UNIVERSITY OF LAGOS

DEPARTMENT OF BUSINESS ADMINISTRATION

THE EFFECTIVENESS OF PRICING AS A MARKETING TOOL IN BANKS– CUSTOMERS PERCEPTION APPROACH IN NIGERIA.

A THESIS

SUBMITTED TO THE SCHOOL OF POST GRADUATE STUDIES, UNIVERSITY OF LAGOS, IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE AWARD OF DOCTOR OF PHILOSOPHY (Ph.D.) IN BUSINESS ADMINISTRATION

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CERTIFICATION

This is to certify that the thesis

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DEDICATION

This work is dedicated to my late parents who paid the initial price and laid the foundation for my education. May the Lord Almighty grant their souls eternal and blissful rest-Amen.

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ABSTRACT

This work investigated the effectiveness of pricing as a tool for marketing banking services in Nigeria. This has become necessary in view of the persistent altering of Nigerian banking landscape since the advent of Federal Government Structural Adjustment Programme (SAP) in 1986. Structural Adjustment programme ushered in a period of bank market liberalization that lowered the industrial entering and exit requirements, introduced deregulation in the industry and offered banking model tending towards universal banking.

Consequently, the number of banks in the economy rose from 41 to 118. Eighteen years after, (in 2004), the number of banks had shrunk to 89. That was followed by another period of consolidation that saw the emergence of 25 much bigger banks from the 89 in 2005. The Banks had large capital base, this enabled successful ones among them to pick bigger tickets while offering facilities to multinationals and other high net-worth firms in Nigeria. In less than five years, that is in 2009, over a third of these banks were declared seriously sick by the industrial regulator-Central Bank of Nigeria. The subsequent Audit of all the banks highlighted some of the abuse prevalent in the old system. One of the main abuses is the waste of fund by banks in an ineffective and efficient manner towards achieving corporate goals. A good example is the excessive promotion of banks pricing regimes. This research aims at determining the usefulness or otherwise of promoting banks pricing regimes.

Survey method was used and data were sourced from primary (questionnaires) and secondary sources. In answering the research questions and testing the relevant hypotheses some statistical tools such as Simple and Multiple Regressions (processed with SPSS and Startgraphic softwares) were used. The findings of this work show that there are little or no relationship between some important variables – such as bank charges variations and demand for banks products, bank charges variation and profitability etcetera. Secondly, Customers hardly appreciate the disparity induced by

most price variations and financial rewards (or bets) offered during promotions because the differences do not attain the mandatory just noticeable difference (JND) level as par Weber's law. The application of Weber's law in a search for solution to marketing problems is regarded as a contribution to knowledge. Cogent and germane conclusions together with recommendations were made to key stakeholders- Banks and Marketers are advised not to promote stimulus with benefits less than the appropriate JND.

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CHAPTER ONE

INTRODUCTION

1.01: Background of the Study

One of the most acceptable tools for result oriented business management is the effective and efficient use of Marketing. Kotler and Armstrong (2010) agree with this view when they said "sound marketing is critical to the success of every organization". Some other authors agree with this view too; authors such as Ennew, Wartkins and Wright (1995) observe that marketing is widely recognized as a key to success for any organization, irrespective of its size or the sector of the economy in which it operates. Onah (2008) recognizes both the eminence and the universality of marketing when he states that “Every Business or Organization is marketing. Ugwuanyi and Ugwuanyi (2000) share the same opinion with the above writers and advocate that banks must redefine their markets and be customer oriented (embrace marketing concept) rather than being product and service centred.

The concept of marketing remains one that is widely used and misused. At one level (the micro level), it is a generic term used to describe a range of functions, which organizations perform such as advertising, branding, packaging, pricing, product development and distribution. At this level, marketing is essentially concerned with what people and their organizations do. At the macro level, the term is often used to describe a business philosophy which guides organizations and bodies in their activities while indulging in exchange process. Marketing concept is a simple and intuitively appealing philosophy. It states that the social and economic justification for an organisation’s existence is the satisfaction of customer wants and needs while meeting organizational objectives (Lamb, Hair and McDaniel, 2000). Developing function-directed marketing may prove relatively straight forward; while developing a marketing orientation with its focus and commitment to the market can prove considerably more complex. Onah (2008) advocates that the philosophy of marketing concept should apply to both the public and private sectors, whether profit oriented or not. He states that: *“Every one of these private and public entities should be focused on customer, whoever and wherever those customers may be. In other words, all these entities need to be customer-centred”*

In the sixties and seventies, Nigerian Banks and some other professional bodies (Nigerian Medical Association, Nigerian Bar Association, Institute of Chartered Accountants of Nigeria etcetera) made little use of this all important tool - marketing. Traditionally, practitioners of these professions viewed the adoption of marketing approach as unethical. Consequently, some of the major marketing functions were either ignored or delegated to external organizations. For example, pricing decisions were commandeered by the Central Bank of Nigeria. According to Olowu (2006) "...before the advent of the Federal Government of Nigeria's Structural Adjustment Programme-SAP in 1986, the Central Bank of Nigeria (CBN) was responsible for fixing interest rates for banks". Probably, the Central Bank of Nigeria (CBN) felt that the use of market based instruments at that time was not feasible because of the underdeveloped nature of the financial market. According to Davidson and Gabriel (1999), these interest rates control led to low direct investment in the early 1980's. Much of the pricing policies were communicated to the banks and to the interested public through the newspaper and CBN's circular to the banks.

Primarily (either due to excessive regulation by CBN, tradition or both), the products offered by the banks were very similar. The main offers then were, as opined by Ugwuanyi and Ugwuanyi (2000), Savings account, Current (chequable) account, Deposit accounts and transfer of payments. Jhingan (2004) identified six functions the banks perform as: (1) accepting deposits, (2) advancing loan, (3) credit creation (4) financing foreign trade, (5) agency services and (6) miscellaneous services to customers. The distribution channel and strategies were equally similar. The branches were opened in as many locations as were possible and correspondent bank relationship entered into, as much as the bank can. The promotional tools used (if any), were public relations, publicity and advertisements. Pricing decisions were made by the regulatory authority – the Central Bank of Nigeria.

Added to this, the banks had no marketing departments to plan and coordinate marketing functions. The administrative or commercial departments were responsible for all marketing functions. The Banking Industry's business scenario, soon before and during the SAP, were further traced by Olowu (2006) who observed that with the deregulation of the banking sector in 1986 the number of banks in Nigeria rose from 41 (29 commercial banks, & 12 Merchant banks,) to 118 made up of 64 commercial banks and 54 Merchant banks. However this figure declined to 89 by 1998. Between 2005 and 2009 (Soludo's banking consolidation era) Universal banking was adopted to remove the distinction between merchant banks and commercial banks. In December 2010, the CBN announced a new banking model for the country which eliminated the universal banking approach, with effect from the first quarter of the subsequent year (2011).

Today, things have changed. The banking industry has embraced one of the most productive tools in commerce – marketing. According to Gegu (2006) Marketing, however, came into banks in the form of advertising and promotional efforts on realizing that attracting people to a bank is easier than converting them to sustainable loyal customers. The Nigerian Banks now have marketing departments and hired all categories of marketing personnel (right from the new entrants, marketing executives, to marketing directors) to perform marketing functions. The policy makers, the strategist and tacticians, all went to work and the result of their efforts has meant tremendous progress in the industry. However, like most human endeavours there have been some abuses here and there**.** A typical case is the way some banks promote their pricing regimes in a bid to attract more customers. Besides, the newspapers, the interested public and governments have all acted in ways that give credence to the fact that these pricing policies, strategies or pricing regimes are critical to banks marketing programmes. Consequently, the need to evaluate and determine the usefulness, effectiveness and appropriateness of these pricing promotional programmes have become very urgent in order to reduce waste of time, energy and other resources.

1.02: Statement of the Problem

Since the advent of the current civilian administration in May 1999 (the forth republic) an old controversy that has gained unusual prominence, is the interest rate charged by our banks. In the face of very low rates charged by similar institution in advanced nations – United Kingdom it goes for less than 5%, USA 1-2% and Japan 0% . According to Central Bank of Nigeria annual report and statement of account for the year ended 31st December 2001, the bank Minimum Rediscount Rate (MRR) was reviewed upwards progressively (within a short period) in January that year from 14 to 15.5 percent in, September. The result was that many commercial and merchant banks were charging rate well above 45%. A good number received up to 55% or more on loans advanced. For instance, In the Vanguard newspaper of Monday July 7, 2003 at page 23; an article about Citibank Nigeria, (a subsidiary of Citibank of America which is an icon in the industry), had this to say "Each of the Naira Loans and advances the bank gave out in 2002 earned it 44 kobo (44% interest income) in the year."

This development caused an outcry from many concerned and interest groups. The Manufacturers Association of Nigeria (MAN) blamed the high interest rate in the country for the prevalent low capacity utilization, decline of investment and general low economic growth in the real sector. MAN has always blamed the Federal Government and its Agencies, such as the CBN, for this unpleasant state of affair. The CBN has robustly denied responsibility for uncontrolled rise in interest rate. Soludo, C. (2008, Daily Sun, July 21,) told manufacturers that interest rate is determined not by the CBN alone but by:

- The level of inflation rate,
- The degree of uncertainty and the economic risk that economic agents face and
- The depth of the financial market and the cost of funds to the banks.

The same article at various places attributed the increase in interest rate to the following:

- High cost of funds in the money market.

- Soaring cost of doing business in Nigeria.
- High lending rate is (caused) by the constant mop-up of money by CBN from the money market.
- Constant issuing of Treasury bill by the Government.
- Heavy dependence of government on private sector (banks loan) to finance its budget deficits.

The arguments of the protagonist of low interest rate regime were so loud and compelling that the then President of the Federal Republic of Nigeria, Chief Olusegun Obasanjo had to attend the 260th Bankers Committee meeting on April 30, 2002. The meeting which was put together by the Bankers' Committee and the financial sector Regulatory and Coordinating Committee (an interagency body set up to deal with matters of common interest and concern to the various regulatory and supervisory authorities in the financial services industry). The President was there (at the 260th Bankers Committee meeting on April 30, 2002) to appeal to the bankers to reduce the alleged excessive rate charged on bank credits. During the meeting the President expressed fear on the effect of excessive interest rate which he called the greatest impediment to the country's economic growth. He noted that the rates were excessively high when compared with the developed nations and some emerging economies.

The outcome of that gathering was a tripartite agreement between the Central Bank of Nigeria (CBN), the banks and the Federal Government with each having specific roles to play towards the achievement of a low interest regime in our banking sector.

Precisely, the Federal Government responsibilities include:

(a) The task of providing the necessary infrastructure like good roads, electricity, telephone services.

(b) Generally looking into ways of reducing cost of doing business in Nigeria.

(c) Federal Government and its agencies were to reduce the cost of interest demanded on funds placed with banks. It is estimated that government fund with commercial bank is about 50% of all bank medium and long term deposits.

The Central Bank's role is: to moderate activities in the industry, to ensure compliance by the banks. Besides, the CBN was asked to manage the minimum rediscount rate such that the ruling interest will not be more than 4% above MRR. The banks were expected to comply. In fact, the new arrangement came into effect in November 2002 and all the Banks were required to reduce their interest rate to 22.5% while MRR was fixed at 18.5%. Later, in August 2003 the CBN announced a new rate which places the MRR at 15%. With the MRR being 15%, then allowable interest rate was 19%. More recently, towards the end of March 2009, the CBN Governor announced the decision of yet another Bankers Committees. Thisday newspaper Monday, March 20, 2009 Editorial reported it' thus; "The Central Bank of Nigeria (CBN) finally put a cap on lending rates which were shooting for the skies. In a return to the regime of controls, the CBN pegged deposit and lending rates to a maximum of 15 percent and 22 percent respectively ... All .the measures were to take effect from April 1, 2009 but will be reviewed early 2010". The paper rejected the premise used by CBN to arrive at this particular rate. It said that the choice of inflation as the sole determinant of the fixture is unattainable; it went further by saying "Higher interest acts like a brake on rapid economic growth, the most common cause of inflation. And so it can be said that interest rate influences inflation. But inflation can also influence interest rates.

Normally, banking industry is highly regulated, worldwide. Nigerian banking industry seems excessively regulated. Atuche Francis, (2004) agrees and explains why the banking industry is the most regulated industry in every economy. This is because of the need to safeguard depositors' funds, which are kept in trust. Banking by nature is built on confidence. It is this confidence that motivate people to entrust their life savings to a bank. The way a bank manages this confidence impacts not only on continued patronage but also on the economy as a whole. More reasons were given for the intense supervision by the regulator, Soludo (2003), states that it has become very necessary to continuously look at how a bank ethically does business and provides quality service irrespective of the capital it has put in place. Good banking practice should not rest entirely on capital base but on good policy framework that will see that banking is done properly.

Business Day of Monday 16th March 2009 listed ten CBN Policies introduced from Sept 2008 to March 2009. These policies included:

- The policy barring Banks from Granting credits to Bureau de changes (BDCS)
- Reduction in banks foreign exchange net open position from 20 to 1%
- Introduction of retail Dutch auction system.
- Introduction of Exchange Rate management etc.

Since 2004 to-date each of the Governors of the Central Bank of Nigeria had engaged in extensive restructuring of the banking landscape on assumption of office. Between January to April 2010 the Central Bank of Nigeria has issued 25 new major directives published in the national dailies. See Table 1.1 overleaf.

TABLE 1.1: CBN Directives for the First Quarter 2010

	CBN DIRECTIVES	SOURCE
1.	Any payment exceeding N10, million should be routed through specified e-payment platforms.	The Nation, Wednesday January 13, 2010.
2.	All banks to submit weekly, the average deposit and lending rate to the apex bank,	The Nation, Wednesday January13, 2010.
3.	Uniform accounting Year The CBN had in 2008 ordered banks to streamline reporting date to ascertain their true financial strength and end the practice of banks borrowing funds from others to beef up balance sheets at year end.	Punch, Monday, February 8, 2010.
4.	The CBN board had last Tuesday unfolded a new policy pegging the tenure of	Thisday, Monday January 25,2010

	the CEOs at a maximum of 10years.	
5.	The CBN guideline/policy on secret transactions abrogation.	Daily Sun, Tuesday August 4, 2009.
6.	Reduction in monetary policy rate from 8-6%	The Nation Wenesday. July 15th 2009.
7.	Power to revoke bank licences	Punch, Friday 5th February. 2010
8.	Merger & acquisition of troubled Bank deadline June 2010	The Nation, February. 18, 2010
9.	Pre-paid card policy N250,000 maximum	The Punch, February. 18th 2010
10.	Margin lending policy	The Punch, 18th February. 2010.
11.	Peg percentage of loan from money market to capital market.	Business Day, Monday 26, October, 2009.
12.	Restrict bonus dividends by quoted companies.	Business Day, Monday 26, October, 2009.
13.	Bank to cut executive and other staff emoluments by at least 30%	Punch, Friday, Nov. 27th 2009.
14.	Bank to publish or republish their un-audited accounts.	Guardian , Sunday January 24th 2010
15.	CBN shall be responsible for policy and general administration of the affair of the bank.	The Nation, Tuesday Sep. 8th , 2009
16.	CBN to anchor emerging financial system on borrower's credit history.	Business Day, Monday 8th , March., 2010.
17.	CBN to ensure that banks adopt the International financial reporting standards minimum disclosure requirement by the end of 2010.	Financial Vanguard, November.2nd 2009.
18.	To cut the standing facility deposit rate from two percent to one percent.	Thisday Thursday 10th 0f February 2010
19.	CBN guidelines says banks offering non-interest banking products and services shall not include the word Islamic as part of their registered or licensed name.	Punch, Wednesday. March, 11, 2009.
20.	CBN fixes two years tenure for rescued banks MDs.	Punch Monday. December.14th 2009.
21.	CBN to phase out universal banking by September 2011.	Business Day, Tuesday 16th March 2010
22.	CBN has directed all the 24 banks in the country to disclose fully all rates and charges associated with their products and services offers.	Business Day, Tuesday 16th March 2010
23.	CBN to unveil a definitive directive to guide financial institutions that provide ATM services to customers.	The Nation, Tuesday March 16th 2010.
24.	CBN indicates that Nigeria banks that wish to operate in the international arena may have a minimum capital base of N100 billion.	The Nation, Monday March 22, 2010.
25.	Prevalence of illegal operations in the financial sector.	Sun Monday March 22, 2010.

Source: Compiled by Researcher, (2011)

At this rate the industry hopes to harvest over hundred new major directives by the end of the year.

One of the major problem associated with the management of pricing tools in Nigerian banks is the issue of promoting current pricing regime. There is the possibility of expenditures associated with managing the corporate pricing policies of Nigerian banks containing wastages. This investigation is necessary because the idea that a product's demand increases as the price falls (Marshallian theory) does not apply always, as it is sometimes inconsistent with some basic laws of nature. For instance, Weber’s law on human perception postulates that for any given quantity or intensity of something, say a stimulus, there is a given increase or decrease that must be experienced before the change is noticed; this is known as the j.n.d. (Just Noticeable Difference). A principle of human perception put forth by E. H. Weber in the early *1800's*: It states that the difference between the intensities of two stimuli causing two just barely distinguishable sensations j.n.d. (just noticeable difference), is proportional to the physical intensity of the stimuli. According to Weber, a constant fraction of j.n.d. exists for each of the senses (Agiobu-Kemmer, 2005)

The question is do Nigerian Banks who offer free COT (Commission On Turn Over) or other forms or price discount (as stimuli); ensure that their offers pass this limit before rushing to promote such incentives? In the absence of that, pricing objective (which the promotion effort intends to achieve) such as: increase in market share, growth of turnover and enhance profitability may be difficult to achieve.

1.03: Purpose of the Study

This study intends to investigate the customers' perception of Nigerian Banks pricing regimes with a view to determining, among other things, the effectiveness of pricing as a tool for efficient marketing of banking services. The following are the basic sub-objectives of the study:

1. Determine how customers' perception of banks' charges variations affect the demand for its services.
2. Investigate if Bankers and their customers perceive interest rate charged by banks as having significant causal effect on their organisations' growth
3. Determine the effect of the degree of regulation of Nigeria banks on Customer Perception of Bank Product Prices Variations (CPBPPV).
4. Determine if customers' perception of banks' charges promotion affect the demand for its services.
5. Identify any perceived significant causal relationship between Customer Perception of Bank Product Prices Variations (CPBPPV) and relevant sub marketing variables such as Bank Charges Variations, Customer Loyalty, etcetera.

1.04: Research Questions

Here are the relevant research questions

1. How does the perception of bank charges changes affect the demand for banking services?

2. Do bankers and their customers perceive interest rate charged by banks as having significant causal effect on their Organisations' growth

3. To what extent does the degree of regulation of Nigeria Banks significantly affect Customer Perception of Bank Product Prices Variations (CPBPPV)?

4. Do bankers (individually) and their customers feel (or sense) the current banks' pricing promotional campaign as having significant casual effect on demand?
5. Are there any perceived, significant, causal relationship between Customer Perception of Bank Product Prices Variations (CPBPPV) and relevant sub marketing variables such as Bank Charges Variations, Customer Loyalty etcetera?

1.05: Research Hypotheses

The following research hypotheses are tested in this study:

1. There is no significant relationship between customers' perception of bank charge Variations and the demand for banking services.
2. Bankers and their Customers do not see significant causal relationship between interest rate charged by banks and their organisations' growth.
3. The degree of Banking Industry regulation is not perceived to have any substantial effect on Customer Perception of Bank Product Prices Variations (CPBPPV)
4. Consumers of bank's services are usually indifferent to banks' pricing promotion consequently it does not affect their market demand.
5. There are no identifiable, significant causal relationship between Customer Perception of Bank Product Prices Variations (CPBPPV) and relevant sub marketing variables such as Bank Charges Variations, Customer Loyalty etcetera.

1.06: OPERATIONAL DEFINITION OF TERMS

(1) SAP The Federal Government of Nigeria's Structural Adjustment Programme

(2) JND Just Noticeable Difference (JND): there is a given increase or decrease rate that must be experienced before the change is noticed; this is known as the JND

(3) COT Commission on turnover (COT) is the price customers pay for withdrawals made from their accounts. Usually, it is five naira per a thousand naira withdrawn

(4) CPBPPV Customer Perception of Bank Product Prices Variations

(5) BCC Bank Charges Changes or Bank charges variations

(6) Differential Threshold: Refers to the perceive difference- between two stimuli competing for attention at the same time

(7) Threshold of Awareness: A level that must be reached for a psychological or physiological effect to begin or be noticeable

(8) Weber's Law: The change in a stimulus that will be just noticeable -is a constant ratio of the original stimulus except for extremes of stimulation.

MRR Minimum Rediscount Rate (MRR), is the reigning minimum interest rate banks pay for loans obtained from the Central Bank of Nigeria

MPR Minimum Policy Rate (MPR), is the newer version of MRR as explained below: Please note that Communique No 48 of the Monetary Policy Committee, 28th November, 2006 states that:" the use of the *Minimum Rediscount rate (MRR)* as a short term interest rate regime was dismantled replaced with *Monetary Policy Rate (MPR)" (see page 43)*

1.07: Significance of the Study

This study is focused on the effectiveness of pricing as marketing tool in Nigerian Banks. Greater emphasis is placed on issues like Customer Perception, and the perceptional effect of variations in interest rates and other charges as a function of demand.

In more advanced economies of America, Europe and Asia millions of similar studies abound in many fields for some centuries now. For instance, Llewellyn and Drake (1995) wrote on the need for transparency in Pricing of Financial Services. Chisnal (1985) on Perception. Gardner (1977) wrote on the role of price in consumer choice. Over thirty years after, in Nigeria, similar studies are scanty. Consequently, this work will be of immense use to academic who are interested in this field.

Secondly, the definite cost of banking services to a customer and the bank itself is not known to either parties or any other person. The customer who bought a loaf of bread from a shop knows the cost to him or her and the seller knows the cost of the loaf too. The same cannot be said of banking service as too much product bonding and the continuous nature of the transactions has made it difficult to trace each specific cost element. Llewellyn and Drake (1995) attribute this to many factors such as the pricing strategy in place (example: using explicit pricing, implicit pricing and even spread pricing jointly or severally).Another factor could be bonding of products while sourcing or selling. This is a world practice: Llewellyn and Drake (1995) states that *"at the same time there has been a growing demand for more transparency in the pricing of financial service. Because of the wide range of pricing modes in financial services industry consumers often cannot readily determine how much they pay for their banking service,"* In Nigeria, similar situation exist but the Central Bank of Nigeria has started to address it with its current reforms. Professionals such as Bankers; Regulators such as CBN, Security and Exchange Commission; Advertisers and the Regulators of that profession; Cost

Accountants, Auditors, Marketing Strategist and even the Governments will find this work informative and educative.

Finally, it is envisaged the findings of this work will collaborate earlier findings by other researcher and eventually lead to good policy formulations and decision making which will benefit the banks, their clients, current and potential customers and the society at large.

1.08: Delimitations of the Study

The research study is on the effectiveness of using pricing strategies, evaluation of the usefulness of promoting pricing regimes and looking into the customers' subjective perceptions of pricing in the banking industry. These are issues that are diverse and have wide applicability. More so the activities of banks with respect to the service they render cover a wide area of any economy especially a developing country like Nigeria. The amount of money and effort spent on promotional activities alone is a tangible aspect of the GDP. Consequently, efforts to determine the effectiveness and usefulness of the use of marketing tools in the industry ideally should have required the examination of all the known marketing variables such as price, promotion, product, place, people, process and physical evidence and even hypothetical variables like power and politics. A total examination like the one recommended is beyond scope of this study and would require a life time for a normal student to finish. Hence, pricing (a sub variable of marketing) as a tool whose efficacy has been in doubt, among some scholars was chosen.

However, for the purpose of this research and in particular the sector of the economy under study, it has become imperative that the study be restricted to banks with head offices in Lagos. This is due to limited time, energy, and financial resource at the researcher's disposal. Furthermore, Lagos is accepted by many as the business capital of the nation and true representative of the nation's business culture.

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CHA-PTER TWO

Review of Related Literature

2.01: Preambles

There are variants of literature reviews practices among experts but the most appealing to this study is in a text authored by a business administration professor from this university. This is because it addressed some salient issues in business management research which are peculiar to the field and related disciplines in social sciences. In Asika (2010) it was recommended that the literature review section should contain: (i) Historical background (ii) Model(s) and or theories relevant to the research questions and hypotheses, etcetera; with some modifications this recommendation were adapted in this work. Consequently, this section contains the following subdivisions: (1) Historical background (2) Literature gap (3) Step by step development of relevant models. (4) Pricing: (a) Preamble (b) General conceptualization of Price (c) Pricing of Banking Services (d) Nature of Bank Service Market (e) Factors that Influence Pricing Strategy. (f) Pricing Strategies (g) Price –Quality Relationship. (h) Monetary Policy Rate. (5) Theoretical Framework: Weber's Law (6) Perception. (b) Absolute and Differential Thresholds. (c) Application of Perception in Marketing.

2.02: Historical background

Since the global economic meltdown, which started in 2008, many economies have been tumbling down like packs of cards. The various national governments, Central banks and other financial sector regulators have embarked on series (and obviously various) types of financial bailouts and new monetary policy aimed at reviving, stabilizing and refocusing their economies toward sustainable growth. Besides, financial bailouts, some other tools used included adjustments on prevailing bank interest rates and restructuring financial industrial landscape. This means it is no longer business as usual, as the industry is witnessing a paradigm shift.

The degree of success, all over the world varies and it may take a long time for the world economy to witness the kind of Gross Domestic Product (GDP) growth rate it knew before the current economic crisis. Some advanced nations have started addressing their own portion of world economic woes by dealing with structural inefficiencies at their micro and macro levels. One of the key sectors that needs urgent restructuring is the financial sector, especially the banks. After all, the sign of global economic burst started with the collapse of Lehman Brother Bank (A division of the defunct Lehman Brothers Holdings) in the United State of America. This was as a result of Wall Street abuses of American financial system through unwholesome practices. Examples are payment of bogus and outrageous bonuses to bankers, granting of unmerited mortgage facilities, unqualified loan advances to other sectors of the economy.

Many advanced countries, especially in Europe, have similar experiences. While some have addressed the relevant financial issues plaguing their economies, other countries are yet to recover fully from their financial quagmire. Countries like Greece, Iceland, Portugal Spain and even Italy are experiencing serious economic problems that have altered their political landscape. In the month of November 2011 alone, the Prime Ministers of Greece and Italy resigned. Technocrats with strong banking pedigrees were chosen by the parliament of their respective countries to replace the sacked politicians. Often, the origin of the national financial crises can be traced to the banks and related institutions. Inside the banks, the problems can be attributed to many factors. For instance, deficient pricing strategies (which could subsequently give rise to faulty pricing policy) could be culpable. The consequences of faulty pricing policies can be far reaching and even catastrophic to any organisation. Faulty pricing policies could lead to great loss of revenue and (if persistent, could lead to) total erosion of capital. This may lead to bankruptcy or similar calamitous ends. The current Euro zone crises mentioned above stems from banks greed for high interest rate yielding government bonds which doused their risk management sensitivity and capability. Consequently, government bonds (from countries with high national debt to GDP ratio) were patronised. Some national and local governments with long track record of deficit budgetings used to finance welfare programmes or other forms of recurrent consumptions were given banks facilities against established business norms. The inability of these governments to pay as at when due (now) has distressed some of the lending banks that have enormous exposures.

2.03: LITERATURE GAP

Most available literature on marketing of banking services in Nigeria focused on issues other than Pricing Perception in the country's Banks. Example: Relationship marketing in the banks (Gegu, 2006); Effective marketing of community Banking Services in Nigeria (Ahmad, 2006); Interest Rate Regulations (Olowu, 2006); Bank Credits (Osuka,2007); Beyond the 2005 Banking Industry Consolidation Exercise in Nigeria. (Onwumere & Ogamba, 2003); Customers' Choice of Banks (the Financial Institution Training Centre [FITC] unpublished work); Customer Satisfaction Survey (KPMG, 2010) and Strategies for Marketing Banking Services in the New Millennium.

Osuka (2007), Olowu (2006), The Financial Institution Training Centre (FITC) unpublished work and KPMG (2010) wrote on issues very central to this research work. (Osuka, 2006) examined the impact of Bank credit on the growth and performance of small and medium scale enterprises in Nigeria. Employing models and using regression tools, he discovered that among several other findings, there was a significant positive impact of varying credits from the banking sector on SME's growth, performance and capacity utilization.

The Financial Institution Training Centre (FITC) unpublished work focuses on those factors that influenced customer's choice of a Bank in Nigeria. According to the authors the need for the study stemmed from the stiff competition in the Nigerian Banking Industry, which originated from the forces of globalization and the deregulation of the Banking Industry. As a result of these factors, the number of players in the Industry has increased significantly over the years. Consequently, to survive the competition game, it has become imperative for banks to know what the customers want, to enable them provide services that meet the customers' banking needs. The finding of the FITC unpublished work identified that the four most important factors influencing individual customer's choice of banks (in order of priority) as: (1) quality of service (2) safety of deposits (3) nearness of bank to the customer (4) ease of opening accounts.

Similarly, the study shows that cooperate clients consider safety of deposit, quality of service, nearness of bank and ease of opening accounts as the most important factors in their choice of bank. Further analy sis shows that about 90% of the individual respondents rated quality of service as been very important to them. Safety of deposits, nearness to bank and ease of opening accounts with 88.9%, 80.8% and 77.3% followed, respectively. However, availability of Saturday banking had the least score, with only 36.4% of the respondents rating it as very important.

The results of the study also showed that majority of the corporate customers considered bank products as being similar. For instance, while 35.2% of the respondents considered bank products to be significantly similar, 43.2% considered the products to be similar. Only 18% of the corporate respondents considered the products to be different/significantly different.

Gegu (2006) identifies the provision of high quality services to customers as a policy that helps organisation to build long -term relationship with them. This business philosophy he called relationship marketing, which is aimed at building long-term mutually satisfying relationship with key stakeholders in product delivery process. He used United Bank for Africa

(UBA) as a case study. The author tried to assess and evaluate the impact of relationship marketing on the performance of banking Industry. The findings of the study revealed that relationship marketing has positive impact on the performance of banks in Nigeria. The researcher recommended the adoption and management of relationship marketing to all banks and that it should involve everyone in an organisation.

The study in Olowu (2006) was much closer to this study than Gegu's work. Olowu investigated how the new generation banks comply with interest rate regulations set by the government or its regulatory agency. The findings revealed that all the seven banks examined are guilty of non-compliance with the interest rate set by the regulatory authorities. One major finding of the work is the researcher's observation that "A lot of people simply believe that whatever record that is provided by the banks as regards banker customer relationship is correct; especially when such records are processed by computers". The researcher dealt extensively on this perceived defect on the part of customers. He advocated that bank customers should employ capable hands for the purpose of scrutinizing the statements they collect from their banks.

Ahmad (2006) dealt on the effective marketing of Community Banking Services in Nigeria. The study was on a novel sub-sector of the banking industry that is much smaller in scope that the deposit banks being looked into by this study. Besides, the researcher did a case study of one community bank hence it was much easier to look at the marketing practise in that bank. The writer acknowledged the dearth of literature in bank service marketing in Nigeria and states that "the notion of marketing of financial products is still a recent development in the banking sector in Nigeria." From the discussion above paucity of relevant literature on customer perception of banks product price variation/ has becoming more obvious

The (KPMG (2010) was a more robust work; this is more understandable because the firm is a leading multinational in the field of management consultancy worldwide. Unfortunately, Its discussion on customer perception was so tangential that it was a mere quotation but pricing was included among the five core customer service areas (of Nigeria Banks marketing) it investigated. The other four areas it studied were (i) customer care (ii) production/service offering (iii) transaction methods and systems and (iv) convenience

The table below shows how it ranked the three highest Banks in all the categories it investigated.

Table 2.1: Ranking of Bank Performance by Customer Service Areas - corporate

Customer Service Areas (Corporate)	Ranking		
	1	2	3
Customer Care	GT Bank	Zenith Bank	Citibank
Product/Service Offering	GT Bank	Zenith Bank	Sterling Bank
Transaction Methods & Systems	GT Bank	Zenith Bank	Access Bank
Convenience	GT Bank	Zenith Bank	Skye Bank
Pricing	GT Bank	Sterling Bank	Fidelity Bank

Source: KPMG 2010 Banking Survey

As can be seen from the above GT Bank and Zenith Bank dominated in all customer service areas for corporate customers.

Table 2.2: Ranking *of Bank Performance by Customer Service Areas - Retail*

Customer Service Areas (Retail)	Ranking		
	1	2	3
Customer Care	GT Bank	Diamond Bank	Zenith Bank
Product/Service Offering	Access Bank	Zenith Bank	GT Bank
Transaction Methods & Systems	GT Bank	Zenith Bank	Stanbic-IBTC
Convenience	GT Bank	Zenith Bank	Intercontinental Bank
Pricing	GT Bank	Equitorial Trust Bank	Sterling Bank

Source: KPMG 2010 Banking Survey

Again, as it can be seen from above GT Bank maintains its dominance across major service areas.

For the purpose of elucidation, customer service factor examined above were conceptualised as follows:

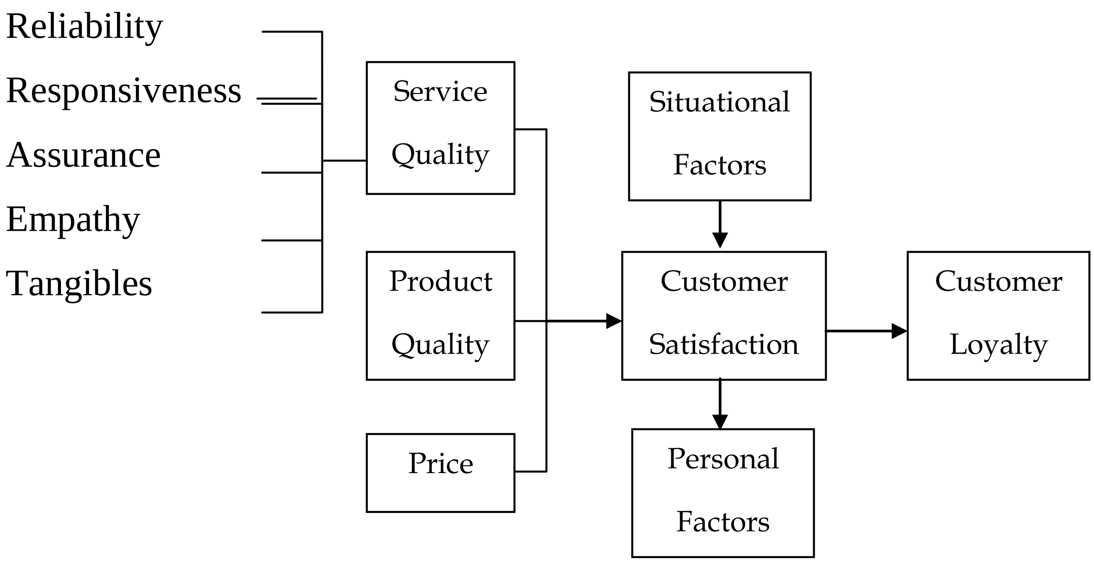
1. Customer Care: measured interaction of bank staff with customers.
2. Product/Service Offering: measured product range and appropriateness to customer's need.
3. Transaction methods and systems: measured customer support processes/system and turnaround time.
4. Convenience: measured accessibility and quality of services from delivery channels.
5. Pricing: measured fees, charges and rates on product.

As stated above perception was not discussed in their work but they acknowledged that perception is key to an enhanced customer value when they quoted one Kate Zabriskie (without quoting the date of the publication) who just said that:"***The customer's perception is your reality"*** thereby acknowledging that perception is key to value determination and value determines the highest price a consumer is willing to pay. This view aligns with Armstrong and Kotler, (2010) which states that 'Customer perceptions of value set the upper limit for prices and cost set the lower limit.' The importance of perception, as seen above, underscores the usefulness of this study and the need for it to be managed in manner that ensures easy attainment of corporate goals.

2.04: STEP BY STEP DEVELOPMENT OF RELEVANT MODELS

The dearth of relevant literatures (in the area of this study) calls for more resourceful adaptations of models, theories and even concepts or constructs. There are many models in consumer behaviour or in marketing, as a whole, that can be used to explain concepts in pricing or perception but most of them do not address all the variables in this study comprehensively. Zeithaml, Bitner and Dwayne *(2010*) in fig 2.5 below illustrate this problem vividly. It contains a few of the key variables in this study but many more are yet to be accounted for. This is understandable, as the area of this study is yet (or not known) to have been undertaken by other researchers.

Figure 2.3: Customer Perceptions of Quality and Customer Satisfaction

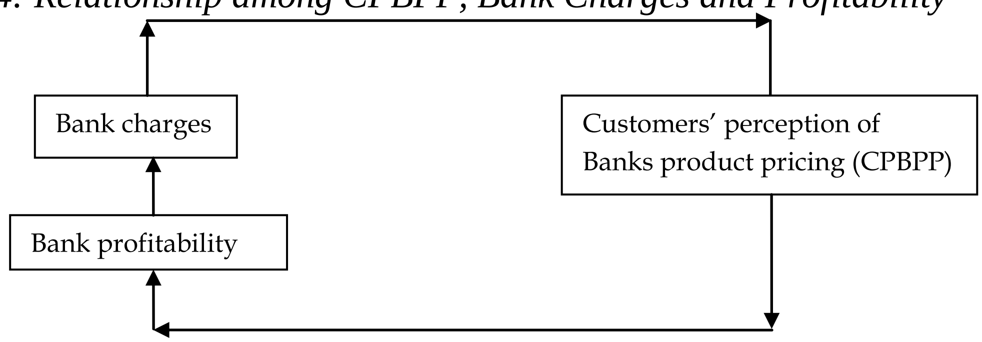


Source: Zeithaml, Bitner and Dwayne *(2010*)

Consequently, the relationship between customers' perception of bank charges and other variables in this work can be diagrammatically illustrated in a model but first, severally and later in a comprehensive model. An alternative diagrammatical display of the same model is shown in figure 2.12a- just for the purpose of elucidation.

a) **Relationship** between bank charges, bank profitability (loss) and customers' perception of banks product pricing (BPP)

Figure 2.4: Relationship among CPBPP, Bank Charges and Profitability

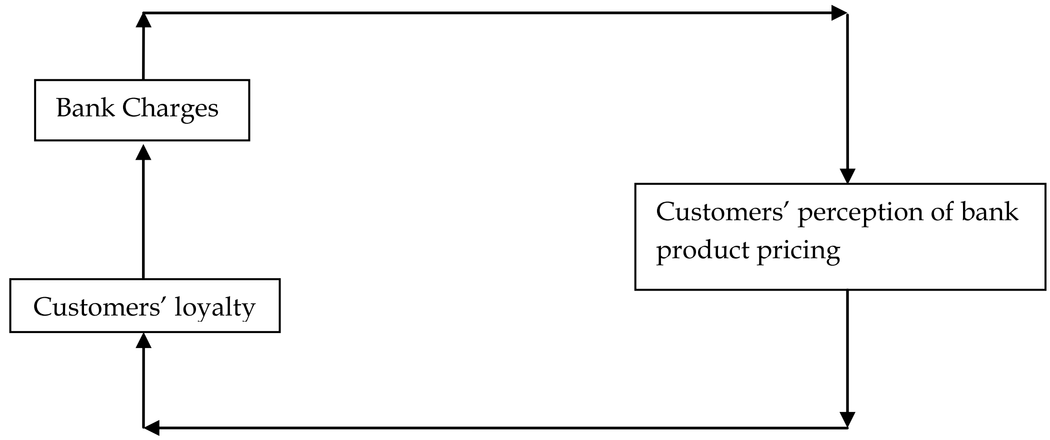


Source: Researcher, (2011)

The model above, tries to establish relationship first between banks charges and customers' perception of banks' products and subsequently both factors as functions of bank profitability (loss). ***Bank charges are functions of profitability (loss).***

b) Next model examines the relationship between bank charges, customers' loyalty and customers' perception of banks product pricing (CPBPP). Customers' loyalty exist when a given product brand is always (or more often) chosen as a need satisfier.

