The Nexus Between Service Quality and Competitive Advantage in the Use of ATMs in Nigerian Banks

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ABSTRACT

This study examined the nexus between service quality and competitive advantage in the use of Automated Teller Machines in Nigerian banks in Lagos State, Nigeria. The study made use of descriptive survey research design. The population of the study was 258,699 ATM subscribers in Lagos State. The sample size was determined using Cochran's formula to arrive at 931. A multi-stage sampling method was used. The instrument used was structured questionnaire. The questionnaire was validated and administered with 82.9 percent response rate. The Cronbach alpha for service quality and competitive advantage were 0.98 and 0.919 respectively. Findings revealed that service quality had positive effect on competitive advantage (service quality: $r = 0.339$; $R^2 = 0.115$; $p < 0.05$).The study concluded that service quality of banks had a significant impact on competitive advantage of Automated Teller Machines service in deposit money banks in Lagos state. The study recommends that the deposit money banks should provide effective service quality due to growing customers demand for total quality *management in terms of service delivery from their chosen banks to have a competitive advantage over others.*

Key Words: *Service quality, Competitive advantage, Automated Teller Machines (ATMs), Deposit money banks*

1.0 Introduction

Global competition in the financial services industry has informed the managements of corporate organizationsof the need to enhance customersatisfactionand the imperative to reflect on other means of ensuring effective financial services and customer-care management. For instance, banking institutions in Bangladesh do provide the first-rate services to their customers; wherein ATM is one of the highly demanding cutting-edge technologies and banking services being deplored by the established banks in providing essential banking services (Islam, 2014). Similarly, the financial services industry in Nigeria has been undergoing monumental transformation in information and communication technology; which include the advent of Automated Teller Machine (ATM) with the intention of decongesting banking halls (Adeniran&Junaidu, 2014). The contention in Nigerian financial services industry is becoming highly intensive due to the formulation of new regulations and introduction of new codes of corporate governance in the banking sector (Onigbinde, 2019). In this contemporary regime of fairer trade in goods and services, vast majority of the banks' customers are fast becoming more demanding, as they require high-quality, cost-friendly and quick customer service delivery (Yakubu&Najim, 2014).

It is against the backdrop of the assertion in the preceding paragraph that Kasum,Abdulraheem and Olaniyi (2006) states that contemporary customers want value-added services from their preferred banks. To fulfill higher marketplace necessities in terms of speed, accuracy and efficiency of services, many banks have adopted an interactive, digital and automated banking system for their clients via the introduction of Automated Teller Machines (ATMs) (Yakubu&Najim, 2014). Typically, banks try to increase a diverse distribution method to promote the variety of their offerings; presenting clients many methods through which they could enjoy the bank offerings. The principal reasons that brought about the usage of many distribution channels in the banking system include the monumental changes that took place in the banking sector due to emergent competition, and pressure from ranging customers' possibilities among others (Bryman& Bell, 2011). As a result, the banks then resorted to shifting competition from price, and now the emphasis is on product/service differentiation by distribution channels used (Mobarek, 2007). It is essential that financial services institutions enhance customer satisfaction via quality servicedelivery that emanated from the adoption of ATMs (Yakubu&Najim, 2014).

High levels of competition within the banking system coupled with the prevailing competitive forces have necessitated the need for banks to enforce systematic adjustment in addressing the gap in digital technology (Hall, 1992). Curan and King (2008) states that despite the fact that ATMs offerexceptionally treasured financial services to banks' clients; at times, the usage of ATMs may be unnecessarily traumatic to the end-users. Therefore, the difficulties encountered in the process of using ATMs include: the loss of man-hour experienced by other customers whilst customer(s) ahead on the ATM terminals' queue encounter problems with the machines. Otherdifficulties have to do with the placement of ATM in vicinity vis-a-vis the location of the sun which inhibits proper viewing of the screen; as well as wrong insertion of ATM card by new customers who aren't acquainted with the usage of ATMsand application of additional key strokes to getting desired amount(s) of money among others (Yakubu&Najim, 2014).

A distinguished revelation whilst making comparison on the work velocity of ATMs from Nigeria's banks to those from the United Kingdom is that the former dispense at the velocity of five notes to one of the later. Low speed, insufficient availability of the machines and poor quality of Naira notes cause recurrent damages to the ATMs in Nigeria (Okere, 2014). However, the competitive nature of the Nigeria's banking operations is becoming extra intense; perhaps as a result of the creation of structured banking as well as customers' exposure to understanding their rights and privileges. Subsequently, customers have become ever more dissatisfied in terms of quality service delivery from their chosen banks (Kasum, Abdulraheem&Olaniyi, 2006). This is the fundamental framework that has informed the concept behind the study.

