THE ROLE OF ELECTRONIC BANKING AS A TOOL TO FINANCIAL INCLUSION IN NIGERIA

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ABSTRACT: There are claims that electronic banking can be used to provide access to financial services without much additional costs to the banking populations in developing countries. As a result some developing countries have geared towards using such channels to bring the unbanked population into the banking cubicle. Based on the perception that it increases banks performance and improves financial inclusion the study investigates the effect of e-banking on banks’ performance and financial inclusion in Nigeria. The dataset was collected from Statistical bulletin of the Central Bank of Nigeria, National financial inclusion strategy bulletin and World Bank economic indicators. The result revealed that electronic banking has made positive and significant contribution in promoting financial inclusion in Nigeria 2007-2017.

Keywords: Electronic Banking, Financial Inclusion, Banking Population, Unbanked.

1. INTRODUCTION

The heartbeat of every country’s economy is its functional financial system. The key lubricant of the financial system and the economy is the banking sector. Ramesha et al. (2014) opined that efficient payment systems bring substantial benefits to the economy. A functional banking system of any nation is the heartbeat of the country’s economy. It is the lubricant of the financial system and the economy. In Nigeria, a developing country characterized by inadequate banking system; cash based transaction, dependence in informal means for transferring funds, large unbanked populations, rural and low income segments etc, the emergence of electronic banking has been a major breakthrough in the sphere of banking and financial inclusion. Most of the developing countries have adopted electronic banking with ease and without much additional costs to the unbanked populations and with degree of success and achievement of financial inclusion to certain extent. However, the lack of awareness, distance, poverty and financial literacy among the large rural population of the country seem to be the challenges confronting smooth banking in Nigeria. In order to overcome these, the banking sector has emerged with electronic banking.

Globally, as nature of business transactions get more complex and cumbersome, it becomes necessary that the business sectors must be connected to the modern means that can be convenient, faster and simpler. The perception has been that for the banking industry to increase their performance in this modern period, ICT must be incorporated in their infrastructures. ICT is a man-made resource that embraces principally the electronic technologies of computers and telecommunications (voice, data, video) that comprises both electronic hardware and computer software. The thinking is that the significance of ICT cannot be underestimated as it plays a major role in the success of organizations in today’s highly competitive world by providing easy and fast means of collecting, storing, retrieving, processing, transmitting and distributing information. The feeling still points to the fact that no business firm that under rate the importance of ICT can attain the topmost position in its business arena. In line with this The Nigeria banking industry is getting more connected with the information technology facilities as the assumption goes that ICT makes operations of banking services more effective, faster and efficient.
The evolution and recent developments in ICT have introduced sophisticated technology that is based on automation and interconnection of computers and other electronic devices. Electronic banking which is the application of computer technology to banking operations constitute one aspects of the ICT. The perception is that these channels have led to easy and fast means of information collection, storage, retrieval, processing, transmitting and distribution of information which invariably increased banks’ performance.

As at first quarter of 2019 the more frequent ICT tools in vogue in Nigeria banking industry are Automated Teller Machine (ATM), point of sales (POS), mobile banking (MB), internet banking (IB), and online banking (OB). Meanwhile, there have been waves of arguments and non-consensus by scholars on whether ICT has effectively or ineffectively played catalytic role in boosting banks’ performance and financial inclusion. These arguments have necessitated researches in this direction. The questions are, has the application of e-banking channels increased and improved significantly banks performance? Has there been significant improvement in financial inclusion since the emergence of e-banking in Nigeria? With the banks increasingly inter connect of their computer systems across their branches in different geographical locations with high speed network infrastructure with local areas and wide area networks internet connections, has this led to improved bank performance? Therefore, this research intends to examine the effect of e-banking on banks’ performance in Nigeria between 2007 and 2017 with the application of modern econometric model (E-view) to conduct the analysis. Hence the major objective of the research is to discover the nature of impact relationship that exists between e-banking and banks’ performance in Nigeria. The objectives of the study are to establish the nature of relationship that exists between 1. Electronic banking and bank performance 2. Electronic banking and financial inclusion in Nigeria.

The apriority expectation is that e-banking has no significant effect on banks’ performance and financial inclusion in Nigeria.

