POSITIONING TO FACE CHALLENGES IN THE BANKING INDUSTRY:

THE FIRST BANK EXPERIENCE

BY

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A PROJECT SUBMITTED TO THE POSTGRADUATE SCHOOL, AHMADU BELLO UNIVERSITY, ZARIA, IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE AWARD OF THE DEGREE, MASTER OF BUSINESS ADMINISTRATION, (M.B.A.) AHMADU BELLO UNIVERSITY, ZARIA.

AUGUST, 1999

DECLARATION

I here by declare that this project has been written by me, and that it is a product f my own research work.

To the best of my knowledge, this research work has never been submitted either in Ahmadu Bello University, Zaria or any other institution for the award of a degree.

All resources of materials and some people's works and views drawn up on have been duly acknowledged by means of reference.

Any mistake, whatsoever in this work is entirely my own responsibility.

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SIGNATURE

29/9/2000
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CERTIFICATION

This project entitled **"POSITIONING TO FACE CHALLENGES IN THE BANKING INDUSTRY: THE FIRST BANK EXPERIENCE"** by **AMEH EMMANUELLA ENE.**

Meets the regulation governing the award of the degree of Master of Business Administration (MBA) of Ahmadu Bello University, Zaria, and is approved for its contribution to knowledge and literary presentation.

SUPERVISIOR	13/03/2000 DATE
EXTERNAL EXAMINER	27/7/2000 DATE
HEAD OF DEPARTMENT	29/9/2000 DATE
DEAN, POST GRADUATE SCHOOL	02/03/03 DATE

DEPT. OF BUSINESS ADM. INSTITUTE OF ADM. A.B.U. ZARIA Date.....

DEDICATION

This work is dedicated to the Almighty God and my loved family.

ACKNOWLEDGEMENT

I wish to acknowledge the indefatigable efforts of my supervisor Mallam A. T. Sharubutu for his assistance in this research work despite his tight schedule. My course mates Emma, Ayo-Bello, Rufuji J.A, and friend Evelyn, Doris and ECN to whom I am indebted.

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I say a big thank, you to my husband for standing by me throughout my programme, his patience and understanding when I had to be away from home.

Finally, I wish to thank the management of FBN Plc for the opportunity granted to me attend the course.

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ABSTRACT

This study is primary on the positioning strategy as adopted by First Bank of Nigeria Plc. To enable it survive the fierce competition between various Banks and tactics against each other in search for a good market share.

It deals with the evolution of various strategic plans, to their implementation stage. The research was based on the collection of primary data through the use of a detailed questionnaire, reports, observation and personal interview.

On hundred customer out of the population of customer within the four branches in Kaduna metropolis were randomly selected as sample size. One hundred FBN Plc staff were selected as a sample size within Kaduna metropolis.

Data collected was subsequently analysed and interpreted using the simple percentage method with the aim of testing the drawn up hypothesis in order to accept or reject as appropriate. In this study the results showed that the null hypothesis (Ho) should be rejected in all three cases and the alternative hypothesis (H_1) be accepted.

Finally, recommendations were made to First Bank management in order to ensure continuous sustenance of it's leadership position and to remain to it's name.

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CHAPTER ONE

INTRODUCTION

1.01 BACKGROUND TO THE STUDY

We operate in a dynamic environment in which only the right strategies deliberately designed to respond adequately to the demands of the changing market can sustain any organisation's leadership position.

Banking in the Nigerian economy takes place within a competitive environment filled with enormous challenges posed by competition to gain various customers. With Banking, it is not the 'offering' itself, but certainly the ability to adjust to the dynamism of buyer habits in order to identify wants and satisfy them. Ed Cructh Field (1996) President of first union, American Sixth largest Bank puts it this way: the problem has to do with the inability of banks to switch from an inward looking perspective to asking how their services are affecting customers and what they could do to make customers like them".

Nigerian Banks still fail to appreciate that the market is less 'turned-on' and that it is even moving in a different direction, they cling to the "marketing myopia" of undue concentration on the offering rather than the customers needs. This makes them they are offering the right service in the midst of

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complaints. In effect they are looking into the mirror rather than out of the window.

A way of dealing with this is to develop appropriate business relationships which will meet both the consumers requirements and that of the bank. Further to keep ahead of the competition, strategies to guide marketing efforts are to be developed while conscious weights are to be attached to the consumers interests and that of the bank to operate at an optimal level. After all, establishing a competitive difference is ordinarily the most direct route to marketing success.

It is in keeping with this trend and challenges that in June, 1996 First Bank of Nigerian Plc (FBN PLC) embarked upon the century II project which is aimed at repositioning the bank to compete effectively and continue to lead the Nigeria Banking industry into the next Millenium.

It became necessary for management to evolve strategic plans with a view to Projecting an in-depth focus on the market environment facing the bank particularly the competitors and customers. Steps were then taken which involved the following:

- Situation Analysis

- Establishment of objectives which was summed up in the Banks Mission: To remain true to our name by providing the best financial services possible Vision: Be the clear leader and Nigeria's Bank of first choice.
- Implementation: Here the bank is focusing on high impact areas with direct and positive bearing on costume services delivery, over all bank profitability and organisational efficiency.
- Principle of control to keep a check on various policy implementation ensuring their success.

1.02 STATEMENT OF THE PROBLEM

The key idea in positioning strategy is that the customer must have a clear idea of what your brand stands for in the product/service category, and that a brand cannot be distinctly positioned if it tries to be everything to everyone. Such positioning is achieved mostly through brand's marketing communications, through it's distribution, pricing, packaging, and actual product features also pay major roles. After all, positioning is not what you do to the product/service but what you do to the consumer's mind through various communications. Thus the strategic objective is to have segmentation and positing strategies that fit together.

In trying to achieve these objectives certain problems are encountered by the bank.

That of embracing new ways of doing things as necessitated by the prevailing business environment as against the long established ways.

- Prices of providing services being slashed.
- That of developing aggressive marketing strategies to manoeuvre competitors .
- Trimming staff size of work force for better management.
- Cost of acquiring state of the art technology to facilitate operations.
- Maintaining the status quo established.

1.03 OBJECTIVES OF THE STUDY

With the challenges being faced by FBN and he banks industry at large it is mperative that only banks with the right strategies designed to respond adequately and continuously to the changing market can survive.

It is against this background that this study is carried out to highlight the major and far reaching re-organisation which the bank undertook to re-evaluate operational procedures with a view to harnessing both material and human resources for operational efficiency.

This study also show FBN's management's ability to position the bank and its services appropriately in the changing market as is reflected in prompt and efficient services in her branches yielding huge profits.

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1.04 SIGNIFICANCE OF THE STUDY

This has to do with the benefits accruing to not just FBN and her customers but the economy as a whole.

It brings out the application of marketing strategy to recharge the service industry in order to enhance prompt and efficient services.

1.05 SCOPE AND LIMITATIONS OF THE STUDY

As sales increase management must support the momentum by adjusting the marketing strategy. The goal is to establish the products position and to fortify it by encouraging brand loyalty. As profits increase, the organisation must brace itself for the entrance of aggressive competitors who may make specialised appeals to selected market segments.

The research covers the general term the positioning strategy as regards a planned and sustained effort to maintain the lead in the market.

The decision to use FBN Plc one of the big four banks in the Nigerian Banking industry is strategic. The fruits or benefits of the positioning strategy adopted three years back abound everywhere.

One thing in competition is not letting your opponent know your next move, that way you are always ahead of other. This will in order word hinder certain information or trade secrets being made known.

The time for this research work is inadequate, considering that the researcher has to keep her job and at the same time put the piece together in order to meet the school's deadline.

1.06 RESEARCH METHODOLOGY

Methodology is the framework on which the entire research is based. It has to do with the data collection process and the entire method employed in the analysis of that data.

Two types of data were used in the research, and they were obtained from the following sources.

a. Primary source

b. Secondary source

The Primary data obtained from the primary source were through the use of questionnaires given to the staff of FBN in Kaduna and customers.

Personal interviews were also conducted by the research, with the management team, staff and selected customers.

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The Secondary data were obtained mainly from already published works, journals periodicals bulletins, newsletters of FBN Plc and textbooks among others.

1.07 HISTORICAL BACKGROUND TO FIRST BANK OF NIGERIA PLC (FBN PLC)

The establishment of FBN Plc predates the birth of Nigerian Nation as a sovereign entity. It was incorporated on the 31st of March, 1894 as a limited liability company under the name Bank of British West African (BBWA) being a realisation of the dream of two personalities known as the founding fathers, Alfred Lewis Jones and George William Neville.

The bank has evolved along the path of political, social and economic changes and development of Nigeria from the colonial period to independence and the experience of post-independence. It has thus shared in the process of its growth, the tidal experiences of the nation which in retrospect were sources of strength for its continual growth. In essence the bank was the first successful bank to operate in Nigeria.

Branches were opened in Accra, Gold Coast (now Ghana) in 1896 and another in Freetown, Serria Leone in 1898 marking the genesis of the Bank's international Banking operations. In 1900 a second branch was opened in the

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old Calabar (Nigeria) and two years later its services were extended to Northern Nigeria.

In June 1957, by a special resolution of the board of directors, the bank was renamed Bank of West Africa (BWA). It merged with the Standard Bank of London and became the Standard Bank of West Africa (SBWA). While in June 1969, it was locally in corporated in Nigeria under the corporate name of Standard Bank of Nigeria Limited from the SBWA and ten years later precisely in July 1979, it metamorphosed into the FBN Limited and subsequently attained the status of public Limited Company in October 1990.