2.0 Review of Relevant Literature

2.1 Theoretical Underpinnings

This study is anchored on marketing resources theory which states that resources are the assets managed and controlled by the firm with the assumption that the firm serve as inputs to organizational capabilities and thus have earning potential(Grant, 1991; Miller &Shamsie, 1996). As such, resources offer the "raw materials" for firms' businesses and marketing strategies (Black&Boal, 1994; Peteraf, 1993). The limitation of this theory is that not all organizations have assets and resources which can be treasured, valued, inimitable and non-substitutability (Parasuraman, Zeithaml& Berry, 1990).

From the marketing perspective, marketing resources may therefore be described as assets available to the marketers and otherstakeholders within the organization in which service quality is inclusive; and that when transferred by the firm's marketing capabilities canprovide/create treasured outputs like competitive advantage (Bryman& Bell, 2011). A number of specific resource typologies were proposed within the strategic control literature;

integrating these resources that are inclusive conceptualization of firm resources should include: tacit knowledge; physical, human, organizational, financial, reputational, relational, informational and legal (Grant, 1996; Mahoney, 1995; Morgan & Hunt, 1994; Roos& Von-Krogh, 1992; Barney, 1991; Chatterjee&Wenerfelt, 1991; Coyne, 1986; Wernerfelt, 1984).

From the preceding paragraph, the roles of marketing resources, such as reputational, relational and informational resources become essentially imperative for the firm's corporate survival, going concern and the overall corporate sustainability.

2.2 Conceptual Review

Concepts of Service Quality

The strategies required by the contemporary corporate organizations to do extremely well in modern-day competitive environments are popularity of the significance of client-orientated ideals and total quality management (Onigbinde, 2013). It is against this backdrop that Tazreen (2012) states that execution of exceptional quality service delivery within the servicer industry is particularly more difficult and complicated owing to the truth that servicequality cannot be defined without bias and prejudice. Moreover, service industry by way of nature has fewer controls on problems that have an impact on quality delivery. Consequently, service quality is a perception that has produced huge interest and discussion within the research writing due to the intricacies in defining and measuring the concept of service quality (Wisniewki, 2001). There must be a want for offerings in order for a producer's merchandise to get to the purchasers. The offerings depend on the form of product and it varies in exclusive businesses.

Service may be defined in numerous ways depending on the perception of the authors. Kotler and Keller (2009) refers toservice as every insubstantial proceed or feat that a party offers to others resulting in the ownership of something. Service has a number of apparent features which makes it exceptional (Ross, 1999). These variations are portrayed as "intangibility", "inseparability", "heterogeneity", "perishability" (Hoffman & Bateson, 1997). On the other hand,service also can be defined as an indescribable offer by a party to another in replacement for cash for satisfaction (Jobber, 2001). In his own perspective, Shiu, Hair, Bush and Ortinau (2009) states that quality is among the numerous components that customers/clients search for in a product, which service delivery turns out to be one. Kotler and Armstrong (2006) describequality as the entirety of attributes and traits of products or services that tolerate on its capacity to assure declared or indirect wants. It is apparently obvious that quality is as well connected to the worth of a product, which could suggest contentment or displeasure on the part of the consumer (Parasuraman, Zeithaml& Berry, 1990).

Tazreen (2012) remarks that service-oriented organizations cover a broad collection of outstanding businesses involving a very complex multiplicity of enterprise practices and a huge scale interface with variety of customers. Service Quality(SERVQUAL) model appears to be simplest in certain service segments. Zeithaml and Bitner (1990) gave their definition of service quality within the management and marketing literatures as the degree to which customers' discernments of service meet or exceed their anticipations. Subsequently, service quality means the mode in which customers are supplied in an organized platform which could probably be accurate or negative (Agbor, 2011). Parasuraman, Zeithaml and Berry (1988) refer toservice quality as the discrepancies between consumer expectations and perceptions of service. They further argued that assessingservice quality as the disparity between perceived and expected services is a suitable mode and could make the management to discover openings to what they offer as services.

SERVQUAL, as adapted from the field of marketing, is popular instrument for measuring IS service quality (Pitt, Watson &Kavan, 1995). Measuring service quality had on several occasions been a challenge to service provider due to the insubstantial and most prominently the indivisible and diverse nature of service (Jobber, 2001). As such, services are greater of the equal kind to performances when compared with tangible goods (Tazreen, 2012). SERVQUAL determines discernments of service across five (5) dimensions namely: tangibles, reliability, responsiveness, assurance and empathy. For the purpose of this study, service quality can therefore be described as the dissimilarity between customer anticipations of service and recognized service. The five components that made up SERVQUAL (tangibles, reliability, responsiveness, assurance, and empathy) are depicted in Table 1.0 below.

Table 1.0: Dimensions of Service Quality

Dimensions	Factors
Tangibles	Physical facilities, equipment and appearance of personnel.
Reliability	Ability to perform the promised service dependably and accurately.
Responsiveness	Willingness to help customers and provide prompt service.
Assurance	Knowledge and courtesy of employees and their ability to inspire trust and confidence.
Empathy	Caring and individualized attention that the firm provides to its customers.

Source: Tazreen (2012).

