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"Laveraging the Marketing Impact of Electronic Banking Advertisement on Customers Sartisfaction: A Study of Some Selected Comercial Banks in Taraba State

Nafisat Yakubu Ahmed
Department of Marketing Technology, School of business and Management Technology, Federal Polytechnic Bali.
Corresponding Author: nafisatyak123@gmail.com

Abstract

This study was carried out to leverage the marketing impact of digital banking advertisement on customer's satisfaction with specific reference to some selected commercial Banks in Taraba State. In this study, a survey research design was adopted. The population of this study was carved out of the entire staff of some selected deposits money Banks in Taraba State. The study adopted a primary method with questionnaires as the main instrument of data collection. For the purpose of analysis, the study uses simple percentages in form of tables to analyses respondent information while chi-square (X^2) technique were used to test and provides answers to the formulated hypothesis. Sequel to the analyses findings reveals that, there is a significant impact of digital banking advertisement on customer's satisfaction in some selected commercial Banks in Taraba State at ($P<0.05$) significance level. From the findings the study concludes that, digital Banking has improved customer satisfaction than traditional banking system. Based on the conclusion the study recommends that banks should add other e-banking service delivery channels like mobile banking and internet banking in addition to existing delivery channels. Equally banks should work much in increasing the number of users of electronic Banking from all aspects that is from gender, age, educational status, occupationally and should do great job in making- business men/women to be the users of e-banking.

Keywords: leveraging, Digital, Banking Service, Technology, Customer satisfaction

Introduction

Digital Banking has been widely used in developed countries and in developing economies however, the spread of e-banking is much limited. As suggested by Claessens, Glaessner and Klingebiel, (2013). Developing countries in general have an advantage as they can learn from the experience of advanced economies. Today, almost all banks are adopting electronic banking as a means of enhancing service quality of banking services. They are providing electronic banking to their customers to increase customers' satisfaction in banking service, (Abraham 2012).

Electronic banking is in an embryonic stage in the country. The Current e-banking services being delivered in the country are Automatic Teller Machine (ATMs) POS (Point of Sale) Online book transfer, mobile transaction banking service and online Banking. But there are more mobile transaction banking service and online Banking services in Nigeria to facilitate the payment of the banking system and also the use of electronic banking will enable banks to provide mobile transactions, internet and card banking services, (Kumbhar 2011).

Generally, Nigeria do not embrace electronic banking early compared to developed countries. Nigeria adopted electronic banking system in the early 2000s. During the introduction of electronic banking system, the use of raw cash was said to have bred corruption through the "cash and carry syndrome" usually linked with the swift movement of Ghana-must go" bags by some politicians. Such bags as some analyst say, are a major source of corrupt practices as dubious persons seeks to bribe their way to avoid been checked in some sensitive areas or places in a corrupt society. Therefore, it is based on the above aforementioned Background that this research is designed to evaluate and assess the economic implication of electronic banking on Customer satisfaction with special reference to some selected deposits money Banks in Nigeria.

Generally, and Empirically, there have been a number of studies with mixed outcomes on the economic implication of electronic Banking on customer satisfaction in commercial Banks in Nigeria. Most of the empirical studies

have been carried out in developed countries (Hope and Kang, (2006), Robyn and Graeme 2009), but relatively few studies in developing countries like Nigeria (Abolaji 2015, Grossman, Smith, and Tervo, (2016). In fact, the extend of literature review shows that none or only few of the studies has examined the impact electronic Banking on financial performance of Nigerian deposits money banks adopting union Bank Bali Branch as the case study. Therefore, this establishes an important gap in the literature making a research of this kind significant.

Therefore, it is based on the above background, that this study seeks to examine the impact of online banking advertisement on customer satisfaction in some selected deposits money banks in Taraba State. In view of the above stated objectives, the study seeks to test the following hypotheses which serves as a guide to the study.

HO1: Electronic Banking advertisement has no significant impact on customer satisfaction in some selected commercial banks in Taraba State.