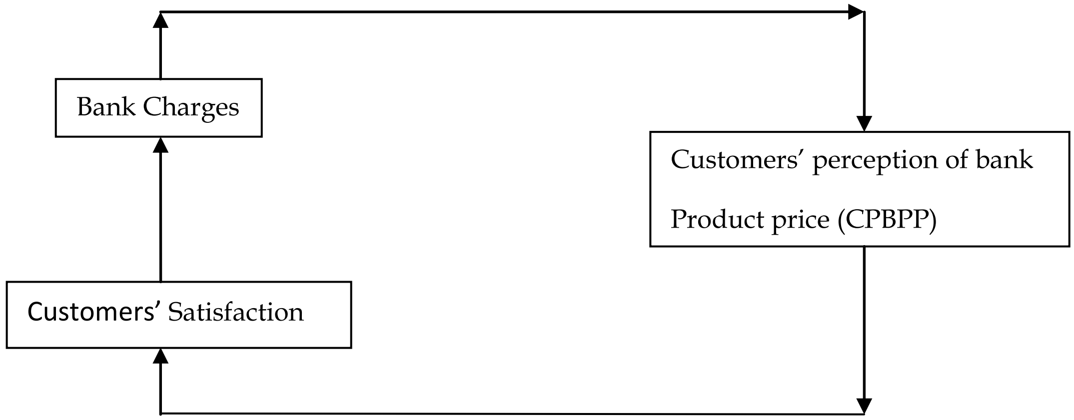
Figure 2.5: Relationship among CPBPP, Bank Charges and Loyalty



Source: Researcher, (2011)

c) The relationship between bank charges and bank patronage by customers and customers' perception of bank product pricing.

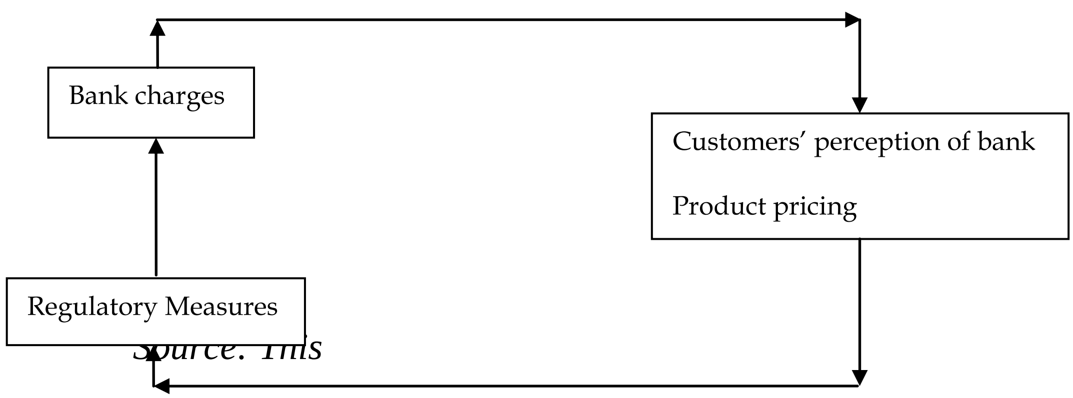
Figure 2.6a: Relationship among CPBPP, Bank Charges and Customers' Satisfaction



Source: Researcher, (2011)

d) The relationship between bank charges and regulatory measures by CBN and the Federal Government and customer's perception of bank product pricing

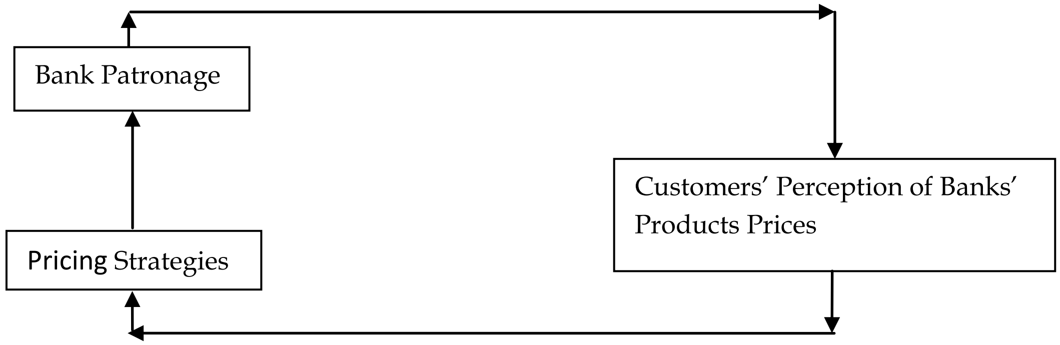
Figure 2.6b Relationships among CPBPP, Bank Charges and Regulatory Measures



Source: Researcher, (2011)

e) The relationship between bank patronage and pricing strategies and customers perception of bank product charges.

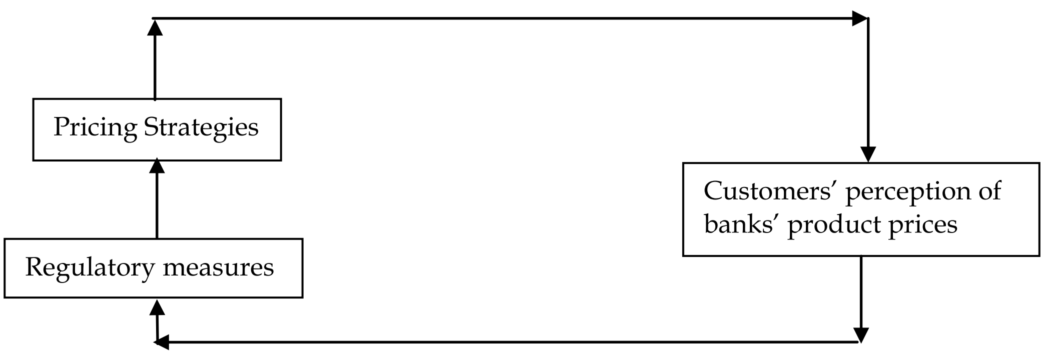
Figure 2.7: Relationships among CPBPP, Bank Patronage and Pricing Strategies



Source: Researcher (2011)

f) The relationship between Regulatory measures and pricing policies and customers perception.

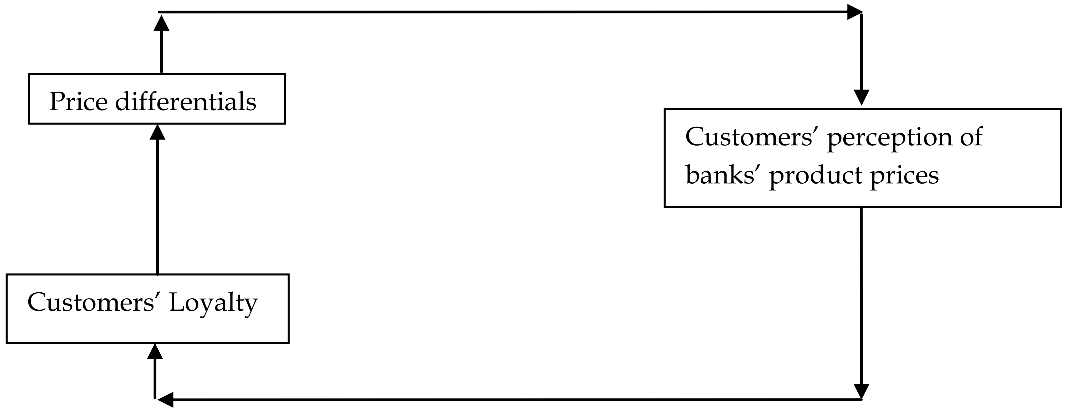
Figure 2.8: Relationships among CPBPP, Regulatory Measures & Pricing Strategies



Source: Researcher, (2011)

g) The relationship between Price differentials among banks, customers' loyalty and customer perception of bank prices

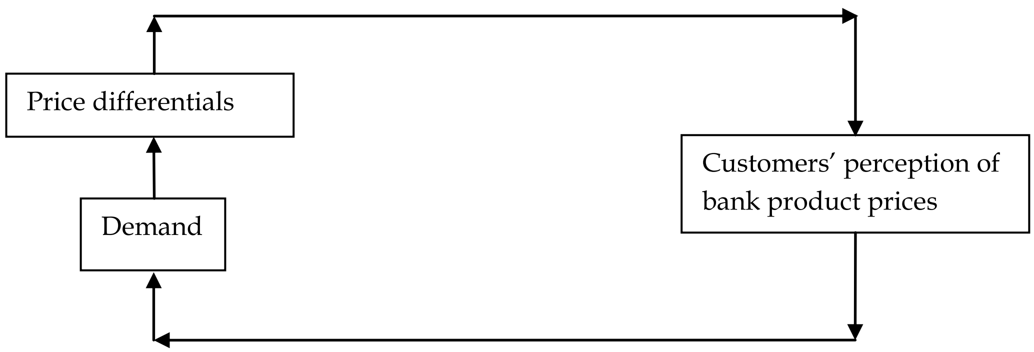
Figure 2.9: Relationships among CPBPP, Price Differentials and Customers' Loyalty



Source: Researcher, (2011)

h) The relationship between price differential among bank charges and demand of customers.

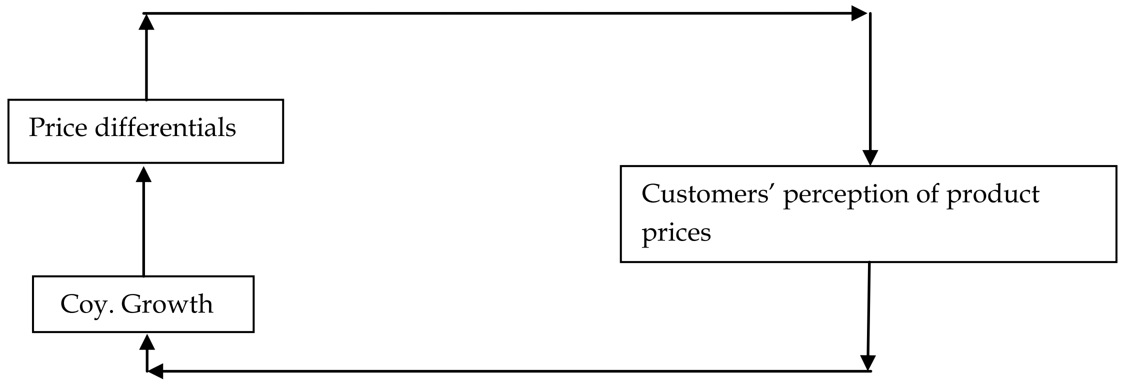
Figure 2.10: Relationship among CPBPP, Price Differentials and Demand



Source: Researcher, (2011)

i) The relationship between Price differential in bank charges and Customers' corporate growth and perception.

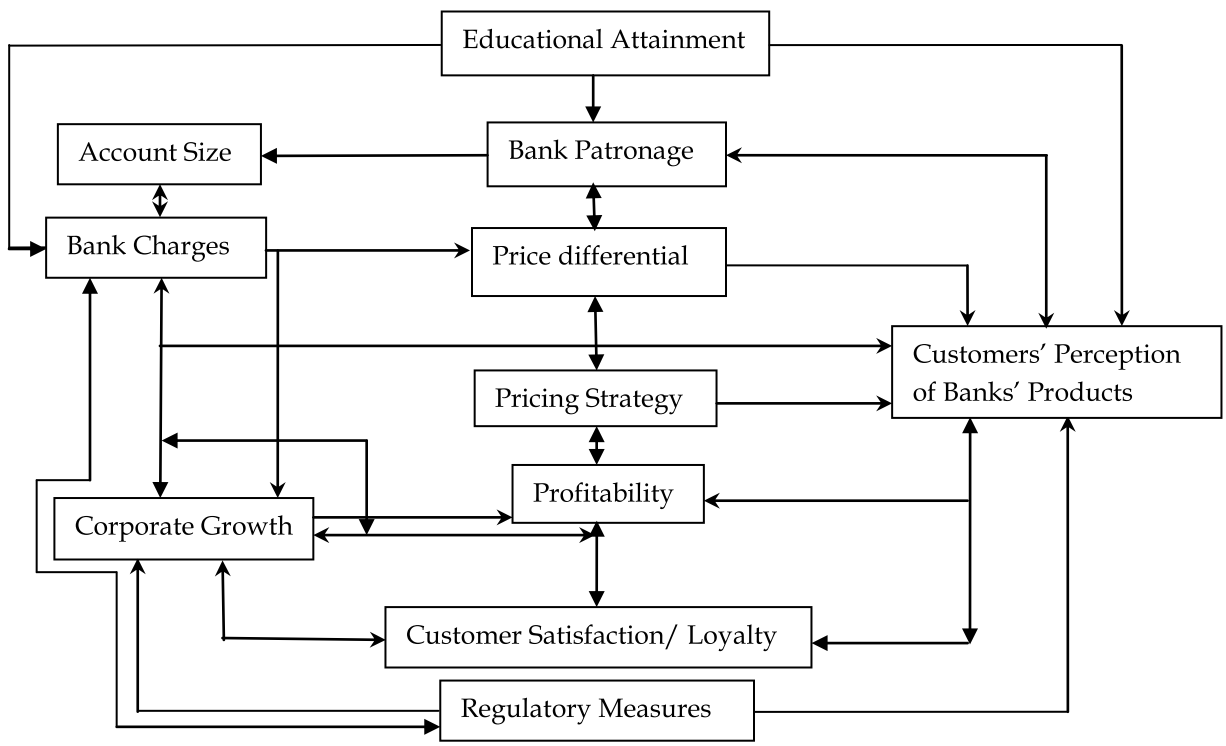
Figure 2.11: Relationship among CPBPP, Price Differentials and Company Growth



Source: Researcher, (2011)

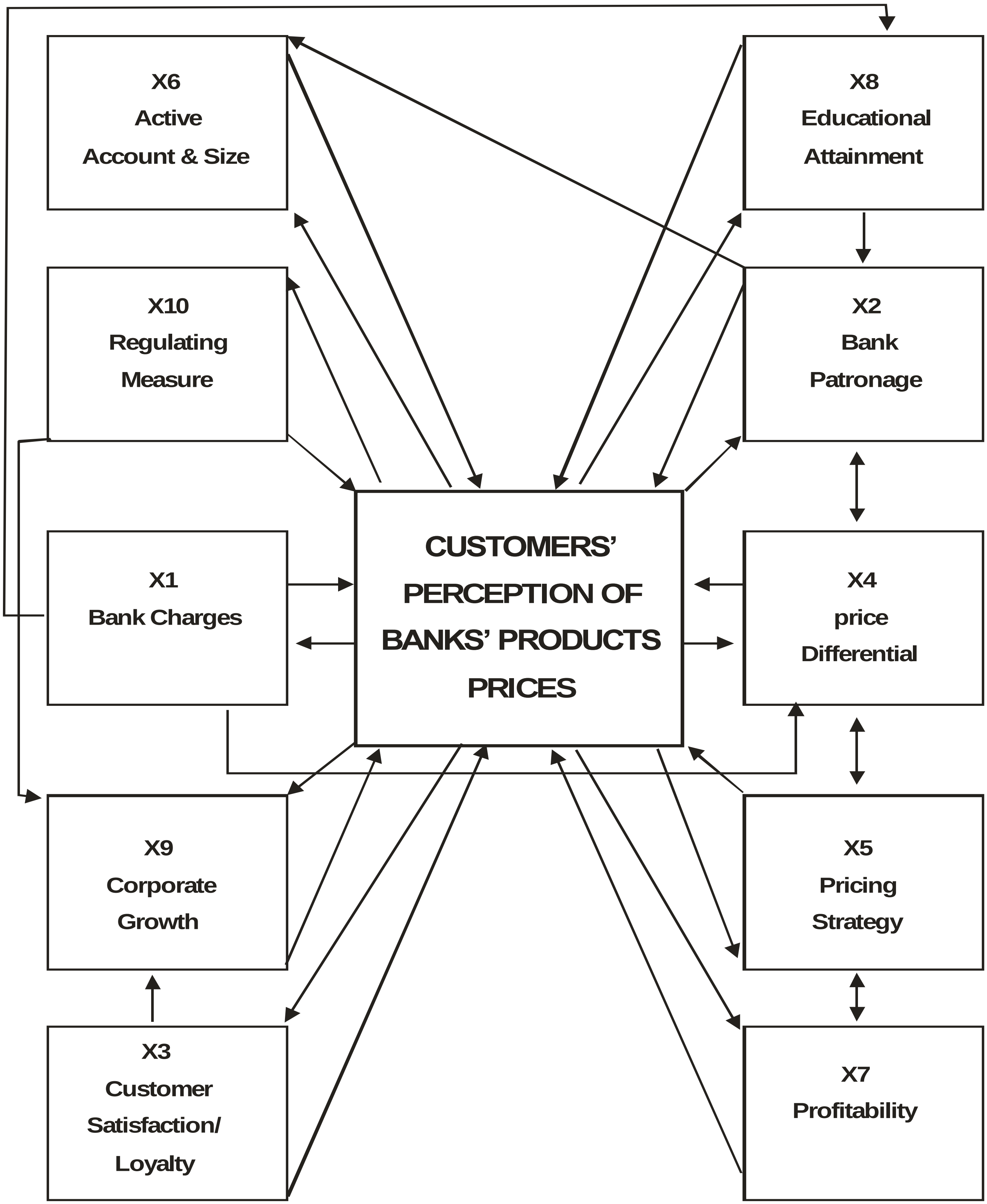
j) The pictorial relationships among all core parameters in the study.

Figure 2.12: Relationship between CPBPP and relevant variables in the study.



Source: Researcher, (2011

Fig 2.12b Relationship between CPBPP and the relevant variables in this study



Source: Researcher, (2011)

The diagrammatical versions of the integrated model of this study can be expressed

Mathematically thus:

$$Cp= f(X_1,X_2,X_3,X_4,X_5,X_6,X_7,X_8,X_9,X_{10})$$

$$Cp=f\ (a + bX_1 + cX_2 + dX_3 + \ldots + jX_{10})$$

Where

Cp= Customers perception of banks charges

X_1 = Bank Charges

X_2= Bank Patronage

X_3 = Customers' satisfaction/loyalty

X_4 = Effect of price differentials

X_5 = Pricing Strategies

X_6 = Most Active Account

X_7 = Banks Profitability

X_8 = Educational Attainment

X_9 = Corporate growth.

X_{10}= Regulatory Measures (CBN)

(X_1-X_{10}) *are measures of factors that influence customer's perception of bank charges.*

2.05 PRICING

2.05.1: Preamble

In every industry, pricing regimes are products of many variables such as prevailing environmental factors. These environmental factors can be external or internal. Kotler and Keller (2012), Palmer (2005) and Howcroft, and Lavis (1997). Severally agree with this view but varied slightly on details. The commonly identified external variables are: economic, demographic, social & cultural, technological development, legal & political, competition and market structure. According to Armstrong and Kotler (2010) 'customer perception of value set the upper limit for prices and cost set lower limit. However, in setting prices within these limits the company must consider a number of internal and external factors. Internal factors affecting pricing include the company's overall marketing strategy, objectives and marketing mix as other organisational considerations.

2.05.2: General conceptualization of Price

Armstrong and Kotler (2010) note that price is the amount of money charged for a product or services. More broadly, price is the sum of all the values that a customer gives up in order to gain the benefits of having or using a product or service. McCarthy (1990) defines price as what is charged for something. Pride (1991) defines price as the value placed on what is exchanged. The relationship between, price and value is mathematically expressed by Smith (2011) as: Price +Perception =Value. Value is what consumers want is. Price means so many things to many people. To the economist, it is the sole determinant of who gets what and in what quantity or quality in a free market economy. To the political scientist, it is sometimes the basis for distribution of the national wealth. To the lawyer, it is the consideration a payee (vendor) receives to surrender or gives away his product to the buyer.

Due to the far reaching influences of price in any monetized economy, it is often given different names by the various segments of the society such as: fare, interest, toll, premium, honorarium, rent, tuition, boarding fee, rate, bribe, annual subscription, commission, wages, and salary, among others.

2.05.3: Pricing of Banking Services

All organizations need to have goal oriented pricing regime that should be effective and efficient. A bank's service marketer should have a holistic approach to this issue. This requires considering other marketing variables such as products, place (bank outlets) promotion, physical evidence people and process when crafting their pricing strategies. Cetina and Mihail (2007) are of the view that all organizations must settle a price for the services they offer. Obviously, this is necessary because price is one of the most important income sources for an organization and the only profit centre among the seven marketing variables. They further noted that the settlement of correct price both for the market and the competition is a significant element for the finance sector –banking services. According to Casu, Girardone and Molyneux (2007) interest rates play a crucial role within the financial system. For example, they influence financial flows within the economy, the distribution of wealth, capital investment, and the profitability of financial institutions. It is important to appreciate that an interest rate is a price, and that the price relates to present claims on resources relative to future claims on resources. An interest rate is therefore the price that a borrower pays in order to be able to consume resources now rather than at some point in the future. Correspondingly, it is the price that a lender receives to forgo current consumption.

Some other issues that requires the attention of the bank service marketers is the nature of the market itself which sometimes requires some unique treatment such as bundling of bank products. Two, it should be remembered that banks on their own may not easily develop unique services that competitors within their fold cannot easily emulate. Banking institutions on their own operates like cartelized oligopolies, (Ennew, Wartkins and Wright 1995) while the banking industry under the direction of the central bank is a monopolistic industry- as it has all the characteristics of a monopoly.

2.05.4: Nature of Bank Service Market

To appreciate pricing in marketing of banking service it may be necessary to briefly x-ray the banking services landscape after stating in a few words its meaning. Casu et al (2007) said that a bank is a financial intermediary whose core activity is to provide loans to borrowers and collect deposits from savers. Kotler et al (2010 p.386) consider a service as any act or performance that one party can offer to another that is essentially intangible and does not result in ownership of anything. The market participants, besides other stakeholders, are vendors (the banks) and consumers (bank customers). The banking marketing clients can be classified into:

a. End users as individual consumers

b. End users as corporate customers

c. End user as public institutions, Governments and non profit oriented organisations

d. International customers

Classification of Banks products vary among authors; as stated above banks main offers as opined by Ugwuanyi and Ugwuanyi (2000) were Savings account, Current (chequable) account, Deposit accounts and transfer of payments. Jhingan (2004) has six product groupings the banks offer thus: (1) accepting deposits, (2) advancing loan, (3) credit creation (4) financing foreign trade, (5) agency services and (6) miscellaneous services to customers.

Anand and Murugatah (2004) identified the products purchased by bank customers as:

1. Individual customer go for product facilities such as bank deposits, company fixed deposits, mutual fund units, insurance policies, company shares and debenture, consumer durable loans, credit card, depositories, housing loans etc.
2. Consumers as corporate entities go for term loans from financial institutions, working capital loans for commercial banks, inter-corporate deposits, equity by way of shares/debentures etc.

Public Institutions as consumers buy similar products like the other types of consumer above. In addition to that, they receive revenues such as taxes, levies, settlement of utility bills etcetera- as they are the governments or its agencies. Another group, called International customers, involves consumers of foreign banking services either locally or in foreign lands. In this case the local banks can go into correspondent relationship with foreign financial institutions so that it could offer foreign service to its local customers or help foreign client reach Nigeria consumers. Methods or modes of offering international banking services as enunciated by Casu and Molyneux (2007) are:

1) Correspondent banking,
2) Representative office,
3) Branch office,
4) Agency,
5) Subsidiary

Classification of Vendors:

Supplies of banking service could be identified as

a. Commercial Banks. Example: Zenith Bank Plc, UBA Plc

b. Developmental Banks. Example: Bank of industry, Agricultural and Corporative Bank

c. Merchant Banks: Former Merchant Bank for Africa, International Merchant Bank (IMB)

d. Micro Finance Institutions

e. Mortgage Banks : Federal Mortgage Bank

f. Islamic Banks (now being Proposed)

In Nigeria, under the current dispensation, commercial banks can be classified into (a) Regional banks (b) National banks and (c) International banks.

2.05.5: Factors that Influence Pricing Strategy

Banking services, industrial-output, has all the characteristics of a service product: namely Intangibility, Inseparability, Variability, and Perishability. Intangibility simply means that services, unlike goods, cannot be perceived with any of the human five common senses before they are purchased. Gummesson (2001), aptly explained, Perishability (cannot be stored); and heterogeneity [variability] difficult to standardize...the fourth characteristic-inseparability (or simultaneity)-more distinctly captures the essence of service. It states that services are partly produced and marketed at the same time and by the people, that the customer is partly involved in the production and delivery process and that the customer partly consumes the service during its production. Crafting a result oriented banks service strategies requires understanding of above characteristics and consideration of the following variables (or issues) Anand & Murugatah (2004):

- Product planning
- Selection of suitable place
- Pricing policy
- Branding
- Customer service
- Marketing segmentation
- Distribution policy
- Promotional policy

Alternative view came from Armstrong and Kotler (2010): who stated that the firm must consider many factors in setting its pricing policy. Let us look in some detail at a six-step procedure: (1) selecting the pricing objective; (2) determining demand; (3) estimating cost; (4) analysing competitors' cost, price and offer; (5) selecting a pricing method; and (6) selecting the final price. In addition to understanding these key issues listed above, the marketing strategist responsible for crafting and producing the relevant pricing policy must use basic knowledge of accounting quantitative tools in his work. Example:

TR = $P \times Q$ (sold)

Profit = TR – TC

= PQ – TC

TR = Total Revenue

P = Price

Q = Quantity (sold)

TC = Total Cost

The same total cost can be derived using the approach below.

Total Cost = Total Variable Cost (TVC) + Fixed Cost (FC)

TC = TVC + FC

TR = Sales = TC + Profit

Therefore TR = VC + FC + Profit

TR –VC = FC + Profit

V= Contribution Margin

(VC = Variable Cost, TR = Total Revenue)

2.05.6: Pricing Strategies

In crafting an effective pricing strategy, several factors must be considered. As stated above Armstrong and Kotler (2010) grouped them into internal and external factors. Internal factors include: the company's overall marketing strategy, objectives and marketing mix as well as other organisational considerations. External factors include the nature of the market and demand, competitors' strategies and prices, and other environmental factors.

In addition to the above mentioned factors, there are other issues that must be considered in order to have an effective pricing decision model:

- Examine external forces on price
- Evaluate internal factors affecting price
- Selection of marketing objective
- Crafting effective pricing strategy
- Determine price

- Appraise performance-feedback-if okay?
- Continue with pricing policy

For our purpose here, some modification may be necessary for instance there may be need to determine appropriate segments of the market in which a given pricing regime will be adopted. When considering crafting of pricing strategy, the fourth item above, it is necessary to choose a pricing strategy that is in vogue with current marketing philosophy. The current paradigm shift focuses more on customer satisfaction (and good relationship marketing) as a key tool towards eliciting continuous re-purchase (customer loyalty). A good example may require adopting value based pricing strategy instead of cost based pricing- without necessarily ignoring key cost elements like variable cost.

2.05.7: Price analysis

The integrated model of this study (shown in pages20 to 22); links core variables in the study. In marketing the most popular of the variables (product, place, promotion, people, process, price, physical, evidence, politics and power) among analysts is price. This is because; most of the theoretical analysis amongst economists is based on price under various conditions such as:

- The effect on price when demand changes,
- The effect on price when cost changes
- The effect on price when supply changes and even

The impact on price under various market structures, such as, oligopoly, monopoly, monopsony, duopoly, perfect competition and monopolistic competition

Although these analyses are helpful in understanding the behaviour of pricing models under various market conditions but they are far from the reality in present day markets. This is because, the behaviour of two elements (an independent and dependent variables - in an analysis that is studied under various ideal situations and conditions) are varied while all other critical variable are assumed constant. In real life this is far from the truth as most relevant variables act simultaneously. Furthermore, the theoretical analysis may not be very useful in determining prices of new product, modified products, existing products, under diverse market conditions requiring a specific strategy or a bunch of strategies that will help to achieve predetermined objectives. The theoretical analysis mentioned above may not adequately address the strategic need by a marketer under various competitive environments.

Oxenfeldt (1973) posits that in certain markets that tends towards perfect competition, price is often given and that leaves the seller with little or no room to manoeuvre in such market (they merely become price takers.). Illustrations are abound in Nigerian markets: pure water market, commodity market (both local and export), petroleum products market, until quite recently, the fully regulated banking service market in Nigeria.

However, since the introduction of the deregulation policy, by the Federal Government through SAP in the late 1980s, banking service have witnessed tremendous competition among participants in that industry. Other sectors of the economy where pricing decision are of acute concern according to Kotler (2010) are:

- Where there is production overcapacity (gasoline industry)

  Where competition is keen (appliance industry) and where jobs must be bid for (military and private construction industry). In these and similar situations, price decisions require considerable skills and experience.

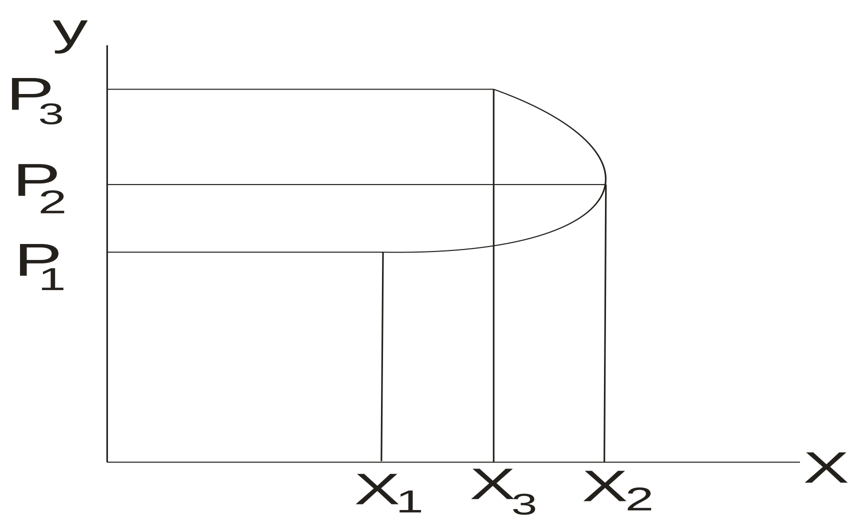
- Various conditions may demand diverse marketing strategies or unit treatment to suit particular situation. In pricing, many theories abound, mostly in the last sixty years after the Second World War) when scholars exploited the seemingly reigning peace to engage in scientific studies that has been improving the quality of life in all aspects of human existence. Added to this, business analysts have increased their searchlights on complex issues such as the role of price as a determinant of a purchase decision. Monroe (1973) has this to say “that recent behavioural research indicates that there is no simple explanation of how price influence individual buyer purchase decision.” Often the behavioural responses to price changes do not follow the usual marshalling theory in economics which is a linear regression equation:

$Q = a – bP$ *Where* : Q = quantity; P = price of the commodity; a = constant; b = the gradient

Rather, their responses are inconsistent with the assumption of this theory.

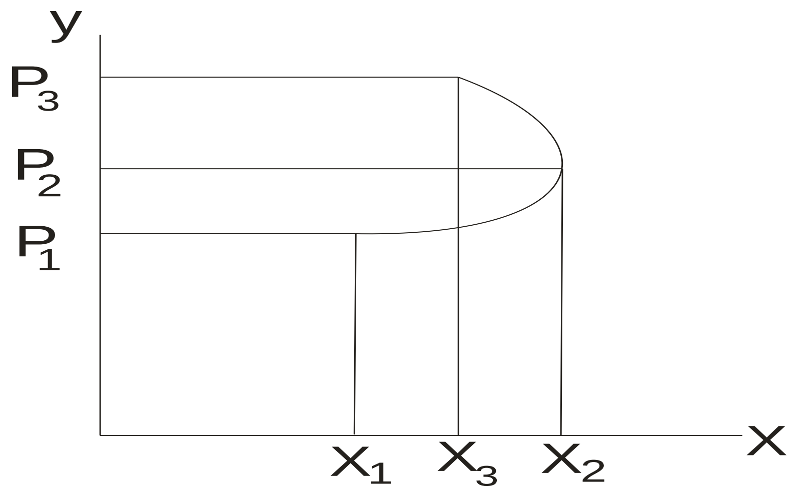
There are exceptions to the demand curve. According to Adebayo (1998), the exceptions are: inferior goods, ostentatious goods, fear of future price rise, consumer ignorance. As an economist, psychological pricing did not make Adebayo’s list but it is well known to the marketers than most other groups. Dennis (1986) submits that “theoretically, this phenomenon indicates that the consumer is perceptually sensitive to certain prices, and departure from these prices in either direction result in a decrease in demand this is illustrates below.

Figure 2.13: Shows Customers’ highest demand for X2 quantity at price P2



Source: Researcher, (2011)

Figure 2.14: Shows Customers' lower demands for the same product at X1 and X3 quantities willing to pay only prices P1 and P2 respectively.



NOTE: In each case, X2>X1 and X2>X3

Source: Researcher, (2011)

Example of occurrence of psychological pricing manifest in many forums such as customary pricing, odd pricing, or line pricing. In customary pricing, the focus is on a single pricing while the quantity and quality may vary. Ginsberg (1936), Gabor (2001) and nearly a century ago even Granger as quoted by Monroe do agree with Garrett when the trio separately suggested that buyers tends to expect certain price, after being exposed to them over a period of time. Their own native example was given by Friedman (1967) when he asserts that *"noting a general consistency in grocery store and in suppliers' pricing patterns offers a reason why certain psychological pricing may have their root in tradition.*

1. *Multiple of 12 are the most popular number of selling units packed in a case accounting for 74.5% of all test item,*
2. *Pricing ending in 9 or 5 account for as much as 80% of retail food price,*

3. *Nearly 50% of all special off – price promotions were in multiple of 5, even number discounted were more predominant, one - cent discount were not found, with two – cent and mine – cent discount very rate. "*

In Nigeria, similar example are prevalent, take for instance, Akara, the local bean cake is being sold at N5, but the volume has changed compared to what it used to be a decade or two ago, other example may including chewing gums, sweets, biscuits, Agege bread; their pricing have remained constant or hovered around a particular region, but the actual quantity keep varying due to the effect of inflation. Take the case of Agege bread in particular, twenty years ago, the smallest loaf was sold N5, but today the same loaf is about N50, but the quality has drastically varied to the displeasure of the buyers. In the banking industry, the charge usually levied on payments made from an account has remained at N5 per N1000 turnover. The banks offer to their preferred customer, either a discounted rate (that is personal) or other favours. For instance, some bank may allow you to withdraw your money from any of their branches without paying extra amount while some other banks are charging for such withdrawals undertaken in any other branch in states other than state where the account is domiciled.

2.05.8: Price – Quality Relationship

According to Gardner, (1997) there is no significant relationship between perceived quality and frequency of purchase or time spent on shopping for the best products. However, it is generally known that when price is the only information available, subjects naturally associate price with quality. Examples abound in Nigerian market places where consumers with little or no technical knowledge evaluate products like phones, computers, etc. based solely on price. It should be noted that single cue studies display undisputable linear price – quality relationship, unlike the multi cue studies which hasn't the same characteristic.

In discussing about single cue, the focus is on studies on demand or price relationship under the influence of a given stimulus. Take for instance a study of the demand for a product when the stimulus is price- note any other market variables can be used (Product, Place or Promotion).

However, in discussing multi cue studies, attention are on the studies of the demand when the dependent variable is not just price but, include other marketing variables such as product, place, promotion, people, process and physical evidence. The inclusion of the other stimuli has often been found to show no direct price/ quality relationship; because its equation will no longer be linear. However, when the stimulus of brand name was included as part of the manipulation, Gardner (1977), unequivocally observes that brand influence seemingly dominated price influence, a result consistent with price – consciousness studies. In addition, McConnell, (2008) observes a non – linear relationship when he compared beers of certain brands whose price, differ by a little margin (say N130 and N120). McConnell was of the view that, these brands were separated by greater perceptual distance than was the case when the two brands of beer under consideration, were priced (N120 and N99).

Rao (1971) found the following:

1. That the price - quality relationship was not unidirectional.
2. That brand quality was exponentially related to price.

Earlier studies, by Peterson (1970) being fully unaware of the studies of his contemporary estimated the price quality functional form and discovered the parabolic relationship of the form

$$Q = a+bx_i - cx_i^2$$

Where Peterson enunciated that in the above equation

Q = mean quality at the ith price Level.

X_i = the ith price level, (i = 1, 2, 3 … n and a b c are parameters.

Obviously, Peterson's work does agree with that of his contemporaries quoted above especially Rao

2.05.9: Monetary Policy Rate

1. In press release by the CBN, on 5th December, 2006, titled "Central Bank of Nigeria Communique No 48 of the Monetry Policy Committee, 28th November, 2006," the use of the *Minimum Rediscount rate (MRR)* as a short term interest rate regime was dismantled and replaced with *Monetary Policy Rate (MPR).T*he then CBN Governor, Prof. Soludo explained that MPR otherwise called "operating target" rate will serve as an indicative rate for transactions in the inter-bank money market as well as other deposit money banks' interest rate. The main operating principle guiding the new policy, as explained by a banking expert in *Fadun on line,* is to control the supply of settlement balances of banks and motivate the banking system to target zero balances at the CBN, through an active inter-bank trading or transfer of balances at the bank. One of the advantages of the paradigm shift, as we were told, is that besides enhancing activity in the inter-bank market it will make the CBN become the lender of last resort it is, instead of otherwise.