Concepts of Competitive Advantage

Competitiveness of a firm is its core competence to perform its general and specific functions/goals (Bryman& Bell, 2011). These goals are anticipated to be articulated in a variety of terms depending on the prevailing circumstance (Barney, 2002). Within a macroeconomic viewpoint, a competitive firm creates and maintains a degree of performance that contributes to the indicators of economic growth such as Gross Domestic Product (GDP), employment opportunities, and wealth creation(Hussein, 2016). A competitive firm needs to existin the marketplace to gain market share, generate income via sales revenue from entrepreneurial initiative. However, many subjective conditions include improved standing with customers, suppliers, and competitors, as well asquality service delivery (Barney, 2002). Competitive advantage is a strategic business idea that describes factors that permit contemporary organizations to outperform its competitors (Mantymaa, 2013). These attributes may include access to natural resources or cheaper source of energy supply, dynamic skilled workforce, geographic advantage, and imposed entry difficulties among others. Porter (1985) defined the two types of competitive advantage a firm can accomplish relative to its competitors as lesser cost or product differentiation.

The competitive advantage obtains from quality service delivery, however allows a firm to outperform its competitors via superior market positioning and adequate quality inputs (Bryman& Bell, 2011). Porter (1985) is of the opinionthat strategic management concerns should be on developing and keeping competitive advantage. A firm has a competitive advantage when it has the innate capacity to outsmart its competitors while contending for customer patronage (Buffan, 2000; Christensen, 2001; De Wit & Meyer, 1999). In a similar vein, Barney (2002) describes that a firm experiences a competitive similarity whilst its business operation generates financial worth applied in a number of composite organizations involving in the same business endeavour. The term "competitive advantage" implies the capabilities executed in the course of attributes and inputs to perform at superior height than others inside the same line of business (Christensen, 2001; Porter, 1980). Meanwhile, Barney (2002) discusses four tactics to measure the firm's competitiveness as: firm's survival, stakeholder approach, simple accounting measures, and adjusted accounting measures.

Feurer and Chaharbaghi (1994) further measure competitiveness quantitatively by metrics such as profitability index, capital accumulation and cash flow in terms of liquidity position. Soliman (1998) adds cost effectiveness, value addition, quality delivery, flexibility and innovation as factors formulating such a competitive position. Passemard and Calantone (2000) stresses that effectively implemented strategies will enhance a superior performance of the firm throughfacilitating the firm with competitive advantage to outperform both contemporary and prospective competitors. An advantage that a firm has over its competitors allows it to attain higher rate of turnover or improved profit margins and/or retains market shares than its competitors (Mantymaa, 2013). This can be inferred in terms of firm's cost structure, product offerings, distribution network and customer support services. Competitive advantage offers a firm an edge over its competitors and a capacity to generate greater value for the firm and its stakeholders. The more sustainable the competitive advantage, the more complex it is for competitors to neutralize the advantage (Bryman& Bell, 2011).

Empirical Review

Sangeetha (2012) conducted a study on the"development of a service quality scale for multiple technology interfaces in commercial banking". The objective of the study was to develop a service quality scale by identifying the dimensions affecting the service quality across different technology interfaces in retail banking. The study examined the literature concerning the various technology interfaces and aims to propose a conceptual model vis-a-vis dimensions that affect the perceptions of service quality delivery of the technology interfaces used in banks. The study also sought to establish the psychometric properties of the scale thus arrived. The literature review revealed that the models currently available to measure the service quality of the technology interfaces are limited in their focus, encompassing one digital channel-internet-and few others analyzing the ATM and mobile banking channels.

However, there is gap with regard to the study of other technology interfaces like call centres and queue systems used in branches (Okere, 2014). In this study, an attempt was made to explorethe influence of various technology interfaces, such as ATMs, internet banking, mobile banking, etc., on banks' service quality delivery, such as call center services and queue systems in the branches among others, which the customers/clients use in mixture and thereby to develop a scale to measure technology interface service quality (TISQ). In a study conducted byOkechi and Kepeghom (2013), on the evaluation of customers' use of electronic banking systems in Nigeria. The study found that amongst all e-banking systems, ATM has the highest level of patronage. The percentage of respondents who claimed to always use various forms of e-banking systems is as follows: ATMs (22.7%), PoS (6.4%), internet banking (7.3%), mobile banking (10.5%), and mobile money (8.7%), and master card (11.0%), and web merchants (5.5%).

Correlation evaluation of the hypothesized variables indicates the following: system quality and continuance intention (β= .421,p= .000),information quality and continuance intention (β= .437,p= .000), service quality and customers' satisfaction (β= -0.097,p= 150). Most bank customers were not satisfied with ATM service quality in terms of how banks handle their customer complaints, functionality of the ATM and lengthy queues in using the ATM. Bank customers need to be well informed on how to use all varieties of e-banking services for their financial transactions. Tijani and Ilugbemi (2015) in their studyentitled "electronic payment channels in the Nigerian banking sector and their impacts on national development" found that Electronic Payment Channels (EPC) have impacted the Nigerian financial system and consequently contributing undoubtedly to the national improvement. They recommended that the contemporary financial services providers Nigeria need to mount other e-payment products for the entrenchment of the regime of fairer trade in goods and services in Nigeria. However, the Central Bank of Nigeria (CBN) needsto embark on intensive campaign for mass adoption of e-payment products especially at the grassroots level amongst others.