FBN Plc has a very large asset base of ₦95.22 Billion as at 1998 for the Company and that of the group ₦102.4 Billion, with the largest branch network amongst all Banks in Nigeria.

A very large work force of about 8785 people FBN Plc has enjoyed good will based on trust, age, reliability from its "loyal" customers.

FBN Plc as a conglomerate has four subsidiaries, which include:

- FBN Merchant Bankers Limited
- First Trustees Limited
- First Nominees Limited

The banks also has a great investment in Banque International Division Benin in Cotonou, African Export – Import Bank (Afrexim Bank), Cairo and a 28.45% interest in Kakawa discount house limited, an Associate Company of the bank.

FBN in June 1996 embarked on a restructuring programme tagged the FBN Century II Project aimed at repositioning the bank to compete effectively and continue to lead in the Nigerian banking industry by providing the best financial services possible.

The following strategic objectives were set namely:

1. Significantly upgrade the quality of customer service delivery and achieve leadership in all market segments.
2. Improve the quality and motivation of the workforce and the depth and effectiveness of management.
3. Leverage on information technology to create sustainable competitive advantage.
4. Pioneer and or lead the market in the development and introduction of new products and services.
5. Reduce funding and transaction cost thus achieving cost leadership.
6. Improve balance sheet structure and significantly boost profitability and capital base.

7. To facilitate the implementation of the above objectives, the organisational structure was redesigned to a new corporate structure on the 1st of December 1997 namely:

   a. Corporate Banking

   b. Commercial Banking (including consumer Banking)

   c. Transaction Banking

   d. Risk Assets and management control

   e. Strategic resources and management services

   f. Inspection

   g. Corporate

1.08 HYPOTHESIS

According to Osuala "Hypothesis are not ends in themselves, but rather are the means by which the investigator can understand with greater clarity, his problem and it's ramifications as well as the data which bear on it". A hypothesis is a statement, which can be verified by means of a data. It is also an idea or suggestion put forward as a starting point for reasoning or examination. A hypothesis can either be a null hypothesis denoted as H_o or an alternative hypothesis denoted as H_1.

This researcher has also designed some hypothesis to help further understand what the positioning strategy is about. They are:

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1. H_o - The positioning strategy is not capital intensive

   H_I - The positioning strategy is capital intensive

2. H_o - Establishment of the positioning strategy is not necessary tool

   in target Marketing.

   H_I - Establishment of the positioning strategy is a necessary tool in target Marketing.

3. H_o - The implementation of the positioning strategy does not help

   in achieving the central objective of optimum profitability.

4. H_I - The implementation of the positioning strategy help in achieving the central objective of optimum profitability.

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CHAPTER TWO

LITERATURE REVIEW

2.00 POSITIONING DEFINED

Product positioning refers to the decisions and activities intended to create and maintain a firm product concept in customers' minds. It is the customer's concept of the product attributes relative to their concept of competitive brands.

Just as segmentation involves the decision to aim at a certain group of customers but not others, positioning involves a decision to stress certain aspects of our brand and not others. The key idea in positioning strategy is that the customers must have a clear idea of what your brand stands for in the product category, and that a brand cannot be sharply and distinctly positioned if it tries to be everything to everyone. Such positioning is achieved mostly through a brand's marketing communication, through its distribution, pricing, packaging and actual product features also can play major roles. It is often said that positioning is not what you do to the product, but what you do to the customer's mind through various communications. The strategic objective must be to have segmentation and positioning strategies that fit together: A brand must be positioned in a way that is maximally effective in attracting the desired target segment. When products are introduced by marketers they

attempt to position them to posses the characteristics most desired by the target market. This projected image is crucial, for example: crest is positioned as a fluoride tooth paste that fights cavities, close-up is positioned as whitening tooth-paste that enhances the users sex appeal, coke as "enjoy", 7-up, the difference is clear while Pepsi "the choice of the new generation".

In the banking industry United Bank for Africa (UBA) is positioned as the "wise man's bank" Union Bank of Nigeria (UBN) is "Big, strong and reliable", Savannah Bank (SBN) as "the personal service bank", while First Bank of Nigeria (FBN) as "truly the first".

Product positioning is a part of a natural progression when market segmentation is used. Segmentation allows the firm to aim a given brand or product at a portion of the total market. Effective product positioning helps to serve a specific market segment by creating an appropriate concept in the minds of customer's in that market segment.

A brands position in a consumer's mind is a relative concept in that if refers to a comparative assessment by the consumer of how this brand is similar to or different from the other brands that compete with it. It is like every consumer has a mental map of the product category. The location of your brand in that map, relative to that of your competitors, is your position, and the locations of

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all the brands in that map are determined by the association that the consumer makes with each band.

A firm can position a product to compete head-on with another brand as Pepsi has done against Coca-Cola or to avoid competition, as 7-up has done relative to other soft drink producers. This head to head competition may be a marketers positioning objective if the products performance characteristics are at least equal to competitive brands and if the product is lower priced. It can also be appropriate even where the price is higher, if the product performance characteristics are superior. Conversely, positioning to avoid competition may be appropriate when the products performance characteristics are not significantly different from competing brands. Also positioning a brand to avoid competition may be appropriate when that brand has unique characteristics that are important to buyers.

Making sure competition is avoided is critical when a firm introduces a brand into market in which it already has one or more brands. In such situations, marketers usually want to avoid cannibalizing sales of their existing brands, unless the new brand generates substantially larger profits. Example: When: Coca-Cola re-introduced Tab, it attempted to position the cola as to minimize the adverse effects on Diet Coke's sales. Tab was positioned as the diet drink containing calcium, catering specially to a female target market.

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After all, a brand position is the set of associations the consumer has with the brand. These may cover physical attributes, or life-style or use occasion, or user-image or stores that carry it. A brand's position develops over the years through advertising, publicity, word of mouth and usage experience, can be sharp or diffuse, depending on the consistency of that brands advertising over the years.

Management's ability to position a product appropriately in the market is a major determinant of company profits. The image that product projects in relation to competitive products and to other products marketed by the same company is regarded as a product's position. Product positioning has no generally accepted definition and as such it is loosely applied and difficult to measure.

Sometimes, it is tempting to try to position along several product characteristics as it is frustrating to have some good product characteristics that are not communicated. However, advertising objectives that involve too many product characteristics can be most difficult to implement. The result can often be a fuzzy confused image, which usually hurts a brand.

To make it easy, Myers and Shocker have made a distinction between physical characteristics, pseudophysical characteristics and benefits, all of which can be used in positioning. Physical characteristics are the most objective and can be measured on some physical scale such as temperature, colour, intensity, sweetness, thickness, distance, dollars, acidity, saltiness, strength of fragrance, weight and so on. Pseudophysical characteristics in contrast reflect physical properties that are not easily measured. Examples are spiciness, smoky taste, tartness, type of fragrance (Smells like a---), greasiness, creaminess and shininess. While benefits refer to advantages that promote the well being of the consumer or user. Ginger ale can be positioned as a product that "quenches thirst". Thirst quenching is a benefit and provides the basis for this type of positioning strategy.

2.01 DETERMING THE POSITIONING STRATEGY

The choice of a positioning strategy can be difficult and complex. However, it becomes more manageable if it is supported by a thorough marketing research. It can be reduced to a six step process.

1. Identify the competitor
2. Determine how the competitors are perceived and evaluated
3. Determine the competitor's position
4. Analyse the customers
5. Select the position

6. Monitor the position

In each of these steps one can employ marketing techniques to provide the needed information. Sometimes the marketing research approach provides a conceptualization that can be helpful even if the research is not conducted. Basically, the first four steps provide a useful background, while the final steps address the evaluation and measurement follow-up.

IDENTIFY THE COMPETITORS

The first step to take is to identify the competitors. It is not as simple as it might seem. Example: Pepsi might define it's competitors as follows:-

- Other Cola drinks
- Non diet soft drinks
- All soft drinks
- Non alcoholic beverages
- All beverages except water.

First Bank can say its competitors include:

- UBN PLC
- UBA PLC
- AFRI BANK PLC
- HNB
- Other new generation banks

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- Finance houses etc.

In most cases, there will be a primary group of competitors and one or more secondary competitors and it will be useful to identify both categories. Thus coke will compete primarily with other colas, but other non-diet drinks and diet colas could be important as secondary competitors. Secondary competition is of special concern to brands that are market leaders in their categories, for they are the ones that need to be most considered with issues of category ("Primary") demand.

Knowledge of various ways to identify such groupings will be of conceptional as well as practical value. One approach is to determine from buyers of a product which other product they considered. For example a cross section of cola drinkers might be asked what other beverages they might have consumed instead. Or the respondent could asked what brand would have been purchased had that particular cola brand been out of stock. The resulting analysis will identify the primary and secondary groups of competitive products. Instead of customers, retailer or buyers being knowledgeable about it, customers could provide the information.

Another way is to develop associations of products with use situations. A respondent might be asked to keep a diary or to recall the use contexts for

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Pepsi. This can continue for perhaps twenty to thirty respondents until a large list of use contexts an beverages results.

Another group can be asked to make a judgement perhaps on a seven-point scale and to how appropriate each beverages would be for each use situation groups of beverages can be clustered based on similarity of appropriate use situations. Thus, if Pepsi were regarded as appropriate with snacks, it would compete primarily with other beverages regarded as appropriate for snack occasions. If it were not regarded as appropriate use with meals, it would be less competitive with beverages deemed more appropriate for meals.