The latest position now is that the current CBN Governor, Mallam Sanusi Lamido Sanusi (appointed June 2009) has changed the policy along with other numerous policies of CBN. Before this dawn, an evolution has been on in the finance (banking) industry. Banks have visibly, started to use many marketing tools like product modification, new product development, increasing the product placement outlets and intense promotion to influence the outcome of their annual turnover and corporate image. They have suddenly realized that it is only a marketing oriented bank that can survive the close and labyrinth called the Nigeria economy. Nigerian Business terrain is imbibed with lot of policy inconsistence and constant policy change, coupled with ever changing global business and economic environments.

However, there are half - hearted attempts to use pricing tool to achieve similar ends but the extent of success is unknown. Besides most advertisement aiming at using pricing strategies is not realistic as it borders on some degree of deception. For instance, customers are asked to keep a minimum credit balance before they enjoy free commission on turnover (C.O.T) charges. So the need to determine the extent of how prices are used to attain specific market objective in banks need to be studied and effect of such usage could be a valuable knowledge.

Theoretical Framework

2.06.1: Weber's Law

According to Agiobu-Kaemmer (2005) "Weber proposed that the difference threshold is a constant fraction of stimulus intensity. This is known as Webber's law and it is expressed as: $\Delta I/I = K$" It should be noted that differential threshold refers to the ability of a sensory system to detect changes or differences between two stimuli. The minimum difference we can detect between two stimuli is the j.n.d. (just noticeable difference) (Solomon, 2009). It can be seen that this law is not only applicable to physical stimulus but other stimuli such as sound, vision, and perception. In fact, Ernst Heinrich Weber (1795-1878) started the experiment in 1834 by applying the concept to weight lifting in which a man was blindfolded and was given a weight to hold. Weber asked him to respond when he first felt the increase in weight as he continually increased the weight. After several attempts with different weights, Weber discovered that the smallest noticeable difference in weight in each case was a function of the initial weight held at the beginning of the experiment. For example, if you have six (6) medium sized Bournvita in a nylon bag which weighs 500 grams each (approximately 3kg in all), if you add a packet of Digestive Biscuits that weighs for instance 0.1kg , you may not notice any difference between the initial 3.0kg and the new 3.1kg. The same may happen even when you add a 2nd one (0.1kg). One may notice the first threshold of weight increase when the additional weight is increased to 0.3 kg. The 0.3 kg is called the Just Noticeable Difference (j.n.d.).

Weber performed several of these experiments using different initial weights like 5kg, 7kg and 10kg and in each case, he discovered that the increment threshold for detecting the difference for each initial weight was 0.5kg, 0.7kg and 1kg respectively. It can be therefore be inferred that for an initial weight (I) of: 3kg the increment threshold ΔI is 0.3kg

5kg the increment threshold ΔI is 0.5kg

7kg the increment threshold ΔI is 0.7kg

10kg the increment threshold ΔI is 1kgWhich means that the ration $\Delta I/I$ in all the cases is a constant (k)

Where:

k = a constant (this varies across the senses)

ΔI = the minimal change in intensity of the stimulus required to produce a JND

I = the intensity of the stimulus where the change occurs

This is Weber's law. Precisely, it states that: "the ratio of the increment threshold to the background intensity is a constant". Weber's student, Gustav Theodor Fechner (1801-1887) later worked on the same project and improved upon his master's work by articulating a smarter interpretation of the law using mathematical, psychological, physiological and other tools.

For instance, Weber's law can be mathematically expressed using differential equation as;

$\Delta I/I=k$ OR $dp=k \cdot ds/S$

Where dp is the differential change in perception, ds is the differential increase in the stimulus, and S is the stimulus at the instant. A constant factor k was determined experimentally above. Integrating the above equation gives

$$P=k\ln S + C,$$

Where C is the constant of integration, In is the natural logarithm.

To determine C, put p=0, i.e. no perception; then subtract – kInS0 from both sides and re-arrange:

$$C = -k\ln S0,$$

Where S0 is that threshold of stimulus below which it is not perceived at all. Substituting this value in for C above and re-arranging, our equation becomes;

$$P=k\ln S/S0$$

The relationship between stimulus and perception is logarithmic. This logarithmic relationship means that if a stimulus varies at a geometric progression (i.e. multiplied by a fixed factor), the corresponding perception is altered in an arithmetic progression (i.e. in additive constant amounts). For example, if a stimulus tripled in strength (i.e. 3 x 1) the corresponding perception may be two times as strong as its original value (i.e., 1+1). If the stimulus is again tripled in strength (i.e. 3 x 3 x 1) the corresponding perception may be two times as strong as its original value (i.e. 1+1). Hence, for multiplication stimulus strength, the strength of perception only adds.

This logarithmic relationship is valid, not just for the sensation of weight, but for other stimuli and our sensory perceptions as well. See the graphical representation of the logarithmic relationship and that of the straight line equation coming from ΔI/K=I

Figure 2.3: The graphical representation of Weber's Law

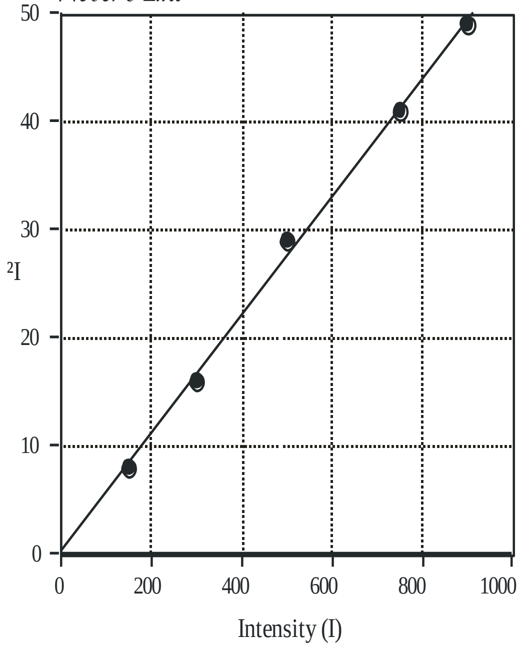
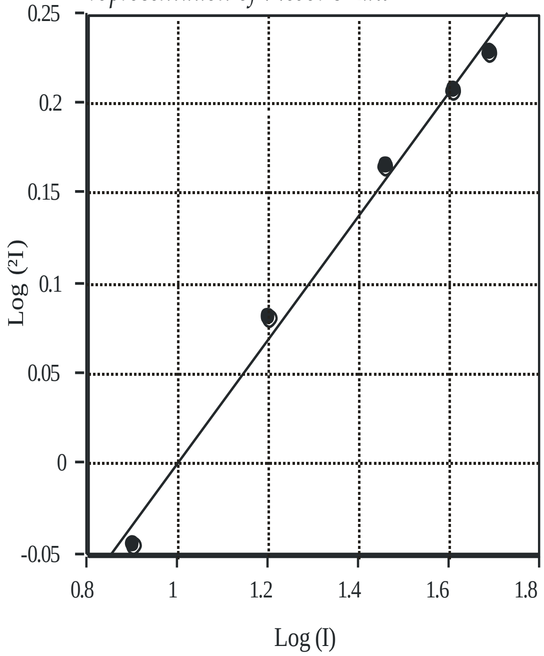


Figure 2.4: A graph showing the Logarithimic representation of Weber's Law



Source: Adapted from Wikipedia (2011)

2.07: PERCEPTION

There are many definitions of perception as a concept but some of the relevant meanings, for this study, will be given by a marketer and a psychologist. Armstrong and Kotler (2010) define perception as the process by which people select, organize and interpret information to form a meaningful picture of the world. In Ehon (2005) it is defined as the process by which an organism responds to features of the environment, with regularities in its behaviour. A better understanding of this key concept requires an in-depth knowledge of related words like sensation, cognition etcetera. Many authors like Solomon (2009) and Williams (1981) agree that perception is derived from processing sensory inputs; example, discreet selection, organising and interpreting of sensory inputs and giving the output a meaning. Invariably, the attached meaning to the perceptual output will influence other related concepts such as cognition, learning, belief, motivation, and attitude. In this vein, positive customer perception can be seen as a major factor that determines purchase, hence its usefulness and essence cannot be over estimated; marketing strategist must pay attention to it. Zabriskie K in KPMG(2010) supports this view when she asserts that "***The customer's perception is your reality.***" So do, Kotler and Keller (2012) who observe that a motivated person is ready to act-how is influenced by his or her perception of the situation. In marketing, perceptions are more important than reality, because perception affect consumers' actual behaviour. Understanding customer product perception is one of the key factors that elicit good marketing outing. It is therefore, important that a marketer endeavours to acquire a thorough knowledge of customers' perception of his or her product offerings. Some of the benefits of doing so are to:

- Avoid product failure when some other marketing efforts have been adequately addressed.
- Maximize market gains even when a product is doing well.
- Prolong product life cycle.

According to Ehon (2005) "Human Perception is a highly Interdisciplinary area, with people trained in Physics, Chemistry and Physiology all contributing to our knowledge of perception." It pertinent to mention that the list of subject area interested in understanding human perception is not exhaustive, marketers study perception to understand consumer behaviour in a marketing setting. Management Scholars study it to have better insight of organisational behaviours.

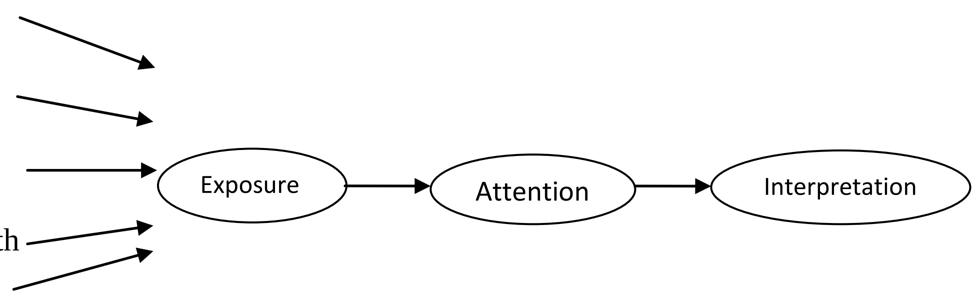
Perception refers to sensation and the way in which we interpret the sensation. Concealed needs may exist and can be aroused by relevant stimuli having the right characteristics in term of having the appropriate intensity, size, contrast, movement, change, novelty and repetition. Any of these characteristics or a combination of them; result in our paying more attention to one specific stimulus than to others.” Hence it is said that perception is selective and could lead to discriminatory or selective behaviours such as selective attention, Selective recall and Selective distortion. Consequently, it can be said that some of the characteristics of perception include the following: (1) It is selective (2) appropriate to the environment (3) It is objective (4) It is controlled by patterns in the environment and (5) It is active. (Ehon, 2005)

Cognitions, sensation and perceptions are closely linked; Perceptions arise from stimulation of the senses which tend to be used severally, jointly or in total combination. Personal factors such as the span of apprehension affect perception, which is sometimes inherently subjective. Contrary to the general belief by the layman in the street that human beings have only five senses (five sensory organs through which stimuli are perceived); experts believe that the numbers of senses are more that, Solomon (2009) diagrammatically in fig 2.1 showed five (5) senses.

Figure2.16: An Overview of the Perceptual Process

Sensory Stimuli Sensory Receptors

- Sights Eyes
- Sounds Ears
- Smells Nose
- Taste Mouth
- Textures Skin



Source: Solomon (2009)

While Chisnall (1985) in a model in fig. 2.17 showed (6) senses.

Figure 2.17: The Sensory organs through which humans perceive things.

To see =

To perceive	=	To hear thing
To touch	=	Some event
To taste	=	Relation
To smell	=	
To sense internally =		

Source: Chisnall (1985)

William, (1981) had a more elaborate treatment to the topic by identifying total of ten (10) senses: vision, hearing, touch, taste and smell, he further identifies five other senses. When he states that there are at least five other senses which we tend to forget. Which include:

1. Pain,
2. Temperature,
3. The organic senses which provide information about pressure, pain, and temperature within the body,
4. The kinaesthetic senses which provide information on the position of our limbs and the tension in our muscles, and lastly
5. The vestibular sense which gives information about the position of the head and is primarily responsible for maintaining balance. These senses together provide us with the information we receive about the world around us. If there is no sensation then there can be no perception. For us to observe through the senses (perception) is subject to a threshold of awareness also called Just Noticeable Difference (JND). Chisnall (1985) in explaining the model above was of the view that before any sensory experience is possible, stimuli have to attain what is known as the ‘absolute threshold’; these will vary considerably for individuals and circumstances. In addition, there is what is termed the ‘differential threshold’ which refers to the perceived difference between two stimuli

competing for attention at the same time. This is a relative measure: the stronger the initial intensity of one stimulus, the greater will have to be, the competing stimulus, in order to be distinguished. This has been described as Weber's law.

2.08: *Application of Perception in Marketing:*

From the above discussion, it is obvious that before a purchase decision is made, the purchaser may likely have perceived the product through a marketing stimuli or the use of other or environmental factors such as; cultural and social influences, economics, and psychological factors. Adrian (2005) included need stimuli and information while discussing consumer black-box model of consumer behaviour.

2.09: Absolute and Differential Thresholds

Marketing scientists while studying perception pricing have tried to borrow concept from other disciplines like: psychology, sociology, biology, mathematics and even physics to understand how consumers react to price changes. These are done in attempt to answer the questions

1. Do buyers have upper and lower price limits and
2. How do buyers discriminate among product when the products are priced differently?

Marketers involved in this area of study have borrowed concept like absolute threshold and differential threshold used by scientist in sound (physics) for a better understanding of the subject. Let us define these terms. Schiff man (2007) defines

1) Absolute threshold – As the lowest level at which an individual can experience a sensation.

2) Differential threshold – the minimal difference that can be detected between two stimuli. While psychologist used these terms to evaluate physical phenomena when studying perception, Marketers use it to study abstract concept like price perception in an analogous manner. Peter and Olson (1996) Share this view when they assert that in a pricing situation we are interested in the buyer's ability to source various products -choices of stimuli. The issue of interest is: How do buyers have the minimum acceptable price and the highest acceptable price? Schiff man (2006) – The perceived differentiation between similar stimuli of varying intensities (i.e. the stronger the initial stimulus the greater the additional intensity needed, for the second stimulus to be perceived as different. In studying the hypothetical concept that buyer have upper and lower limit for contemplated purchase. Weber's laws mathematically expressed this theory as; $\frac{\Delta S}{S} = K$

Which suggests that small, equally perceptible increment in response correspond, to proportional increment in the stimulus, where: S = magnitude of the stimulus

ΔS = incremental change stimulus, and k is a constant.

It therefore follows that when the principal amount in a bank transaction is measured in units of thousands of naira and the charges are based on five naira (0.005) per unit of one thousand. The difference between the charge and principal does not reach differential threshold as the absolute threshold could be expected to be in the range of five to ten percent of the principal (that is between fifty naira and one hundred naira). Weber's experiments are about two hundred years old and may need revalidation as human values and competences are changing by the day. However, until that happens the law is still valid and the assumptions made based on it is correct.

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CHAPTER THREE

Research Methodology

3.01: Introduction

This study is an attempt at looking into *the effectiveness of pricing as a tool for marketing banking services with a focus on customers' perception of Banks' charges and its influence on market demand.* The topic may demand the adoption of a research method that does not elicit the control of variables. Otherwise, it will be very difficult for a student researcher to control any of the key variables. The main independent variable- **bank charges** which by law can only be controlled by the regulatory authority, the CBN (and the banks who are allowed by the CBN to vary their rates within a given spectrum), while the dependent variables such as **customers'** ***demand or customers perception of bank product price variations are*** in no way within the reach of the student researcher to control. This section is divided into eleven parts: Research design, Restatement of Research Questions, Restatement of Research Hypotheses, Study Area, characteristics of the study population, Sampling design and procedure, Data Collection Instrument, Administration of the data collection Instrument.

3.02: Research Questions

1 How does the perception of bank charges changes affect the demand for banking services?

2 Do Bankers and their customers perceive interest rate charged by banks as having significant causal effect on their Organisations' growth?

3 To what extent does the degree of regulation of Nigeria Banks significantly affect Customer Perception of Bank Product Prices Variations (CPBPPV)?

4 Do bankers' (individually) and their customers feel (or sense) the current banks' pricing promotional campaign have significant casual effect on demand?

5 Are there any perceived, significant, causal relationship between Customer Perception of Bank Product Prices Variations (CPBPPV) and relevant sub marketing variables such as Bank Charges Changes (BCC), Customer Loyalty, etcetera?

3.02.1: Research Hypotheses

The following research hypotheses are tested in this study:

1. There is no significant relationship between customers' perception of bank charge changes (BCC) and the demand for banking services.
2. Bankers and their Customers do not see significant causal relationship between interest rate charged by banks and their organisations' growth.
3. The degree of Banking Industry Regulation is not perceived to have any substantial effect on Customer Perception of Bank Product Prices Variations (CPBPPV)
4. Consumers of bank's services are usually indifferent to banks' pricing promotion consequently it does not affect their market demand.
5. There are no identifiable, significant causal relationship between Customer Perception of Bank Product Prices Variations (CPBPPV) and relevant sub marketing variables such as Bank Charges Changes (BCC), Customer Loyalty etcetera.

3.03: Area of the Study

The Nigerian banking industry comprises 24 commercial banks and the customers drawn from various sectors of the Nigerian economy were involved in this study, hence the adoption of the cross sectional survey in this study. The location of study is Lagos, primarily because Lagos is the commercial capital of Nigeria and 23 of the 24 Banks in the country have their head offices in the city. The customers are categorized into 3 divisions: 1. Retail customers 2. Commercial customers and 3. Corporate customers

This categorization is based mainly on turnover and the organizational structure of the customers' company, for instance, multinationals, public liability company and high network organizations are classified as corporate customers. The divisions are not very clear among the twenty four (24) banks nationwide but they broadly followed the same pattern. For instance, the retail customers are normally individuals. Organizations with less than N100 million turnovers, probably medium size organizations are called commercial customers. While bigger formations that are above commercial status are called corporate customers.. The questionnaires were distributed to 24 banks and their customers who are in Lagos, Nigeria.

3.04: Population and Sample Size

The units of analysis for this study are the Banks, Banks' staff and their customers. The main tool for obtaining primary data is the questionnaire and the respondents are the Banks' staff and the Banks' customers. Data from the secondary sources are extracted from journals, annuals statements of accounts sent to the Nigerian Stock Exchange etcetera. Consequently, the banking institution which prepared and published these statements of accounts is the unit of analysis for analyzing the secondary data. While the exact population of the banks (24) are known, same cannot be said of the other aforementioned units of analysis.

In determining the sample size when the population is not easily verifiable, the Yard's formula is highly recommended. According to Yard (1973) in Avwoken (2007) this formula is suitable for computing the sample size from a large population when it is infinite or unknown:

na $= 1/4L^2$

na is actual sample size and

$\mathbf{L^2}$ is the square of the sampling error

At a standard error of 0.02, the sample size is 625. Erricker (1970) in Avwoken (2007) is of the opinion that when you do not know the entire characteristics of a population, there will be no way you can draw the participants to reflect the entire characteristics of the population. In such a case there will always be sampling error, but its size decreases as the size of the sample increases. In this vein, it is beneficial to increase the sample size thus diminishing the error size; secondly, for easy calculation and finally, to ensure that the returned copies of the questionnaire are not lower than 625, the sample size is increased to 1440. The distribution is: Banks' customers 864 and Banks' staff 576. The detail allocation shows that each of the 3 strata of Banks customers in a bank received 12 questionnaires (which add up to 36 respondents. Multiply that with the numbers of bank-36*24=864); While each of the three major grades of Bank workers got 8 questionnaires giving a total of 24 potential respondents per a bank- Industry's grand total is 576 (24*24). Out of the 1440 questionnaires distributed, 1305 were returned.

3.05: Sample Design

The general characteristics of the respondents are well known: they are predominantly fairly or very enlighten Nigerians who own financial resources or have the ability to benefit from the banking system's intermediatory role. They are categorized into two main groups-bank customers and banks' staff; each group is sub-divided into three to ensure that the characteristics of all groups are represented in the sample for this study. The bankers constitute a unique group, who are educated, very knowledgeable about this research topic, hence can make good respondents. The Bank customers as a group, is a mixed one with verging ability to understand the research issues or answer the questionnaire. Consequently, the sampling technique to be adopted is the **stratified sampling** approach. According to Green, Tull and Albaum *(1988)* cross sectional design involves measuring the product (object) of interest for several groups at the same time, the groups having been exposed to differing levels of treatments of the producer whose effect is being studied. Asika (1991) besides agreeing with this view avers that "this includes descriptive, exploratory and explanatory designs" versions of cross sectional research designs. Consequently, the adoption of the cross sectional survey here.

3.06: Data Collection Instrument

The instrument used for the collection of data for this study is the Questionnaire and data from secondary sources. A well structured questionnaire was drawn to adequately elicit the needed information from the respondents. Newspapers, Journals and CBN publications were the sources of the secondary data

The data gathered from the respondents were analyzed and the result used to answer the research questions and test the relevant hypotheses.

3.07: Reliability and Validity Analysis

Reliability analysis allows for the study of the properties of measurement scales and the items that compose the scales. The Reliability Analysis procedure calculates a number of commonly used measures of scale reliability and also provides information about the relationships between individual items in the scale.

Because of customer and bankers views being studied, Split-half reliability model was adopted. This model splits the scale into two parts and examines the correlation between the parts. It implies that the split-half reliability model obtained the correlation between the internal consistency of the items relating to customers' views and the internal consistency relating to bankers' views.

Split-Half Reliability Analysis

Table: Reliability Statistics

Cronbach's Alpha	Part 1: Customers' views	Value	.826
		N of Items	56
	Part 2: Bankers' views	Value	.740
		N of Items	56
	Total N of Items		112
Correlation Between Forms			.863*
Spearman-Brown Coefficient	Equal Length		.835
	Unequal Length		.819
Guttman Split-Half Coefficient			.783

*Correlation is significant at 0.05 level.

The Cronbach's Alpha reliability statistics is 82.6% in part 1: customers' views and 74.0% in part 2: bankers' views. The overall reliability is obtained as 78.3% and the correlation between the two parts is 0.863. Since the reliability result is above 70%, this indicates a high internal consistency and a strong direct relationship between the individual items in the questionnaire.

The significant strong direct correlation between the two parts: customers' views and bankers' views indicates the validation of the reliability test.

3.08: Administration of the Data Collection Instrument

The questionnaire, (the major data collection instrument) was distributed among the aforementioned sampled population (respondents) for a period of two weeks. This is because of the large sample of the population involved in the study. Copies of the questionnaire were left with the respondents who had enough time to read and fill them appropriately. Copies of the questionnaire were retrieved from the respondents and were labelled clearly and appropriately.

3.09: Procedure for Processing and Analyzing Collected Data

Each stratum of the collected questionnaire was analyzed by the researcher. This is done in order to reduce errors or biased result. The data generated from this study were analysed using simple regression for research questions one to parts of five. Multiple regression analysis was used for section three of research question and hypothesis five - **(Aggregate Respondents Views on Research Question 5 Customers and Bankers Views).**The emerging result from each category was stated in clear terms. The overall or combinations of results from the six categories of respondents to the Questionnaire were extrapolated using Startgraphics and SPSS statistical computer soft wares.

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CHAPTER FOUR

Data Analyses and Presentation.

Here, the researcher discussed the respondents' views as expressed in the returned copies of the questionnaire. To elucidate facts both tables and figures were used to discuss the result of each question in the questionnaire. Undoubtedly, chats and graphic representations have the unique characteristic of giving a smart and striking pictorial view of a concept under consideration.

This section was divided into six parts. The first stage deals with respondents' personal data which covers nine questions in the Questionnaire. The second to the sixth parts treat the research questions.. The full questionnaire which was administered on the respondent is at the end of this work while the resultant statistical computation is discussed after a review of the questionnaire responses. However, this study relies mainly on the result of the statistical analyses for its conclusions.

4.01: Distribution of Respondents- Customers and Bankers

The sample size of 864 customers was selected, while that of the bank workers was 576, as stated above. The table 4.1 overleaf shows that only 767(88.77%) bank customers returned their questionnaires. while only 538 (93.40%) out of 576 Bank workers returned theirs. The higher percentage returned can easily be attributed to the fact that it is much easier to retrieve questionnaires from bank workers in specific addresses than their customer, sometimes with not so specific addresses.

Table 4.1: Customers/Bankers Distribution of Respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Customer	767	58.8	58.8	58.8
	Bankers	538	41.2	41.2	100.0
	Total	1305	100.0	100.0	

Source: survey by Researcher, (2011)

4.02: Respondents' Personal Data:

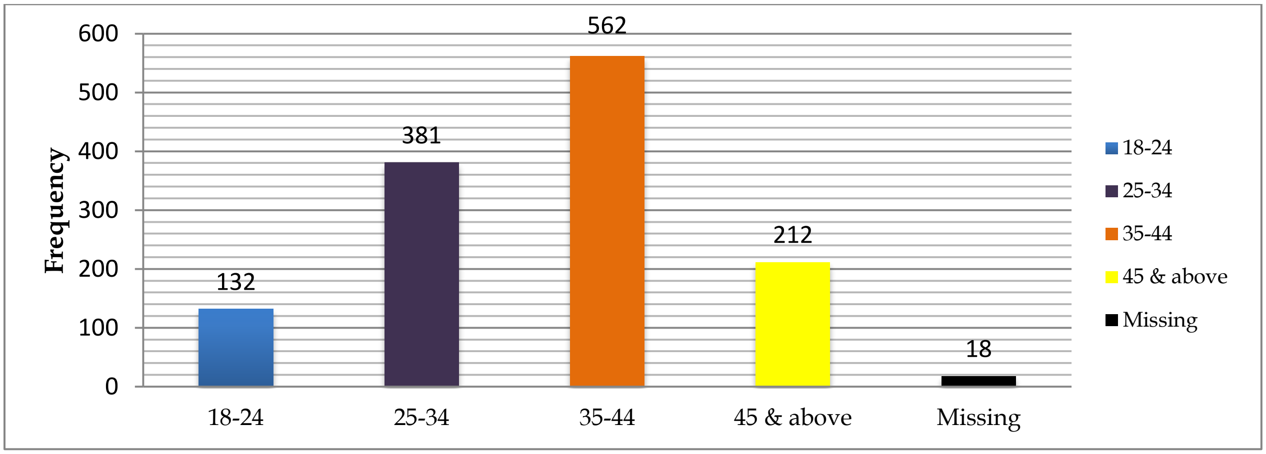
In this research, the age of the respondents ranges mainly from 18 – 60 years. The Nigerian Labour law allows only people above 18 years to work; persons below this age are regarded as minor. The common retiring age is 60 years, mostly in the private sector. For a better understanding, this age range is categorized into four (4) groups namely: 18 – 24; 25 – 34; 35 – 44; 45 – 60 years as shown in figure 4.3.

Table 4.2: Age Distribution

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18-24	132	10.11	10.11	10.11
	25-34	381	29.2	29.4	40.2
	35-44	562	43.1	43.4	83.6
	45-60	212	16.2	16.4	100.0
	Total	1287	99.2	100.0	
Missing	0	18	.8		
Total		1305	100.0		

Source: survey by Researcher, (2011)

Figure 4.1: A graph showing respondents' age distribution



Source: survey by Researcher, (2011)

A close examination of above table shows that a total of one hundred and thirty nine (132) or (139) respondents fell into the age range of 18 -24 years. This figure represents about 10.11% of the sample population. Three hundred and eighty one (381) respondents fell in the age range of 25 – 34 years; representing 29.%; five hundred and sixty two (562) respondents representing 43.4% of the sample fell under the age range 35 - 44 years while 212 respondents representing only 16.4% fell under the age range of 45 years and above.

The above figures and percentages shows that, those within the age range of 25 – 44 years constitute the dominant users of banks' services (either as workers or as customers), hence their views could be more objective in determining the customers' perception of bank products pricing.

Table 4.3.: Respondents Gender Distribution

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	749	57.4	57.8	57.8
	Female	546	41.8	42.2	100.0
	Total	1295	99.2	100.0	
Missing	0	10	.8		
Total		1305	100.0		

Source: survey by Researcher, (2011)

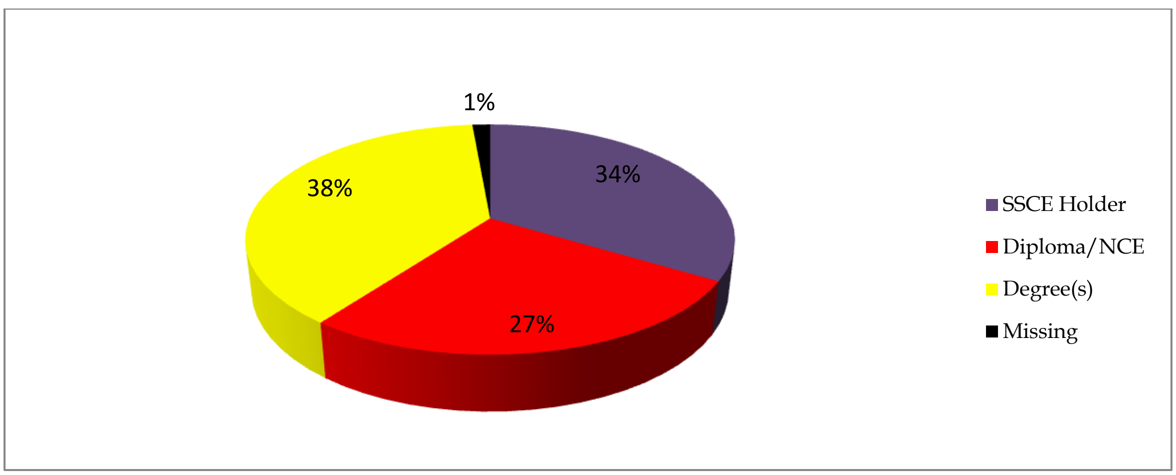
Of the total population of respondents involved in this study, Seven Hundred and Forty Nine (749) constituted male respondents. This figure represents about 57.8% of the study population while 546 respondents representing 42.2% represented female population. Ten persons (8%), either by omission or for personal reasons did not indicate their gender.

Table 4.4: Respondents' Educational Attainment Distribution

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	SSCE holder & below	438	33.6	34.0	34.0
	Diploma/NCE	348	26.7	27.0	61.1
	Degree(s)	501	38.4	38.9	100.0
	Total	1287	98.6	100.0	
Missing	0	18	1.4		
Total		1305	100.0		

Source: survey by Researcher, (2011)

Figure 4.2: A chart showing respondents' educational attainment



On educational attainment; Four Hundred and Thirty Eight (438) respondents are holders of the Senior School Certificate Examination (SSCE); representing 34%, Three Hundred and Forty Eight (348) respondents being holders of the Nigerian Certificate of Education (NCE) and Diploma; this figure represents Twenty Seven Percent (27%) while Five Hundred and One (501) respondents representing 38.9% stood for graduates and HND holders. The above analysis shows that there are more graduates category users of bank facilities, hence may be able to comment on bank products pricing more objectively.

Table 4.5: Respondents' Employment relationship with banks

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	No	558	42.8	43.4	42.8
	Yes	729	55.9	56.6	100.0
	Total	1287	98.6	100.0	
Invalid returns		18	1.4		
Total		1305	100.0		

Source: survey by Researcher, (2011)

On whether the respondents work for a bank or not; a total of 729 agreed. This figure represents 56.6% of the study population while 558 disagreed to the fact that, they work for a bank similarly, this figure represents 43.4%.

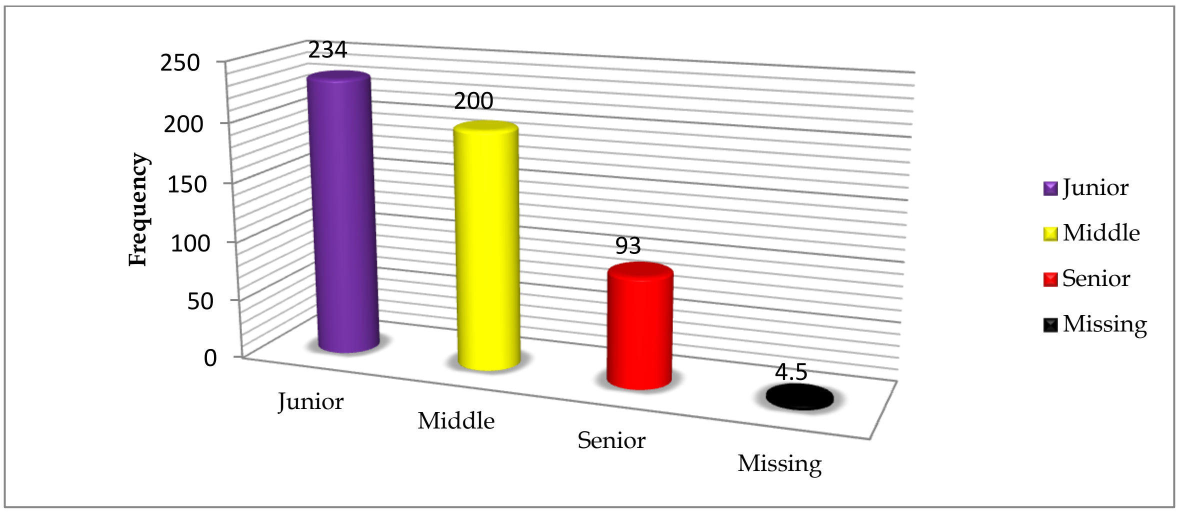
This figure shows that the non bank workers population is less than the bank workers. Critical analysis revealed that, the non – bank workers population is less than the bank workers population by 13.2%. This is in line with the original plan of this work which sent out 864 questionnaires to bank customers and 576 to bank workers making a total of 1440. The overall implication of these figures attests to the fact that users of banks' products (from other non – banking sectors) are more; which is a reality.

Table 4.6: Classification of banks' staff

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Junior	234	43.5	44	44
	Middle	200	37.2	37.2	81.2
	Senior	93	17.2	17.2	98.4
	Total	527	97.4	100.0	
Missing	0	10	2.6		
Total		537	100.0		

Source:Researcher, (2011)

Figure 4.3: A graph showing classification of bank's staff



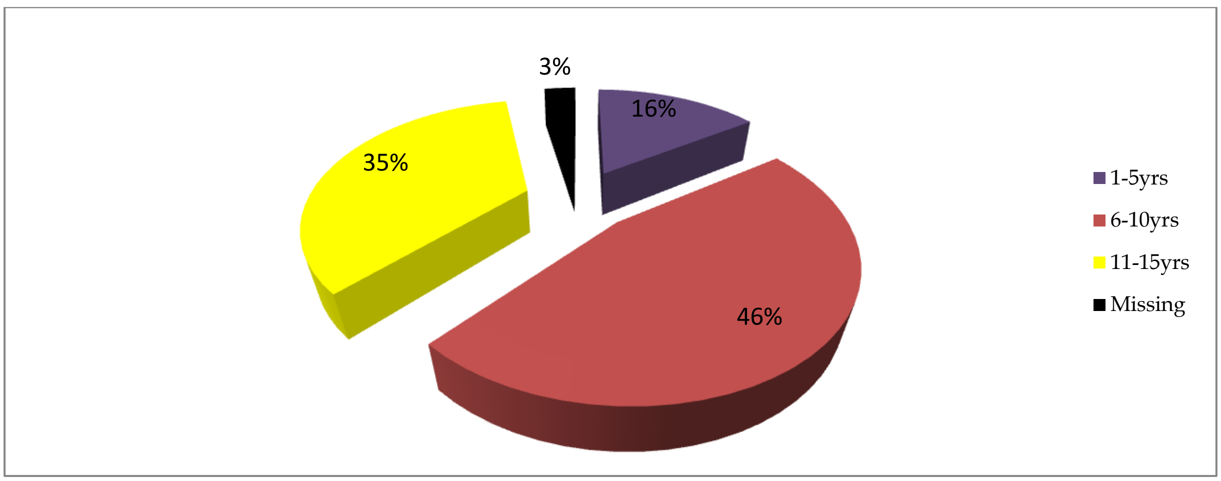
Of the total population studied, two hundred and thirty four (234) banks' respondents/workers belonged to the junior category. This represents 44%. Two hundred (200) representing 37.2% belonged to the middle class category while ninety three (93) workers representing 17.2% belonged to the senior category. This analysis revealed that there are more junior class workers and middle class workers in the banks that responded to this Questionnaire. This is a positive development as the class are likely to be more objective than any other group among the respondents from the banks

Table 4.8: A distribution showing respondents' job

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1-5yrs	202	15.5	16.0	16.0
	6-10yrs	606	46.4	47.9	63.8
	11-15yrs	458	35.1	36.2	100.0
	Total	1266	97.0	100.0	
Missing	0	39	3.0		
Total		1305	100.0		

Source: Researcher, (2011)

Figure 4.4: A chart showing respondents' job experience



On the number of years of work in their places of work, two hundred and two (202) or 16% respondents served between 1 and 5 years, Six hundred and Six (606) or 47% respondents have a working experience of 6 to 10 years in their places of work while four hundred and fifty eight (458) or 36.2% respondents have served between 11 and 15 years.

Table 4.9: Respondents' Sectorial allocation in the economy

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Oil/Gas	19	1.5	1.5	1.5
	Banking	550	42.1	42.6	44.1
	Consulting	305	23.4	23.6	67.7
	Service	395	30.3	30.6	98.3
	Distribution	22	1.7	1.7	100.0
	Total	1291	98.9	100.0	
Missing	0	14	1.1		
Total		1305	100.0		

Source: Researcher, (2011)

On sectoral allocation; only 155 of the study population worked for the oil and gas industry; 42.1% of the population worked for the banking sector with 550 respondents. For the consulting sub – sector, 305 respondents representing 23.6% of the study population filled the Questionnaire. For services, 395 respondents representing 30.6% validly filled the Questionnaire. For the distribution subsector, only 22 respondents representing 1.7% were involved in this study.

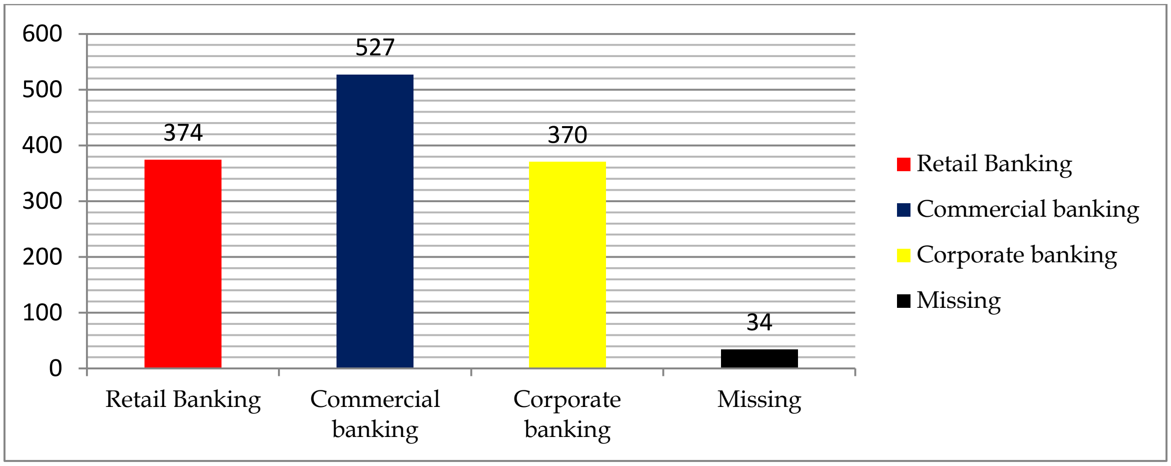
From the analysis, the banking sector as a sector had 42.1% while all other sectors together had 57.9%. This result further confirms and corroborates the earlier result that non – bank workers are more involved in this particular study.