Parvin (2013) in his studyentitled "mobile banking in Bangladesh: Prediction of future". In his study, the picture of existing operation of mobile banking services as well as the future of this was depicted using a descriptive study that adopted both primary and secondary data. The result showed that vast majority the banks that are trying to adopt mobile banking to enhance customer satisfaction are more result-oriented than their competitors. All the operators of mobile phone in Bangladesh have started to be involved at a greater extent in this regard. However, from the customer perspective, the study has proven that customers/clients are more satisfied with the very few offerings that the brand new banking gadget is providing and consequently the future of the banking system will be brighter on daily basis.

Moreover, Parvin (2013) further remarks that his study will contribute immensely to the banks of Bangladesh for better service delivery and make customers more concernto avail mobile banking services. Outstanding customer service and the quality of customer experience are the resounding factors across all age groups that responsible for the reason why customers choose to stay with a bank. Service trends and innovations in other industries that engage in retailing, Information Technology (IT), Fast Moving Customer Goods (FMCG) continue to raise customers' expectations of service quality. Many of the banks are rising up to this challenge, evidenced in the number of service improvement initiatives rolled out by using banks. However, for these initiatives to record lasting successes, they need to be part of the financial institution's ongoing journey of transformation. Of the four-in-ten customers who have multiple relationships, fewer customers (7% in 2014 compared to 10% in 2013) expressed the willingness to change their banking relationships. Over half of folks who will switch banks will achieve this because of service quality issues. Importantly, it was discovered a large number of loyal banking population (i.e., 55 per cent of customers will wholeheartedly endorse their banks to others.

Interestingly, loyalty trends did not vary when viewed by the length of the banking relationship. However, as expected, satisfied customers were more likely to recommend their banks to others (KPMG, 2014). Alimin, Raduan, Haslinda and Jegak (2010) of their studyentitled "the relationship between organizational competitive advantage and performance moderated by the age and size of firms". They concluded that, this study delivers significant and valuable information to firms specifically with regards to strategic management directed toward performance and attracting a competitive advantage. This study was conducted using structured questionnaire to obtain responses from the manufacturers. A two-way ANOVA indicates thatonly the age of firm is a significant moderator in the relationship between competitive advantage and performance, and that this relationship is stronger for older firms.

The size of the firms does not significantly moderate the correlation between competitive advantage and performance (Hussein, 2016). Despite the non-significant moderating effect of firms' size, this study offers empirical support for the Resource-Based View (RBV) of Malaysian manufacturers regarding the issue of competitive advantage.Berdine, Parrish, Cassill and Oxenham (2008) in their studyentitled "measuring the competitive advantage of the US textile and apparel industry". The research technique used was a concurrent triangulation method which entails collecting both quantitative and qualitative data simultaneously. Furthermore, field-based interviews were conducted with 20 executives from 13 corporate organizations. The interview questions were basically classified based on competitive advantage variables, specifically focusing on innovation, marketing, and sourcing criteria variables. Key findings of this study include evidence that US textile manufacturers drive the majority of the innovation in the supply chain to both suppliers and customers/clients.

In addition, the three competitive strategies that differentiate the products of US corporations from other regions of the world are research and development, marketing, and customer service (Passemard&Calantone, 2000). Several earlier studies suggest that there are positive correlations between service quality and sustaining competitive advantage (Gilaninia, Taleghani&Talemi, 2013; Hussein, 2016; Warraich, Warraich&Asif, 2013). In a study conductedbyMantymaa (2013), it was found that managers are misguided on several occasions when trying to enhance competitive advantage by concentrating on IT-solutions. The study indicates that activities in the financial services' sector are highly people-centric, in which the cordial relationships are entrenched amongpeople. Organizations need to discover new approaches to enhance and impact their customers' emotions due to the fact this is the area which gives back the lost bargaining power by raising their switching costs. There is also no room for service errors for it is the main reason why corporate organizations are losing customers, followed by core product failure and loss of trust.

In a study undertaken by KPMG in 2014, it was discovered that of the four out of ten clientele who have several relationships, less clientele (7 per cent in 2014 compared to 10 per cent in 2013) expressed readiness to alter their banking dealings. Over 50 per cent of clients who will shift their loyalty to other banks do so due to service quality issues. On the whole, 55 per centbanking population are loyal to their banks, which in turn provide the banks in question a competitive advantage as a result of service quality. The question now is that "is service quality now not accounting for the remaining 45 per cent who are not loyal to their banks". This has brought about the hypothesis that states that "service quality has no significant impact oncompetitive advantage amongst deposit money banks in Lagos State.