2. LITERATURE REVIEW

In Nigeria, ICT has given birth to electronic banking which gave benefits of anywhere, anytime banking and extended banking hours to customers. Electronic banking has facilitated the integration of the functions of some large banks that have several branches around the country on a centralized network so that transaction can be carried out at any branch on the network without the customer being physically present in the branch. As at first quarter 2019 the most common electronic banking tools used by Nigerian banks are Automated Teller Machine, mobile ATM, mobile banking, internet banking, point-of-sales among others. It has been claimed that it greatly reduces labor cost, extend services edge and increase the banks efficiency and effectiveness.

EFInA (2013) stated that, increasing numbers of countries have adopted policies to accelerate the use of electronic channels and reduce the use of cash. The motivations for these policies vary: many are primarily concerned with fighting crime; a few are now explicitly linked to financial inclusion while others are for reducing tax evasion. Presently, electronic banking is ubiquitous for urban rich who have easy and universal access with wider options in almost all the banking services, compared to low income group, rural and poor population who are excluded. In Nigeria, at present, the government and central bank of Nigeria have made concerted efforts to promote financial inclusion as one of the important national objective of the country to reach the unbanked population. Dhar (2015) noted that the theme of the financial inclusion has been preached, professed and propagated by the different apex financial regulatory bodies as well as by the ministry and government of India for a long period of time. So, in line with the said objective, Nigerian government and central bank of Nigeria launched the national financial inclusion strategy in October 2012.

EFInA (2013) citing Central Bank of Nigeria (2012) states that financial inclusion is achieved when adults have easy access to broad range of formal financial services that meet their needs provided at affordable cost. Financial inclusion implies not only access but usage of a full spectrum of financial services including but not limited to payments, savings, credit, insurance and pension product. Fanta et al. (2016) defined it as the ability of financial service providers to expand outreach to the poor at an affordable price, due to the high cost of establishing and running “brick and mortar” branches. Dhar (2015) inciting Chakrabarty (2011) defined financial inclusion as the process of ensuring access to appropriate financial products and services needed by all sections of the society in general and vulnerable groups such as weaker sections and low income groups in particular at an affordable cost in a fair and transparent manner by mainstream institutional players. Financial inclusion is a measure of the proportion of individuals and firms that use financial services provided by a formal institution. The focus is mostly
on very basic financial services and covers not only access to (supply of financial services) but also the use of (demand for) financial services (standard chartered, 2014). Kumari (2017) Opines that financial inclusion is the process of providing access to financial services to vast sections of poor and marginalized segments of population. Access to finance is considered to be a prerequisite for poverty alleviation, reducing income inequalities, social empowerment, prevents exploitation by many lenders. Goi (2008) defined it as the process of ensuring access to financial services and timely and adequate credit where needed by all sections of society including vulnerable groups such as weaker sections and low income groups at an affordable cost. Mandira and Pais (2011), described financial inclusion as a process that ensures the ease of access availability and usage of the formal financial system for all the members.

2.1. Electronic Banking and Financial Inclusion

According to Kumari (2017), vast sections of population live in remote and geographically dispersed areas where the availability of banking facilities are limited and to reach these unbanked. Mobile banking is expected to play a significant role in bringing the demand and supply constraints and in promoting financial inclusions. (Central Bank of Nigeria, 2012) in explaining cashless policy, e-banking and financial inclusion stated: “The strategy mentions the cashless policy (as well as e-banking and e-payments) as an area of current regulation which is relevant to the achievement of financial inclusion”. EFinA (2013) enumerated the pathways (benefits) linking electronic delivery to financial inclusion and in summary stated that the pathways show how policies to promote electronic payments can support financial inclusion. The adoption of mobile telephoning to provide financial services in Africa has become instrumental in integrating the hitherto unbanked segments of the population to the mainstream financial systems (Ouma et al., 2017). Mobile money services are being deployed rapidly across emerging markets as a key tool to further the goal of financial inclusion (Lal and Sachder, 2015). Ágarwal (2013) on the role of e-banking stated that rapid growth in the mobile money industry in particular has led to increased access for the less privileged and the disadvantaged population to an affordable financial services not only within, but also across borders. The interplay of banking technologies with mobile technologies that have much wider penetration hold new promise of financial inclusion for the mass Chopra and Wright (2011). Dhar (2015) stated that mobile banking transactions have increased at a rapid pace in India which can be viewed as another critical success factor for the financial inclusion. He stated that, the rapid growth of mobile users in India through wider coverage of mobile phones networks have made this medium an important platform for extending banking services to every segment of banking clientele in general and the unbanked segment in particular. According to Honohan and Beck (2007), the importance of mobile technology is expanding financial services to the poor at affordable costs driven by the fact that its major cost relates to initial development and other fixed costs with very low marginal costs per transaction or per new customer. The affordability of mobile money services (compared to convenient and financial services) means mobile money is a useful avenue towards increased financial inclusion, making it important in countries where financial inclusion is high or where people are informally served (Fanta et al., 2016).