Table 4.10: Respondents' most active account group in the banks

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Retail banking	374	28.7	29.4	29.4
	Commercial banking	527	40.4	41.5	70.9
	Corporate banking	370	28.4	29.1	100.0
	Total	1271	97.4	100.0	
Missing	0	34	2.6		
Total		1305	100.0		

Source: Researcher, (2011)

Figure 4.5: A graph showing respondents' most active group in bank



On which category of bank accounts operated by the respondents, Three hundred and Seventy Four (374) respondents are of the view that their most active account belongs to retail banking. This figure represents 29.4% while Five hundred and Twenty Seven (527) representing 41.5% Three hundred and seventy (370) representing twenty nine percent (29%) belonged to both commercial and corporate banking respectively.

4.03: Discussions on Research Questions:

Research Question 1:

How does the perception of bank charges changes affect the demand for banking services?

Discussions on the Relevant Questions From the Questionnaire Related to Research Question 1:

The questions that have bearing on research question 1 are; Q9, Q10, Q11, Q19, Q34, Q38, Q49, Q53 and Q57.

Q9: High bank charges affect bank patronage?

Table 4.11: High bank charges affect bank patronage

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly	26	20.	20.	20.
	Agre	24	18.	18.	39.
	Undecid	16	12.	12.	52.
	Disagr	25	19.	19.	71.
	Strongly	37	28.	28.	100.
	Tot	130	99.	100. 0	
Missin	0	1	.		
Tot		130	100.		

Source: Researcher, (2011)

A significant number of bank customers (Respondents) disagree totally with the assertion that the higher the banks charge, the lower their own rate of patronage; thus about 37 respondents representing 28.% disagreed that bank charges has link with customer patronage. This group argued that most customers are not even conscious of bank charges on the services they get. By simple addition, the total numbers of those who do not share this view are 792 (that is 370+254+168) which amount to 60.689% or 61%. However, a total of 267 respondents representing 20.5% did agree strongly that higher bank charges may lead to lower customer patronage. For the records: mildly agree and those that slightly disagree with the view are 245 and 254 representing 18.8 and 19.5 percents respectively.

Answer: Precisely, 61% disagrees with the view express by this question.

f*Q10: Pricing is key to the position banks currently occupy in the market*

Table 4.12: Is pricing the key to the position banks currently occupy in the market?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	311	23.8	23.8	23.8
	Agree	179	13.7	13.7	37.6
	Undecided	59	4.5	4.5	42.1
	Disagree	183	14.0	14.0	56.1
	Strongly disagree	572	43.8	43.9	100.0
	Total	1304	99.9	100.0	
Missing	0	1	.1		
Total		1305	100.0		

Source:Researcher, (2011)

Figure 4.6: Distribution of supporters' and non-supporters' views in %

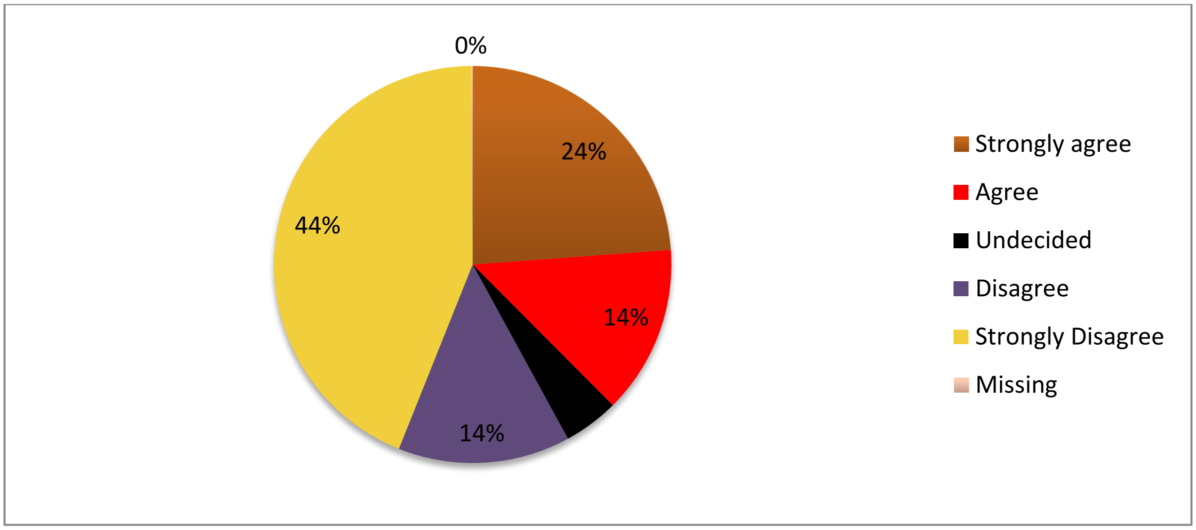
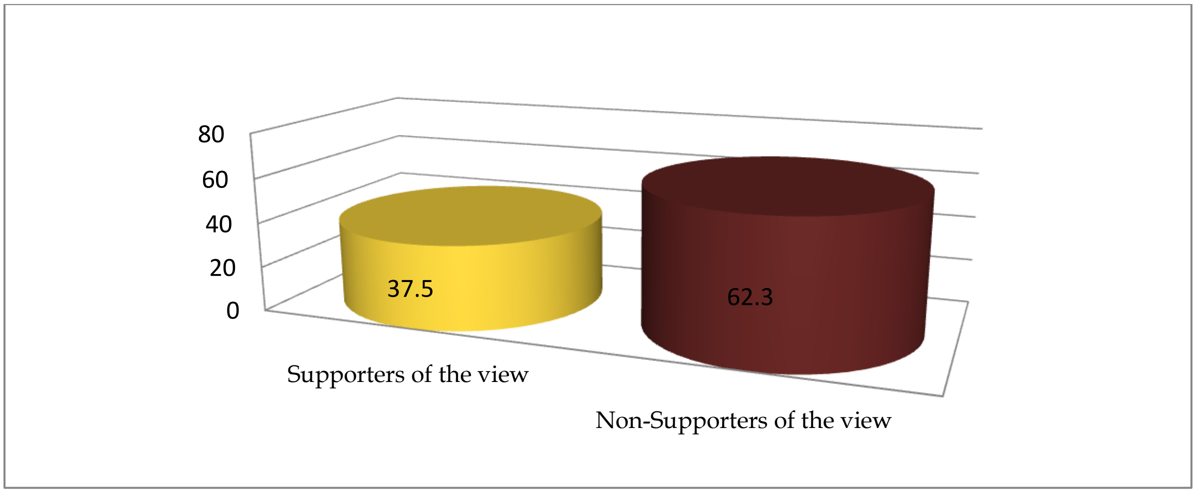


Figure 4.7: A graph showing the supporters and non-supporters of the view



On this question, a total number of 572 respondent representing 43.9% of the population disagree strongly saying, pricing is not core to the position banking currently occupies in the market. However about 311 respondent representing 23.8% did agreed that pricing is the key to the present position of bank, in the market on a milder basis, 183 and 179 with 14.0 and 13.7 disagree and agree with the assertion respectively. About 5% representing 59 respondents neither agree or disagree with the assertion and thus remained undecided.

Answer: In summary, 814(62.3%) respondents did not support the view that pricing is relevant in determining the market positioning of a bank.

Q11: Most customers are cost conscious when subscribing to banking products?

Table 4.13: Most customers are cost conscious when subscribing to banking products

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	120	9.2	9.2	9.2
	Agree	105	8.0	8.1	17.3
	Undecided	68	5.2	5.2	22.5
	Disagree	231	17.7	17.7	40.2
	Strongly disagree	780	59.8	59.8	100.0
	Total	1304	99.9	100.0	
Missing	0	1	.1		
Total		1305	100.0		

Source: Researcher, (2011)

About Seventy eight percent (77.5%) of the study population strongly disagree that customer are often conscious of cost when subscripting to banks products. From the researcher's field experience, this view is popular in most quarters as customers do not really look at the cost of bank products when subscribing for them. To validate the view that most customer are conscious of cost when subscribing to a bank product, about 17.3% of the respondents represent 225 persons in the population did agree that most customer are cost conscious when subscribing to banks products. However, in real life the average customers are not so cost conscious because marketers do not emphasize much on the cost aspect.

Answer: From the above, it can be seen that majority of the people (77.5%) do not share the view that most customers are cost conscious when subscribing to banking products.

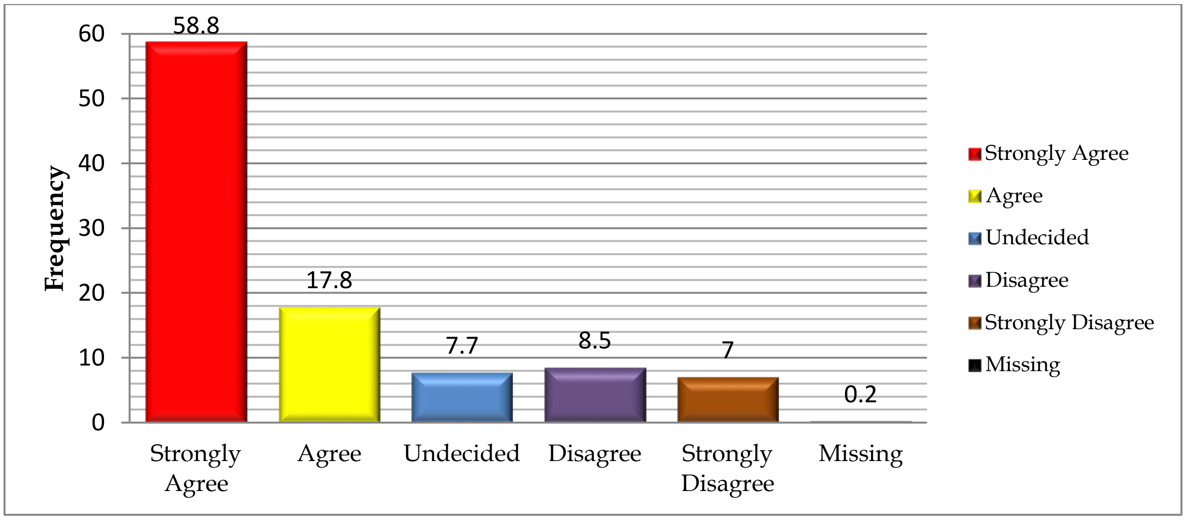
Q19: Customers perceive price differentials among banks' products as immaterial, hence they are indifferent?

Table 4.14: Customers perceive price differentials among banks products as immaterial, hence they are indifferent

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	767	58.8	58.9	58.9
	Agree	232	17.8	17.8	76.7
	Undecided	100	7.7	7.7	84.4
	Disagree	111	8.5	8.5	92.9
	Strongly disagree	92	7.0	7.1	100.0
	Total	1302	99.8	100.0	
Missing	0	3	.2		
Total		1305	100.0		

Source: Researcher, (2011)

Figure 4.8: A chart showing respondents' view on price differentials among banks' products



About 58.8% of the study population agrees strongly that price differentials amongst banks' product is immaterial, hence they remain indifferent. That is to say that those banks' customers may not switch brands on account of bank price differentials. To most bankers, the

difference amongst banks' products is so minimal that it does not warrant any switching of brands. Closely related to the above view is the fact that about 18% of the study population also do not see any reason to switch brands, hence believe that banks' price products differ with an infinitesimal amount hence they tend to be loyal to their banks instead of changing their banks.

Answer to the questionnaire's question Q19: With 76.7%, which is the cumulative percentage of those who agree to the question: "Customers perceive price differentials among banks products as immaterial, hence they are indifferent" this research can boldly say that majority of the respondents are in affirmative with the view expressed in the question.

Q34: In banking, a marginal (a very little) increase in service quality will automatically lead to increase in service charge?

Table 4.15: In banking, a marginal (a very little) increase in service quality will automatically lead to increase in service charge

		Frequenc	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	170	13.0	13.1	13.1
	Agree	159	12.2	12.2	25.3
	Undecided	480	36.8	36.9	62.1
	Disagree	127	9.7	9.8	71.9
	Strongly disagree	366	28.0	28.1	100.0
	Total	1302	99.8	100.0	
Missing	0	3	.2		
Total		1305	100.0		

Source:Researcher, (2011)

This viewpoint is not rational in a competitive market like banking. This is because, increase in service quality is little noticed in banking. This is the reason why about 37% of the study population remained neutral on the issue. To further buttress the irrationality of this claim that the more the increase in service quality, the higher the service charge, 37.9% of the study population totally disagreed while only 25.3% agreed to the proportional increase in service quality being transformed into higher charges for customers.

Answer: Adding the population of those who do not support this view we have 973 (480+127+366=973) which is about 75% (exactly 74.559%) this research can conclude that "In banking, a marginal (a very little) increase in service quality will automatically lead to increase in service charge".

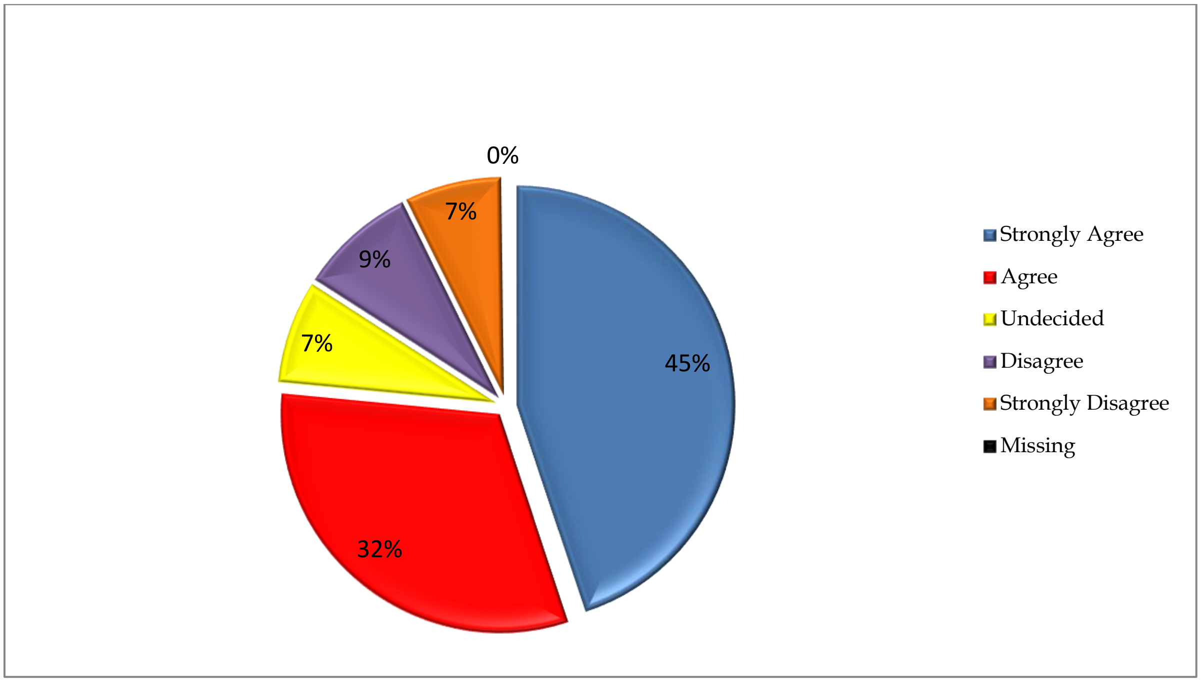
Q38: Notwithstanding banks seldom attractive discount charges, customers are reluctant to switch loyalty due to some intrinsic factors?

Table 4.16: Notwithstanding banks seldom attractive discount charges customers are reluctant to switch loyalty due to some intrinsic factors

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	586	44.9	45.0	45.0
	Agree	412	31.6	31.6	76.6
	Undecided	99	7.6	7.6	84.3
	Disagree	112	8.6	8.6	92.9
	Strongly disagree	93	7.1	7.1	100.0
	Total	1302	99.8	100.0	
Missing	0	3	.2		
Total		1305	100.0		

Source: Researcher, (2011)

Figure 4.9: A pie chart showing respondents' view on customers' reluctances to switch loyalty notwithstanding the attractive discount charges by banks



Banks give generous discount charges to customers with a view to make them switch brands. Paradoxically, this trick devised to fool customers to their bank does not work for some banks. This is because there could be other factors (such as nearness of a Bank to an office, the quality of services or boosting of good customer-relationship by a Bank) that are more important to the customer than mere price discounts as shown by the experience of this researcher in the field. This viewpoint held by a cumulative percentage of 76.6% who strongly agree that discount is not sufficient for bank customers to brand-switch. However 8.6% disagree and 7.1% strongly disagree with the nation.

Answer: It is obvious from the above that with a cumulative percentage of about Seventy Seven (77%), that respondents do agree that "Notwithstanding banks seldom attractive discount charges, customers are reluctant to switch loyalty due to some intrinsic factors."

Q49: The quality of a bank's services, its suitability to need and customer satisfaction are better attractions to prospects and existing customers, when compared with lowering charges?

Table 4.17: The quality of a bank's services, its suitability to need and customer satisfaction are better attractions to prospect and existing customers, when compared with lowering charge

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	555	42.5	42.6	42.6
	Agree	359	27.5	27.6	70.1
	Undecided	68	5.2	5.2	75.4
	Disagree	133	10.2	10.2	85.6
	Strongly disagree	188	14.4	14.4	100.0
	Total	1303	99.8	100.0	
Missing	0	2	.2		
Total		1305	100.0		

Source: Researcher, (2011)

On this tripartite issues; a total of 555 respondents representing 42.6% did agree strongly, 359 respondents representing (25.5%) did agree totally to these intrinsic factors that they are more vital to a rational customer instead of lower bank charges. However a total population of 133 respondents representing 10.2 and another population 188 representing 14.4% did disagreed on the three issues under examination. This latter group may seem to argue that notwithstanding the quality service, suitability to need and customer satisfaction, the major thing in banking that concern most customers is lower service charges.

Answer: The earlier view that customers are more pleased to patronize a bank that meets their need for quality services, do things that suit them rather than offer marginal lower discount is more popular.

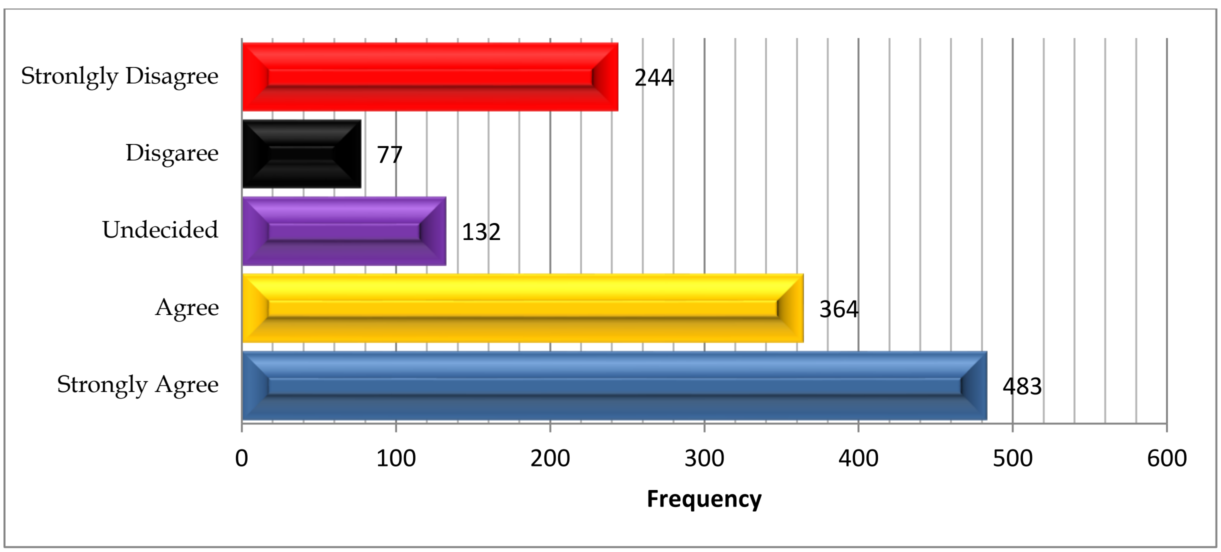
Q53: Bank customers do not check to know how much charge the bank deduct each time a banking transaction is made because they feel handicapped to seek effective change

Table 4.18: Bank customers do not check to know how much charge the bank deduct each time a banking transaction is made because they feel handicapped to seek effective change

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	483	37.0	37.2	37.2
	Agree	364	27.9	28.0	65.2
	Undecided	132	10.1	10.2	75.3
	Disagree	77	5.9	5.9	81.2
	Strongly disagree	244	18.7	18.8	100.0
	Total	1300	99.6	100.0	
Missing	0	5	.4		
Total		1305	100.0		

Source: Researcher, (2011)

Figure 4.10: A bar chart showing respondents' non-enthusiasm to check deductions made by banks after withdrawals



In the table 4.18, the proponents of this view are the strongly agreed group and agreed group which consists of 483 respondents and 364 respondents respectively. The two groups form a combined 65.2% of the whole. The undecided is only about 10% as shown in the table while those who disagreed with this view is mere 5.9% and the strongly disagreed 18.7%. From the above, one can deduce that: “*Bank customers do not check to know how much charge the bank deduct each time a banking transaction is made because they feel handicapped to seek effective change”.*

Question 57: Most banks customer make their choice based purely on bank’s credibility and not service charges?

Table 4.19: Most customers of bank make their choice based purely on banks credibility and not service charges

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	591	45.3	45.4	45.4
	Agree	390	29.9	29.9	75.3
	Undecided	106	8.1	8.1	83.4
	Disagree	82	6.3	6.3	89.7
	Strongly disagree	134	10.3	10.3	100.0
	Total	1303	99.8	100.0	
Missing	0	2	.2		
Total		1305	100.0		

Source: Researcher, (2011)

Actually any rational being will agree to this, as service charge no matter how small it is, is not sufficient for a prospective bank customer to make choice on, rather the bank credibility. Thus table 4.19 shows that 45.4% and 29.9% strongly agreed and agree respectively to the fact that the banks credibility is more germane when compared to the service charge. Cumulatively, adding those who strongly agreed from the table above to those who agreed, the result will be 75.3%. However 6.3% and 10.3% disagreed and strongly disagreed respectively –argued that, to them the service charge is more important than the bank credibility.

Answer: A score of 75% shows overwhelmly that “Most banks customer make their choice based purely on bank’s credibility and not service charges”

4.04: Summary of Findings on Hypothesis 1

The answers to relevant questions in the questionnaire discussed above show that undoubtedly the respondents do not subscribe to the view that there is a significant relationship between the prices of banks products and the demand for them. Consequently, the answer to the research question 1: **"**How does the perception of bank charges changes affect the demand for banking services? Is that: *there is no significant relationship exists between the two variables which in effect uphold the research hypothesis: "*THERE IS NO SIGNIFICANT RELATIONSHIP BETWEEN CUSTOMERS' PERCEPTION OF BANK CHARGE CHANGES (BCC) AND THE DEMAND FOR BANKING SERVICES"

4.05: Research Question 2

Bankers and their Customers do not see significant causal relationship between interest rate charged by banks **and their organisations' growth**

Discussions on the Relevant Questions From the Questionnaire Related to Research

Question 2:

The questions in the questionnaire that have relevance on research question 2 are: Q12, Q14, Q15, Q19, Q30, Q39, Q42, Q55 and Q56.

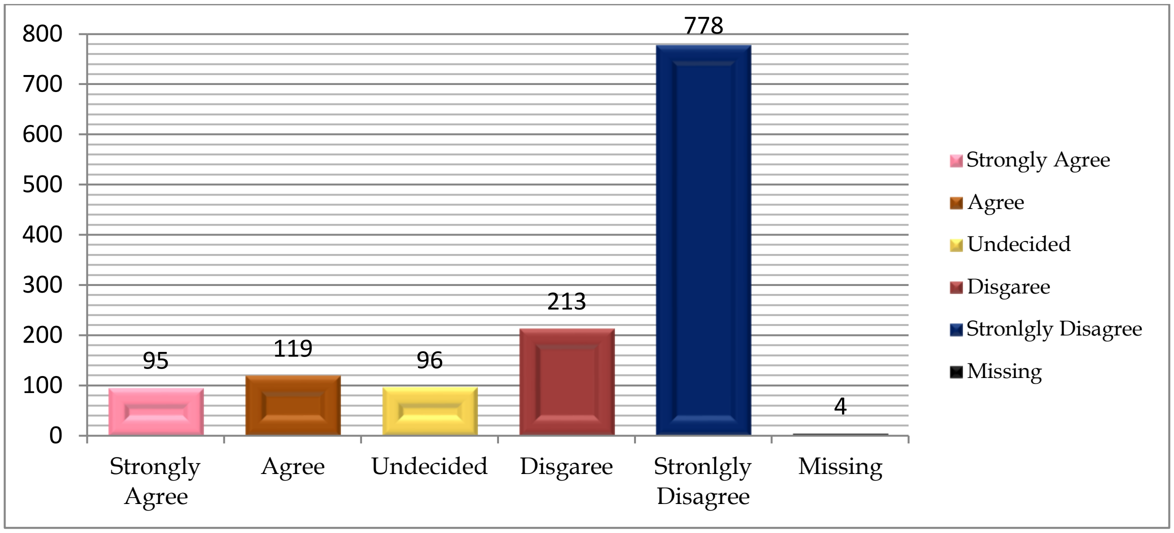
Q12: Customers are sensitive to price differentials in bank product?

Table 4.20: Customers are sensitive to price differentials in bank product

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	95	7.3	7.3	7.3
	Agree	119	9.1	9.1	16.4
	Undecided	96	7.4	7.4	23.8
	Disagree	213	16.3	16.4	40.2
	Strongly disagree	778	59.6	59.8	100.0
	Total	1301	99.7	100.0	
Missing	0	4	.3		
Total		1305	100.0		

Source: Researcher, (2011)

Figure 4.11: A chart showing respondents' views on customers' sensitivity to price differentials in bank products



From table 4.20, nearly sixty percent (60%) of the respondent population strongly disagreed with the view that "**customer are sensitive to price differentials in bank products"** To consolidate this assertion, another 16.3% of the study population disagreed. Thus bringing the cumulative of those who did not explicitly subscribe to the view expressed in this question to 991(75.938%) approximately 76%. Conversely, the proponents of this opinion are just 214(16.4%). When the undecided persons are added to the group of those who disagreed, the total numbers of those who do not share the proponents' view that: ***"Customers are sensitive to price differentials in bank products?"*** Will come to a total of 1087(83%).

Answer to the questionnaire's question Q12 which states that "Customers are sensitive to price differentials in bank product?"

From the score of 76% (disagree and strongly disagree groups) one can boldly say that more people were of the view that customers are not sensitive to price differentials in banks' products.

Q14: Customers often complain of banks COT charges as being high?

Table 4.21: Customers often complain of banks COT charges as being high

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	159	12.2	12.2	12.2
	Agree	192	14.7	14.7	26.9
	Undecided	124	9.5	9.5	36.5
	Disagree	314	24.1	24.1	60.6
	Strongly disagree	514	39.4	39.4	100.0
	Total	1303	99.8	100.0	
Missing	0	2	.2		
Total		1305	100.0		

Source: Researcher, (2011)

From table 4.21 the respondents who are opposed to the view expressed in this question: "*Customers often complain of banks' COT charges as being high?"* are much higher than the 351(26.9%) who are in support of the view expressed in the question. The 828(64%) respondents representing either strongly disagreed or disagreed group makes the answer to this question very obvious.

Answer to the questionnaire's question Q14:

Is obviously no as 925 (73%) persons do not subscribe to the view that *"Customers often complain of banks COT charges as being high"*.

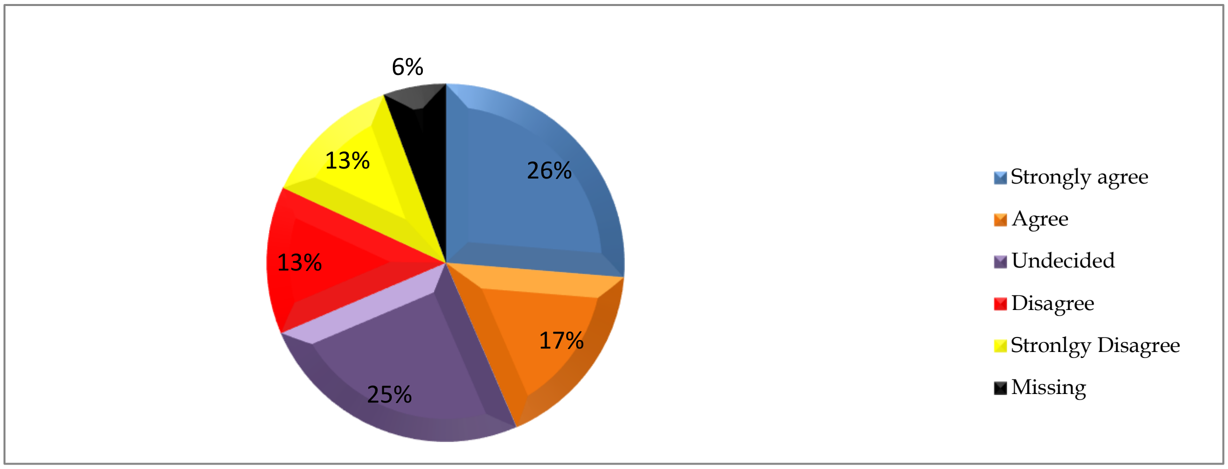
Q15: Customers often complain of banks interest rates as being excessive?

Table 4.22: Customers consider interest rates charged by the banks as being excessive

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	343	26.3	27.8	27.8
	Agree	224	17.2	18.2	46.0
	Undecided	328	25.1	26.6	72.6
	Disagree	174	13.3	14.1	86.8
	Strongly disagree	163	12.5	13.2	100.0
	Total	1232	94.4	100.0	
Missing	0	73	5.6		
Total		1305	100.0		

Source: Researcher, (2011)

Figure 4.12: Respondents' view on customers' perception of interest rates charged by bank



On interest rate on bank charge about 46.0% of the study population agreed that interest on bank loans are high and excessive. As shown in table 4.22 classifying this percentage, 27.8% of the respondents agreed strongly that bank interest rate is high and excessive. In a similar manner 18.2% did concur with the fact that banks rate are excessive. However 27.3% in total disagreed with the fact that interest rate is excessive. This means that 27.3% of the study population believes that bank rate is not excessive.

Answer to the questionnaire's question Q15: **They seems to be no clear major group that dominate the answered question as shown in the table above although more respondents seem to agree that *"Customers often complain of banks interest rates as being excessive"***

Q19: Customers perceive price differentials among banks products as immaterial, hence they are indifferent?

Recall table 4.14 here repeated: Customers perceive price differentials among banks products as immaterial, hence they are indifferent

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	767	58.8	58.9	58.9
	Agree	232	17.8	17.8	76.7
	Undecided	100	7.7	7.7	84.4
	Disagree	111	8.5	8.5	92.9
	Strongly disagree	92	7.0	7.1	100.0
	Total	1302	99.8	100.0	
Missing	0	3	.2		
Total		1305	100.0		

Source: Researcher, (2011)

The table 4.14, about 58.8% of the study population agreed strongly that price differentials amongst banks' product is immaterial, hence they remain indifferent. That is to say that those banks' customers may not switch brands on account of bank price differentials. To most bankers, the difference amongst banks' products is so minimal that it does not warrant any switching of brands. Closely related to the above view is the fact that about 18% of the study population also does not see any reason to switch brands, hence believe that banks' price products differ with an infinitesimal amount hence they tend to be loyal to their banks instead of changing their banks.

Answer to the questionnaire's question Q19: With 76.7%, which is the cumulative percentage of those who agree to the question: "Customers perceive price differentials among banks products as immaterial, hence they are indifferent" this research can boldly say that majority of the respondents are in affirmative with the view expressed in the question.

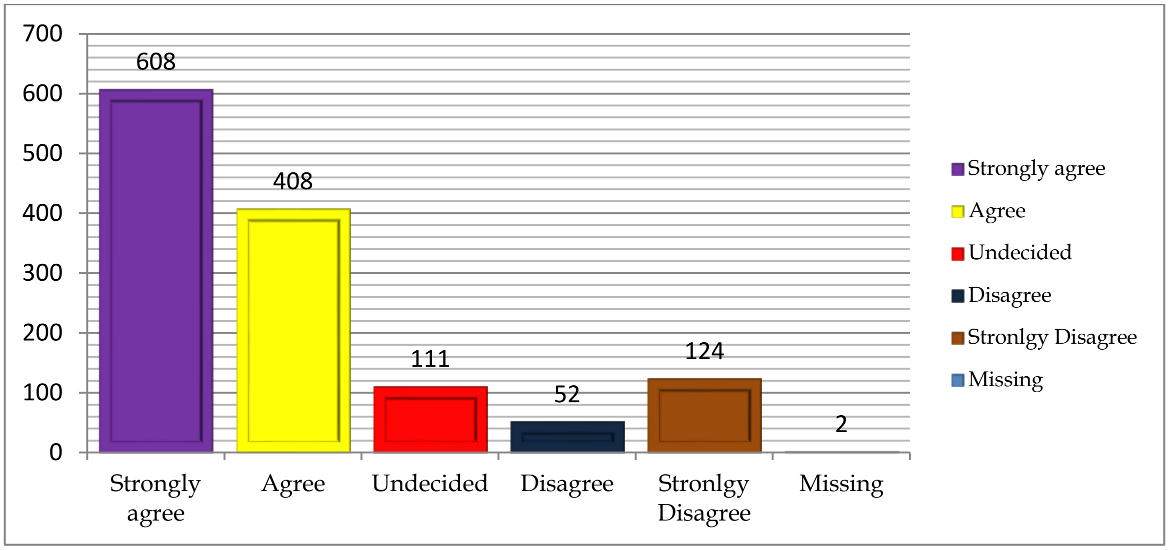
Q30: Frequent policy reversals and changes by CBN and federal government confuse market stake holders; this leads to price hike and inconsistency?

Table 4.23: Frequent policy reversals and changes by CBN and federal government confuse Market stake holders this leads to price hike and inconsistency

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly	60	46.	46.	46.
	Agre	40	31.	31.	78.
	Undecide	11	8.	8.	86.
	Disagre	5	4.	4.	90.
	Strongly	12	9.	9.	100.
	Tota	130	99.	100.	
Missing	0	2	.		
Tota		130	100.		

Source: Researcher, (2011)

Figure 4.13: Respondents' view on the effects of frequent policy reversals and changes by the CBN and the Federal Government



From table 4.23, a cumulative percentage of 78.0% agreed with the CBN and federal Government's inconsistencies in bank policy changes while only 22.0% disagreed with this view. This confirms the fact that frequent inconsistent policy changes can adversely affect any market anywhere in the world. The case of Nigeria is a shining example, as it is difficult to plan for a long or medium term under serious frequent policy changes.

Answer to the questionnaire's question

Q30: From the statistical figures above showing that 78% do agree that: "Frequent policy reversals and changes by CBN and federal government confuse market stake holders; this leads to price hike and inconsistency". Consequently, the answer is in affirmative.

Q39: Government reduction of bank tariffs may increase economic stimulus thus leading to increase in public spending?

Table 4.24: Government reduction of bank tariffs may increase economic stimulus thus leading to increase in public spending

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	531	40.7	41.0	41.0
	Agree	395	30.3	30.5	71.5
	Undecided	132	10.1	10.2	81.7
	Disagree	101	7.7	7.8	89.5
	Strongly disagree	136	10.4	10.5	100.0
	Total	1295	99.2	100.0	
Missing	0	10	.8		
Total		1305	100.0		

Source: Researcher, (2011)

On a positive note, if Government can reduce bank tariff, economic activities will be more alive and thus it can lead to more public expenditure. As shown in table 4.24, a cumulative percentage of 71.5% agreed to the above view while only 18.3% disagreed with this view. Other persons, like economists, could share the view of the former group equally believing that if tariff can be reduced by the Government, economic activities would be stimulated and thus leading to increase in public expenditure.

Answer to the questionnaire's question Q39: With 71.5% score it can be seen that majority of the respondents agreed with the view that: "Government reduction of bank tariffs may increase economic stimulus thus leading to increase in cash flow into the economy". This also affirms the claim that government reduction of bank tariff is capable of increasing economic activities thereby increasing public expenditure.

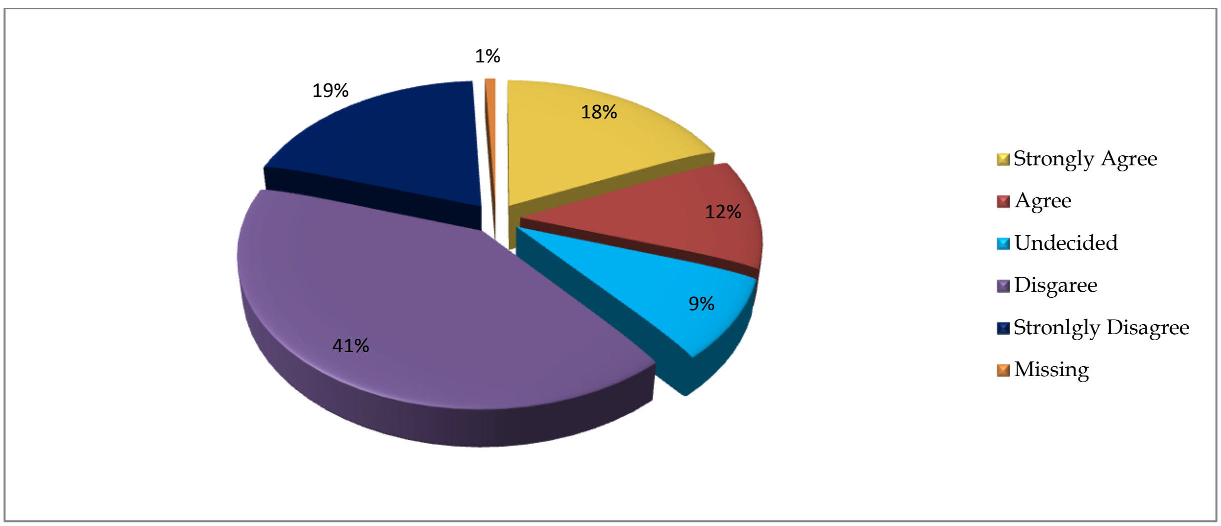
Q42: The government is committed to reducing bank tariffs as an economic stimulus aimed at reducing the rising cost of doing business by customers?