LITERATURE REVIEW AND THEORETICAL FRAMEWORK

The Concept of Electronic Banking

The concept of electronic banking has been defined in many ways; Daniel, (2010) defines electronic banking as the delivery of banks' information and services by banks to customers via different delivery plat forms that can be used with different terminal devices such as personal computers and mobile phone with browser or desktop software, telephone or digital television (Moutinho Et al, 2012).

Saleh et al, (2010) also defined electronic banking as per the following chart concluding that e-banking is providing banking products and services through electronic delivery channels In simple words, e-banking implies provision of banking products and services through electronic delivery channels. Electronic banking has been around for quite some time in the form of automatic teller machines (ATMs) and telephone transactions. In more recent times, it has been transformed by the internet – a new delivery channel that has facilitated banking transactions for both customers and banks.

Types of e-banking

According to Reibstein, (2010) there are many electronic banking delivery channels to provide banking service to customers. Among them ATM, POS, mobile banking and internet banking are the most widely used and discussed below:

1. **ATM**: Automated Teller Machine (ATM) is a machine where cash withdrawal can be made over the machine without going in to the banking hall. It also sells recharge cards and transfer funds; it can be accessed 24 hours/7 days with account balance enquiry.
2. **Internet banking**: Internet banking allows customers of a financial institution to conduct financial transactions on a secure website operated by the institution, which can be a retail or virtual

   Bank, credit union or society. It may include of any transactions related to online usage. Banks increasingly operate websites through which customers are able not only to inquire about account balances, interest and exchange rates but also to conduct a range of transactions.

   Unfortunately, data on Internet banking are scarce, and differences in definitions make cross-country comparisons difficult, (Deribie, 2012)
3. **POS**: Point of sale (POS) also sometimes referred to as point of purchase (POP) or checkout is the location where a transaction occurs. A 'checkout' refers to a POS terminal or more generally to the hardware and software used for checkouts, the equivalent of an electronic cash register. A POS terminal manages the selling process by a salesperson accessible interface. The same system allows the creation and printing of the receipt. Because of the expense involved with a POS system, the eBay guide recommends that if annual revenue exceeds the threshold of $700,000, investment in a POS system will be advantageous. POS systems record sales for business and tax purposes. Illegal software dubbed 'zappers' is increasingly used on them to falsify these records with a view to evading the payment of taxes.

Positive Impact of Electronic Banking in Nigeria

Deribie (2012) opine the following factors as positive impact of electronic banking in Nigeria.

A. **Speedup Settlement of Transaction:** Electronic banking speedup settlement of transaction either national or international level where the bank stands as paying bank to the customers for settlement of Transaction or debt and collection bank for the collection of payment on transaction made.
B. **Reduces the rate at which customers visit banks:** The introduction of this system has bridge the gap between customer and his bank, where the customer

can easily go any branch bank close to him and withdraw money from the ATM's machine through the help of the interbank-switch and also safes time energy and reduces stress of the customer. Also customers can make or carryout transaction while at home with the use of telephone.

C. **Move into a cashless society:** The introduction of the electronic machine has reduced the use of raw cash thereby moving the country into a cashless economy. As stipulated by Anyanwaokoro M. (2011), that the settlement of financial obligations is now done by the use of electronic gadgets such as computer, facsimile and telex, instead of currency notes and coins. He went on to say that individuals can pay their bills by using credit cards or even pressing some buttons that transfer money from one account to another. The perfection of this system is what he described as a move into cashless society.

D. **Reduction of Theft:** The use of electronic payment system has reduced the rate of theft stealing in the society. The federal government reported to daily champion on Tuesday, April 21 (2009) that due to endemic corruption in official transaction and incessant robbery attacks on bullion van and bank vaults which made the federal government to direct immediate automation of government fiscal operations through a system known as electronic payment (e-payment).

E. **Clearance of Good:** Payment system in the custom areas help in ensuring easy facilitation of clearance of goods by importers, also the money accrue to the government would be paid up electronically thereby making the gathering of revenue very easy and checking of any fraudulent moves as reported by Mumdu H. daily sun, Friday May 21, 2010.

