CONSUMER CHOICE CRITERIA IN BANK SELECTION IN NIGERIA

BY

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A THESIS SUBMITTED TO POST GRADUATE SCHOOL, AHMADU BELLO UNIVERSITY ZARIA, IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR MASTERS DEGREE IN BUSINESS ADMINISTRATION (M.B.A.)

DECLARATION

This Thesis is solely undertaken by me under the supervision of Mr. A.B. Akpan of the Department of Business Administration, Faculty of Administration, Ahmadu Bello University, Zaria. I have neither copied someone else's work nor has someone else done the work for me.

Writers whose works have been referred to in this Thesis have been duly acknowledged.

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CERTIFICATION

This is to certify that this Thesis is solely undertaken by **EVELYN LARABA TORKULA G92 BAP 7248.** It has been prepared in accordance with the regulations governing the preparation and presentation of Thesis in Ahmadu Bello University, Zaria.

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DEDICATION

This Thesis is dedicated to my son, **SHIMATER SUSWAM,** through whom God has given me so much happiness.

ACKNOWLEDGEMENT

My profound gratitude is to the Almighty God for the mighty mercies and blessings He has been showering on me.

I wish to record my appreciation to Mr. A.B. Akpan, my supervisor, for his generous contribution and encouragement.

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ABSTRACT

This Thesis is aimed at ascertaining what criteria inform the choice of a bank by the consumer in Nigeria.

Customers of two sampled Banks Savannah Bank Plc and Diamond Bank Limited were randomly administered questionnaires. Eighty questionnaires where distributed to both Savannah Bank Plc and Diamond Bank Customers.

The hypothesis put forward was as follows:-

HO: Total Quality Management is not fully operational in the bank

HI: Total Quality Management is fully operational in the bank.

The X^2 (Chi-Square) statistic and percentages used in testing the data show that the customer is attracted to a Bank that has total quality management rather than by one specific criteria. Of the two Banks sampled, total quality is operational, but the level of existence in Diamond Bank is higher than that in Savannah Bank Plc. To this end, Diamond Bank has a bigger deposit base than Savannah Bank. Among the recommendations made are: for any Bank to attract a wide range of consumers and thus build a huge deposit base, the Bank must offer its bundle of utilities (Services) on a platter of Total Quality Management.

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CHAPTER ONE

CONSUMER CHOICE CRITERIA IN BANK SELECTION IN NIGERIA

1.1 INTRODUCTION

There is always the need for the marketer to know who the consumer is in order to design product or service in the right features and appeals. What are the roles and influences of the individual consumer? For some products and services, it is easy to ascertain who the consumers are, for others it is not.

There are several roles that are played in a buying decision.

- Initiator
- Influencer
- Decider
- Buyer
- User

We must always bear in mind that the consumer buys products and services to satisfy a variety of needs; be they physiological, social, psychological or spiritual. The consumer therefore goes for that product or service with various attributes which can satisfy his variety of needs at minimized value of cost.

To take a buying decision therefore, some factors are considered by the consumer viz:

- Buying Influences
- Buying Situation
- Buying Decision
- Buying Process Stages.

The consumer in himself is influenced by certain buying behaviours like who he is, who the producer is, who the seller is and what is the situation under which he is buying.

PRODUCT CHARACTERISTIC

What is the style, quality, price and durability of the product or service been offered?

SELLER CHARACTERISTIC

How does the seller behave? what impression does the buyer or potential buyer hold about the seller? The knowledgeability of the product or service been offered; friendliness of the seller towards the buyer etc.

BUYER CHARACTERISTIC

What are the social cultural personal and psychological factors that influence the buyer's life style?

SITUATION CHARACTERISTIC

Under what situation is the buyer making his decision? for instance the pressure to make a decision can lead to making a decision with less information.

Other situational factors include time of the year, weather and chance meetings with friends.

Having looked at who the consumer is and what informs his decision to buy, we now look at the banking sector as a service industry.

The role of the banking sector in Nigerian economy cannot be overemphasized. A lot of economic activities revolve around the banking sector. This goes to say that the banker has to go that extra mile in order to provide what it takes to attract the potential customer. Quite a number of bankers realize that the era of "Arm Chair Banking" is over and that present day banking entails more than putting up "Over Aged" advertisements and unworkable slogans. Since every consumer is tied to the banking industry either directly or indirectly the issue of having to patronize a particular bank becomes very important. The consumer on whom the banker depends is tagged "King" and can never do wrong. The Banker therefore lays out services that are reliable and efficient for the consumer to choose from.

This write up, therefore lays emphasis on how the consumer is able to make out which Bank to patronize amidst so many (Bank) that offer the same reliable and efficient services.

1.2 STATEMENT OF THE PROBLEM

1. The re-emergence of distress in the banking sector informed the reduction in the number of banks in the economy in recent times. Needless to say that this same distress syndrome eroded alot of trust on the banking industry by the general public. This goes to say that the age old trust on which banking was built is almost none existent in present day Nigeria.

2. The emergence of finance houses in the mid Nineties brought another dimension to the banking industry, this is because these finance houses offer the same services as do the commercial banks thereby posing a competition to these banks.

3. The unfortunate emergence of 419 syndicates, some of which involved bankers, further eroded trust of consumers in the banks.

4. In the mind of the consumer, services offered by all commercial banks may as well be the same. Why, with every bank professing to be reliable and efficient, the issue of making out what bank to patronize becomes a big one.

Given all these problems, the consumer must still have dealings with the banker. What then informs his (consumer) choice of a bank ?.

1.3 THE SCOPE/LIMITATION OF STUDY

The original intention for this project was to study the whole banking sector generally, to cover even the distressed banks as well as those still afloat.

However, due to time constraint, costs, as well as the need to present a study of acceptable quality, this research has been limited to the preference by the consumer of certain banks over others. Moreover, the inability to get to certain required information tagged "Confidential" as well as the secretive attitude of targeted sources of primary data has made the scope of this study even narrower.

1.4 OBJECTIVES OF THE STUDY

This study is aimed at presenting the consumer and the banker, their relationship: How it works.

The main objectives of this study can be laid down as:-

- To identify the reasons why some consumers choose to patronize certain banks.
- To identify the services offered by banks in Nigeria and hence recommend ways to enhance a better presentation of these services to the consumer.
- To lay bare the factors that influence, the consumer's decision making and hence suggest to the marker of banking services how best to serve this consumer.
- To identify the various ways through which the marketer (in this case the banker) can reach the consumer and "Hit" him hard enough in order to induce a favourable response towards consumption of services (Product) offered by the banker.

1.5 SIGNIFICANCE OF THE STUDY

The significance of this work can be classified as follows:-

a. Based on the findings here, recommendations would be made that will aide the banker improve on his services.

b. By this study, it is intended that the consumer is given a wider view of the banking sector, this will enable him (the consumer) have alot more confidence in choosing his banker.

c. Moreover, if the consumer criteria for choosing a bank are known, the banker will provide an improvement on these and patronage by the consumer will be increased, eventually, that lost trust in the banking sector will be restored. It must be pointed out that the workability of the banking industry, which depends on the consumer patronage, will in the long run, manifest on the economic growth of the nation.

1.6 RESEARCH METHODOLOGY

The data for this work is collected both from primary and secondary sources, these include information sourced from personal interviews and questionnaires; information gathered from relevant textbooks, newspapers, pamphlets and journals.

DEFINITION OF TERMS

Armchair banking: A situation whereby the banker makes no efforts to look for or please his customer.

Overaged Advertisements: Advertisements whose lifespans are so long, they cease to apply to seasons or target market.

Distress: Banks being in financial difficulty and not being able to meet their financial obligations to their customers/debtors.

Goodwill: Friendly help received from staff with whom a personal relationship had already been built.

Total Quality Management: Total Quality Management (TQM) is a structured system for meeting and exceeding needs and expectations by creating organization-wide participation in the planning and implementation of break-through and continuous improvement process.

Total Quality Service: Meeting the requirements of the customers now and in the future at a lower overall cost.

External Customers: Individuals and corporate bodies from whom the bank obtains deposits and transacts banking business with.

Internal Customers: The bank's staff who collectively work for the achievement of its set goals and objectives.

SBN Savannah Bank Nigeria Plc.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

2.1 INTRODUCTION

This chapter provides a review of the existing works which are either directly or indirectly related to the topic of this dissertation. The review will cover useful terms like the concept marketing, marketing in banking, banker and customer relationship, marketing mix in banking, customers behaviour and customers' choice criteria in bank selection.

Based on the literature, the seeming factors that appear to influence potential bank customers selection criteria will be examined.

2.2 THE CONCEPT "MARKETING" EXAMINED

Marketing in common parlance, is synonymous to buying and selling. That is, the disposal and the purchase of items of value between two or more people or institutions, is generally regarded as marketing.

The American Marketing Association (1960) defines marketing as those activities which direct the flow of goods and services from production to consumption. Though widely accepted this definition appears to neglect the importance of the consumers as the starting point of any marketing decision.

Donald A. Taylor et al (1976) looked at the concept marketing from managerial perspective by defining marketing as the maintenance of profitable market leadership through responding to buyers needs and wants. Thus from this perspective, marketing is a managerial function which must look at market opportunities assessment, product-service market matching, marketing programming and execution. A firm builds loyal relationship between itself and potentials consumers through careful assessment of market needs and wants of the consumers such market opportunities assessments are the appropriate starting point of better understanding of the consumer. A product matching the needs and wants of selected market is designed and produced. If this product is to enjoy profitable market longevity, it must be available at the right time, it must be available at the right price, at the right place and must necessarily be communicated. These managerial activities according to Taylor et al, require proper marketing programming and timely execution.

Peter F. Drucker (1967), an acknowledged management expert and philosopher defined marketing as "Consisting a bundle of activities which is systematic and organized in approach to the selling job. It is a constant monitoring of selling, a constant auditing of sales efforts, its direction, its organization, its adequacy. Above all, marketing is innovation. From this, marketing entail imagination, direction, control and must support sales efforts. Imaginative capabilities is to be able to generate new service ideas consistent with customers needs and wants. Through direct customers' survey, projective tests, focussed group discussions, customer complaints, management and morphological analysis; new service ideas can be generated. Directing, controlling and support for the sales effort imply marketing management. Marketing management according to American Marketing Association (1985) is the process of planning and executing the conception, pricing, promotion and distribution of ideas, goals and services to create exchanges that satisfy individual and organizational objectives.