Table 4.25: The government is committed to reducing bank tariffs as an economic stimulus aimed at reducing cost of rising cost of doing business by customer

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	238	18.2	18.4	18.4
	Agree	154	11.8	11.9	30.0
	Undecided	114	8.7	8.8	38.8
	Disagree	538	41.2	41.6	80.4
	Strongly disagree	250	19.2	19.3	100.0
	Total	1294	99.2	100.0	
Missing	0	11	.8		
Total		1305	100.0		

Source: Researcher, (2011)

Figure 4.14: A distribution showing respondents' view pertaining to governments' reduction of bank tariffs in %



A cumulative percentage of 60.9% concur with the above statement, while 30.3% of the study population disagreed with the above view as shown in table 4.25. Majority of the respondents share the view that government reduction on bank tariff will enhance business activities in Nigeria. Thus if the government is really determined to boost the economy, concerted efforts must be put in place to reducing the cost of business transaction by business men and women.

Answer to the questionnaire's question Q42: From the above analysis, it can be seen that if there is be government's resolute decision at ensuring reduction in bank tariffs, it is likely to go a long way in revamping economic activities in Nigeria. Hence, convincingly conclude that: "Government's commitment at reducing bank tariffs as an economic stimulus may reduce the rising cost of doing business by customers of the banks."

Q55: Do you think that the Federal Government is committed to reducing bank tariffs as an economic stimulus aimed at reducing rising cost of doing business in the country?

Table 4.26: Do you think that the federal government is committed to reducing bank tariffs as an economic stimulus aimed at reducing rising cost of doing business in the country

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	430	33.0	33.0	33.0
	Agree	255	19.5	19.6	52.6
	Undecided	154	11.8	11.8	64.4
	Disagree	224	17.2	17.2	81.6
	Strongly disagree	240	18.4	18.4	100.0
	Total	1303	99.8	100.0	
Missing	0	2	.2		
Total		1305	100.0		

Source: Researcher, (2011)

On this question, and as shown in table 4.26, 430(33%) and 255(19.6%) respondents strongly agreed and agreed respectively. The cumulative percentage of this group stood at 52.6%. However, 35.6% cumulatively stood against this view. They seem to argue that the Nigerian Government is not committed to alleviating the sufferings of its business oriented citizens through bank tariff reduction.

Answer to the questionnaire's question Q55:

With only 35.6% of the entire respondents either disagreed or strongly disagreed with the view expressed in this question, it is a clear indication that majority of the study population agreed to the fact that: "*The Federal Government is committed to reducing bank tariffs as an economic stimulus aimed at reducing rising cost of doing business in the country*".

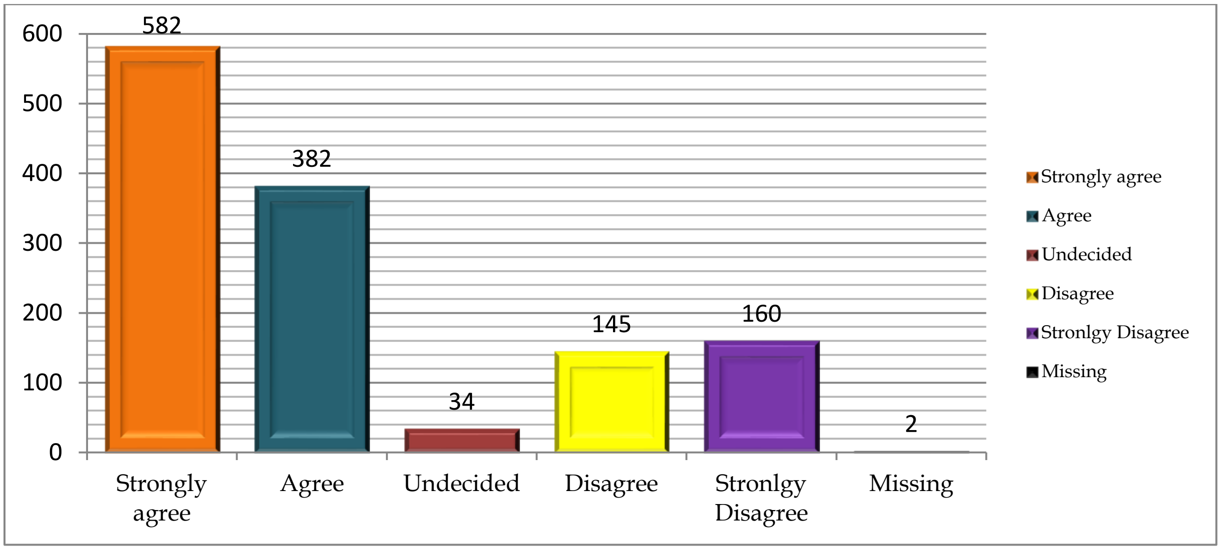
Q56: Governments' inability to address the lingering issue of rising cost of doing business in Nigeria exerts upward pressures on bank tariffs?

Table 4.27: Governments inability to address the lingering issue of rising cost of doing business in in Nigeria exerts upward pressures on bank tariffs

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	582	44.6	44.7	44.7
	Agree	382	29.3	29.3	74.0
	Undecided	34	2.6	2.6	76.6
	Disagree	145	11.1	11.1	87.7
	Strongly disagree	160	12.3	12.3	100.0
	Total	1303	99.8	100.0	
Missing	0	2	.2		
Total		1305	100.0		

Source: Researcher, (2011)

Figure 4.15: Respondents' view on government's control of the rising cost of doing business in Nigeria in relation to its influence on pressure on bank tariffs



From table 4.27, it is very obvious that with a cumulative percentage of (74%) either agreeing or strongly agreeing to the question above, this is an indication that the Nigerian government has not been able to address the rising cost of doing business in the country. Only 305(23.4%) of the respondents hold contrary view. Only 34(2.6%) of respondents were neutral in this discussion.

Answer to the questionnaire's question Q56:

Undoubtedly, the answer to this question Q56 *that: "Governments' inability to address the lingering issue of rising cost of doing business in Nigeria exerts upward pressures on bank tariffs"* is in affirmative.

The Aggregate of Answers to Relevant Questions in the Questionnaire

Table 4.27b: Customers are sensitive to price differentials in bank product

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	95	7.3	7.3	7.3
	Agree	119	9.1	9.1	16.4
	Undecided	96	7.4	7.4	23.8
	Disagree	213	16.3	16.4	40.2
	Strongly disagree	778	59.6	59.8	100.0
	Total	1301	99.7	100.0	
Missing	0	4	.3		
Total		1305	100.0		

Source: Researcher, (2011)

Answer to the questionnaire's question Q6 in table 4.27b which states that: **"Customers are sensitive to price differentials in bank product?" From the score of 76% (disagreed and strongly disagreed groups) one can boldly say that more people were of the view that customers are not sensitive to price differentials in banks' products. ANSWER: YES**

Table 4.27c: Customers often complain of banks COT charges as being high

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	159	12.2	12.2	12.2
	Agree	192	14.7	14.7	26.9
	Undecided	124	9.5	9.5	36.5
	Disagree	314	24.1	24.1	60.6
	Strongly disagree	514	39.4	39.4	100.0
	Total	1303	99.8	100.0	
Missing	0	2	.2		
Total		1305	100.0		

Source: Researcher, (2011)

Answer to the questionnaire's question Q8 in table 4.27c: **Is obviously no as 925 (73%) persons do not subscribe to the view that *"Customers often complain of banks COT charges as being high."* ANSWER: NO**

Table 4.27d: Customers consider interest rates charged by the banks as being excessive

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	343	26.3	27.8	27.8
	Agree	224	17.2	18.2	46.0
	Undecided	328	25.1	26.6	72.6
	Disagree	174	13.3	14.1	86.8
	Strongly disagree	163	12.5	13.2	100.0
	Total	1232	94.4	100.0	
Missing	0	73	5.6		
Total		1305	100.0		

Source: Researcher, (2011)

Answer to the questionnaire's question Q9 in table 4.27d: **There seems to be no clear major group that dominates the answered question as shown in the table above, although more respondents seem to agree that *"Customers often complain of banks interest rates as being excessive" ANSWER: YES***

Table 4.27e: Customers perceive price differetials among banks products as immaterial, hence they are indifferent

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	767	58.8	58.9	58.9
	Agree	232	17.8	17.8	76.7
	Undecided	100	7.7	7.7	84.4
	Disagree	111	8.5	8.5	92.9
	Strongly disagree	92	7.0	7.1	100.0
	Total	1302	99.8	100.0	
Missing	0	3	.2		
Total		1305	100.0		

Source: Researcher, (2011)

Answer to the questionnaire's question Q13 in table 4.27e: **With 76.7%, which is the cumulative percentage of those who agree to the question: "Customers perceive price differentials among banks products as immaterial, hence they are indifferent" this research can boldly say that majority of the respondents are in affirmative with the view expressed in the question. ANSWER: YES**

Table 4.27f: Frequent policy reversals and changes by CBN and federal government confuse Market stake holders this leads to price hike and inconsistency

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	608	46.6	46.7	46.7
	Agree	408	31.3	31.3	78.0
	Undecided	111	8.5	8.5	86.5
	Disagree	52	4.0	4.0	90.5
	Strongly disagree	124	9.5	9.5	100.0
	Total	1303	99.8	100.0	
Missing	0	2	.2		
Total		1305	100.0		

Source: Researcher, (2011)

Answer to the questionnaire's question Q24 in table 4.27f: **From the statistical figures 4.15 showing that 78% do agree that: "Frequent policy reversals and changes by CBN and federal government confuse market stake holders; this leads to price hike and inconsistency". Consequently, the answer is in affirmative. ANSWER: YES**

Table 4.27g: Government reduction of bank tariffs may increase economic stimulus thus leading to increase in public spending

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	531	40.7	41.0	41.0
	Agree	395	30.3	30.5	71.5
	Undecided	132	10.1	10.2	81.7
	Disagree	101	7.7	7.8	89.5
	Strongly disagree	136	10.4	10.5	100.0
	Total	1295	99.2	100.0	
Missing	0	10	.8		
Total		1305	100.0		

Source: Researcher, (2011)

Answer to the questionnaire's question Q33 in table 4.27g: **With 71.5% score it can be seen that majority of the respondents agreed with the view that: "Government reduction of bank tariffs may increase economic stimulus thus leading to increase in cash flow into the economy". This also affirms the claim that government reduction of bank tariff is capable of increasing economic activities thereby increasing public expenditure. ANSWER YES**

Table 4.27h: The government is committed to reducing bank tariffs as an economic stimulus aimed at reducing cost of rising cost of doing business

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	538	41.2	41.6	41.6
	Agree	250	19.2	19.3	60.9
	Undecided	114	8.7	8.8	69.7
	Disagree	238	18.2	18.4	88.1
	Strongly disagree	154	11.8	11.9	100.0
	Total	1294	99.2	100.0	
Missing	0	11	.8		
Total		1305	100.0		

Source: Researcher, (2011)

Answer to the questionnaire's question Q36 in table 4.27h: **From the above analysis, it can be seen that if there will be government's resolute decision at ensuring reduction in bank tariffs, it will go a long way in revamping economic activities in Nigeria. Hence, it can be convincingly concluded that: "Government's commitment at reducing bank tariffs as an economic stimulus may reduce the rising cost of doing business by customers of the banks".**

ANSWER: YES

Table 4.27i: Do you think the federal government is committed to reducing bank tariffs as an economic stimulus aimed at reducing rising cost of doing business

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	430	33.0	33.0	33.0
	Agree	255	19.5	19.6	52.6
	Undecided	154	11.8	11.8	64.4
	Disagree	224	17.2	17.2	81.6
	Strongly disagree	240	18.4	18.4	100.0
	Total	1303	99.8	100.0	
Missing	0	2	.2		
Total		1305	100.0		

Source: Researcher, (2011)

Answer to the questionnaire's question Q49 in table 4.27i: **With only 35.6% of the entire respondents either disagreed or strongly disagreed with the view expressed in this question, it is a clear indication that majority of the study population agreed to the fact that: "*The federal government is committed to reducing bank tariffs as an economic stimulus aimed at reducing rising cost of doing business in the country." ANSWER: YES***

Table 4.27j:Governments inability to address the lingering issue of rising cost of doing l business

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	582	44.6	44.7	44.7
	Agree	382	29.3	29.3	74.0
	Undecided	34	2.6	2.6	76.6
	Disagree	145	11.1	11.1	87.7
	Strongly disagree	160	12.3	12.3	100.0
	Total	1303	99.8	100.0	
Missing	0	2	.2		
Total		1305	100.0		

Source: Researcher, (2011)

Answer to the questionnaire's question Q5 in table 4.27j: **Undoubtedly, the answer to this question Q50 is that; *"Governments' inability to address the lingering issue of rising cost of doing business in Nigeria exerts upward pressures on bank tariffs"* is yes. This is because the continuous rising cost of doing business in the country affects not only businesses but also the welfare of the citizens as well.**

4.06: Research Question 3

The degree of Banking Industry Regulation is not perceived to have any substantial effect on Customer Perception of Bank Product Prices Variations (CPBPPV)

Discussions on the Relevant Questions From the Questionnaire Related to Research Question 3:

The questions that have relationship with research question 3 are; Q23, to Q26, Q28, Q30 and Q58.

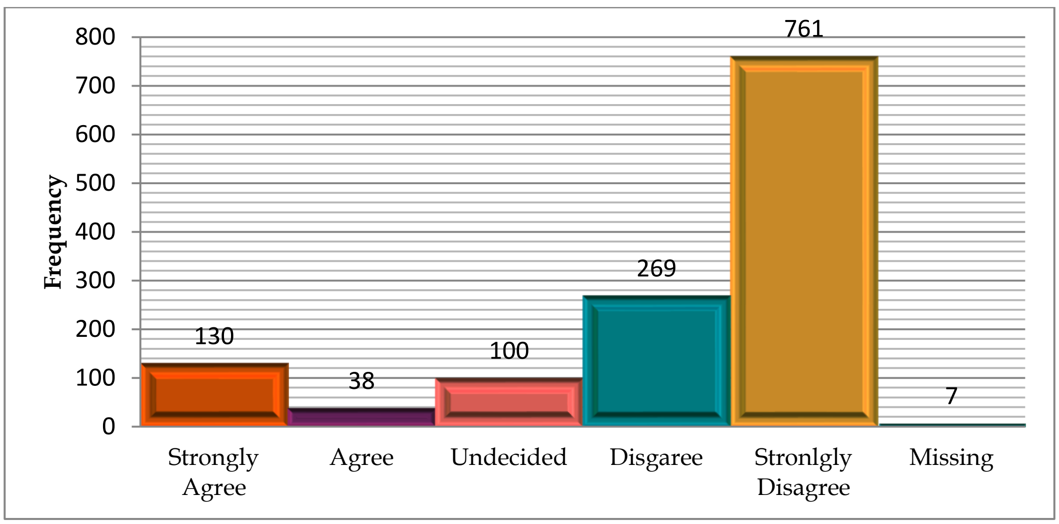
Q23: CBN has no hand whatsoever in the charges fixed by the bank for their products?

Table 4.28: CBN has no hand whatsoever in the charges fixed by the banks for their products

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	130	10.0	10.0	10.0
	Agree	38	2.9	2.9	12.9
	Undecided	100	7.7	7.7	20.6
	Disagree	269	20.6	20.7	41.4
	Strongly disagree	761	58.3	58.6	100.0
	Total	1298	99.5	100.0	
Missing	0	7	.5		
Total		1305	100.0		

Source: Researcher, (2011)

Figure 4.16: Respondents' View on CBN's Non Involvement in Bank's Charges



To this question, table 4.28 indicates that 761 respondent representing 58.6% confirmed that CBN has hand in bank products price fixing. 269 respondent confirmed that CBN influence bank product price. This figure also represents 20.7% in the overall, 79.3% of the study population stood on the fact that CBN has hand in the fixing of bank charges for their products.

However, a total of 168 respondents representing only 12.9% never agreed that CBN has no influence on bank charges and their products.

Q24: CBN do give bank guide on the charges however, banks while operating within the given spectrum fix its definite charges?

Table 4.29: CBN do give bank broad guide on the charges however, banks while operating within the given spectrum fix its definite charges

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	746	57.2	57.2	57.2
	Agree	264	20.2	20.2	77.5
	Undecided	72	5.5	5.5	83.0
	Disagree	159	12.2	12.2	95.2
	Strongly disagree	63	4.8	4.8	100.0
	Total	1304	99.9	100.0	
Missing	0	1	.1		
Total		1305	100.0		

Source: Researcher, (2011)

On this question and as shown on table 4.29, 1010 respondents representing on cumulative basis 77.5% did agree that despite CBN broad guide lines, individual bank fixes their charges on the contrary, only 17.0% representing 222 respondents disagreed that CBN only determine individual bank charges.

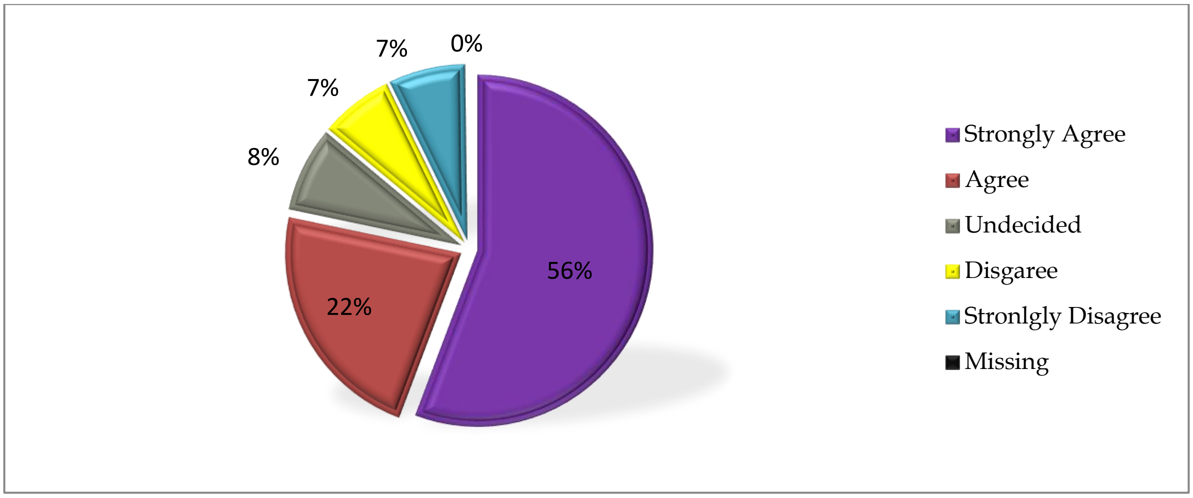
Q25: Banks in Nigeria to my mind are over regulated

Table 4.30: Banks in Nigeria to my mind are over regulated

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	727	55.7	55.8	55.8
	Agree	293	22.5	22.5	78.3
	Undecided	102	7.8	7.8	86.2
	Disagree	88	6.7	6.8	92.9
	Strongly disagree	92	7.0	7.1	100.0
	Total	1302	99.8	100.0	
Missing	0	3	.2		
Total		1305	100.0		

Source: Researcher, (2011)

Figure 4.17: A pie chart showing respondents' view on the degree of banks' regulation



This is a major question in an attempt to answer research question 3. It is critical in the sense that it is a direct question to respondents in our quest to know: *"What is the degree of regulation in the Nigerian Banking Industry?" From table 4.30*, respondents' view show that 727 (57.7%) persons strongly agreed with the view expressed in this question while, 293(22.5%) persons merely agreed. Thus, we have a cumulative of 78.3% correspondents who concur with this view. The undecided is 103(7.8%) while, the disagreed and the strongly disagreed have a cumulative frequency of 180(13.7%) Undoubtedly, the popular view is that banks in Nigeria to most people's mind are overregulated.

Q26: Owing to external interferences, banks in Nigeria exhibits high level of policy inconsistencies?

Table 4.31: Owing to external interferences, banks in Nigeria exhibits high level of Policy Inconsistencies

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	452	34.6	34.7	34.7
	Agree	361	27.7	27.7	62.4
	Undecided	272	20.8	20.9	83.3
	Disagree	111	8.5	8.5	91.9
	Strongly disagree	106	8.1	8.1	100.0
	Total	1302	99.8	100.0	
Missing	0	3	.2		
Total		1305	100.0		

Source: Researcher, (2011)

Nigerian banks exhibited high level of policy, inconsistencies. As shown in 4.31, 813 respondents representing on cumulative basis 62.4% agreed that Nigeria bank show a very high level of policy inconsistencies. The proponents on this view agreed that this high policy inconsistency is due to exogenous factors and influence on policy by the CBN. On the other hand, only 16.6% do not believe the policy of inconsistencies of Nigerian bank is not due to external inflation. However, a total of 272 respondents representing 20.9% remained undecided on this crucial issue.

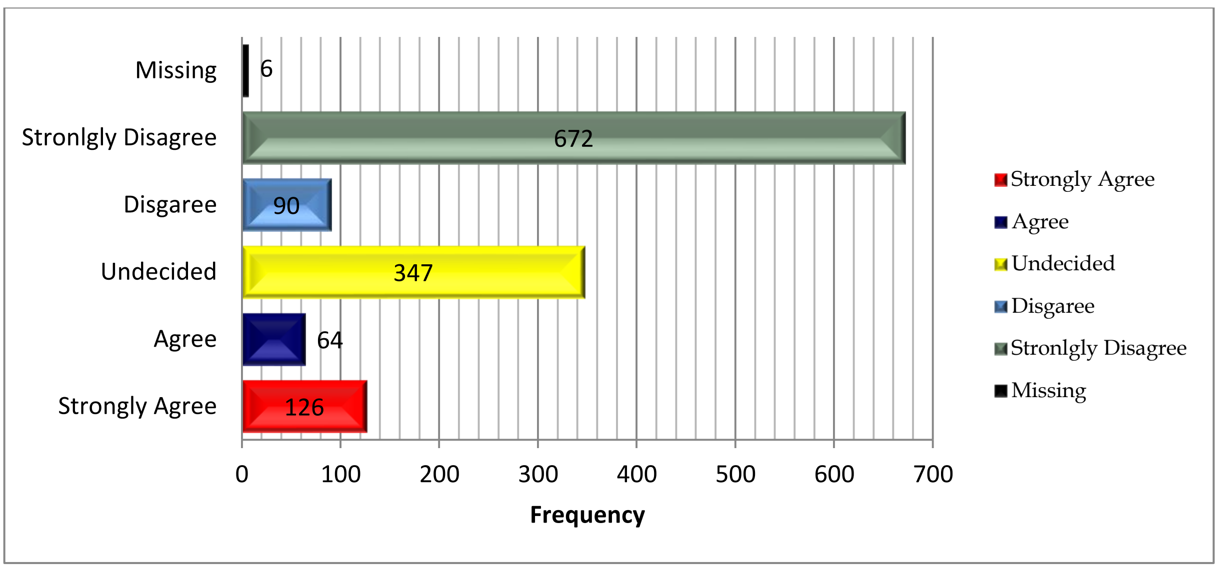
Q28: Beside the CBN, the government itself is directly interfering in the fixing of bank charges by telling them what charge to make?

Table 4.32: Beside the CBN, the government itself is directly interfering in the fixing of bank charges by telling them what charge to make

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	126	9.7	9.7	9.7
	Agree	64	4.9	4.9	14.6
	Undecided	347	26.6	26.7	41.3
	Disagree	90	6.9	6.9	48.3
	Strongly disagree	672	51.5	51.7	100.0
	Total	1299	99.5	100.0	
Missing	0	6	.5		
Total		1305	100.0		

Source: Researcher, (2011)

Figure 4.18: A Bar chart showing respondents' view on Government interference in the fixing of bank charges



From table 4.32, about 58.6% of the study population completely disagreed with the fact that Government interferes in bank charges. Of this percentage, 51.7 strongly disagreed while

about 7% merely disagreed. However about 15.0% agreed that Government actually interferes in the fixing of bank charges. A substantial population of 347 respondents representing about 27% however decided to remain neutral and anonymous on this issue that, Government has no business with bank price fixing hence equally disagree with earlier view of 762 respondents representing 58.6%.

Q30: Frequent policy reversals and changes by CBN and Federal Government confuse market stakeholders; this leads to price hike and inconsistency?

Table 4.33: Frequent policy reversals and changes by CBN and federal government confuse stake holders this leads to price hike and inconsistency

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly	60	46.6	46.	46.
	Agree	40	31.3	31.3	78.0
	Undecided	111	8.5	8.5	86.5
	Disagree	52	4.0	4.0	90.5
	Strongly disagree	124	9.5	9.5	100.0
	Total	1303	99.8	100.0	
Missing	0	2	.		
Total		1305	100.0		

Source: Researcher, (2011)

A cumulative percentage of 78.0% agreed with the CBN and Federal Government’s inconsistencies in bank policy changes while only 22.0% disagreed with this view as shown in table 4.33. This shows that the CBN and the government are at variance on banking policies in Nigeria. This confirms the fact that frequent inconsistent policy changes can adversely affect any market anywhere in the world, the case of Nigeria is a shining example, as it is difficult to plan for a long or medium term under serious frequent policy changes.

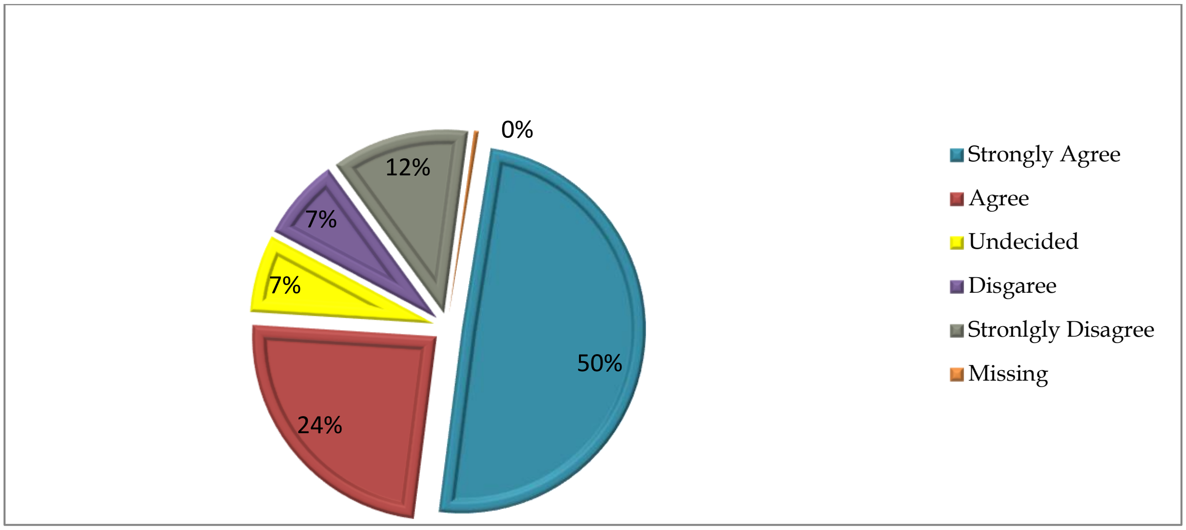
Q58: Is the effective implementation of pricing strategies in banks hindered by regulatory authorities?

Table 4.34: Is the effective implementation of pricing strategies in banks hindered by regulatory authorities

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	646	49.5	49.7	49.7
	Agree	313	24.0	24.1	73.8
	Undecided	89	6.8	6.8	80.6
	Disagree	94	7.2	7.2	87.8
	Strongly disagree	158	12.1	12.2	100.0
	Total	1300	99.6	100.0	
Missing	0	5	.4		
Total		1305	100.0		

Source: Researcher, (2011)

Figure 4.19: A Pie Chart showing respondents' view on the hindrances of effective implementation of pricing strategies in banks by regulatory authorities



The view point which raises the question: "*Is the effective implementation of pricing strategies in banks hindered by regulatory authorities?*" is upheld by about 1020(78.3%) respondents as shown in table 4.34. Despite this glaring submission, a pocket of 180(13.79%) respondents disagreed with this popular view and another 102(7.8%) persons were still undecided. In final analysis, it can be said that the popular view is that CBN impede the implementation of banks pricing strategies.

The banking industry in Nigeria has gone through a lot of regulatory controls, especially in the recent past. This fact notwithstanding; this study investigated the magnitude of regulation the banking sub – sector was subjected to. Thus, (as can be seen in appendix 2), questions 17, 18 and 34 generally express the laissez-faire attitude of the regulatory authorities. This shows that banks in Nigeria while operating within the ambit of the regulatory authorities have some degree of freedom/autonomy to fix their prices. This view in particular is upheld by questions 17, 18 and 50 in the Questionnaire. However, questions 20, 22, 23, 24 and 36 revealed a high degree of regulation in the banking sub –sector. Therefore on the aggregate one can conclude that banks in Nigeria are over regulated. The standpoint of the researcher is confirmed by other questions like

19 and 52. These views can be further corroborated by the preponderance of the Central Bank Nigeria (CBN) policies on banks regulations in Nigeria in the year 2010 (see Newspapers/summary of CBN policies see pages 7 table 1).

4.07: Research Question 4

Consumers of bank's services are usually indifferent to banks' pricing promotion consequently it does not affect their market demand.

Discussions on the relevant questions from the questionnaire related to research question 4:

The questions that have bearing on research question 4 are; Q12, Q13, Q19, Q38, Q48, Q49, Q50, Q59, and Q60.

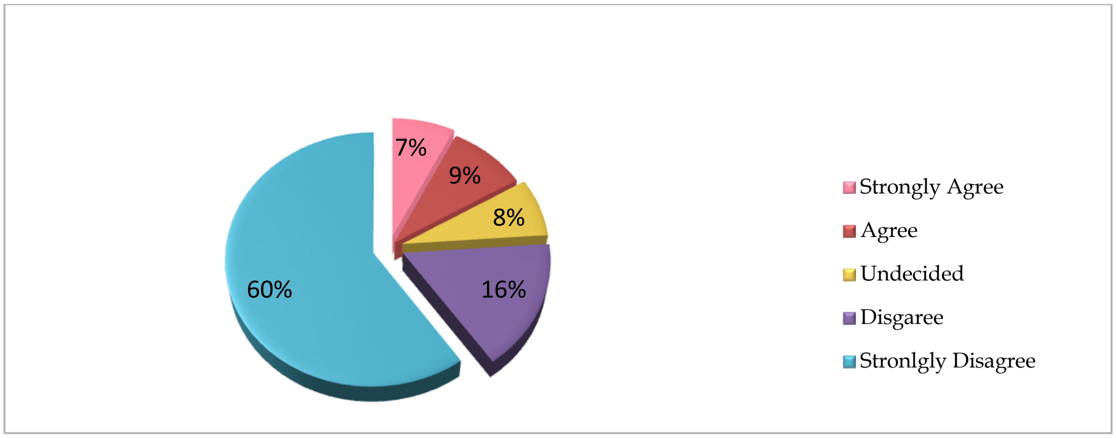
Q12: Customers are sensitive to price differentials in bank products

Table 4.35: Customers are sensitive to price differentials in bank products

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	95	7.3	7.3	7.3
	Agree	119	9.1	9.1	16.4
	Undecided	96	7.4	7.4	23.8
	Disagree	213	16.3	16.4	40.2
	Strongly disagree	778	59.6	59.8	100.0
	Total	1301	99.7	100.0	
Missing	0	4	.3		
Total		1305	100.0		

Source: Researcher, (2011)

Figure 4.20: Chart Showing Respondents 'View on Customers' Sensitivity to Price Differentials in Bank Products



From table 4.35, nearly Sixty percent (60%) of the respondent population strongly disagreed with the view that "**customer are sensitive to price differentials in bank products"** To consolidate this assertion, 16.3% of the study population disagreed. Thus bringing the cumulative of those who did not explicitly subscribe to the view expressed in this question to 991(75.938%) approximately 76%. Conversely, the proponents of this opinion are 214(16.4%). When the undecided persons are added to the group of those who disagreed, the total numbers of those who do not share the proponents' view that: ***"Customers are sensitive to price differentials in bank products?"*** Comes to a total of 1087(83%).

Q13: Customers ignore the juicy and attractive prices on bank products because price is not the only determinant of choice of bank?

Table 4.36: Customers ignore the juicy and attractive prices on bank products because price is not the only determinant of choice of bank

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	672	51.5	51.7	51.7
	Agree	314	24.1	24.2	75.9
	Undecided	112	8.6	8.6	84.5
	Disagree	84	6.4	6.5	91.0
	Strongly disagree	117	9.0	9.0	100.0
	Total	1299	99.5	100.0	
Missing	0	6	.5		
Total		1305	100.0		

Source: Researcher, (2011)

Most customers believe that price alone cannot determine their choice of bank, rather that there are other intrinsic factors. To this view, about 51.7% of the study population agreed strongly. This view point is further confirmed by 314 respondents representing 24.2% of the study population. The above view point is upheld since only 9.0% disagreed strongly with it. In total only 15.5% of the study population disagree that price is not the only determinant of customers' choice of a bank.

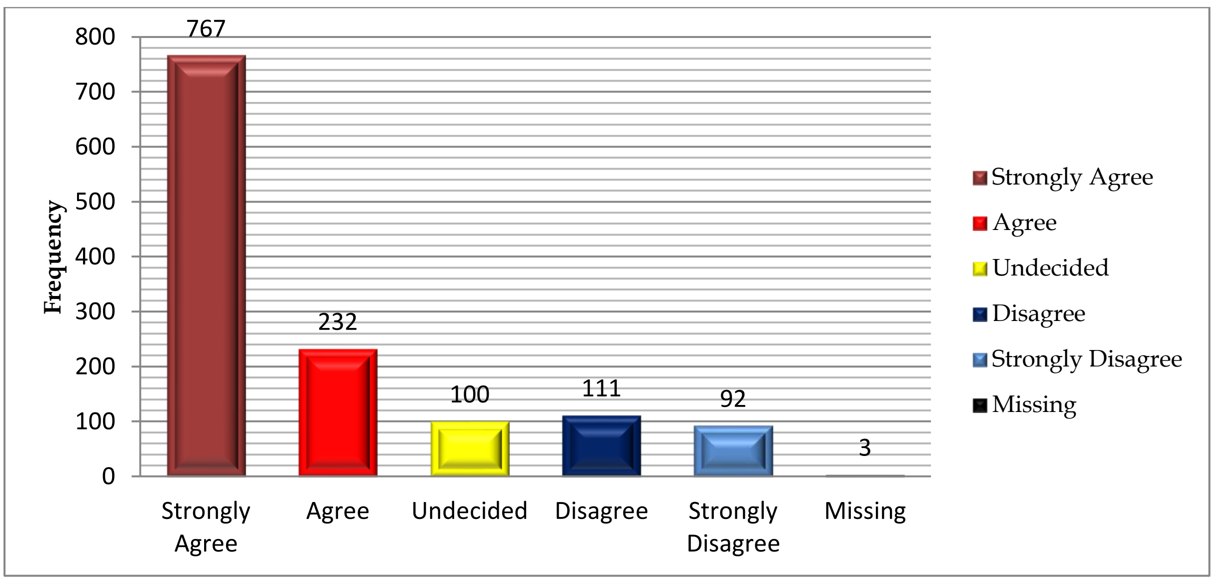
Q19: Customers perceive price differentials among banks products as immaterial, hence they are indifferent?

Table 4.37: Customers perceive price differentials among banks products as immaterial, hence they are indifferent

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	767	58.8	58.9	58.9
	Agree	232	17.8	17.8	76.7
	Undecided	100	7.7	7.7	84.4
	Disagree	111	8.5	8.5	92.9
	Strongly disagree	92	7.0	7.1	100.0
	Total	1302	99.8	100.0	
Missing	0	3	.2		
Total		1305	100.0		

Source: Researcher, (2011)

Figure 4.21: Respondents view on the responsiveness of customers towards banks' price differentials



About 58.9% of the study population agreed strongly that price differentials amongst banks' product is immaterial, hence they remain indifferent as shown in table 4.37. This attests to the fact that customers cannot switch brands on account of banks' price differentials. To most bankers', the difference between prices amongst banks product is so infinitesimal that it does not warrant any switching of brands. Closely related to the above view is the fact that about 18% of

the study population also does not see any reason to switch brands, hence they believe that banks' price products differ with an infinitesimal amount hence they tend to be loyal to their bank instead of changing their bank.

Q38: Notwithstanding banks seldom attractive discount charges, customers are reluctant to switch loyalty due to some intrinsic factors?

Table 4.38: Notwithstanding banks seldom attractive discount charges customers are reluctant to switch loyalty due to some intrinsic factors

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	586	44.9	45.0	45.0
	Agree	412	31.6	31.6	76.7
	Undecided	99	7.6	7.6	84.3
	Disagree	112	8.6	8.6	92.9
	Strongly disagree	93	7.1	7.1	100.0
	Total	1302	99.8	100.0	
Missing	0	3	.2		
Total		1305	100.0		

Source: Researcher, (2011)

Banks give generous discounted charges to customers with a view to make them change loyalty by switching brands. Paradoxically this tricky device of luring customers to their banks does not work for some banks most of the times. This is because there are other factors that are more important to the customers than mere price discounts. This view point held by a cumulative percentage of 76.6% (998 respondents) who strongly agreed that discount is not sufficient for bank loyal customers to switch brands, as presented in table 4.38. However 8.6% disagreed and 7.1% strongly disagree with the notion.

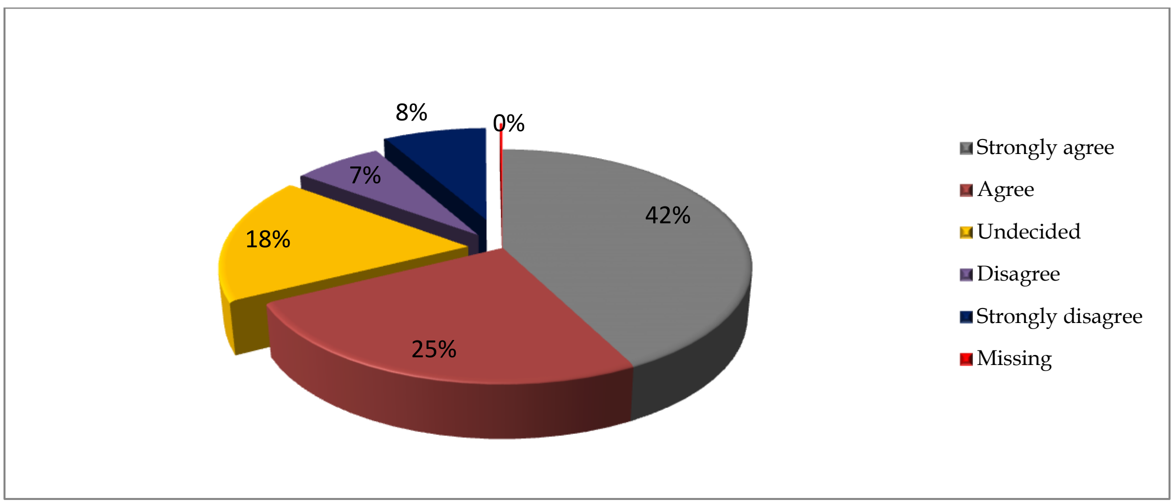
Q48: The image of a bank is enhanced by its promotional activities and so it is a better attraction to a potential customer who wants to open an account?