Challenges and Opportunities of E-Banking

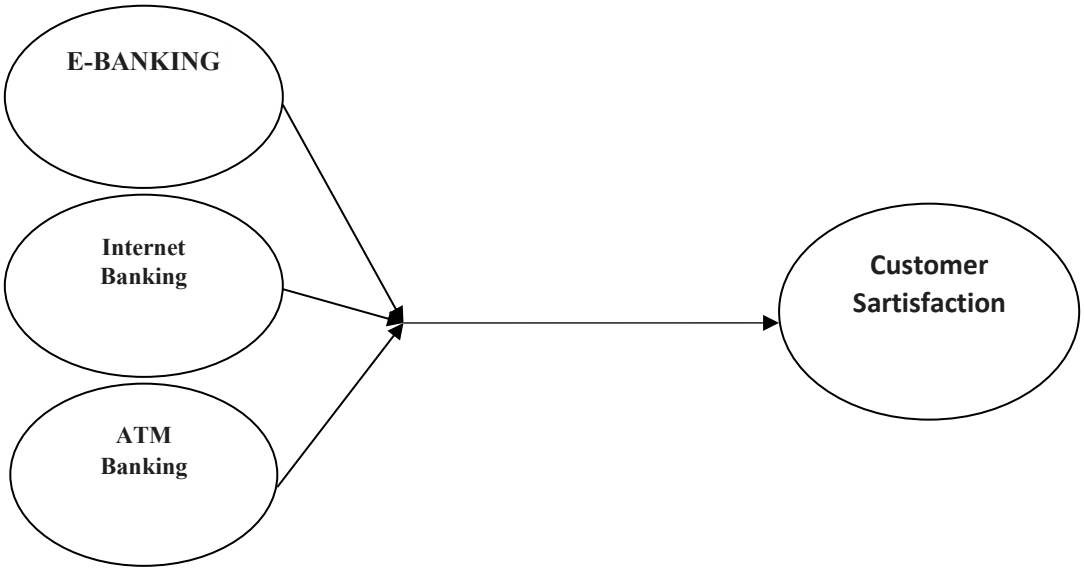
According to Dogarawa (2015), the changing financial landscape has brought with it new challenges for bank management and regulatory and supervisory authorities. The major ones stem from increased cross-border transactions resulting from drastically lower transaction costs and the greater ease of banking activities, and from the reliance on technology to provide banking services with the necessary security. While electronic banking can provide a number of benefits for customers and new business opportunities for banks, it exacerbates traditional banking risks. Even though considerable work has been done in some countries in adapting banking and supervision regulations, continuous vigilance and revisions will be essential as the

scope of e-banking increases. In particular, there is still a need to establish greater harmonization and coordination at the international level. Moreover, the ease with which capital can potentially be moved between banks and across borders in an electronic environment creates a greater sensitivity to economic a high economic cost. Further research on policy-related issues in the period ahead is therefore critical.

Bambore, (2013) view that, the primary challenge for banks is to provide consistent service to customers irrespective of the kind of channel they use. The more a bank relies on electronic delivery channels, the greater the potential for reputation risks. There are some serious implications of international e-banking. It is a common argument that low transaction costs potentially make it much easier to conduct cross-border banking electronically. For many banks, cross-border operations offer an opportunity to reap economies of scale. But cross-border finance also needs a higher degree of cross-border supervision. Such cooperation may need to extend to similar supervisory rules and disclosure requirements (for efficiency and to avoid regulatory arbitrage) and some harmonizing of legal, accounting and taxation arrangements

However, another major concerns of electronic transactions are the issues of security and privacy. In the developed countries like France, 3 out of 40 purchases on line and the remaining 37 are reluctant to use on line services and the reason is security and privacy which is the major threats to perform online business. It is not only the duty of industry but also the duty of government assuring people to perform secure electronic transactions Noreen, (2016)

Figure 1: Conceptual Framework



(Independent Variable) (Dependent Variable)

Figure 1: Conceptual model showing all the variables used in the study.

Theoretical framework

This study adopted the Bank-Focused Theory popularized by Kapoor (2010) which are among the notable economics and Accounting theories relevant to this study.