3.0 Methodology

The survey research design of the descriptive type was adopted as the study guide. A descriptive survey studyis used when an investigator seeks to have a look at several variables at an instance or perhaps at one-time simplest (Cozby, 2003). The researchers considered the descriptive survey research design appropriate on account that all the variables of the study have been examined at an instance. It is concerned with the use of structured questionnaire to elicit appropriate responses from the respondents (Asika, 2004). The independent variable of the studywas service quality, while the dependent variable was competitive advantage. The primary populace for this study consisted of the people who are not categorized as 'minor'in the legal parlance (i.e. ages of 18 and above) and who are resident in Lagos State, Nigeria. The theoretical population of the study is given as 6, 160,991 (National Population Commission, 2010). It is expected that at this age, a person has a right to have a bank account and is equally eligible to use ATM devices. The secondary population consisted of all ATM users in Lagos State which was given as 258, 699. Nigerian Inter-Bank Settlement System [NIBSS] (2015) submitted that out of 6, 160, 991 populace in Lagos State, Nigeria, simple 90.2 per cent are banked adults. However, 70.4 per cent of them owned credit/debit cards, whilst 57.5 per cent of this population hasBank Verification Number (BVN) and it is only11.5 per cent of the lots that used their debit/credit cards on daily basis, this resulted in the working population given as 258,699.

Specifically, high density urban centres of Ikeja, Lagos Island, Eti-Osa, Surulere, Apapa, Osodi/Isolo and Mushin as identified by NIBSS (2015) were used as the area of the study. Lagos Statewas selected due to the fact it is by far the most densely populated state in Nigeria with population of over 21 million people(National Population Commission, 2010). Presently, it has a populationgrowth rate of 8 per cent per annum which makes it adjudged via its aggregate population as the third largest mega city in the world as projected by United Nations in 2015. Moreover, it is Nigeria's financial, commercial and production hub, harboring more than 60 per cent of the Nigeria's aggregate production and overseas investments; more than 65 per cent of the country's business transactions and more than200 financial institutions in addition to the NigerianStock Exchange (NSE). Conclusively, more than 40 per cent of the total remunerations being paid in the country are done in Lagos State (Lagos State Government, 2014). With dynamic population strength, different ethnic groups that form the nation are present in cosmopolitan Lagos State (National Population Commission, 2010).

The population of the study was 258,699 ATM subscribers in Lagos State. The sample size was determined using Cochran's formula to arrive at 931. A multi-stage sampling method was used.Convenience sampling as a non-probability sampling techniquewas used in selecting the respondents for the study. This technique was adopted not only because it makes respondents easy to recruit, however it also guaranteed their expedient accessibility (Yakubu&Najim, 2014). In addition, the technique is often used at the initial stages of the study, since it permits an extraordinary amount of respondents to be interviewed within a limited time frame (Bryman& Bell, 2011; Shiu, Hair, Bush &Ortinau, 2009). The research instrument used was structured questionnaire tagged "Service Quality and Competitive Advantage Questionnaire" (SQCAQ).The questionnaire consisted of two sections (Sections A and B). Section A contains construct items on demographic profile of the respondents in terms of age, genderstatus, income level, and academic qualification among others. Demographic variables are normally nonspecific constructs in most research works, so this section basically sought the bio-data of the respondents in an effort to classify the respondents via demographic structure. Section B, on the other hand, consists of construct items that are significant to generate useful facts for the study, (i.e. it measured the service quality and its impact on competitive advantagevia the use of ATMs in deposit money banks in Lagos State, Nigeria).

The research instrument is a six (6) point Likert-type scale for responses to specific items as thus; Strongly Agreed (6), Agreed (5), Partially Agreed (4), Partially Disagreed (3), Disagreed (2) and Strongly Disagreed (1). For both the dependent and independent variables, a total of (12) construct items were drawn for the respondents. In order to ensure the validation and reliability of the instrument, ninety three (93) copies of the questionnaire had been pre-tested among the ATM card users in Babcock University Community. However, these groups of respondents did not form part of the final respondents used for the study. The Cronbach-alpha method was used to decide reliability co-efficient of the major constructs; and the co-efficient values of 0.98 and 0.919 were obtained for service quality and competitive advantage respectively. The KMO values for service quality and competitive advantage have been 0.883 and 0.632 respectively while the Bartlett's value for both was0.000.

The administration of the questionnaire was done by the researchers and two (2) research assistants who divided themselves into various ATM terminals within high density urbancentres, which spread across seven(7) local government areas in Lagos State, Nigeria. Out of the 931 copies of the questionnaire allotted to the respondents; 772 copies of questionnaire were retrieved, representing 82.8 per cent response rate. Descriptive statistics were used to analyze the demographic constructs, while the postulatedhypothesis was tested using simple regression analysis at 0.05 level of significance. Data analysis was carried out with the aid of Statistical package for Social Sciences (SPSS)–Version 22.