Leonard Burr (1975) sees marketing as prime to a new business firm willing to satisfy customers at a profitable volume. He opined that the marketer is a "Change-Maker" "Innovator", "Doer", in "Continuous search" for new markets and new market segments. A market, according to Kottler, consists of all the potential customers sharing a particular need or want who might be willing and able to engage in exchange to satisfy the need or want. Thus marketing is an exercise in identifying customers wants and needs, producing these wants and needs at a profitable volume to identified market.

John Feuton (1981) contend that marketing entail committing a firm's resources into finding out (research) the customer's needs and wants and producing and distributing same to the user at no loss. This definition appears to look at marketing not only for profit making organizations but also for non-profit firms.

Donald J. Bowerson (1974) defines marketing as the total efforts of a firm at surviving. Company wishing to survive, depend not only on doing a good job but an excellent job in an environment be-deviled by slow growth and fierce completion. Consumers are faced with abundant resources and will therefore go for the best in quality, value or cost. Thus Bowerson is advocating an organization-wide acceptance of marketing and not as a definite function of a department. The various departments of a given firm must be involved in marketing activities. Marketing must be seen as an all-inclusive philosophy. Robert J. Keith (1959) had this to say on marketing in Pillsbury company.

> "Marketing is viewed in our company today as the function which plans and executes the sale-all the way from the inception of the idea through its development and execution of the sale to the customer, marketing begins and ends with the consumer".

W. Stanton (1975) defines marketing as the total system of interacting business (with the consumers) designed to plan, price, promote and distribute want satisfying products to present and potential customers. Implication from above is that marketing creates marriage between the needs of a company and the needs and wants of the consumers. In other words, marke ng entail exchange of values through interaction.

G. Nwokoye (1981) defines marketing as the actions involving economic goods and services for the ultimate purpose of satisfying human needs. In summary, marketing embraces activities related to product itself, the pricing, the distribution, the communication or promotion, post sales matters, marketing research and sales forecasting.

From the above, what then is the disciplinary focus of marketing? the core concept of marketing is transaction. A transaction is the exchange of values between two parties. Marketing is specifically concerned with how transactions are created, stimulated, facilitated and valued. This is the generic concept of marketing.

Marketing is an approach to producing desired responses in another party that lies midway between coerssion and brain washing using marketing tools like pricing, promotion, product packaging and public relations among others. Thus the core concern of marketing is that of producing desired responses in the individual or group of individuals by offering and creating values. When the marketer offers value to the consumers, it also receives value from the consumers. Marketers must understand the market in order to create attractive values.

The marketer creates values through configuration, valuation, symbolization and facilitation. Thus, like Kottler rightly pointed out, marketing is the business of unfulfilled needs and wants.

2.3 THE NIGERIAN BANKING INDUSTRY

In Nigeria, banking came with the advent of Colonial masters and the introduction of the first modern banking dated back to 1892 when the African Banking Corporation was established in Lagos at the invitation of Elder Dempster Company.

Probably, arising from good performance of the African Banking Corporation, another bank opened its branch office in Lagos in 1894. The bank of British West Africa Limited now First bank of Nigeria Plc.

First Bank of Nigeria enjoyed the monopoly over banking business in Nigeria until 1916, when another Colonial Bank regarded as more aggressive was established.

In 1925, the assets and liabilities of this bank were taken over by a consortium of banks to form a new bank named Barclay's Bank, D.C.O. now changed to Union Bank of Nigeria Plc. Other expatriate banks were later introduced to Nigeria such as United bank for African (UBA), Arab Bank, International Bank for West Africa (Afribank) Bank of America (Savannah Bank) and Chase Manhattan Bank.

The discriminatory attitude of these Colonial banks against indigenous men and women and enterprises led to protests and the subsequent establishment of the first indigenous bank in 1929, which went into liquidation in 1930.

However, in 1933, another Nigerian bank was formed called National Bank of Nigeria Limited with a nominal capital of ₦20,000.00. The favourable outcome of the establishment of this bank and the buoyancy of economic conditions encouraged others to establish indigenous banks.

WHAT IS BANKING

Over the years, it has been a difficult task to find an acceptable definition of a bank or banker. Several attempts have been made to offer a comprehensive and acceptable definition, starting from the time of J.W. Gilbert, who defined a banker as a "Dealer in capital or more property, a dealer in money. He is an intermediate party between the borrower and the lender, he borrows from one party and lends to another".

Also banking can be seen as basically a service industry operated by human beings for the benefit of the general public and the banks themselves.

However a more acceptable definition of banking is that contained in the Nigeria Banking Act of 1969. This Act defines banking as "The business of receiving monies from outside sources as deposits irrespective of the payment of interests, and the granting of money loans and acceptance of credits or the purchase of bills and cheques or the purchase and sales of securities for the account of others or the incurring of the obligation to acquire claims inrespect of loans prior to their maturity or the assumption of guarantees and other warranties for others or the affecting or transfers and clearings and such other transactions as may be published in the Federal Gazette designate as banking services".

Thus, in the Nigeria context, it means any person who carries on banking business as defined above can be called a bank. This includes a Commercial Bank, Merchant Bank, financial institutions.

2.4 MARKETING IN BANKING

Arthur Meiden (1984) Adesunloye (1985) defined bank marketing as that part of management activity which seems to direct the flow of banking services profitably to selected customers.

Calpadini (1980) defined marketing of bank services as identifying and stimulating client needs which can be profitably satisfied by the banks.

This appear to tally with the views of Leonard Berry (1975) where marketing in banking is described as the process of customer satisfaction at a profitable volume in an integrated efficient framework and in socially responsible manner.

Brien and Stafford in "The Myth of Marketing in Banking" content that marketing in banking entail:

1. Increasing the deposit base of the banker (via the customer) and
2. Inducing credit worthy customers to borrow at a profit.

Thus, central to bank marketing is the customer. The deposit base of the bank depend on the quality and total number of account holding customers.

W.D. Reekie (September, 1972) enumerated the basic bank marketing functions as including:-

- Understanding customers behaviour, attitudes and segmentation;
- Branch Management, locations and distribution of banking services.
- Advertising, communication, promotion and publicity;
- Product/Service development and introduction
- Pricing of the bank services
- Defining marketing strategies, administering and controlling the marketing programme **and**
- Conducting marketing research that attempts to collect, investigate, analyse and interpret market developments, in each of the aforementioned areas.

It is clear from above that the objective of the bank marketing process is profitable sales of services that satisfy customers financial requirements and needs. The thrust is customers needs satisfaction at a profit to the bank.

In Nigeria, the major services of the banks are:-

- Banking Services
- Financial Services
- Foreign Services
- Money Transmission Services
- Development Services and
- Advisory Services.

The basic marketing approach necessary to induce potential customers to embrace these services include:-

1. Research to determine customers' financial requirements.
2. Design for new services or innovate old ones based on research findings.
3. Market the services to the customer for whom they were researched and designed at a profit and
4. Ultimately satisfy the customers' financial needs.

Meidan opined that the banking services have the following characteristics:-

1. Bank services are inseperable between the producer and the consumer because of simultaneous production and distribution.

   Thus the bank marketer is mainly concerned with time and place utility.
2. They are intangible in nature in the sense that they are general rather than a specific need. Specific benefits are not readily apparent in consuming bank services hence banks tend to depend on effective advertising that ensures that their image and service are

portrayed as attractive.

3. In product marketing, a product can be distinguished from another by the brand name, the packaging, physical attributes or the sensory attributes. There is lack of special identity for bank services. The services are alike in the minds of the consumers, hence the banks attempt to establish an identity and implant this in the minds of bank customers.

4. The geographical spread of current and potential customers make for country wide spread of bank branches. This is to provide benefits of convenience and to meet both National and Local needs. Hence bank services and promotions tend to have an appeal and wide applications.

5. Banks have very wide range of services to meet variety of financial and related needs from different customers in different areas. Olalusi (1989) contend that Nigerian banks offer (61) different services which can be broadly grouped into seven categories.

2.5 BANKER AND CUSTOMER RELATIONSHIP

Bankers had long ago recognised that there exist a relationship between the banker and the customer. Bankers, as per writings of Sheldon (1976), Gerald and Doyle (1982) Olalusi (1985) Adekanye (1984) and Afolabi (1990) perceive the relationship between the banker and the customer from a micro perspective. For instance, the relationship is seen only from the legal perspective.

The legal relationship between the banker and the customer is governed by laws of contract, laws of agency, bailee-bailor relationship and the various rules of banking evolved many decades past. The relationship between the banker and the customer is sometimes described as debtor-creditor relationship where the banker is indebted to the customer who is having credit balance. The relationship is reversed when the customer is granted a credit/overdraft.

In a celebrated case on a banker-customer relationship, Foley Vs Hill (1845), Lord Cottenlam contends that:

> "Money, when paid into a bank, ceases altogether to be the money of the principal, it is then the money of the banker who is bound to return an equivalent by paying a similar sum to that deposited .... That being established to be the relative situations of banker and customer, the banker is not an agent or factor, but he is a debtor".

The above views of the relationship is a mechanistic one specifying the rights and duties of both parties. Agency aspect of the relationship portray the banker as merely representing the customer in disbursing customers' funds on the latter written order.

In the past, this traditional concept of the banker and customer relationship created a wide gap between the banks and its customers. The Oligopolistic features of the industry, the lack of competition due to regulations of entry into the industry and the reluctance of the bankers to adapt to change created a sellers market where the customer was secondary in marketing planning.

Olalusi (1985) suggested the amplification of the concept banker and customer to include and understanding of the customers behaviour and the customers saving pattern within the broad frame work of human relations. Diamond Bank Ltd has taken a queue from this suggestion by ensuring that graduates well grounded in banking and human relations are positioned at points described as debtor-creditor relationship where the banker is indebted to the customer who is having credit balance. The relationship is reversed when the customer is granted a credit/overdraft.

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Afolabi (1980) referred to Olalusi's suggestions as a tip of the iceberg. Bankers, according to him, should understand the psychology of bank customers decision making process for effective marketing. There should be an interdisciplinary approach to understanding factors which motivate the individual directly in obtaining and using economic goods and services including the decision process that precedes and determines the act.

