THE MARKETING OF FINANCIAL SERVICES AND CUSTOMERS RESPONSE IN NIGERIAN BANKING INDUSTRY: A CASE STUDY OF NIGERIA ARAB BANK LIMITED

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

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AUGUST, 1998

DECLARATION

I hereby declare that this project was written by me, it is the product of my research work. All sources of information and reference made to texts, journals and other writers views have been duly acknowledged.

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DEDICATION

To my father, R. Oladigbolu.

CERTIFICATION

This is to certify that this is an original work undertaken by Oladigolu Funke Olayide G92/BAP/7193 and has been prepared in accordance with the regulations governing the preparation and presentation of projects in the Ahmadu Bello University for the award of Master of Business Administration (MBA).

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Above all, I give all glory to God.

Funke Oladigbolu.

ABSTRACT

The marketing of financial services is a recent development in the banking industry. This has been necessitated as a result of the increase in the number of licensed banks which resulted in keener competition and the fall in the interest rate paid on deposits which has made saving unattractive.

As a result, emphasis shifted to the quality of services rendered thereby giving birth is the need to market financial services. It is as a result of this development that some commercial banks modified their Credit Department to "Credit and Marketing".

In view of the need is market financial services, the service range of commercial banks have been widened by the introduction of new products such as electronic iunds transfer, equipment leasing, cash management, payroll accounting, bills collection, portfolio management of trust accounts, financial advice amongst Others.

Customers on the other hand are interested in the rendition of quality and timely services which would eventually affect their businesses positively.

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CHAPTER ONE

BACKGROUND TO THE STUDY

1.1 INTRODUCTION

The Nigerian Economy has in recent times undergone radical changes, which have affected various sectors of the economy and business operation in general.

In the past three and half ($3^1/2$) decades of the Nigerian history, the country has witnessed event and factors that have had economic indicators that have only leads to economic disaster. The oil boom era was closely followed by an era of doom, which witnessed austerity measures, the structural adjustment programme. On the international scene, Nigeria had a big balance of payment problem; there were external borrowing from foreign banks and foreign bodies, which leads to an overbearing external debt. Moreover, oil, which was the major export earner, witnessed a major fall in price.

In an attempt to sanitize the economy, various Nigerian Government, at various times brought up inconsistent economic policies that lacked continuity. It started with a non-governmental intervention and then moved to a Municipal Government intervention in the 60s. In the 70s, during the oil boom era, the economy was regulated. In the 80s and 90s, due to severe and protracted economic reasons, the economic policy adopted was that of economic liberalization under the Structural Adjustment Programme (SAP).

1.1 THE NIGERIAN FINANCIAL SECTOR

The Nigerian Financial Sector witnessed a slow growth before the independence of Nigeria in 1960. However, after independence, there was a rapid growth in the number of financial institutions in Nigeria.

Although, the first Commercial Bank in the country was established in 1892, it was about a quarter of a century later (1917) that the second Commercial Bank was established. At that time only eight (8) banks were in operation; three (3) of, which were foreign, while the other five (5), were indigenous. Thereafter, growth became rapid with the establishment of four (4) other banks in 1959 bringing the number of banks to twelve (12) with one hundred and ninety (190) branches. At the end of 1989, the number had increased to eighty -nine(89) and bank branches to one thousand eight hundred and thirty three (1,833).

Functionally, the Nigerian Financial Sector has the Central Bank of Nigeria, at the apex of the banking system, the Nigerian Securities and Exchange Commission and at the apex of the Capital Market and Nigerian Deposit Insurance Corporation that issues all deposit taking financial institution. The banking institution comprises the commercial and the merchant banks. Also are the non-banking financial institution incorporating the various state development financial institutions, insurance companies, pension and provident funds?

There is also the financial market comprising the money and capital markets, the stock exchange and the stockbrokers. On the last level is the financial public sector comprising the Federal and State Government and

their parastatal institutions whose role as mobilisers and users of funds qualifies them as giant, unique and indispensable financial sector that cannot be ignored in the financial environment.

1.1.1 FINANCIAL SERVICES

Traditionally, the financial sector acts as the financial intermediary within the economy. They are the institutions that accept funds from parties who desire to give up their current uses. These funds are then used as credit facilities to those who wish to acquire the current use of additional funds.

Fund placement in financial intermediaries rather than direct investment in the market, offers three (3) major advantages. Firstly, the fund can be withdrawn at any time without incurring a substantial penalty. Secondly, the fund can be placed in deposits with a fixed value and thirdly, since the funds are claim against the financial intermediary and not tied directly to any one-credit instrument, the deposit is largely insulated from default risk.

Commercial banks specifically deals in demand deposit (checking accounts). They serve as a model for the general activities of financial intermediaries that operate between lenders and borrowers. However, commercial banks have recently involved in innovations and changes in regulation that has allowed them to operate in the forms their activities have been packaged. They have therefore become multi-product service providers.

In general, their service ranges have become wide providing services like accepting deposits, extending loans, buying securities, credit cards, safe-

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deposit box, electronic transfer of funds, equipment leasing, travelers cheque, foreign exchange, cash management, foreign cables, data processing, payroll accounting services, bill collection, portfolio management of trust accounts, access to small bills and coins, underwriting and distributing municipal or government securities, financial advice, cash concentration, pre-authorised drafts, credit investigation amongst others.

With the recent fall in the interest rate on deposits, services provided by commercial banks have become competitive. As a result of the unattractive interest on deposits, emphasis have been shifted from interest to qualitative services. Therefore, the way and manner in which commercial banks market their financial products determines the extent to which customers' responds in patronage.

1.1.2 MARKETING OF FINANCIAL SERVICES

For the purpose of this study, marketing could simply be defined as the efficient development and distributions of goods and services to chosen consumer segments. Products include tangible and intangible items.

In a fundamental sence, marketers approach the development of marketing programmes for both products and services in the same manner. Such programme begins with an investigation, analysis and a selection of a particular market target and follows with the development of a marketing mix designed to satisfy the chosen target. Though, tangible products and intangible services are similar in that both provide consumer benefits, there are significant differences in the marketing of each. Services can be defined as intangible task that satisfy consumers and industrial users need when

efficiently developed and distributed to chosen market segments. They are characterised by

i. Services are tangible
ii. Services are perishable
iii. The standardization of services is difficult
iv. Buyers are often involved in the development and distribution of services.

For most consumer and business service firm, marketing is an emerging activity for two (2) reasons:

i. The growth potential of the service market represents a vast marketing opportunity, and
ii. Increase competition is forcing traditional roles of banking services and customer's response towards such services unanswered. This is the major problem area that this study is aimed at analysing. From this analysis, recommendation would be made based on field findings from the study.

The marketing of financial services is chosen for a number of reasons. Among such is the fact that the concept of marketing of services in the financial sector in general and the banking sub-sector specifically are a new and growing concept. At a time before now, marketing of financial services was seen as unethical and against business code of conduct. However, this view is changing and becoming obsolete. The banking sub sector has in recent time become turbulent. And this is compounded by the issue of recapitalisation from a former minimum of capital base of N50 million increase to an outrageous N500 million, an increase that is by 1,000 percent.

The customer's response to the way banks market their services would be sampled because of their major influence on the performance of the commercial banks. Services provided by the banks and the innovativeness with which they are marketed shows the dynamism of the bank. This therefore goes a long way at determining the quality and quantity of customers' services by any bank. This in turn determines how profitable such banks are to their shareholders.

It is expected that the findings from this study would provide a useful reference particularly to bankers as regards the marketing of their financial services and also customer's response to the services offered. Attempts would be made to enumerate customer's expectation as regards the range of services provided and others not yet provided. Besides, the study will be a useful point of reference to consultants and students who are interested in the marketing of banking services.

1.2. METHODOLOGY AND LIMITATION OF THE STUDY

The study would in no way be able to make a rigorous attempt at determining the marketing of all banking services by commercial banks in general. Today, there are numerous and diverse kind of banking services provided especially by the new generation banks in Nigeria.

This study however would focus on the services rendered by Nigeria Arab Bank Limited which is one of the old banks and services rendered by the new generation bank would be touched as recommendations for improvement on existing services. The expected limitation of this study is the fact that it is a deceptive survey study. In view of this, a convenient

sample would be used and only respondents to the questionnaire set up would be used to make generalisation for the whole study. Moreso, data and information computed from the field survey would be for a few months only.

The methodology to be adopted for this study as indicated above is that of a descriptive survey research. By this, the study would be mainly based on data and information gathered through questionnaire and personal interview to be carried out, on some randomly selected samples. These would comprise majorly, of samples that are available and accessible for the period available for the study. This will help obtain an understanding of the present condition of the marketing of banking services. It would also explain customer's response and their expectation as regarding banking services and the Nigerian Financial Services in general.

1.3 SOURCES OF DATA AND INFORMATION

Expectation is that the materials for this study would be drawn from several sources. Firstly, heavy reliance would be made on the operation manual of Nigeria Arab Bank Limited, data and information gathered form personal survey through the administration of questionnaire to be drawn out. Personal interviews and observations would also be a major source of data and information from the proposed case of the study. Extensive use of the library for related materials would be obtained from books, journals, newspapers and Government agency publications.

1.4 ORGANISATION OF THE STUDY

The study would be divided into five (5) chapters. The first chapter would cover the background of the study: There, an introduction into the whole study was made. After which the objective, significance and methodology of the study was also given. The second chapter would carry out a literature review. Emphasis would be made to review certain related concepts or ideals with respect to marketing in general, marketing of financial services and commercial banking services specifically. This literature review is expected to give a theoretical guide to subsequent part of the study. Various opinions of different writers on related literature would be reviewed in the second chapter.

In chapter three, an examination would be made on the marketing of financial services provided by the Nigerian Arab Bank Limited. Here, the survey would be made on the sample to be designated, executed through a questionnaire and statistic from these would be collated. Based on these, findings would be made on the quantifiable terms on the marketing of banking services and customer's response in Nigeria using the Nigeria Arab Bank Ltd. as a case study An analysis based on these statistics would be recorded in chapter four and recommendations would be made on improvements that could be made on existing services and probable ones that could be introduced.