Bank-Focused Theory

The central thesis of the Bank Focused Theory holds that banks use non-traditional but conventional low-cost delivery channels to offer services to its customers. Such channels include the automated teller machines (ATMs), mobile phone banking, Point of Sale (POS) among others. In using these channels, the bank offers a wide range of services to its customers regardless of location and branch attachments. All that is required is to enter the needed information into the system and the transaction is done. To complement this as it relates to economic growth, the neoclassical growth theory holds that the accumulation of capital within an economy and how people use such capital are important determinant of economic growth. It further propagates the doctrine that the relationship between the capital and labour in an economy determines its output. These theories favour this study since the emphasis of the paper is on the introduction of electronic platforms as means of delivering services in the banking sector, which ultimately reduces many costs leading to savings or increased capital. It is therefore expected that both the application of the electronic devices and the increased capital shall lead to economic growth. This paper investigates the relationship.

Prior Empirical Studies

Aduda and Kingoo (2012), in their study of e-banking and financial performance among commercial banks in Kenya, found that e-banking has a strong and significance marginal effect on the ROA of the banks.

Uduji (2013), in his study of the use of IT for effective supervision of the marketing executives in the banking industry in Nigeria, found that the personal computer, in both desktop and portable form, is a superb message centre for managers receiving and relaying information quickly to the marketing executives.

Oluwatolani et al. (2011) argued that banks need to provide an excellent service to their customers who are difficult to be satisfied and accept less than average satisfaction.

Sadeghi and Hanzaee (2010), in their study of customer satisfaction factors with e-banking services in Iran, found accessibility, security, convenience, usefulness, accuracy, bank image, and web site design as significant. Previously, customers had a relationship with a bank physically in front of staff that had access to the bank's information system. But nowadays, customers have direct access to all bank's information system, from workplace, home, or any other places where Internet access is available.

Gao and Owolabi (2008) investigated the factors that influence the consumer's adoption of ebanking in Nigeria. They reported that the level of awareness or attention, convenience, privacy, accessibility to computers and the Internet, cost, availability of knowledge, and supports are the relevant issues that need to be considered in determining the adoption of e-banking in Nigeria.

METHODOLOGY

The research design adopted in this study is the survey research design. The population for the purpose of this study comprises of all the staff in three commercial Banks in Jalingo Taraba State.

For the purpose of this study the simple random sampling technique was employed to pick the adequate sample which represented the sample size for the purpose of generalization and conclusion. However, to determine the sample size for this research, the simple random sampling technique in collaboration with the Yaro Yamani method is employed in obtaining the sample size. However, this study uses the primary method of data collection adopting a structured questionnaire. Under this method a sample of a well-structured questionnaires was prepared and administer to the selected respondents in the case study which were differently answered by them. Notably after data being presented and tabulated under the descriptive statistics accordingly, the result of the questionnaires was analyzed by the use of tables. Simple percentages were computed and findings was presented, discussed and interpreted, deductive reasoning relevant to the research objective and hypothesis was observed adequately. Hence finally, after data being presented and tabulated under the descriptive statistics accordingly, the chi-square technique was employed as the technique of data analysis to test the pre-set hypothesis which was intended to guide the study.

NOTE: Chi-square ($X^{2)}$ Formula is depicted as follows:

X^2=FO-FE
FE

Where:

FO=frequency Observed

FE=frequency Expected

X^2= chi-square

Decision Rules

Reject HO if X^2 Calculated is greater than X^2 Tabulated and Vise-versa

DATA PRESENTATION, ANALYSES AND INTERPRETATIONS

However, for the purpose of analysis in this research work, out of the 56 successfully filled and retrieved questionnaires, a total of twelve (12) point questionnaires statement were selected based on the research questions and hypothesis raised. Hence the responses from the twelve (12) questionnaire statements were represented and analyzed using figures and percentages respectively

Test of Hypothesis

HO1: Electronic Banking advertisement has no significant impact on customer satisfaction in some selected commercial Banks in Taraba State.