These two approaches suggest a conceptional basis for identifying competitors even when market research is not employed. The concept of alternatives from which customers choose and the concept of appropriateness to a use context can be used to understand the competitive environment. A management team or group of experts, such as retailers or buyers who have an understanding of the customer, could employ one to both of these conceptual bases to identify competitive groupings.

DETERMINE HOW THE COMPETITORS ARE PERCIEVED AND EVALUATED

To determine how competitors' products are perceived it is necessary to choose an appropriate set of product attributes for the comparison. The term "attributes" includes not only product characteristics and customer benefits, but also product association such as product uses or product users.

The task is to identify potentially relevant attributes, to remove redundancies from the list and then to select those that are most useful and relevant in describing brand images. An approach to the generation of an attribute list is the "Kelly repertory grid". The respondent is first given a deck of cards containing brand names from which all unfamiliar brands are culled. Three cards are then selected randomly from those remaining. The respondent is asked to identify the two brands that are most similar and to describe why those two brands are similar to each other and different from the third. The respondent is then asked to rate the remaining brands on the basis of the attributes thus identified. This procedure is then repeated several times for each respondent. As a variant, respondents could be asked to select a preference between two bands and then asked why one brand was selected over the other. The next step is to remove the redundancy from the list using logic and judgment. Another approach is to use a statistical technique called factor analysis. Here respondents are asked to rate each of the objects with

respect to each attribute. Example: they could be asked to rate FBN services on a seven point scale as to the degree it is full bodied as a bank. Correlations between attribute are then calculated, and factor analysis essentially groups the attributes on the basis of those correlations.

The next task is to select attributes that are most meaningful and important to the customers image of the competitive objects from a list of non-redundant attributes obtained. These selected attributes should be those that are important and relevant to the customer in making distinctions between brands and in making purchasing decisions.

DETERMINE THE COMPETITORS POSITION

Determine how competitors including (your own entry) are positioned in he market. The primary focus of interest here is how they are positioned with respect to the relevant attributes they have. Ask questions like; what is the customer's image of the various competitors? We are also interested in how they are positioned with respect to each other. Which competitors are perceived as similar and which are different? Judgements here need to be made subjectively. However, it is also possible to use research to help answer such questions empirically. Multidimensional methods can be used, as its goal is to scale objects on several dimensions or attributes.

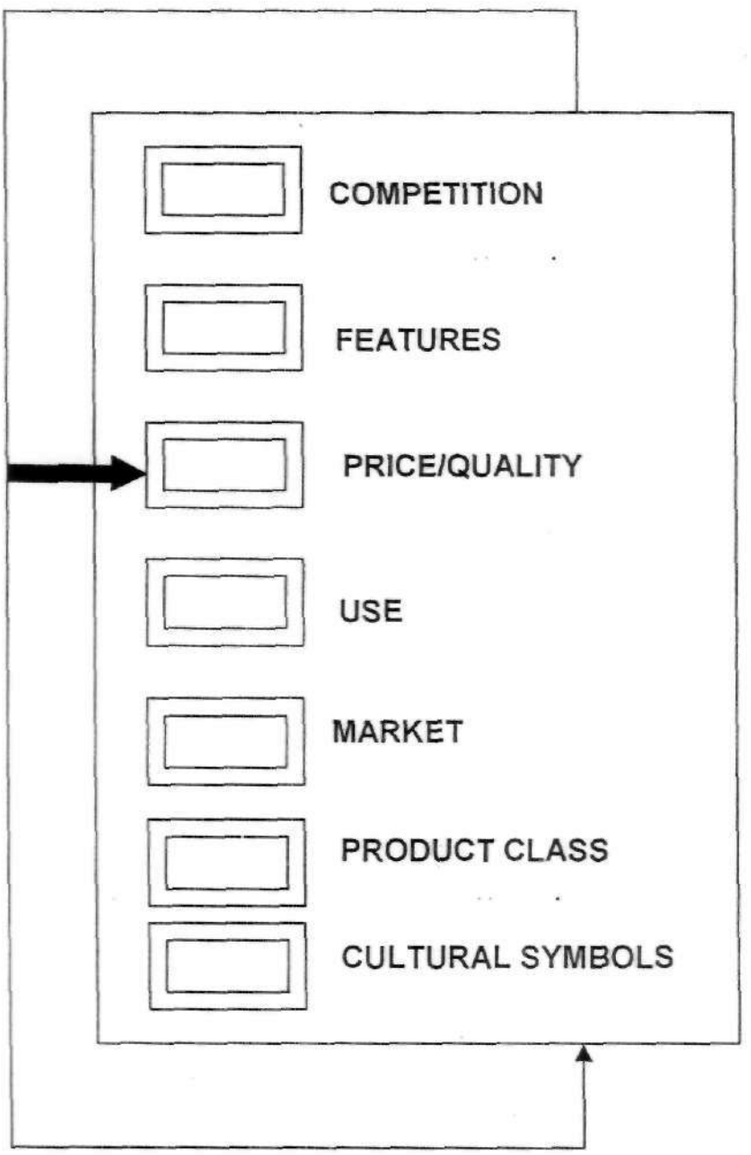
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ANALYSING THE CUSTOMERS

Making the positioning decision obviously requires knowing what will be most attractive to the customers. In most cases they will differ markedly as to preferences even if their perceptions of brands are similar. Thus the task is to identify segments or clusters of customers based on their preferences by selecting he segment or segments as well as the target position. Then identify which attributes or customers benefits that are most important and those groups customers who value similar attributes or benefits and then work on them.

2.02 POSITIONING STRATEGIES

Marketing executives can choose from a variety of positioning strategies. A positioning strategy is vital to provide focus to the development of an advertising campaign. The strategy can be conceived and implemented in a variety of ways that derive from the attributes, competition, specific application the types of consumers involved, or the characteristics of the products class. Each of these represents a difference approach to developing a positioning strategy, even though all of them have the ultimate objective of either developing or reinforcing a particular image for the brand in the mind of the audience. For this research seven approaches are presented.



A product may be positioned relative to various attributes.

POSITIONING BY COMPETITOR

In most positioning strategies, an explicit or implicit frame of reference is one or more competitors. In some cases the reference competitor(s) can be the dominant aspect of the positioning strategy. It is useful to consider positioning with respect to a competitor for two reasons. First, the competitors may have a firm, well-crystallized image developed over many years. The competitors image can be used as a bridge to help communicate another image referenced to it. E.g if someone wants to know where a particular address is, it is easier to say it is next to first bank building than to described the various street to take to get there. Secondly. Sometimes it is not important how good customers think you are, it is just important that they believe you are better than (or perhaps as good as given a competitor).

Positioning with respect to a competitor can be an excellent way to create a position with respect to a product characteristic, especially price and quality. Thus, products that are difficult to evaluate, like liquor products, will often use an established competitor to help the positioning task. Example sabroso, coffee liquor, positioned itself with the established brand, Kahlua, with respect to quality and also with respect to the type of liquor. It prints advertisement showed the two bottles side by side and used the head, "Two great imported coffee liquor. One with a great price".

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It can also be accomplished by comparative advertising, advertising in which a competitor is explicitly named and compared on one or more product characteristics. Subaru has recently used this approach to positions some of their cars as the being comparable in safety to Volvo, which has consistently stressed it's safety qualities and is thus closely identified with safety, this communication task becomes easier for Subaru.

An example of a direct positioning against competition is that of chevrolet chevettee and the ford escort positioned to compete head to head with low priced foreign imports.

This cannot always be the right strategy at all times especially when a competitor has a strong market position. Example, Avis became successful only after it stopped positioning itself directly against Hertz, readily admitted it was number two, and advertised. "We're only number two. We try harder". The B.F Goodrich Company, in it's advertising, played on the theme "We are the other guys". This strategy positioned Goodrich away from the more the heavily advertised competitive brand of Good year tries.

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POSITIONING BY PRODUCT ATTRIBUTE (CHARACTERISTICS) OR CUSTOMER BENEFITS

This is probably the most-used strategy whereby a company associates its products with some product feature or customer benefit. Imported Automobile illustrates the variety of product characteristics that can be employed and their power in image creation. Honda and Toyota have emphasized economy and reliability and have become the leaders in the number of units sold. Volvo has stressed safety and durability showing commercials of "Cash tests" and telling of the long average life of its cars. BMW attempt to put forth an image of performance in terms of handling and engineering efficiency. The tag line used by BMW is "The ultimate driving machine". BMW advertisements show the cars demonstrating their performance capabilities at a German racetrack.

Like in tooth pastes, crest is known as a cavity fighter, while Aims position is based on cavity prevention an good taste.

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Sometimes a new product can be positioned with respect to a product characteristics that competitors have ignored. Brands of (paper) towels had emphasized absorbency until viva was successfully introduced stressing durability. Viva demonstration showed it's products durability and supported claim that viva "Keeps on working"

Sometimes a product will attempt to position itself along two or more product characteristic simultaneously. In the tooth paste market,, crest became the leader decades ago by positioning as a cavity fighter, a position that was established by an endorsement by the American Dental Association. Since then, it has enjoyed a market share of up to 40%. However, several other successful entries have positioned themselves along two product characteristics. Aim introduced as a good – tasting, cavity fighter, achieve a share of more then 10%. And recently Aqua-fresh which was introduce by Beecham as a gel paste that offers both cavity-fighting and breath – freshening benefits. Aqua – fresh advertisements showed people arguing whether to buy a breath freshener or cavity – fighting dentifrice. Of course the solution was Aqua – fresh. Sometimes-different models of a product can be positioned toward different segments by highlighting different attributes: Coke having Coca-Cola and diet coke.