Many critics and customers are firm in their convictions that the business association with bankers euphemistically referred to as a relationship is promoted by financial lust and not customers trust. Nothing should prevent the banker from understanding the inner working of the customers and at the appropriate time give attractive offer. The relationship should not be allowed to wane but be groomed to a point of loyalty based on mutual need.

2.6 MARKETING MIX IN BANKING

Kottler (1988) defines marketing mix as the set of controllable variable and their levels that the firm uses to influence the target market. Simply put, it is the proper use of what you have and control, to get what you cannot control and that you don't have.

McCarthy (1981) sees marketing mix as those variables in the marketing equation which are capable of manipulation by executives actions to achieve increased sales volume. it is the blending of the four Ps - Product, Price, Promotion and Place, in achieving marketing objectives.

Stanton (1964) described marketing mix as the combination of four inputs which constitute the core of a company's marketing system. These ingredients in the marketing mix are inter-related as decisions in one area usually affect the action in the others. Each of the variables is also made up of combination of numerous elements. For instance, promotion is made up of elements such as sales promotion, personal selling, advertising and publicity. Product mix contain product research, new product-service introduction, product quality and product packaging or display. We can examine these basic factors more closely as they relate to the banking industry.

1. **PRODUCT**

Kottler (1988) contend that a product is anything that can be offered to a market for attention, acquisition, use or consumption while Simon Wilson (1982) described product as tangible and intangible aspects of bank services acceptable to the customers as wants satisfying. A product carries a commonly understood descriptive name. E.g Savings Account. A wider concept of product in banking would see Diamond Bank "Smart Card" scheme as a product quite distinct from UBA "Money Gram" scheme. The distinction is the brand name which is often associated with the bank of origin.

Product of a bank is the service and thus performance is primary to bank product from ownership of the product. Arthur Meidan (1974) has two approaches to defining bank product as:

- Each individual service as constituting a product. Thus Nigerian banks can be said to offer as many as 61 services.
- The entire banking services as constituting a single product.

One cannot agree less with Meidan that the first definition is over simplified while the second definition appear too broad. The most modern way of looking at a bank product is in terms of package of service that:

a. Is typically provided for any one consumer by one bank and

b. Is aimed at a particular market. Thus a banking product is a fluid entity capable of changing due to promotion or purchasing patterns without any alteration in physical services or the bank.

Grosse and Hampbell (1974) opine that product development can serve bank Marketing ends by:

i. Attracting bank users from outside the present market

ii. Increasing sales to existing market by:

   a. Gross selling

   b. Attracting core accounts from competitors

   c. Developing product for sale to competitor's customers, independent of the core accounts.

iii. Reducing the cost of providing an identical or similar service. Product development in banking entail five basic stages viz:

- Idea generation
- Screening of ideas
- Business analysis
- Technological development
- Commercialization

In most cases, product development is done by:-

- Adding new services to the range
- Re-combining and re-packaging services to produce new products

- Modifying or extending existing services
- Some combination of above

Berry Hensel (1973) offered useful reasons why new bank products fail. These include:-

i. Failure to look at new products from the eye of the bank users.

ii. Failure to creatively research the needs of market segments

iii. Failure to consider the degree of behaviour change required of the consumer and

iv. The failure to duly communicate a new product benefits.

2. PRICING

The price of bank services is the interest charged for service rendered. Interest is charged for services rendered e.g bank lending. Customers too receive interest for depositing their hard earned fund. Thus interest is the price for use of capital funds. In general, the objective of pricing of bank service will be:

i. To attract as many customers as possible to the selected segment

ii. To do this under the most profitable conditions.

Thus pricing relate to attracting potential customers and maximizing total profit. Some services of the banks are low priced to offset for the highly priced services. Thus a would be customer who patronize the bank's low priced service may equally patronize the high priced service.

Professor Tomori (1964), in his discussion on demand for money in Nigeria found interest rate as an insignificant tool in influencing patronage of banks. This view was upheld by Professor Ojo (Unife 1968) in a corresponding survey.

In Britain, bank pricing of services is influenced by government policy, the structure of banking industry which is oligopolistic and the non-standardization of bank product.

In Nigeria, bank pricing is influenced by the bankers' tariff which is endorsed by the bankers committee comprising all the Chief Executives of licensed banks in Nigeria, Central Banks Monetary Policy and credit guidelines and the internal policies of banks.

Arthur Meidan (1984) suggested guides for pricing banking services thus:

1. Within a system of differentiated marketing, market segments should be charged differentially according to the elasticity of demand and competitive situation within each segment.

2. Price must be communicable if it is to be used as a tool for marketing bank services. One big questions this thesis will attempt to answer is "can price be a significant tool of marketing bank services in Nigeria?".

3. **BRANCH LOCATION AND DISTRIBUTION**

Place or distribution, according to Olalusi (1989) are two terms that are often taken for each in the marketing literature. While place refers to location of a business to the market served, distribution channel is the sequence of intermediaries involved in moving a product from the producers to the ultimate consumers. Thus, distribution in banking should be seen as any method of increasing availability of bank service or convenience of bank users aimed at repeated patronage.

Location decision in banking is very important as it involves commitment of scarce resources. In a study by Bannister (1974), apart from parental influence, convenience is an important consideration for University students in choosing the bank.

Theoretical basis for bank location is found in Losch's (1954) hexagonal thesis on branch location. He contends that different products yield different market areas and that the overlapping vertices of these different hexagons form ideal "Production" sites for cities. John Devaney and John O. Nysuen adopted a biveroate approach in bank location decision. Devaney's model uses a network approach where nodes of potential are located and the major streets network is used to link the nodes together. Competitive branches are also assigned nodes. A computer algorithm is used to find the minimum travel time between all consumer nodes and all bank locations.

Nadsworth and Gagnon (1973) adopted a more sophisticated approach to branch location through share of market analysis.

The approach is logically consistent and the allocated market share sum up to unity. Using subjective evaluation of a competitive factor rating, elements considered include.

- The services offered
- The quality and quantity of personnel
- The surrounding environment
- Accessibility to and from the branch
- Parking facilities
- Visibility.
- All other factors deemed appropriate.

Branch location, according to Revell (1980) can pivot on customers point of view as per research conducted at Farmington, Michigan. The study suggests that the question of what determines an individual consumers choice of bank is subtly different from what parameters should bank seek to satisfy in choosing a site.

In Nigeria, banking environment, section 4 of 1969 Banking Decree is explicit as to location of bank branch. It reads: No person licensed to carry on banking business in Nigeria may ...... open or close offices in Nigeria or outside Nigeria except with the consent in writing of the Central Bank.

Thus locating bank branch is rigorously controlled in Nigeria.

4. **PROMOTION**

This refer to use of persuasion information in conjunction with other elements of the marketing mix in order to meet the company's objectives in the target market. Services promotion in Bank marketing is described by Olalusi (1989) as an exercise in information (About available bank services), persuasion (that it is beneficial for customers to save or borrow) and influence (i.e assuring bank customers of the positive influence of their borrowing or savings on their well being). The major tools of promotion in banking are personal selling, service advertising, media advertising, interest rate structure, institutional advertising and public relations. The purpose of personal selling in banking is to cultivate market. Personal selling is useful when creating product/service awareness, developing product/service preference, negotiating prices and other terms, closing a sale and providing post-sale reinforcement and re-assurance to bank customers.

Personal selling has been carried a bit higher in the banking industry, according to Abbey Day (1985), through selling to corporate treasurers, most major financial decisions are made by board of directors, on direct advice from the financial director, to whom most proposals are initially delivered which makes him the primary decision maker. Proposals that pass corporate treasurers gruelling master are sufficient quality to receive the board " Rubber Stamp". In

Nigeria investment officers of non-bank financial institutions are highly sought after by banks to divert business to the banks especially that a relevant portion of the 1976 insurance Act in Nigeria require the insurance to invest a certain percentage in gilt edged securities.

Advertising is the commonest tool which banks in Nigeria present to a group, their various services either orally or in an openly sponsored channel of communication. it helps to inform, persuade and alert potential customers of the available bank services. Factors affecting successful advertising in bank marketing depends on extent of use, demand trends, interests-savings relationship, extent of the market and the appeals on bank users. A successful advertisement must create awareness of the bank services, must remind customers of available services, must change attitude to use of a service, must change perception of importance of brand attribute, must change the belief of customers about branch, and must lead to attitude *reinforcement*.

A number of approaches have been suggested for measuring advertisement effectiveness. These measures can be adopted in the marketing industry. Seiner and Lavidge (1961) suggested a predicative measurement through hierarchy effects. They recognized three realms in a consumers decision. The cognitive stage, (realm of thoughts) effective stage (realm of emotions) and the connative stage (realm of motives). These realms tally with six states in a consumer decision making model namely.

- The awareness, knowledge about bank services, reference to other comparable service, conviction of the value of the service and then patronage. Advert should be directed at the point of decision of a customer.

Coffin (1963), his approach focused on the consumers by asking the questions:

i. How many people did we reach and

ii. How hard did we hit them ?

The focus is thus on audience size and depth of impact. Advertisement by Nigerian banks has motivational contents. For instance, Universal Trust Bank makes "Trust" their middle name, Savannah Bank treats its customer "Like a person ..... not just a number", First bank expects customers changing from other banks to change for the best while Habib Bank claims to be a bank with a difference and Nigeria Bank for Commerce and Industry is a catalyst for growth and development.

Abstracting from the buying formula theory, by Dr. Armstrong (1958) if the potential customer does not feel a need for bank services or does not have any problem requiring bank product the bank advert must emphasis the need. If the potential bank users do not think of the bank service, but he feels the need to recognize the problem, the advert focus must be established in the prospects mind, the adequacy of the trade name, service and convenience.

A supplement to advertising in banking is sales promotion. The tools of sales promotion in bank marketing are not necessarily the same as those of physical goods. Sponsorship of educational and sporting events, gifts of vests, writing materials, diaries, calendars, wallets, hand packs etc, are common promotional items in Nigeria Banks. some banks promote their services through publication of in-house journals, encouraging senior bank staff to join popular clubs, sponsorship of conferences and seminars, training and re-training of bank staff.

2.7 <u>CONSUMER BEHAVIOUR</u>

The choice of tool in influencing consumer behaviour depend on the understanding of the consumers in their decision making. Unfortunately consumers of bank services are heterogenous in their behaviour. What then influences the consumer behaviour including their selection criteria in bank patronage?