In the concluding chapter, a brief summary of major points from chapter one to four would be highlighted. From these, some recommendations and conclusion would be made. By the end of chapter five, it would be deduce why this methodology was adopted for this study

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CHAPTER TWO

LITERATURE REVIEW

2.1 INTRODUCTION

Perhaps, the best way to go about writing a good literature review on the marketing of financial services and customer's response, is to look at literatures compounded in key subject areas of this study. In this chapter, a review of relevant literature of a few writers would be made as a guide for a better understanding for a good work on this study. These relevant literatures to be reviewed would only be on marketing of financial service in particular.

A collection of literature has evolved over the years on the marketing of financial services and response to such marketing. This probably being so for what Christopher H. Lovelock (1984) identified as a revolution to the service sector. According to him, some of the origins of today's service – sector revolution go back a number of years, whereas others reflect relatively recent events. Their key ingredients includes:

i. A decline in government regulation
ii. Changes in professional association standards
iii. Computerisation & technological innovation
iv. The growth of franchising

According to him, the net effects of reduced regulation and changes in professional standards includes; easier entry to specific product markets, more freedom to compete on price, removal of many geographic restrictions on service delivery, incentives to differentiate services in meaningful ways, and the ability to use the mass media to promote professional services.

He went on to state that, in the case of marketing opportunities arising from computerization and new technology, there are now more sophisticated use of existing technology which offers service business a variety of ways to improve their competitive stance. These include; creation of new or improved services, more involvement of customers in operational task by providing self-service systems, creation of centralize customer service departments backed by computerised file systems and recording of customer information in easily accessible data bank.

In the case of creation of franchise chains, he claimed that this has been transforming industries previously characterised by small unit size, local orientation, and absence of professional management skills.

2.2 MARKETING OF SERVICES AS AGAINST GOODS.

An area, which some writers have been interested in, is that of marketing of services. Many writers have generally come to see the growing importance of the services sector. Jagadish N. Sheth and Dennis E. Garrett (1986) highlighted that service marketing is becoming increasingly important as the economy shifts from an industrial society. A much larger share of the customers' money is now spent on intangible services as compared to tangible products.

In the writings of Philip Kottler and Gary Armstrong (1991), they stated that one of the major trends in America has been the dramatic growth of services. They evaluated that service job now accounts for about 77% of total employment and 70% of the gross domestic product, and that services

will provide 90% of all new jobs by 1997. Service jobs include not only those in service industries – hotels, airlines, banks and others – but also in providing services in product based industries, such as corporate lawyers, medical staff and sales trainers. As a result of rising affluence, more leisure time, and the growing complexity of products that requires servicing, the United States has become the world's first service economy.

Despite the importance of the service sector on the economy, service marketing has only recently attracted the attention of academic marketers. As a result, far more research and writing has been done on how to market goods than on how to market services. With this, Leonard C. Berry (1980) stated that this would not really matter if the problems encountered in services marketing were identical to those encountered in goods marketing, but such is not the case. He went on to examine some of the special characteristics of services. He identified three (3) of the most important characteristics of services about which it is useful to generalise.

i. ***More Intangible than Tangible***

A good is an object, a device, a thing: a service is a deed, a performance, and an effort. When a good is purchased, something tangible is acquired, something that can be seen, touched, perhaps smelled or worn or placed on a mantel. When a service is purchased, there is generally nothing tangible to show for it. Money has been spent, but there are no additional clothes to hang in the closet and nothing to place on the mantel.

Services are consumed but not possessed. Although, the performance of most services is supported by tangibles – for instance, the automobile in the case of a taxi service – the essence of what is being bought is performance rendered by one party for another. Most market offerings are a combination of tangible and intangible element. It is whether the essence of what is being bought is tangible or intangible that determines its classification as a good or a service. He then emphasised that, the concept of intangibility has two meanings, both of which present challenges for marketing:

i. That which cannot be touched, impalpable
ii. That which cannot be easily defined, formulated, or grasped mentally.

ii. ***Simultaneous Production and Consumption***

Service are generally produced and consumed in the same time frame. Generally, goods are produced, then sold, then consumed. Services on the other hand are usually sold first, then produced and consumed simultaneously. Simultaneous production and consumption means that the service provider is often physically present when consumption takes place.

What is important to recognize about the presence of the service distribution becomes important. In marketing discipline, great stress is placed on distributing goods where and when customer – prospective, great desire them to be distributed – that is, to the "right place" and at the "right time" as well. With service, it often is important to distribute them in the "right way" as well. How

automobile mechanics, physicians, lawyers, teachers, and bank tellers conduct themselves in the presence of the customers can influence future patronage decision.

iii. ***Less standardized and Uniform***

Leonard L. Berry (1980) also stress that services industries tends to differ on the extent to which they are "people – based" or "equipment – based". That is, whether there is a larger human component involved in performing some services or not. One of the implication of this distinction is that the customers of people – based service operations, tends to be less standardised and uniform than the customers of equipment – based service – or goods – producing operations. Stated differently, the extensive involvement of people in the production of a service introduces a degree of variability in the outcome that is not present when machines dominates. This is an important consideration, given the vast number of service industries that are labour intensive.

In another writing by Christopher H. Lovelock (1984), he developed an argument for a broad difference between services and goods. He claimed that among the characteristics distinguishing services marketing from goods marketing are the nature of the product, the production process, greater difficulties in maintaining quality control standards, the absence of inventories, the relative importance of the time factor, and the structure of distribution channels.

1. **Nature of the Product**

Christopher H. Lovelock captures the distinction well when he describes a good as "an object, at thing", in contrast to a service which is "a deed, a performance, an effort". Marketing a performance is very different from attempting to market the physical object itself.

2. **Customers' Involvement in Production**

Performing a service involves assembling and delivering the output of a mix of physical facilities and mental or physical labour. Often, customers are actively involved in helping to create the service product – either by servicing themselves as in a fast food restaurant, or by cooperating with service personnel in settings such as hair salons, hotels, college or hospital. According to him, like all performances, services are time-bound and experiential, although, they may have lasting consequences.

3. **Quality Control Problems**

Here, Christopher H. Lovelock claim that since many services are consumed as they are produced, final assembly must take place under real-time conditions. People, both service personnel and other customers, often become an integral part of the experience. These factors make it hard for service organisations to control quality and offer a consistent product.

4. **No Inventories for Services**

Because a service is a deed or performance rather than a tangible item that customer keeps it cannot be inventoried. Christopher H. Lovelock noted that the necessary equipment, facilities and labour can be held in readiness to create the service, but these simply represent production capacity, not the product itself.

5. **Different Distribution Channels**

Unlike manufacturing firm, which requires physical distribution channels for moving goods from factory to customers, services businesses either use electronic channels or else combine the service, retail outlet, and point-of-consumption into one. They may have to manage the consumption behaviour of their own customers to ensure that the operation runs smoothly and that one person'' behaviour does not irritate other customers who are present at the same time.

In the case of Philip Kotler and Gary Armstrong (1991), they stated that services have four major characteristics that greatly affect the design of marketing programmes: intangibility, inseparability, variability and perishability.

1. ***Intangibility:*** They indicated that services are intangible – they cannot be seen, tasted, felt, heard, or smelted before they are bought. To reduce uncertainty, buyer does look for signs of

service quality. They draw conclusion about quality from the place, people, equipment, communication materials and price that they can see. Therefore, the service provider's task is to make the service tangible in one or more ways. Whereas, product markers try to add intangibles to their tangible offers, services marketers try to add tangible to their intangible offers.

Consider a bank that wants to covey the idea that its service is quick and efficient. It must make this positioning strategy tangible in every aspect of customer contact. The bank's physical settings must suggest quick and efficient service: its exterior and interior should have clean lines, internal traffic flow should be planned carefully, waiting lines should seems short, and background music should be light and upbeat. The bank's staff should be busy and properly dressed. Its equipment (computers, copy machines, and desk) should look modern. The bank should choose a name and symbol for their services that suggest speed and efficiency. Its pricing for various services should be kept simple and clear.

2. ***Inseparability:*** They again argued that physical goods are produced, then stored, later sold, and still later consumed. But services are first sold, then produced and consumed at the same time. Thus, services are inseparable from their providers, whether the providers are people or machines. If a person provides the service, then the person is a part of the service. Because the client is also present as the service is produced,

provider-client interaction is a special future of service marketing. Both the provider and the client affect the service outcome.

When clients have strong provider preferences, price is used to ration the limited supply of the preference provider's time. Several strategies exist for getting around the problems of service-provider time limitation. Firstly, the service provider can learn to work with large group, secondly, the service provider can learn to work faster and finally, the service organisation can train more service providers and build up client confidence.

3. ***Variability:*** Services are highly variable – their quality depends on who provides them and when, where, and how they are provided. Even the quality of simple employee's service varies according to his or her energy and frame of mind at the time of each customer's contact.

Service firm can take several steps towards quality control. They can carefully select and train their personnel. Airlines, bankers, and hotels spend large sums to train their employee to give good service. Service firms can also provide employee incentives that emphasis quality, such as employee-of-the-month awards or bonuses based on consumer feedback. They can make service employees more visible and accountable to consumers. A firm can regularly check customers' satisfaction

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through suggestion and complaint system, customer surveys and comparison-shopping. When poor service is found, it can be corrected. How a firm handles problem resulting from service variability and dramatically affect customer perceptions of service quality.

4. ***Perishability:*** Philip Kotler et al also emphasised that services are perishable – they cannot be stored for later sales or use. Many doctors charge patients for missed appointments because the service value existed only at that point and disappeared when the patient did not show up. The perishability of service is not a problem when demand is steady. When demand fluctuates, however, service firms often have difficult problems.

Service firms can use several strategies for producing a better match between demand and supply. On the demand side, charging different prices at different time will shift some demand from peak to off-peak periods. Or non-peak demand can be increased. Complementary services can be offered during peak times to provide alternatives to waiting customers, such as cocktail lounges to sit in, while waiting for a restaurant table and automatic tellers in banks.

