MARKETING CONCEPT AS APPLIED TO THE BANKING INDUSTRY: A CASE STUDY OF CHARTERED BANK LIMITED

BY

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DECLARATION

I hereby declare that this dissertation work has been conducted solely by me under the supervision of Mr. A. B. Akpan of the Department of Business Administration, Ahmadu Bello University, Zaria. I have neither copied some one else work nor some one did it for me.

Writers whose work have been referred to in this study have been acknowledged.

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CERTIFICATION

This project dissertation entitled Marketing Concept as Applied to the Banking Industry: A Case Study of Chartered Bank Limited by Alhassan Y. Gwarzo meets the regularities governing the award of the degree of Master of Business Administration of Ahmadu Bello University, and is approved for its contribution to knowledge and literary presentation.

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DEDICATION

This project work is dedicated to my parents, my wife, my son and my daughter.

ACKNOWLEDGMENTS

As always my first thanks goes to Allah (SWT) for making everything possible including the ability to undertake this study. May Allah guide us in all our undertakings.

In seeing to the successful completion of this work, I incurred a lot of debts to certain people. The heaviest of all the debt I owe goes to my supervisor Mr. A. B. Akpan, whom no words will be enough to express my intensed appreciation for the patience and knowledge he impacted on me. All the same I say thank you very, very, very much. Other moral creditors are my uncle and father-in-law Alhaji Abubakar M Gwarzo for everything he is to me, but particularly seeing to it that I pursue an M.B.A. degree. I say a big thanks to my patient father Alhaji Hamza Alhassan Gwarzo, my mother Azulaihat, my wife Khadijat and my son Hamza (Zayd) who are the apple of my eyes.

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A special place is reserved for my friends in Chartered Bank namely Hafsat Abdullahi, Saleh Sunday and other staff of the Bank that help tremendously in making the data used in this project work available. My thanks goes to the customers that squeeze time to honestly answer my questionnaire.

Finally, I wish to also mention my teeming brothers and sisters such as Hajara, Bashir, Umar, Ibrahim, Mansur, Maimuna, Musa, Aisha Snr. And the rest.

ABSTRACT

Whenever the work marketing is used in our everyday life, what readily comes to a lot of people's mins is that efforts towards selling a tangible product. Marketing is however, all those activities involved in identifying a customer needs/wants and the satisfaction of those needs/wants.

If marketing is identifying and satisfying customer needs and wants, then a customer definitely needs and wants certain services which are distinct from tangible product. So many writings exists on the relevance of marketing in the service industry. This study is another attempt to shed lights that marketing concept in service industry is as relevant as in the product industry. The service industry considered here is the Banking industry and a particular establishment is chosen to critically address the relevance or otherwise of marketing concept in influencing customers patronage and also in the realization of banking objectives.

In the course of this study a critical look of other works and related literature will be viewed. Marketing of services, how banks learn their marketing approach and the evolution of a new era in banking industry.

The researcher makes use of survey method. The population of management of Chartered Bank is estimated at 40 out of which 10 were taken as sample size and conversely customers of the bank were estimated at 100 out of which 20 were chosen as sample size respectively.

Other instruments applied in the study are questionnaire, personal interview and observation method.

Two hypothesis were tested:

HI: That application of the marketing concept influences customer patronage and thereby enhance corporate performance.

HO: That application of the marketing concept does not influence customer patronage and does not enhance corporate performance.

Some of the recommendations is that due to high competitive nature in today's banking industry it is worthwhile for individual organization to have not just profit but customer(s) orientation so as to satisfy customer wants which is a core fundamental feature of the marketing concept. Failure to do this will definitely makes the organization lost-out in this survival of the fittest era.

The whole staff of the Bank should be integrated into the marketing drive and made to appreciate and understand marketing concept. It should not be left out to the marketing staff whom the other staff feel should be the only ones to be concerned. It should be appreciated that even the door-man has a great role to play in the overall marketing function.

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CHAPTER ONE

GENERAL INTRODUCTION

Marketing is becoming increasingly competitive in today's banking environment. The traditional role of bankers of just being collectors of deposits and giving out loans is fast changing to that of service oriented or customer oriented. The idea that bank should sit in the corner passively waiting for customers has gradually been replaced by the aggressive search for deposits and quality utilizers of the deposits.

Marketing is defined as a group of activities involved in ascertaining, cultivating, satisfying and sustaining a demand bearing in mind the firms objectives and the customers which usually should start with a basic level of profitability plan. Marketing encompasses the whole business. Thus the aim of marketing is to understanding the customer as well that the product/service fits him and sells itself, to result in a customer who is ready to buy. It is also aimed at satisfying customer needs and desires more efficiently and effectively.

Hence, marketing has a universal application and banking is no exception. The role of marketing in the banking industry is synonymous with marketing in other service industries, but marketing in the banking sector is predominantly centered around the provision of diverse financial services to customers.

In Nigeria today, the present state of the economy and as it effects the financial sector in particular, has led banks to take marketing as a serious activity which has hitherto been neglected. In addition, the present economic scenario have made most banks to rejuvenate their marketing strategies towards aggressive bank marketing.

This development can also be attributed to the economic crisis which have created keen competition among banks and other financial institution for better customized services.

Because of the intense competition, marketing has become commercial banking's cutting edge for meeting new forms of competition and for searching out new opportunities.

The present economic climate in our country is particular, poses serious challenges to the banking industry, ranging from effective and prudent management of resources to the quality of services rendered and their accruing mutual satisfaction to both banks and customers. In other words, it calls for the adoption of a marketing orientation and the application of the tools of marketing to banking business to ensure survival and growth.

Based on the above factors, and the traditional attitude of most executives in many service companies it can be deduced that much remains to be done in order to enable marketing thinking into commercial banking in Nigeria.

However, the marketing concept is no doubt the same for both product and services. In each case the satisfaction of customers through close identification and tacit anticipation of their needs for profitability sake is involved.

The banking services is the business of receiving monies from outside sources and granting of loans to customers. It also involves the acceptance of credit, the purchase of bills and cheques or the purchase and sale of securities. The other function s that of offering Financial Advisory Services.

These processes demand interaction between the banking staff and customers. Banking must therefore be tailored to create customer satisfaction and include favourable attitudes from them. Since the banking service is intangible, its provision demands greater intelligence, on the part of the banking staff and effective application of the marketing mixes.

The success of any banking business depends on the company's ability to understand, predict and influence customers behaviour. Modern Nigerian banks have of late been compelled to use marketing

techniques in the provision of their services. The need for the application of the marketing concept stems from the intensification of competition from other banks, building societies, government loan schemes, credits unions, insurance companies, thrift societies and other financial institutions.

1.1 STATEMENT OF GENERAL PROBLEM

Most of Nigerian Commercial banking services are characterized, almost without exception with slow services, lack of specialization, failure to recognize the importance of customers and lack of motivational facilities. The transaction of even the most routine business invariably involves a long period of waiting. In some cases the waiting has to be under taken in over crowded and ill-ventilated banking halls without comfortable seating arrangements.

There is also problem of lack of awareness to the customers especially in rural areas or outright ignorance on the new inventions in modern banking services. This contributed immensely to the wrong notion with the most people who lacked confidence in the banking operation, for the safe keeping of monies, they rather maintained the traditional ways of keeping their money.

However, most of Nigerian bankers are arm-chair bankers who aim for business and care little of nothing about their customers and the bank officers simple stay glued to their chair and waited for the business to come to them. The so-called, new generation banks are however changing this phenomenon.

The impact of marketing concept in the banking industry is still yet to be fully appreciated as their is still the notion that Nigeria is still a seller's market. It is a place where the problem is not selling but producing, because anything and everything sells.

Banking is not an exception, one would therefore question the need or the rationale for bank marketing, such banking life any other business in the country is in the seller's market. It is not however, difficult to explain the need for bank marketing.

For the purpose of this project, it is imperative that banks move away from the sales orientation which has hitherto characterized the marketing of services (Financially) in developing nations including Nigeria to marketing orientation.

1.2 PURPOSE OF THE STUDY

The service industries have generally lagged far behind the rest of businesses in the adoption of the marketing philosophy. The very fact that so many services are personal and the heavy person to person involvement in all services has tended to be convenient to them, they are found with their customers and marketing has nothing more to offer also with that wrong notion that marketing is only relevant to the selling of physically oriented product.

The absence of the application of customer-oriented service in Nigeria's markets in general and banking services in particular emanated from the lack of competition. Hence, the commercial banks have always made customers feel as it they are being favoured with the services they are rendered.

Ironically, banking institutions may no longer find it easy to remain in business if they will not continually respond to changing customer needs which will characterize Nigeria's financial markets in the years ahead. The radical changes are likely to be caused by the rise in consumerism, enlightenment or awareness generated through educational pursuits.

Environmental changes could also shape the nature and domain of banking in some years to come. The banking environment will under go accelerated social, technological and political changes. The banks will have to change most of their inherited traditional services in line with the dynamic environment.

1.4 SCOPE OF THE STUDY

The study is analyzing the effect of the marketing concept in the service industry of particular reference to the Banking industry. Chartered Bank Limited is chosen as a typical player in

the Nigeria's banking industry. All data contained in this study are as obtained from the Bank and though may largely reflect the particular industry, they can only be adjudged correct and true as far as Chartered Bank Limited is concerned.

1.5 STATEMENT OF HYPOTHESIS

1. HI: That marketing concept is relevant in the realization of banking objective.

   HO: That marketing concept has no relevance in the realization of banking.

2. HI: That marketing concept when applied influences customers patronage.

   HO: That marketing concept when applied does not influence customers patronage.