4.0 Analysis and Interpretation of Results

Table 2.0: Descriptive Analysis on Service Quality

		Strongly Agree	Agree	Partially Agree	Partially Disagree	Disagree	Strongly Disagree	Total
My bank maintains all the necessary equipment (on-line banking, ATM service, electronic cashing, internet banking, credit card etc.)		139	565	50	17	0	1	772
		18.0%	73.2%	6.5%	2.2%	0.0%	0.1%	100.0%
My bank employees are neat in appearance.		210	385	176	1	0	0	772
		27.2%	49.9%	22.8%	0.1%	0.0%	0.0%	100.0%
Services are delivered promptly by the banks.		112	430	226	2	1	1	772
		14.5%	55.7%	29.3%	0.3%	0.1%	0.1%	100.0%
I feel safe in all my transactions with the bank.		101	490	161	18	1	1	772
		13.1%	63.5%	20.9%	2.3%	0.1%	0.1%	100.0%
My bank operates a regular and effective complaint handling process.		127	437	191	16	0	1	772
		16.5%	56.6%	24.7%	2.1%	0.0%	0.1%	100.0%
The branch employees are continuously courteous with me.		109	382	235	45	1	0	772
		14.1%	49.5%	30.4%	5.8%	0.1%	0.0%	100.0%
All the employees have strong knowledge to answer my enquiries about offerings and their operations.		89	372	293	18	0	0	772
		11.5%	48.2%	38.0%	2.3%	0.0%	0.0%	100.0%

Source: Researchers' Field Survey Report (2017)

Table 2.0 above shows the descriptive analysis of respondents' responses as regards Service Quality. By combining responses under strongly agree, agree and partially agree, 754(97.6%) of the respondents agreed that their bank maintains all the necessary equipment such as on-line banking, ATM service, electronic cashing, internet banking, credit card etc. 771(99.8%) of the respondents accepted that their bank employees are neat in appearance, 768(99.5%) agreed that services are delivered promptly by the banks. 752(97.4%) respondents accepted that they feel safe in all their transactions with the bank. 755(97.8%) respondents agree that their bank operates a regular and effective complaint handling process. 726(94%) respondents accepted that branch employees are continuously courteous with them. And lastly, 754(97.7%) agreed that all the employees have strong knowledge to answer their enquiries about offerings and their operations.

Table 3.0: Descriptive Analysis on Competitive Advantage

	Strongly Agree	Agree	Partially Agree	Partially Disagree	Disagree	Strongly Disagree	Total
My bank continuously produces competitive ATM products.	34	542	147	45	1	3	772
	4.4%	70.2%	19.0%	5.8%	0.1%	0.4%	100.0%
My bank's ATM gives adequate operational information.	53	310	374	32	3	0	772
	6.9%	40.2%	48.4%	4.1%	0.4%	0.0%	100.0%
The quality of ATM in my bank captures customers' attraction.	53	249	389	63	0	18	772
	6.9%	32.3%	50.4%	8.2%	0.0%	2.3%	100.0%
Hands-on workers are always available to solve problems relating to the ATM.	69	313	326	63	1	0	772
	8.9%	40.5%	42.2%	8.2%	0.1%	0.0%	100.0%
Service flexibility in ATMs operations is one of my bank competitive advantages.	65	359	299	46	1	2	772
	8.4%	46.5%	38.7%	6.0%	0.1%	0.3%	100.0%

Source: Researchers' Field Survey Report (2017)

Table 3.0 above shows the descriptive analysis of respondents' responses as Competitive Advantage. By combining responses under strongly agree, agree and partially agree, 723(93.7%) of the respondents agreed that their bank continuously produces competitive ATM products. 737(95.5%) of the respondents accepted that their bank ATM gives adequate operational information, 691(89.5%) agreed that the quality of ATM in their bank captures customers' attraction. 708(91.7%) respondents accepted that hands-on workers are always available to solve problems relating to the ATM. And lastly, 723(93.7%) agreed that service flexibility in ATMs operations is one of their bank competitive advantages.

Table 4.0: The Goodness-of-fit (Model Summary) of Service Quality and Competitive Advantage among Banks in Lagos State

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.339[a]	.115	.113	2.48399
a. Predictors: (Constant), Service Quality				

Source: Researchers' Field Survey Report (2017)

Table 5.0: The Overall Significance

ANOVA[a]						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	615.109	1	615.109	99.690	.000[b]
	Residual	4751.071	770	6.170		
	Total	5366.180	771			
a. Dependent Variable: Competitive Advantage						

b. Predictors: (Constant), Service Quality

Source: Researchers' Field Survey Report (2017)

Table 6.0:Regression Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.	95.0% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	12.540	1.009		12.423	.000	10.558	14.522
	Service Quality	.295	.029	.339	9.984	.000	.237	.352
a. Dependent Variable: Competitive Advantage								

Source:Researchers' Field Survey Report (2017)

The result presented in Table 6 displays that service quality had a positive impact on competitive advantage and this effect was statistically significant at p= .000 [R = .339, p <.05]. This indicates that service quality and competitive advantage move in positive direction, that is, as service quality increases, competitive advantage also increases. The model R^2 (coefficient of determination) was 0.115 indicates that service quality explained 11.5% of the variance observed in competitive advantage among the banks in Lagos State. In Table 5, the F statistic = 99.690 was significant at p<0.05 which established that the model was significant in explaining the impact of service quality on competitive advantage among banks in Lagos State. This finding is supported by a positive and significant unstandardized B coefficient in Table 6 that service quality is [$B = 0.295$, $t = 9.984$, $p<0.05$]. Therefore, the null hypothesis which states there is no significant impact of service quality on competitive advantage among banks in Lagos state is hereby rejected.