Table 4.39: The image of a bank is enhanced by its promotional activities and so it is a better attraction to a potential customer to open an account

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	553	42.4	42.5	42.5
	Agree	329	25.2	25.3	67.7
	Undecided	228	17.5	17.5	85.3
	Disagree	88	6.7	6.8	92.0
	Strongly disagree	104	8.0	8.0	100.0
	Total	1302	99.8	100.0	
Missing	0	3	.2		
Total		1305	100.0		

Source: Researcher, (2011)

Figure 4.22: A chart showing respondents' view on the enhancement of banks' images by its promotional activities in relation to its attraction of customers.



As can be seen from the table 4.39, the proponents of this view have an upper hand with a cumulative of 67.7% representing 553 respondents. The undecided has a handsome score of 228(17.5%) which left the opposers of this view to mere 14.7%. Undoubtedly, those who agreed and strongly agreed are more in number.

Q49: The quality of a bank's services, its suitability to need and customer satisfaction are better attractions to prospect and existing customers, when compared with lowering charges?

Table 4.40: The quality of a banks services, its suitability to need and customer satisfaction are better attractions to prospect and existing customers, when compared with lowering charge

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	555	42.5	42.6	42.6
	Agree	359	27.5	27.6	70.1
	Undecided	68	5.2	5.2	75.4
	Disagree	133	10.2	10.2	85.6
	Strongly disagree	188	14.4	14.4	100.0
	Total	1303	99.8	100.0	
Missing	0	2	.2		
Total		1305	100.0		

Source: Researcher, (2011)

On this tripartite issue, a total of 555 respondents representing 42.6% agreed strongly, 359 respondents agreed giving us a cumulative 70.1% who agreed totally to these three intrinsic factors that are more vital to a rational customer instead of lower bank charges as shown in table 4.40. However, a total population of 133 respondents representing 10.2% and another population 188 respondents representing 14.4% disagreed with the three issues under examination.

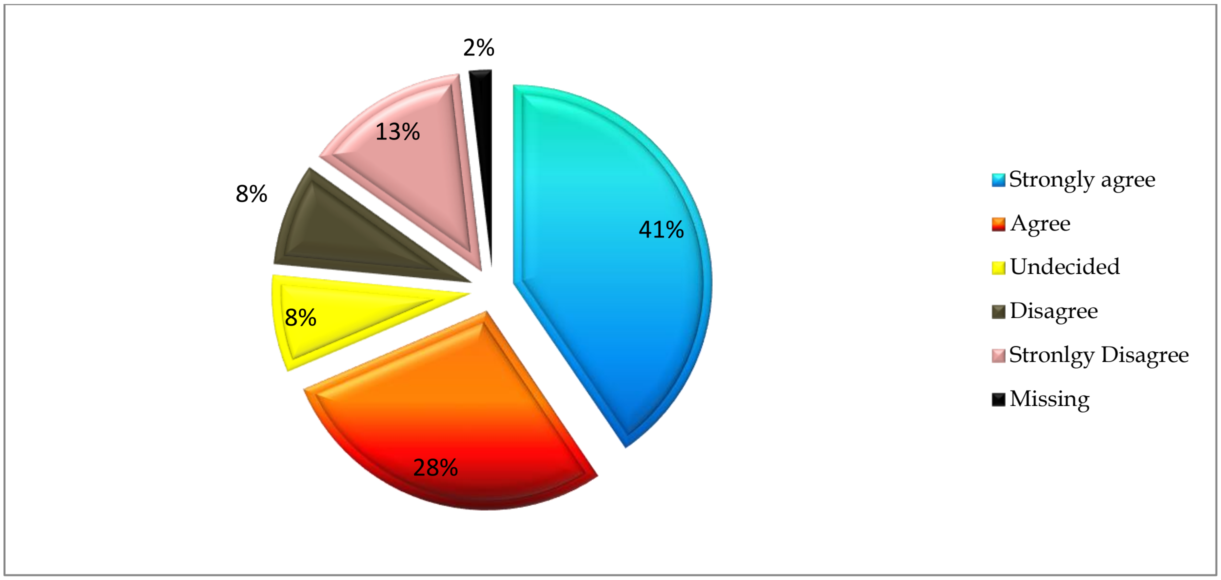
Q50: Banks often do not know the true cost of the products they are selling (due to product bundling, longitudinal nature of transactions, etc.) consequently, crafting an effective/efficient strategy becomes a tall order?

Table 4.41: Banks often do not know the true cost of the product they are selling (due to product bundling, longitudinal nature of transaction etc consequently, crafting an Effective/strategy becomes a tall order

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	528	40.5	41.2	41.2
	Agree	367	28.1	28.6	69.9
	Undecided	103	7.9	8.0	77.9
	Disagree	108	8.3	8.4	86.3
	Strongly disagree	175	13.4	13.7	100.0
	Total	1281	98.2	100.0	
Missing	0	24	1.8		
Total		1305	100.0		

Source: Researcher, (2011)

Figure 4.23: A chart showing respondents' views on banks knowledge about the true cost of their products in relation to crafting of efficient strategies.



To this question as indicated in table 4.41, 895(68.6%) respondents answered in the affirmative while, 283(21.7%) respondents disagreed with the view expressed in the question.

Even though only 8.0% of the respondents remain neutral, it is a foregone conclusion that majority of the respondents agreed with the question; this confirms the fact that most bank users as well as the banks themselves do not know the individual charges placed on group transactions; this makes it difficult for banks to come up with effective pricing strategies.

Q59: Have you ever been made to choose a bank based on price incentives/discount offered for lower charges?

Table 4.42: Have you ever been made to choose a bank based on price incentives/discount offered for lower charges

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	418	32.0	32.2	32.2
	Agree	302	23.1	23.2	55.4
	Undecided	218	16.7	16.8	72.2
	Disagree	122	9.3	9.4	81.5
	Strongly disagree	240	18.4	18.5	100.0
	Total	1300	99.6	100.0	
Missing	0	5	.4		
Total		1305	100.0		

Source: Researcher, (2011)

As important as pricing is in the banking sub – sector, its variation is not sufficient enough to serve as a stimulus for influencing the Nigerian banking market. This is because price reduction in bank charges does not in any way influence customers; rather the loyalty of customers is hinged on some intrinsic factors; bank's credibility; nearness to base; efficiency and speedy processing of transactions in the bank and quality of bank services amongst other factors. These views are expressed explicitly in questions 32, 38, 39, 40, 41, 42, 43, 47 and 51. Thus lower bank charges are not sufficient for a customer to switch brands in the choice of his/her bank.

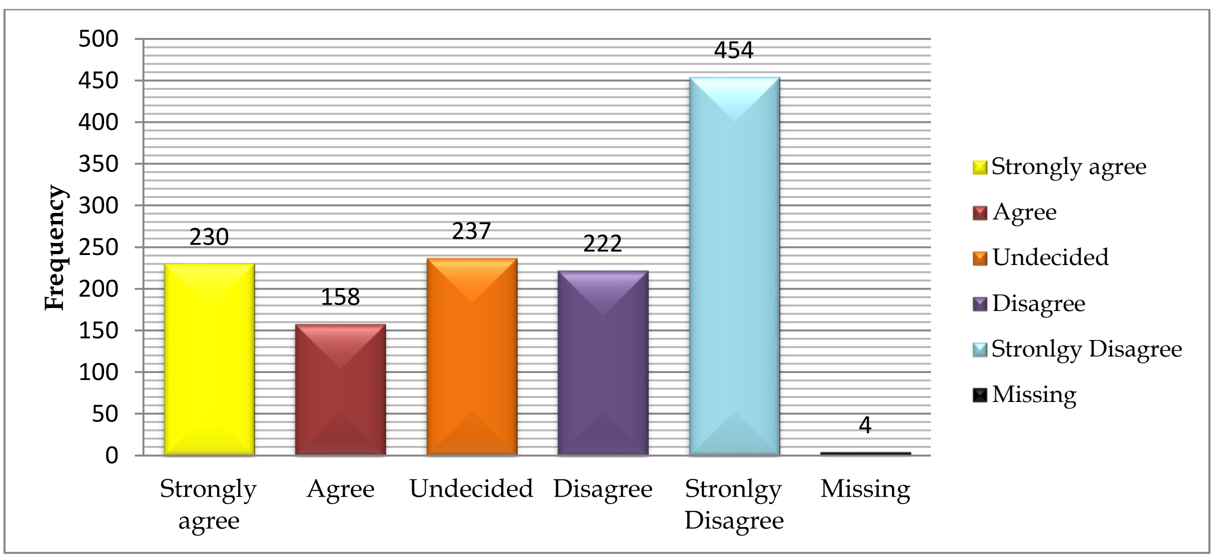
Q60: These days, there are many banking free COT promotional advertisements on price. Do you know a friend/family member whom such promotion has helped to choose a bank?

Table 4.43: These days, there are many banking free COT promotional advertisement on prices do you Know a friend/family member whom such promotion has helped to pick a bank

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	230	17.6	17.7	17.7
	Agree	158	12.1	12.1	29.8
	Undecided	237	18.2	18.2	48.0
	Disagree	222	17.0	17.1	65.1
	Strongly disagree	454	34.8	34.9	100.0
	Total	1301	99.7	100.0	
Missing	0	4	.3		
Total		1305	100.0		

Source: Researcher, (2011)

Figure 4.24: A graph showing respondents' view on the number of family members or friends COT promotional advertisement has helped to pick a bank



As can be seen in table 4.43, majority of the respondents either strongly disagreed or disagreed with this view giving a cumulative score of 51.8% (676 respondents). With an avalanche of 237 (18.2%) respondents remaining undecided, one can obviously say that the view expressed in this question is unacceptable to majority of the respondents. The table shows that 29.8% either agreed or merely agreed to this view. So the nay has it.

4.08: Research Question 5

There are no identifiable, significant causal relationship between Customer Perception of Bank Product Prices Variations (CPBPPV) and relevant sub marketing variables such as Bank Charges Changes (BCC), Customer Loyalty etcetera

Discussions on the relevant questions from the questionnaire related to research question 5:

The questions that have bearing on research question 5 are; Q13, Q24, Q31, Q38, Q50, Q51, Q58, and Q62.

Q13: Customers ignore the juicy and attractive prices on bank products because price is not the only determinant of choice of bank?

Table 4.44: Customers ignore the juicy and attractive prices on bank products because price is not the only determinant of choice of bank

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	672	51.5	51.7	51.7
	Agree	314	24.1	24.2	75.9
	Undecided	112	8.6	8.6	84.5
	Disagree	84	6.4	6.5	91.0
	Strongly disagree	117	9.0	9.0	100.0
	Total	1299	99.5	100.0	
Missing	0	6	.5		
Total		1305	100.0		

Source: Researcher, (2011)

Most customers believe that price alone cannot determine their choice of bank, rather that there are other intrinsic factors. To this view as indicated in table 4.44, 51.7% of the study population agrees strongly. This viewpoint is further confirmed by 314 respondents representing

24.2% of the study population. The above viewpoint is upheld since only 9.0% disagreed strongly with it. In total only 15.5% of the study population disagree that price is not the only determinant of customers' choice of a bank.

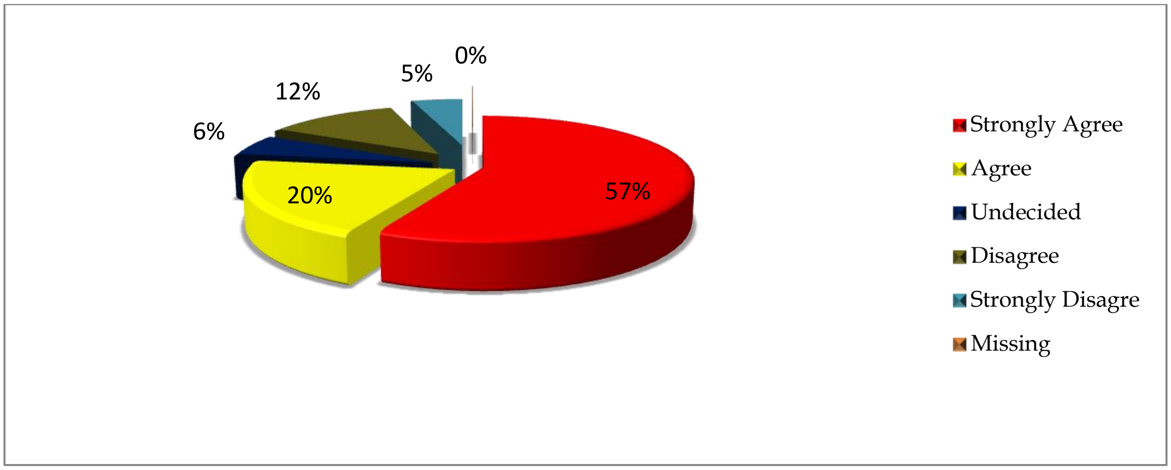
Q18: CBN do give bank guide on the charges however, banks while operating within the given spectrum fix its definite charges?

Table 4.44b: here repeated: CBN do give bank broad guide on the charges however, banks while operating within the given spectrum fixed its definite charges

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	746	57.2	57.2	57.2
	Agree	264	20.2	20.2	77.5
	Undecided	72	5.5	5.5	83.0
	Disagree	159	12.2	12.2	95.2
	Strongly disagree	63	4.8	4.8	100.0
	Total	1304	99.9	100.0	
Missing	0	1	.1		
Total		1305	100.0		

Source: Researcher, (2011)

Figure 4.25: Respondents' view on banks fixation of charges according to Chagres given to them by the CBN



On this question as shown in table 4.44b question 18; about 1010 respondents representing on cumulative basis 77.5% agreed that despite CBN broad guide lines, individual bank fixed their charges on the contrary, only 17.0% representing 222 respondents disagreed that CBN only determine individual bank charges.

Q31: The national dailies are awash with ineffective pricing campaigns by banks?

Table 4.45: The national dailies are awash with ineffective pricing campaign by banks

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	701	53.7	53.8	53.8
	Agree	330	25.3	25.3	79.1
	Undecided	144	11.0	11.0	90.1
	Disagree	52	4.0	4.0	94.1
	Strongly disagree	77	5.9	5.9	100.0
	Total	1304	99.9	100.0	
Missing	0	1	.1		
Total		1305	100.0		

Source: Researcher, (2011)

From table 4.45,701 respondent representing 53.8% strongly agreed to other representing 25.3% agreed to the fact that Nigeria newspaper are inundated with ineffective price campaign by banks. This view is also pronounced that only 9.9% disagreed in totality 11.0% of respondents sat on fence on this issue the smallness of those that have divergent views on ineffective pricing campaigns by banks in our National Dailies shows that the corollary is true and should be up help. In other word Nigerian news paper are actually awashed with ineffective pricing campaigns by banks.

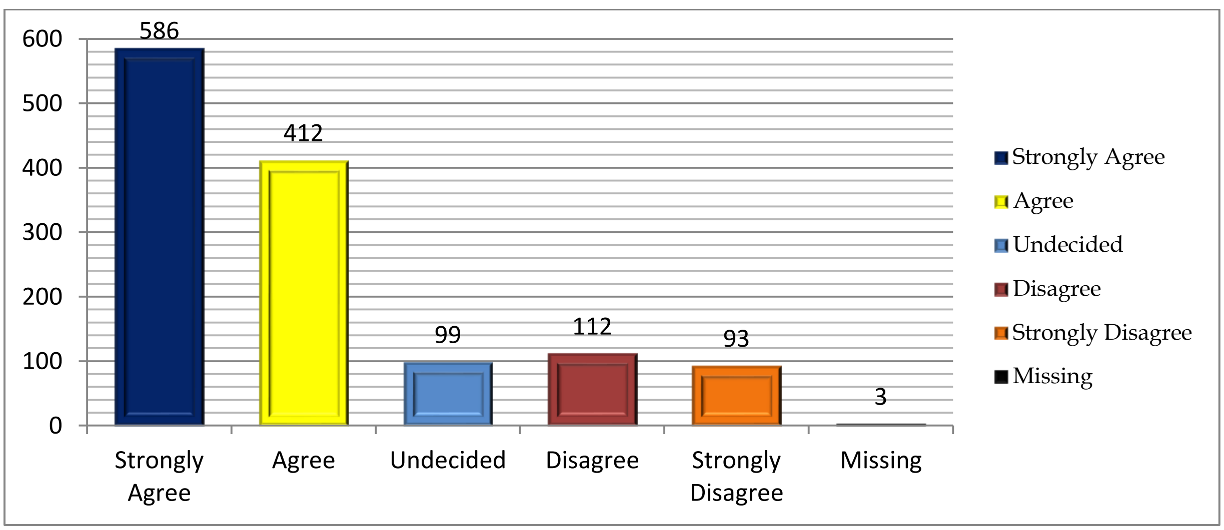
Q38: Notwithstanding banks seldom attractive discount charges, customers are reluctant to switch loyalty due to some intrinsic factors?

Table 4.46: Notwithstanding banks seldom attractive discount charges customers are reluctant to switch loyalty due to some intrinsic factors

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	586	44.9	45.0	45.0
	Agree	412	31.6	31.6	76.7
	Undecided	99	7.6	7.6	84.3
	Disagree	112	8.6	8.6	92.9
	Strongly disagree	93	7.1	7.1	100.0
	Total	1302	99.8	100.0	
Missing	0	3	.2		
Total		1305	100.0		

Source: Researcher, (2011)

Figure 4.26: A pie chart showing respondents' view on their reluctancy to switch loyalty with respect to banks' attractive discount charges



Banks give generous discount charge to customer with a view to market their charge loyalty by brand-switching. Paradoxically this tricky device of furring customer to their bank does not work for some banks. This is because there are other factors that are more important to the customer than more price discounts. The viewpoint held by a cumulative percentage of 76.6 who strongly agreed that discount is not sufficient for bank customers to brand-switch. However 8.6% disagreed and 7.1 strongly disagreed with the notion. The researcher who equally trails the proposition of the question also saw beyond mere discount charge as being enough for faithful bank customer to brand switch.

Q50: Banks often do not know all the characteristics of the product they are offering to the markets (due to product bundling, longitudinal nature of transaction etc) consequently, crafting an effective and efficient strategy becomes more challenging

Table 4.47: Banks often do not know all the characteristics of the product they are offering to the markets (due to product bundling, longitudinal nature of transaction etc) consequently, crafting an effective and efficient strategy becomes more challenging

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	528	40.5	41.2	41.2
	Agree	367	28.1	28.6	69.9
	Undecided	103	7.9	8.0	77.9
	Disagree	108	8.3	8.4	86.3
	Strongly disagree	175	13.4	13.7	100.0
	Total	1281	98.2	100.0	
Missing	0	24	1.8		
Total		1305	100.0		

Source: Researcher, (2011)

As shown in table 4.47, a cumulative percentage of almost 70.0% representing a total respondents population of 895 agreed strongly to the fact that it is rather difficult for bank themselves to really know the individual cost of product due to frequent product building and changing these combined product together. It thus becomes somewhat difficult to really differentiate the cost of one from the other. They actually know the individual product cost, the need to actually look inward and strategize. The researchers strongly share this view and it is so sound and rational, a number of other respondents with a valid percentage 22.1% disagree with this population view.

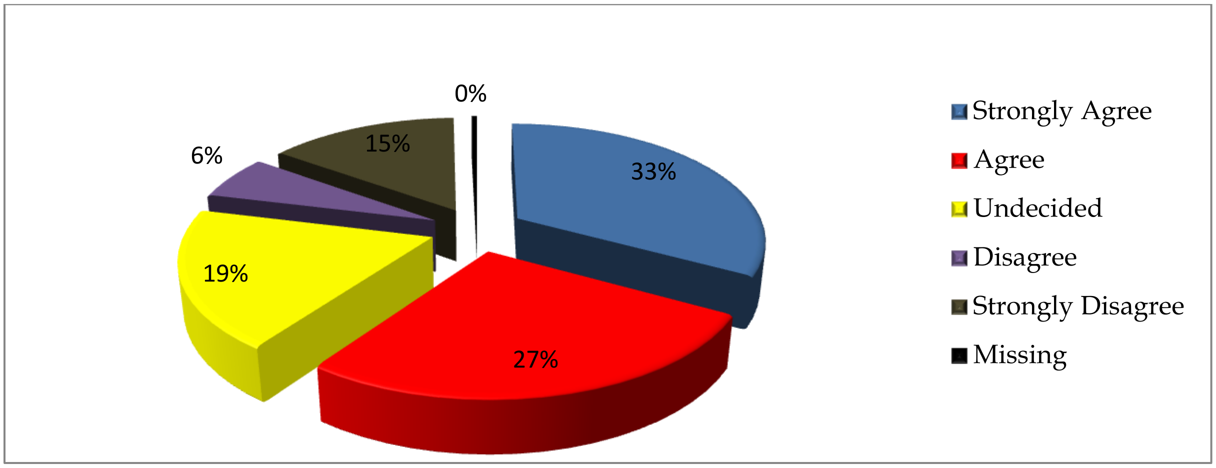
Q51: Until quite recently a decade or two age, bank marketing strategist were non professional trained marketers hence they are naïve in the use of marketing tools.

Table 4.48: Until quite recently a decade or two age, bank marketing strategist wer non Professional trained marketers hence they are naive in the use of marketing tools

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	431	33.0	33.2	33.2
	Agree	352	27.0	27.1	60.2
	Undecided	246	18.9	18.9	79.2
	Disagree	79	6.1	6.1	85.2
	Strongly disagree	192	14.7	14.8	100.0
	Total	1300	99.6	100.0	
Missing	0	5	.4		
Total		1305	100.0		

Source: Researcher, (2011)

Figure 4.27: Respondents' view of two decade ago's marketers being naive in the use of marketing tools



To this technical question to which the respondents agreed strongly to a total cumulative population of 783 (60.2%) agreed and strongly agreed to the fact that before now bank marketers do not use modern marketing tools as shown in table 4.48. Prior to this time bank marketers do not know how to attract and retain customers. The use of the common marketing tools especially the seven (7p) were ineffective due to poor strategy crafting abilities by non professional marketers. However 20.9% disagreed with the view expressed in this question.

Q58: Is the effective implementation of pricing strategies in banks are hindered by regulatory authorities?

Table 4.49: Is the effective implementation of pricing strategies in banks are hindered by regulatory authorities?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	646	49.5	49.7	49.7
	Agree	313	24.0	24.1	73.8
	Undecided	89	6.8	6.8	80.6
	Disagree	94	7.2	7.2	87.8
	Strongly disagree	158	12.1	12.2	100.0
	Total	1300	99.6	100.0	
Missing	0	5	.4		
Total		1305	100.0		

Source: Researcher, (2011)

In Nigeria, especially of late, there are too many regulatory directives to banks These frequent interferences do not give banks a better opportunity to strategize on their pricing policies. Consequently their performances in terms of crafting strategies are greatly hindered by the CBN – the regulatory authority. This viewpoint is upheld by about 959 (about 73.4%) respondents who subscribe positively to the view that: "... ***the effective implementation of pricing strategies in banks is hindered by regulatory authorities".*** Despite this glaring submission a pocket of 19.4% of the respondent disagreed with this popular view as indicated in table 4.49.

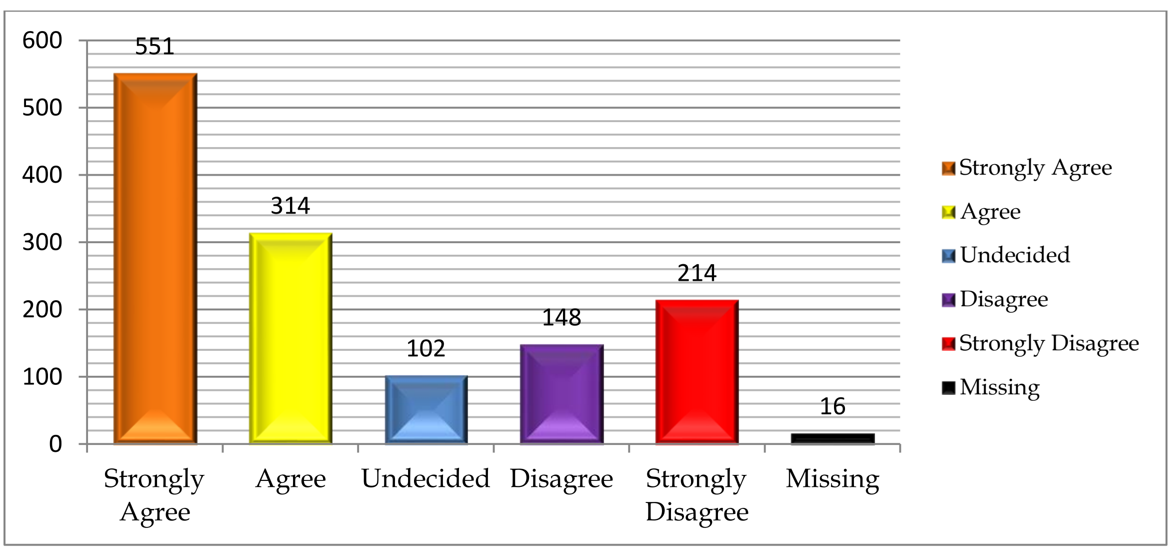
Q62: If you are a banker would you say the pricing strategy used by your bank has helped it achieve some marketing objectives?

Table 4.50: If you are a banker would you say the pricing strategy used by your bank has helped it achieve some marketing objectives

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	511	39.2	39.6	39.6
	Agree	314	24.1	24.4	64.0
	Undecided	102	7.8	7.9	71.9
	Disagree	148	11.3	11.5	83.4
	Strongly disagree	214	16.4	16.6	100.0
	Total	1289	98.8	100.0	
Missing	0	16	1.2		
Total		1305	100.0		

Source: Researcher, (2011)

Figure 4.28: Respondents' view on the effectiveness of banks pricing strategy on marketing objectives if in the shoes of a banker



To this question as shown in table 4.50, a cumulative percentage of 64.0% agreed either strongly or mildly. This cumulative figure of 64% is representing a population of 825 respondents.

However, 362 respondents representing a cumulative percentage of 28.1% disagreed with the use of pricing strategies to achieve predetermined profit goals by banks.

4.09: Discussion on Research Questions:

Research Question 1:

There is no significant relationship between customers' perception of bank charge changes (BCC) and the demand for banking services.

Questions 9, 10, 11 and 34 (in appendix 2) seems to emphasize high bank charges as affecting bank patronage which is natural; but this is not in agreement with the general trend exhibited by other questions in the Questionnaire which generally confirmed the fact that, bank customers have already established relationships with their banks and hence cannot switch brands on account of mere changes in prices which are sometimes latent. This view is established and confirmed by questions 19, 38, 49, 53 and 57. (in appendix 2). These latter questions tends to hinge on the fact that price differentials are often immaterial, hence they are insufficient to make customers change.

Research Question 2:

Bankers and their Customers do not see significant causal relationship between interest rate charged by banks **and their organisations' growth.**

This particular research question is trying to find out the effect of interest rate charged by banks on customer's business growth.

From the Questionnaire, questions 12, 14, 15, 30, 42 and 56 (in appendix 2) all stresses the high banking charges. However, question 19 (see appendix 2) from the Questionnaire does not confirm any effect of the high bank charges on businesses and their growth. This standpoint concludes that the so called increase in bank charges is little enough not to cause any stir in the customers business growth; thus further corroborate the view earlier expressed that increase in bank charges is immaterial and so do not make customers to change brands.

Research Question 3:

The degree of Banking Industry Regulation is not perceived to have any substantial effect on Customer Perception of Bank Product Prices Variations (CPBPPV).

The banking industry in Nigeria has gone through a lot of regulations especially in the recent past. Notwithstanding this regulations; this study wants to investigate the magnitude of regulation the banking sub – sector was subjected to. Thus questions 23 and 24 generally expressed the laissez-faire attitude of the regulatory authorities. This shows that banks in Nigeria while operating within the ambit of the regulatory authorities have some degree of freedom/autonomy to fix their prices. This view in particular is upheld by questions 23 and 24 in the Questionnaire. However, questions 26, 28 and 30 revealed a high degree of regulation in the banking sub –sector. Therefore on the aggregate one can conclude that banks in Nigeria are over regulated. This viewpoint is confirmed by other questions like 25. These views can be further corroborated by the preponderance of the Central Bank Nigeria (CBN) policies on banks regulations in Nigeria in the year 2010 (see Newspapers/summary of CBN policies-page 8, table 1).

Research Question 4:

Consumers of bank's services are usually indifferent to banks' pricing promotion consequently it does not affect their market demand.

As important as pricing is in the banking sub – sector, its variation is not sufficient enough to serve as a stimulus for influencing the Nigerian banking market. This is because price reduction in bank charges does not in any way influence customers; rather the loyalty of customers is hinged on some intrinsic factors; bank's credibility; nearness to base; efficiency and speedy processing of transactions in the bank and quality of bank services amongst other factors. These views are expressed explicitly in questions 38, 48 and 49.

From the above, it is now became clear that despite the importance, the larger corporate world places on pricing of products as a major determining factor for purchases; exception do exist. This view tends to agree with the economist view in most analysis using the Marshallian Theory. This study observed the contrary because what is seen here has a behavioural pattern similar to what the economist call exceptional items which do not obey the laws of demand.

The marketer reaches out not just to the economist but to other specialists such as Psychologists, Sociologists, and the Anthropologists which have been mentioned in Weber's theory in the earlier part of this thesis.

Research Question 5:

There are no identifiable, significant causal relationship between Customer Perception of Bank Product Prices Variations (CPBPPV) and relevant sub marketing variables such as Bank Charges Changes (BCC), Customer Loyalty etcetera

The banking sector is under the regulatory control of the Central Bank of Nigeria (CBN). Pricing as a core banking function is not exempted from this regulation. However, within the spectrum given by the Central Bank of Nigeria (CBN) to all banks in price determination, the individual banks are free to craft and determine their individual prices which must be published in the national dailies every Wednesday (see appendix); Thus banks to some extent can craft their pricing strategies to suit their operations. This view can be attested to in questions 31, 50, 51, 58 and 62. The big question is on the effectiveness of these pricing regimes, a bye product of the individually crafted strategies of the banks. Thus the study attempted an evaluation of the effectiveness of the individual banks pricing policies. Perhaps, it is the inconsistencies inherent in such a free market scenario that gives rise to the pricing policy somersault in the banking industry.

4.10: Statistical Evaluation

In answering the research questions and testing the relevant hypotheses some statistical tools such as Simple and Multiple Regressions (processed with SPSS and Start graphic software) were used. Each Research question's answer was split into three:

- Customers' views
- Bankers' views and
- Aggregate respondents' views

In research questions one to four simple linear regression analysis were used in determining their answers. Subsequently, in research question five multiple linear regression approach was used.

4.11: Research Question 1 (Customers View)

Regression Analysis – Linear model: Demand for Banking services =1.58 + 0.32* Bank Charge Changes

Dependent variable: Demand for Banking services

Independent variable: Bank Charge Changes

Table 4.51: Result of fitting the effect of Bank Charge Changes on Demand for Banking Services

Parameter	Estimate	Standard Error	T Statistic	P-Value
Intercept	1.58293	0.109776	14.4196	0.0000
Slope	0.31792	0.046139	6.8904	0.0000

This table 4.51 shows the results of fitting a linear model to describe the relationship between Demand for Bank services and Bank Charge Change. The equation of the fitted model is

Demand for Banks services (D) = 1.58 + 0.32*Bank Charge Change(X1)

Table 4.52: Analysis of Variance of Regression Analysis of the effect of Bank Charges Changes on Banking Services

Sources	Sum of Squares	df	Mean of Square	F-Ratio	P-Value
Model	14.155	1	14.1555	47.48	0.0000
Residual	228.086	765	0.29815		
Total	242.241	766			

Correlation Coefficient = 0.241734

R-squared = 5.84355 percent

Standard Error of Estimate. = 0.546033

Since the P-Value in the ANOVA table is less than 0.01, there is a statistically significant relationship between Demand for Bank services and Bank Charge Variations at the 99% confidence level.

The R-Squared statistic indicates that the model as fitted explains 5.84355% of the variability in Demand for Bank services. The correlation coefficient equals 0.241734, indicating a relatively weak relationship between the variables. The standard error of the estimate shows the standard deviation of the residuals to be 0.546033.

4.12: Research Question 1 (Bankers View)

Regression Analysis – Linear model: Demand for Bank services=2.09+0.16 * Banking Charge Change

Dependent variable: Demand for Bank services

Independent variable: Bank Charge Change

Table 4.53: Result of fitting the effect of Bank Charge Changes on Demand for Bank Services

Parameter	Estimate	Standard Error	T Statistic	P-Value
Intercept	2.09443	0.0955717	21.9148	0.0000
Slope	0.158048	0.0364731	4.33327	0.0000

This table (4.53) shows the results of fitting a linear model to describe the relationship between Demand for Bank services and Bank Charge Variations. The equation of the fitted model is

Demand for Bank Services = 2.09 + 0.16*Bank Charge changes

Table 4.54: Analysis of Variance of Regression Analysis of the effect of Banks Charges Changes on Demand for Banking services.

Source	Sum of Squares	df	Mean Square	F-Ratio	P-value
Model	3.81213	1	3.81213	18.78	0.0000
Residual	108.818	536	0.203012		
Total	112.63	537			

Correlation Coefficient = 0.183974

R-squared = 3.38464 percent

Standard Error of Est. = 0.450576

Since the P-Value in the ANOVA table is less than 0.01, there is a statistically significant relationship between Demand for Banks Services and Bank Charge Change at 99% confidence level.

The R-squared statistic indicates that the model as fitted explains 3.38464% of the variability in Demand for Banks Services. The correlation coefficient equals 0.183974, indicating a relatively weak relationship between the variables. The standard error of the estimate shows the standard deviation of the residuals to be 0.450576.

III Aggregate Respondents View on Research Question 1 (Customers and Bankers Views)

Regression Analysis – Linear model: Demand for Banks services = 1.762 + 0.262 Bank Charge changes

Dependent variable: Demand for Banks services

Independent variable: Bank Charge changes

Table 4.55: Aggregate Results of fitting the effect of Bank Charge changes on Demand for Banking Services.

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std.Error	Beta		
1 (Constant)	1.761	.072		24.323	.000
BANK CHARGE CHANGES	.262	.029	.241	8.976	.000

This shows the results of fitting a linear model to describe the relationship **between Demand for Bank services and Bank Charge changes. The equation of the fitted model is**

Demand for Bank Services = 1.762 + 0.262 Bank Charge changes

Table 4.55 Model Summary of the fitted aggregate Regression Model

Model	R	R Square	Adjusted R Square	
1	.241	.058	.058	

Table 4.56 Analysis of Variance of Aggregate Regression Analysis of the effect of Bank Charges on Demand for Banking Services.

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression Residual Total	21.212 343.068 364.281	1 1303 1304	21.212 .263	80.566	.000

Independent Variable: Bank Charges Change

Dependent Variable: DEMAND FOR BANKING SERVICES

Since the P-Value in the ANOVA table is less than 0.01, there is a statistically significant relationship between Demand for Banks Services and Bank Charge Change at 99% confidence level.

The R-squared statistic indicates that the model as fitted explains 5.8% of the variability in Demand for Banks Services. The correlation coefficient equals 0.241, indicating a relatively weak direct relationship between the variables. The standard error of the estimate shows the standard deviation of the residuals to be 0.263.

4.13: Research Question 2 (Customers View)

Regression Analysis – Linear model: corporate growth = 3.18 - 0.17* Interest Rate

Dependent variable: corporate growth

Independent variable: Interest Rate

Table 4.57 Result of fitting the effect of Interest rate changes on Organisation growth

Parameter	Estimate	Standard Error	T Statistic	P-Value
Intercept	3.1842	0.117826	27.0246	0.0000
Slope	-0.168725	0.0441215	-3.82409	0.0001

The above table 5.47 shows that the results of fitting a linear model to describe the relationship between Corporate growth and Interest rate. The equation of the fitted model is: Corporate growth = 3.1842 – 0.168725*Interest Rate

Table 4.58: Analysis of Variance of Regression Analysis of the effect of Interest rate charges on Organisation growth.

Source	Sum of Squares	df	Mean Square	F-Ratio	P-Value
Model	5.30147	1	5.30147	14.62	0.0001
Residual	277.333	765	0.362527		
Total	282.634	766			

Correlation Coefficient = -0.136957

R-squared = 1.87573 percent
Standard Error of Est. = 0.602102

Since the P-Value in the ANOVA table is less than 0.01, there is a statistically significant relationship between corporate growth and Interest Rate at 99% confidence level.

The R-squared statistic indicates that the model as fitted explains 1.87573% of the variability in corporate growth. The correlation coefficient equals -0.136957, indicating a relatively weak relationship between the variables. The standard error of the estimate shows the standard deviation of the residuals to be 0.602102.

4.14: Research Question 2 (Bankers View)

Regression Analysis – Linear model: corporate growth = 2.88 - 0.19* Interest Rate

Dependent variable: corporate growth

Independent variable: Interest Rate

Table 4.59: Result of Fitting the effect of Interest rate charged on organisation growth

Parameter	Estimate	Standard Error	T Statistic	P-Value
Intercept	2.88437	0.112798	25.5712	0.0000
Slope	-0.187314	0.0430609	-4.34998	0.0000

The above table 4.59 shows the results of fitting a linear model to describe the relationship between Corporate_ growth and Interest rate. The equation of the `fitted model is Corporate growth = 2.88 – 0.19* Interest Rate.

Table 4.60: **Analysis of Variance of Regression Analysis of the effect of Interest rate charged on Organisation growth**

Source	Sum of Squares	df	Mean Square	F-Ratio	P-Value
Model	6.47851	1	6.47851	18.92	0.0000
Residual	183.513	536	0.342374		
Total	189.991	537			

Correlation Coefficient = -0.184659

R-squared = 3.4099 percent

Standard Error of Est. = 0.585128

Since the P-Value in the ANOVA table above is less than 0.01, there is a statistically significant relationship between corporate growth and Interest R ate 99% confidence level.

The R-squared statistic indicates that the model as fitted explains 3.4099% of the variability in corporate growth. The correlation coefficient equals -0.184659, indicating a relatively weak relationship between the variables. The standard error of the estimate shows the standard deviation of the residuals to be 0.585128.

