

The continued investment in automated teller machines has made the need to establish the factors that influence ATM usage more urgent.

The purpose of the study was to investigate the factors affecting the ATM usage in Kenya. The main objectives were to analyse factors that influence ATM usage, hindrances to ATM usage and ways of improving ATM usage.

The study established that ATM usage is influenced by among others: training, level of awareness of ATM functions, availability of cash, machine up time, faulty cards, cards retention, personalised services, insecurity, machine location, cost, speed of machines and monthly seasons.

The study also established the following hindrances: insecurity, card retention, age, psychological reasons, poor training and ATM down times. The study established ways of improving ATM usage as: surveillance, building lobbies for the off the walls ATMs, proper lighting, customer education, 100% uptime of the machines, well labeled machines and less retrieval time for captured cards. The study also established other ways of improving the ATM as: proper alignment of buttons, clear screen, keyboard. The ways of increasing its usage include introduction of ATMs in supermarkets and Airport, water bill payment and coin deposit facility.

Some of the recommendations made include: the need to have the customers trained on how to use the ATMs to increase their level of awareness of ATM functionality, retrieval time for cards should be reduced, a bank staff should permanently be employed at the ATMs site to offer personalised service, build up lobbies for off the wall machines and surveillance should be done on all ATM sites, 100% machine uptime to ensure availability of cash when needed, machines should be located in accessible sites.