1.6 SIGNIFICANCE OF THE STUDY

Marketing concept application for banking organization could help in ensuring that aim and objectives are achieved successfully. The significance of this study will therefore, be based on identifying analyzing, reporting and advising the banks (Chartered Bank on how marketing concept techniques can be applied to their business in order to satisfy the needs and wants of customers, and how their services can be improved. It is hoped that the study will give banking industries a foresight into identifying marketing opportunities and show the bank when and where tools and techniques can be used in solving their problems.

However, for the overall corporate objective of prosperity, growth and continued life of the business, the commercial banks need to consciously structure their services in such a way that they cater for the financial needs of not only the customers bu also the prospective customers.

Banking is a conservative business in nature and special characteristics of its market, the services are homogenous and sold by various banks, this research study can serve as forward thinking to the market needs and to tailor services of the customers specific needs.

The beneficiaries of this project research work can not be over-emphasized. Higher Institutions of learning such as Universities, Polytechnics, College of Educations, Lecturers, Students of my department and other related professional fields of endeavour are not left behind.

However, this research can serve as consulting guide to Banking Institutions, finance houses, Business Firms both private and public, insurance companies and other financial service industries. Also, to Government institutions, researchers and other competing organizations.

1.7 BACKGROUND OF THE SUBJECT ORGANIZATION

Chartered bank limited was incorporated in 1988 to carry out the business of commercial banking. It commenced operation in the same year with an initial paid-up share capital of ₦10.0 million.

The Bank is 100% wholly owned by Nigerian institutions and private citizens. Majority shares of the Bank are owned by the Churchgate Group a renowned conglomerate with diverse interest in the global economy which have 17.4% of the share capital.

With its registered Head office at Plot 1619, Danmole Street, Victoria Island, Lagos, it has 16 branches spread across the major commercial cities of Lagos, Kano Port-harcourt, Abuja, Kaduna and others.

The affairs of the Bank is being piloted by a board of seasoned professional and Administrators comprising Lt. General M. I. Wushishi (Chairman), Mr. O. Olagundoye (Managing), Professor A. B. Kasunmu (SBN), Professor G. O. Nwankwo, Mr. B. I. Mahtani (Churchgate) and Mr. R. I. Mahtani (Churchgate).

The Bank has satisfied the new legal requirement of having ₦500.0 million minimum paid-up share capital by having ₦505.0 million. The bank's shareholders' funds stood at over one

billion as at 31st March, 1998 (The Bank's new financial year end) The Bank's total asset base stood at over ₦11.0 billion out of which about ₦7.7 billion accounts for its deposit base.

The Bank is categorized among the new generation banks with a lot of innovation in the market. Like its peers it operates in a highly computerized environment. The Management has this to say on information technology.

"The changing market place has constantly forced players in the banking industry to redirect their focus. These changes, instigated by factors such as competition, globalization, regulatory authorities and the v=ever growing sophistication of our customers are continuously shaping the way banking business is done. The dynamics of today's corporate world have made the viability of products and services in the banking industry dependent on the effective deployment and integration of information technology.

At Chartered Bank, we remain unwavering in our determination to provide excellent and unparalleled services delivered by tested professionals, using state-of-the-art Technology. The continuous review of our IT strategy attests to the fact that we have made the application of IT an integral and dominant part of our business processes, thereby bringing about quantum improvements in the volume, speed and quality of our service delivery.

Presently, all our branches are linked together in a WIDE AREA NETWORK, making it possible for our customers to transact business across our branch network, irrespective of where the accounts are domiciled.

The need to improve the level of communication within the bank and ultimately the response time to our customers' requests informed the decision to install an INTRANET. With the INTRANET, employees can communicate via electronic mail and keep abreast of latest developments in the bank.

We have also recently introduced home/office banking through our product called CHARTEREDLINK. With CHARTEREDLINK, our client can obtain up to the minute balances on their accounts, review and print account statements, send and receive E-Mail, chart on-line with their accounts officers and make requests; all from the comfort of their offices or homes.

Furthermore, we have put in place the INFODRECT facility that allows customers to obtain information on their accounts with ease. With INFODIRECT, our customers can access their accounts from a computer system strategically located in our banking halls. It is user-friendly, secured with a Personal Identification Number and requires no assistance to operate.

"We are also in the process of replacing our software banking application with a business driven application ready for the challenges of the next millennium".

FINANCIAL HIGHLIGHTS

	March 1998 [15 months] ₦'000
Gross Earnings	1,772,472
Net Earnings	1,444,207
Operating Expenses	978,701
Profit Before Tax	410,829
Profit After Tax	373,182
Shareholders' funds	1,000,367
Total Deposits	7,673,704
Total Loans & Advances	4,518,436
Total Assets	11,281,122
RATIOS:	
Return Equity (%)	74

Return on Assets	3
Earning per Share (kobo)	37
Dividend per share (kobo)	11.5

PROSPECTS FOR THE BANK

"Our Bank is committed to delivering to the customer a high value in financial services, at all times, by assuring high quality service at a competitive price. Towards achieving our proclaimed strategic intent, the implementation of the re-engineering programme for all our activities and processes is on course. We are building a strong foundation for growth, by first focusing on operational effectiveness - a concept which includes, but is not limited to, process efficiency - in all our activities.

The bank is determined to be a leader in consumer banking and to derive substantial business and income from consumer finance by effectively utilizing its branch network to deliver products and services of high value to the customers. Our efforts in product innovation and in developing consumer banking business have yielded bountiful results for customers, both existing and prospective, in the range of products and services that are available from the bank.

The Home Improvement Scheme (HIS) and Advance Credit, are risk asset products for the mass market. We also offer personal deposit products such as: Children Educational Savings Scheme (CHESS); High Yield Current Account (HYCA); and Portfolio Management Services. These products are targeted at specific market segments through the use of our enhanced data base management system which enables us to draw significant relationships. WE are in the final phase of preparatory work for the launching of the bank's Smart Card product. Our Cards services will be delivered within the framework of a consortium of banks offering the generic product. We shall therefore strive to brand our card products.

Our vision to have a strong branch valuation for each of our products and services. In this way, the bank will be able to maintain a sustainable growth and the name - Chartered Bank will be equated with quality and integrity.

1.8 DEFINITION OF TERMS

MARKETING: The management process responsible for identifying, anticipating and satisfying customer requirements.

MARKETING CONCEPT: The business philosophy that identifies the needs/wants of customers and satisfying to the long-run profit to the organization.

PRODUCT: A tangible object that can be seen felt held before making a purchase.

SERVICE: An intangible benefits that cannot be seen, felt and neither visualized.

SALES ORIENTATION: The business philosophy that makes customers not to buy goods/service unless a salesman makes a substantial effort to stimulate their interest in his product/service.

MARKETING ORIENTATION: A management philosophy that holds the key in achieving organization's goals which consist of the determination of the needs of a target market.

ADVERTISING: Is any paid form of non personal presentation or promotion of ideas, goods and services by an identified sponsor.

BANK MARKETING: That part of management activity which seeks to direct profitably to select customers.

BANK: As a lender in money and credits, holding itself out to receive from the public, deposit payable on demand by cheque.

MARKETING MIX: Consist of the four Ps i.e. product, price, place and promotion for the tangible. For the case of tangible (i.e. services) additional variables are required to influence demand. These variable include the physical evidence, process and people.

CHAPTER TWO

2.0 REVIEW OF RELATED LITERATURE

The present depressive economic experience in the country, climaxed by distress in the banking sector, inflationary trend.

Recession among others, has posed challenges to all business experts, especially marketers. This chapter therefore, seeks to investigate he implementation of marketing concept in the present market condition in Nigeria with particular reference to the banking sector.

In general terms, marketing requires executive to be in frame of mind that realizes if there are no customers there is no business. The marketing concept on the other hand, acknowledges that a business geared to serve the needs and requirements of customers will achieve better results over a long period of time than a company whose executives are not so motivated.

A marketing oriented organization therefore, is the one that has placed its customers and their needs or wants at the very centre of its business decisions.

2.1 MARKETING CONCEPT

Among the more popular alternative definitions are variants of marketing starts and ends with consumer satisfactions. This assertion was observed by an early economist, Adam Smith (1976) when he wrote that "Consumption is the sole and purpose of all production; and the interest of the consumer: "

Similarly, long-term relationships are desirable for most businesses. The concept of a business operation as a going concern with an infinite life suggests that repeat purchase is important Robin (1978, P.9) has observed that "a dissatisfied customers is not likely to continue trading with a business".

Staton, (1981: P.8-9) stressed that as business people have began to recognize that marketing is virtually important to the success of a firm, an entirely new way of business thinking a new philosophy as it is based on three fundamental beliefs.

- All company's planning and operations should be customer oriented.
-Profitable sales volume should be the good of the firm and not just volume for the sake of volume alone.
- All marketing activities in a firm should be organizationally coordinated.

In conclusion, he said that in its fullest sense, the marketing concept is a philosophy of business that states, that the consumer's want satisfaction is the economic and social justification for a firm's existence. Consequently, all company activities must be devoted to finding out what the customers want and then satisfying those wants, while making a profit over a long-run.

Kotler (1988: P.17) conceives that "the marketing concept is a business philosophy that arose to challenge the previous concepts. Although it has a long history, its central tenants did not fully crystallized until the mid 1950s.

He highlighted that the marketing concept hold that the key to achieving organizational goals consist in determining the needs and wants of target markets more effective and efficiently than competitors.

Furthermore, he said that the marketing concept rests in three main pillars namely - a market focus - orientation, coordinated marketing and profitability. The selling concept takes an inside-out perspective; It starts with the factory focuses on the company's existing products and calls for heavy selling and promoting to produce profitable sales.

BY: A^20. UMERAH, 1992

The marketing concept takes an outside in perspective it start with defined market, focus on consumers and produces profits through creating customers satisfaction. In essence, the marketing concept is a market focused, customer oriented and coordinated marketing. It effort is aimed at generating customer's satisfaction as the key to satisfying organizational goals.