2.2. Challenges of Financial Inclusion

Standard chartered (2014) identified the five barriers to financial inclusion as: natural barriers (such as distance), lack of financial infrastructure; restrictive regulations, governance failures and lack of suitable products. African Development Bank Group (2013) identified the challenges of financial inclusion to be exclusive risks, costs and cumbersome of mobile payments. Anand and Saxena (2017) assembled constraints to financial products as: lack of awareness about the financial products, unaffordable products, high transaction costs and products which are not convenient, inflexible, not customized and or low quality. BFA (2012) on the problems of financial inclusion stated them as lack of reliability of the channels to perform transactions, network down times, insufficient connectivity, lack of liquidity, integrity such as fraud by agents and misuses of client data under trained personnel and regulatory restrictions. Fernandez-delis et al. (2014) mentioned lack of money, cost of accessing banks, documentation required from applicants, distrust and geographical distance. Siddik et al. (2014) perceived cost as the main challenge. The costs were: transactional cost in the form of bank charges, mobile network charges for sending communication traffic (including SMS or data) and mobile device cost. Banking on Change (2017) enumerated multiple barriers to financial inclusion as” lack of financial understanding of information between providers and customers; gender and age discrimination where women (young people are likely to be excluded than others); poor people’s low income and erratic cash flow; lack of suitable products and processes from formal financial service providers that carter to the
needs of poor people; geographical distance and high transactional costs for banks to operate in remote locations as well as high transport and opportunity costs for people to bank with formal financial institutions and national and international policies that inhibit financial inclusion of the world’s poorest people.

2.3. Empirical Review

Kumari (2017) utilized data report by Reserve bank of India on the role of mobile banking as a tool for financial inclusion in India, confirmed a negative relationship on five banks which accounts for 92% aggressive mobile banking transactions as against 63 banks that accounts for 8% that are not promoting it aggressively. This result concluded that mobile banking has failed as a tool for financial inclusion in India between 2010 and 2015. Ndlovu and Ndlovu (2013) on mobile banking as the future to rural financial inclusion in Zimbabwe using primary data and descriptive statistic concluded that mobile banking has potential in reducing poverty by bringing into mainstream economic activities that previously excluded rural communities. Backjena and Gundimeda (2010) conducted a research on the impact of self-help group bank linkage programme in achieving financial inclusion across sixteen states in India using descriptive statistics and discovered that in spite of the increased spread of formal banking network in the recent past, access to basic financial services are still beyond the reach of large sections of the society. Self-help group bank linkage model exhibits the potential to provide an alternative mechanism to extend financial services to large unbanked sections of the society.

Sigh et al. (2014) researched on financial inclusion in India: selected issues – using descriptive statistics. The finding reviewed that India is still lagging behind in the process of providing financial services to the masses with nearly half of the households remaining unbanked and 90% villages not having bank branches. It was also discovered that these unbanked areas do not fully appreciate why they need a bank account at all, or why loans from the formal sector are more useful than the informal sector. Bimba (2015) conducted a study on complaints of electronic banking juxtaposed with financial inclusion in South Africa. The researcher used time series data and multiple regression analysis to discover that internet and telephone banking are proving to be difficult channels to use in fostering financial inclusion for the period under study. However, ATMs are the most populous channel to use in fostering financial inclusion in South Africa. Surprisingly, branch banking has not been as successful as well. Electronic banking complaints explained why the financially excluded are not eager to use electronic banking. Anand and Saxena (2017) researched on technology based initiatives by India commercial banks towards financial inclusion using descriptive statistics. The result indicated that despite making significant improvements in financial viability, profitability and competitiveness, there are concerns that banks have not been able to include vast segment of the population especially the under privileged sections of the society into the fold of basic banking services. Siddik et al. (2014) worked on mobile banking as a tool of financial inclusion in Bangladesh using primary data and regression analysis. The result disclosed that perceived financial cost, perceived risk and subjective norm were the most influencing factors that affect people’s behavioural intention to adopt mobile banking. It was finally discovered that the study has greater significant for the mobile banking service providers and policy makers of Bangladesh to design mobile banking services in such a way, so that, access and usage of this service can be increased which ultimately will have a positive impact on the country’s financial inclusion campaign. Mala and Vasanthi (2016) studied the role of banking sector in financial inclusion. They use descriptive statistics and secondary data and they concluded that banking sector has played a prominent role in financial inclusion and that financial inclusion is playing a catalytic role for the economic and social development of India society.