Sometimes, it is tempting to try either in the category that is seen as a "Subtype" being almost in a different product category than the advantage of clarity, customers will remember the brands distinguishing features, but the possible disadvantage is that consumers might not know how to think of this brand (since they may think that what they know about the product category does not apply to this brand). In complex product category, where it might be

important to benefit from the consumer's prior knowledge of the category, such "over segmentation might thus hut the highly differentiated brand.

To make it easy, myers and shockers have made a distinction between physical characteristics and benefits, all of which can be used in positioning. Physical characteristics are the most objective and can be measured on some physical scale such as temperature, colour intensity, sweetness, thickness, distance, dollars, acidity, saltiness, strength of fragrance, weight and so on. Pseudophysical characteristics in contrast reflect physical properties that are not easily measured. Examples are spiciness, smokey taste, tartness, type of fragrance (smells like a ----), greasiness, creaminess, shininess. While benefits refer to advantages that promote the well being of the consumer or user. Ginger ale can be positioned as a product that "quenches thirst". Thirst quenching is a benefit and provides the basis for this type of positioning strategy.

POSITIONING BY PRICE AND QUALITY

The price-quality product characteristics is so useful and pervasive that it is appropriate to consider it separately. In many product categories, there exist brands that deliberately attempt to offer more in terms of service, features, or performances. Manufacturer of such brands charge more partly to help cover higher cost and partly to help communicate the fact that they are of higher

quality. Conversely, in the same product class there are usually other brands that appeal on the basis of prices, although they might also try to be perceived as having comparable or at least adequate quality. In many product categories, the price quality issue is so important that it needs to be considered in any positioning decision. Trying to reposition a company on the price and quality spectrum can be tricky proposition, as such caution is needed.

In the 1070's sears , Roebuck tried to upgrade its fashion and quality image while at the same time retaining it's image of low price and "value for your money". The move was not successful. It served only to blur the company's image, confuse old customers and reduced firms market share. Sears later returned to its former position as a middle-class family store offering "value for your money". It is usually very difficult to compete successfully using both quality and price. Sears is just one advertiser that has faced the very tricky positioning task of retaining the image of low price while communicating a quality message. There is always the risk that the quality message will blunt the basic "low price" position or that people will infer that if the prices are low the quality must be low too.

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POSITIONING IN RELATION TO PRODUCT USE OR APPLICATION

Another ways to communicate an image is to associate the product with a use or application. Example: Campbell's soup for many years positioned itself as a lunchtime product and used noontime radio extensively. The AT and T Telephone associated long-distance calling with communicating with loves ones in it's "Reach out and touch someone" campaign. Arm and hammer baking soda sales increased tremendously after the long dormant product was repositioned as an effective odor-killing agent for use in refrigerators. Omo detergent is positioned to "Washes cleaner, brighter and it shows".

Products can of course have multiple positioning strategies, although increasing the number involves obvious difficulties and risks. Often a positioning by use strategy represents a second or third position for the brand, a position that deliberately attempts to expand the brand's market. Quaker oats has attempted to position it's product as a natural whole grain ingredient for recipes in addition to its breakfast food niche.

POSITIONING BY TARGET MARKET OR PRODUCT USER

This approach associates a product with a user or a class of user. Many cosmetics companies have used a model or personality to position their products like Joy soap by Patti Boulaye a Nigeria model, Pepsi drink by Michael Jackson a world acclaimed musician. Makers of casual clothing like

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jeans have introduced "designer labels" such as Calvin Klein or Jordache to develop a fashion image. The expectation is that model or personality will influence the products image by reflecting the characteristics and image of the model or personality communicated as product users.

POSITIONING BY PRODUCT CLASS

Some companies need to make critical positioning decisions that involve product – class associations. For example, Maximum freeze-dried coffee needed to position itself with respect to regular and instant coffee. Some margarine positions themselves with respect to butter. Dried milk makers came out with instant breakfast positioned as a breakfast substitute and a virtually identical product positioned as a dietary meal substitute. The toilet soap Dove positioned itself apart from others in the soap category as a cleansing cream product for women with dry skin.

In the soft drink industry, 7-up was for a long time positioned as a beverage that had a "fresh clean taste" that was "thirst quenching". However, research uncovered the fact that most people did not regard 7-up as a soft drink, but rather as a mixer beverage, and that this tended to attract only light soft drink users. Positioning strategy was then developed to position 7-up as a "mainline" soft drink, as a logical alternative to the "Colas" but with a better taste. The successful "uncola" campaign was the result.

POSITIONING CULTURAL SYMBOLS

Most advertisers use deeply entrenched cultural symbols to differentiate their brands from competitors. The essential task is to identify something that is very meaningful to people that other competitors are not using and associate the with that symbol. Advertising is filled with examples of this kind of positioning strategy, example: Marlboro cigarettes chose the American cowboy as the central focus to help differentiate it brand from competitors and developed the Marlboro man. FBN's Western Union Money Transfer (WUMT) advert has Sunday Oliseh abroad and his mum Mrs Oliseh at the receiving end in Nigeria.

2.03 GUIDELINES TO MAKING POSITIONING DECISION

- **An economic analysis:** The success of any objective basically depends on two factors: the potential market size times the penetration probability. Unless both these factors are favourable, success will be unlikely.

  The market segment size should be worthwhile. If customers are to be attracted from other brands, those brands should have a large enough market share to justify the effort. If new buyers are to be attracted to the product class, a reasonable assessment should be made of he potential size of the growth area. If a new attribute is to be the basis for a campaign, a reasonable sized segment should be interested.

While the penetration probably indicates that there need to be a competitive weakness to attack or a competitive advantage to exploit to generate a reasonable market penetration probability. An established brand will always find that the penetration probability will be higher among existing customers. This indicates that segments containing existing customers should be given top priority.

Positioning: Usually implies a segmentation commitment; positioning usually means that an overt decision is being made to ignore parts of the market and to concentrate only on certain segments. Such an approach requires commitment and discipline, because it is not easy to turn your back on potential buyers. Yet the effect of generating a distinct, meaningful position is to focus on the target segments and not to be constrained by the reaction of other segments.

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The possibility of engaging in a strategy of indifferentiation – that of attempting to reach all segments results in a diffused image that is, meaning different thing to different people is risky and difficult to implement except for a large brand with a strong market position. This implementation could involve projecting a range of advantages while avoiding identification with any one. Alternatively there could be a conscious effort to avoid being explicit about any particular feature.

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In trying to differentiate, it is possible to "over segment" the market and aim at two specialized a market. This can happen when communicating the several differentiating features for a brand in one advertisement (rather then few, spread over several adverts), can lead to the perception of the brand being so different from the advertising and to generate diagnostic information about future advertising strategies, it is necessary to monitor the position overtime.

If the advertising is working, stick with it. An advertiser will often get tired f a positioning strategy and the advertising used to implement it and will consider making a change. However, the personality or image of a brand, like that of a person, evolves over many years and the value, of consistency through time cannot be overestimated. After all, some of the very successful, by – budget campaigns have use for ten, twenty years or even thirty years. Larry light, while the executive vice president of BBDO, a major New York advertising agency, said that the "biggest mistake marketers make is to change the personality of their advertising year after year. They end up with a schizophrenic personality at worst, or no personality at best".

Do not try to be something you are not: As tempting as this might be, it is naïve and usually fatal to decide on a positioning strategy that

exploits a market need or opportunity but assumes that your product is something it is not. Before positioning a product, it is important to conduct blind taste – tests, in home – or in office, use tests to make sure tat the product can deliver what it promises and that it is compatible with a proposed image.

Consider Symbols: A symbol or set of symbols can have strong associations that should be considered when making positioning decision. Symbols like the Marlboro man, Michael Jackson in Pepsi can help implement a campaign, there also can be existing symbols already developed by the brand or organization that can be used. Whichever is used, it should operational in that it should be measurable.

To do this, test adverts can be shown to a group of consumers, but not to another and differences in their positioning compared. Also ratings in changes in brand purchasing histories to the advertising and other marketing mix elements can be obtained. These method allow managers to test different advert executions to see which ones are most likely to succeed in repositioning brands in desired directions and subsequently to track changes in brand positioning over time.

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CHAPTER THREE

FIRST BANK NIGERIA EXPERIENCE

3.00 INTRODUCTION

"A state without the means of some change is without the means of it's conservation". –EDMUND BURKE.

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Corporations in the local and global markets have come to the realization that, they cannot continue to do business the way they are doing given the following reasons:

- The ever changing needs and demands of increasingly sophisticate customers.
- A work force that is in dire need of re-skilling and re-tooling to cope in the competitive environment..
- The major opportunities the competitive use of technology offers today.
- The presence in the market place of competitors who start out with the latest technologies and better quality people and processes.

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3.01 MAKING A DECISION

It is against this background that First Bank of Nigeria Plc (FBN Plc) decided to do a fundamental re-thinking and radical redesign of it's business process to achieve dramatic improvement in critical contemporary measures of performances such as cost, speed, quality and service. The executives then based their decisions, actions and even behaviours to:

- Challenge old assumptions and discard old rules which are no longer applicable.
- Break way from conventional wisdom and the constraints of organisational boundaries.
- Letting rigid specialization give way to broad based and cross functional competencies.
- Using information technology not to automate outed processes but to redesign new one.

First Bank of Nigeria Plc (FBN Plc) in June 1996 launched the century II project aimed at repositioning the Bank to compete effectively and continue to lead the Nigerian Banking Industry into the Twenty First Century. An external investments and management consultancy firm Anderson consulting-was engaged by the bank to undertake the study and guide the repositioning process with the following terms of reference.