On the supply side, part-time employees can be hired to serve peak demand. On peak-time, demand can be handled more efficiently by having employees do only essential tasks during peak periods. Some tasks can be shifted to consumers as when

consumers fill out their own medical records or bag their own groceries. Or providers can share services, as when several hospitals share an expensive piece of medical equipment. Finally, a firm can plan ahead for expansion, as when an amusement park buys surrounding land for later development.

Another difficulty identified by Christopher H. Lovelock (1984), is that of marketers switching from marketing of goods product to services product. According to him, one reason why marketers from manufacturing sector often run into difficulties in the service sector is that the working environment is typically quiet different. In manufacturing firms, production takes place in factories that consumers normally never see; marketers provide the link between customers and the Company. In service businesses, operations have traditionally been the key function, responsible for both product execution and customer contact. To receive service, customers may have to come directly to the 'factory' where the service is created and delivered.

I have taken this pain to review literature on the peculiar characteristics of services because it is the under pinning for this study. All these problems bring up the question about the marketing of financial services and banking services in particular. This is what we are going to examine in the next section.

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2.3 MARKETING OF FINANCIAL SERVICES AND BANKING SERVICES

According to Christopher H. Lovelock (1984), he stated that the financial sector acts as the financial intermediary within the economy. They are institution that accepts funds from parties who desire to give their current uses. These funds are then used to make loans to those who wish to acquire the current use of additional funds. He went further to show that banks have recently involved in innovations and changes in regulations have allowed them to operate in the forms their activities have been packaged. They have therefore become multi-product service providers. In general, their service ranges have become wide, providing services like: accepting deposits, extending loans, buying securities, credit cards, safe-deposit box, electronic transfer of funds, equipment leasing, travellers check, foreign exchange, cash management, foreign cables, data processing, payroll accounting services, bill collection, portfolio management of trust accounts, access to small bills and coins, underwriting and distributing municipal or government securities, financial advice, cash concentration, pre-authorised drafts, credit investigation, amongst others.

In the opinion of Dimitrish Chorafos (1989), he showed that to meet the challenge of providing new banking service, management must study both the market trends and technological trend, then they must try to determine how these trends will affect banking. Management must at the same time keep in mind that trends are only that – trends-and not plans of action.

He also emphasised that the key to determining the effect of change on structure is the bank's services. The following criteria should be borne in mind in evaluating both market and the rate at which it will change:

1. Relative advantage
2. New services to customers
3. Compatibility with existing services
4. Cost to customers
5. The bank's costs and profits

He then emphasised that the complexity of new services, the ability to experiment with new services and the ease with which the services are implemented are all involved. In the work carried out by G. Lynn Shostack (1977), he highlighted that it is generally assumed that customers select their banks primarily on the basis of convenience and to a lesser extent, on image. In his findings, he stated that many banks have found that they can draw a larger volume of customers by increasing the accessibility of their facilities. For example, by establishing branch offices in convenient locations, by adding parking space or opening drive-in windows, or by extending banking hours. Advertising is also an important mode of competition. Through creative use of the media, some banks have achieved an attractive image, stressing their friendly or personal services, or their status as a small bank under dog trying hard of course.

Advertising campaigns are often combined with such gimmicks as a baby photo contests, washing the windshield of customer's cars, or a wide variety of promotional giveaway offers to new customers, ranging from flat wares to thermal blankets. Building attractive offices, adopting modern logos, and

offering 'beautiful' checks are other items in the repertoire of appeals to retail customers.

Coming down home in Nigeria, I. K. Muo (1990), indicated the interest rate was the first area that banks used to innovate the banking services. He stated that the elementary distinction between savings and current accounts has always been that while interest is given to the formal, monies given to the later. Interest simply mean, "money paid for the use of money" (WEBSTER). And since the current account customer can withdraw ten minutes after depositing and do so without notice, it stood to reason that he could not earn any interest since the money could not be 'used'. I. K Muo strongly believe that the innovations in paying current account interest brought about innovation in banking services in Nigeria. According to him, some competitive pressures caused by near mushrooming of banks and finance houses forced the Savannah Bank to introduce its interest bearing current account – guaranteeing interest on net balance provided a day notice of withdrawal is given. According to him, the announcement in 1989 budget that banks could pay interest on current deposit account therefore appeared superfluous since a bank was already doing so indicating that there was no legal or administrative hindrance on the issue.

He further expounded that, as at 1989, Nigerian Banks are faced with only one option, that of developing services that can be sold to customers for fees. For instance in Britain, in the 80's, it is an era of plastic card banking where a customer can have an account allied with a card that serve as a cash card at the same time and for which he pays some fees and commissions depending on usage. To him, in Nigeria, some banks already gone into that

area. Many just have to expand their scope. United Bank for Africa has trustee subsidiary and recently introduced an account related insurance policy. Union bank has its registrars department, Credit and Commerce Bank has the diamond card used in conjunction with the express till service. Commerce Bank recently introduced a barrage of new products while some banks have the Business Advisory Services (BAS). He concluded by saying that, this would diversify their sources of income and cushion them from the turbulence that has already started and will continue into the foreseeable future.

Another banking service that appears in the Nigerian scene is that of moving money by mail or electronic mail. Tola Sunday (1991) gave the story of one John Isa; a Lagos based businessman that operates a Bureau-de-Change with offices in different part of the county. He transferred the sum of 1.2 million Naira to one of his offices in the North. To his surprise, however, although the money was checked into the aircraft, it did not get to its destination. Tola claimed that, in a bid to avoid such mishaps, a new product, Electronic Money Transfer (EMT) has emerged in the financial service market as at 1991. Prominent among the companies involved in electronic money transfer are Rapid Fund Nigeria Limited, Cash Data and Universal Trust Bank. While Cash Data promises to deliver the money at the specific destination within 24 hours, Rapid Fund tells its clients that it can deliver in a matter of minutes. Financial analysts agreed that EMT is convenient, fast, and safe and cost effective. However, given the fact that the country is riddled with tricksters and conmen, fear has been expressed that the system could easily be exposed to fraud, especially impersonation.

Diamond Bank has been in operation in Nigeria for less than a decade. But within this period, it has made its mark in the country's banking industry. The bank is one of Nigerian's fastest growing banks. The bank's Chairman in his 1997 annual report stated that profitability now depends on increasing trade volumes, products and revenue-based diversification and cost control. He claimed that within the past year, the bank introduce three (3) products to maintain its tradition of innovation and new product development. One of them, the pay card is an electronic purse that facilitates payment for goods and services while ensuring safety and convenience as it precludes the need to carry cash. The pay card, which is an attempt to revolutionise the payment habits in the country, is gaining acceptance in key customer service centres. This product currently available in only a few banks that is interested in adopting it and creating their variant.

Another product introduced in the year according to Diamond Bank's Chairman was the Diamond Saving Card, which extended to its customer's access to and the ability to operate their savings accounts with convenience and flexibility from any of its branch nation wide. This service was previously limited to current account holders through the Diamond Integrated Banking Services (DIBS) that enabled customers to transfer, withdraw or deposit funds from any of its branches. The product is based on on-line, real line service.

The third product mentioned by the Chairman is the Diamond Connect, which enables blue chip customers to have remote access to their accounts through computers from their offices or homes. The aim is to be responsive to problems in the environment by providing efficient banking services.

The Chairman stated that Diamond Bank continues to work to create new products to give it a leading edge in the industry. The bank as a result has invested heavily on information technology, on V-SAT satellite communication network, and up-to-date computer systems. These established landscape largely dominated by banking services innovations could be said to be brought about by the competitive settings in the financial environment. I strongly believe that new and aggressive innovations in this sub-sector are still yet to come.

2.3 CUSTOMER'S RESPONSE (CUSTOMER'S BUYING BEHAVIOUR TO SERVICES)

Another relevant area to this study is that of customer's response to the marketing of services. Here, attempt will be made at reviewing some authorities on customer's buying behaviour to marketers in general. According to Kurtz David L. and Lois E. Boone (1981), they emphasised that successful marketers must attempt to understand the motivations of the individual consumers. But that unfortunately, this task is perhaps the most difficult one in marketing. They claimed that marketing researcher studies could provide data that answers the following questions about consumer buying habits:

1. Who are the buyers?
2. When do they buy (time of day, seasonality of product sales)?
3. Where do they buy?
4. What do they buy?
5. How do they buy (how much and what type of sales– cash o credit)?

But answer to question 'why do they buy (or not buy)?' are much more difficult to ascertain. Philip Kotler (1988) brought this out more concisely. He said that in earlier times, marketers could understand consumers through the daily experience of selling to them. But that the growth in the size of firms and market has moved many marketing decision-makers from direct contact with customers. Increasingly, Managers have had to turn to consumer research for answers to the most important questions about market. He came out with what he called the seven Os of the market place:

1	Who constitute the market?	-	Occupants
2.	What does the market buy?	-	Objects
3.	Why does the market buy?	-	Objectives
4.	Who participate in the buying?	-	Organisation
5.	How does the market buy?	-	Operations
6.	Why does the market buy?	-	Occasions
7.	Where does the market buy?	-	Outlets

He then concluded this by saying that the company that understands how customers will respond to different product features, price, advertising appeals and so on, will have an enormous advantage over its competitors.

James F. Engel et al (1973) gave a definition of consumer behaviour. According to them, consumer behaviour is the acts of individuals directly involved in obtaining and using economic goods and services, including the decision processes that precede and determine these acts. In the case of buyer behaviour, they refer to it as the acts of individual directly involved in the exchange of money (or a money substitute) for economic goods and services and the decision processes that determine these acts.