3. METHODOLOGY

The aim of this study is to find the mature of relationship between e-banking and financial inclusion of commercial banks listed in Nigerian Stock Exchange between 2007 and 2016. The researcher used only those banks that were listed onNSE 2007 and subject to availability of the required data. The dataset came from Central Bank of Nigerian Statistical Bulletin, National financial inclusion strategy bulletin and World Bank economic indicators for all countries.

The relationship between the dependent and independent variables was measured using multiple regression analysis. The Model is

\[ DCFit = \beta_0 + \beta_1 (ATMit) + \beta_2 (MBit) + \beta_3 (POSit) + \beta_d(INTit) + \Sigma it. \]
Where Dependent variable = Deposits of commercial banks (DCB). Independent Variables: Automated Teller Machine (ATM), Mobile Banking (MB), Point of Sales (POS), Internet Banking (Int.), \( \Sigma it \) is the error term, \( \beta_0 \) = the intercept. Deposit of commercial banks is used to measure the extent by which banks mobilize the deposits of the public. It is expected that Automated Teller Machine, Mobile Banking, Point of Sales and Internet Banking should be positively associated to deposits of commercial banks.

Deposit of Commercial Banks (DCB) is measured as deposits of the customers of these commercial banks per 1,000 adults. The consistent in the deposit growth is measure by comparing the standard variation and mean. Automated Teller Machine (ATM) used is measured in relation to deposits of commercial banks. The volume of ATM in transaction has significant change in the deposits of commercial banks and its use also depends greatly on the growth of bank deposits. Automated teller machines is assumed to encourage banking habits among the unbanked masses by installing audio-video which enables the ATM to announce simple instruction in the local language to assist the customer in the unbanked areas. (Ram et al., 2004). Mobile banking (MB) involves providing banking and financial services through the medium of mobile phones. As mobile phone is ubiquitous and is used as a means of communication in almost all parts of the country it is being viewed as a means for providing banking services to those living in unbanked areas (Kumari, 2017). It is considered as one of the important variables in measuring financial inclusion. Its data is computed in relation to deposits of commercial banks. Its standard deviation was compared also with its means. Point of sale (pos) is the time and place where a retail transaction is completed. At the point of sale, the merchant calculates the amount owed by the customer, indicates that amount, may prepare an invoice for the customer which may be a cash register printer out and indicates the option for the customers to make payment. After receiving payment, the merchant may issue a receipt for the transaction which is manually printed, but is increasingly being dispensed with or sent electronically.

4. DATA PRESENTATION AND ANALYSIS

4.1. Data Presentation

<table>
<thead>
<tr>
<th>Year</th>
<th>Depositors with commercial banks (per 1,000 adults)</th>
<th>ATM (N' Billion)</th>
<th>POS (N' Billion)</th>
<th>MOBILE (N' Billion)</th>
<th>INTERNET (N' Billion)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>295.99</td>
<td>172.67</td>
<td>2.87</td>
<td>0.24</td>
<td>26.43</td>
</tr>
<tr>
<td>2008</td>
<td>311.67</td>
<td>345.98</td>
<td>8.98</td>
<td>0.63</td>
<td>53.82</td>
</tr>
<tr>
<td>2009</td>
<td>464.21</td>
<td>548.60</td>
<td>11.03</td>
<td>1.27</td>
<td>84.15</td>
</tr>
<tr>
<td>2010</td>
<td>472.39</td>
<td>399.71</td>
<td>12.72</td>
<td>6.65</td>
<td>25.05</td>
</tr>
<tr>
<td>2011</td>
<td>504.33</td>
<td>1,561.74</td>
<td>31.02</td>
<td>18.98</td>
<td>59.61</td>
</tr>
<tr>
<td>2012</td>
<td>644.08</td>
<td>1,984.99</td>
<td>48.46</td>
<td>31.51</td>
<td>31.57</td>
</tr>
<tr>
<td>2013</td>
<td>650.33</td>
<td>2,830.53</td>
<td>161.21</td>
<td>143.37</td>
<td>47.32</td>
</tr>
<tr>
<td>2014</td>
<td>653.00</td>
<td>3,681.98</td>
<td>313.07</td>
<td>339.24</td>
<td>74.21</td>
</tr>
<tr>
<td>2015</td>
<td>667.12</td>
<td>3,971.65</td>
<td>448.51</td>
<td>442.35</td>
<td>91.58</td>
</tr>
<tr>
<td>2016</td>
<td>813.59</td>
<td>3,921.04</td>
<td>570.23</td>
<td>589.34</td>
<td>101.09</td>
</tr>
</tbody>
</table>