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- **Strategy:** Review the current position and assist in defining a clear vision and strategy for the future.
- **Management Processes:** Assess and advise on planing and budgeting, Assets and liability management, inspection and Audit, including other management controls, policies, processes and procedures.
- **Operational process re-engineering:** Is to streamline branch banking operations and other customer service delivery processes. Explore opportunities to use technology more effectively with a view to achieving quantum leap improvement's in critical, contemporary measures of performances such as quality, speed efficiency and effectiveness of service delivery.
- **Workforce and organisational culture:** To assess the performance of the banks organisational arrangements, management and utilization of the work force, cultural environment and generate ideas for significant improvement.
- **Technology:** To assist in defining and developing the role that information technology will play in the future thereby supporting the vision and mission of the oraganisation.
- **Change management and communication:** To manage the change process, ensure that the process s understood, accepted, supported and involvement is attained.

- **Project Management:** To oversee the entire project implementation and ensure effective co-ordination of the whole exercise.

Work started with the exercise zoned into three phases.

1. The diagnostic phase
2. Envisioning phase
3. Re-Architecting phase

DIAGNOSTIC PHASE

Here the bank's current position and performance was appraised. All finding showed that the bank's marketing strategy then, lacked depth to be effective and face up to competition. The corporate baking strategy was weak.

ENVISIONING PHASE

The current position was determined and a new course for the future was charted for the bank to ensure that it is able to meet up challenges. Projects to be carried out include:

- Establishment of information technology security strategy, that would protect the bank information assets and resources.
- A network and data communications information system that will facilitate the connectivity of branches to the head office and to each other, head office departments etc are to be implemented.
- Branch process re-engineering.
- Credit process procedure.
- Organisation implementation.

- New compensation strategy and structure that will encourage productivity and high performance in staff under the pay for performance incentive structure.
- Human capital management process re-engineering aimed at improved practices for managing human re-sources.
- Financial management systems.
- Multiple service delivery channels.
- Training curriculum plan – This includes training management systems that will make the business objective, and goals a reality.
- Structured cabling implementation.
- Head office re-architecting.
- Communication.

RE-ARCHITECTING PHASE

This is the most critical and it involves the implementation phase of all the organisation, system, process and technology changes and improvements that have come out of phase I and II.

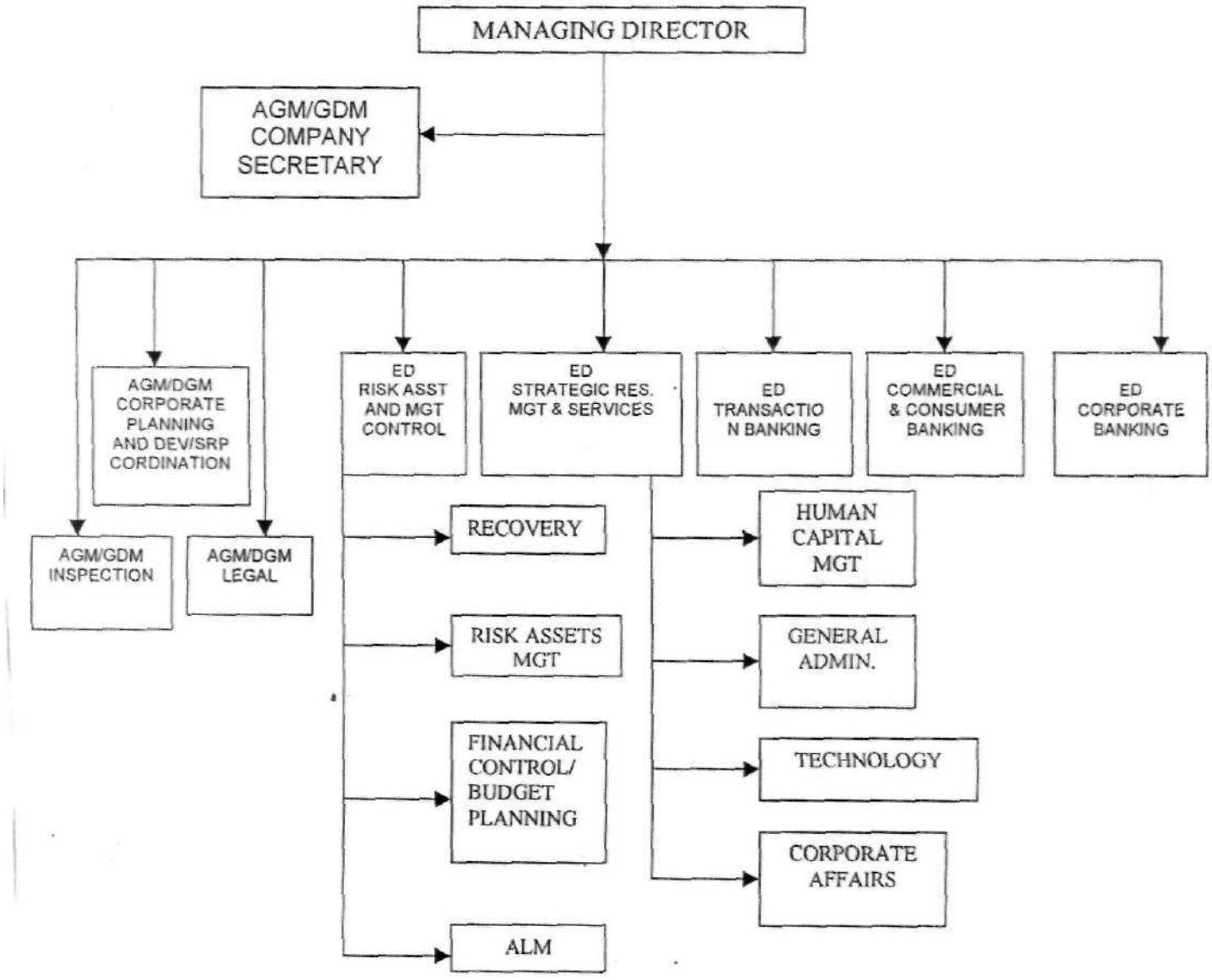
In all these, resource collaboration through secondment of FBN staff working closely with the technical facilitator – Anderson consulting was adopted. This is to manage changes within available resources, manage the capacity of the bank to absorb to impending changes; provide a framework for realising the

benefit and justify the continuing transformation effort which would result to improved competitiveness and profitability.

3.02 MAKING IT WORK

A new organisation structure was established to operate at a much higher standard of excellence. Show below:

THE NEW ORGANISATION STRUCTURE



The banking is now more market focused by the creation of the strategic business units known as the strategic business units (SBUS) with each representing a major target market group. They include:

- Corporate Banking.
- Commercial Banking.
- Consumer Banking.
- Transaction Banking.

Two strategic resource functions (SRFS) were also established;

- Human Capital management
- Technology.

3.03 DELIBERATE STEPS TAKEN

1. Staff rationalization and the introduction of "Early retirement incentive scheme" to remove misfits and facilitate the rationalization process.
2. Acquisition of state of the art information technology equipment to replace the obsolete, less efficient and, less effective one.
3. Training and retraining of personnel with emphasis on customer satisfaction, team work etc.
4. Relocations and movement of key officers and staff as management deemed necessary within he organization.
5. Development superior quality service offerings.
6. Aggressive marketing, product promotions, advertisements etc.

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7. Structure or phased process – re-engineering, beginning with the Head – office and branches that are strategically located while others marked for streaming.

8. Corporate culture change: It is a transformation exercise designed to re-orientate work altitude amongst staff members, in providing a courteous, efficient and customer focused workforce providing qualitative service to FBN's teeming customers.

9. VSAT Network: Here the Bank master is beefed up with a higher communication network called VSAT (very small aperture Terminal) to enhance service delivery. With this a customer who has an account with First Bank of Nigeria Plc can walk into any branch of the bank and make transactions. This will be supported by a dial-up system which switches into operation anytime the VSAT relapses.

3.04 WORLD OF SERVICES OFFERED

With over three hundred branches spread all over Nigeria including the London branch, First Bank maintains the widest and most diverse range of financial services including commercial, merchant and international banking.

- **AUTOMATED TELLER MACHINE (ATM) OR FIRST CASH:** Current account holders with this plastic card can withdraw cash from the ATMs located in various branches round the clock.

- **BILL DISCOUNTING:** This is a special arrangement designed to sustain trade-creditor customers in continuous operation.
- **BULLION SERVICE:** Customers with heavy daily cash lodgment can have the bank's bullion vans collect cash from their depots or locations to the bank.
- **CHEQUE COLLECTION SERVICE:** Corporate and high network individual customers can have the bank pick-up their cheques and lodges them in to their accounts for them.
- **COMMERCIAL PAPER INTERMEDIATION:** Corporate customers can have the bank source for funds form willing investors on behalf of customers in the form of banker's acceptance.
- **CUSTOMS DUTY PAYMENTS:** *Importers in Nigeria use the bank's bank* draft in the payment of customs duties in favour of any ports in Lagos and up country.