In the case of Carl Mcdonald Jr (1979), he pointed out that the ter consumer or buying behaviour is often used rather loosely. He emphasise that we should recognise that consumer behaviour is a subset of huma behaviour. And that not all-human behaviour is consumption oriented. O work and family behaviour refers to the total process by which individua interact with their environment. Every attitude, action and motivation th people have is part of human behaviour. To him in the strictest sens consumer behaviour is the act of consuming or utilising a good or servic Buyer behaviour accompanies the physical act of engaging in t purchasing process. He went on further to state that the buying decisio making includes the thought processes and search activities that leads acceptance or rejection of product or service alternatives.

Philip Kotler (1988) also indicated that a buyer's purchase decisions a highly influenced by the buyer's unique set of cultural, social, personal a psychological factors. He went on to say that these factors a "noncontrollable" by the marketers but must be taken into account. A that marketers have to go beyond the various influences on buyers a develop an understanding of how consumers actually make their buyi decisions. Marketers must identify who makes the buying decisions, t type of buying decision that is involved and the steps in the buying proces

For the buying roles, Kotler indicated that, it is fairly easy to identify t buyer. On the other hand, other products involve a decision-making u consisting of more than one person. He then distinguish several rol people might play in a buying decision:

i. **Intitiator:** The initiator is the person who first suggests the idea of buying the particular product or service.

ii. **Influencer:** An influencer is a person whose views or advice carries some weight in making the final decision.

iii. **Decider:** The decider is a person who ultimately determines any part of or the entire, buying decision: whether to buy, what to buy, how to buy, or where to buy.

iv. **Buyer:** The buyer is the person who makes the actual purchase.

v. **User:** The user is the person(s) who consumes or use the products or services.

Kurtz David L. and Louis E. Boone (1981) saw consumer behaviour as a decision process. They claim that the act of purchasing is merely one point in the process. And that to understand consumer's behaviour, the events that proceed and follow the purchase act must be examined. They listed the steps in the consumer decision process as:

1. Recognition of problem or opportunity. (This is influenced by both individual and environmental influences)
2. Search for most appropriate solution
3. Evaluation of alternative solution
4. Purchase decision
5. Purchase act
6. Post purchase evaluation

They concluded this by saying that at various levels of stages, there is feedback from stage to stage.

We may add that because of the peculiar nature of service product and in particular in the financial or banking sector, effort must be made at knowing more on customer's responses to marketing of these services. More research needs to be carried out on these key areas to give more expositions to marketing of financial services and more specifically, banking services.

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CHAPTER THREE

AN EXAMINATION OF THE MARKETING BANKING SERVICES

3.1 FIELD SURVEY

In order to be able to make an indept analysis into the Marketing of Banking Services by the Nigeria Arab Bank Limited, (hereafter NAB), a sample of other Banks along with NAB was made use of. A field survey was carried out during which relevant data and information were gathered and analysed. The field work was carried out by the administration of two sets of questionnaire and personal interview with all the respondents. Details of the questionnaire is shown in Appendixes I and II.

Appendix I surveyed the marketing of customers relation officers of various banks in Kaduna. This includes that of the case study i.e Nigeria Arab Bank Limited, Kaduna. In Appendix II, the survey was applied on customers of Nigeria Arab Bank Limited, Kaduna only. Efforts were made at using this to find out customer's response to Banking Services rendered. An examination of the customer's response to Banking Services would be made in chapter four.

3.1.1 SAMPLE DESIGN

The survey covered Banks and bank customers with the capacity of bringing out vividly the marketing of Banking Services along with customer's response to such Banking Services. Efforts were made at making the survey have a wide coverage for a number of banks and their services rendered. This would help us understand better the services rendered by NAB. Table

3.1 gives a list of other banks that responded to the questionnaire in Appendix I

As indicated in Table 3.1, 99% of the sample that the questionnaires was applied responded. This indicated that African International Bank, Guaranty Trust Bank and New Nigerian Bank did not respond to the questionnaire. In all, 32 banks were covered by the field survey.

S/N	Name of Bank	Address	Type of Response
1.	Nigeria Arab Bank	74, Kaduna Road, Kaduna	Responded
2.	Afribank (Main Branch)	Imam House, Kaduna	Responded
3.	Afribank (Kaduna South)	Kaduna Road, Kaduna	Responded
4.	Afribank (Pantaka Branch)	Pantaka Market, Kaduna	Responded
5.	Afriban (Byepass)	Nnamdi Azikiwe Way, Kad.	Responded
6.	African International	Ahmadu Bello Way, Kaduna	No Response
7.	Bank of the North Ltd.	Nagwamatse House, Kaduna	Responded
8.	Bank of the North Ltd.	Kachia Road, Kaduna South	Responded
9.	Diamond Bank	Kachia Road, Kaduna South	Respnded
10.	FSB International	Kachia Road, Kaduna south	Responded
11.	Guaranty Trust Bank	Murtala Moh'd Square, Kad.	No Response
12.	Habib Nigeria Bank	Ahmadu Bello Way, Kaduna	Responded
13.	Habib Nigeria Bank	Kachia Road, Kaduna South	Responded
14.	Inland Bank	Ahmadu Bello Way, Kaduna	Responded
15.	IntercityBank	Ahmadu Bello Way, Kaduna	Responded
16.	First Bank of Nigeria	Yakubu Gowon Way, Kad.	Responded
17.	First Bank of Nigeria	Bank Road, Kaduna	Responded
18.	First Bank of Nigeria	Kawo, Kaduna	Responded
19.	First Bank of Nigeria	Kachia Road, Kaduna	Responded
20.	New Nigerian Bank	Ahmadu Bello Way, Kaduna	No Response
21.	Owena Bank Nigerian Plc	Ahmadu Bello Way, Kaduna	Responded
22.	Savannah Bank of Nigeria	Waff Road, kaduna	Responded
23.	Societe Generale Bank	Kaduna Road, Kaduna South	Responded
24.	Societe Generale Bank	Ahamdu Bello Way, Kaduna	Responded
25.	Trade Bank Plc	Ahmadu Bello Way, Kaduna	Responded
26.	Tropical Commercial Bank	Ahmadu Bello Way, Kaduna	Responded
27.	Union Bank of Nigeria	Ahmadu Bello Way, Kaduna	Responded

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28.	Union Bank of Nigeria	Yakubu Gowon Way, Kad.	Responded
29.	Union Bank of Nigeria	Kachia Road, Kaduna South	Responded
30.	United Bank for Africa	Yakubu Gowon Way, Kad.	Responded
31.	United Bank for Africa	Kaduna South, Kaduna	Responded
32.	United Bank for Africa	Polytechnic Road, Kaduna	Responded.

The samples size for bankers to examine the marketing of Banking Service was majorly determined on the basis of convenience and practicability. Also, consideration was given to time and resource constraint. Finally, as expected, only respondents to the questionnaire could be collated, examined and analysed.

3.1.2 DATE COLLECTION PROCEDURE

The field work took place from April to June, 1998. As indicated in the previous section, only 29 banks responded to the questionnaire in Appendix I. 64 customers responded to the questionnaire on Appendix II. At some stage, the questionnaire in most cases had to be applied a second time and completed through personal interview. This was so since most of the Bankers and customers claimed to be too busy. So the best way to force them to answer the questionnaire was by sitting with them and making a kind of personal interview. This I must admit did not make the survey any easy.

It would be worth mentioning that during the field survey, some problems were experienced. One of such is the fact that most of the questionnaires had to be filled by personal interview. This did not only make it more expensive, especially in terms of time, but also, some answers given by the respondents were given some moral undertone.

Also, some bankers refused to grant audience to questionnaire. Bureaucracy were brought up to block accepting responsibility to answer the questionnaire. Some customers also indicated some apprehension about the questionnaire. However, a good response of about 29 for bankers and 64 for customers was got. The data eventually compounded were good enough

to enable a good survey of the marketing of banking services and customers response to such services. This made it possible for the data collated to be easily analysed manually. Estimation would be derived from proportion or percentages of the total sample.

3.2 THE MARKETING OF BANKING SERVICES

As was indicated in the previous section, Appendix I contained the questionnaire that attempted to examine the marketing of Banking Services. This was applied on 33 marketing or customer relation officers of the various banks and the marketing officer of NAB. A list of these banks are shown in table 3.1.

In this section, these samples would be used to analyse the marketing officer of banking services in Nigeria. The analysis would cover areas like nature of banking services rendered by banks, marketing of such services, staff training to improve marketing ability of staff, advert, marketing of promotional campaign, innovation in banking services and other facts about the sampled banks got from the field survey.

3.2.1 NATURE OF BANKING SERVICES

It is worthy to note that all the banks sampled offer the basic banking services. These are deposit accounts like savings, current and fixed deposit accounts. These are the only services that 100% of the respondent from the banks offer similar service. An interesting observation from the field survey is the fact that the range of interest charged on current account and interest offered on saving account and deposit account, differ from bank to bank.

Results also revealed that customers do not really respond to this variance in interest rate to determine the use of these banking services. However, the variance is the difference between banks is between 4 to 6 percent. This is really very minimal.

Another important observation about the nature of banking services is the fact that almost all banks agree that they often loans and overdrafts. However, after personal investigation, there is the revelation that less than 21% had given any form of loan this year. Moreover, 80% of such loans were only short term loans which are only for short business and contract to be paid back between one (1) and not more than three (3) months.

As regards the banking services, table 3.2 shows the number and percentage of banks that offer banking services.

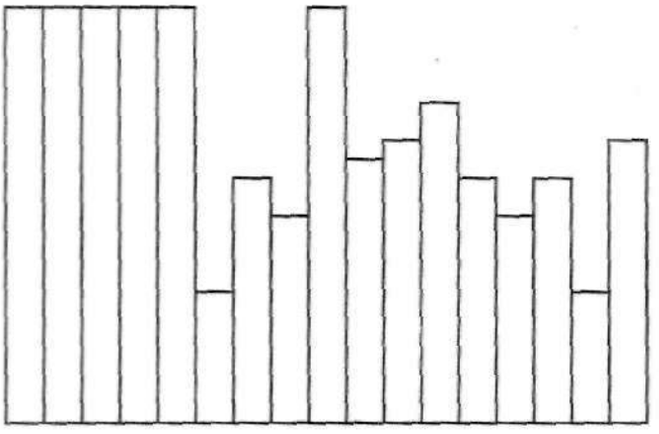
TABLE 3.2

Numbers and percentage of banks offering various services.