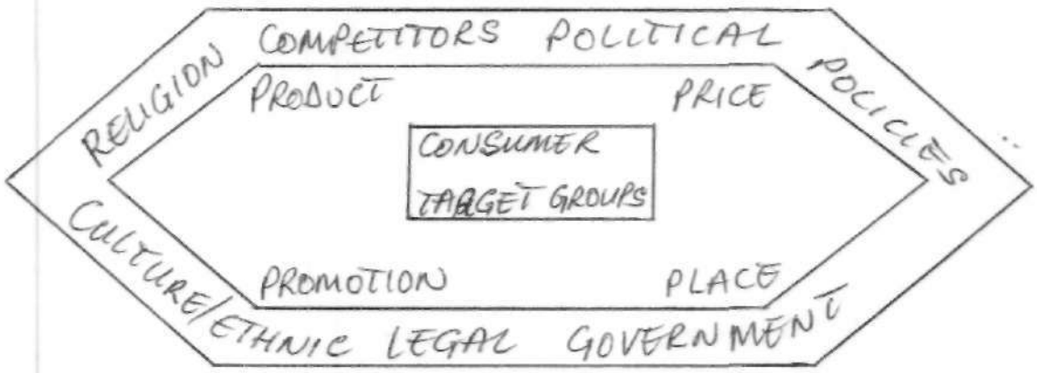
Umerah (Marketing Reaction unpublished date 1992 P.28) viewed marketing concept "as a philosophy or a way of thinking that permeates the entire organization". This concept incorporates three key criteria:

(I) Customer orientation! That is, the objectives of the firm are stated in internal human needs.

(II) Profitable sales: The key objective is long-run, not short-run, profitable sales.

(III) Integrated marketing: Top marketing management reports directly to the firms top management.

Graphically, the task of marketing management in incorporating the marketing concept is illustrated below:



MARKETING MANAGER'S FRAMEWORK

SOURCE: MARKETING REACTIONS

The central focus of marketing concept is the consumer, shown here at the centre of the diagram, surrounded by the marketing mix-product, price, place and promotion. These are factors that are generally controllable by the firm/organization; Factors that are less controllable by organization/firm include professional legal environment, the resources and objectives, the firm, the existing business situation, the economic environment as well as the cultural and social environment.

The key activity that makes the marketing concept work is after marketing research. If the central frame of the firm or industry is the consumer and if the objective of the firm is consumer orientation with profitable sales, then it is only through marketing research that the industry can ascertain what the customer consumers desire and the satisfaction of these wants.

Swift (1982:222) said "that the concept is contemporary philosophy of business, he further said that "marketing is a customer oriented activity". The objective of the firm and of the marketing department is to develop products that satisfy customer needs not just to produce high quality goods and services.

Wright (1977-78) stated that "marketing concept is a unifying approach marketing and directing the total resources of a business firm towards the determination and satisfaction of consumer needs and wants in way planned to enhance the firms overall profits position".

Under the marketing concept, the marketing department becomes the dominant force in the business enterprise. It sets the tempo for all departments including production, finance, etc. This philosophy is expounded by the Drucker, the famous management professor, consultant and writer.

However, Berman (1979:21-22) stated the "any firm that wants to succeed must adjust its strategy in response to consumer preferences", customer orientation is very pertinent to an

organization.

To have a greater appreciation of marketing concept we look at what other writers said as quoted by Sam Tende (1996) "The premises of the selling concept are:

- Consumers normally tend to avoid buying some things that are not essential.
- Consumers can be stimulated or talked into buying more through various sales - stimulating devices.
- The organization's task is to organize a strong sales - oriented team as a means of attracting and keeping customers.

The selling concept is used on "unsought goods" such as Insurance encyclopedias and club membership. These group of sellers are often armed to the teeth with various techniques aimed at finding prospects and pressure selling them on the benefits of their products.

Larry Rosenberg believes that the marketing concept of an organization is a matter of customer orientation. The organization determines the needs and wants of target markets and adopts itself to delivering the desired satisfaction more effectively and efficiently than its competitors.

Note:
- Must find out not only needs but wants.
- Must adopt right at the beginning and not at the end of the production cycle.
- That is every adjustment, both in name or slogan, or in machinery or men must be adopted to the need of the customer right from the beginning.
- Effectively and efficiently have to do with profitability and met objectives, which will keep the organization in business to continue serving.

Riseley accepts that the marketing concept has become popular, but that its implications are not always understood. Another author, Tavisk holds the view that the marketing concept appears attractive in theory but very difficult to implement. One cannot therefore, seek

instant salvation from it because of the difficulty of marrying the theory to practice.

- As a result most managers spend a lot of effort on the techniques such as market research and forecasting, but fail to realize the huger benefits or gains that accrue from changed managerial attitudes.

- The net result is that the marketing concept becomes partially implemented if at all.

In fact Risely strongly believes that "renaming a sales by a marketing department may look good on a chart for the directors or annual report but it accomplishes little except for both the viewer and the manager. Also arrangement of people on the organization chart will accomplish little. It is the individual who is oriented, not the company.

The problem with the marketing concept has assumed an immense dimension that there has been a plea for the revision of the concept. R. Groeneveld and R. D. Medford in their book "IS IT TIME TO REVISE THE MARKETING CONCEPT?" suggest that emphasis on the somewhat unique interests. According to them this will leave the supplier with some scope to make his own interpretations.

MAKING THE MARKETING CONCEPT WORK

Inspite of the difficulties inherent in implementing the marketing concept, Rosenberg believes that "where there is a will to use the marketing concept, there will be a way to implement it". However, the proper method of implementation will vary with each organization's size, product, markets, management style etc.

To make the marketing concept work, there must be:

1) **Customer Orientation**

This orientation must be top down. That is, it has to start with the head of the

organization. This executive must have thorough understanding of the concept and its application to the organization. In fact he has to adopt a marketing frame of mind.

- This commitment to the marketing concept must also be shared by key members of the executive staff. There must be a unity of purpose, and outlook.

- The prima donna syndrome in which a particular person or unit within the organization perceives himself (or itself) as the heart of the company, with other persons or units performing only peripheral functions should be avoided.

This is the beginning of the marketing concept.

2) **Marketing Organization (Marketing Orientation)**

There must be a marketing department with a marketing executive, integration of marketing functions and a marketing staff.

This is the phenomenon which makes the marketing concept and process possible.

Note: The difference between the marketing concept, (OR MARKET ORIENTATION) and marketing orientation.

Integration is necessary because:

a) Marketing is in nature, one part, Art while the other is science. The conceptual imagination and operational skill of arts must therefore be integrated with the statistical and behavioural aspects of science.

b) Marketing makes use of all the possible elements or actions for reaching and influencing consumers and customers - product design, price, distribution and promotion (both selling and advertising).

c) It involved all top executives of an organization regardless of their assigned responsibilities.

d) All the steps of action must be knit together in a purposeful plan.

3) A profitable volume criterion (Not just Sales Volume) as an honourable goal. This ensures continued service to customers. Under the marketing concept, it is the long run profits that should be sought. Because of large production or marketing expenses called for in launching a product, profits may be low or non existent in the short-run. Long-run profits are often used to measure the balance between customer satisfaction and organization's financial efficiency (Rosenberg).

BENEFITS OF THE MARKETING CONCEPT

The main potential benefits to derive from implementing the marketing concept are:

- Reduced business risk as a result of systematic marketing research, the scientific acquisition and analysis of market data relevant to decision-making and better marketing and sales forecasting.

- Improved business planning as a result of earlier identification and assessment of future marketing trends and opportunities and the acceptance of a planning discipline based on defined objectives with which all departments must gear their programs.

- Greater competitiveness based on marketing skills - as more and more of our competitors achieve technological and manufacturing efficiency, the differences in the products from companies will tend to narrow.

LIMITATIONS OF THE MARKETING CONCEPT

If a company is in the wrong business or badly managed, marketing is useless. For example, it has proved impossible to salvage both the Nigerian Railway and Nigerian Airways because

their management are just bad. No amount of advertising or sales promotion can help them.

INTERNAL DISSENSION

Disruption effect often prevail when certain functions previously under their departments are transferred to a newly created marketing unit.

INCREASED COST

The addition of marketing unit to take charge of the marketing concept means an addition to the existing work-force. This also means increase, in the organizations outlay for salaries, benefit and facilities.

LACK OF SUITABLE PERSONNEL

The old batch of marketing managers find it difficult to adapt to a market orientation. On the other hand, the search for new marketing personnel has proven tedious.

NEEDS

The concept of "Needs" is basically confined to living things. By this we mean that only living things have needs. On the contrary, non-living things do not have needs at all. At a certain age human beings need life partners; plants need water, air and sunlight to live.

Philip Kotler defined Human need as a state of felt deprivation in a person. According to Kotler, Human needs are plentiful and so complex. "They include basic physiological needs for good, clothing, warmth, and safety; social needs for belonginness, influence, and affection and individual needs for knowledge and self expression.

An individual is bound to feel sad if he or she cannot satisfy his or her needs. A sad person will do one of two things to satisfy his needs.

1) will act or do something to acquire the object that will satisfy the need;

2) extinguish the desire.

WANTS

For human being to have a want, he must first of all have a need. Wants are however, defined by a person's culture and the way he was brought up. Consequently if a person is hungry, and he is say, from Benue State, his need will be expressed as a want or desire for pounded yam. If he is from Calabar his need will be expressed as a desire or want for Edikangikong soup.

Needs are not created by markers. They are always there. Successful marketers can however, create wants.

DEMAND

It is natural for people to have many wants. In Nigeria, for example, there has been the sudden want or desire for bread, imported items as well as luxury goods. These wants can however, become demand when the person is able and willing to pay for or buy the object he or she desire. In the case of bread, the want or desire for bread becomes a demand when the person buys the bread.

