

**EFFECT OF ELECTRONIC PAYMENT ON CUSTOMERS' EXPERIENCE IN THE COVID-19 ERA IN SOME SELECTED HOTELS IN ENUGU STATE, NIGERIA**

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**Abstract**

*This study “effect of electronic payment on customers’ experience in the COVID-19 era in some selected hotels in Enugu State, Nigeria” examined the extent of influence of electronic payment in the areas of reduction of the spread of diseases, provision of customers’ convenience on customer service and the facilitation of security in operations of hotels and the extent they restore positive customer relationship and increased customer service and product/service purchase. The objectives of the study among others is to ascertain the extent of electronic payment reduction of the spread of diseases has influenced customer relationship with hotel operation in Enugu state. The population of the study was ninety-five, comprising staff of the selected hotels in Enugu state Nigeria. Questionnaire and oral interview were the instruments used for data collection. The data were analyzed using tables and simple percentage. The findings of the study among others reviewed that the adoption of Electronic payment by the selected hotels in Enugu State, Nigeria curtailed the spread of the COVID-19 disease through the online interactions instead of the physical contacts between hotel operators and their customers across Nigeria and beyond.*

**Keywords:** customer experience, e-payment and COVID-19

**Introduction**

Every day, people buy or sell goods and services for money as money become the major medium of exchange. Cash method of payment for goods and services has existed for age long with its cumbersomeness such as time consuming, physical presence, insecurity, clunky, germs carrier and lack of guarantee. Hotel guests have been affected negatively in the cause of offsetting bills through cash. Many businesses such as hotels have experienced loss of cash through robbery in the cause of cash method of payment. To avert this ugly situation, and restore customers’ confidence, many organizations have adopted an alternative payment method such as E-payment and hotel industry is not an exception.

Nowadays, electronic payments have drastically increased due to the rapid increase in online shopping or internet-based banking (Corbit 2014). In this twenty first-century, electronic payments become the first option for the transfer of money to and from payer/payee. Visa card, master card, smart card, debit card, credit card, e-check, e-wallet among others are options for e-payment (AbMakanyeza, 2017). With this drastic increase in the use of E-payment by organizations, the hotel industry was not left out.

Cash-based transactions still occur particularly in the developing economy such as Nigeria. However technological developments as seen in the electronic payment system has facilitated and is still facilitating transactions all over the world. Such enhances the perception and opinions of customers in the course of undertaking their transactions in different hotels in Enugu state and beyond. Electronic payments (E-

payment) entail the transfer of fund through digital medium such as mobile wallet, banks and bank transfers among others. In this Post COVID-19 era, service businesses like hotels that were directly hit by the outbreak of Corona Virus are looking for the best possible ways their customers can pay their bills with no stress and with limited physical contact, in order to enhance their experience, while maintaining COVID-19 restriction. Hence, electronic payment (E-payment) becomes one of the best options (Narayanan, 2021).

E-payment in hotel industry refers to a means of paying for hotel products and services on the internet. It is also, a means of making transaction/payment for services received in hotels on E-commerce website or through electronic medium without the use of cash or Cheque.

Electronic payment in the hotel industry consists of the following features among others, tendency to prevent the spread of diseases, provision of guest' convenience and security of operation. Each of these three characteristics of online payment is briefly explained. The online transactions by carrier of such diseases means that physical interactions with the staff of such hotels will be minimized, thereby reducing the tendency of being infected. Convenience of guest is usually improved through quick(fast) and satisfactory online services, which enhances renewal or repeat purchase. Security of operation is obtained when adequate measures against fraud by the hotels operators is put in place. Security to life and property of guests should also be paramount here.

Physical contact and cash payments are means of spreading the deadly Corona Virus disease. To ameliorate these problems of cash payment, many organizations have adopted the use of E-payment systems were in order to facilitate the growth of commerce and economic development, and curtail the spread of diseases (Al- Hawar, 2014). E-payment is therefore, considered as a convenient, safe, and a secure method for payment of bills and other transactions by electronic means like card, telephone, the internet and Electric fund transfer (ETF) (Urumsah, 2015).

Customer experience is the sum total of customers' experience, and feelings resulting from interactions with a firm's product and services. It covers the lifetime of customers' relationship with a brand commencing before a purchase is made, continuing to active use and advancing to renewal or repeat purchase. (Ngieyeu and Gopalswary, 2018). The components of customer experience treated in this study include customer relationship, customer service and product/service purchase respectively. Customer relation is the establishment of goodwill between a business and its customers . Good customer relations require courtesy, professionalism and effective response.