	Details of Banking Services	No of Banks offering such Services	Percentage
a.	Savings Account	16	100
b.	Current Account	16	100
c.	Fixed Deposit Account	16	100
d.	Safe Deposit Box	16	100
e.	Securities Services	16	100
f.	Plastic Card Banking	3	19
g.	Electronic fund Transfer	11	69
h.	Travellers Cheque	8	50
i.	Foreign Exchange	16	100
j.	Cash Management	13	81
k.	Payroll Accounting Services	14	88
l.	Insurance Services	15	88
m.	Portfolio Management	10	63
n.	Underwriting	8	50
o.	Trustee Subsidiary	10	63
p.	Integrated Banking Services	5	31
q.	Express till Service	11	6

Source: Field Survey, April, 1998

Figure 3.1 - Bar Chart.



a b c d e f g h i j k l m n o p q

Source: Field Survey, April - June, 1998.

Another observation from the field survey is that of extended banking hours. It was observed that some years ago, all banks open for operation at 8.00am and close their door to the public at 1.30pm. The hours of operation have however changed with the introduction of extended banking hours. Most banks now close their door for operation to the public at 4.30pm every working day of the week.

First Bank of Nigeria Plc is a typical case. They now open at 8.00am and close at 4.00pm every Monday to Friday. On Saturdays, they open at 10.ooam and close at 2.00pm.

From the general survey, about 64% opens for Saturday banking, also, 82% have extended banking services from the normal 1.30pm to 4.00pm. Nigeria Arab Bank Limited for example, has extended banking hours on Fridays to serve as an alternative to Saturday banking - NAB closes to customers by 4.30pm every day.

This section gave a background of the nature of banking services offered by banks. In the next section, we will look at the marketing training and workshop to bank staff.

3.2.2 MARKETING TRAINING AND WORKSHOP TO BANK STAFF

Majority of the sampled Banks in the field survey indicated that they have the bank's training school. About 34% of them also have one or more other training school at the regional head office or branch office.

In the investigation carried out by the field survey, the training and workshop covers majorly, areas of operations of the banking activities. Such activities include:

(i) Clearing causes
(ii) Cash Management
(iii) Branch Accounting
(iv) Supervisory Course
(v) Management Development
(vi) Bank Lending
(vii) Computer Appreciation

Only about 23% shows an indication to have carried out a training or workshop on the marketing of banking services.

Another important revelation is the fact that only the cadre of supervisors up to managerial level of staff, enjoy training on marketing of banking services. However, from the field survey, it is the junior staff of most banks that introduce banking services to especially new customers; while problems relating to banking services are often referred to the managerial cadre by the junior staff.

3.2.3 MARKETING OF BANKING SERVICES (Marketing, Advertising & Promotional Campaign.)

This section examines the field survey findings in respect of the marketing of Banking. Seven (7) major questions were asked in the questionnaire applied to the banker's (Appendix 1) with respect to the marketing of banking services.

These questions tried to bring out fact about marketing, advertising and promotional campaign. These are questions 14, 17, 18, 21, 22, 24 and 25. Question 14 had three parts - which are:

(a) Does your staff perform any kind of advertisement, marketing or promotional.
(b) What kind?.
(c) How successful are each of them by your assessment?

Only 34% of the bankers claimed that their staff perform any kind of advertising, marketing or promotional campaign for their banks. On further investigation, it was observed that banks do not consider the marketing of the bank's services as a function for the staff.

As regards the kind of advertisement, marketing or promotional campaign carried out by staff, it was gathered that advertising and promotional campaign are carried out by the banks and not by the staff. Some banks however use their staff for marketing some of the bank's banking services.

All the bankers that make use of advertising. Marketing and promotional campaign are always successful when used. As regards question 17, there are two parts to this question. These are:

(a) Do you have any parking space in your premises?
(b) Are cars parked at owners risk?

All the banks surveyed claim to have parking space on their bank premises. About 90% of these banks unfortunately claim that their customers cars are parked at owners risk. The implication of this is that owners of cars ensure security of their cars. What banks should however do is to find out ways of ensuring their customer's cars security and allow them to have the best of the bank's service to ensure that much time is not wasted before customers are responded to.

Another question was asked in number 18 and had two parts which are:

(a) In the past two (2) years, what kind of promotion or give-away gifts did your bank make to customers?

(b) How successful was it?

About 82% of the banks had in the past 2 years made promotional campaign or give away gift. Promotional campaigns from the survey indicated things like advertisement in the newspapers and sometimes in magazines. As regards giveaway gift items, 65% of the banks surveyed gave away gift items. Gift items includes things like car stickers, key holders, calendar, diary, tea cups, pens, goats or rams during Sallah among other things. All the banks claimed that their form of promotion is successful as customers appreciate such gifts as something extra and free to them.

Question 21 went on to find out the kind of marketing or promotional strategies adopted by their banks. All the banks claimed that promotional policies emanated from the head office. The local branches only implement strategies initiated or developed at the head office.

One very interesting question asked in the questionnaire was question 22 which said;

(a) Do you think the marketing or banking services is ethically right?

(b) Why?

KASHIM IBRAHIM LIBRARY

Expectedly, only 54% felt that the marketing service is ethically right. The remaining 46% are either outrightly against the marketing of banking services or against how some of the new generation banks go about marketing their banking services. About 27% of the banks surveyed were violently against bankers going about to market their services.

In question 24, the survey aimed at knowing if the marketing of banking services is easy in the bankers opinion as compared to marketing of physical product. About 54% who believe that marketing services was ethically right, also believe that they can market financial service even better than physical product. Some are of the opinion that it is easier to go out to sell their financial product without carrying bulky goods as sample of what they want to market. Others feel that their services are easily recognised by their customers.

The final question on the marketing of financial services is found in question 25 of the questionnaire (Appendix I). The question wanted to know more about the bank's advertising method and were asked thus:

(a) Does bank carry out any advertisement?
(b) What media is being used?
(c) What is the message?
(d) What is the effect in your own opinion?
(e) What is the customers response?

From the field survey, it was noted that most banks make use of advertisement. All of them claimed that the head office often put in one or more advertisement on the dailies, magazines or banking and financial professional publication. As regards the message of such advertisement, some are generally advertisement of the bank in the financial sector as a whole. While other tends to be specific in the invitation of specialized sectors like construction, agriculture, commerce, trading amongst others.

This kind of messages invite professionals to utilize their bank for the best offer they can receive anywhere.

All the banks indicated that the effect in their own opinion are very successful.

3.2.4 INNOVATION OF BANKING SERVICES

Another important observation carried out in the filed survey is that of question 12 in the questionnaire on Appendix I. In question 12, the following were asked:

(a) How far has your bank gone with computerising some of her processes?

(b) Which are the processes?

(c) How far has it helped to improve your services to customers?

All the banks surveyed claimed to have been computerised. However, from personal observation, it was gathered that just a few of their processes have been computerised. While all the banks can find out information about customer's account from the counter, only 12% of the banks can actually verify customer's signature at the same counter. More than 80% of the banks still need supervisory officers to manually verify for the approval of payment. The computer technology has however gone beyond this level of improvement where computer could be used to vet or verify customer's signature at the counter. This process could reduce customer's time wasted.

As regards the question on how much the computerisation has helped to improve the bank's service to customers, all of them claimed that computerisation has improve services renders to customers. From personal observation, it was noted that the improvement they claimed to have noted was more to the advantage of the staffers than customers. Staffers claimed that they can now easily locate their customer's account. They can also check on information such as balances, charges, interest and other

information about any customer's account. Also, calculation carried out manually are no longer require. Among such is daily calculation on operated account, commission on turnover, interest calculation on loans and advances among other.

In the investigation carried out by the field survey, question 29 of Appendix I asked some question about innovation in the banking sub-sector which are:

(a) When did the innovation in banking service start in the banking sub-sector started in Nigeria?
(b) What do you feel brought about this?
(c) When did your bank adopt this innovation?
(d) What are the recent innovations offered by your bank?
(e) How successful are they?

Over 73% of the sampled indicated that innovation of banking services started between 1989 and 1990. They indicated that innovation was brought about by some new entries into the banking sector then. They claimed that the innovative aggression brought by the so-called 'New Generation Banks' brought new pressure on the older banks. They had no option than to follow suit, hence the innovation in the banking sector today.

As regard when their individual banks adopted this innovation, they indicated between 1988 and 1990. However, 24% indicated dates after 1990.

In the (d) part of the question which wanted to know the recent innovations offered by their bank, the newest craze is the integrated banking system and the plastic card banking.

All banks indicated that they can offer integrated banking service. Here, a customer can withdraw or operate his or her account from any other branch

of the same bank away from the customer's branch. For example, a customer who opened an account with Nigeria Arab Bank, Kaduna could go to Abuja and operate the account from Abuja. The integrated banking system, integrate all branches of the bank together in a network system.

As regard the Plastic Card System, 32% of the branches indicated that they have or are about to implement their own plastic card system. This innovation reduce the risk of carrying too large sum of money around. All these requires, is to use a small plastic card which you can use to operate your account from designated terminals.

All the banks that operate both the integrated banking system and the plastic card system feel that these innovations are successful.

In question 30, attempt was made at finding out if the bank has innovation or customer service centre/department? Questions asked here were:

(a) Does your bank have an innovation or customer service department?
(b) What is it called?
(c) Is this department only at the head office?
(d) Does your branch also have this department?
(e) How does it operate?

The unfortunate observations made here is that innovations and customer service relation department is often operated from the head office. The only exceptions were FSB and diamond Bank where local branches could make decision or policies on innovation or customer relation without approval from the head office. It was observed that in most banks, even if a local situation demands a local solution, local branches can not bend the laid down policies even for an increase in the profitability of the branch.

This section has given a background of innovation in the banking sector survey. In the final section, we will look at other general facts about the sampled banks.