PRODUCT

From our discussion so far, we have seen that individuals have needs or wants. A product is therefore, anything that is seen as being able to satisfy a need or want.

Suppose you are thirsty, this state of deprivation can be expressed as a desire or want for cold water, beer or soft drinks. Here, cold water, cold beer or cold soft drinks are all products that are capable of satisfying the thirst need. These products are referred to as the "product choice set"

A product is also referred to as anything capable of rendering a service - i.e. satisfying a need". Consequently persons, places, organizations, activities and ideas can be said to be

products. The term product can also be substituted by the term satisfier, resource or offering.

2.3 MARKETING OF SERVICES

According to Rabiu (WEEKEND TRUMPET, SAT. Date (26/12/92 p.15) Unpublished data) "Marketing of services like two basic functions in the community; namely those of production and consumption". He further says as society has become more complex and the processes of manufacture and supply more varied, so the means by which community is supplied with the goods and services it demands has itself become more complicated and important.

Within the business enterprise, it is the marketing activity which should provide this means, by ensuring the enterprise supplied its market with goods or services that customers are willing to buy.

From the view point of the business enterprise therefore, marketing is an activity which is directed at satisfying the needs and wants of customers through exchange processes which occur in the markets.

An exchange process actually means that transaction between buyer and seller, in which the buyer purchases a product and pays the suppliers an agreed price for his wares. The market itself is made of all the actual or potential buyers of these products or services.

According to Olalusi (1986) marketing of bank service is "identifying and stimulating demand for the banks services; meeting the demand by making available the banking services in the most effective manner to present potential customers and achieving the profit and other objectives related tot he identification, stimulation, and satisfaction of demand for the bank services.

The focus of marketing banking services is on the customer for without a total commitment to him on the part of the company as a whole, the application of advanced marketing

techniques can have only limited and brief effects.

Maiden (1983 p.22-23) observed however, that "many banker are fast reading the importance and impacts of marketing in their related". They are recognizing that marketing is changing not only the manufacturing organization but banking and financial world.

They are coming to grips with the idea that customers needs and desires are the basis upon which the future of their business depends. The increasing importance of marketing in the banking industry according to maiden is as a result of three occurring market place factors.

a) increased competition for customers.
b) increased technology and
c) increased cost of meeting customer needs profitably.

Under these circumstances the changes are more and more the acquisition of funds rather than the employment of them.

Saidu (1991) further perceived that service is very fundamental to banking and in fact it is the pivot around which banks revolve for survival. Since it is the core of real banking its importance need not be over-emphasized. The term "Service" is very broad in meaning and includes among other things, cheerfulness and politeness at the counter, respect for and fair treatment of customers. Hence, it is performed rather than physically processed.

According to Staton (1981) Services are those separately identifiable, essentially intangible product or another service. To produce a service may or may not require the use of tangible goods. However, when such use is required, there is no transfer of the title (permanent ownership) to these tangible goods.

Some people might argue that there is no such thing as service marketing, but only marketing

in which the service element is greater than the product element. We recognize that there is both a product component and a service component in the sale of most, if not all goods. However, many service organizations (such as insurers, consultants and barbers) do no think of themselves as producers or sellers of goods. They see themselves (as do most of their customers) as providers of services.

In theory, product marketing and service marketing are essentially the same. In each case, a marketing program is built around the parts of the marketing mix - the product (service, the price structure, the distribution system and the promotional program. Moreover, there often are substantial similarities in practice. At the same time, however, significant difference do exist between product marketing and service marketing. The strategies and practices used in conventional product marketing often are inappropriate for service marketing. Service marketing often calls for a different approach. The service company should therefore pay particular attention to the "product-planning"stage of its marketing program. From the beginning management must do all it can to ensure consistency of quality.

Perishability and Fluctuating Demand: Services are highly perishable, and they cannot be stored. Unused electric power, empty seats in a stadium, and idle mechanics in a garage all represent business that is lost forever. Furthermore, the market for service fluctuates considerably by season, by day of the week, and by hour of the day. Many ski lifts lie idle all summer, and often courses in some areas go unused in the winter. The use of city buses fluctuates greatly during the day.

There are some notable exceptions to this generalization regarding the perishability and storage of services. In health and life insurance, for example, the service is purchased. Then it is held by the insurance company (the seller) until needed by the buyer or the beneficiary. This holding constitutes a type of storage.

The combination of perishability and fluctuating demand offers product, planning, pricing and

promotion challenges to service company executives. They might look for new used for idle plant capacity in off-seasons. Through advertising, they can show consumers the advantages of using city transportation facilities during non-peak hours. In an attempt to level demand, telephone companies offer lower rates at nights and on weekends.

THE MARKETING CONCEPT AND SERVICE MARKETING

The growth in services has generally not been due to marketing developments in service industries, but rather to the malnutrition of our economy and our rising standards of living. Traditionally, executives in our services companies have not been marketing-oriented. They have lagged behind sellers of products in accepting the marketing concept, and the have generally been slow in adopting promotional methods. "Product" strategies, and other marketing techniques. Marketing management in service firms has not been especially creative. Innovations in service marketing have come typically from product associated companies.

We can identify some of the reasons for this lack of marketing orientation. No doubt, the intangibility of services creates more difficult marketing challenges for service sellers than for product sellers. In many service industries - particularly professional services - the sellers think of themselves proud of their ability to repair a car, diagnose an illness, or give a good haircut. They do not think of themselves as business people.

The all-encompassing reason,, however, is that top management does not yet understand (1) what marketing is or (2) its importance to a company's success. These executives seem to equate marketing with selling, and they fail to consider other parts of the marketing system. They also do not effectively coordinate their marketing activities. Many service firms lack an executive whose sole responsibility is marketing the counterpart of the vice president of marketing in a goods-producing company.

The banking industry provides an interesting example of a service industry, that in the past

has not been marketing-oriented, but that has, in recent years, been struggling to make the transition to modern times. For years commercial banks made customers feel as if they should be honoured to have their money in a checking account with no interest, but with a service charge. And savings account earned very low interest rates. Banks were marble mausoleums; tellers were faceless people behind protective bars; and the banker was a "back-hatted and caped villain," stereotyped in song and story.

Most banks are striving to change those images because the market situation in banking has changed appreciably. Competition from both within and outside the industry has intensified. To meet the challenge, many banks finally started to do a little marketing. In fact, some banks moved aggressively to shorten the transition period by pirating marketing executives from consumer-product companies. Banks are establishing marketing departments, conducting sale straining programs and engaging in marketing research. They are running hard-sell "product" ads, expanding their service (product) ix, and sending their employees to bank-marketing executive development programs.

Banks are making concerted efforts to attract retail (consumer) business. Buildings and internal layouts are now designed to project an image of warmth, friendliness, and informality. Bank credits cards have been initiated for consumer convenience (and, incidentally, additional revenues). Other new service include insurance, personal financial counseling, payment of customers' monthly bills, 24-hour outside deposit and withdrawal facilities, and programs for electronic banking in supermarkets.

A NEW ERA IN BANKING INDUSTRY

A new er has downed for banks. The rapidly changing economic climate for Nigeria has paved new opportunities and posed new challenges for the banks. The economic reform ensures have created new roles for banks and introduced a new dimension in business and industrial organization in Nigeria.

The marketable consequences of the adjustment have brought a lot of companies and institutions to the corporate finance departments for the first time. Such compelling circumstances include corporate failures or threats of it, the need to rationalize corporate operations, backward integration and export drives. There's also the need to increase working capital and restructuring of distorted capital structure of firms.

The areas of new era in banking industry now involved in the productive sectors of the economy, they are still heavily concentrated in the short-term end of the credit market. This will change with time (Mr. Olurotimi G. M. International Merchant Bank) assures a shift to long term financing is meritable and its already happening he said. He told (the Nigerian Economist Vol.2 No.23 P.13-14 1989 unpublished) that with the movement from strict trading to manufacturing and backward integration, the financial instruments would equally reflect that orientation.

He further viewed that "banks are now being attracted by the profit motive into some areas here government had unsuccessfully persuaded them to go in the past". In the course of satisfying their profit motive, analysts, say, they will empty their superior skill and expertise to mobilize the financial material and human resources for increased production.

In the present economic setting the nation is full of expectations of banks by virtue of their skill to translate a project idea into reality and their ability to mobilize long-term frame, constitute a great vehicle for industrial development and economic growth. According to Mr. Olawole J. A. (M.D. Abacus Merchant Bank), our aim is to assist the country to move absolutely no reason why in another 10 years or so our export-import position should not be reversed," he said. In order to achieve this objective, Adewumi identified three main roles for banks; These include financial advisory services, long-term projects financing and creation of specialized financial services which a typical commercial/merchant bank can provide. In his view, banks should also prepare as the need arises, their financial engineering in such away that an ordinarily considered unfeasible will be feasible at the end of the day.

However, he viewed efforts of merchant banks have generally stepped up their marketing efforts in search of the federal and state governments privatization and commercialization jobs. They are not only in competition with themselves in the privatization exercise; they are also competing with stock broking firms. Also, almost every merchant bank has a stock broking arm, such that what ever it cannot get as bank, it may get as a stock broking firm.

Mr. Denis R. (Former M.D. Crown Merchant Bank), see's a big role for merchant banks in the privatization exercise. He told "The Nigeria Economist" that while every privatization exercise that was completed in United Kingdom was a very profitable going concern, in Nigeria most of the companies being sold have lacked something in the past. "There are many of them that can be described as lame dogs. Those are the companies that before they can be privatized, have to put their houses in order", he said. In his view the role of merchant banks is to first help restructure the companies to make them profitable and therefore attractive to investors.