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- **CUSTOMISED CHEQUE BOOKS:** This service is for limited liability companies only. Cheque books that carry the customers logo, name, products, line of business or other promotional insignia can be arranged in accordance with the customer's specification.
- **CUSTOMERS CLIENTS CASH LODGEMENTS SERVICE:** Corporate clients with huge cash receipts from many sources can have the bank *receive payments into their Accounts on their behalf.*

- **DOMICILIARY ACCOUNT:** Account maintained in foreign currency in Nigeria and withdrawable in the currency of the account or in naira.
- **EQUIPMENT LEASING:** Corporate and individual customers who the need to use relatively expensive equipment and do not have the resources to outrightly purchase such equipment can take advantage of the finance option of the bank that facilitates the acquisition of all categories of such equipment without actually purchasing them.
- **EXPORT BANKING AND FINANCE:** For all customers of the bank (corporate and individuals) who are into export business.
- **FINANCE ELECTRONIC DATA INERCHANGE SERVICES (FEDIS):** Enable a client to use the computer in his/her office or home to access the enquiry menu of the bank's computer system. Thereby providing a means of conducting on-line account and balance enquires and to transmit financial information in an agreed format, using a designated computer system in the branch where his/her account id domiciled.
- **FOREX PURCHASE AND SALES:** It is entails purchase of foreign exchange for customers from Central Bank of Nigeria (CBN) to fund their letter of credit (L/Cs) and also sourcing for foreign exchange through autonomous market at a negotiable rate for customers to fund their bills for collection.

- **INWARD FOREIGN TRANSFERS:** Anyone abroad can send money directly or through the bank associate all over the world to friends, relations or business associates in Nigeria.
- **LOAN SYNDICATION:** This involves pooling resources by a consortium of banks for the benefit of corporate customers that might need very considerable capital outlay that may be beyond what an individual bank can shoulder.
- **LOCAL CORRESPONDENCE BANKING SERVICE:** Services under this scheme are tailor made to meet the needs of client banks. The service provided are in the areas of draft issuance/payments on behalf of client banks, remittance of funds, custodial services etc.
- **MASTER CARD:** The holder can make payments for or settle bills incurred in five star hotels including duty-free shops and selected super markets. It is issued by master card international and First Bank of Nigeria Plc is a member of the consortium.
- **MARINE INSURANCE:** This covers good shipped under letter of credits by importers. It is usually at a competitive premium rate.
- **NATIONAL ECONOMIC RECONSTRUCTION FUND (NERFUND) SCHEME:**

It provides medium and long term loans either in naira or foreign currencies or both small and medium scale industrial enterprises (SMEs) in order to promote and accelerate productivity activities.

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- **OUTWARD FOREIGN TRANSFER (OFT):** Helps anyone in Nigeria to make all kinds of payment abroad such as school fees, examination fees, subscription payment, medical and technical fees, personal home remittances etc.
- **STOCK REPLACEMENT FACILITY (SRF)/IMPORT FINANCE:** This is designed to finance customers' importation of stock-in-trade or raw materials such that foreign exchange is purchased through FBN for the establishment of letters of credit.
- **COMMERCIAL PAPER (CP):** Is a short-term credit instrument with varying tenor of up to 180 days and interest is collected up front. This services is extended to corporate customers of the bank.
- **REGISTRARSHIP:** Corporate customers that have large number of shareholders can use this service.
- **REMITTANCE ACCOUNT:** If offers a convenient and dependable means of transferring cleared balances at agreed intervals from collection account to the main account.
- **SMALL AND MEDIUM ENTERPRISES (SMES):** These are project loans extended to SMEs.
- **THOMAS COOK TRAVELLERS'S CHEQUES:** These cheques enable travellers either on business or vacation outside the country take care of their needs while abroad.

- **TRUSTEESHIP:** This service is managed by First Trustees Nigeria Limited, a wholly owned subsidiary of FBN Plc. It's business is mainly management of investible funds such as pension funds on behalf of organizations or companies. It can also arrange and act as trustees to debenture issues where many lenders are involved.
- **VALUE CARD:** An electronic purse that serves as an alternative to cash and other payments instrument.
- **WESTERN UNION MONEY TRANSFER (WUMT):** This service enable anyone abroad to send money in minutes to friends, relations and business associates in Nigeria through Western Union. It is available in over one hundred and fifty countries with over forty five thousand agents worldwide. The money is then collected at any FBN designated branches.
- Other products/services offered by the bank include: Overdraft, uncleared effect, loans and advances, funds transfer, cheque chasing facility (CCF), business advisory services, term deposit account, demand deposits account, savings bank deposit account and letter of credit.

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3.05 CONCLUSION

In conclusion, First Bank is obviously changing for the better. The great elephant is awake and moving relentlessly with great vision into the next millenium taking full cognizance of its historical heritage and the challenges posed by the market place.

Already, the positioning strategy adopted is beginning to yield results as the Bank recorded an all time impressive half-year profit before tax of ₦2.03 billion naira in its 1998/1999 financial year.

CHAPTER FOUR

RESEARCH DESIGN

4.00 INTRODUCTION

There are two things that must be carefully considered before starting the work of data collection. First is the statement of the purpose of the enquiry and secondly the formulation of a plan of data collection all clearly stated.

The central parts of research activities is the data collection. This chapter deals with the design of outline used in collecting data for this study. They types of data collected will be discussed and the various techniques employed will be stated. The study is aimed at identifying marketing strategies employed to gain advantages over rivals in a competition. Objectively, the study will seek to examine the experience of FBN in her fight to remain true to her name by providing the best financial services possible.

It is important to expose the reader to some important areas discussed in this chapter to help him understand the type of research design used in the study.

Areas like, the population (universe) the sampling method used and the techniques administered for data collection. This technique includes the

experimental method and the non-experimental method. For this study the non-experimental method which includes questionnaires, interview and observational methods will be used and their merits and demerits stated. This is to point out the bases for choosing the method employed this study.

4.01 SOURCES OF DATA

Generally, there are two basic sources of data. They are the Primary Data source and the Secondary Data source.

- **PRIMARY DATA:** These are the original data collected specifically for the research. The methods used in generating these data includes questionnaire, observation and experimentation. It should be noted that all three can not normally be used in one research.
- **SECONDARY DATA:** Secondary data are data already gathered having been collected originally for other purposes. Relevant source of secondary information includes: Internal company record, Government, Trade, Professional, and Association of Private Business firms, advertising media, University research Organisations, Libraries Journals, Year books Magazines, Gazettes etc.

4.02 METHOD USE

The exploratory research method has been used to enable the researcher gain insight into the problem understudy. Since the study has to do with carrying

out a field investigation with regards to accepting or rejecting hypothesis, this method is considered appropriate to the study.

4.03 INSTRUMENTS OR TOOL USED

Research instruments are tolls used in gathering data. The instruments used here are questionnaires and personal interview.

Questionnaires were personally administered to the sample population. However, personal interviews were conducted to complement the data collected through the questionnaire. This method allowed the researcher to grap quick responses, clarify issues where objections arose and at the same time get information which otherwise should not have been gotten if another method was utilized.

4.03 RESEARCH POPULATION AND SAMPLE SIZE

Population in research means a group of people or objects which are characteristically similar, in one form or the other which form the study in the research. A sample on the other hand is a representative drawn from the population. For this research, the population comprised of FBN Plc, customers in Kaduna metropolis. Out of the total population of customers in the metropolis, one hundred (100) of them were randomly selected for easy collection, and easy reach.

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4.04 SAMPLING PROCEDURE

For this study, the probability (random) sampling technique has been employed after a thorough consideration of others. This gives a substitute of a choice for judgement, in determining what member of the population is selected for sampling.

The random sampling was employed to give room for thorough representation of different customers in Kaduna metropolis.

4.05 STATISTICAL TECHNIQUES USED IN ANALYSING THE DATA

The analysis and cross-tabulation of data gathered was done using the simple percentage method to test the validity of findings.

The simple percentage method is calculated as

$$\frac{\text{Number of respondents}}{\text{Total respondents}} \times \frac{100}{1}$$



CHAPTER FIVE

DATA PRESENTATION, ANALYSIS AND FINDINGS

5.0 INTRODUCTION

Data analysis is a powerful aid in gaining useful knowledge into a research study, mainly because it enables us gain insight that otherwise would not be available. It also helps us to avoid erroneous judgement and conclusions on what was observed Aaker and Day (1986:349). The data collected during this research would therefore be presented in a form in which it would be easily understood. They would be analysed on the basis of using the relevant statistical techniques as stated in chapter four in order to prove the hypothesis proposed in chapter one earlier.

The findings will subsequently form the basis for the discussion of results followed by the summary, conclusion and recommendations as will be seen in subsequent chapter.

Questions were administered to one hundred First Bank of Nigeria Plc customers, one hundred First Bank staff all within Kaduna metropolis cutting across the four branches of the bank and various segments of the society. The aim is to find out the role of positioning as a marketing strategy in delivery First Bank services and if there are improvements as compared to what it was before and their perception about First Bank as a bank.

One hundred (100%) of the questionnaires were completed and returned as the researcher took personal interest in following up and the great interest and enthusiasm with which the respondents displayed in responding to the questions having realised that this is an avenue to express their feelings ad disgust about first bank services.

As earlier stated, the simple percentage will be used to analyse the data because it is simple, relevant, suitable and easy to use.

5.01 NUMERICAL AND PERCENTAGE DISTRIBUTION OF RESPONSES CUSTOMER RESPONSES (A)

QUESTION 1: Do you have an account with FBN Plc?

ALTERNATIVE	NUMBER OF RESPONSES	(%) PERCENTAGE
YES	85	85
NO	15	15
TOTAL	100	100

QUESTION 2: Indicate for how long?

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ALTERNATIVE	NUMBER OF RESPONSES	(%) PERCENTAGE
Less than 1 year	10	10
1 – 10 years	40	40
11 – 20 years	20	20
21 – 30 years	20	20
Over 31 years	10	10
TOTAL	100	100

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The table shows that 40% of the respondents accounts are between 1 – 10 years old with FBN, 20% for between 11 – 30 year and 10% for those over 31 years and less than 1 year.