3.2.5 OTHER FACTORS ABOUT THE SAMPLED BANK

In the questionnaire for banks (Appendix I), there were other general questions asked about the samples banks. These were contained in question 6, 7, 8, 9, 10,11, 15, 16, 20, 23 and 31.

In question 6, 7, 8, 9 and 10, the questionnaire wanted to know about the bank's existence. In question 6, it was asked when the bank started operation. About 62% of the respondents did not know the actual year their banks commence operation. Bankers in such banks claimed that they were employed long after the bank started operation. Observation here, is that some banks do not feel obliged to the bank to know about the general background of their banks. Similarly was the response to question 7, which asked about when the Kaduna started operation. About 56% of the respondents knew when their local branch started operation.

As regards how many branches the bank has in Kaduna, responses indicated between one and five. Table 3.3 shows a breakdown of number of branches within Kaduna.

Table 3.3: Breakdown of Number of Branches of Various Bank in Kaduna.

	Name of Banks	No. Of Branches
1.	Nigeria Arab Bank Limited	1
2.	Afribank Plc	4
3.	African International Bank	1
4.	Bank of the North Limited	2

5.	Diamond Bank Limited	1
6.	FSB International Bank	1
7.	Guaranty Trust Bank	1
8.	Habib Nigeria Bank	1
9.	Inland Bank of Nigeria	1
10	Intercity Bank	1
11.	First Bank of Nigeria	4
12.	New Nigeria Bank	1
13.	Owena Bank Nigeria Plc	1
14.	Savannah Bank of Nigeria	1
15.	Societe Generale Bank	2
16.	Trade Bank	1
17.	Tropical commercial Bank	1
18.	Union Bank of Nigeria	3
19.	United Bank for Africa	3

Source: Field survey, April – June, 1998

Table 3.3: Breakdown of number of branches of various banks.

As regards numbers of branches in Nigeria and overseas, majority of the banks could not give accurate figures as they do not know or are not sure. Some even claimed that such information could only be got from the head office. This shows the level and relevance of data gathering and processing in Nigeria where the importance of statistical information is not realised.

Question 11 tried to find out what in their opinion is their bank function in the Nigeria financial sector. 87% of the respondents gave a general

response as "to offer banking services to our customers". The remaining 13% gave answers ranging from the offering of banking services to traders, loans to farmers, making banking easier to customers to make Nigerian banking services more interesting, to render services to commerce and industries amongst others.

In question 15, the questionnaire wanted to find out if banks have any kind of award or bonus to motivate their staff. All banks claimed that they have financial rewards to motivate their staffers. Such award ranges from lunch, overtime payment, end of year bonuses, thirteenth month salary, Sallah/Christmas/Easter bonuses or other festive gifts to things like giving of pens, watches, calendars, diaries, years planners and others.

In order to know how complaints from staff and customers are entertained; question 16 asked the following:

a. What kind of complaint system do you have in place?
b. How do you handle customer's complaints?
c. How do you handle staff complaints?

Only about 28% of respondents have any form of complaint system in place. According to them, there is a suggestion box in their banking hall for complaints and suggestions from customers. Most of the banks claimed that they entertain all forms of complaints from both staffs and customers; however, they agreed that no formal complaint procedure is in place.

One unusual response got from respondents was to question 19, which asked for the source of bank's profits. The first response most bankers gave

when this question came up is that all the banking business brings the profit of the bank.

On closer observation, some of the branches were discovered to be running at a loss. Also, it was gathered that some banks make so much profit from foreign exchange.

Loans and advances are now becoming a risky business for most banks. Charges on turnover and interest on loans is not usually enough to pay salaries, how much more the overhead expenses. However, at the end of the year or accounting period of most banks, profits are still declared by the head office.

Question 20 aimed at recognizing major competitors. Response indicated that every bank claim the other banks as competitors; on the other hand, the bigger banks claim the smaller banks particularly the "new generation banks" as not only competitors but also their main problem. On closer observation, it was realized that what they feel as competitors are those that take away their valued customers from them at various times.

In response to question 23, all the bankers accessed Nigerian Banking culture to be increasingly positive. Most people now bank more. However, the use of cheques in payment of goods and services is not widely accepted as expected. Many people still carry large sum of money over long distance for payment of services or goods bought. In question 31, the question asked if you are given a percentage of 100, how would you classify your customer. Their response is indicated in fig 3.4 below.

	Types of Customers	Estimated percentage
a.	Businessmen and Women	20
b.	Students	4
c.	Civil and Public Servant	5
d.	Workers for Private Organisation	10
	Others	
	(i) Government Parastatals	28
	(ii) Government a/c	17
	(iii) Corporate Bodies	16
	Total	100%

Source: Field Survey, April, 1998

The above analysis made on the marketing of banking services in Kaduna is to enable us to make an in-dept analysis into the marketing of financial services in Nigeria banking industry. The customer's response to the marketing of financial services in Nigerian banking industry would constitute the major work of the next chapter.

CHAPTER FOUR

AN EXAMINATION OF THE CUSTOMERS RESPONSE TO BANKING SERVICES.

4.1 INTRODUCTION

After the examination of the marketing of Banking Services in the previous chapter, we shall in this chapter analyse the findings on the customer's response to services rendered by banks. The customers' response would be given based on the findings from the field survey. The fieldwork was carried out by the administration of questionnaires (Appendix II) on customers of Nigeria – Arab Bank Limited, Kaduna. As indicated in chapter three, 64 customers responded to the questionnaires and the fieldwork took place between April and June 1998. Most of the interviews were conducted through personal interviews.

4.2 CUSTOMER'S RESPONSE

Appendix II contains the questionnaires that attempt to examine customer's response to banking services. In this section, respondents to the questionnaire would be used to analyse the customer's response to services rendered by banks in Nigeria. The analysis would cover areas like general background of respondents, their view about services rendered by banks, bias for the choice of Nigeria – Arab Bank, Kaduna as their bankers, their view of NAB's banking services and their opinion of NAB's prospective customers

4.2.1 GENERAL BACKGROUND OF RESPONDENTS

Majorities of those sampled were males. Over 81% of respondents were male while 19% were female. The deduction that may be made from this is that more males make use of banks than female.

Another important revelation is the fact that educational qualification plays a very little role in determining the respondent's decision to make use of banking services. As the field survey indicated, educational level of respondents ranges from no formal education at all, to even degree level. The distribution of the level of education of respondents is shown on table 4.1

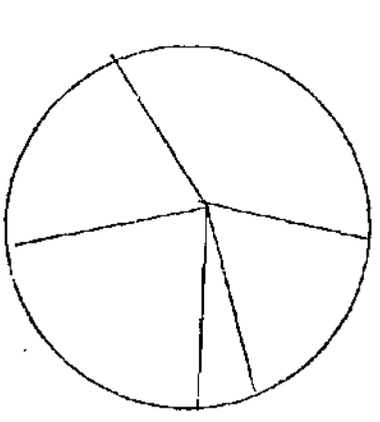
Table 4.1: DISTRIBUTION OF THE LEVEL OF EDUCATION OF RESPONDENTS

	Level of Education	No. Of Respondents	%
1.	No formal education	2	3%
2.	Primary school	9	14%
3.	Secondary school	28	44%
4.	Higher school	9	14%
5.	First degree	12	19%
6.	Post graduate	4	6%
	TOTAL	64	100 %

SOURCE: Field Survey – April to June 1998.

As can be deduced from table 4.1, majority of those sampled indicated that they have gone through the Secondary school level of education

About 43.75% of the sample indicated this. This next highest proportion of educational level is that of those with a first degree; this constituted 18.75% of the sample. Figure 4.1 shows the pie chart of the above report.



No formal education
Primary education
Secondary education
Higher school
First degree
Post Graduate.

Source: Field Survey. April – June, 1998

Table 4.2: THE AGE DISTRIBUTION OF RESPONDENTS IN THE SAMPLE.

Age Range (Years)	No. Of Respondents	%
18 – 30	19	30%
31 – 45	23	36%
46 – 50	13	20%
51 and above	9	14%
TOTAL	64	100%

Source: Field Survey. April – June 1998.

The mean age for the sample is 38 years. There is also the mode age range (i.e. between 31 to 45 years) Most of the respondents indicated that they are either civil servant of public servants. Most of them operates a salary account in the bank. This constituted more than half of the sample (55%).

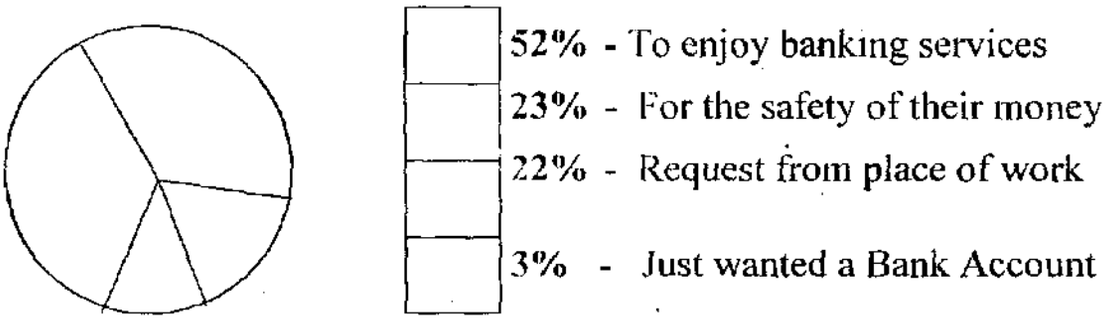
Businessmen and women constitute 23% while those in private employment were 17% and students 5%.

4.2.2 GENERAL BANKING SERVICES

This section examines the field survey findings in respect of respondent's views about banking services in general. Two questions were asked in the questionnaire about banking services. These are questions 10 and 11. Question 10 asked the respondents when they commenced operation with Nigeria – Arab Bank. Majority of respondents indicated that they had been banking with the bank for more than five years; 28% had been customers with the bank from inauguration and only 15% of the respondents were new customers that started operation within the last 2 years.