New banks have over taken quite a number of the old ones and have surprised every one by way of returns. Attend is noticeable, a decline in the profits of some of the older banks and a rise in those of the new banks.

Those who are running the new bank have come from the old banks, but they are now releasing the ideas they had lacked the opportunity to implement in their former places. In all, the whole exercise is more or less a game of chance. In a few years from now, the results will begin to show which banks can and which cannot galvanize themselves in the system. The indication is that many of them will meet the challenges but those whoa re growing too fast may be swimming in troubled waters. According Mr. Patrick J. D. (Former M. D. Merchant Banking Corporation), the too aggressive banks may go under, banking is a conservative business, he said. If you sharply enlarge the loans portfolio in six months, 20 percent may go bad," he told the Nigeria Economist in an interview over the years in Chicago, United States, he recalled, a number of banks came into the system. "Those that grew too

quickly had problems, but those that grew conservatively stayed," he said. One way to get on well as a bank, he believe, is to try to be different from all the others.

2.5 HOW BANKS LEARN THEIR MARKETING STRATEGY

Thirty years ago most banks neither understood nor practiced marketing. Bankers simply assumed that customers needed them in the mid-1950s, however, competition increased to the point where some banks aggressively turned to marketing, though still not quite understanding it.

P. Kotler narrated five marketing stages in the banking industry in his famous book (1988 P.188).

1. Marketing is advertising, sales promotion and publicity. At first the banks thought marketing simply amount to the use of some advertising, sales promotion and publicity to attract new customers.

2. Marketing is smiling and a friendly atmosphere. Banks then realized that keeping the new customers required a pleasant manner and an attractive environment.

3. Marketing is innovation. Then some banks realized that marketing consists of developing new services to meet new needs and wants, the marketing department would research customer needs, design new services, and development plans for marketing them.

4. Marketing is positioning. Many banks soon found themselves going after the same customers and looking very much alike. A few banks started to concentrate on certain target markets in order to develop a distinct position in the market.

5. Marketing is analysis, planning and control. Banks are currently realizing that effective marketing requires certain organizational forms and advanced system of marketing analysis, planning and control.

Not only banks but other institutions that turn to marketing seem to go through a period of "slow learning" before they fully grasp the revolutionary character of marketing.

2.6 SERVICE MARKETING MIX

The effectiveness of any service marketing rests on the efficiency of the blend of the marketing mixes. No single mix can perform the magic ward for profitable service marketing. Because of the characteristics of services (intangibility), etc., the task of developing a total marketing program in a service industry is often uniquely challenging.

Marketing analysis is essentially the same, whether a firm is selling a product or a service. Marketers of services should understand the components of population and income as they affect the market for their services. In addition, they must carefully analyze why their customers want their services, and determine whether the several market segments have the same or different buying motives. Also, sellers must determine the buying patterns for their services - when, where and how do customers buy, who does the buying and who makes the buying decisions? The psychological determinants of buying behaviour - attitudes, perceptions, personality, etc are as pertinent in the marketing of services as in product marketing. In like manner, the sociological factors of social-class structure and small-group influences are market determinants for services. The fundamentals of the adoption and diffusion of product innovation are also relevant in their marketing of services.

New services are just as important to a service company as new products are to a product-marketing firm. Similarly, the improvement of existing products and the elimination of unwanted, unprofitable services are also key goals.

Product planing and development has its counterpart in the marketing program of a service industry. Management can use a systematic procedure to determine (1) what services will be offered, (2) what will be the length and breadth of the service mix offered, and (3) what, if anything , needs to be done in the way of service of attributes such as branding or providing

guarantees.

The high perishability, fluctuating demand, and inability to store service make product planning critically important to service marketers. A service industry can expand or contract its "product mix", alter existing services, and trade up or down. The reasons for these moves are familiar. The company may want to increase it total volume, reduce seasonal fluctuations in volume, or cater to changing buyer. Patterns such as the desire for one stop shopping. Dry cleaners, for instance, have expanded into laundry services, mothproofing, storage, dyeing and clothing alterations and repairs. Some service firms have effectively expanded their mix by working jointly with companies selling related services. For instance, automobile rental firms have working arrangements with airlines and hotels so that when customers fly to their destination, a car and a hotel room are reserved and waiting.

In some respects, "product" planning is easier for services than for products. Packaging, colour, labeling and style are virtually nonexistent in service marketing. However, in other areas - branding and standardization of quality, for instance service industries have greater problems. Branding is difficult because consistency of quality is hard to maintain and because the brand cannot be physically attacked to a aservice.

Standardization of quality in a service is an extremely important goal, difficult as it may be . In some fields such as beauty care, medical care and some of the creation industries, no attempt is made to mass-produce the service. Instead, the sellers offer custom service as required by each customer. Even in these caes, however, the customer wants consistent quality.

In the marketing of services, nowhere is there a greater need for managerial creativity and skill that in the area of pricing. Earlier we noted that services are extremely perishable, they usually cannot be stored, and the demand oftern fluctuates considerably. All these features carry significant pricing implications. To further complicate the situation, customers may

postpose purchases, or even perform some services themselves (auto and household repairs, for example).

These considerations suggest that the elasticity of demand for a service should influence the price set by the seller, interestingly enougy, sellers often do recognize inelastic demand. Then they charge higher prices. But they fail to act in opposit fashion when faced with an elastic demand - even though a lower price would increase unit sales, total revenue, utilization of facilities and probably net profit.

Certainly perfect compeition does not apply to any extent, if at all, in the the pricing of services. Because of the heterogeneity and the difficulty of standardizing quality, most serfices are highly differentiated. Also, it is virtually impossible to have complete market information. Further, in any given market, such as a neighbourhood, there are often geographic limited within which a buyer will seek a service. Consequently, there is not a large number of sellers. The heavy capital investment required to produce some services (transportation, communications, medical care) often limits the freedom of entry considerably.

In some service industries, the private seller will establish a price, but it must be approved by a regulatory agency. This regulation of prices, however, need not stifle the opportunity for imaginative, skillful pricing designed to increase profits. Lower rates for long-distance telephoning at night and on Sunday and peak-load electricity pricing are examples of creative pricing to increase market penetration and profits.

In spite of all this, the basic method of price determination now used for services are generally the same as those for products. Cost-plus pricing is used for regulated service industria. It is also used for repair services where the main ingredient is direct labour and the customer is charged on an hourly basis. For other services (rentals, entertainment, legal counseling, management consulting), prices are determined primarily by market demand and competition.

Quantity discounts, for examples, are used by car rental agencies. The daily rates are lower if you agree to rent the car for a week or a month at a time. Cash discounts are offered when insurance premiums are paid annually instead of quarterly. Doctors and management consultants can use a variable-price policy. Motel or apartment owners offer multiple services (one bedroom, two bedrooms, suits), and they must price each service in relation to the prices of the others. Geographic pricing policies may be involved, although the variable here is time, not freight charges. Mechanics will charge more if they must go out of town, and a doctor will charge more for house calls than office calls.

Traditionally, most services have been sold directly from producer to consumer or industrial user. No middlemen are used when the service cannot be separately from the seller or where the service is created and marketed simultaneously. For example, public utilities, medical care, and repair service are typically sold without middlemen. Not using middlemen does not limit the geographic markets that service sellers can reach. But it also enables the sellers to personalize their service and to get quick, detailed customer feedback.

The only other frequently used channel includes one agent middleman. Some type of agent or broker is often used in the market of securities travel arrangements, entertainment, and housing rentals. Sometimes dealers are trained in the production of the service and then are franchised to sell it.

In recent years, some firms have realized that the service characteristic of inseparability is not an insurmountable limitation to a seller's distribution system. With a little imagination in management, a service marketer can broaden its distribution considerably. Let's look at some examples, starting with location. The location of the service seller, or the seller's agent should be conveniently accessible to customer traffic, because many services cannot be delivered to the customer. Many motels and restaurants have gone out of business when anew highway bypassed their location, thus drawing away the customer traffic. On the other hand, banks have increased their business by setting up tellers' windows accessible to drive-in

customers and by setting up 24-hour mechanical "banks".

The use of intermediaries is another way to broaden distribution. Some banks have arranged for companies to deposit employees' paychecks directly into their bank accounts. The employer thus becomes an intermediary in distributing the bank's service. Insurance forms have expanded their distribution by setting up vending machines in airports.

When intermediaries are used, both their effectiveness and their market coverage can be expanded by "Industrializing" their jobs. Theodore Levitt has suggested several innovative ways to substitute equipment for highly paid service specialists who are human limited in the services they can create and market".

The characteristic of intangibility means that physical distribution problems are basically eliminated for many service producers. For example, other than supportive supplies, accountants have no physical inventory to store or handle. However, not all service producers are free from physical distribution problems. A chain of equipment rental stores would have to contend with inventory problems. A few years ago, the hotel industry in Atlanta had such a surplus of rooms (inventory) that one large hotel filed for bankruptcy. And most others were operating below their break-even levels.
Management's task is especially difficult when the company must build a promotional program around intangible service benefits. It is so much easier to sell something that can be seen, felt and demonstrated. In the marketing of services, personal selling, advertising, and other forms of promotion are all used extensively.

Personal selling is essential when developing close relationships between the buyer and seller. While point-of-purchase displays of the services offered are often impossible, displays of the results of using the service can be effective. Many service firms, especially in the recreation-entertainment field, benefit considerably from free publicity. Sports coverage by newspapers, radio and television helps in this matter, as do newspapers reviews of movies, plays and

concerts. Travel sections in newspapers have helped sell transportation, housing and other services related to the travel industry.