QUESTION 3: What kind of Account?

ALTERNATIVE	NO. OF RESPONSES	PERCENTAGE
Current or Savings Account	23	23
Current and Savings Account	50	50
Term Deposit Account	20	20
Domiciliary Account	5	5
Others	2	2
TOTAL	100	100

The table shows 50% of the respondent having both current and savings account, 23% have either a current or savings account, 20% have various term deposit accounts with the bank, 5% have domiciliary account while 2% have other types not mentioned.

QUESTION 4: Do you operate

ALTERNATIVE	NO. OF RESPONSES	PERCENTAGE
Individual Account	35	35
Corporate Account	35	35
Both	25	25
Others	5	5
TOTAL	100	100

The table show 35% of the respondent having individual and corporate accounts, 25% of them having both individual and corporate accounts, while 5% have other types of account with first bank.

QUESTION 5: State the type of services you enjoy from FBN Plc

RESPONSE: Various services were highlighted as stated in chapter 3 previously.

QUESTION 6: Have you ever heard of positioning strategy?

ALTERNATIVE	NO. OF RESPONSES	PERCENTAGE
YES	65	65
NO	32	32
FIRST TIME	3	3
TOTAL	100	100

The table shows that 65% of the respondents have heard of positioning strategy while 32% have not and 3% are just coming across it for the first time.

QUESTION 7: Are you aware of the changes going on, to redesign the banks' business process?

ALTERNATIVE	NO. OF RESPONSES	PERCENTAGE
YES	100	100
NO	-	-
JUST HEARING IT	-	-
TOTAL	100%	100%

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The table shows that all the respondents are aware of the changes going on in FBN Plc?

QUESTION 8: Do you welcome it?

ALTERNATIVE	NO. OF RESPONSES	PERCENTAGE
YES	100	100
NO	-	-
TOTAL	100%	100%

The table shows 100% of the respondents saying they welcome the new changes.

QUESTION 9: How would you compare the services being delivered now to the old system?

ALTERNATIVE	NO. OF RESPONSES	PERCENTAGE
Better	60	60
Not better	30	30
No effect	10	10
TOTAL	100	100

The table shows 60% of the respondents saying the services are better, 30% not better while 10% says there are no effects.

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QUESTION 10: Please state the degree of satisfaction/dissatisfaction you get from taking advantage of these services.

ALTERNATIVE	NO. OF RESPONSES	PERCENTAGE
Highly satisfied	30	30
Satisfied	45	45
Highly dissatisfied	15	15
Dissatisfied	10	10
TOTAL	100	100

The table shows 45% respondents satisfied with the services offered, 30% are highly dissatisfied and 10% dissatisfied.

QUESTION 11: How long did it take you to get the required service(s)?

Number of minutes	(F)	(X)	(FX)
3 – 5 Minutes	15	4	60
6 – 10 Minutes	40	8	320
11 – 15 Minutes	17	13	221
20 – 30 Minutes	20	25	500
31 – 60 Minutes	8	45.5	364
TOTAL	100	195.5	1465

Mean number of minutes = $\bar{x}$

$$\bar{x} = \frac{\Sigma fx}{\Sigma x}$$

$$\bar{x} = \frac{1465}{95.5} = 15 = 34 \text{ minutes}$$

The table shows that the mean time it takes to get services from FBN is 15.34 minutes.

QUESTION 12: Do you intend to take advantage of more FN services?

ALTERNATIVE	NO. OF RESPONSES	PERCENTAGE
YES	80	80
NO	20	20
TOTAL	100%	100%

The table shows 80% of the respondents desiring to utilize FBN services further while 20% do not want to.

QUESTION 13: Suggest areas that need improvement to be able to serve you better?

ALTERNATIVE	NO. OF RESPONSES	PERCENTAGE
Managerial response to complaints	20	20
Charges System	30	30
Customer Relations	35	35
Others	15	15
TOTAL	100	100

The table shows that 35% of the respondents want improvement in customer relations, 30% improvement in charges 20% in managerial response to complaints while 15% goes for other areas.

QUESTION 14: State the service areas you want FBN to improve upon. 55% of the respondents want increase in the number of Tellers to improve efficiency and effective service delivery at cashier points while 45% represent various areas.

QUESTION 15: Are the banks' charges inline with the services rendered?

ALTERNATIVE	NO. OF RESPONSES	PERCENTAGE
YES	65	65
NO	35	35
TOTAL	100%	100%

The table shows that 65% of the respondents agree that the banks' charges are inline with the services rendered while 35% do not agree.

QUESTION 16: Are they comparable to those of other banks?

ALTERNATIVE	NO. OF RESPONSES	PERCENTAGE
YES	65	65
NO	20	20
Could do better	15	15
TOTAL	100%	100%

The table shows 65% of the respondents agreeing that first bank chares are comparable to that of other banks, 20% said No and 15% want the bank to do better by further reduction in them.

QUESTION 17: Do you thinkthis marketing strategy adopted by FBN is capital intensive?

ALTERNATIVE	NO. OF RESPONSES	PERCENTAGE
YES	96	96
NO	4	4
TOTAL	100%	100%

The table shows that 96% of the respondents agree the strategy is capital intensive while 4% do not.

QUESTION 18: This strategy established is a necessary tool in target marketing in this era of stiff competition.

ALTERNATIVE	NO. OF RESPONSES	PERCENTAGE
YES	97	97
NO	3	3
TOTAL	100%	100%

The table shows that 97% of the respondents affirmative that it is a necessary tool in target marketing while 3% do not agree.

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QUESTION 19: The benefit of this strategy outweighs the costs involved in implementation,

ALTERNATIVE	NO. OF RESPONSES	PERCENTAGE
Strongly agree	55	55
Agree	35	35
Disagree	10	10
Strongly disagree	-	-
TOTAL	100	100

The table shows that 55% of the respondents strongly agree to the fact that the benefits outweighs the costs, 35% agree while 10% disagree.

QUESTION 20: Do you think the implementation of this strategy helps in achieving the central objective of optimum profitability for the bank.

ALTERNATIVE	NO. OF RESPONSES	PERCENTAGE
YES	98	98
NO	2	2
TOTAL	100	100%

The table shows 98% of the respondents agreeing that it will help in achieving optimum profitability while 2% do not agree.

STAFF RESPONSES (B)

QUESTION 1: Indicate for how long you have worked in FBN Plc?

ALTERNATIVE	NO. OF RESPONSES	PERCENTAGE
Less than 1 year	2	2
1 – 10 years	35	35
11 – 20 years	45	45
Above 21 years	18	18
TOTAL	100	100

From the table, 45% of the respondents have worked for between 11 – 20 years, 35% 1 – 10 year, 18% for 21 years and above while 2% represent those that are just less than a year with the bank.

QUESTION 2: Have you ever heard of positioning strategy?

ALTERNATIVE	NO. OF RESPONSES	PERCENTAGE
YES	100	100
NO	-	-
TOTAL	100	100%

The table shows that 100% of the respondents are aware of what the strategy entails or is about.

QUESTION 3: Is this a new concept in FBN Plc?

ALTERNATIVE	NO. OF RESPONSES	PERCENTAGE
YES	98	98
NO	2	2
TOTAL	100	100%

The table shows that the concept is not new with 65% of the respondents saying no.

QUESTION 4: For how long now?

A greater number of the respondents showed that the concept has lasted for three years

QUESTION 5: In two sentences, state how the positioning strategy applied to the bank?

The respondents in various ways wrote on the changes in the bank resulting to increase and awareness by the public.

QUESTION 7: Is it capital intensive?

ALTERNATIVE	NO. OF RESPONSES	PERCENTAGE
YES	100	100
NO	-	-
TOTAL	100	100%

This table shows that it is capital intensive as reflected by 100% respondents.

QUESTION 8: Service are now at par with the bank's mission statement

ALTERNATIVE	NO. OF RESPONSES	PERCENTAGE
Strongly agree	35	35
Agree	58	58
Disagree	7	7
Strongly disagree	-	-
TOTAL	100	100

The table shows that 58% of the respondents agree, 35% strongly agree while 7% disagree.

QUESTION 9: Staff now work better than before

ALTERNATIVE	NO. OF RESPONSES	PERCENTAGE
Strongly agree	-	-
Agree	45	45
Disagree	20	20
Strongly disagree	35	35
TOTAL	100	100

The table shows that 45% of the respondents strongly agree, 35% strongly disagree while 20% disagree.

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QUESTION 10: Do you think the implementation of this strategy help in achieving the central objective of optimum profitability for the bank.

ALTERNATIVE	NO. OF RESPONSES	PERCENTAGE
YES	100	100
NO	-	-
TOTAL	100	100%

The table shows that the implementation of this strategy helps in achieving the central objective of optimum profitability for the bank.

QUESTION 11: This strategy established is a necessary tool in target marketing in this era of stiff competition.

ALTERNATIVE	NO. OF RESPONSES	PERCENTAGE
YES	100	100
NO	-	-
TOTAL	100	100%

The table shows that 110% of the respondents agree that the strategy established is a necessary tool in target marketing.

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5.02 FINDINGS

Findings show that First Bank is blessed with customers who have stayed on with the bank for several years with various kinds of account.

The loyal customers are all aware and are in support of the restructuring going on in the First Bank to meet up the competition in the banking industry. This is shown by their responses.