In question 11, the questionnaire asked the respondents: why do you think you need banking services? It was discovered that majority of the respondents indicated one of four factors. These are shown on the Pie Chart on figure 4.2

Figure 4.2: Pie Chart of Why Customers think they need Banking Services



Source: Field Survey. April – June 1998.

As indicate indicated in figure 4.2, 52% of respondents identified that they opened their account in order to enjoy banking services. 23% indicated the safety of money as a factor for operating their account with NAB. 22% indicated that where their work mandated the opening of a salary account for the payment of their salary. Finally, 3% indicated a factor close to just wanting to operate an account.

4.2.3 CHOICE OF NIGERIA ARAB BANK

The field survey on the choice of NAB's banking services is made through the questionnaire in question 12 to 15. Question 12 asked respondents which bank they considered along with their final choice of NAB. Observation showed that there was no specific pattern for considering other choice of bank. It was noted that all other banks in Kaduna were considered along with NAB. Question 13 then showed why NAB was finally chosen as their banker. Table 4.3 shows a breakdown of factors indicated for the final choice of NAB as their Bankers.

Table 4.3: Distribution of the Factor for the Choice of NAB as Bankers

Motivating Factors for the Choice of NAB	**No. Of Respondents**	**%**
Friends	5	8
Family	0	0
Neighbours	0	0
The Banks Sales Person	2	3
Fellow Workers	8	13
Convenience	20	32
Bank Place	11	17
Work place	18	28
TOTAL	64	100

Source: **Field Survey. April – June 1998.**

In question 14, examination was made as to what other consideration made before opening the account with NAB? The responses received revealed that the location of the bank is very important to customer. It was gathered

that the nearness of the bank to respondent's home, place of work or closeness to where they carry out the business transaction was an important deciding factor. Question 15 aimed at knowing why other banks were not chosen. From the response collated from the field survey, it was discovered that majority of them did not have anything against other banks. The deduction here is that respondents were biased and not willing to indicate their preference of other banks over NAB.

4.2.4 NIGERIA ARAB BANK'S BANKING SERVICES

In the questionnaire, there were also question sets up to find out the banking services offered by NAB. These questions are from questions 16 to 21

(16) Which of the bank services do you make use of?
(17) How do you feel about the services provided by the bank?
(18) How can the services rendered to you be improved?
(19) Which services do you feel the bank need to include to better serve you?
20) Which changes do you wish to see from the staff of the bank?
21) Which changes do you wish to see in the environment of the bank?

In respect of bank's services, 84% of respondents indicated that they make use of saving accounts. 68% indicated that they maintained current accounts. As regards fixed deposit account, only 8% had at one time or the other maintained fixed deposit account. 45% of the respondents had taken overdrafts at one time or the other. Finally, under banking services utilization, only 22% of respondents had made use of this service.

In question 17, an assessment of the services offered by NAB was estimated. 75% of respondents indicated that NAB's services are very good. 17% indicated that NAB's services are on the average; however, 8% were not satisfied with the services currently offered by the bank. An attempt was made in question 8 to find out how the services of currently rendered by NAB can be improved. Only 20% offered a response to this. They listed improvement such as better staff, faster services, and increase in savings interest rate and the lowering of the bank's commission on turnover (COT).

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In question 19, the survey aimed at finding out what kind of services should be included in NAB's banking spectrum. The unusual observation here is that despite the fact that the bank offers foreign exchange services, 35 percent still consider it as what could improve the bank. 5 percent of respondents indicates that the bank needs to paint the wall surface of the bank.

In question 20, the field survey channeled this question to find out what kind of changes is expected from the staff of the bank. Only 35 percent wanted the staff to dress like other conventional bankers. They desired NAB staffers to put on suites and other corporate clothes. 43 percent want the staff to respond to all customers without any form of bias. According to them, all customers should be treated equally. 14 percent also wanted the bank to solve the problem of congestion evident during the payment of salaries to salary customers.

In response to question 21, which aimed at finding out the changes customers desired to take place in the environment of the bank, customers indicated the beautification of the banking environment through the painting of the bank building and the planting of flowers.

4.2.5 NAB's PROSPECTIVE CUSTOMERS

In this section, the survey wanted to find out if there existed segmentation as to the type of customers patronizing the bank. In question 22, respondents were asked: who in their own opinion or what caliber of people the bank was established to serve. 53 percent believe that the bank was established to assist businessmen and women. 34 percent on the other hand believes that the bank mainly handles salary account and they are mainly salary account holders. 15 percent claimed that it is established to better serve the government employees in Kaduna. In question 23, a lists of findings were attempted at, to survey whether customer goes out of their way to bring in prospective customers. The questions are as follows:

a. Would you tell someone else in need of a bank to open an account with this bank?
b. What kind of people would you encourage to join this bank?
c. How many people have you encouraged to open account with this bank?

d. How many of them actually open account with this bank?
e. In this year, how many people have you encouraged to open account with this bank?
f. What kind of account do you encourage them to open?

From the field survey, 100% of the respondents indicated that they have told prospective customers about the bank. As regards what kind of people they would encourage to open an account with the bank, there is no definite conclusion on this. Responses from this question varied widely from businessmen and women, to civil and public servants, industrialist, manufacturers amongst others. However, when asked, how many people have you encouraged to open account with the bank, it was noted that only 68% had actually brought people as new customers to the bank.

When asked the kind of account the respondents advice them to open, majority of 64% indicated saving accounts. 32% indicated current accounts. Marginal figures of about 2% have at one time or the other encouraged their friend to open fixed deposit account.

From this chapter, it should be noted that the customers and the way they respond to marketing of banking services are of much importance to a service industry. As stated, customers' satisfaction goes a long way to bring in new and prospective customers to the bank. Therefore, if steps in the right direction are taken to satisfy the current customers, there is the possibility of them responding positively to banking services and this in turn would bring new customers to the bank.

CHAPTER FIVE

SUMMARY RECOMMENDATION AND CONCLUSION

5.1 SUMMARY

In this study carried out on the marketing of financial services and customer's response in Nigeria Banking Industry, a number of observations were made. These can be summarised as follows:

There is a crisis in the Nigerian Banking Industry. The industry is beset with the issue of re-capitalisation from a formal minimum capital base of N50 million to an outrageous N500 million. There is also the problem of frequent perpetration of fraud in the banking sectors.

The marketing of banking services is a new and growing concept. Before now, marketing of financial services was seen as unethical and against the banking business code of conduct. However, this view is changing and becoming obsolete.

The marketing of financial services by banks and customers response to them has become a necessity for bankers. The actual situation of banking services was made and from analysis, a lot of findings were made as regards this situation.

It was discovered that Nigerians do not like giving their time to answering questionnaires. If success is to be achieved, a personal interview must be conducted and most organisations set up bureaucracy to block answering questionnaires.

reduced the wastage of customer's time and increased accuracy in accounting and book keeping. It was however observed that majority of banks still believe that car are to be parked at owner's risk. Corporately, customers opine that this is a bad image for the banking industry.

In order to aid banks staff to better services rendered to customers, most banks have their training schools for workshop, seminars and training. These training covers various operations of the bank but very few offer training on the marketing of banking services and where offered, it is majorly enjoyed by staff of the supervisory and management cadre.

To give bank a corporate image, many banks are adopting innovations. It was observed that innovation in the banking sector was brought about by new dynamic and innovative ideas that were introduced to the banking sector. These new entries were very aggressive and they brought pressure on the older bankers. This innovation started at about 1988 with the integrated banking system and the plastic card banking. The integrated banking system enables a customer to operate their account from any of the bank's branches. In the plastic card banking, it reduces the risk of carrying of cash around. Cash withdrawal can be made with the cards from convenient terminals.

As regards customer's response to the marketing of banking services, educational qualification plays very little role in determining the decision to make use of banking services. However, most of the bank's customers are secondary school holders who are civil or public

servants with salary accounts. It was found out that four factors were given for why they make use of banking services. These are to enjoy banking services, safety of money, requirement of their place of work and interest just to have an operative account. Most of the customer of Nigeria – Arab Bank (NAB) Kaduna, indicated that they open an account with the bank because of convenience. Other factors that were enumerated were need/requirement from workplace, the bank's image and fellow workers. Other minor factors considered were friends' opinion and marketing by NAB's sales person.

Most customers could not indicate why they finally choose NAB as their bankers over other banks. Majority of these customers makes use of savings account closely followed by users of current account. Very few customers use fixed deposit accounts. Majority of customers indicated satisfaction with the banking services currently rendered. Very few customers could offer any response on how banking services could be improved. Customers also expect the staff of the bank to improve on their dressing and also render unbiased services to all customers. Moreover, there were suggestions that problems encountered on days salaries are paid to customers should be solved and the environment of the bank should be beautified and the bank's building painted. Finally, the customers believe that the bank could better serve businessmen and women. The next groups of beneficiaries considered were salary account holders and the governmental employees.

5.2 RECOMMENDATION

In this project, the marketing of financial service in general and specifically banking services were examined; also, customer's response to such services

was made. NAB was used as a point of reference for the banking industry in general. Based on findings from the field, some recommendations are made below:

Banks should create a research, planning and statistics department to handle research and studies to be made on the banks. Banks should encourage such studies either from within or without the bank. As a matter of fact, banks should sponsor some studies in specific areas of interest to them.

Bank should try as much as possible to specialise their banking services in favour of specific category of customers. They should not enter the market with similar range of product like every other bank. Such specialisation would enhance performance of such banks. This in turn would increase efficiency; efficiency would increase profitability of such banks. Training, workshops and seminars conducted by banks should take up topics on the marketing of banking services. Banks should adopt a marketing philosophy of operation. A pride of place should be given to marketing, advert and promotional campaigns. The era of regarding marketing in the banking sector as unethical is long past. Even Churches today market themselves. Marketing is ethically right today for the banking sector.