For years, of course, advertising has been used extensively in many service fields - housing, household operation, transportation, recreation and insurance, for example. What is new in the use of advertising by firms in professional-service industries-lawyers, accountants, and doctors for example. Previously, the professional associations in these fields had prohibited advertising on the grounds that it is unethical. These associations still try to limit and control the advertising. However, several court and regulatory-agency decisions make it clear that prohibiting a professional firm from advertising is restraint of trade and thus a violation of the antitrust statutes.

As an indirect type of promotion, doctors, lawyers and insurance agents may participate actively in community affairs as a means of getting their names before the public. Service firms (banks, utilities, railroads) may advertise to attract new industry. They know that anything that helps community grow will automatically mean an expanded market for them. A promotional program in a service company should have three major goals. The first is to portray the service benefits in as appealing a manner as possible. The second is to differentiate its offerings from those of competitors. And the third is to build a good reputation. Because the firm is marketing intangibles, reputation is critical. Advertising campaigns can stress the dependability of the service - its consistent high quality. Ads can also emphasize the courteous, friendly, efficient service.

In the Banking Industry service marketing objective can only be achieved through adequate planning situational analysis, plan implementation and ensurance of effective control. In implementation banks tend to rely on co-ordinated appropriation of the marketing mixes commonly referred to as the 4Ps - Product, Price, Place and Promotion. Services marketing mix has been evolved to take special care of accessibility needed to allow simultaneous production and consumption of bank services.

PRODUCT: The quickest way for the marketing of financial services is through increase and improvement of existing services. Product here means the various services offered by the bank, deposits, savings, current accounts loans etc. These services need to be popularized and identified with the needs of the customers, in some cases systems offers should be evolved to induce the customer's patronage.

PRICE: The price in banking is the interest charged for deposits, loans, savings etc. The banks and other monetary authorities often bring interest rates that leave little or no room for competition until recent decree that left the Central Bank as the sole body that fixed the rate of interest. Since the banks cannot individually fix the rate of interest price has seized to be a competitive instruments. This statement is however not true if one considers the fact that only the ceiling is fixed by the Apex Bank (Central Bank), Commercial banks and other financial institutions can then fix their changeable interest within the ambit of central bank stipulations. Price has hitherto become an effective element of the service marketing mix, since banks become authorized to fix their interest rates. In this wise the fixing of interest takes into consideration the various potential customer's depositions. Interest rate variance is designed for competitive purposes.

PROMOTION: Bank tend to stipulate sales through persuasive and informative communication. The promotional programmes centre on service benefits, such promotions induce high appeal, banks also use media advertising and personal selling to differentiate, their offerings, heighten new offers, build corporate image and to remind customers about their continued existence. However, promotion does not exist in isolation, but other promotional mixes have to be applied such as advertising, personal selling, sales promotion and publicity.

PLACE: Banks do embark on physical delivery of services and channel system formulating personal channel is used for service - sales offerings. The creation and siting of branch offices are located in strategic and convenient location to ease customers difficulties. Bank services are performed through bank staff and this requires personal competence and plausible

dispositions.

The efficiency of the staff or bank agent is necessary heightening sale and winning customers, apart from the above mixes additional elements are applied in the case of services. The sum total of these elements constitute the 4 Ps, the three extra mixes are the people, process and physical evidence; the convenience and speed of automatic outlet encourages the customers.

THE PEOPLE: This aspect deals with the type of individuals involved in the provision of bank service. It accounts on who performs the job, his qualification, experience, appearance, their mannerism and personalities. These factors includes favourable or unfavourable attitudes in the customers, and can affect the level of repeat business.

PROCESS: By process means the methodology uses in the delivery of banking services. Some banks are computerized while others rely on manual efforts of staff, the use of computer makes the job easier and saves the customers time. Bank customers are interested in express or rapid services rather than the energy sapping and time consuming services.

Moreover, the conditions attached to loans fall under process a longer repayment period could be more preferable to customer than a short period.

PHYSICAL EVIDENCE: The use of evidences as testimonials serve as a convincing factors to bank customers especially in the marketing of loan schemes, overdrafts, package deals or syndications. Big time customers of the bank could be sited as examples in order to convince customers to opt for different banking services.

CHAPTER THREE

3.0 RESEARCH METHODOLOGY

This chapter consists of different tools used in collection of data. Hence, emphasis is on the instruments used, research population and sample size, sampling procedures employed, justification for sample selection, produce and statistical techniques used in analyzing the data.

3.1 RESEARCH METHOD OR DESIGN USED

For the purpose of this study, the researcher has chosen survey method because it allows the use of primary and secondary data. For instance in the chapter two (II) of the study other authors' work were reviewed.

3.2 JUSTIFICATION FOR APPROACH USED

The researcher has chosen to use survey method because it is more relevant to the topic understudy and however, enables him to study and give full analysis of data collected which will result to valuable suggestions and recommendation to banking organizations.

3.3 THE RESEARCH INSTRUMENTS

The instruments used in this research survey are questionnaire, observation and personal interview.

QUESTIONNAIRE METHOD

Two sets of questionnaires are issued to collect the necessary data. The first is management questionnaire and then customers who use the services of the bank, the aim is to gather the views and opinion of both the management and the customers.

The questions on the questionnaire were aimed at finding the impact/relevance and importance of marketing concept as applied to banking from their own perspective and to

analyze to see whether the bank is able to perform efficiently towards its objectives.

OBSERVATION

The researcher have visited the bank premises in order to confirm certain facts during the interviews based on the information that was correctly obtained.

PERSONAL INTERVIEW

Hence departmental heads and some senior management personnel were interviewed to obtain first hand information about the services rendered by the bank.

3.4 RESEARCH POPULATION AND SAMPLE SIZE

The population of management staff of the bank is 40 out of which 10 are taken out as the sample size. For the customers out of 100, 20 were taken as sample size.

3.5 SAMPLING PROCEDURE EMPLOYED

The method to be used in sampling is simple Random sampling. It is a system of selection which gives individual of the population equal chance of being selected. The essence of random sampling selection is to avoid subjective bias arising from personal choice.

3.6 STATISTICAL TECHNIQUE USED IN DATA ANALYSIS

Under this, simple patronage method was used to analyze and interprete the results which correlation method was used to proof the hypothesis.

CHAPTER FOUR

4.0 DATA PRESENTATION AND ANALYSIS

This chapter of the study involves the analysis and presentation of data collected from the field work. The data collected is presented in tabular forms and data expressed in simple percentage.

4.1 PRESENTATION AND ANALYSIS OF DATA

The presentation below shows the responses of the returned questionnaires. The questionnaires were administered to management of the bank (10) and for customers (20) were administered to them.

THE RESPONSES FROM BANK MANAGEMENT

1. How long have you been working with the bank?

OPTIONS	No. OF RESPONDENTS	PERCENTAGE
One year	3	30%
Two years	3	30%
Three years	1	10%
Four years	3	30%
TOTAL	**10**	**100**

Source: Questionnaire.

From the above table, 30% have responded that they have been working with Chartered Bank for one year, 30% responded that they have been working with the bank for Two years while 10% opined that they have been with the bank for Three years. 30% have spent Four years and above.

Based on this analysis, it can be concluded that the recruitment exercise is on continuous basis.

2. What are your main bank's objective?

OPTIONS	No. OF RESPONDENTS	PERCENTAGE
Market Leader	2	20%
Profitability	4	40%
Efficiency	4	40%
TOTAL	**10**	**100**

Source: Questionnaire.

From the above analysis, it can be understood that from the personal view of the bank management 20% accept Market Leadership as what the bank is supposed to have as an objective and 40% which determine their view as profitability to be as the bank objective, another 40% of the sampled management staff accepts efficiency as the most important objective which will determines the survival of the bank.

However, this indicates that management of the bank gives emphasis on profitability and efficiency above all.

3. Do you understand the marketing concepts?

OPTIONS	No. OF RESPONDENTS	PERCENTAGE
Yes	8	80%
No	2	20%
TOTAL	**10**	**100**

Source: Questionnaire.

This table indicates that 80% of the respondents have clear and broaden knowledge of marketing concept while 20% do not have have knowledge of the marketing concept.

It can be concluded that marketing concept is being practiced by the bank and understood by the management.

4. It yes, does the marketing concept has relevance to the marketing of your services?

OPTIONS	No. OF RESPONDENTS	PERCENTAGE
Yes	10	100%
No	-	-
TOTAL	**10**	**100**

Source: Questionnaire.

The above table shows that, 100% of the management viewed that marketing concept has relevance to the marketing of their services.

5. If yes, how long have you been applying the marketing concept?

OPTIONS	No. OF RESPONDENTS	PERCENTAGE
1 - 2 years	1	10%
3 - 4 years	5	50%
5 years and above	4	40%
TOTAL	**10**	**100**

Source: Questionnaire.

The above table shows that 10% of the respondents viewed that, the marketing concept has been applied for 1-2 years, 50% responded that marketing concept by the full within 3-4 years, 40% of the management believed that marketing concept has been applied for 5

years and above. It will be safe to assume that the Bank has marketing concept in mind from day one.

6. How does the marketing concept influence your services?

OPTIONS	No. OF RESPONDENTS	PERCENTAGE
Favourable	8	80%
Unfavourable	2	20%
TOTAL	**10**	**100**

Source: Questionnaire.

The data above, as can be seen indicates that 80% of the respondents are of the view that customers responded favourably to the application of marketing concept, while the remaining 20% of the management believed that customers' reaction towards the marketing concept is unfavourable (negative).

7. How do you promote your services? Through

OPTIONS	No. OF RESPONDENTS	PERCENTAGE
Suggestion Box	3	30%
Personal Interview	6	60%
Others	1	10%
TOTAL	**10**	**100**

Source: Questionnaire.

From the above data, 60% of the respondents answered that the bank seeks customer needs through personal interview while 30% of the remaining staff are of the believe it is through suggestion box.

Based on this, the bank does take customers problems into consideration in solving them.