In as much as findings show customers enjoying the repositioned First Bank and her services, they still want the bank to improve in their service delivery system as the new strategy has yielded more customers.

The respondents agree that the strategy is capital intensive but at the same time that it's benefits in the long run outweigh costs incurred thereby improving the bank's overall profit figure.

STAFF

Findings here show that the staff see the transformation as a welcome development in that their jobs beings automated, can be done in a better, faster way removing all the bureaucracy and stress of the old First Bank making it to favorable compete and survive amongst other leading banks.

There are bad feelings though about staff remuneration even though the bank is investing huge amount of fund to ensure a successful implementation of this strategy.

PROOF OF HYPOTHESIS

HYPOTHESIS 1

NULL HYPOTHESIS (Ho)

The positioning strategy is not capital intensive

ALTERNATIVE HYPOTHESIS (Hi)

The positioning strategy is capital intensive

RELEVANT QUESTION	FAVOUABLE RESPONSES	UNFAVOURABLE REPONSES	TOTAL
17 A	96	4	100
7 B	100	-	100
TOTAL	196	4	100

Favourable: $\frac{196}{200} \times \frac{100}{1} = 98\%$

Unfavourable: $\frac{4}{200} \times \frac{100}{1} = 2\%$

From the above computation, it can be seen that the favourable response attracted 98% while unfavourable responses attracted 2%.

On the strength of the above the alternative hypothesis (Hi) should be accepted and null hypothesis (Ho) rejected.

HYPOTHESIS II

Ho: Establishment of the positioning strategy is not necessary tool in target marketing.

Hi: Establishment of the positioning strategy is a necessary tool in target marketing.

RELEVANT QUESTION	FAVOUABLE RESPONSES	UNFAVOURABLE REPONSES	TOTAL
18 A	97	3	100
11 B	100	-	100
TOTAL	197	4	100

Favourable Responses: $\frac{197}{200} \times \frac{100}{1} = 98.5\%$

Unfavourable Responses: $\frac{3}{200} \times \frac{100}{1} = 1.5\%$

The above computation shows the Favourable responses 98.5% while Unfavourable responses has 1.5%. based on these results, the alternative hypothesis (Hi) should be accepted and null hypothesis (Ho) rejected.

HYPOTHESIS

Ho: The implementation of the positioning strategy does not help in achieving the central objective of optimum profitability.

Hi: The implementation of the positioning strategy help in achieving the central objective of optimum profitability.

RELEVANT QUESTION	FAVOUABLE RESPONSES	UNFAVOURABLE REPONSES	TOTAL
20 A	98	2	100
10 B	100	-	100
TOTAL	198	4	100

Favourable Responses: $\frac{198}{200} \times \frac{100}{1} = 99\%$

Unfavourable Responses: $\frac{2}{201} \times \frac{100}{1} = 1\%$

The computation shows the favourable responses having 99% while he unfavourable responses 1%. Based on this, the alternative hypothesis (Hi) should be accepted and null hypothesis (Ho) rejected.

5.03 DEFINATION OF TERMS USED

FBN PLC – First Bank of Nigeria Plc.

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STRATEGY:

Is a general statement of the ways in which an organization plans to achieve its objectives. It has the basic approach but not the details. They are usually established for long term (periods of five-ten years) and they serve to direct short-term activity (i.e for less than a year).

PRODUCT POSITIONING:

Refers to the decisions and activities relative to their concept of competitive brands.

CHPATER SIX

SUMMARY, CONCLUSION AND RECOMMENDATION

6.00 SUMMARY:

The businessman views competition as a strategy struggle among firms for share of the market. He attainment of market share, its defense and it's increase are the major objectives of competitive marketing. An increase in market share is an important measure of competitive success. As such the struggle goes on endlessly and relentlessly.

FBN Plc has geared up efforts towards meeting these challenges in order that the Bank will be a first class financial institution, which is positioned at the top league of the market with services comparable to what can be found in the best bank in Nigeria and overseas.

This positioning strategy implemented has transformed FBN to a truly first position in terms of customer services, quality of people, use of modern technology, financial performance and results.

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6.01 CONCLUSION:

It is impossible to market effectively without a willingness to compete aggressively after all competition exists because of the customers. All of the marketing efforts put forth by firms contending with each other are designed to influence the thoughts, attitudes and actions of consumers.

With increased globalisation and liberalisation, competition has become tougher than it use to be. First Bank is not leaving any stone unturned in the realization of it's vision which is clear, inspiring and unique. It is resolved to position itself, taking full cognisance of its historical heritage and the challenges posed by the market place.

- Be in continuous contact with customer/market.
- Be market focused and profit driven.
- Create value for clients business and know the company/clients and it's financial needs.
- Continuously watch the regulatory environment that may affect the market.

Improved compensation package to the workforce to increase the excitement and determination instead of the feeling of being exploited that is generally being felt.

6.02 RECOMMENDATIONS

The following recommendations are put forward:

a. To build and retain customer loyalty, FBN has to continuously rejuvenate an enduring and positive customer relations which will require appropriate marketing strategies from time to time.

b. The bank should beef up staff strength to be able to meet up with the increasing Customers and work load, particularly as regards tellers, front desk officers who are windows of the bank and note checkers.

The number of note checkers should be increased to meet the volume of cash brought in as deposits. This will enhance efficiency and speedy delivery of services and also prevent long line of customers waiting to be attended to with a lot of cash resulting to a great security risk not just to the customers but the bank as a whole.

c. Provisipn of adequate working tools: These will include additional computers (Workstations), telephones, faxlines, photocopiers etc, to enhance productivity. This will reduce the internal problem of departments waiting on others branches trying to get in touch with each other etc and will enable, staff members work optimally.

d. Training: The training programme should be extended to every staff as the requirement on the particular job or department demands, not a selected few. This will equip each person and enhance their productivity while further establishing the bank's vision.

e. Job rotation: This if properly executed will at the end of the day groom up seasoned bankers who are all rounders, with the ability to work in any department at anytime.

f. Reach out to customers and prospective customers: This can be done through seminars, awareness programmes, advertisements etc mainly to:

- Be in continuous contact with customer/market
- Be market focused and profit driven
- Create value for clients business and know the company/clients and it's financial needs.
- Continuously watch the regulatory environment that may affect the market.

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g. Improved compensation package to the workforce to increase the excitement and determination instead of the feeling of being exploited that is generally being felt.

CUSTOMERS (A)

INSTRUCTION:

a. Tick option(s) appropriately

b. Fill in the blank space where applicable

1. Do have an account with FBN Plc?

   a. Yes b. No

2. Indicate for how long?

   a. Less than one year

   b. One to ten years

   c. Eleven to twenty years

   d. Over thirty-one years

3. What kind of Account?

   a. Current account or savings bank

   b. Current Account/saving bank

   c. Term Deposit Account

   d. Domiciliary Account

. Do you operate

   a. Individual Account

   b. Corporate Account

   c. Both

   d. Others

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5. State the types of services you enjoy from FBN Plc

_____

_____

_____

6. Have you ever heard of positioning strategy?

   a. Yes b. No c. First time

7. Are you aware of the radical changes going on to redesign the Banks' business processes?

   a. Yes b. No c. Just hearing it.

8. Do you welcome it?

   a. Yes b. No

9. How would you compare the services being delivered now to the old System?

   a. Better b. Not better c. No effect

10. Please state the degree of satisfaction/dissatisfaction you get from taking advantage of these services.

    a. Highly satisfied

    b. Satisfied

    c. Highly dissatisfied

    d. No effect

11. How long did it take you to get the required service(s)

    a. 3 – 5 minutes

    b. 6 – 10 minutes

c. 11 – 15 minutes

d. 20 – 30 minutes

e. 31 – 60

12. Do you intend to take advantage of more FBN services?

a. Yes b. No

13. Suggest areas that need improvement(s) to be able to serve you better.

a. Improved management responses to complaints

b. Improved change system

c. Improved customer relations

d. Others

14. State the service area you want FBN to improve upon

_____

_____

_____

15. Are the Bank's charges inline with the services rendered

a. Yes b. No

16. Are they comparable to those of other banks?

a. Yes b. No c. Could do better

17. Do you think this Marketing strategy adopted by FBN is capital intensive

a. Yes b. No

18. This strategy established is a necessary tool in target marketing in this era of stiff competition

a. Yes b. No

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19. The benefit of this strategy outweighs the costs involved in implementation

    a. Strongly agree

    b. Agree

    c. Disagree

    d. Strongly disagree

20. Do you think the implementation of this strategy helps in achieving the central objective of optimum profitability for the bank?

    a. Yes b. No.

STAFF (B)

INSTRUCTION:

a. Tick option(s) appropriately

b. Fill in the blank space where applicable

1. Indicate for how long you have worked in First Bank Nigeria Plc?

   a. Less than 1 year

   b. 1 – 10 years

   c. 11 – 20 years

   d. above 21 years

2. Have you ever heard of positioning strategy?

   a. Yes b. No

3. Is this a new concepts in First Bank Nigeria Plc?

   a. Yes b. No

4. How long now .....

5. In 2 sentences, state how the positioning strategy applies to the bank

   _____

   _____

   _____

6. Do you think implementation of this strategy is a step in the right direction?

   a. Yes b. No

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. Is it capital intensive?

a. Yes b. No

. Services are now at per with the Bank's mission statement

a. Yes b. No

. Staff now work better than before

a. Yes b. No

0. Do you think the implementation of this strategy help in achieving the central objective of optimum profitability for the bank.

a. Yes b. No

1. This strategy established is a necessary too in target marketing in this era of stiff competition

a. Yes b. No

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