Customer service means consistently meeting customers' expectations. Great customer service is quick, easy, personalized, and empathetic. Companies that deliver excellent customer service take the time needed to understand the needs of their unique customer base.

The coronavirus disease 2019 (COVID-19) is a communicable respiratory disease caused by a new strain of coronavirus that causes illness in humans. COVID-19 was first reported in China but it has now spread throughout the world. (Shnaider, 2021). The essence of this study is to determine its effect in hotels in Enugu state Nigeria after its broke out in Nigeria

The use of e-payment in the hospitality industry has made it easier for guests and customers to pay their bills without having to physically move to bank locations for withdrawal. Customers can now sit at the comfort of their houses and access their account information, hotel products and services, book their desired rooms and make payment to the hotels without having to visit the hotel for booking. The era of guests waiting and queuing has reduced drastically by the introduction of e-payment in hotel. E-payment has brought about many benefits to the hospitality industry in form of instant payment, higher payment, security, saving processing costs, lowering the risk of theft, contactless, convenient, affordable and efficient. Therefore, the essence of this study is to determine the effect of E-payment in hotels in Enugu State Nigeria after the out broke of COVID-19.

### **Statement of the Problem**

Many countries over the years have operated cash economy with its cumbersomeness: lengthy transaction, slow service delivery, possible fake notes, and insecurity. During the COVID-19 period, many people including hotel guests were restricted to travel, visit shopping centers, banks and others public facilities for fear of contracting the deadly disease. In fact, the hospitality industry was among the hardest hit industries. It is obvious that cash method of payment is a source of disease transmission and cash method of payment is rapidly becoming a distant memory as the world moves into the cashless era. With the recent global attack by Covid-19, going cashless is no longer an option, but rather a necessity for all types of businesses. In the hotel industry, it has enforced the revolution of contactless services and digital payments. E-payment is one of the strongest tools in use by many industries today in order to facilitate business transactions, curtail the spread of diseases, encourages high patronage, reduces paper usage and save customer's time in this digital age. Obviously, E-payment enables organizations to successfully achieve their set goals at a shortest period of time in a dynamic business environment because of its reliability, affordability and swiftness in nature (Azman, 2014). According to Torress, (2018). E-payment is mostly used today because of its convenience, efficiency, paperless and contact free. The growing rate of e-commerce utilization particularly, e- payment has influenced at an exponential rate the usage of online interaction and communication among the generality of the populace. The patronage of the Internet all over the world is monumental and has remained on the increase from inception. Usage of electronic mode of payment has its distinct significance ranging from instant file retrieval, resistance, eliminating paper usages, curtailing the spread of deadly diseases and lowering the risk of theft ( Eundamiya, 2021).

With the use of E-payment in the purchase of hotel products, guests can enjoy their stay without the need to carryout wallets around the property. In the opinion of Stephan (2021), E- payment reduces waiting time for customers and avoids over waiting queues. It also reduces the fraud of counterfeit money, human errors and robbery of cash and curtail the spread of deadly diseases.

### **Objectives of the Study**

The aim of this study is to assess the effect of electronic payment on customers' experience in the COVID-19 era in some selected hotels in Enugu State.

Specifically, the objectives of the study are:

Ascertain the extent of E-payment reduction of the spread of diseases has influence on customer relationship with hotel operators in Enugu state

Find out the extent of E-payment provision of customer convenience on customer service of hotels in Enugu state Nigeria

Ascertain the extent of E-payment provision of security in operations influences on products/services purchase in hotels in Enugu state.

### **Review of Related Literature**

Electronic payments (E-payment) entail the transfer of fund through digital medium such as mobile wallet, banks and bank transfers among others. E-payment in hotel industry refers to a means of paying for hotel products and services on the internet. It is also, a means of making transaction/payment for services received in hotels on E-commerce website or through electronic medium without the use of cash or Cheque. Electronic payments allow customers to pay for goods and services electronically, without the use of checks or cash. Normally e-payment is done via debit cards, credit cards or direct bank deposits. But there are also other alternative payment methods such as e-wallets and cryptocurrencies. Electronic payment is the process where customers make payments for hotel products/services by using electronic methods.