9. If it is through personal interview, is it induced by:

OPTIONS	No. OF RESPONDENTS	PERCENTAGE
Customer	2	20%
Customer Service Officers	4	40%
Credit & Marketing Officers	4	40%
TOTAL	**10**	**100**

Source: Questionnaire.

The result above implies that the bank do seek customer needs without waiting for the customer to complain. The Bank is seeking ways to satisfy the customer needs.

10. How do you rate your Bank in the industry today in terms of customer patronage?

OPTIONS	No. OF RESPONDENTS	PERCENTAGE
Among top 10	5	50%
Among top 25	2	20%
Average bracket	3	30%
Last 10	0	-
TOTAL	10	**100**

Source: Questionnaire.

From the above data analysis, the information shows that 50% of the respondents viewed that the bank ranks among top ten in the industry today. The general believe within the Bank is that they are at least at the Average bracket in the industry.

11. What do you think is responsible for your rating?

OPTIONS	NO. OF RESPONDENTS	PERCENTAGE
Customer Service	4	40%
Branch Network	2	20%
Aggressive Marketing	3	30%
Nos. A & C	1	10%
TOTAL	**10**	**100**

Source: Questionnaire.

The above table indicates clearly that 40% of the bank managment are of the opinion that the bank got its rating from customer service while 30% believe it is because of the Aggressive marketing strategy of the Bank. Branch network also helps as per 20% opinion.

12. What is the average percentage of your annual expenditure budget that goes to marketing?

OPTIONS	No. OF RESPONDENTS	PERCENTAGE
Less than 10%	1	10%
Less than 20%	2	20%
Less than 30%	6	60%
Above 30%	1	10%
TOTAL	**10**	**100**

Source: Questionnaire.

The results in above table shows that the Bank spends between 20% - 30% of its annual expenditure budget which may indicates the extent the bank considers marketing relevant in achieving its overall objective.

13. What in your opinion do you think the bank should do in general to enhance customer patronage?

OPTIONS	No. OF RESPONDENTS	PERCENTAGE
More Banking Products/services	5	50%
More Branches	2	20%
Competitive Interest rates	3	30%
More Advertisement	-	-
TOTAL	**10**	**100**

Source: Questionnaire.

The thinking within the bank from above table indicates that there is a need for more tailored products and services as well as competitive prices (Interest rates) which directly translate into marketing concept principles.

CUSTOMERS' QUESTIONNAIRE

RESPONSE FROM CUSTOMERS'

1. As a customer how long have you been operating with the bank?

OPTION	No. OF RESPONDENTS	PERCENTAGE
One year	4	20%
Two years	5	25%
Three years	11	55%
Above Three years	-	-
TOTAL	**20**	**100**

Source: Questionnaire.

Here, the table shows that 55% of the respondents have been operating with the bank from Three years and above, while 25% out of the customers have been operating for Two years at the same time 20% opined that their operation with the bank is One year.

This analysis shows that the bank is in good customer relations since most of its customers have been operating for a long period and continuous to attract new customers.

2. What sort of account do you operate with the bank?

OPTIONS	No. OF RESPONDENTS	PERCENTAGE
Saving Account	3	155
Current Account	15	75%
Deposit Account	2	10%
TOTAL	**20**	**100**

Source: Questionnaire.

This data shows that 15% of the respondents are Saving customers, 75% Current operators while 10% maintained Deposit accounts. Therefore, the largest customers of the bank are current account customers.

3. How did your relationship with the bank started? Through

OPTIONS	No. OF RESPONDENTS	PERCENTAGE
Good Services	8	40%
Good customer relation	8	40%
Good environment	2	10%
Other (All of the above)	2	10%
TOTAL	**10**	**100**

Source: Questionnaire.

This table shows that 40% agreed that they patronized the bank services based on good

services and good customer's relation respectively, and 10% were patronizing due to good physical environment while only 10% patronized coincidentally. From the above it shows that good customer relationship and good services in the bank is what motivates customers to patronize the bank most.

5. What problem(s) do you encounter as a customer to the bank?

OPTIONS	No. OF RESPONDENTS	PERCENTAGE
Delay of service	4	20%
Bad customer relation	0	-
Customer needs not considered	13	65%
No problem	3	15%
TOTAL	**20**	**100**

Source: Questionnaire.

From the above table, it can be seen that 20% responded to Delay of services, none responded to Bad customer relation while 65% responded that their needs are not considered by the Bank.

6. What are your expectations from the Bank in terms of services (though options were not given most customers fall into the following options)

OPTIONS	No. OF RESPONDENTS	PERCENTAGE
Fast & Efficient Services	10	50%
Loan & Facilities	9	45%
Others	1	5%
TOTAL	**20**	**100**

Source: Questionnaire.

50% of the respondents expect fast and efficient services which may be considered to be

counter and other related services. However, 45% expect provision of loans and related facilities by the Bank which incidentally is a basic function of a bank.

7. Have your expectations been met?

OPTIONS	No. OF RESPONDENTS	PERCENTAGE
Yes	13	65%
No	7	35%
TOTAL	**20**	**100**

Source: Questionnaire.

The above table shows that majority of the customers have their expectations met and therefore, satisfied. However, good number of the customers which could not be ignored have indicated that their expectations were not met.

8. What in your opinion do you think the bank should do in general to enhance customer patronage?

OPTIONS	No. OF RESPONDENTS	PERCENTAGE
More banking products/services	10	50%
More branches	3	15%
Competitive interest rates	5	25%
Moe advertisement	-	-
Others	2	10%
TOTAL	**20**	**100**

Source: Questionnaire.

50% of the customer still expects more products/services from the bank while 25% wants competitive interest rates on both loan facilities and deposits.

DISCUSSION OF RESULT

From the second result from the Management respondents, the Bank's main objective is identified as efficiency and profitability. Incidentally the Bank's slogan is customer satisfaction guaranteed. This is in consonance with marketing concept as confirmed by W. S. Stanton (1981:8-9) who opined that marketing concept is a business philosophy that states the customers satisfaction in the economic and social jurisdiction for a firm's existence. Consequently all company activities must be devoted to find out what the customers wants and then satisfy their wants for the long-run profit.

Question 4 from the management questionnaire indicates that marketing concept has relevance to marketing of their services. This result is backed up by Wright et al (1977:78) who stated that marketing concept is a unifying approach directing the total resources of a business organization towards the determination and satisfaction of customer wants and needs for the long-run profit to the organization.

It can be said that once customers reaction towards marketing concept is favourable, the organization can sell more of its services and at the same time be profit oriented.

The Management also believe that application of marketing concept has favourably influenced their services and thereby enhanced their customer patronage.

The Bank promote their services through all the well known promotional tools of Advertisement, Newspapers/Magazine and Personal selling.

The Bank according to the management induced personal interview of the customers in attempt to find their needs. The management also believes that good customer services and aggressive marketing have placed them among the top ten banks in the industry today.

In carrying out this aggressive marketing the Bank spends at least 20% of its annual expenditure budget and also the respondents are of the opinion that for the bank to enhance its customer patronage it has to develop more custom-made products/services that will satisfy customer needs.

In line with this the management gave an example of some new products under promotion currently. Some of the products are:

1) **Home Improvement Scheme (H.I.S.)**

This product guarantees immediate home comfort, for all individual customers who have a steady source of income. It limits the effect of inflation associated with the delay in the purchase of household equipment and other personal assets.

All that is required to benefit from this product, is an equity contribution towards the purchase of the asset and the bank will allow convenient repayment terms.

2) **High Yield Current Account (H.Y.C.A.)**

This account was designed to meet the banking needs of high activity customers. It allows the customer the flexibility of a current account. While giving the customer the benefit and return of a deposit account. To operate this account the customer is required to maintain an average daily balance of ₦100,000.00. The bank will not charge commission on turnover, but will pay a competitive rate of interest on the daily balance maintained.

3) **Children Educational Savings Scheme (C.E.S.S.)**

This is an enhanced savings account "with the objective of assisting and guaranteeing the payment of expenses associated with the customer's child/ward's education.

The account pays the beneficiary an interest rate higher than regular savings accounts while allowing withdrawals once a quarter, with the added benefit of fire insurance. This insurance guarantees the beneficiary 10 times the account balance in the unfortunate event of permanent disability or accidental death of the account operator, up to the maximum amount of ₦5,000,000.00.

The Bank adds to its slogan the following statements:

Chartered Bank is committed to guaranteed customer satisfaction. We will continue to monitor the changing needs of our customers and provide innovative products and services in anticipation of such changes.

Going through the customer's responses in the questionnaire reveals that a great majority of the customer got to know the Bank through its marketing staff which confirms the management claim of aggressive marketing. Another claim of the management of offering good services is corroborated by about 40% of the Bank's customers that got to know the Bank and its services through other (existing) customers.

Though the customers testified the good services and good customer relation of the bank, 65% of the respondents return that their particular needs are not considered. These particular needs are understood to be loan facilities which the customers complained that the Bank procedures are too rigid and takes time. 35% of the respondents said their expectations from the bank have not been met.

FINDINGS OF THE STUDY

From the data analyzed and obtained from the questionnaires and personal interview of both the Management and the customers, some deductions could be made, principal of which are:

- That the Bank do realize and appreciate marketing concepts in their overall activities. They do these through seeking customer needs and efforts to satisfying these needs.
- That the Bank formulate products and services and offer them through their conducive branch environments at competitive prices with good overall effective promotional tools.
- That a greater majority of the customers are satisfied in the services of Bank as evidenced by the number of new customers that are introduced to the Bank through existing customers.
- That some customers require the Bank to be more flexible and faster in their service delivery especially in respect of loans and other facilities.
- That the Bank as agreed by both management and customers should have more outlets in

regards to the fast growing new trends of money transfer nationwide. Banks with good number of outlets have a comparative advantage in this new service which in effect attract customers and contribute to the profitability of the Bank.