III Aggregate Respondents Views on Research Question 2 (Customers and Bankers Views)

Regression Analysis – Linear model: Demand for Bank Services = 3.009 - 157*Interest Rate Charged by Banks

Dependent variable: CUSTOMERS' CORPORATE GROWTH

Independent variable: INTEREST RATE CHARGED BY BANKS

Table 4.61: Aggregate Result of Fitting the effect of Interest rate charge on organisation growth.

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std.Error	Beta		
(Constant)	3.009	.085		35.405	.000
INTEREST RATE CHARGED BY BANKS	-157	.032	-134	-4.882	.000

Dependent Variable: **Customers' Corporate Growth**

This table (4.61) shows the results of fitting a linear model to describe the relationship **between Customers' Corporate growth and Interest Rates Charge by Banks. The equation of the fitted model is**

Demand for Bank Services = 3.009- 157*Interest Rate Charged by Banks

Table 4.62: Model Summary of Fitted aggregate Regression Model

Model	R	R-Square	Adjusted R Square
1	134a	.018	.017

Table 4.63: Analysis Variance of Aggregate Regression Analysis of the effect of Interest rate charge on organisation growth.

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	9.134	1	9.134	23.837	.000a
Residual	499.316	1303	.383		
Total	508.450	1304			

Independent Variable **Rate Charged By Banks**

Dependent Variable: **Customers' Corporate Growth**

Since the P-Value in the ANOVA table above is less than 0.01, there is a statistically significant relationship between corporate growth and Interest R ate 99% confidence level.

The R-squared statistic indicates that the model as fitted explains 1.8% of the variability in corporate growth. The correlation coefficient equals -0.157 indicating a relatively weak relationship between the variables. The standard error of the estimate shows the standard deviation of the residuals to be 0.383

4.15: Research Question 3 (Customers View)

Regression Analysis – Linear model: Perception-CPBPPV = 2.25 + 0.09* the degree of Regulation

Dependent variable: Perception-CPBPPV

Independent variable: The degree of Regulation

Table 4.64: Results of Fitting the effect of The degree of Regulation on Perception...(CPBPPV)

Parameter	Estimate	Standard Error	T Statistic	P-Value
Intercept	2.25336	0.059504	37.869	0.0000
Slope	0.0919525	0.0219639	4.18652	0.0000

The above table 4.64 shows the results of fitting a linear model to describe the relationship between Perception and the degree Regulation. The equation of the fitted model is:

Perception = 2.25 + 0.09* the degree of Regulation

Table 4.65: Analysis of Variance of Regression Analysis of Fitting Regulation on CPBPPV

Source	Sum of Squares	df	Mean Square	F-Ratio	P-Value
Model	1.95591	1	1.95591	17.53	0.0000
Residual	87.3696	765	0.111594		
Total	87.3255	766			

Correlation Coefficient = -0.149659

R-squared = 2.23979 percent

Standard Error of Est. = 0.334057

Since the P-Value in the ANOVA table is less than 0.01, there is a statistically significant relationship between Perception (CPBPPV) and the degree of Regulation at 99% confidence level.

The R-squared statistic indicates that the model as fitted explains 2.23979% of the variability in Perception. The correlation coefficient equals 0.149659, indicating a relatively weak relationship between the variables. The standard error of the estimate shows the standard deviation of the residuals to be 0.334057.

4.16: Research Question 3 (Bankers View)

Regression Analysis – Linear model: Perception-CPBPPV = 2.37 + 0.08* The degree of Regulation

Dependent variable: Perception-CPBPPV

Independent variable: The degree of Regulation

Table 4.66: Result of fitting the effect of The degree of Regulation on Perception...(CPBPPV)

Parameter	Estimate	Standard Error	T Statistic	P-Value
Intercept	2.36578	0.0478508	49.4407	0.0000
Slope	0.075583	0.0430609	4.36801	0.0000

The above table shows the results of fitting a linear model to describe the relationship between Perception (CPBPPV) and the degree of Regulation. The equation of the fitted model is:

Perception = 2.37 + 0.075583*the degree of Regulation

Table 4.67 Analysis of Variance of Regression Analysis of fitting The degree of Regulation on Perception... (CPBPPV)

Source	Sum of Squares	Df	Mean Square	F-Ratio	P-Value
Model	1.55671	1	1.55671	19.08	0.0000
Residual	43.7327	536	0.0815908		
Total	45.2894	537			

Correlation Coefficient = -0.185398

R-squared = 3.43726 percent

Standard Error of Est. = 0.285641

Since the P-Value in the ANOVA table is less than 0.01, there is a statistically significant relationship between Perception and the degree of Regulation at 99% confidence level.

The R-squared statistic indicates that the model as fitted explains 3.43726% of the variability in Perception. The correlation coefficient equals 0.185398, indicating a relatively weak relationship between the variables. The standard error of the estimate shows the standard deviation of the residuals to be 0.285641.

III Aggregate Respondents Views on Research Question 3 (Customers and Bankers Views)

Regression Analysis – Linear model: Customer Perception (CPBPPV) = 2.303+ 0.084* Degree of Regulation

Dependent variable: Customer Perception-CPBPPV

Independent variable: The degree of Regulation

Table 4.68: Result of Fitting the effect of the degree of Regulation on Customer Perception... (CPBPPV)

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std.Error	Beta		
(Constant) Degree of regulation in the Nigeria	2.303	.039		59.771	.000
Banking Industry	.084	.014	.163	5.950	.000

Dependent Variable: **Customers Perception**

The above table 4.68 shows the results of fitting a linear model to describe the relationship between Customer Perception (CPBPPV) and Degree of Regulation. The equation of the fitted model is

Customer Perception (CPBPPV) = 2.303+ 0.084* Degree of Regulation

Table 4.69: Model Summary of the fitted aggregate Regression Model

Model	R	R Square	Adjusted R Square	
1	.163	.026	.026	

a. Table 4.69b: Analysis of Variance of aggregate Regression analysis of the effect of "Degree of Regulation in The Nigeria Banking Industry" on Customers Perception.(CPBPPV)

Model	Sum of Squares	df	Mean Square	F	Sig.
• Regression	3.549	1	3.549	35.403	.000a
Residual	130.622	1303	0.1		
Total	134.171	1304			

Independent Variable: **Degree of Regulation in the Nigeria Banking Industry**

Dependent Variable: Customers Perception

Since the P-Value in the ANOVA table is less than 0.01, there is a statistically significant relationship between Perception and Regulation at 99% confidence level.

The R-squared statistic indicates that the model as fitted explains 2.6% of the variability in Perception. The correlation coefficient equals 0.084, indicating a relatively weak relationship between the variables. The standard error of the estimate shows the standard deviation of the residuals to be 0.1.

Research Question 4 (Customers)

Regression Analysis – Linear model: Demand = 1.78+ 0.24* Pricing Promotion

Dependent variable: Demand

Independent variable: Pricing Promotion

Table 4.70: Result of fitting the effect of Pricing Promotion on Demand for Banking Services

Parameter	Estimate	Standard Error	T Statistic	P-Value
Intercept	1.77936	0.138739	12.8252	0.0000
Slope	0.238135	0.059689	3.9896	0.0001

The table above 4.70 shows the results of fitting a linear model to describe the relationship between Demand for Banking Services and Pricing Promotion. The equation of the fitted model is: Demand = 1.77936 + 0.238135* Bank Pricing Promotion

Table 4.71 Analysis of Variance of Regression analysis of the effect of Bank Pricing Promotion on Demand for Banking services

Source	Sum of Squares	df	Mean Square	F-Ratio	P-Value
Model	4.93744	1	4.93744	15.92	0.0001
Total	242.241	766			

Correlation Coefficient = 0.142767

R-Squared = 2.03823 percent

Standard Error of Est. = 0.456062

Since the P-Value in the ANOVA table is less than 0.01, there is a statistically significant relationship between Demand and at the Bank Pricing Promotion at 99% confidence level.

The R-Squared statistic indicates that the model as fitted explains 2.03823% of the variability in Demand. The correlation coefficient equals 0.142767, indicating a relatively weak relationship between the variables. The standard error of the estimate shows the standard deviation of the residuals to be 0.556957.

4.18: Research Question 4 (Bankers View)

Regression Analysis – Linear model: Demand = 2.24 + 0.11* Bank Pricing Promotion.

Dependent variable: Demand.

Independent variable: Bank Pricing Promotion.

Table 4.72: Result of fitting the effect of Bank Pricing Promotion on Demand for Bankingservices

Parameter	Estimate	Std err	T Statistic	P-Value
Intercept	2.24192	0.111652	20.0796	0.0000
Slope	0.111534	0.0475129	2.34745	0.0193

The output here 4.72 shows the results of fitting a linear model to describe the relationship between Demand Banking Services and Bank Pricing Promotion. The equation of the fitted model is: Demand for Banking services = 2.24 + 0.11* Bank Pricing Promotion

Table 4.73: Analysis of Variance of Regreesion analysis of the effect of Bank Pricing Promotion on Demand for Banking Services

Source	Sum of Squares	df	Mean Square	F-Ratio	P-Valu
Model	1.14615	1	1.14615	.51	0.0193
Residual	111.484	536	0.207993		
Total	112.63	537			

Correlation Coefficient = 0.100877

R-Squared = 1.01762 percent

Standard Error of Est. = 0.456062

Since the P-Value in the ANOVA table is less than 0.05, there is a statistically significant relationship between Demand and Pricing at the 95% confidence lev

The R-Squared statistic indicates that the model as fitted explains 1.01762% of the variability in Demand. The correlation coefficient equals 0.100877, indicating a relatively weak relationship between the variables. The standard error of the estimate shows the standard deviation of the residuals to be 0.456062.

III Aggregate Respondents Views on *Research Question 4 (Customers and Bankers Views)*

Regression Analysis – Linear model: Market Demand for Bank Services = 2.448 - 0.019* Bank Pricing Promotion

Dependent variable: Market Demand for Banking Services

Independent variable: Bank Pricing Promotion.

Table 4.74: Aggregate Result of fitting the effect of Bank Pricing Promotion on Demand for Banking Services

Model	Unstandardized coefficients		Standardized Coefficients	T	sig
1 (Constant)	B	Std. Error	Beta		
Bank Pricing promotion	2.448 -019	.058 022	 -025	42.514 -887	.000 .375

a. Dependent Variable: Market Demand for Banking Services

The above table 4.74 shows the results of fitting a linear model to describe the relationship between Market Demand for Banking Services and Bank Pricing Promotion. The equation of the fitted model is:

Market Demand for Bank Services = 2.448 - 0.019* Bank Pricing Promotion

Table 4.75: Model Summary of the fitted aggregate Regression model

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.025a	.001	.000	

Table 4.76: Analysis of variance of aggregate Regression analysis of the effect of Bank Pricing Promotion on Market Demand for Banking Services

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	.220	1	.220	.787	.375a
Residual	364.061	1303	.279		
Total	364.281	1304			

Independent variable: (Constant), Bank Pricing Promotion

Dependant Variable: Market **Demand For Banking Services**

Since the P-Value in the ANOVA table is above 0.05, there is no statistically significant relationship between Demand for Banking Services and Pricing Promotion at 95% confidence level.

The R-squared statistic indicates that the model as fitted explains 0.01% of the variability in Demand for Banking Services. The correlation coefficient equals 0.025, indicating a relatively weak relationship between the variables. The standard error of the estimate shows the standard deviation of the residuals to be 0.383.

4.19: Research Questions 5 (Customers Views)

Regression Analysis – Linear model: Customer Perception-(CPBPPV) = 1.89 + 0.26* Bank Charges

Dependent variable: Customer Perception-(CPBPPV)

Independent variable: Bank Charges changes

Table 4.77: Result of fitting the effect of Bank Charges Change on Customer Perception

Parameter	Estimate	Standard Error	T Statistic	P-Value
Intercept	1.89362	0.0641992	29.496	0.0000
Slope	0.257926	0.0269834	9.55868	0.0000

The table above shows the results of fitting a linear model to describe the relationship between Customer Perception and Bank Charges. The equation of the fitted model is: Customer Perception = 1.89 + 0.26* Bank Charges.

Table 4.78: Analysis of Variance of Regression Analysis of the effect of Bank Charges Change on Customer Perception-(CPBPPV)

Source	Sum of Squares	df	Mean Square	F-Ratio	P-Value
Model	9.317	1	9.317	91.37	0.0000
Residual	78.0085	765	0.101972		
Total	87.3255	766			

Correlation Coefficient = 0.326639

R-squared = 10.6693 percent

Standard Error of Est. = 0.31933 since the P-Value in the ANOVA table is less than 0.01, there is a statistically significant relationship between Demand and Pricing at the 99% confidence level.

The R-Squared statistic indicates that the model as fitted explains 10.6693% of the variability in Customer Perception. The correlation coefficient equals 0.326639, indicating a relatively weak relationship between the variables. The standard error of the estimate shows the standard deviation of the residuals to be 0.31933.

4.20: Research Questions 5 (Bankers View)

Regression Analysis – Linear model: Customer Perception-(CPBPPV)= 2.12+ 0.17* Bank Charges

Dependent variable: Customer Perception-(CPBPPV)

Independent variable: Bank Charges

Table 4.79: Results of fitting the effect of Bank Charges on Customer Perception-(CPBPPV)

Parameter	Estimate	Standard Error	T Statistic	P-Value
Intercept	2.12076	0.058418	36.3033	0.0000
Slope	0.174221	0.0222941	7.81464	0.0000

The output of table 4.79 shows the results of fitting a linear model to describe the relationship between Customer Perception and Bank Charge. The equation of the fitted model is: Customer Perception = 2.12 + 0.17*Bank Charges

Table 4.80: Analysis of Variance of Regression Analysis of the effect of Bank Charges on Customer Perception-(CPBPPV)

Source	Sum of Squares	df	Mean Square	F-Ratio	P-Value
Model	4.63223	1	4.63223	61.07	0.0000
Residual	40.6571	536	0.0758529		
Total (Corr.)	45.2894	537			

Correlation Coefficient = 0.319814

R-squared = 10.2281 percent

Standard Error of Est. = 0.275414

Since the P-Value in the ANOVA table is less than 0.01, there is a statistically significant relationship between Demand and Pricing at the 99% confidence level.

The R-Squared statistic indicates that the model as fitted explains 10.2281% of the variability in Customer Perception. The correlation coefficient equals 0.319814, indicating a relatively weak relationship between the variables. The standard error of the estimate shows the standard deviation of the residuals to be 0.275414.

III Aggregate Respondents Views on Research Question 5 (Customers and Bankers Views

Regression Analysis –Multiple model: $Y = a + bX_1 + cX_2 + dX_3 + . . . + jX_{10}$

That is: Customer Perception = 0.589+ 0.047*Bank Charges+0.638*Bank Patronage -234* Customer Satisfaction +0.275 *Effect of Price Differential+ 0.32*Corporate Growth + 0.057 *Degree of Regulation (Only Variables which are significant at 99% are recognized here)

Dependent variable: Customers' Perception of Banks Charges

Independent variable: Bank Charges, Customer Loyalty etcetera.

Table 4.81: Results of fitting the effect of Bank Charges, Customer Loyalty etcetera on Customers' Perception of Banks Charges

Model	Unstandardized Coefficients B	Std Error	Standardized Coefficient Beta	T	Sig.
(Constant)	.589	.060		9.827	.000
BANK CHARGES	.047	.014	.065	3.401	.001
BANK PATRONAGE	.638	.018	.740	35.327	.000
CUSTOMERS					
SATISFACTORY/	-234	.015	-372	-15.797	.000
LOYALTY					
EFFECT OF PRICE	.275	.025	.306	11.145	.000
DIFFERENTIALS	.033	.023	.038	1.442	.150
PRICING					
STRATEGIES	.003	.011	.004	.227	.820
MOST ACTIVE	-009	.008	-027	-1.142	.254
ACCOUNT	.010	.004	.042	2.351	.019
BANKS	.032	.007	.098	4.551	.000
PROFITABILITY	.057	.012	.082	4.615	.000
EDUCATIONAL					
LEVEL					
CORPORATE					
GROWTH					
REGULATORY					
MEASURES OF					
(CBN)					

Dependent Variable: Customers perception

The above table 4.81 shows the results of fitting a multiple model to describe the relationship between Customer Perception of charges and The significant Variables at 99% confidence level. The equation of the fitted model is

Customer Perception = 0.589+ 0.047*Bank Charges+0.638*Bank Patronage -234* Customer Satisfaction +0.275 *Effect of Price Differential+ 0.32*Corporate Growth + 0.057 *Degree of Regulation (Only Variables which are significant at 99% are recognized here)

Table 4.82: Model Summary of the fitted aggregate Regression model

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.794a	.631	.628	

a. Independent variables: (constant), **Regulatory Measures of (CBN), Most Active Account, Banks Profitability, Bank Charges, Educational Level, Pricing Strategies, Bank Patronage, Corporate Growth, Customers' Satisfactory/Loyalty, Effect Of Price Differentials**

Table 4.83: Analysis of Variance of aggregate Regression Analysis of the effect of Bank Charges, Customer Loyalty etcetera on Customer Perception of Bank...(CPBPPV)

Model	Sum of squares	Df	Mean square	F	Sig.
Regression	84.649	10	8.465	221.191	.000a
Residual	49.521	1294	.038		
Total	134.171	1304			

Predictors: (constant), **Regulatory Measures Of (CBN), Most Active Account, Banks Profitability, Bank Charges, Educational Level, Pricing Strategies, Bank Patronage, Corporate Growth, Customers' Satisfactory/Loyalty, Effect of Price Differentials**

Dependent Variable: **Customers perception**

Since the P-Value in the ANOVA table is less than 0.01, there is a statistically significant relationship between Customer Perception and The significant Independent Variables at 99% confidence level.

The R-squared statistic indicates that the model as fitted explains 63.1% of the variability in Customer Perception. The correlation coefficients equal 0.919, indicating a relatively strong relationship between the variables. The standard error of the estimate shows the standard deviation of the residuals to be 0.38.

CHAPTER FIVE

Summary of Findings conclusions and recommendations

5.01 Introduction.

The findings, recommendations and conclusions of this study are discussed hereunder in the following sub-headings:

1 Summary of main Models.

2 Summaries of Findings, Conclusions and implications (shown in a tabular format)

3 Recommendations

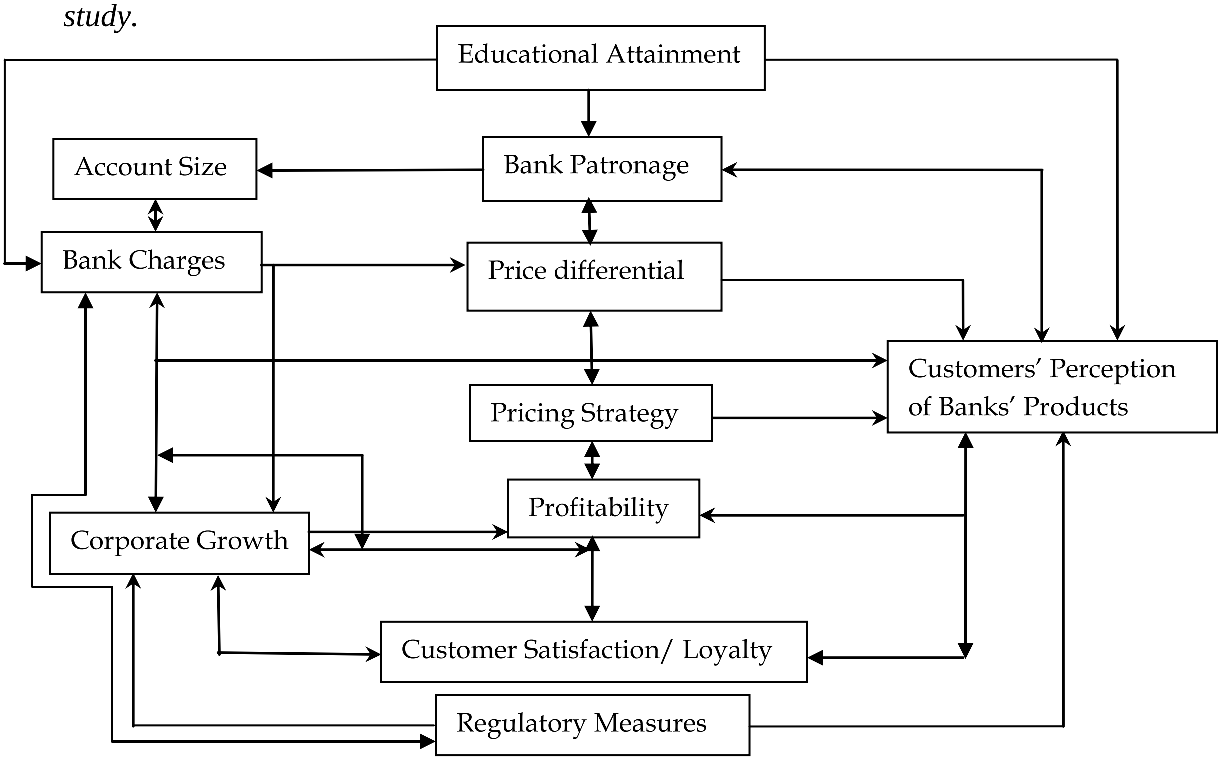
4 Contributions to knowledge

5 Suggestions for further studies

5.02: Summary of main Models:

The study presents a relationship framework that considers banks charges, bank patronage, and customers' loyalty, pricing promotion and strategies, corporate growth and banks regulatory measures as they affect customer perception of bank products prices in Nigeria. The model that portrays the significant relationships that exist among the parameters and customers perception of bank product prices (CPBPP) is shown, both diagrammatically and, mathematically below:

Figure 2.15 here repeated: Relationship between CPBPP and other relevant variables in the study.



Source: The Researcher, 2011

The diagrammatical versions of the integrated model of this study can be expressed

Mathematically thus:

$$Cp = f(X_1, X_2, X_3, X_4, X_5, X_6, X_7, X_8, X_9, X_{10})$$

$$Cp = f\,(a + bX_1 + cX_2 + dX_3 + \ldots + jX_{10})$$

Where

Cp= Customers perception of banks charges

X_1 = Bank Charges

X_2= Bank Patronage

X_3 = Customers' satisfaction/loyalty

X_4 = Effect of price differentials

X_5 = Pricing Strategies

X_6 = Most Active Account

X_7 = Banks Profitability

X_8 = Educational Attainment

X_9 = Corporate growth.

X_{10}= Regulatory Measures (CBN)

(X_1-X_{10}) *are measures of factors that influence customer's perception of bank charges.*

The above mathematical expression was shown at figure 4.39 on page 170 &171 as being the results of fitting a multiple model to describe the relationship between Customer Perception of charges and the significant variables at 99% confidence level. The equation of the fitted model is:

Customer Perception = 0.589+ 0.047*Bank Charges+0.638*Bank Patronage -234* Customer Satisfaction +0.275 *Effect of Price Differential+ 0.32*Corporate Growth + 0.057 *Degree of Regulation (Only variables which are significant at 99% are recognized here)

5.03: Summary of Findings. Conclusions and implications (shown in a Tabular format)

The relevant hypotheses of this study were tested and the findings, conclusions together with the related implications for each Hypothesis are enunciated in tables 5.01 and 5.02 overleaf, after restating the hypotheses for easy reference:

1 There is no significant relationship between customers' perception of bank charge changes (BCC) and the demand for banking services.

2 Bankers and their Customers do not see significant causal relationship between interest rates charged by banks and their organisations' growth.

3 The degree of Banking Industry Regulation is not perceived to have any substantial effect on Customer Perception of Bank Product Prices Variations (CPBPPV)

4 Consumers of bank's services are usually indifferent to banks' pricing promotion consequently it does not affect their market demand.

5 There are no identifiable, significant causal relationship between Customer Perception of Bank Product Prices Variations (CPBPPV) and relevant sub marketing variables such as Bank Charges Changes (BCC), Customer Loyalty etcetera .

Table 5.01 Summaries of Tested Hypotheses 1 to 4

Hypo-Thesis	P. Value	R^2	Conclusion	Implications
1.	0.000	0.058	There is a relatively weak direct relationship between the Demands for Banking services (DBS) and Bank Charges changes (BCC) which implies that DBS slightly depends on BCC	The relationship being very weak to the extent that BCC explains only 5.8% of Demand the Banks can ignore BCC depending on target increase expected at the period under review.
2.	0.000	0.018	There is a relatively weak indirect relationship between the customers' corporate growth and interest rate charged by banks. This implies that an increase in the interest rate charged by banks by one unit leads to 0.157 decrease in the customer corporate growth.	The charge is so small that firm can afford to ignore interest rate charges provided it remains below just noticeable difference (JND)
3.	0.000	0.026	There is a relatively weak direct relationship and degree of regulation in Banking Industry. This implies that an increase in the degree of regulation in the Banking Industry will lead to 0.84 increase in customer perception of Bank Charges.	The more the regulator keeps changing policies customers have negative perception of Prices changes or become confused.
4.	0.375	0.01	There is no statistically significant relationship between Demand for Banking Services and pricing promotion at 95% confidence level.	The fact that banks are marginally affected by only a small percentage means it should not be factor major concern.

5.02 Summary of Tested Hypothesis 5

Hypo-Thesis	Variable	Std Coefficient	P. Value	Comments	Implications
5	X1 X2 X3 X4 X5 X6 X7 X8 X9 X10	0.065 0.740 0.372 0.306 0.038 0.004 0.027 0.420 0.098 0.82	0.001 0.000 0.000 0.000 0.15 0.820 0.254 0.19 0.000 0.000	X1, X2, X4, X9, X10 Have significant direct effect on customer perception of Bank Product Price Variation (CPBPPV). X3 has a significant direct effect on customer perception of Bank Charge Charges (BCC). The rest (X5, X6, X7 and X8) effects are Insignificant on customer perception of Bank Charges, in addition X2 has the highest direct effect tolled by X4, X9, X10 and X1 in that order.	Banks who want their customers to improve their customers' perception of their product prices should look at those five variables as indicted here.

Source: ***Researcher (2011)***

5.04: CONCLUSION

It is a known fact that the state of financial liquidity has multiple effect on a number of macroeconomic variables, such as inflation, GDP growth rate and general investment climate in an economy. Central Bank control of banks' interest rates, bank charges is appreciably aimed at regulating fund flow in an economy, which is a path of its monitory policy role in a country.

However this does not justify its excessive grip on pricing and price variations in the banking industry. This affects banks ability to utilize effectively the marketing tool, Pricing, in a free economy that is a path of a global economy drifting towards deregulation, liberalization and globalization. In such a scenario market force is the most desirable determinant of price.

5.05 Recommendations.

Consequently, CBN is advised to look for some other ways of controlling fund flow and protecting consumers that excludes excessive interest rate control as is the case currently.

Based on the findings of this study, Banks are advised to look out for other non pricing marketing tools such as products differentiation, service quality enhancement, nearness to customers (place), strategic promotional activities as means of influencing the market in a competitive setting

5.06: Contributions to Knowledge

Based on this study, the following contributions to knowledge can be inferred.

1 This study has revealed that Price changes variations below ten percent (10%), as per Weber's law, do not attract appreciable demand changes for bank services.

2. Ordinarily a discount on charges for every product will elicit increase in patronage (demand) but this study has shown that a discount that is below the jnd (just noticeable difference as per Webers Law) is an exception. Advertisers and their sponsors should ensure that all discounts meet this minimum requirements before going to press

3. The model in figures 2.12 and 2.12b which shows the relationship between customers' perception of banks product prices (CPBPP) and other variables in the study could be seen as a contribution to knowledge as the whole concept is original and was developed by the researcher using step by step approaches as enunciated above.

4. The adoption of Weber's theory into marketing is highly innovative although it is not the first time it was done. For instance, Williams (1981 p13 -33) discussed the use of perception in marketing but he did not apply it to solve any problem.

5. This study has highlighted the import of perception as a key variable in determining demand and acceptability of Price of a marketing offering. Further studies could elevate it to key marketing variable like the popular 4P's, product, price, place and promotion.

6. The findings above has validated Weber's law by confirming that consumers of Banking Services ignore all price incentives that have not reached the just noticeable difference (jnd)

7 The study of customers' perception of bank products prices has contributed to literature on banks charges in Nigeria. The study reveals that hitherto there is scanty literature on customers' perception of banks' charges as most writers on Nigeria Banks are yet to pay appreciable attention to this area of study. Thus, this study will enrich the literature in this direction.

5.07: Suggestions for Further Studies:

A further study may include- customers' income as a determinant of their attitude towards bank charges; especially when high net worth corporate organizations (like oil and gas firms) are involved.

1. Secondly, the general theoretical and conceptual model adopted in this study portrays customers' perception as the final way of determining bank prices; whereas customers' perception may be influenced by their banking culture thus, in another study customers' perception as a determinant of banking culture may be recommended.
2. Also, demographic variables such as age, education and marital status as determinants of customers' perception of bank charges can be investigated as these do not directly fall within the scope of the study.

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APPENDIX 1

Letter of Introduction to the Questionnaire

Dear Respondent,

I am a doctorate student at University of Lagos, Akoka. In fulfilment of the award of the doctorate degree, I am required to submit a thesis. Hence, your contribution to this work is very important to me and much appreciated. Besides the benefit, the proposed findings may help many concerned decision makers in the government, banks etc, in making better decision on bank charges to customers.

This survey is about ***"Customer perception of Nigerian banks' products prices*** **- a test of pricing effectiveness as a marketing tool in banks"**. You can find the attached questionnaire on the next three (3) pages, instructions to help you complete the survey are included in the questionnaire, and it should not take you more than 15 minutes to complete it.

Data for this survey are collected anonymously and will solely be used for my academic research. It will not be used or shared with any person without your expressed permission.

Yours faithfully,

Researcher

QUESTIONNAIRE

Statement		Strongly Agree	Agree	Undecided	Disagree	Strongly disagree
Q1	Customers are not privy to service charges on banking product/facilities until they eventually open account	☐	☐	☐	☐	☐
Q2	Banks generally do not take it as a corporate responsibility to inform the customers of charges on services to be rendered	☐	☐	☐	☐	☐
Q3	High bank charges affect bank patronage	☐	☐	☐	☐	☐
Q4	Pricing is key to the position bank current occupies in the market	☐	☐	☐	☐	☐
Q5	Most customers are cost conscious when subscribing to banking products	☐	☐	☐	☐	☐
Q6	Customers are sensitive to price differentials in bank product	☐	☐	☐	☐	☐
Q7	Customers ignore the juicy and attractive to bank products because price is not the only determinant of choice of bank	☐	☐	☐	☐	☐
Q8	Customers often complain of banks COT charge being high	☐	☐	☐	☐	☐
Q9	Customers consider interest rates charged but the banks as being excessive	☐	☐	☐	☐	☐
Q10	Customers often complain of other bank charges which they consider high	☐	☐	☐	☐	☐
Q11	Customers often complain of high surcharges on expired facilities.	☐	☐	☐	☐	☐
Q12	Customers often complain of high interest on facilities.	☐	☐	☐	☐	☐
Q13	Customer of perceive price differentials among banks products but they are indifferent	☐	☐	☐	☐	☐
Q14	Are youths from 25-45 more sensitive to prices banking services than their elders in Nigeria?	☐	☐	☐	☐	☐

Q15	Citizen who belongs to the lower social class and the poor are more sensitive to bank charges than the middle class and upper lower class.	☐	☐	☐	☐	☐
Q16	People without university education and similar qualifications are more sensitive to bank charges than those with higher (tertiary) education.	☐	☐	☐	☐	☐
Q17	CBN has no hand whatsoever in the charges fixed by the bank for their products.	☐	☐	☐	☐	☐
Q18	CBN do gives Bank broad guide on its charges; however, banks while operating within the given spectrum fix its definite charges.	☐	☐	☐	☐	☐
Q19	Banks in Nigeria to my mind are over regulated	☐	☐	☐	☐	☐
Q 20	Owing to external interferences, banks in Nigeria exhibits high level of policies in consistencies.	☐	☐	☐	☐	☐
Q 21	There are too many pricing policy summersault in Nigeria.	☐	☐	☐	☐	☐
Q 22	Beside the CBN, the government itself is directly interfering in the fixing of bank charges by telling at what charges to make.	☐	☐	☐	☐	☐
Q 23	The government is committed to reducing bank tariffs as an economic stimulus to increase public spending.	☐	☐	☐	☐	☐
Q 24	Government inability to address the lingering issue of rising cost of doing business in the society exerts inflationary pressure.	☐	☐	☐	☐	☐
Q 25	The national dailies are awashed with ineffective pricing campaigns by banks	☐	☐	☐	☐	☐
Q 26	The more the banks advertised, the more the charges on services rendered.	☐	☐	☐	☐	☐
Q 27	There are price tags associated with bank products, just like, there are fixed prices on products on supermarket.	☐	☐	☐	☐	☐
Q 28	In banking, a marginal (a very little) increase in service quality will automatically lead to increase in service charge.	☐	☐	☐	☐	☐

Q 29	The amount of financial transaction involved at any particular time determines the magnitude of service charge paid by the customer.	☐	☐	☐	☐	☐
Q 30	The cost of funds is a determinant of banks charges.	☐	☐	☐	☐	☐
Q 31	The level of inflation determines the banks charges. i.e., when prices of consumer goods and every other things go up, do bank charges go up in Nigeria as well	☐	☐	☐	☐	☐
Q32	Notwithstanding banks seldom Attractive discount charges, customers are reluctant to switch loyalty due to some intrinsic factors	☐	☐	☐	☐	☐
Q33	Government reduction of bank tariffs may increase economic stimulus thus leading to increase in public spending	☐	☐	☐	☐	☐
Q34	Bank usage in Nigeria is very low therefore; government monetary policies to not influences bank service charges.	☐	☐	☐	☐	☐
Q 35	Economic monetary tools are ineffective because most of the money in circulation is outside the banking system.	☐	☐	☐	☐	☐
Q 36	The government is committed to reducing bank tariffs as an economic stimulus aimed at reducing cost of rising cost of doing business by customer	☐	☐	☐	☐	☐
Q 37	Governments' inability to address the lingering issue of rising cost of doing business in Nigeria exerts inflationary pressures.	☐	☐	☐	☐	☐
Q 38	Most customers of banks make their choice based purely on bank's credibility and not service charges.	☐	☐	☐	☐	☐
Q 39	Nearness of a bank to base is an incentive while deciding on the choice of a bank rather than charges.	☐	☐	☐	☐	☐
Q 40	The performance and friendliness of bank staff is a better determinant of choice of a bank than its prices	☐	☐	☐	☐	☐

Q 41	The ecstasy of a banking environment, technology available for speedy/ efficient processing and similar things induce customers to choose a bank rather than its charges.	☐	☐	☐	☐	☐
Q 42	The image of a bank is enhanced by its promotional activities and so it is a better attraction to a potential customer to open an account. In contrast to lower its charges.	☐	☐	☐	☐	☐
Q 43	The quality of a bank's services, its suitability to need and customer satisfaction are better attractions to prospect and existing customers, when compared with lower charges.	☐	☐	☐	☐	☐
Q44	Banks often do not know the true cost of the product they are selling (due to product bundling, longitudinal nature of transaction (e.t.c) consequently, crafting an effective/efficient strategy becomes a tall order	☐	☐	☐	☐	☐
Q 45	Until quite recently (a decade or two ago), bank marketing strategies were non professional trained marketers hence they are native in the use of marketing tools.	☐	☐	☐	☐	☐
Q 46	Generally, do customers feel that charges on services they get from their banks insignificant	☐	☐	☐	☐	☐
Q 47	Bank customers do not check now how much charge the bank deduct each time a banking transaction is made	☐	☐	☐	☐	☐
Q 48	The new N100. Charge per month on withdrawals via ATM by some banks may increase the numbers of customers to banks with that	☐	☐	☐	☐	☐
Q 49	The government is committed to reducing bank tariffs as an economic stimulus aimed at reducing cost of rising cost of doing business by customer	☐	☐	☐	☐	☐
Q 50	Governments' inability to address the lingering issue of rising cost of doing business in Nigeria exerts inflationary pressures.	☐	☐	☐	☐	☐

Q 51	Most customers of banks make their choice based purely on bank's credibility and not service charges.					
Q 52	The effective implementation of pricing strategies in banks is hindered by regulatory authorizes					
Q 53	Have you ever been made to choose a bank based on price incentives discount offered lower charges.					
Q 54	These days, these are many banking free cot promotional Advertisement on prices do you know a friend/family member whom such promotion has helped to pick a bank?					
Q55	There is the allegation that, adverts often asking customers to maintain a minimum balance for which it gets no interest before it can enjoy free COT or similar charge is deceptive.					
Q56	If you are a banker would you say the pricing strategy used by your bank has helped it achieve some marketing objectives if yes Name one …………………………………… ………………………..					