Source: Primary (World Bank Economic Indicator, 2016).

4.2. Data Analysis

The result from the descriptive statistics specified that the total deposit (DEPOSIT) has a mean value of 547.6710 with a standard deviation of 166.4866. It means that the value of the total deposit can deviate from mean to both minimum and maximum side by 166.4897. The minimum and maximum value of the total deposit ranged from 595.900 to 813.5900. Since the standard deviation is smaller than the mean, it shows that the banks were relatively adequate in maintaining consistent growth in deposit. POS has a range from 2.87000 to 570.2300; mean value of 160.8100 and standard deviation of 209.053. Mobile has a range from 0.24000 to 589.3400, mean value of 157.3580 and standard deviation of 27.53583. ATM has range from 172.6700 to 3971.650, mean value of 1941.889 and standard deviation of 1583.386, internet has a range of 25.05000 to 101.09000, mean value of 59.48300 and standard deviation of 27.53583. Mobile and POS present standard deviation that larger than the mean value indicating that most banks recorded small amount. ATM presents the highest maximum value and its mean being greater
than its standard deviation. These signifying that the value of transactions in ATM was higher and better in use than others.

4.3. Test of Hypotheses

Table 1. Descriptive results

<table>
<thead>
<tr>
<th>Variable</th>
<th>DCB</th>
<th>ATM</th>
<th>MB</th>
<th>POS</th>
<th>INT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mean</td>
<td>547.6710</td>
<td>1941.889</td>
<td>157.3580</td>
<td>160.8100</td>
<td>59.48300</td>
</tr>
<tr>
<td>Median</td>
<td>574.2050</td>
<td>1773.365</td>
<td>25.24500</td>
<td>39.74000</td>
<td>56.71500</td>
</tr>
<tr>
<td>Maximum</td>
<td>813.5900</td>
<td>3971.650</td>
<td>589.3400</td>
<td>570.2300</td>
<td>101.0900</td>
</tr>
<tr>
<td>Minimum</td>
<td>295.9900</td>
<td>172.6700</td>
<td>0.240000</td>
<td>2.870000</td>
<td>25.05000</td>
</tr>
<tr>
<td>Std. Dev.</td>
<td>166.4866</td>
<td>1563.386</td>
<td>219.1950</td>
<td>209.6053</td>
<td>27.53583</td>
</tr>
<tr>
<td>Skewness</td>
<td>-0.165516</td>
<td>0.185606</td>
<td>1.002844</td>
<td>0.996096</td>
<td>0.126966</td>
</tr>
<tr>
<td>Kurtosis</td>
<td>2.044516</td>
<td>1.401946</td>
<td>2.430865</td>
<td>2.434791</td>
<td>1.654545</td>
</tr>
<tr>
<td>Jarque-Bera</td>
<td>0.426055</td>
<td>1.121489</td>
<td>1.811126</td>
<td>1.786789</td>
<td>0.781137</td>
</tr>
<tr>
<td>Probability</td>
<td>0.808134</td>
<td>0.570784</td>
<td>0.404314</td>
<td>0.409264</td>
<td>0.676672</td>
</tr>
<tr>
<td>Sum</td>
<td>5476.710</td>
<td>19418.89</td>
<td>432417.9</td>
<td>395409.3</td>
<td>6823.997</td>
</tr>
<tr>
<td>Observations</td>
<td>10</td>
<td>10</td>
<td>10</td>
<td>10</td>
<td>10</td>
</tr>
</tbody>
</table>