### **Common Types of Electronic Payment**

The various Types of E-payment as outlined by Mehul (2020):

**Credit or Debit Card Payments** – A credit card is a thin rectangular piece of plastic or metal issued by a bank or financial services company that allows cardholders to borrow funds with which to pay for goods and services with merchants that accept cards for payment. Credit cards impose the condition that cardholders pay back the borrowed money, plus any applicable interest, as well as any additional agreed-upon charges, either in full by the billing date or over time. When paying by card, an electronic payment device initiates the online payment transfer. The consumer will have to fill out their card details and have their transfer cleared by their bank. Credit/debit card payment is very convenience, fast and flexible, thus enhances customers' experience in the purchase of hotel products

**Internet Banking** - This is done by digitally transferring funds over the internet from one bank account to another. This method tends to be used by smaller businesses or freelance workers.

**Direct Debit** - Direct debit transactions transfer funds from a customer's account with the help of a third party.

**E-Wallet** - An E-Wallet is a form of prepaid account where the customer's account information is stored electronically. This means customers can quickly and seamlessly pay for goods online without having to constantly fill out your information.

### **Benefits of Electronic Payments**

With the rapid advancements in the payment technology, electronic payment systems are becoming the substitute for the traditional payment methods. An e-payment solution supports online transactions that use e-tokens, checks, and digital cash. Electronic payment systems offer multiple benefits to the businesses and customers:

#### **Time-Saving**

E-payments enable you to make purchases with a simple tap or swipe. Transactions are processed and completed within a couple of minutes. While it is faster than paying with a paper check or other instruments, it also saves customer the time and hassles associated with arranging cash.

#### **Efficient**

With electronic payment systems, customers do not have to wait in long queues at ATMs or bank branches to withdraw cash and pay for purchased products/services. The lines at checkout counters are also shorter, with each transaction taking less time. Customers can use online payment systems to pay for a wide variety of products on online shopping websites, thus eliminating the need to visit stores physically.

#### **Convenience**

The use of E-payment system creates room for customers' convenience which is of utmost importance to customer satisfaction. Today's customers do not have to wait in long lines for purchasing products or services. This convenience of purchasing can encourage repeat patronage. This repeated purchase would result in the growing profits for business. .... asserted that

“convenient payment makes customers happy”. Digital payment has allowed for the elimination of cash. Particularly in the current climate, we live in, dealing in cash has become for lack of a better word “taboo.” However, that aside, moving to digital payments also means that customers will not have to enter personal information over and over again. With it, all stored on their preferred payment platform or digital wallet. Payment is completed in a matter of seconds.

#### **Increased security**

In the opinion of Urushmah ( 2014), e-wallet payment solutions use enhanced security measures to prevent data breach and frauds. Cash transactions bring their own set of risks, such as robbery, misplacement, or other similar incidents. However, electronic payment systems come equipped with security protocols that ensure the safety of your funds. Banks use highly secure practices like two-factor authentication, PIN (Personal Identification Numbers) and OTPs (One Time Passwords) to protect your funds from thefts or fraudulent activities.

**Speed**

Another demand that has flourished from technological advancements is the need for instant satisfaction. Customers are so used to receiving information in a matter of seconds they expect the same from a business. Payment is no exception. This is really where digital payment methods can add to that customer experience.

**Flexibility**

Providing your customer with an Omni channel experience overall is crucial. Digital payments fit nicely into this strategy with its given ability to pay electronically through your customers’ preferred payment method. Anywhere from credit cards to digital wallets, your customers are in control of how they pay. And they will thank you for it!

**Methods**

Field survey research design was used for this study as a pattern to achieve the desired objectives. In the study, samples of staff of the three hotels were selected to obtain relevant information about how E-payment enhances hotel guests experience in Enugu State. The study areas were Top Rank Hotels, Universal hotels, and Nike lake Resort Enugu State. The population for the study was 95 respondents which comprised (30 from Top Rank hotel, 30 from Universal hotel and 35 from Nike Lake hotel). Data for the study were gathered from both primary and secondary sources using both oral interview and questionnaire.

**Analysis of Data**

The study used tables and simple percentages for data presentation and analysis

**Distribution and Retrieval of Questionnaires**

Table 1: Number of Questionnaires Distributed and Retrieved

Hotels	Number of questionnaires distributed	Number of questionnaire returned	Number of questionnaire not returned	Percentage (%)
Top Rank Hotel	30	30	-	32
Universal Hotel	30	30	-	31
Nike Lake hotel	35	35	-	37
Total	95	95	-	100

Source: Field’s work survey, 2022

The table above showed that about ninety-five questionnaires were distributed among staff of the three hotels in the ration of 30.;30 and 35 respectively. All the questionnaires were retrieved with one hundred percent as in the table.

