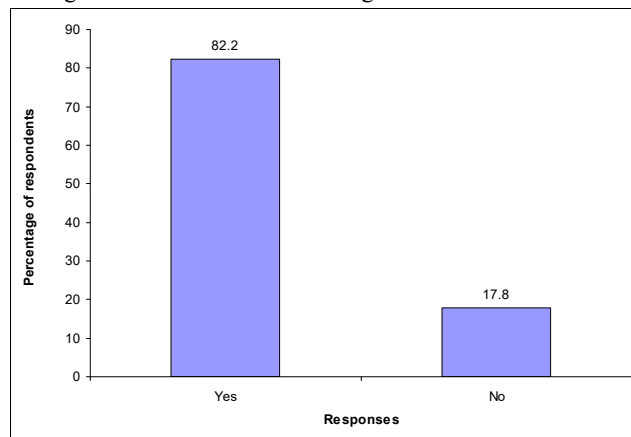
Table 8: Factors Influencing Adoption of E-banking in SOCIETE GENERALE GHANA

Statement	Frequency	Percentage
Technological advancement	11	12.2
Satisfying customer needs	30	33.3
Overcrowding in the banking hall	13	14.4
Competition and decongestion of banking hall	11	12.2
Competition	25	27.8
Total	90	100.0

Source: Field Survey, 2011

The result further revealed that most respondents (82.2%) believed other people prefer E-banking in SOCIETE GENERALE GHANA (Figure 5). This might be due to the fact respondents perceived that other customers' were also enjoying the advantages associated with the use E-banking hence given preference relative to the traditional banking.

Figure 5. Preference for Banking in Soccite General Gh.



Respondents level of satisfaction on the use of E-banking

Comfortability of customers is also another factor associated with the use of E-banking products. The study indicated in Table 9 that 90% of respondents were very comfortable with the use of E-banking products. However, 10% of respondents mentioned that they do not feel comfortable using E-banking. The comfortability derive from E-banking usage lessen time spend for banking.

Table 9: Respondents level of satisfaction on the use of E-banking

Responses	Frequency	Percentage
Yes	81	90
No	9	10
Total	90	100

Source: Field Survey, 2011

Table 10: Level of satisfaction of E-banking products

Level of satisfaction	Frequency	Percentage
Poor	3	3.3
Average	7	7.8
Good	5	5.6
Very good	40	44.4
Excellent	35	38.9
Total	90	100.0

Source: Field Survey, 2011

4.17 Reasons in using E-Banking products with regards to security

The security of E-banking is paramount to the service providers. Table 11 shows the level of security participants felt with regards to the use of E-banking facilities. The results indicates that 48 of the respondents representing 53.3% felt that security features of E-banking are good which makes it very difficult to be abused by fraudsters and therefore safe to use. In addition, 28 (31.1%) of the respondents affirmed that there is privacy in using E-banking, whilst 14 (15.6%) of the respondents believes that frauds are not easily detected in using E-banking facilities.

Table 11: Reasons for safety in using E-Banking products

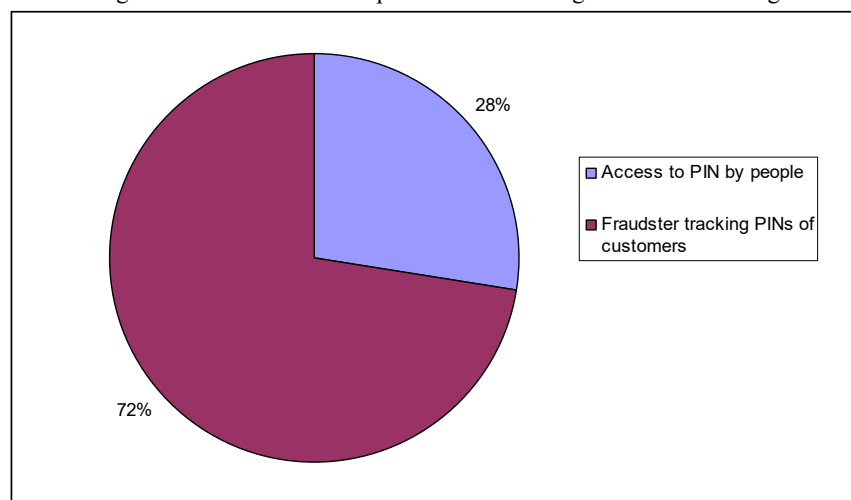
Responses	Frequency	Percentage
Gives me privacy	28	31.1
Frauds not easily detected	14	15.6
Security features are good	48	53.3
Total	90	100.0