The regression model used to explain the variation in competitive advantage due to the impact of service quality of deposit money banks in Lagos State can be stated as follows:

$$CA = 12.540 + 0.295SQ + \varepsilon \qquad \text{(eqn 1)}$$

Where:
CA = Competitive Advantage
SC = Service Quality
ε = Error term

5.0 Discussion of Findings

The regression equation 1 above indicates that the parameter estimates complied with a priori expectation which explains that service quality will increase competitive advantage of banks in Lagos State. The constant is 12.540 implies that if service quality is zero, competitive advantage would be 12.540. The coefficient of service quality was 0.295 indicates that a 1-unit increase in service quality was associated with a 0.295 units increase in competitive advantage of banks. This implies that an increase in service quality will consequently increase competitive advantage of banks in Lagos State. The result of hypothesis demonstrates that service quality of banks had a significant impact on competitive advantage of the banks in Lagos State. Sangeetha (2012) conducted a study on "development of a service quality scale for multiple technology interfaces in commercial banking". The objective of the paper changed into to increase a carrier exceptional scale with the aid of figuring out the size affecting the provider excellent across diverse era interfaces in retail banking. The paper examined the literature concerning the various era interfaces and targets to propose a conceptual version related to dimensions that have an effect on the perceptions of service satisfactory of the generation interfaces used in banks. The paper additionally sought to set up the psychometric homes of the size hence arrived. The literature evaluation revealed that the fashions currently to be had to measure the service satisfactory of the era interfaces are confined in their focus, encompassing on the whole one digital channel-internet-and few others analyzing the ATM and phone banking channels.

However, there is gap with regard to other generation interfaces like call facilities and queue structures used in branches. on this have a look at, an attempt became made to discover the influence of the diverse era interfaces on banks' carrier satisfactory like ATM, smartphone banking, name middle services, queue systems inside the branches and so forth and so on which the clients use in mixture and thereby to expand a scale to degree technology interface service high-quality (TISQ). In a study conducted byOkechi and Kepeghom (2013) on a paper entitled "empirical evaluation of customers' use of electronic banking systems in Nigeria". They found out that amongst all e-banking systems, ATM has the best level of usage. The share of respondents who claimed to continually use the various varieties of e-banking structures is as follows: ATMs (22.7%), PoS (6.4%), net banking (7.3%), cellular banking (10.5%), mobile money (8.7%), master card (11.0%), and web merchants (5.5%).

Correlation evaluation of the hypothesis variables suggests the following: system quality and continuance intention (β= .421,p= .000),information quality and continuance intention (β= .437,p= .000), service quality and customers' satisfaction (β= -0.097,p= 150). Most bank clients have been now not happy with ATM service quality in terms of ways banks cope with their customer complaints, functionality of the ATM and lengthy queues in the use of the ATM. Financial institution customers ought to be well informed on a way to use all varieties of e-banking structures for his or her monetary transactions. Tijani and Ilugbemi (2015) in their paper entitled "electronic payment channels in the Nigeria banking sector and its impacts on national development" revealed that Electronic Payment Channels (EPC) have impacted at the financial system and consequently contributing undoubtedly to national improvement. They encouraged that the crucial financial institution of Nigeria ought to mount different e-charge products for the promotion of alternate and trade in Nigeria.

The Central Bank of Nigeria (CBN) has to embark on intensive marketing campaign for complete adoption of e-payment products especially on the grassroots level amongst others. Parvin (2013) in his paper entitled "mobile banking in Bangladesh: Prediction of future". On this paper, the photograph of existing operation of cellular banking carrier as well as the future of this has been depicted the usage of a descriptive study that has used both number one and secondary facts. The end result showed that the majority the banks are trying to adopt cellular banking to make their customers satisfied and be advance in their world wherein the commonplace services are account starting, account balance question, fund transfer and PIN related provider. All the operators of cell cellphone in Bangladesh have commenced to be concerned at a more extent regard. And from the perspective of the clients the observe has inferred they're satisfied with the very few offerings that the brand new banking gadget is giving and consequently the destiny of banking commercial enterprise could be brighter daily.