Arthur Meidan (1984) identified three main factors (with a number of subfactors) which influences behaviour of consumers bank of services. These include external factors, internal factors and the consumer process.

EXTERNAL FACTORS

External factors arise from influential persons, and reference groups. These factors in the main are cultural and social in nature. Culture consists essentially traditional ideas and in particular the values which are attached to these ideas. It is the total way of life. The role of culture is exemplified by off-shore banking in which foreign banks often cater for the interest of immigrant population. British banks abroad are know to cater principally for Britons based on ethnic factors. D.C. Rowan (1951) upheld this view when he claimed that in Nigeria, "British Banks ..... lent little in Nigeria, and the greater part of that went to expatriate firms and individuals. Africans were driven to obtain finance from local money lenders at prohibitive rates and interest". Equally, Nigerians banks abroad should be expected to cater for the needs of Nigerians abroad. Naturally, ethnicity or cultural affinity may lead Nigerians abroad to patronize Nigerian banks.

Social class influence plays a significant role in consumption of bank services. Social class is a relatively permanent and homogenous division in a society into which the individuals or family can be categorized when compared with other individuals or family in the society. Awh and Waters (974) while investigating demographic and attitudinal characteristics of banks charge card holders found that people of higher education and social economic standing have more favourable attitudes towards credit cards. This contrast the usual view that the low income bank customers are apt to taking more credit than high income group.

An understanding of the social class is significant for:

i. Marketing segmentation which entail the use of different strategies.

ii. Tapping the vast psychological differences through effective advertising directed at various segments.

Reference group impact significantly on bank customers behaviour particularly as it relates to savings and borrowings. The need to relate is influenced by the following:

i. When information supplied to a potential bank customer tally with that which he receives from his reference group, the tendency is for the attitude to be positive towards the bank service and the reverse is the case where there is no agreement between information supplied and that received.

ii. Where a cloud of uncertainty surrounds the specific requirements of the reference group and the information received is contrary, the uncertainty towards bank service would increase and

iii. The customers cognition is increased when information received reinforces the information provided by his reference group.

Family influence bank customer behaviour, students opening bank accounts for the first time are found to be influenced by factors such as bank location, influence or parents, and influence of friends. The younger students are normally influenced by parents or per group.

Roles and status are important factors influencing bank customers behaviour, particularly when the concept is linked to age and life cycle concept. As a child, parental influence is profound. Socio-economic and psychological factors play significant role on adult and unmarried independent persons. The situation would change when one is married. More often, couples keep either joint account or individual account in the same bank. In most cases, decision as to bank to patronize rest on the husband. Consumer decisions and consequently bank selection criteria, depend largely on the changing roles in the individual's life cycle process.

2. INTERNAL FACTORS

This arise from internal attributes of the individual bank users. These attributes include motives, attitudes, learned behaviour and perception. Motivation, a voluntary decision by one person to perform a given task which will benefit two or more persons, is important to understanding consumer behaviour. Levy S.J. (1973) opined in a study on consumers view of banks' services, that the quality of service, the human relation to the counter, the force of its advertisement, the queing time in the banking halls, are factors likely to motivate the bank users.

Attitudes and believes influence consumers. Consumers are selective in their perception and tend to collect information congnient with their existing beliefs and attitudes.

Pool (1976) in a research on attitudes towards consumers banking packages found that most bank customers in the US abhorred the traditional services offered by the banks and would wish to switch to services such as free checking, safe deposit boxes, travellers cheques etc.

Personal factors are significant internal factors influencing customers' behaviours. Factors such as life-cycle, position, age, employment status, economic situation, life style and personality have been used to segment the market with a view to better understanding of bank clients behaviour.

3. THE BUYING PROCESS

The buying process relate to several stages of consumers including bank users decision process. Understanding the buying process will enable bank managers:-

- Understand customers behaviour and can thus predict customer reaction and anticipate their reactions.
- Communicate effectively with consumers on issues of common interest to the bank and bank users.
- Identify the needs of potential bank users
- And thus enable bank managers design marketing strategies that motivate potential bank users to choose a specified bank or switch from other banks".

Professor Howard (1963) in his behavioural equation theory, identified four essential elements of the buying process included in the stimulus response model as:-

- Drive
- Cue
- Response and
- Reinforcement

Drives relate to the strong internal stimulus that impel the buyers response. Drives are two types namely inate drive and learnt drive. Inate drive is made up of psychological needs such as hunger, thirst, cold, pain etc.

Learnt drive relate to issues such as striving for status or social approval, which are required when paired with the dissatisfaction of inate drives and somehow serve as a drive. The learnt drive are considered dominant among the economically high income group and society.

Cues are weak stimulus but they determine when the buyer will respond. Cue can be triggering cues which activates decision process, non-triggering cues which influence decision process but does not activate it; information cues which is external and provide bank customers relevant information for their decisions, and specific informational and product cues which is a blend of the information say on interest rate, with that of service design or quality.

The relationship between the cues is represented as B = P x D x K x V where:-

B Internal Response Tendency

P Predisposition or awkward Response Tendency

D Present drive level or motivation level.

K Quality of service

V Intensity of queues.

The relationship among the variables has some independent values. If B were to be zero, there will be no response. In this vein, each time there is a response by way of patronage in which the satisfaction, K, is sufficient, it will yield a reward disposition i.e P will increase in value as a result of the rewarded response. Simply put, when the satisfaction received yields a reward, reinforcement, the more the probability of bank users patronage, particularly the next time the cue appears. This means the customer has learnt what service of the bank to patronize and when to patronize it.

2.8 CONSUMER CHOICE CRITERIA IN BANK SELECTION

There is the dearth of research in bank marketing in Nigeria but alot of published information is available in the developed economies.

Anderson et al (1976) carried out a determinant attribute analysis of bank selection criteria. Fifteen selection criteria were employed and respondents had to indicate the importance of each as well as the extent to which they perceived competing banks to be similar or different on each criterion. They identified two cluster or respondents - convenience oriented bank customers and service oriented bank customers, but concluded that to the extent that bank selection decisions are made on the basis of conscious deliberation, conivience appears to be a dominant determinant of patronage for most customers.

CHAPTER THREE

CONSUMER CHOICE CRITERIA IN BANK SELECTION IN NIGERIA

DATA COLLECTION

3.1 INTRODUCTION

Data collection is means through which relevant information on a particular course of study is obtained. This chapter focuses on research methods used, population and sample size, sampling procedure employed, statistical techniques used in analysing the data as well as justification for the approaches used.

3.2 RESEARCH METHODOLOGY

Questionnaires will be used to gather data. The questionnaire has been divided into two parts. The first part consists of independent variables such as age, sex, marital status, present position, title and educational qualification.

In the second part, there are dependent variables in which I emphasized services offered by banks, where and how services are delivered to the consumer.

An equal sample size of forty (40) customers was selected from each bank, respectively. ie Diamond Bank Ltd and Savannah Bank Plc.

A random sampling of customers from these two banks was made and the questionnaires distributed accordingly.

STATISTICAL TECHNIQUES USED IN ANALYSING THE DATA.

To arrive at a desirable degree of accuracy, the following techniques were adopted by this researcher:-

i. The simple percentage and

ii. The chi-square (X^2)

In the application of the X^2 test we first of all determine the degree of freedom which refers to the number of classes, the frequencies of which could be in arbitrary without violating any of the totals.

However, in the application of X^2, the number of observations must be sufficiently large, otherwise the differences between the actual and observed would not be normally distributed. it is not easy to say what constitutes largeness or smallness. We can however say that, arbitrarily, the sample size should not be less than 30.

3.3 <u>STATEMENT OF HYPOTHESIS</u>

Hypothesis will be formulated to test the probability that consumers of banking services have affinity to certain criteria when choosing a bank.

HO: Consumers do not favour the bank that packages "Total Quality" Services.

HI: Consumers favour the bank that packages "Total Quality" Services.

CHAPTER FOUR

CONSUMER CHOICE CRITERIA IN BANK SELECTION IN NIGERIA

DATA PRESENTATION AND ANALYSIS

4.1 INTRODUCTION

The data collected from respondents is tabulated in this chapter. Simple percentages and the Chi-Square (X^2) are used to analyse the data so as to arrive at useful interpretations that would give way to meaningful suggestions.

Questionnaire Results.

Questionnaires were administered to two separate banks to enable a comparison between the two. These banks are Diamond and Savannah Banks. Forty questionnaires were distributed to various Diamond Bank Customers. Out of these, Thirty Four were returned. These represent 85% of the total questionnaires.

TABLE 4.1

SEX	NO. OF RESPONDENTS	PERCENTAGE DISTRIBUTION
Male	20	58.8%
Female	14	41.2%
Total	**34**	**100%**

Source: Questionnaire

Of the 34 questionnaires returned Twenty were male, which gives 58.8%; and 14 of them were female, representing 41.2% of the total respondents.

TABLE 4.2

AGE GROUP	NO. OF RESPONDENTS	PERCENTAGE DISTRIBUTION
Under 20	4	11.8%
21 - 30	6	17.6%
31 - 40	14	41.2%
41 - 50	8	23.5%
51 - 60	2	5.9%
60 and above	-	-
Total	**34**	**100%**

Source: Questionnaire

The above table shows that account holding increases steadily as people enter adulthood from age twenty, tendency to hold account increases to the peak by ages 31 - 40 years. This is represented by 41.2% of the respondents. The number decreases with age increase with no account holder's from age 60 years.

TABLE 4.3

EDU. QUALIFICATION	NO. OF RESPONDENTS	PERCENTAGE DISTRIBUTION
First school Cert.	6	17.6%
Post Primary	10	29.4%
Graduate and above	18	53%
Total	**34**	**100%**

Source: Questionnaire

From the above, we note that education increases awareness of people to the need to use banking services. The highest number of respondents are 18 customers which forms 53%. This decreases to 10 respondents who are post primary school certificate holders who are represented by 29.4% and 17.6% respectively.

TABLE 4.4

MARITAL STATUS	NO OF RESPONDENTS	PERCENTAGE DISTRIBUTION
Married	16	47%
Single	14	41.2%
Divorced	4	11.8%
Total	**34**	**100%**

Source: Questionnaire

The information above gives the highest account holders to be married. This is represented by 47%. This is closely followed by 14 single people and 4 divorces represented by 41.2% and 11.8% respectively.

