

**MARKETING PRACTICES AND  
CONSUMER'S SATISFACTION IN THE  
NIGERIAN BANKING  
INDUSTRY**

**BY**



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## **ABSTRACT**

The study evaluated the marketing policies, strategies and application of various marketing concepts in selected banks in Nigeria. It also assessed the competitive marketing strategies used in promoting the delivery of bank services and examined the corporate social responsibility in the banking industry with a view to determining their effect on consumers' satisfaction.

The study was carried out among top ten banks of the twenty five recapitalised commercial banks approved by the Central Bank of Nigeria, in 2005. Data for the study were obtained from primary and secondary sources. The bank workers' population as at the time of study was 2,850. These workers were stratified into top, middle and lower level staff. The top level staff are responsible for policy making, while the middle and lower level staff are responsible for marketing operations. The lower and middle level staff was further stratified on the basis of their roles and responsibilities. Using random sampling 340 bank workers were chosen from the three staff levels. The primary data were collected through questionnaire that were administered to bank workers and their customers. The instrument was designed to measure the impact of customers' awareness, knowledge and attitude to marketing concepts with a view to determining their levels of satisfaction. The selected top, middle and lower staff were administered 33% of questionnaires respectively. Furthermore, questionnaires were administered to 346 customers of the selected banks who were chosen from the traffic count and customer cycle per week. Secondary data were collected from banks' journals, annual reports, newsletters, official diaries, brochures, textbooks and academic journals. The data were analyzed using both descriptive and inferential statistical methods.

The results revealed that banks had policies and strategies that embedded

marketing practices. Furthermore, findings revealed that banks applied the various marketing concepts. The product concept variables, image ( $t = -2.70$ ;  $p < 0.05$ ), values ( $t = -3.79$ ;  $p < 0.05$ ) and perceptions ( $t = -3.64$ ;  $p < 0.05$ ) were found to have significant negative relationship with consumers' satisfaction. Targeting had a positive and significant effect on consumers' satisfaction ( $t = 2.64$ ;  $p < 0.05$ ). However, while positioning had a positive effect on consumers' satisfaction, it was not significant ( $t = 0.57$ ;  $p > 0.05$ ). Also, segmentation had a negative and not significant relationship with consumers' satisfaction ( $t = -0.03$ ;  $p > 0.05$ ). The results further showed that while advertisement had a significant positive impact on consumers' satisfaction ( $t = 3.30$ ;  $p < 0.05$ ), corporate social responsibility however had a negative but significant effect on consumers' satisfaction ( $t = -4.78$ ;  $p < 0.05$ ). Finally, the result revealed that marketing practices explained 48% of changes in consumers' satisfaction ( $F = 19.06$ ;  $p < 0,05$ ).

The study concluded that applying various marketing concepts enhanced consumers' satisfaction.