The bank should think about removing the sign of "Cars are parked at owner' risk" from the premises. It is better to create or introduce tags and tallies to be given to cars on their way in and collected on the way out. This would enable customers have full confidence when operating within the bank. This is cheaper for the bank and enhances the banks corporate image. The bank should adopt more aggressive innovations. Fresh ideas and people should be introduced and injected into the system. This might mean the lying off of old hands and the recruitment of new and more dynamic hands. The bank should be ready to introduce new ideas. The banks should set up a system of encouraging customers to give their suggestions. They should ensure that responses to such suggestions are made and customer's suggestions acknowledged.

The dressing of the staff should be improved upon. The bank's environment and the building also need improvement. Flowers should be planted and the buildings repainted.

The bank should have a way of taking care of the salary customers on payday. The bank should work out a programme whereby the bank is not choked up on paydays, as is always the case now. Many other non-salary customers see this as a major problem.

During the course of preparing this study, some possible areas needing further research and study efforts presented themselves. Unfortunately, this study could not direct it attention to them. Such area recommended for further studies include the following:

- The impact of marketing of banking services on the performance and profitability of Nigerian banks. This becomes necessary as the marketing concept and philosophy is being accepted by the banking and financial sector as a whole.

- Also, there is the need to look into the marketing of banking services under regulated and deregulated banking sector's policies. This is so, as each of these policies requires different marketing strategies and segmentation of the target market.

- There is also the need to determine the efficiency co-efficient of the various marketing strategies employed to sell banks and banking services. Here, a mathematical and statistical technique would be employed to get empirical figures for customer's response to various marketing strategies.

- Finally, efforts should be made for research and studies carried out on marketing, banking and related topics should not end up on the shelves of libraries or archives. Rather, each users of such studies who need them most should be availed such studies.

5.3 CONCLUSION

Throughout this study, it has been examined how the marketing of financial services is done in the Nigerian Banking Industry. Also, an examination was also made on the customer's response to such marketing of financial services in the banking services. NAB was used specifically as a reference point.

Also, some specific recommendations were made for the banking industry based on the findings of the use of the case study (NAB). To a large extent, these recommendations will go a long way at improving the banking services made available to customers in the banking sector. This would eventually leads to satisfaction of their customers and an eventual positive customer' response to banking services.

The implication of recommendations slated out would make the banks more efficient in their performance. This would in turn increase their profitability potentials.

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APPENDIX I
QUESTIONNAIRE

MASTER OF BUSINESS ADMINISTRATION (MBA), AHMADU BELLO UNIVERSITY, ZARIA.

This questionnaire is designed to find out some facts about your Bank. Findings would be treated strictly as confidential and meant for research purpose only.

Please answer each question as best as you can. Note that we are not testing you, as there is no right or wrong answer. We just want to know the situation on ground.

Thanks for agreeing to partake in this survey.

1. Name of Bank.....
2. Name of Banker or official (optional).....
3. Position in Bank.....
4. Department.....
5. Years of working with this Bank?.....
6. When did your bank started operation?.....
7. When did Kaduna branch start?.....
8. How many branches do you have in Kaduna?.....
9. How many branches do you have in Nigeria?.....
10. How many branches do you have Overseas?.....
11. What do you feel is your bank's function in the Nigerian financial sector?.....
    .....
    .....
12(a) How far has your Bank gone with computerizing some of her process?.....
    .....
    .....

(b) Which are the process?.....
.....
.....

(c) How much has it help to improve your services to customers?
.....
.....
.....

13(a) What training or workshops are being held for your staff that you feel would improve the services rendered to your customers?
.....
.....
.....
.....
.....
.....

(b) What cadres of your staff are being given such training or workshop?
.....
.....

14(a) Do your staff perform any kind of advert, marketing or promotional campaign on behalf of your branch?
.....

(b) What kind?
.....
.....
.....
.....
.....

(c) How successful are each of them by your assessment?
.....
.....
.....
.....
.....
.....

15(a) Do you have any kind of award or bonus system to motivate your staff?

(b) What kind?

.....

.....

.....

.....

.....

16(a) What kind of complaint system do you have in place?

.....

.....

(b) How do you handle customer's complains?

.....

.....

(c) How do you handle staff complains?

.....

17(a) Do you have any parking space in your premises for customers?

.....

(b) Are cars parked at owner's risk?

18(a) In the past two years, what kind of promotion or give away does your Bank make to your customers?

.....

(b) How successful was it?

.....

19 How do feel your banks' profit comes from?

.....

.....

.....

.....

.....

.....

20(a) Who do you considered being your main competitors?

.....

.....

.....

(b) How successful are they?

.....

21(a) What are the marketing or promotional strategies adopted by your bank?

.....

.....

(b) How successful are they?

.....

22(a) Do you think the marketing of banking services is ethically right?

.....

(b) Why?

.....

23 How do you assess Nigerian Banking culture?

.....

.....

.....

.....

.....

.....

24 Is marketing of banking services easy in your opinion as compared to marketing of physical products?

.....

.....

.....

25(a) Do your bank have any advert?

(b) What media is being used?

.....

(c) What is the message?

.....

(d) What is the effect in your own opinion?

.....

(e) What is customer's response?

.....

2.6. Which of the following financial services do your bank offer?

		YES	NO
a.	Saving account	☐	☐
b.	Current Account	☐	☐
c.	Fixed Deposit Account	☐	☐
d.	Safe – Deposit Box	☐	☐
e.	Securities Services	☐	☐
f.	Plastic Card Banking	☐	☐
g.	Credit Card	☐	☐
h.	Electronic Transfer of Fund	☐	☐
i.	Equipment Leasing	☐	☐
j.	Travellers Cheque	☐	☐
k.	Foreign Exchange	☐	☐
l.	Cash Management	☐	☐
m.	Financial Advice	☐	☐
n.	Data Processing	☐	☐
o.	Payroll Accounting Services	☐	☐
p.	Insurance Services	☐	☐
q.	Portfolio Management	☐	☐
r.	Under Writing	☐	☐
s.	Trustee Subsidiary	☐	☐
t.	Integrated Banking Services	☐	☐
u.	Express Till service	☐	☐
v.	Health Security	☐	☐
w.	Social Security	☐	☐

27. What financial services do you feel your bank should include among those currently offered?

.....

.....

.....

28(a) Do you have extended banking hours?

(b) What is your banking hour to customer?

.....

.....

.....

(c) How successful is the extended banking hour as an extra service to customers?.....

.....

29(a) When did the innovation of banking services start in the banking sub-sector of Nigeria?

(b) What do you feel brought about this?

.....

.....

(c) When did your bank adopt this innovation?

(d) What are the recent innovations offered by your bank?

.....

.....

.....

(e) How successful are they?

.....

30(a) Do your bank have an innovation or customer services department?

(b) What is it called?

(c) Is this department only at head office?

(d) Do your branches also have this department?

(e) How does it operate?

.....

.....

31. If you were given a percentage of 100, how would you classify your customers?.....
.....
.....

	Type of Customers	Extended Percentage (Total of 100%)
a.	Businessmen and women	
b.	Students	
c.	Civil and Public servant	
d.	Workers in the private sectors	
e.	Others (specify)	
	.....	
	.....	
	.....	
	.....	
	Total	100%

APPENDIX II
QUESTIONNAIRE

Master of Business Administration (MBA) Ahmadu Bello University Zaria.

This questionnaire is designed to find out some facts about the banking services offered to you in this Bank. Findings would be treated strictly as confidential and meant for research purpose only.

Please answer each question as best as you can. Note that we are not testing you as there is no right or wrong answer. It is only your candid opinion that is needed.

Thank you for agreeing to partake in this survey.

1. Name .....
2. Address (Office) .....
   .....
   .....
   (Home) .....
   .....
   .....
3. Telephone
   .....

4. Age

18-30 years	☐
31-45 years	☐
46-50 years	☐
Over 51 years	☐

5. Sex Male ☐ Female ☐

6. Marital Status
   Single ☐ Married ☐ Divorced ☐ Widowed ☐

7. What is your present occupation?

Business man or woman	☐
Civil servant	☐
Public servant	☐
Private employee	☐
Unemployed	☐
Student	☐
Other (specify)	

8. What is the highest level of education you have completed

Primary School	☐
Secondary School	☐
High School	☐
First Degree	☐
Post Graduate	☐

9. What is your estimated monthly income?

Below		N 1,000	☐
N1,000	-	N 2,000	☐
N2,000	-	N 4,000	☐
N4,000	-	N 6,000	☐
N6,000	-	N10,000	☐
Above N10,000			☐

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10. When did you start operation this bank?

.....

11. Why do you think you need a banking service?

.....

.....

12. Which banks do you consider along with this bank?

.....

.....

.....

.....

.....

ABU LIBRARY

13. What finally decided you in your choice? (Tick those relevant and explain where necessary)

a. Friends

.....

.....

b. Family.....

.....

c. Neighbours.....

.....

d. The bank's sales person.....

.....

e. Fellow worker.....

.....

f. Convenience.....

.....

g. Bank's Image.....

.....

h. Work place.....

.....

14. What other consideration did you make before opening the account with this bank?.....

.....

.....

15. Why did you not choose other banks?.....

.....

16. Which of the bank's service do you make use of

a. Savings account
b. Current account
c. Fixed deposit
d. Overdraft
e. loans
f. Others(specify).....

.....

17. How do you feel about the services provided by the bank?

.....

18. How can the services rendered to you be improved?

.....

.....

.....

.....

.....

19. Which service do you feel the bank need to include to better serve you?

.....

.....

20. What changes do you wish to see from the staff of the bank?

.....

.....

.....

21. What changes do you wish to see from the environment of the bank?

.....

.....

.....

22. In your own opinion, which kind of people is the bank established to serve?

.....

.....

23 (a) Would you tell someone else in need of a bank to open an account with this Bank?.....

(b) What kind of people would you encourage to join this bank?

.....

(c) How many people have you encouraged to open account with this bank?

.....

(d) How many of them actually opened account with this bank?

.....

(e) In each year, how many people have you encouraged to open an account with this bank?.....

(f) What kind of account do you encourage them to open?.....

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