5.4 PROOF OF HYPOTHESIS

To proof the hypothesis the researcher made use of correlation equation.

Formula $r = \frac{\sum(x-x)(y-y)}{\sqrt{\sum(x-x)^2 x < (Y x y)^2}}$

HI: Application of the marketing concept influences customer's patronage.

HII: Application of the marketing concept does not influences customers patronage.

The hypothesis will be proved with the use of correlation analysis based on the following data provided.

YEARS	AMOUNT INVESTED IN APPLYING THE MARKETING CONCEPT (X 100 MILLION)	NO. OF CUSTOMERS ATTRACTED (THOUSANDS)
1993	1.5	4
1994	1.8	6
1995	2.0	6.5
1996	2.7	8
1998 (15 MONTHS)	3.1	10

X	Y	X-X	$(X-X)^2$	Y-Y	$(Y-Y)^2$	(X-X) (Y-Y)
1.5	4	-0.7	0.49	-2.9	8.41	2.03
1.8	6	-0.4	0.16	-0.9	0.81	0.36
2.0	6.5	-0.6	0.04	-0.4	0.16	0.08
2.7	8	0.7	0.25	1.1	1.21	0.59
3.1	10	0.8	0.81	3.1	9.61	2.79
Σ 11.1	34.5		Σ 1.75	Σ 20.2		Σ 5.81

$\bar{Y} = \frac{34.5}{5} = 6.9$ $\bar{X} = \frac{11.1}{5} = 2.2$

$r = \frac{9.19}{\sqrt{1.75 \times 20.2}} = \frac{5.81}{\sqrt{35.35}} = \frac{5.81}{5.9455}$

$r = 0.98$

r = 98%

The above percentage clearly reveals a very high degree of correlation between the amount of money invested towards applying the marketing concept and the number of customers attracted by the investment.

This is in line with alternate hypothesis which states that application of the marketing concept enhances customers patronage". The alternate hypothesis is here by accepted while the null hypothesis rejected.

CHAPTER FIVE

5.1 SUMMARY

The Nigerian Banking Industry today more than ever before poses great challenges to its operators. The emergence of the so called new generation banks have rendered the old ones to re-awake from their sleep. The market today has no place for a lazy banker

New innovations are springing up everyday and the Nigerian Banking Industry is already on the road towards catching-up with the banks in the developed economies. Marketing concepts are fully at play in the industry with some banks (including the Bank understudy) having their strategies developed and becoming effective the very first day they opened for business. The old generation banks have been forced to develop their, sometimes in consultations with the professionals in the field.

The Nigerian customer is beginning to be aware of his needs and wants and seeking for their satisfaction from the industry. Chartered Bank Limited is poised to ensure guaranteed customer satisfaction. In its effort to achieve this the Bank intensified monitoring the changing needs of its customers and provide innovative products and services in anticipation of such charges.

The Bank provide good customer services and enjoy good customer relations. This translate into more customer patronage as evidenced by our research. It will be safe to assume that the Bank gives due consideration to that simple marketing slogan of "let your products/services tell the public of who you are".

The Bank is not an exception in the industry with respect to aggressive marketing and its consequent cost. The result of this is however tremendously favourable.

5.2 CONCLUSION

From the analysis conducted it can be concluded that the financial houses/institutions in Nigeria in particular, to some greater extent are fast changing to the service oriented approach, the idea of a bank executive sitting passively waiting for customers has gradually been replaced by aggressive search for customers.

The present economic climate in our country in particular, poses serious challenges to the banking sector, ranging effective and prudent management of resources. This development can also be attributed to the economic crisis which have created keen competition for better customized services.

In addition, the present economic scenario have made most banks to rejuvenate their marketing strategies, techniques and tactics towards aggressive bank marketing.

5.3 LIMITATIONS

In general life one cannot be successful without having constraints here and there and of course with regards to this final dissertation, a lot of constraints were met which includes lack of available required data due to the difficulties in meeting professionals at the required time to collect necessary data. Lack of standard text books on the topic made it difficult to give the work the coverage it requires.

Reluctance of the personnel to supply required information because of the organization policy constitutes a constraint. Important and relevant data were however, collected and analyzed. Questionnaires are administered to ensure that the investigation was thorough in its findings.

Another limitations is the number of management/staff one was able to get to answer the questionnaires or answer some questions verbally from the researcher. Also opinion expressed by the management/staff does not necessarily represent the Bank's opinion on issues under reference.

Major other limitations encountered is in getting the customers in large numbers to answer the questionnaire with others even regarding the researcher as a nuisance and would not honourably reply either the questionnaire or the personal questions. Same regards the study as of no relevance to either themselves or to the Bank, thereby displaying their ignorant attitude. However, in view of our development towards democratic set-up in this country and in view of importance of opinion-polls in respect of almost all issue affecting our life, it will do us good to change our attitude and be more enlightened. This is another research topic in sociology.

Based on the above constraints, the validity and coverage of the findings would therefore be subject to the above limitations.

5.4 RECOMMENDATION

In the light of the foregoing discussed in the proceeding chapter, the researcher finds it pertinent to incorporate some recommendations based on investigations.

1) Due to the intense competition in today's service industries, it is worth while for the individual firms to have not just profit but customer orientation so as to increase services being rendered to their customers and uphold the marketing concept.

2) The bank should try its possible best to improve its reaction time in respect to customer seeking loans and advances. Customers complaints, should be attended to with utmost attention and their satisfaction should be the organization's key objective.

3) Most of the customers met in the course of this study complaint of rigidity of the bank in processing of loans and other credit facilities. Customer do also point out that authority is vested on the top (Head office). In line with this it will be pertinent to recommend to the Bank to give certain autonomy to the various business units (branches).

4) However, in relaxing the rigid procedures of granting credit facilities the Bank should take cognisance of standards which should not be compromised.

5) Also for the Bank to tap very well in the growing business of money transfer the Bank has to open-up more branches.

6) I have also an opinion of the Bank not advertising very well in the print and electronic media, though the bank seems to be practicing marketing segmentation, in the sense that they target selected and very rewarding customers.

7) Interestingly, the customers and staff of the Bank are all of the opinion that the Bank should have competitive interest rates. This is something of great concern, in today's deregulated interest rates market, one should tailor his products/services with good price for both survival and profitability.

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MANAGEMENT/STAFF QUESTIONNAIRE

Dear Sir/Madam,

I am a Post-graduate student of Ahmadu Bello University, Zaria undertaking a research study on the "Marketing Concept As Applied to Banking Industry": A Case Study of Chartered Bank Nigeria Limited.

Kindly indicate by either ticking the correct answers or giving suggestions where necessary. All information obtained will be used for academic purposes and remain strictly confidential.

1. How long have you been working with the bank?

   [a] One year [b] Two years [c] Three years [d] Four years & above.

2. What are your bank's main objective?

   [a] Market leader [b] Profitability [c] Efficiency.

3. Do you understand the marketing concept (Getting the right product at the right place for the right price with the right promotion)?

   [a] Yes [b] No

4. If yes, does the marketing concept have relevance to the marketing of your services?

   [a] Yes [b] No

5. If yes, how long have you been applying the marketing concept?

   [a] One to two years [b] Three to Four years [c] Five years and above.

6. How does the marketing concept influence your services.

[a] Favourable [b] Unfavourable [c] No effect.

7. How do you promote your services? Through [a] Advertisement [b] Newspapers

[c] Personal selling [d] All of the above [e] Others specify .....

.....

8. How does the bank get to know its customers' needs?

[a] Suggestion box [b] Personal Interview [c] Others, specify .....

.....

9. If it is through personal interview, it is induced by:

[a] Customer [b] Customer service officers [c] Credit & Marketing officers.

[d] Others, specify.....

10. How do you rate your Bank in the industry today in terms of customer patronage?

[a] Among top ten [b] Among top 25 [c] Average bracket [d] Last ten.

11. What do you think is responsible for your rating?

[a] Customer service [b] Branch network. [c] Aggressive marketing

[d] A & C [e] Others, specify.....

12. What is the average percentage of your annual expenditure budget that goes to marketing?

[a] Less than 10% [b] Less than 20% [c] Less than 30% [d] Above 30%

13. What in your opinion do you think the bank should do in general to enhance customer

patronage?

[a] More banking product/services [b] More branches.

[c] Competitive interest for both lending and deposit. [d] More advertisement.

A. Y. GWARZO

CUSTOMER QUESTIONNAIRE

Dear Sir/Madam,

I am a Post-graduate student of Ahmadu Bello University, Zaria undertaking a research study on the "Marketing Concept As Applied to Banking Industry": A Case Study of Chartered Bank Nigeria Limited.

Kindly indicate by either ticking the correct answers or giving suggestions where necessary. All information obtained will be used for academic purposes and remain strictly confidential.

1. How long have you been operating with the Bank?
   [a] One year [b] Two years [c] Three years and above.

2. What sort of account do you operate with the Bank?
   [a] Saving Account [b] Current Account [c] Deposit Account.

3. How do your relationship with the Bank started? Through
   [a] Marketing staff. [b] Advertisement [c] Other customers.

4. What influence you most to patronize the Bank?
   [a] Good services [b] Good customer relations [c] Good environment.
   [d] Others, specify.....

5. What problem(s) do you encounter as a customer to the Bank?
   [a] Delay of services [b] Bad customer relationship [c] Customer needs.
   And not considered [d] Others, specify.....

6. What are your expectations from the Bank in terms of services (state) .....

.....

.....

7. Have your expectations been met?

[a] Yes [b] No

8. What in your opinion do you think the bank should do in general to enhance customer patronage?

[a] More banking products/services [b] More branches [c] Competitive interest rates [d] More advertisements.

A. Y. GWARZO.

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