TABLE 4.5

TYPES OF ACCOUNT HELD	NO OF RESPONDENTS	PERCENTAGE DISTRIBUTION
Current	8	23.3%
Savings	10	29.4%
Fixed	4	11.8%
Loan/Credit	12	35.3%
Total	34	100%

Source: Questionnaire

Majority of the respondents are loan/credit account holders. This is represnted by 35.3% of the respondents. This is followed by savings account holders current and fixed account holders share the remaining percentage of respondents.

TABLE 4.6

REASON FOR ACCOUNT	NO. OF RESPONDENTS	PERCENTAGE DISTRIBUTION
Close location	8	23.5%
Employer's instruction	-	-
Spouse's choice	2	5.8%
Friend/Relation	2	5.8%
Services offered	22	65%
Total	**34**	**100%**

Source: Questionnaire

The response to the question above shows that so many customers are aware of qualities of services offered by banks. 22 respondents (65%) chose their banker because of the services offered while 23.5% (8 respondents) patronize their bank because of its location. The remaining respondents' choice is based on someone else's opinion. Employer's instruction is nil. This, I learnt, is due to the fact that this bank does not accept to open account for salary earners. ie salary accounts.

TABLE 4.7

BEST SERVICES OFFERED	NO. OF RESPONDENTS	PERCENTAGE DISTRIBUTION
Banking	10	29.4%
Financial	4	11.8%
Foreign	2	5.9%
Status	2	5.9%
Money Transmission	12	35.3%
Development	2	5.9%
Advisory	2	5.9%
Total	34	100%

Source: Questionnaire

The highest number of respondents, 12, in number representing 35.3%, are customers that want their monies transferred from one point to the other. This service customers are closely followed by those requiring banking services which is represented by 29.4%.

TABLE 4.8

EFFECTIVE DELIVERY	NO. OF RESPONDENTS	PERCENTAGE DISTRIBUTION
Yes	32	94%
No	2	6%
Total	**34**	**100%**

Source: Questionnaire

The above table clearly shows that consumers are sensitive to the way services are delivered to them. 32 respondents representing 94% appreciate good service delivery while 6% do not perceive that services are delivered to them in an agreeable manner.

TABLE 4.9

STAFF ATTITUDE	NO. OF RESPONDENTS	PERCENTAGE DISTRIBUTION
Friendly	32	94%
Unfriendly	2	6%
Total	**34**	**100%**

Source: Questionnaire

94% of customers agree that their choice of bankers are friendly while 6% say their bankers are not friendly.

TABLE 4.10

CHEQUE CASHING TIME	NO. OF RESPONDENTS	PERCENTAGE DISTRIBUTION
5 - 30 minutes	30	88.2%
30 minutes and above	4	11.8%
Total	**34**	**100%**

Source: Questionnaire

88.2% respondents say their cheques are cashed with minimum time wastage while 11.8% say their cheques are not cashed as quickly as they would want.

TABLE 4.11

TIME SPENT TO DEPOSIT	NO. OF RESPONDENTS	PERCENTAGE DISTRIBUTION
5 - 30 minutes	30	88.2%
30 minutes and above	4	11.8%
Total	**34**	**100%**

Source: Questionnaire

From the above table, respondents agree that time spent cashing cheques is the same amount of time spent to deposit cheques (in table 4.10 above).

TABLE 4.12

BANKING ENVIRONMENT	NO. OF RESPONDENTS	PERCENTAGE DISTRIBUTION
Tidy	34	100%
Untidy	-	-
Total	**34**	**100%**

Source: Questionnaire

All the respondents agree that this bank's environment is tidy.

TABLE 4.13

CONDUCIVE BANKING HALL	NO. OF RESPONDENTS	PERCENTAGE DISTRIBUTION
Yes	32	94%
No	2	6%
Total	**34**	**100%**

Source: Questionnaire

32 respondents representing 94% agree that the banking hall of their choice of bankers is conducive for business; while 6% of the respondents are of a contrary view.

TABLE 4.14

AGREEABLE INT. RATE	NO. OF RESPONDENTS	PERCENTAGE DISTRIBUTION
Yes	6	17.6%
No	28	82.4%
Total	**34**	**100%**

Source: Questionnaire

The indication from the above table is that 82.4% respondents feel that interest on their deposit is under paid. 17.6% of respondents are satisfied with interest paid.

TABLE 4.15

AGREEABLE CHARGES	NO. OF RESPONDENTS	PERCENTAGE DISTRIBUTION
Yes	32	94%

No	2	6%
Total	34	100%

Source: Questionnaire

The inference from the above table is that 94% customers represented by 32 respondents, say that charges for premium are agreeable while 6% are not pleased with charges.

TABLE 4.16

IDENTIFY NEW SERVICE	NO. OF RESPONDENTS	PERCENTAGE DISTRIBUTION
Yes	33	96.7%
No	1	3.3%
Total	34	100%

Source: Questionnaire

This table shows that a large percentage of customers are very much aware of services offered. 96.7% customers represented by 33 respondents know that a new service was introduced within the period of their patronage. While 3.3% did not notice any innovative change.

TABLE 4.17

EFFECT OF NEW SERVICE	NO. OF RESPONDENTS	PERCENTAGE DISTRIBUTION
Non	2	6.7%
Alot	28	93.3%
Total	30	100%

Source: Questionnaire

93.3% respondents say that this innovative service has had a tremendous impact on them while 6.7% says this new service has not made any difference.

TABLE 4.18

PERSONAL CARE FOR CUSTOMERS	NO. OF RESPONDENTS	PERCENTAGE DISTRIBUTION
Yes	24	70.6%
No	10	29.4%
Total	**34**	**100%**

Source: Questionnaire

70.6% customers represented by 24 respondents say that the bank has severally shown concern and even helped to solve personal problems for them. However 29.4% have not experienced this personal care.

TABLE 4.19

HOW ARE YOU RECEIVED	NO. OF RESPONDENTS	PERCENTAGE DISTRIBUTION
Warmly	32	94%
Coldly	2	6%
Total	**34**	**100%**

Source: Questionnaire

This table shows that 94% customers represented by 32 respondents appreciate the warm receipt accorded them at their bank. While 6%, represented by 2 customers say they do not experience this treatment.

TABLE 4.20

ATTENDANCE TO ENQUIRIES	NO. OF RESPONDENTS	PERCENTAGE DISTRIBUTION
Fast	30	88%
Not Fast	4	12%
Total	**34**	**100%**

Source: Questionnaire

88% customers represented by 30 respondents say their enquiries are attended to promptly; while 12% customers spend extra time to get their enquiries responded to.

TABLE 4.21

YOUR MOOD AFTER EACH VISIT	NO. OF RESPONDENTS	PERCENTAGE DISTRIBUTION
Satisfied/Happy	34	100%
Unsatisfied/Unhappy	-	- %
Total	**34**	**100%**

Source: Questionnaire

The above table shows that all the respondents are satisfied after each visit to their bank.

The questionnaire as to what attracts respondents to the bank of their choice was very revealing. In Diamond Bank, the overwhelming response was infavour of efficiency.

The other forty questionnaires were administered to Savannah Bank Plc Customers. Thirty questionnaires were returned by the respondents. This represent 75% of the questionnaires distributed.

TABLE 4.1

SEX	NO. OF RESPONDENTS	PERCENTAGE DISTRIBUTION
Male	22	73%
Female	8	27%
Total	**30**	**100%**

Source: Questionnaire

Twenty two of our respondents are male while eight are female.

TABLE 4.2

AGE GROUP	NO. OF RESPONDENTS	PERCENTAGE DISTRIBUTION
Under 20	6	20%
21 - 30	4	13%
31 - 40	12	40%
41 - 50	7	40%
51 - 60	1	4%
60 and above	-	-
Total	**30**	**100%**

Source: Questionnaire

The highest number of bank customers here are within the age bracket of 31 - 40 years represented by 40%. This group is closely followed by the 41 - 50 years customers, represented by 23%. 20% respondents represent the customers below 20. Age 51 - 60 years customers are represented by 4% of the respondents while there was no respondent from 60 years and above.

TABLE 4.3

EDU. QUALIFICATION	NO. OF RESPONDENTS	PERCENTAGE DIST.
First school Cert.	4	13%
Post Primary	8	27%
Graduate and above	18	60%
Total	**30**	**100%**

Source: Questionnaire

18 respondents, representing 60% customers constitute the highest number on the above table. 8 respondents representing 27% customers are next on the table. 13% customers barely have the basic education.

TABLE 4.4

MARITAL STATUS	NO OF RESPONDENTS	PERCENTAGE DISTRIBUTION
Single	10	33.3%
Divorced	2	6.7%
Married	18	60%
Total	**30**	**100%**

Source: Questionnaire

60% customers are married. This figure is followed by 10 singles, represented by 33.3% respondents. The number of divorced people using this bank is represented by 4 respondents; which is 13% customers.

TABLE 4.5

TYPES OF ACCOUNT	NO OF RESPONDENTS	PERCENTAGE DISTRIBUTION
Current Account	12	40%
Savings Account	8	27%
Fixed Deposit A/C	4	13%
Loan/Credit	6	20%
Total	**30**	**100%**

Source: Questionnaire

12 of our respondents representing 40% customers are current account holders; 27% customers are savings accounts holders. Loans/Credit Accounts is represented by 20% customers while the least account holders are represented by 13% respondents.

TABLE 4.6

REASON FOR CHOICE	NO. OF RESPONDENTS	PERCENTAGE DISTRIBUTION
Close location	4	13.3%
Employer's instruction	6	20/%
Spouse's choice	2	6.7%
Friend/Relation's Advice	10	33.3%
Services offered	8	26.7%
Total	34	100%

Source: Questionnaire

The above table reveals that 33.3% respondents patronize this bank because of someone else's advice. 26.7% because of services offered, 20% of our respondents say their employers are responsible for their choice of bank. 13.3% find the location of the bank conivient while

6.7% of the respondents have followed their spouse's advice.

TABLE 4.7

BEST SERVICES	NO. OF RESPONDENTS	PERCENTAGE DISTRIBUTION
Banking	12	40%
Financial	8	26.7%
Foreign	2	6.7%
Status	4	13.3%
Money Transmission	2	6.7%
Development	2	6.7%
Advisory	-	-
Total	**30**	**100%**

Source: Questionnaire

40% respondents utilize banking services; 26.7% come to the bank mainly for financial services, 13.3% are status customers. 6.7% each is shared by Foreign money transmission and development respondents. The table shows that no respondent has need for advisory services.