Table 2: Ascertaining the extent of electronic payment reduction of the spread of diseases has influence on customer relationship with Hotels in Enugu State, Nigeria.

S/N	Response	Top Rank	Universal	Nike lake	Total	Percentage
1	SA	18	20	20	58	61
2	A	5	11	9	25	27
3	D	1	2	4	7	7
4	SD	2	2	1	5	5
	TOTAL				95	100

Source: Field work survey, 2022

Keywords: SA = Strongly agreed, A =Agreed, D = Disagreed, SD – Strongly Disagreed

The above table revealed that about 58 respondents representing 61% from the three different hotels in Enugu metropolis strongly agreed that electronic payment method curtails the spread of diseases, 25 respondents representing 27% agreed, 7 respondents representing 7% disagreed while 5 respondents representing 5% strongly disagreed.

**Table 3: Determining the extent of Electronic payment provision of customer convenience has influence on customer service of hotels in Enugu State, Nigeria.**

S/N	Response	Top Rank	Universal	Nike lake	Total	Percentage
1	SA	20	20	20	60	63.16
2	A	10	5	10	25	26.32
3	D	1	1	3	5	5.26
4	SD	2	2	1	5	5.26
	TOTAL				95	100

**Source: field's survey, 2022**

Table 3 showed that 60 respondents representing 63.16% from the three different selected hotel in Enugu Metropolis strongly agreed, 25 respondents representing 26.32% agreed, 5 respondents representing 5.26% disagreed while 5 respondents representing 5.26% strongly disagreed. With the high response of Strongly agreed and agreed, it suggest that electronic payment method provides customer convenience to hotel guests. Table 4: Ascertaining the extent of E-payment provision of security in operation influences on products/services purchase in hotels in Enugu state.

S/N	Response	Top Rank	Universal	Nike lake	Total	Percentage
1	SA	22	22	18	62	65.26
2	A	8	10	3	21	22.11
3	D	1	1	2	4	4.21
4	SD	1	4	3	8	8.42
	TOTAL				95	100

**Source: field work survey, 2022**

The above table shows that 62 respondents representing 65.26% from the three different selected hotels in Enugu metropolis strongly agreed, 21 respondents representing 22.11% agreed, 4 respondents representing 4.21% disagreed while 8 respondents representing 8.42% strongly disagreed that E-payment method is more secure. This simply mean that E-payment method of payment offers more security to customers.

**Discussion of Findings**

In table 1, majority of the respondents about 55% strongly agreed that electronic payment reduction of the spread of diseases has influence on customer relationship in the hotel industry. Therefore, the finding of the study is in agreement with the work done by Makanyeza (2017), the author found out that going cashless in this POST COVID-19 era will help curtail the spread of the deadly corona virus diseases.

Furthermore, table 2 showed that about 48 respondents representing 51% strongly agreed that electronic payment method results to better guest convenience. The finding is in agreement with the findings of Torres (2018) that the adoption of E-payment method is far better than cash payment as it reduces queue and saves time.

Table 3 showed that 58% and 27% of the respondents strongly agreed and agreed that E-payment method is more secure that cash method of payment. This finding agreed with the finding of Andrieu ( 2015) who found out that electronic payment method is the safest means of payment since it does not warrant carrying cash from one destination to another, improving security and builds customer confidence.

**Summary of Findings**

In summary, findings revealed that the adoption electronic payment method by hotel industry help to curtail the spread of diseases. Also the use of e-payment in the hotel offers better guest convenience and security of life and property.

### **Conclusion**

It is crucial to note that E-payment method enhances convenience, guarantee guests safety, and reduces the spread of deadly diseases. Therefore, the hotel industry should adopt E-payment method in all sections to be able to sustain its operation in future.

### **Recommendations**

The study researcher recommended the following based on the findings:  
That hotels should adopt the use electronic payment systems to help curtail the spread of diseases.  
Since convenience is one of the top priority on the customers, the use of electronic payment in the hotel industry should be considered a necessity  
Since security and safety is the major concern in this Post COVID-19 era, adoption of electronic payment method is the best option by hotels.

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