Source: Primary (SPSS VER. 20)
Key: DCB = Deposits of Commercial Banks, ATM = Automated Teller Machine, MB = Mobile Banking, POS = Point of Sales, INT = Internet Banking

4.4. Discussion of Results

The result of granger causality test indicates that among the explanatory variables explaining growth in financial inclusion, only ATM is found to be in unidirectional casual relationship with the deposit of commercial banks (financial inclusion) without a feedback system. It signifies that the use of ATM in transaction will lead to significant change in deposits of commercial banks at 5% level of significant. However, the use of ATM depends greatly on the growth of bank deposits.

![Figure 1. Graphical representation of electronic banking tools](image)

Source: Primary (MS EXCEL 2017)

The figure 1 is a graphical representation of relationship between the growth in electronic banking tools and deposits of commercial banks (financial inclusion) over the years (2007-2016) in Nigeria. It indicates how ATM has proved to be the major key tool to financial inclusion. The other tools are still struggling to survive in aiding the financial inclusion.

Table 2. Regression results

<table>
<thead>
<tr>
<th>Variable</th>
<th>Coefficient</th>
<th>Std. Error</th>
<th>t-Statistic</th>
<th>Prob.</th>
</tr>
</thead>
</table>

Dependent Variable: DCB
Method: Least Squares
Date: 06/22/18  Time: 02:33
Sample: 2007 2016
Included observations: 10
Table 2 presents the regression estimation. The result reveals that with F-statistic of 5.92749, there is a significant and positive relationship between electronic banking and financial inclusion and the relationship is very strong with R-square of 68%. ATM has positive (3.990162) and significant (0.0104) relationship with financial inclusion. This indicates that ATM has full capacity to strengthen financial inclusion in Nigeria. This was as a result of the wide spread of ATM paying points in almost all the urban and rural areas in Nigeria. Mobile banking also has positive (2.398214) and significant (0.0476) relationship with the deposit of commercial banks in Nigeria, signifying that it has helped to include the unbanked. It was credited to the possible and ubiquitous access and availability of mobile phone in Nigeria by almost everybody. POS has positive (0.427736), but insignificant (0.6866) relationship with the deposit of commercial banks. This means that it has aided in propelling financial inclusion but its impact has not been much. This could be attributed to its not being easily accessible to a lot of people. It is being use in designated or selected outlets like super markets, filling stations, and other big shops where poor/marginalized major populaces of Nigeria do not operate. Also, it has not penetrated to the rural areas.

Internet Banking has negative (-0.154931) and insignificant (0.8829) relationship with deposit mobilization and utilization in Nigeria. This shows that, it has totally failed as a tool to financial inclusion in Nigeria. This was as a result that not everybody in Nigeria especially the poor unbanked has access to internet devices (I-Pad, Android, Apple phones etc.) to access the banking services.

4.5. Summary of Findings

The result of the study concludes that a positive and significant relationship exists between electronic banking and financial inclusion. A further examination of the individual tools indicated that it was only internet banking that has negative and insignificant relationship with the deposits of commercial banks, while other tools were relevant in mobilization and utilization of commercial banking deposits. This shows that electronic banking tools have played prominent role in achieving financial inclusion for economic growth and sustainable development of Nigeria. This was achieved because of various programmes and policies of CBN and government.

The other findings were: From descriptive and graphical representation proved that ATM has been the key mobilizer of financial inclusion than other tools despite its challenges. In spite of the positive result, the key challenges of financial inclusion in Nigeria are illiteracy, distance cost, risk, rural concentration, gender and lack of financial infrastructure. The major tools of electronic banking in Nigeria are Automated Teller Machine, Mobile banking, Point of sales and internet banking.

5. CONCLUSIONS

In proving that electronic banking has played prominent role in financial inclusion, a number of statistical models and economic banking indicators were used and the finding concluded that majority of the unbanked population had been included in spite of the numerous financial inclusion challenges. To further strengthen the objective of being a pivotal force for effective financial inclusion, the researcher among others recommended that government, regulators and banks should initiate proactive and pragmatic policies, programmes, reforms that can spur, accelerate and promote the effective use of POS, internet, biometric ATM, mobile ATM and introduced more mechanisms that are more easily accessible and users friendly especially the targeted unbanked in rural areas who are illiterates.
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