ATM and Customer Satisfaction: A Case of the Banking Industry in Tanzania

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Abstract

This paper presents the effects of ATMs on customer satisfaction in the Tanzanian banki ng sector. It is a new way of accessing banking services necessitated by customers' bustne s needs and is enabled by fast changing technology. Due to achievements brought aboutincreased utilization of Information and Communication Technology (ICT) in society, t e banking industry has introduced Automated Teller Machines (ATMs). ATMs provide a n w method of dispensing customer services which are expected to increase efficiency, sa es performance, and enhance customer satisfaction. Three different banks were used as a case study in order to a void bias and provide general impressions on ATM use by c usto ersf Customers interviewed outside banks were free to express their views minimizing the bi S 0d saying only positive things aboutATMs. Consulted secondary sources of information provide understanding and challenges facing ATMs the world over. .

The study establishes that ATM services enhance operations and customer satisfaction in terms of flexibility of time. ATMs add value in terms of speedy handling of voluminous transactions which traditional services were unable to handle efficiently and expediently. The level of this satisfaction is reduced by technological and processing failures, the percepton that the service de1ivery mode is expensive and insecure regarding stand-alone ATMs, which creates customer disatisfaction. There is no consideration being given to people disabilities such as blindness and people in wheel chair negates the role of serving customers, as they cannot access ATMs. The potenttal usage rate of ATM services will continue to increase the banking sector's competitive edge and numbers will rise in ten years to come in Tanzania. This provides opportunities to overseas manufacturers and maintenance service providers including skill-training opportunities for academic institutions.