TABLE 4.8

EFFECTIVE DELIVERY	NO. OF RESPONDENTS	PERCENTAGE DISTRIBUTION
Yes	20	66.67%
No	10	33.33%
Total	**30**	**100%**

Source: Questionnaire

66.6% respondents say that the manner of delivery of services in this bank is very effective, however, 33.33% think otherwise.

TABLE 4.9

STAFF ATTITUDE	NO. OF RESPONDENTS	PERCENTAGE DISTRIBUTION
Friendly	20	66.67%
Unfriendly	10	33.33%
Total	**30**	**100%**

Source: Questionnaire

66.67% respondents say that their bankers are friendly while 33.33% find their banker rather unfriendly.

TABLE 4.10

CHEQUE CASHING TIME	NO. OF RESPONDENTS	PERCENTAGE DISTRIBUTION
5 - 30 minutes	16	53.3%
30 minutes and above	14	46.7%
Total	30	100%

Source: Questionnaire

53.3% representing 16 respondents cash their cheques under thirty minutes while 46.7% representing 14 respondents say they spend over thirty minutes. This could mean that, either way, customers are spending more time than they should.

TABLE 4.11

TIME SPENT TO DEPOSIT	NO. OF RESPONDENTS	PERCENTAGE DISTRIBUTION
5 - 30 minutes	23	76.7%
30 minutes and above	7	23.3%
Total	30	100%

Source: Questionnaire

76.7% consumers admit that they spend very little time to make deposit, however, 23.3% spend more time than necessary just to deposit money into their account.

TABLE 4.12

BANK ENVIRONMENT	NO. OF RESPONDENTS	PERCENTAGE DISTRIBUTION
Tidy environment	29	96.7%
Untidy	1	3.3%
Total	**30**	**100%**

Source: Questionnaire

96.7% respondents are of the view that the environment of their choice of bank is tidy; while 3.3% are not satisfied with the appearance of the environment.

TABLE 4.13

CONDUCIVE BANKING HALL	NO. OF RESPONDENTS	PERCENTAGE DISTRIBUTION
Yes	24	80%
No	6	20%
Total	**30**	**100%**

Source: Questionnaire

80% respondents believe that their bank's banking hall is conduvice for business while 20% do not find the banking hall conducive.

TABLE 4.14

AGREEABLE INTEREST RATE	NO. OF RESPONDENTS	PERCENTAGE DISTRIBUTION
Yes	19	63.3%
No	11	36.7%
Total	**30**	**100%**

Source: Questionnaire

19 respondents representing 63.3% customers say that interest paid on deposit is agreeable with them while 36.7% are not satisfied with interest paid on their deposits.

TABLE 4.15

AGREEABLE CHARGES	NO. OF RESPONDENTS	PERCENTAGE DISTRIBUTION
Yes	2	6.7%
No	28	93.3%
Total	**30**	**100%**

Source: Questionnaire

The above table shows that 93.3% Savannah Bank customers are not happy with charges on premium while only 6.7% are happy with charges on services offered.

TABLE 4.16

IDENTIFY NEW SERVICE	NO. OF RESPONDENTS	PERCENTAGE DISTRIBUTION
Yes	-	-
No	30	100%
Total	**30**	**100%**

Source: Questionnaire

All the respondents submitted that for the duration of their patronage they did not notice the introudction of a new service by the banker.

TABLE 4.17

PERSONAL CARE FOR CUSTOMERS	NO. OF RESPONDENTS	PERCENTAGE DISTRIBUTION
Yes	8	26.7%
No	22	73.3%
Total	30	100%

Source: Questionnaire

Apart from business relationship 26.7% respondents say that Savannah Bank is there to assist their personal problem. However, 22% of our respondents are of a contrary view

TABLE 4.18

HOW ARE YOU RECEIVED	NO. OF RESPONDENTS	PERCENTAGE DISTRIBUTION
Warmly	20	66.7%
Coldly	10	33.3%
Total	30	100%

Source: Questionnaire

20 respondents representing 66.7% customers say that they are received warmly at the bank, while 33.3% say the manner of receiving them is far from warm.

TABLE 4.19

ATTENDANCE TO ENQUIRIES	NO. OF RESPONDENTS	PERCENTAGE DISTRIBUTION
Fast	19	63.3%
Not Fast	11	36.7%
Total	**30**	**100%**

Source: Questionnaire

The table shows that 63.3% customers' enquiries are answered within the shortest possible time; while 36.7% spend more time than they would want to.

TABLE 4.20

YOUR MOOD AFTER EACH VISIT	NO. OF RESPONDENTS	PERCENTAGE DISTRIBUTION
Satisfied/Happy	22	73.3%
Unsatisfied/Unhappy	8	26.7 %
Total	**30**	**100%**

Source: Questionnaire

One would draw conclusion from this table that 73.3% customers are satisfied in totality with their bank, while 26.7% are not.

The response to the question as to what is the major attraction to the banker, Savannah Bank respondents revealed that they patronize their bank because of the "Goodwill" they receive.

PROOF OF HYPOTHESIS

TABLE A: SUMMARY OF CUSTOMERS' RESPONSE: DIAMOND BANK LTD.

QUESTION	FAVOURABLE	UNFAVOURABLE	TOTAL
1.	100	-	100
2.	100	-	100
3.	100	-	100
4.	100	-	100
5.	100	-	100
6.	100	-	100
7.	100	-	100
8.	94	6	100
9.	94	6	100
10.	88.2	11.8	100
11.	88.2	11.8	100
12.	100	-	100
13.	94	6	100
14.	17.6	82.4	100
15.	94	6	100
16.	96.7	3.3	100
17.	93.3	6.7	100
18.	70.6	29.4	100
19.	94	6	100
20.	88	12	100
21.	100	-	100
Total			**2,100**

Favourable = 1912.6

Unfavourable = 187.4

Percentage in Favour = $\frac{1912.6 \times 100}{2100}$ = 91.08%

Percentage not in Favour = $\frac{187.4 \times 100}{}$ = 8.9%

Reject the Null hypothesis and accept the alternative hypothesis since the percentage for alternative (i.e infavour) is higher.

USE OF CHI - SQUARE (X^2) STATISTIC

$$X^2 = \frac{(0 - E)^2}{E}$$

Where 0 = observed frequency

E = Expected frequency

If calculated X^2 is less than the table value, this will be accepted otherwise reject the hypothesis.

$$E = \frac{\text{ROU Total x Column total}}{\text{Overall Total}} = \frac{RT \times CT}{N}$$

REF TO TABLE A

$$= \frac{100 \times 1912.6}{2100} = 91.08\%$$

$$= \frac{100 \times 187.4}{2100} = 8.92\%$$

CONSIDERING THE SUMMARY OF DIAMOND BANK LTD CUSTOMER'

RESPONSE TABLES (TABLE A) WE HAVE THE FOLLOWING TABLE:

TABLE B:

S/NO	O	E	(O - E)	$(O - E)^2$	$(O - E)^2$
1.	100	91.08	8.93	79.74	0.88
2.	100	91.08	8.93	79.74	0.88
3.	100	91.08	8.93	79.74	0.88
4.	100	91.08	8.93	79.74	0.88
5.	100	91.08	8.93	79.74	0.88
6.	100	91.08	8.93	79.74	0.88
7.	100	91.08	8.93	79.74	0.88
8.	94	91.08	2.92	8.53	0.09
9.	94	91.08	2.92	8.53	0.09
10.	88.2	91.08	-2.88	8.29	0.09
11.	88.2	91.08	-2.88	8.29	0.09
12.	100	91.08	-2.88	79.74	0.88
13.	94	91.08	2.92	8.53	0.09
14.	17.6	91.08	-73.48	5399.31	59.28
15.	94	91.08	2.92	8.53	0.09
16.	96.7	91.08	5.62	31.58	0.35
17.	93.3	91.08	2.22	4.93	0.05
18.	70.6	91.08	-20.48	419.43	4.61
19.	94	91.08	2.92	8.53	0.09
20.	88	91.08	8.93	9.49	0.10
21.	100	91.08	8.93	79.74	0.88
22.	0	8.92	-8.92	79.57	8.92
23.	0	8.92	-8.92	79.57	8.92

24.	0	8.92	-8.92	79.57	8.92
25.	0	8.92	-8.92	79.57	8.92
26.	0	8.92	-8.92	79.57	8.92
27.	0	8.92	-8.92	79.57	8.92
28.	0	8.92	-8.92	79.57	8.92
29.	6	8.92	-2.92	8.53	0.96
30.	6	8.92	-2.92	8.53	0.96
31.	11.8	8.92	2.88	8.29	0.93
32.	11.8	8.92	2.88	8.29	0.93
33.	0	8.92	-8.92	79.57	8.92
34.	6	8.92	-2.92	8.53	0.96
35.	82.4	8.92	73.48	5399.31	605.30
36.	6	0.92	-5.62	8.58	0.96
37.	3.3	8.92	-5.62	31.58	3.54
38.	6.7	8.92	-2.22	4.93	0.55
39.	29.4	8.92	20.48	419.43	47.02
40.	6	8.92	-2.92	8.53	0.96
41.	12	8.92	3.08	9.49	1.06
42.	0	8.92	-8.92	79.57	8.92
Total					**817.35**

$$\frac{(O - E)^2}{E} = X^2 = 817.35$$

Hence calculated X^2 = 817.35

V = degree of freedom = (C - 1) (R - 1)

= (2 - 1) (21 - 1)

= (1 x 20)

$= \quad 20$

Significant level $\quad = \quad 5\%$

$= \quad X^2_{(0.05,\,20)} = 10.9$

CONCLUSION:

Since the calculated $X^2 = 817.35$, is greater than $X^2_{0.05}$ tabulated $= 10.9$, we reject the null hypothesis and accept the alternative hypothesis that "Total Quality Service" informs the consumer's choice of a bank.