He opined that: this paper will contribute plenty to the banks of

Bangladesh for better service giving and make customers extra situation to avail cell banking carrier. Great customer service and the high-quality of purchaser experience are the resounding factors across all age corporations for why customers select to live with a bank. Provider traits and innovations that engage in industries such as retailing, Information Technology (IT), Fast Moving Consumer Goods (FMCG) continues to raise customers' expectations of service pleasant. Majority of the banks are rising as much as this task, evidenced within the range of carrier improvement initiatives rolled out by using banks. But, for these initiatives to record lasting successes, they need to be a part of the financial institution's ongoing journey of transformation. Of the four-in-ten customers who've multiple relationships, fewer customers (7 per cent in 2014 compared to 10 per cent in 2013) expressed the willingness to change their banking relationships. Over half of folks who will switch banks will achieve this because of service quality problems. Overall, we discovered a largely unswerving banking populace –55 per cent of customers will 'certainly' endorse their banks to others.

Curiously, loyalty developments did no longer vary when regarded via the length of the banking dating. But, as predicted, happy customers have been more likely to recommend their banks (KPMG, 2014). Alimin, Raduan, Haslinda and Jegak (2010) of their paper entitled "The Relationship between Organizational Competitive Advantage and Performance Moderated by the age and size of firms". They submitted that, this paper delivers precious facts to corporations mainly in regards to strategic management directed closer to overall performance and attracting anaggressive benefit. This study was performed amongst 127 producers listed within the 2008 Federation of Malaysian producers listing. A cross-sectional study was performed with the use of a structured questionnaire to attain responses from the manufacturers. A two-way ANOVA indicates that handiest the age of corporations is a significant moderator in the relationship between aggressive gain and performance, and that this relationship is stronger for older firms.

The scale of the firms does not substantially moderate the connection between aggressive benefit and performance. Despite the non-sizable moderating effect of firm size, this take a look at offers empirical help for the useful Resource-Based View (RBV) of Malaysian manufacturers regarding the complexity of competitive advantage.Berdine, Parrish, Cassill and Oxenham (2008) in their study titled "Measuring the competitive advantage of the US textile and apparel industry". The research technique used turned into a concurrent triangulation method which entails amassing quantitative and qualitative data simultaneously. Typical, subject-based interviews were conducted with 20 executives from 13 agencies. The interview questions were classified primarily based on competitive advantage variables, specially focusing on innovation, marketing, and sourcing criteria variables. Key findings of this study include evidence that US textile organizations pressure the majority of the innovation inside the deliver chain to each suppliers and clients.

In addition, the three competitive techniques that differentiate the products of US corporations from other regions of the world are research and development, marketing, and customer service. Several earlier researches suggest that there are high-quality relationships between service quality and sustaining competitive advantage (Gilaninia, Taleghani&Talemi, 2013; Hussein, 2016; Warraich, Warraich&Asif, 2013). In a study done byMantymaa (2013), it was found out that managers are inaccurate when seeking to enhance competitive gain by concentrating on IT-solutions. The study indicates that commercial enterprise in finance area could be very people-centric, in which the relationships are shaped between people. Organizations need to discover new approaches to thrill and impact their customers' emotions due to the fact this is the region, which gives lower back the lost bargaining power by raising their switching charges. There is additionally no room for service errors for it is the main cause why groups are dropping customers, followed with the aid of center product failure and loss of trust.

In a study carried out by KPMG in 2014, it was discovered that of the four out of ten customers who have several relationships, less customers (7 per cent in 2014 compared to 10 per cent in 2013) expressed readiness to alter their banking dealings. Greater than half of clients who will alternate banks do so due to provider satisfactory issues. On the whole, 55 per cent banking population are loyal to their banks, which in turn provide the banks in query a competitive gain as a result of service quality. The question now is that "is service quality now not liable for the remaining 45% who are unfaithful to their banks". This has brought about this hypothesis that states that service quality has no significant impact on competitive advantage amongst deposit money banks in Lagos State.

6.0 Conclusion and Recommendations

The study tries to evaluate empirically, the effect of service quality on competitive advantage of ATMs in deposit money banks in Lagos state, Nigeria. The null hypothesis: Ho: there is no significant impact of service quality on competitiveadvantage. The result presented in table 4.0 shows that service quality had a positive relationship with competitive advantage and this relationshipwas statistically significant at p= .000 [R = .339, $p < .05$]. From the results, service quality accounted for 33.9% of the competitive advantage, while the remaining66.1 per cent may be because of the impact of extraneous variables. Consequently, the prediction of competitive advantage by means of the predictor variable was not due to chance. This shows that service quality and competitive advantagehave direct relationship, that is, as service quality increases, competitive advantage also will increase. The model R^2 (coefficient of determination) was 0.115 suggests that service quality defined 11.5 per cent of the variance found in competitive advantageamong the deposit money banks in Lagos State.

This study supported the existing research works that service quality has positive effect on competitive advantage. Customers are becoming ever more demanding of overall great management in terms of service delivery from their selected banks, it is consequently vital for banks to provide effective and efficient service quality to have a competitive advantage both in their area and different sectors.

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