Table 1: Chi-square Observed table values for Hypothesis one

Questions	Strongly Agree	Agree	Undecided	Disagree	Total
A1	3	2	4	3	12
A2	4	4	2	2	12
A3	6	1	3	2	12
A4	4	3	3	2	12
TOTAL	17	10	12	9	48

Source: Researcher Computation October, 2024.

NOTE: To get expected value: (Column total) Row total
Grand total

SA = 17×12/48 = 4.25

A = 10×12/48 = 2.05

UD = 12 ×12/48 = 3.00

D = 9×12/48= 2.25

TABLE 2: Chi –square contingency table for Hypothesis Tested

	FO	FE	FO - FE	(FO –FE^2)	(FO – FE^2/FE)
Q1	9	8.75	0.25	0.0625	0.0472
	8	8.75	-0.5	0.25	0.0225
	6	5.75	0.25	0.0625	0.0508
	6	5.75	0.25	0.0625	0.0108
Q2	13	8.75	4.25	18.0625	2.0642
	7	8.75	- 1.75	3.0625	0.3050
	6	5.75	0.25	0.0625	0.0108
	3	5.75	2.75	7.5625	0.0108
Q3	6	8.75	-2.75	7.5625	0.8642
	11	8.75	2.25	5.0625	0.5785
	5	5.75	-0.75	0.5625	0.0978
	7	5.75	1.25	1.5625	0.1717
Q4	7	8.75	-1.75	3.0625	0.025
	9	8.75	0.25	0.0625	0.0071
	6	5.75	0.25	0.0625	0.0308
	7	5.75	1.25	1.1625	0.1717
TOTAL				Calculated value	**6.1585**

Source: Researcher Computation October, 2024

Chi – square critical table value at 4 under 9 using the X^2 Table= **4.004**

DECISION RULE:

Since the Chi square-calculated value **(6.1585)** is greater than the chi square-critical table value **(4.004)** at an infinite degree of freedom and 0.05 percent level of significance, therefore we reject the Null hypothesis **H0** which state that, Electronic Banking advertisement has no significant impact on customer satisfaction in some selected commercial Banks in Taraba State and accept the Alternative hypothesis **H1** to conclude that, Electronic Banking advertisement has significant impact on customer satisfaction in some selected commercial Banks in Taraba State

SUMMARY OF RESULTS AND DISCUSSION OF FINDINGS

Based on the analysis made from the data generated from respondents as well as the evidence from chi-square (X^2) test results above, the major findings arrived at in this study can be summarized as follows:

i. Electronic Banking advertisement has significant impact on customer satisfaction in some selected commercial Banks in Taraba State

However, this finding is in line with the work of (Uduji 2013), but contradicts the study result of (Oluwatolani et al. 2011)

Conclusions and Recommendation

This study was carried out to examine the marketing impact of digital banking advertisement on customer's satisfaction with specific reference to some selected commercial Banks in Taraba State. In line with the findings arrived at in this study, it can be Concluded that: Electronic Banking advertisement has significant impact on customer satisfaction in some selected commercial Banks in Taraba State. However, this conclusion is in tandem with the work of (Uduji 2013), but contradicts the study result of (Oluwatolani et al. 2011).

Recommendations

Therefore, based on the findings arrived at in chapter four of this study and the conclusion drawn above, the following recommendations were proffered:

1. E-banking services should be expanded as much as possible in order to reduce the visits of bank hall for customers and to get investment cost advantage than opening bank hall as the current rent price per year for opening bank hall is much greater than buying an ATM machine.
2. All Customers should have embraced the use of E-Banking service as the users of this type of account are business men and women who need money now and then which increase the revenue generated from the service when they use now and then.
3. The banks should exceed the promise of providing 24/7 rather than under delivering 24/7 availability that is the banks should ensure that at no time should service cease as a result of network problem, power failure and other technical problems. Should increase the effort to keep customer's satisfaction above the current level and should conduct survey to
4. The banks should work much in increasing the number of users of electronic Banking from all aspects that is from gender, age, educational status, occupationally and should do great job in making- business men/women to be the users of e-banking.

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