SUMMARY OF CUSTOMERS' RESPONSE: SAVANNAH BANK PLC

TABLE C:

QUESTION	FAVOURABLE	UNFAVOURABLE	TOTAL
1.	100	-	100
2.	100	-	100
3.	100	-	100
4.	100	-	100
5.	100	-	100
6.	100	-	100
7.	100	-	100
8.	66.67	33.33	100
9.	66.67	33.33	100
10.	53.3	46.7	100
11	76.7	23.3	100
12.	96.7	3.3	100
13.	80	20	100
14.	63.3	36.7	100
15.	6.7	93.3	100

16.	-	100	100
17.	26.7	73.3	100
18.	66.7	33.3	100
19.	63.3	36.7	100
20.	73.3	26.7	100
Total			**2000**

Fvourable = 1440.04

Unfavourable = 559.96

Percentage in favour = $\frac{1440.05 \times 100}{2000}$ = 72%

Percentage not in favour = $\frac{559.96 \times 100}{2000}$ = 28%

Reject the Null hypothesis and accept the alternative hypothesis since the percentage for the alternative (i.e in favour) is higher.

USE OF CHI-SQUARE (X^2) STATISTIC

$$X^2 \quad \frac{(O - E)^2}{E}$$

Where O = Observed frequency

E = Expected frequency

If calculated X^2 is less than the table value, this will be accepted, otherwise reject the hypothesis.

$$E = \frac{\text{ROU Total x Column total}}{\text{Overall Result}} = \frac{RT \times CT}{N}$$

REF TO TABLE C

$$E = \frac{100 \times 1440.04}{2000} = 72\%$$

$$E = \frac{100 \times 559.56}{2000} = 28\%$$

CONSIDERING THE SUMMARY OF SAVANNAH BANK PLC.

CUSTOMERS' RESPONSE TABLES (TABLE C), WE HAVE THE FOLLOWING.

TABLE D:

S/NO	O	E	O - E	$(O - E)^2$	$\frac{(O - E)^2}{E}$
1.	100	72	28	784	10.89
2.	100	72	28	784	10.89
3.	100	72	28	784	10.89
4.	100	72	28	784	10.89
5.	100	72	28	784	10.89
6.	100	72	28	784	10.89
7.	100	72	28	784	10.89
8.	66.67	72	-5.33	28.41	0.3946
9.	66.67	72	-5.33	28.41	0.40
10.	53.3	72	-18.7	349.69	4.86
11.	76.7	72	4.7	22.09	0.31
12.	96.7	72	24.7	610.09	8.47
13.	80	72	8	64	0.89
14.	63.3	72	-8.7	75.69	1.05
15.	6.7	72	-65.3	4264.09	59.22
16.	0	72	-72	5184	72

17.	26.7	72	-45.3	2052.09	28.50
18.	66.7	72	-5.33	28.41	0.40
19.	63.3	72	-8.7	75.69	1.05
20.	73.3	72	1.3	1.69	0.023
21.	0	28	-28	784	28
22.	0	28	-28	784	28
23.	0	28	-28	784	28
24.	0	28	-28	784	28
25.	0	28	-28	784	28
26.	0	28	-28	784	28
27.	0	28	-28	784	28
28.	33.33	28	5.33	28.41	1.01
29.	33.33	28	5.33	28.41	1.01
30.	46.7	28	18.7	349.69	12.49
31.	23.3	28	-4.7	22.09	0.79
32.	3.3	28	-24.7	610.09	21.79
33.	20	28	8	64	2.89
34.	36.7	28	8.7	75.69	2.70
35.	93.3	28	65.3	4264.09	152.29
36.	100	28	72	5184	185.14
37.	73.3	28	45.3	2052.09	73.29
38.	33.3	28	5.33	28.41	1.01
39.	36.70	28	8.7	75.69	2.03
40.	26.70	28	-1.3	1.69	0.06
Total					**906.293**

$\frac{(O - E)^2}{E} = X^2 =$ Chi-Square $= 906.29$

Hence calculated (X^2) Chi-Square = 906.29

V = Degree of Freedom = $(C - 1)(R - 1)$

$= (2 - 1)(20 - 1)$

$= (1)(19)$

$= \mathbf{19.}$

Significance level = 5%

$X^2_{0.05,\ 19} = 10.1$

CONCLUSION:

Since the calculated $X^2 = 906.29$ is greater than $X^2_{0.05} = 10.1$, we reject the null hypothesis and accept the alternative hypothesis that "Total Quality Service" informs the customers choice of a bank.

DISCUSSION ON THE RESULT

It is necessary to discuss the result of the data collected, tabulated and analyzed above. This will reveal whether the findings and possible conclusions are consistent with existing knowledge. New findings that have emerged in the cause of this study will also be manifested.

COMPARATIVE FINDINGS FROM BOTH SBN AND DIAMOND BANK QUESTIONNAIRES

It has been discovered from the analysis of both banks that Western education increased the awareness of people to the need to use banking services.

Question 4.6 of both banks show that for Diamond Bank, 65% respondents' patronage is attributed to the services provided by that bank, whereas the highest percentage respondents to that same questions in Savannah Bank, 33.3%, is due to friends or relations advice. The deduction from the SBN result is that the friends or relations must have been satisfied to have given a recommendation to someone else. And to whether respondents find the delivery of services of their bank effective, 94% respondents of Diamond Bank agree that services are delivered to their satisfaction while 66.6% gave the same response in Savannah Bank Plc. What this shows is that customers are very sensitive to the manner of delivery of packaged services. Furthermore one can safely say that quality of services provided at Diamond Bank are totally satisfactory; while those of Savannah Bank are not totally satisfactory.

Generally, the responses to the questionnaires reveal that consumers of banking services are attracted to what would be referred to as "Total Quality" service. This is demonstrated by the fact that the percentage (%) responses in Diamond Bank is always high viz-a-viz questions like friendly attitude of staff, conducive environment, agreeable charges on services and impact of new services introduced by this bank. On the their hand the responses to the same questions in SBN produced lower percentage responses comparatively.

On a general note, the summaries of the responses from both banks represented in tables A and C are computed using percentages to prove the hypothesis that total quality services is offered in Diamond Bank; where as the quality of services offered in SBN cannot be described as "Total".

Similarly, using the X^2 on the opinion of the respondents in both banks computed in tables B and D proved that total services are offered on a higher degree in Diamond Bank.

The hypothesis formulated for testing is as follows:-

HO: Consumers do not favour the bank that packages total quality services.

HI: Consumers favour the bank that packages total quality services.

COMPUTATION USING PERCENTAGES

Summarizing the favourable and unfavourable responses of the customers of Diamond Bank, the following computations were made:-

Favourable responses = 1912.6

Unfavourable responses = 187.4

Percentage in favour $= \dfrac{1912.6 \times 100}{2100} = 91.08\%$

Percentage not in favour $= \dfrac{187.4 \times 100}{2100} = 8.9\%$

In conclusion, since favourable responses constitute 91.08%, we reject the null hypothesis (HO) and conclude that total quality service is offered to customers at Diamond Bank.

Considering the summary of the customers responses in SBN, the following computations were made:-

Favourable response	=	1440.04		
Unfavourable response	=	559.96		
Percentage in favour	=	$\frac{1440.04 \times 100}{2000}$	=	72%
Percentage not in favour	=	$\frac{559.96 \times 100}{2000}$	=	28%

The conclusion have too shows that 72% customers are in favour; we reject the null hypothesis and conclude that even though not in totality, quality services are offered in SBN.

COMPUTATION USING X^2 STATISTIC

The computation in table D reveals the following result:-

X^2 calculated = 906.29

$X^2_{(0.05,19)}$ = 10.10

CONCLUSION

Since X^2 calculated is greater than $X^2_{(0.05,19)}$, we reject the null hypothesis and conclude that to some extent quality service is offered in SBN.

Similarly the computation in table B shows the following:-

X^2 calculated = 817.35

$X^2_{(0.05,20)}$ = 10.0

CONCLUSION

We note here too that calculated X^2 is greater than $X^2_{(0.05\ 20)}$, so we reject the null hypothesis and accept the alternative that total quality service is offered in Diamond Bank.

In both banks the results from percentage and X^2 tally, it is therefore a confirmation that in both banks quality service is offered to customers but a different degrees.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATION

The revelations of findings on this research work are in two fold. On the one hand, it is revealed that Diamond Bank has an upper hand at attracting customers due to certain factors:-

i. The bank has highly motivated staff that are strongly dedicated to their jobs. This dedication is apparent in the way services are delivered "With a Smile" which indeed makes the customer feel at home.

ii. The staff commendable attitude combined with a conducive banking environment, as well as innovative technological ideas that are constantly practicalized add together to ensure the consumer goes away completely satisfied.

However this bank can increase its patronage by extending its services to low income earners, whose presence is currently almost non-existent.

The ever increasing demand for banking services shows that the segmentation of targeted market for services cannot be a static thing; a competitor can snatch away a particular segment at any given time. Relying heavily on one segment is dangerous.

Another issue that needs to be addressed by this bank is that of the spread of branches. At present, only few major towns in Nigeria are enjoying the presence of Diamond Bank. If the network of branches is widened, the bank is assured of increase in patronage. It must also be pointed out that Diamond Bank employs the concept of Total Quality Management (TQM) which has given it an upper hand over other banks in the service industry. However, the concept of "TQM" does not give room for any mistake or failures. Everything must turn out right. Improvement is a continuous process. This produces satisfaction both with the internal and external customer.

On the other hand, findings in Savannah Bank of Nigeria reveal that this bank has to work even harder than Diamond Bank in order to be able to present that total quality service that is highly desirable by consumers of banking services.

i. This bank has a plus as regards location of branches. It has a network of branches spread all over the country which makes it readily accessible to all its customers.

ii. We also note that Savannah Bank has wider target markets.

iii. Moreover a wide range of services are offered to consumers to ensure a wide coverage of as many segments of customers as possible.

However, product development policy of the bank as regards the ever increasing product-technology of the industry is on the average. There is also the issue of low motivation of staff which evidences in staff low morale and subsequent almost non-challant attitude to work.

CONCLUSION/RECOMMENDATIONS

In conclusion, the following recommendations are made to the banks upon which this research work is based.

In Diamond Bank the following recommendations are made.

i. One major priority of any business venture should be to reach as many customers as possible. In this wise, the range of target market of this bank should be increased to meet as many consumers of banking services as possible.

ii. Sampled consumers seemed to be satisfied with services offered by Diamond Bank this goes a long way to show that if the bank increases the number of branches available so that customers in certain states do not have to go to other states to enjoy these services, there will be an increase in patronage.

iii. With reference to the concept of TQM, if the results of our findings are not 100%, it shows that Diamond Bank has not reached the ultimate goal of TQM. Since TQM is a continuous process, Diamond Bank must not rest on its oars but keep working in order not to be overtaken or eaten up by others in the industry.