Source: Field Survey, 2011

Respondents view on E-banking concerning fraud

In making E-banking products for transactions, the manufactures or the service providers are always concerned about hackers and anti-social elements. Therefore security features are always provided to prevent theft. In the process of acquiring the E-banking products, certain confidential information are required in addition to user name and passwords. This is available to the customer only. In addition, most of the banks try to make their sites secured by implementing latest network security software to prevent hackers from entry. Those who feel E-banking usage was not secure mentioned that fraudster could easily track customer's pins and access their accounts (Figure 6). They also believe that any close pal of the customer who knows the pin could access the accounts. E- Banking fraud is carried out in two major steps. Firstly, the offender must get their hands on the customer's account information, like their username and password. Secondly, the offender will use that information to move his victim's money to another account or fraudulently withdraw it. However, protection of this information makes E-banking very secure and safe.

Figure 6: Distribution of respondents concerning fraud in E-banking



Source: Field Survey, 2011

Challenges of E-banking

Notwithstanding the significant benefits of E-banking products, it carries risks and challenges which are recognised and need to be managed by the banking institution in a prudent manner. In this study, most respondents (66.7%) mentioned that the main challenge facing E-banking system in SOCIETE GENERALE GHANA is unreliable network system (Table 12). This is true because internet connection which linked the systems together could easily fail resulting in collapse of the E-banking network system. However, the internet service is not provided by SOCIETE GENERALE GHANA. The bank relies on this service provider so any hitch in their system has effect on the network of the bank. Furthermore, charges attracted for using E-banking products were very high according to some respondents. Although the study was not able to ascertain how much is being charged for the E-banking products, almost all the banks charge for the use of the E-banking products with the exception of Barclays Bank that abolished ATM charges recently. The limit of money that could be withdrawn was also seen as a challenge by some respondents. However, this is done in Banks in other countries too. For instance a study in Singapore shows that 72% of respondents considered transactions limits to be important. This may be due to the fact that Singaporean consumers routinely deal in small amounts (Sohail and Shanmugham, 2003).

Table 12: Challenges facing E-banking products

Challenges	Frequency	Percentage
Limit on amount of cash withdrawn	12	13.3
Unreliable network system	60	66.7
Wrong debits	4	4.4
Unreliable source of power	4	4.4
Bank charges for ATM services	10	11.1
Total	90	100.0

Source: Field Survey, 2011

4. Conclusions

This study showed that customers of SOCIETE GENERALE GHANA patronise E-banking products such as ATM, Sikanet, Sikatext, Sikamail and Sikatel. They derive certain benefits from the use of these products predominantly time saving, easy access to cash and convenient in the use of the products. However, customers prefer ATM among the E-banking products because of its effectiveness and user friendliness. The average operating time of E-banking products is less than 5 minutes. Furthermore, E-banking products have security features such as username and passwords which are used to protect the products from easy theft. Adoption of E-banking products has influencing factors. Predominant factors are customer satisfaction and competition from other banks. Increasing competition among banks to increase or retain their customer base is driving the banks to continue to adopt E-banking technologies. Despite the benefits of E-banking, it is associated with some challenges. The study shows that network failure from internet connection is the major challenge facing customers using E-banking products from SOCIETE GENERALE GHANA. However, respondents believed that considerable education and marketing of E-banking products from the bank could attract more customers.

5. Recommendations

E-banking in SOCIETE GENERALE GHANA offers opportunities to customers who derive certain benefits from its usage. There were certain limitations in this study. Within the limitation of the study, the following recommendations are made:

- Education and marketing of E-banking products should be encouraged in the bank to attract more customers
- More ATM facilities should be placed at vantage locations within the city to reduce distance and time use in access the facility
- Demonstration platforms should be set up at banking halls to educate and demonstrate the use of E banking facilities to customers on an ongoing basis.
- It is also recommended that the bank should reduce the charges E-banking attracts to lure more customers to patronise the products.
- It is recommended that prompt transaction onto mobile phones should be introduced to also entice more customers as in other banks
- Further research should be carried out to find out what new E-banking products customers need to make SOCIETE GENERALE GHANA unique.

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