Similarly, the following recommendations are advanced for Savannah Bank Plc.

i. Innovation is one area that must come uppermost in any business organization. The world is constantly on the move and change is the only phenomenum that is constant; therefore the bank must be seen by its customers to be changing with time. In this wise the research department of the bank must always be on the move to ensure that new and improved innovative services are presented to the consumers.

ii. Human resources are the major instruments in the delivery of services in the service industry. This goes to say that this resource must be handled with care in order to achieve maximum output. The bank should find ways of motivating staff in order to bring out the best in them.

iii. Banking has gone hi-tech with keen competition to secure and retain consumers patronage, banks have had to constantly reposition themselves and work on improving their services. Savannah Bank must not be left out, customers must be able to identify a new or improved service at reasonable intervals. This makes them believe that they have a choice option, and that by their choice of this bank, they are not left out of a better choice provided by any other bank.

iv. Besides, customer sophistication must be seen to have put this bank on a fast lane to fashion out tailor-made personal services that will match this taste in the consumer of services.

v. To increase the rate of awareness of services offered by Savannah Bank, the bank should engage the services of good number of qualified marketing professionals to handle effectively, the marketing efforts of the bank.

vi. Rigorous and intensive training at all levels must be put in place to enable the internal customers face the challenges of Total Quality Management.

vii. The top management of Savannah Bank Plc must be totally committed to the concept of total quality management, as the slighted excecerise of doubt leads to the failure of this concept.

viii. All those involved in making the "TQM" succeed must always be made aware of every step and action taken.

ix. Effective communication must always be made both to internal and external customers.

x. Planning must be monitored closely and effectively by management.

APPENDIX 1

QUESTIONNAIRE

Dear Respondent,

I am a Post-Graduate final year student of Business Administration (ABU - Zaria) I am doing a study on consumer choice criteria in bank selection in Nigeria.

This study is undertaken in partial fulfillment of the requirement for the award of Masters in Business Administration.

I would therefore appreciate it if you kindly, complete this attached questionnaire as sincerely as possible.

Any information given in this questionnaire will be treated in confidence.

PLEASE TICK APPROPRIATE

1. Name:....................
2. Sex:......................
3. Occupation:..............
4. Age

Under 20

21 - 30

31 - 40

42 - 50

51 - 60

60 and above

5. Educational qualification

Primary

Post Primary

Graduate and above

6. Marital Status

Married

Single

Divorced

7. Who are your bankers

Savannah Bank

Diamond Bank

8. What kind of account do you operate?

Current Account

Savings Account

Fixed Account

Loan/Credit Account

9. Why did you choose these bankers?

Close location to your house/office

Your employer's instruction

Your spouse's choice

A friend/relation's suggestion

The services rendered

10. Which of the services offered by your bankers appeal to you most?

Banking Services

Financial Services

Foreign Services

Status Services

Money Transmission Services

Development Services

Advisory Services

11. Do you believe the manner of delivering this particular service is better than that of other bank?

Yes

No

12. What is the attitude of the staff?

Friendly

Unfriendly

Lukewarm

Cold

13. How long does it take to cash your cheque?

5 - 10 minutes

15 - 30 minutes

One hour

Over one hour

14. How long does it take to deposit cash?

5 - 10 minutes

15 - 30 minutes

One hour

Over one hour

15. How would you rate the banking environment?

Tidy

Untidy

16. Do you find the banking hall conducive for business

Yes

No

17. Do you find the interest rate paid on your deposit more agreeable than that of other banks?

Yes

No

18. Are the charges on services rendered agreeable with you?

Yes

No

19. Can you identify any new service/change introduced by your bank?

Yes

No

20. How has this new service/change affected your patronage of the bank?

Non

Alot

21. Would you say your bankers care for you in a personal way?

Yes

No

22. When you come into the bank, how are your received?

Warmly

Coldly

23. How fast are your enquiries attended/answered to?

Fast

Not fast

24. Generally, how would you say you feel after each visit to your bank?

Happy

Unhappy

Indifferent

25. As a consumer of services, what attracts you most in the bank of your choice?

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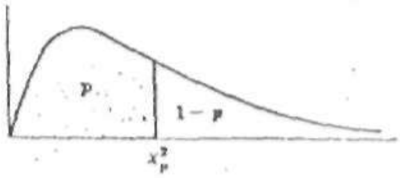
Appendix 3

Percentile Values (χ^2_p)
for the
Chi-Square Distribution
with ν Degrees of Freedom



ν	$\chi^2_{.005}$	$\chi^2_{.01}$	$\chi^2_{.025}$	$\chi^2_{.05}$	$\chi^2_{.10}$	$\chi^2_{.25}$	$\chi^2_{.50}$	$\chi^2_{.75}$	$\chi^2_{.90}$	$\chi^2_{.95}$	$\chi^2_{.975}$	$\chi^2_{.99}$	$\chi^2_{.995}$	$\chi^2_{.999}$
1	.0000	.0002	.0010	.0039	.0158	.102	.455	1.32	2.71	3.84	5.02	6.63	7.88	10.8
2	.0100	.0201	.0506	.103	.211	.575	1.39	2.77	4.61	5.99	7.38	9.21	10.6	13.8
3	.0717	.115	.216	.352	.584	1.21	2.37	4.11	6.25	7.81	9.35	11.3	12.8	16.3
4	.207	.297	.484	.711	1.06	1.92	3.36	5.39	7.78	9.49	11.1	13.3	14.9	18.5
5	.412	.554	.831	1.15	1.61	2.67	4.35	6.63	9.24	11.1	12.8	15.1	16.7	20.5
6	.676	.872	1.24	1.64	2.20	3.45	5.35	7.84	10.6	12.6	14.4	16.8	18.5	22.5
7	.989	1.24	1.69	2.17	2.83	4.25	6.35	9.04	12.0	14.1	16.0	18.5	20.3	24.3
8	1.34	1.65	2.18	2.73	3.49	5.07	7.34	10.2	13.4	15.5	17.5	20.1	22.0	26.1
9	1.73	2.09	2.70	3.33	4.17	5.90	8.34	11.4	14.7	16.9	19.0	21.7	23.6	27.9
10	2.16	2.56	3.25	3.94	4.87	6.74	9.34	12.5	16.0	18.3	20.5	23.2	25.2	29.6
11	2.60	3.05	3.82	4.57	5.58	7.58	10.3	13.7	17.3	19.7	21.9	24.7	26.8	31.3
12	3.07	3.57	4.40	5.23	6.30	8.44	11.3	14.8	18.5	21.0	23.3	26.2	28.3	32.9
13	3.57	4.11	5.01	5.89	7.04	9.30	12.3	16.0	19.8	22.4	24.7	27.7	29.8	34.5
14	4.07	4.66	5.63	6.57	7.79	10.2	13.3	17.1	21.1	23.7	26.1	29.1	31.3	36.1
15	4.60	5.23	6.26	7.26	8.55	11.0	14.3	18.2	22.3	25.0	27.5	30.6	32.8	37.7
16	5.14	5.81	6.91	7.96	9.31	11.9	15.3	19.4	23.5	26.3	28.8	32.0	34.3	39.3
17	5.70	6.41	7.56	8.67	10.1	12.8	16.3	20.5	24.8	27.6	30.2	33.4	35.7	40.8
18	6.26	7.01	8.23	9.39	10.9	13.7	17.3	21.6	26.0	28.9	31.5	34.8	37.2	42.3
19	6.84	7.63	8.91	10.1	11.7	14.6	18.3	22.7	27.2	30.1	32.9	36.2	38.6	43.8
20	7.43	8.26	9.59	10.9	12.4	15.5	19.3	23.8	28.4	31.4	34.2	37.6	40.0	45.3
21	8.03	8.90	10.3	11.6	13.2	16.3	20.3	24.9	29.6	32.7	35.5	38.9	41.4	46.8
22	8.64	9.54	11.0	12.3	14.0	17.2	21.3	26.0	30.8	33.9	36.8	40.3	42.8	48.3
23	9.26	10.2	11.7	13.1	14.8	18.1	22.3	27.1	32.0	35.2	38.1	41.6	44.2	49.7
24	9.89	10.9	12.4	13.8	15.7	19.0	23.3	28.2	33.2	36.4	39.4	43.0	45.6	51.2
25	10.5	11.5	13.1	14.6	16.5	19.9	24.3	29.3	34.4	37.7	40.6	44.3	46.9	52.6
26	11.2	12.2	13.8	15.4	17.3	20.8	25.3	30.4	35.6	38.9	41.9	45.6	48.3	54.1
27	11.8	12.9	14.6	16.2	18.1	21.7	26.3	31.5	36.7	40.1	43.2	47.0	49.6	55.5
28	12.5	13.6	15.3	16.9	18.9	22.7	27.3	32.6	37.9	41.3	44.5	48.3	51.0	56.9
29	13.1	14.3	16.0	17.7	19.8	23.6	28.3	33.7	39.1	42.6	45.7	49.6	52.3	58.3
30	13.8	15.0	16.8	18.5	20.6	24.5	29.3	34.8	40.3	43.8	47.0	50.9	53.7	59.7
40	20.7	22.2	24.4	26.5	29.1	33.7	39.3	45.6	51.8	55.8	59.3	63.7	66.8	73.4
50	28.0	29.7	32.4	34.8	37.7	42.9	49.3	56.3	63.2	67.5	71.4	76.2	79.5	86.7
60	35.5	37.5	40.5	43.2	46.5	52.3	59.3	67.0	74.4	79.1	83.3	88.4	92.0	99.6
70	43.3	45.4	48.8	51.7	55.3	61.7	69.3	77.6	85.5	90.5	95.0	100	104	112
80	51.2	53.5	57.2	60.4	64.3	71.1	79.3	88.1	96.6	102	107	112	116	125
90	59.2	61.8	65.6	69.1	73.3	80.6	89.3	98.6	108	113	118	124	128	137
100	67.3	70.1	74.2	77.9	82.4	90.1	99.3	109	118	124	130	136	140	149

Source: E. S. Pearson and H. O. Hartley, *Biometrika Tables for Statisticians*, Vol. 1 (1966), Table 8, pages 137 and 138, by permission.