Part II: Respondents Personal Data:

57. Age range: 18-24 ☐ 25-34 ☐ 35-44 ☐ 45 and above ☐

58. Gender: Male ☐ Female ☐

59. Educational attainment: SSCE Holder ☐ NCE ☐ Diploma ☐ Graduate ☐

60. Do you work for a bank? (a) Yes ☐ (b) No ☐

61. If yes, what group of bank staff do you belong? (a) Junior ☐ (b) Middle ☐ (c) Senior ☐

62. How old are you in your present workplace (a) 1-5yrs ☐ (b) 6-10yrs ☐ (c) -15yrs ☐

63. What industry does your company belong to?
    (a) Oil/Gas ☐ (b) Banking ☐ (c) Consulting ☐
    (d) Manufacturing ☐ (e) Services ☐ (f) Distribution ☐
    (g) Others ☐

64. Which of these groups does your most active account belong to?
    (a) Retail banking ☐ (b) Commercial banking ☐
    (c) Corporate banking ☐

APPENDIX 2

RESPONSE RATE

Frequency Table

TABLE 1A

Group

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Customer	767	58.8	58.8	58.8
	Bankers	538	41.2	41.2	100.0
	Total	1305	100.0	100.0	

TABLE 1B Q57

Age

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18-24	139	10.7	10.7	10.7
	25-34	381	29.2	29.4	40.2
	35-44	562	43.1	43.4	83.6
	45&above	212	16.2	16.4	100.0
	Total	1294	99.2	100.0	
Missing	0	11	.8		
Total		1305	100.0		

TABLE 2 Q58

Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	749	57.4	57.8	57.8
	Female	546	41.8	42.2	100.0
	Total	1295	99.2	100.0	
Missing	0	10	.8		
Total		1305	100.0		

TABLE 3 Q59

Educational attaiment

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	SSCE holder NCE	438	33.6	34.0	34.0
	Diploma	348	26.7	27.0	61.1
	Graduate	501	38.4	38.9	100.0
	Total	1287	98.6	100.0	
Missing	0	18	1.4		
Total		1305	100.0		

TABLE 4 Q60

Do you work for a bank

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	NO	729	55.9	56.6	56.6
	YES	558	42.8	43.4	100.0
	Total	1287	98.6	100.0	
Missing	0	18	1.4		
Total		1305	100.0		

TABLE 5 Q61

If yes, what group of bank staff do you belong

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Junior	374	28.7	29.4	29.4
	Middle	462	35.4	36.3	65.8
	Senior	435	33.3	34.2	100.0
	Total	1271	97.4	100.0	
Missing	0	34	2.6		
Total		1305	100.0		

TABLE 6 Q62

How old are you in your present workplace

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1-5yrs	202	15.5	16.0	16.0
	6-10yrs	606	46.4	47.9	63.8
	11-15yrs	458	35.1	36.2	100.0
	Total	1266	97.0	100.0	
Missing	0	39	3.0		
Total		1305	100.0		

TABLE 7 Q63

What industry does your company belong to

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Oil/Gas	19	1.5	1.5	1.5
	Banking	550	42.1	42.6	44.1
	Consulting	305	23.4	23.6	67.7
	Service	395	30.3	30.6	98.3
	Distribution	22	1.7	1.7	100.0
	Total	1291	98.9	100.0	
Missing	0	14	1.1		
Total		1305	100.0		

TABLE 8 Q64

Which of these groups does your most active account belong to

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Retail banking	374	28.7	29.4	29.4
	Commercial banking	527	40.4	41.5	70.9
	Corporate banking	370	28.4	29.1	100.0
	Total	1271	97.4	100.0	
Missing	0	34	2.6		
Total		1305	100.0		

TABLE 9 Q3

High bank charges affect bank patronage

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	267	20.5	20.5	20.5
	Agree	245	18.8	18.8	39.3
	Undecided	168	12.9	12.9	52.1
	Disagree	254	19.5	19.5	71.6
	Strongly disagree	370	28.4	28.4	100.0
	Total	1304	99.9	100.0	
Missing	0	1	.1		
Total		1305	100.0		

TABLE 10 Q4

Pricing is key to the position bank current occupies in the market

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	311	23.8	23.8	23.8
	Agree	179	13.7	13.7	37.6
	Undecided	59	4.5	4.5	42.1
	Disagree	183	14.0	14.0	56.1
	Strongly disagree	572	43.8	43.9	100.0
	Total	1304	99.9	100.0	
Missing	0	1	.1		
Total		1305	100.0		

TABLE 11 Q5

Most customers are cost conscious when subscribing to banking products

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	120	9.2	9.2	9.2
	Agree	105	8.0	8.1	17.3
	Undecided	68	5.2	5.2	22.5
	Disagree	231	17.7	17.7	40.2
	Strongly disagree	780	59.8	59.8	100.0
	Total	1304	99.9	100.0	
Missing	0	1	.1		
Total		1305	100.0		

TABLE12 Q6

Customers are sensitive to price differentials in bank product

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	95	7.3	7.3	7.3
	Agree	119	9.1	9.1	16.4
	Undecided	96	7.4	7.4	23.8
	Disagree	213	16.3	16.4	40.2
	Strongly disagree	778	59.6	59.8	100.0
	Total	1301	99.7	100.0	
Missing	0	4	.3		
Total		1305	100.0		

TABLE13 Q7

Customers ignore the juicy and attractive prices on bank products because price is not the only determinant of choice of bank

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	672	51.5	51.7	51.7
	Agree	314	24.1	24.2	75.9
	Undecided	112	8.6	8.6	84.5
	Disagree	84	6.4	6.5	91.0
	Strongly disagree	117	9.0	9.0	100.0
	Total	1299	99.5	100.0	
Missing	0	6	.5		
Total		1305	100.0		

TABLE14 Q8

Customers often complain of banks COT charges as being high

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	159	12.2	12.2	12.2
	Agree	192	14.7	14.7	26.9
	Undecided	124	9.5	9.5	36.5
	Disagree	314	24.1	24.1	60.6
	Strongly disagree	514	39.4	39.4	100.0
	Total	1303	99.8	100.0	
Missing	0	2	.2		
Total		1305	100.0		

TABLE15 Q9

Customers consider interest rates charged by the banks as being excessive

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	343	26.3	27.8	27.8
	Agree	224	17.2	18.2	46.0
	Undecided	328	25.1	26.6	72.6
	Disagree	174	13.3	14.1	86.8
	Strongly disagree	163	12.5	13.2	100.0
	Total	1232	94.4	100.0	
Missing	0	73	5.6		
Total		1305	100.0		

TABLE16 Q10

Customers often complain of other bank charges which they consider high

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	157	12.0	12.1	12.1
	Agree	131	10.0	10.1	22.1
	Undecided	126	9.7	9.7	31.8
	Disagree	316	24.2	24.3	56.1
	Strongly disagree	571	43.8	43.9	100.0
	Total	1301	99.7	100.0	
Missing	0	4	.3		
Total		1305	100.0		

TABLE 17 Q11

Customers often complain of high surcharge on expired facilities

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	775	59.4	59.5	59.5
	Agree	255	19.5	19.6	79.0
	Undecided	92	7.0	7.1	86.1
	Disagree	103	7.9	7.9	94.0
	Strongly disagree	78	6.0	6.0	100.0
	Total	1303	99.8	100.0	
Missing	0	2	.2		
Total		1305	100.0		

TABLE 18 Q12

Customers often complain of high interest on facilities

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	763	58.5	58.6	58.6
	Agree	251	19.2	19.3	77.9
	Undecided	81	6.2	6.2	84.1
	Disagree	118	9.0	9.1	93.2
	Strongly disagree	89	6.8	6.8	100.0
	Total	1302	99.8	100.0	
Missing	0	3	.2		
Total		1305	100.0		

TABLE19 Q13

ustomers perceive price differetials among banks products as immaterial, henc they are indifferent

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	767	58.8	58.9	58.9
	Agree	232	17.8	17.8	76.7
	Undecided	100	7.7	7.7	84.4
	Disagree	111	8.5	8.5	92.9
	Strongly disagree	92	7.0	7.1	100.0
	Total	1302	99.8	100.0	
Missing	0	3	.2		
Total		1305	100.0		

TABLE 20 Q14

e youths from 25-45 more sensitive to prices of banking services than their elde in Nigeria

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	288	22.1	22.1	22.1
	Agree	230	17.6	17.7	39.8
	Undecided	547	41.9	42.0	81.9
	Disagree	146	11.2	11.2	93.1
	Strongly disagree	90	6.9	6.9	100.0
	Total	1301	99.7	100.0	
Missing	0	4	.3		
Total		1305	100.0		

TABLE 21 Q15

Citizen who belongs to the lower social class and the poor are more sensitive to bank charges than the middle class and upper lower class

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	655	50.2	50.3	50.3
	Agree	253	19.4	19.4	69.8
	Undecided	225	17.2	17.3	87.1
	Disagree	87	6.7	6.7	93.8
	Strongly disagree	81	6.2	6.2	100.0
	Total	1301	99.7	100.0	
Missing	0	4	.3		
Total		1305	100.0		

TABLE 22 Q16

eople without university education and similar qualifications are more sensitive t bank charges than those with higher education

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	576	44.1	44.3	44.3
	Agree	125	9.6	9.6	53.9
	Undecided	69	5.3	5.3	59.2
	Disagree	183	14.0	14.1	73.3
	Strongly disagree	347	26.6	26.7	100.0
	Total	1300	99.6	100.0	
Missing	0	5	.4		
Total		1305	100.0		

TABLE 23 Q17

CBN has no hand whatsoever in the charges fixed by the bank for their products

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	130	10.0	10.0	10.0
	Agree	38	2.9	2.9	12.9
	Undecided	100	7.7	7.7	20.6
	Disagree	269	20.6	20.7	41.4
	Strongly disagree	761	58.3	58.6	100.0
	Total	1298	99.5	100.0	
Missing	0	7	.5		
Total		1305	100.0		

TABLE 24 Q18

N do give bank broad guide on the charges however, banks while operating with the given spectrum fix its definite charges

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	746	57.2	57.2	57.2
	Agree	264	20.2	20.2	77.5
	Undecided	72	5.5	5.5	83.0
	Disagree	159	12.2	12.2	95.2
	Strongly disagree	63	4.8	4.8	100.0
	Total	1304	99.9	100.0	
Missing	0	1	.1		
Total		1305	100.0		

TABLE 25 Q19

Banks in Nigeria to my mind are over regulated

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	727	55.7	55.8	55.8
	Agree	293	22.5	22.5	78.3
	Undecided	102	7.8	7.8	86.2
	Disagree	88	6.7	6.8	92.9
	Strongly disagree	92	7.0	7.1	100.0
	Total	1302	99.8	100.0	
Missing	0	3	.2		
Total		1305	100.0		

TABLE 26 Q20

Owing to external interferences, banks in Nigeria exhibits high level of Policy inconsistencies

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	452	34.6	34.7	34.7
	Agree	361	27.7	27.7	62.4
	Undecided	272	20.8	20.9	83.3
	Disagree	111	8.5	8.5	91.9
	Strongly disagree	106	8.1	8.1	100.0
	Total	1302	99.8	100.0	
Missing	0	3	.2		
Total		1305	100.0		

TABLE 27 Q21

There are too many pricing policy summersault everywhere in Nigeria

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	530	40.6	40.8	40.8
	Agree	316	24.2	24.3	65.2
	Undecided	70	5.4	5.4	70.6
	Disagree	156	12.0	12.0	82.6
	Strongly disagree	226	17.3	17.4	100.0
	Total	1298	99.5	100.0	
Missing	0	7	.5		
Total		1305	100.0		

TABLE 28 Q22

Beside the CBN, the government itself is directly interfering in the fixing of bank charges by telling them what charge to make

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	126	9.7	9.7	9.7
	Agree	64	4.9	4.9	14.6
	Undecided	347	26.6	26.7	41.3
	Disagree	90	6.9	6.9	48.3
	Strongly disagree	672	51.5	51.7	100.0
	Total	1299	99.5	100.0	
Missing	0	6	.5		
Total		1305	100.0		

TABLE 29 Q23

he government is committed to reducing bank tariffs as an economic stimulus t increase public spending

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	254	19.5	19.5	19.5
	Agree	164	12.6	12.6	32.1
	Undecided	305	23.4	23.4	55.6
	Disagree	172	13.2	13.2	68.8
	Strongly disagree	406	31.1	31.2	100.0
	Total	1301	99.7	100.0	
Missing	0	4	.3		
Total		1305	100.0		

TABLE 30 Q24

Frequent policy reversals and changes by CBN and federal government confuse market stake holders this leades to price hike and inconsistency

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	608	46.6	46.7	46.7
	Agree	408	31.3	31.3	78.0
	Undecided	111	8.5	8.5	86.5
	Disagree	52	4.0	4.0	90.5
	Strongly disagree	124	9.5	9.5	100.0
	Total	1303	99.8	100.0	
Missing	0	2	.2		
Total		1305	100.0		

TABLE 31 Q25

The national dailies are awashed with ineffective pricing campaign by banks

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	701	53.7	53.8	53.8
	Agree	330	25.3	25.3	79.1
	Undecided	144	11.0	11.0	90.1
	Disagree	52	4.0	4.0	94.1
	Strongly disagree	77	5.9	5.9	100.0
	Total	1304	99.9	100.0	
Missing	0	1	.1		
Total		1305	100.0		

TABLE 32 Q26

The more the banks advertised, the higher the charges on services rendered

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	359	27.5	27.6	27.6
	Agree	238	18.2	18.3	45.9
	Undecided	460	35.2	35.3	81.2
	Disagree	108	8.3	8.3	89.5
	Strongly disagree	137	10.5	10.5	100.0
	Total	1302	99.8	100.0	
Missing	0	3	.2		
Total		1305	100.0		

TABLE 33 Q27

There are price tags associated with bank products, just like, there are fixed prices on products on supermarket

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	747	57.2	57.3	57.3
	Agree	244	18.7	18.7	76.1
	Undecided	81	6.2	6.2	82.3
	Disagree	170	13.0	13.0	95.3
	Strongly disagree	61	4.7	4.7	100.0
	Total	1303	99.8	100.0	
Missing	0	2	.2		
Total		1305	100.0		

TABLE 34 Q28

In banking, a marginal (a very little) increase in service quality will automatically lead to increase in service charge

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	170	13.0	13.1	13.1
	Agree	159	12.2	12.2	25.3
	Undecided	480	36.8	36.9	62.1
	Disagree	127	9.7	9.8	71.9
	Strongly disagree	366	28.0	28.1	100.0
	Total	1302	99.8	100.0	
Missing	0	3	.2		
Total		1305	100.0		

TABLE 35 Q29

The amount of financial transaction involved at any particular time determines the magnitude of service charge paid by the customer in banks

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	490	37.5	37.7	37.7
	Agree	95	7.3	7.3	45.0
	Undecided	233	17.9	17.9	63.0
	Disagree	244	18.7	18.8	81.8
	Strongly disagree	237	18.2	18.2	100.0
	Total	1299	99.5	100.0	
Missing	0	6	.5		
Total		1305	100.0		

TABLE 36 Q30

The cost of funds is a determinant of banks charges

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	460	35.2	35.4	35.4
	Agree	326	25.0	25.1	60.6
	Undecided	259	19.8	20.0	80.5
	Disagree	127	9.7	9.8	90.3
	Strongly disagree	126	9.7	9.7	100.0
	Total	1298	99.5	100.0	
Missing	0	7	.5		
Total		1305	100.0		

TABLE 37 Q31

The level of inflation determines the banks charge i.e, when prices of consumer goods and every other things go up, do bank charges go up in Nigeria as well

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	216	16.6	16.7	16.7
	Agree	163	12.5	12.6	29.3
	Undecided	275	21.1	21.3	50.5
	Disagree	192	14.7	14.8	65.4
	Strongly disagree	448	34.3	34.6	100.0
	Total	1294	99.2	100.0	
Missing	0	11	.8		
Total		1305	100.0		

TABLE 38 Q32

Notwithstanding banks seldom attractive discount charges customers are reluctant to switch loyalty due to some intrinsic factors

			Frequency	Percent	Valid Percent	Cumulative Percent
Valid		Strongly agree	586	44.9	45.0	45.0
		Agree	412	31.6	31.6	76.7
		Undecided	99	7.6	7.6	84.3
			[illegible]	8.6	8.6	92.9
		Strongly disagree	93	7.1	7.1	100.0
			[illegible]	99.8	100.0	
	Missing	0	3	.2		
	Total		1305	100.0		

TABLE 39 Q33

vernment reduction of bank tariffs may increase economic stimulus thus leading increase in public spending

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	531	40.7	41.0	41.0
	Agree	395	30.3	30.5	71.5
	Undecided	132	10.1	10.2	81.7
	Disagree	101	7.7	7.8	89.5
	Strongly disagree	136	10.4	10.5	100.0
	Total	1295	99.2	100.0	
Missing	0	10	.8		
Total		1305	100.0		

TABLE 40 Q34

ank usage in Nigeria is very low therefore; government monetary policies do no influences bank service charges

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	505	38.7	38.7	38.7
	Agree	394	30.2	30.2	68.9
	Undecided	90	6.9	6.9	75.8
	Disagree	192	14.7	14.7	90.6
	Strongly disagree	123	9.4	9.4	100.0
	Total	1304	99.9	100.0	
Missing	0	1	.1		
Total		1305	100.0		

TABLE 41 Q35

onomic monetary tools are ineffective because most of the money in circulation outside the banking system

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	542	41.5	41.6	41.6
	Agree	423	32.4	32.5	74.1
	Undecided	76	5.8	5.8	80.0
	Disagree	133	10.2	10.2	90.2
	Strongly disagree	128	9.8	9.8	100.0
	Total	1302	99.8	100.0	
Missing	0	3	.2		
Total		1305	100.0		

TABLE 42 Q36

The government is committed to reducing bank tariffs as an economic stimulus aimed at reducing cost of rising cost of doing business by customer

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	538	41.2	41.6	41.6
	Agree	250	19.2	19.3	60.9
	Undecided	114	8.7	8.8	69.7
	Disagree	238	18.2	18.4	88.1
	Strongly disagree	154	11.8	11.9	100.0
	Total	1294	99.2	100.0	
Missing	0	11	.8		
Total		1305	100.0		

TABLE 43 Q37

vernments inability to address the lingering issue of rising cost of doing busine in Nigeria exerts inflationary pressures

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	537	41.1	42.3	42.3
	Agree	356	27.3	28.1	70.4
	Undecided	102	7.8	8.0	78.4
	Disagree	108	8.3	8.5	86.9
	Strongly disagree	166	12.7	13.1	100.0
	Total	1269	97.2	100.0	
Missing	0	36	2.8		
Total		1305	100.0		

TABLE 44 Q38

st customers of banks make their choice based purely on banks credibility and r service charges

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	487	37.3	38.5	38.5
	Agree	342	26.2	27.1	65.6
	Undecided	134	10.3	10.6	76.2
	Disagree	49	3.8	3.9	80.1
	Strongly disagree	252	19.3	19.9	100.0
	Total	1264	96.9	100.0	
Missing	0	41	3.1		
Total		1305	100.0		

TABLE 45 Q39

earness of a bank to based is an incentive while deciding on the choice of a bank rather than charges

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	407	31.2	31.4	31.4
	Agree	376	28.8	29.0	60.4
	Undecided	242	18.5	18.7	79.0
	Disagree	83	6.4	6.4	85.4
	Strongly disagree	189	14.5	14.6	100.0
	Total	1297	99.4	100.0	
Missing	0	8	.6		
Total		1305	100.0		

TABLE 46 Q40

The performance and friendliness of bank staff is a better determinant of choice of a bank than its prices

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	368	28.2	28.3	28.3
	Agree	262	20.1	20.1	48.4
	Undecided	275	21.1	21.1	69.5
	Disagree	89	6.8	6.8	76.3
	Strongly disagree	308	23.6	23.7	100.0
	Total	1302	99.8	100.0	
Missing	0	3	.2		
Total		1305	100.0		

TABLE 47 Q41

The ecstasy of a banking environment, technology available for speedy/efficient processing and similar things induce customers to choose a bank rather than its charges

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	513	39.3	39.5	39.5
	Agree	403	30.9	31.0	70.5
	Undecided	81	6.2	6.2	76.7
	Disagree	95	7.3	7.3	84.0
	Strongly disagree	208	15.9	16.0	100.0
	Total	1300	99.6	100.0	
Missing	0	5	.4		
Total		1305	100.0		

TABLE 48 Q42

The image of a bank is enhanced by its promotional activities and so it is a better attraction to a potential customer to open an account

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	553	42.4	42.5	42.5
	Agree	329	25.2	25.3	67.7
	Undecided	228	17.5	17.5	85.3
	Disagree	88	6.7	6.8	92.0
	Strongly disagree	104	8.0	8.0	100.0
	Total	1302	99.8	100.0	
Missing	0	3	.2		
Total		1305	100.0		

TABLE 49 Q43

he quality of a banks services,its suitability to need and customer satisfaction ar tter attractions to prospect and existing customers, when compared with loweri charge

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	555	42.5	42.6	42.6
	Agree	359	27.5	27.6	70.1
	Undecided	68	5.2	5.2	75.4
	Disagree	133	10.2	10.2	85.6
	Strongly disagree	188	14.4	14.4	100.0
	Total	1303	99.8	100.0	
Missing	0	2	.2		
Total		1305	100.0		

TABLE 50 Q44

nks often do not know the true cost of the product they are selling (due to produ bundling, longitudinal nature of transaction etc consequently, crafting an effective/strategy

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	528	40.5	41.2	41.2
	Agree	367	28.1	28.6	69.9
	Undecided	103	7.9	8.0	77.9
	Disagree	108	8.3	8.4	86.3
	Strongly disagree	175	13.4	13.7	100.0
	Total	1281	98.2	100.0	
Missing	0	24	1.8		
Total		1305	100.0		

TABLE 51 Q45

Until quite recently a decade or two age, bank marketing strategist were non rofessional trained marketers hence they are naive in the use of marketing tool:

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	431	33.0	33.2	33.2
	Agree	352	27.0	27.1	60.2
	Undecided	246	18.9	18.9	79.2
	Disagree	79	6.1	6.1	85.2
	Strongly disagree	192	14.7	14.8	100.0
	Total	1300	99.6	100.0	
Missing	0	5	.4		
Total		1305	100.0		

TABLE 52 Q46

Generally, do customers feel that charges on services they get from their banks insignificant or insufficient and what something better

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	315	24.1	24.2	24.2
	Agree	152	11.6	11.7	35.9
	Undecided	92	7.0	7.1	42.9
	Disagree	319	24.4	24.5	67.4
	Strongly disagree	424	32.5	32.6	100.0
	Total	1302	99.8	100.0	
Missing	0	3	.2		
Total		1305	100.0		

TABLE 53 Q47

ınk customers do not chech to know how much charge the bank deduct each tim a banking transaction is made because they feel handicapped to seek effective change

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	483	37.0	37.2	37.2
	Agree	364	27.9	28.0	65.2
	Undecided	132	10.1	10.2	75.3
	Disagree	77	5.9	5.9	81.2
	Strongly disagree	244	18.7	18.8	100.0
	Total	1300	99.6	100.0	
Missing	0	5	.4		
Total		1305	100.0		

TABLE 54 Q48

The new N100 charge per month on withdrawals via ATM by some banks may increase the numbers of customers to banks with that policy

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	471	36.1	36.2	36.2
	Agree	366	28.0	28.1	64.3
	Undecided	130	10.0	10.0	74.3
	Disagree	112	8.6	8.6	82.9
	Strongly disagree	223	17.1	17.1	100.0
	Total	1302	99.8	100.0	
Missing	0	3	.2		
Total		1305	100.0		

TABLE 55 Q49

Do you think the federal government is committed to reducing bank tariffs as an conomic stimulus aimed at reducing rising cost of doing business in the countr

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	430	33.0	33.0	33.0
	Agree	255	19.5	19.6	52.6
	Undecided	154	11.8	11.8	64.4
	Disagree	224	17.2	17.2	81.6
	Strongly disagree	240	18.4	18.4	100.0
	Total	1303	99.8	100.0	
Missing	0	2	.2		
Total		1305	100.0		

TABLE 56 Q50

vernments inability to address the lingering issue of rising cost of doing busine in Nigeria exerts upward pressures on bank tariffs

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	582	44.6	44.7	44.7
	Agree	382	29.3	29.3	74.0
	Undecided	34	2.6	2.6	76.6
	Disagree	145	11.1	11.1	87.7
	Strongly disagree	160	12.3	12.3	100.0
	Total	1303	99.8	100.0	
Missing	0	2	.2		
Total		1305	100.0		

TABLE 57 Q51

ost customers of bank make their choice based purely on banks credibility and n service charges

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	591	45.3	45.4	45.4
	Agree	390	29.9	29.9	75.3
	Undecided	106	8.1	8.1	83.4
	Disagree	82	6.3	6.3	89.7
	Strongly disagree	134	10.3	10.3	100.0
	Total	1303	99.8	100.0	
Missing	0	2	.2		
Total		1305	100.0		

TABLE 58 Q52

the effective implementation of pricing strategies in banks hindered by regulato authorities

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	646	49.5	49.7	49.7
	Agree	313	24.0	24.1	73.8
	Undecided	89	6.8	6.8	80.6
	Disagree	94	7.2	7.2	87.8
	Strongly disagree	158	12.1	12.2	100.0
	Total	1300	99.6	100.0	
Missing	0	5	.4		
Total		1305	100.0		

TABLE 59 Q53

Have you ever been made to choose a bank based on price incentives/discount offered for lower charges

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	418	32.0	32.2	32.2
	Agree	302	23.1	23.2	55.4
	Undecided	218	16.7	16.8	72.2
	Disagree	122	9.3	9.4	81.5
	Strongly disagree	240	18.4	18.5	100.0
	Total	1300	99.6	100.0	
Missing	0	5	.4		
Total		1305	100.0		

TABLE 60 Q54

These days, there are many banking free COT promotional advertisement on prices do you know a friend/family member whom such promotion has helped to pick a banl

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	230	17.6	17.7	17.7
	Agree	158	12.1	12.1	29.8
	Undecided	237	18.2	18.2	48.0
	Disagree	222	17.0	17.1	65.1
	Strongly disagree	454	34.8	34.9	100.0
	Total	1301	99.7	100.0	
Missing	0	4	.3		
Total		1305	100.0		

TABLE 61 Q55

here is the allegation that adverts often asking customers to maintain a minimun balance for which it enjoys free COT; can it be true

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	431	33.0	33.3	33.3
	Agree	259	19.8	20.0	53.2
	Undecided	164	12.6	12.7	65.9
	Disagree	210	16.1	16.2	82.1
	Strongly disagree	232	17.8	17.9	100.0
	Total	1296	99.3	100.0	
Missing	0	9	.7		
Total		1305	100.0		

TABLE 62 Q56

ou are a banker would you say the pricing strategy used by your bank has helpe achieve some marketing objectives

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	511	39.2	39.6	39.6
	Agree	314	24.1	24.4	64.0
	Undecided	102	7.8	7.9	71.9
	Disagree	148	11.3	11.5	83.4
	Strongly disagree	214	16.4	16.6	100.0
	Total	1289	98.8	100.0	
Missing	0	16	1.2		
Total		1305	100.0		

TABLE 63 Q57

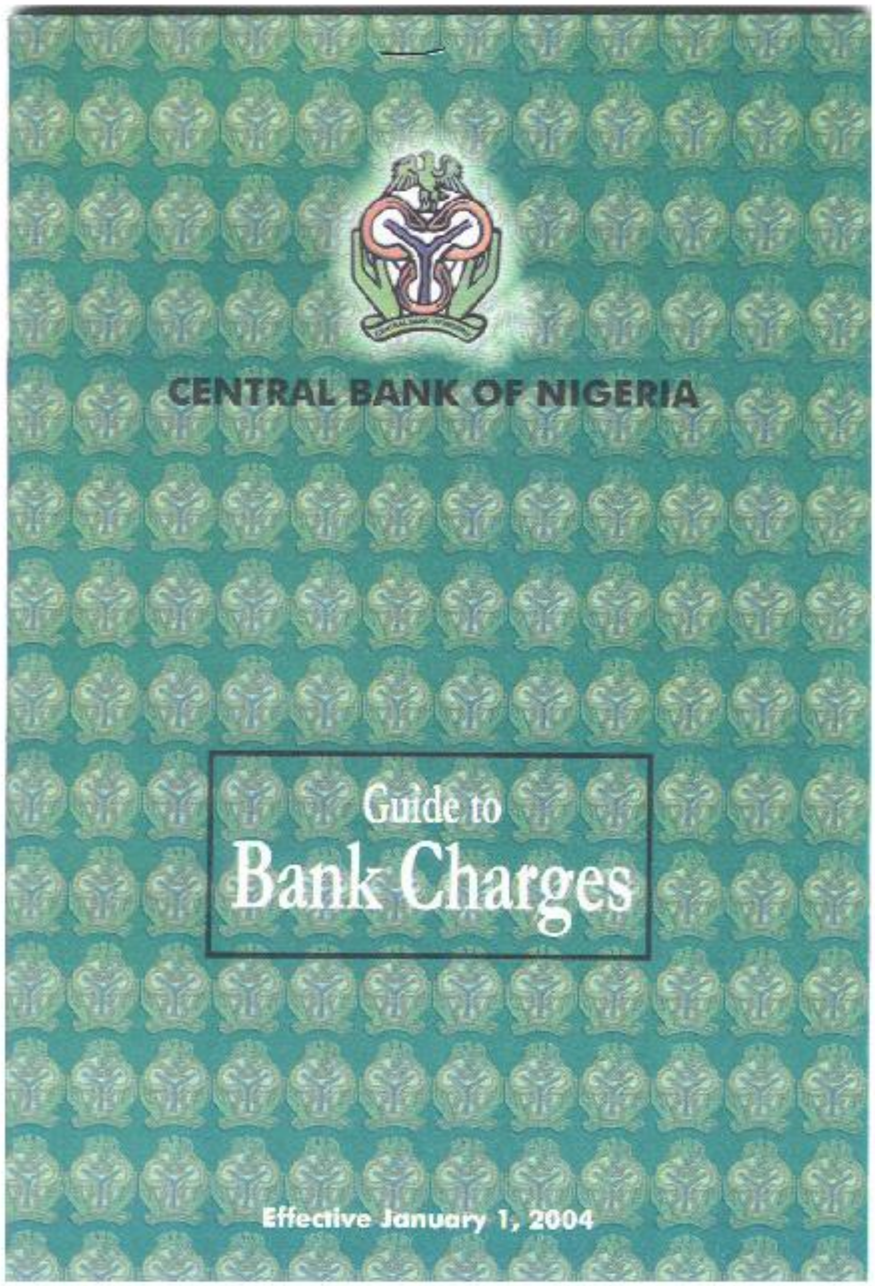
customers are not privy to service charges on banking product/facilities until they eventually open account

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	851	65.2	65.3	65.3
	Agree	256	19.6	19.6	84.9
	Undecided	74	5.7	5.7	90.6
	Disagree	71	5.4	5.4	96.0
	Strongly disagree	52	4.0	4.0	100.0
	Total	1304	99.9	100.0	
Missing	0	1	.1		
Total		1305	100.0		

TABLE 64 Q58

Which of these groups does your most active account belong to

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Retail banking	374	28.7	29.4	29.4
	Commercial banking	527	40.4	41.5	70.9
	Corporate banking	370	28.4	29.1	100.0
	Total	1271	97.4	100.0	
Missing	0	34	2.6		
Total		1305	100.0		


CENTRAL BANK OF NIGERIA
Guide to
Bank Charges
Effective January 1, 2004

Guide to
Bank Charges

Preamble

The "Guide to Bank Charges" provides a standard for the application of charges on various types of services rendered to customers of banks. This Guide has been drawn up bearing in mind the need to ensure flexibility and competitiveness required to deliver superior service to customers in a deregulated Nigerian economy. It also serves to align Nigerian Banking practices with international best practices and global financial standards.

The Guide to Bank Charges shall be applicable to all classes of customers of banks including individuals, corporates, governments (Federal, State, Local and their parastatals), and non-governmental organizations. Whereas the Guide to Bank Charges provides for charges on various products and services of banks, it is however not exhaustive.

The Guide to Bank Charges shall apply to both local and foreign currency deposits and lending transactions. Charges stipulated as negotiable in the Guide to Bank Charges shall be negotiated with reference to particular bank's policy. All commissions and charges stated in this Guide are subject to applicable taxes.

This Guide replaces the existing Bankers Tariff and may be reviewed and updated annually to reflect changes within the business environment. This Guide was approved on December 23, 2003 and takes effect from January 1, 2004.

CONTENTS

SECTION 1: INTEREST ON DEPOSITS

Description	Rates
1. Current Accounts in credit balance	Negotiable
2. Savings and Deposit Accounts	Negotiable

SECTION 1: INTEREST ON DEPOSITS

Description	Rates
1. Current Accounts in credit balance	Negotiable
2. Savings and Deposit Accounts	Negotiable

SECTION 2: INTEREST RATES/LENDING FEES

Description	Rates
INTEREST RATES	
1. Additional Interest (on authorised excess)	Negotiable
2. Unauthorised OD, Drawing against Uncleared Effects. (Whether within authorised limit or not)	Negotiable
3. Warehousing Facility	Negotiable
4. Equipment Leasing	Negotiable
5. Discountable instruments e.g. Bankers' Acceptances, Commercial Papers, Promissory Notes, etc	Negotiable
LENDING FEES	
6. Facility Restructuring Fee	Negotiable, subject to a maximum of 0.25% flat
7. Processing/Renewal Fees	
a) Corporate Bodies	Negotiable, subject to a maximum of 0.25% flat
b) Individuals	Negotiable, subject to a maximum of 0.25% flat
NOTE: Chargeable for all requests granted whether fresh or renewed. The charge applies each time an excess is granted but only for the excess figure or amount of the increase. No charges for requests declined.	
8. Processing Fee for consent for share of security	Negotiable subject to a maximum of 0.25% of amount of facility
9. Late Repayment of Loan Facility	1% flat per month on unpaid instalment in addition to charging current rate of interest on outstanding (Without prejudice to the provisions of the Prudential Guidelines on the limitation of accruals.)

SECTION 2: INTEREST RATES/LENDING FEES (Continued)

Description	Rates
LENDING FEES (CONTINUED)	
10. Commitment Fees	Negotiable, subject to a maximum of 1% flat of the amount.
11. Non-Drawing Fees (for consortium lending)	Negotiable, subject to a maximum of 1% flat of the amount.
12. Management Fees	Negotiable
13. Advisory/Consultancy fees	Negotiable
INTER-BANK BORROWING RATES	
14. Overnight/Call Money	Negotiable
15. Tenured	Negotiable
CHARGES FOR CONSORTIUM LENDING	
16 Agency Fee	Negotiable
17 Management Fee	Negotiable
18 Commitment Fee	Negotiable
19 Appraisal/Renewal Fee	Negotiable, subject to a maximum of 0.25% flat.
20 Commission Chargeable for Underwriting of Debentures	Negotiable
21 Participation Fee to be shared by Banks	Negotiable

SECTION 3: COMMISSION ON TURNOVER

Description	Rates
1. COT applies to all debit transactions. It is chargeable on all instruments and on all renewals and rollovers thereof, including discountable instruments such as Bankers' Acceptances, Commercial Papers, Promissory Notes, etc.	Negotiable subject to a maximum of N5 per mille
2. Debits representing transfers to other accounts in the same name, in the same branch or at another branch of the same bank.	Free
COST OF CHEQUE BOOK	
3. Cheque Books	Full recovery of cost plus stamp duties
4. Counter Cheque	N200 per leaflet

SECTION 3: COMMISSION ON TURNOVER

Description	Rates
1. COT applies to all debit transactions. It is chargeable on all instruments and on all renewals and rollovers thereof, including discountable instruments such as Bankers' Acceptances, Commercial Papers, Promissory Notes, etc.	Negotiable subject to a maximum of N5 per mille
2. Debits representing transfers to other accounts in the same name, in the same branch or at another branch of the same bank.	Free
COST OF CHEQUE BOOK	
3. Cheque Books	Full recovery of cost plus stamp duties
4. Counter Cheque	N200 per leaflet

SECTION 4: COMMISSION ON BONDS, GUARANTEES & INDEMNITIES, ETC.

	Description	Rates
1	Bid Bonds & Tender Bonds	Negotiable, subject to a maximum of 1% per quarter
2	Cheque Indemnities	1% on the amount of Indemnity
3	Performance Bond (chargeable from date of contingent liability)	2% per half year
4	Advance Payment Bond	1% per half year
5	Other Bonds, Guarantees and Indemnities	2% per half year, minimum N5,000
	NOTE: Where commission in respect of the charges is calculated and falls below minimum figure, the minimum will be charged.	N5,000

SECTION 5: FOREIGN EXCHANGE COMMISSION

Description	Rates
1. All purchases from CBN auction and inter-bank	1%
PURCHASES	
2. Inward Telegraphic Transfers, Mail Transfers, and Drafts expressed in Naira	Free
Inward Telegraphic Transfers, Mail Transfers, and Drafts expressed in Foreign Currency - Handling Commission.	0.5%, minimum N400
3. Travellers' Cheques, Cheques and Sight Bills for negotiation:	
Handling Commission	Minimum N1,000. Maximum 1%
Minimum charge for Cheques	Minimum N1,000. Maximum 1%
Minimum charge for Sight Bills	Minimum N1,000. Maximum 1%
4. Usance Bills purchases as in (3) plus interest at local rate	As in (3) plus interest at local rate
5. Foreign Currency Notes: To be purchased at the Bank's sight rate plus Handling Commission (no minimum charge)	Negotiable up to a maximum of 1%
6. Repurchase of Travellers' Cheques by the issuing bank will be at the T.C. buying rate for appropriate currency plus Handling Commission	Negotiable up to a maximum of 1%
SALES	
7. Commission on Outward Telegraphic Transfers, Mail Transfers and Drafts	1% (minimum N250)
8. Foreign currency notes at the normal selling rate plus Handling Commission	0.5% (minimum N250)
9. Travellers' Cheques. Rate applicable to Authorised Dealer plus Handling Commission	0.5% (minimum N250)
10. Transfers paid for in cash - Handling Charge	1%

SECTION 5: FOREIGN EXCHANGE COMMISSION (Continued)

Description	Rates
DOMICILIARY ACCOUNT CHARGES	
11. Transaction Charge	US$0.50 or its equivalent will be allowed per transaction.
12. Collection Charge on Cheques.	1% of cheque value or US$10 or its equivalent, whichever is higher.
13. a) Commission on Travellers' Cheque issued	Negotiable, subject to a maximum of 1%
b) Transaction charge on withdrawal from deposits other than cash	Negotiable, subject to a maximum of 1%
14. Commission on Mail Transfers, Telegraphic Transfers and Drafts	0.5% or US$10 or its equivalent, whichever is higher, plus actual communication cost.
15. Transactions on Letters of Credit, Bills for Collection and Guarantees	Charges will be as per relevant section in this Guide.

SECTION 6: BILLS FOR COLLECTION

Description	Rates
BILLS FOR COLLECTION (INWARD)	
1. Collection	
a) Clean Bill Commission	Maximum 2%, Minimum N1,000
b) Documentary Bill Commission	Maximum 2%, Minimum N1,000
Plus Postage	Cost of postage
Plus actual communication charge if applicable	Cost of communication
2. Holding charges after non-payment or non-acceptance, chargeable 1 month after arrival of goods	
Bills under N25,000	N500 per month
Bills above N25,000	N1,000 per month (Only when due to customer's default)
3. Extension charges for accepted bills or sight bills altered to tenure bills	N1,000 per bill
4. Bills for Collection Negotiation	0.5% Flat
5. Protest charges plus Notary Public Fees	Minimum N2,000 or 2% of bill amount, whichever is higher
6. Rebates between banks collection Commission (handling charges) should be split:	
Presenting Bank	25%
Acting Bank	75%

SECTION 6: BILLS FOR COLLECTION (Continued).

Description	Rates
BILLS FOR COLLECTION (INWARD)	
7. Unpaid Bills	In addition to the holding charge in (2) above, a bank is entitled to 1% commission. Where Nigerian Bank is acting for Nigerian Presenting bank, 1% commission is claimed and proceeds split with acting bank in accordance with (6) above
BILLS FOR COLLECTION (OUTWARDS)	
8. Collection Commission	
a) Documentary Bills	Maximum 2%
b) Clean Bills	Maximum 1%

SECTION 7: STRAIGHT FORWARD HANDLING OF DOCUMENTS

Description	Rates
1. Export Documents Delivery	0.5% per mille of invoice value Maximum N5,000
2. Import Documents	
a) Delivery	Cost of courier, plus N5,000 maximum
b) Bills for acceptance and return to Principals	Cost of courier, plus N5,000 maximum
c) If in respect of (b) bill is returned for collection and payment. Maximum Charge.	Cost of courier, plus N5,000 maximum

SECTION 8: INWARD AND OUTWARD LETTERS OF CREDIT

Description			Rates
INWARD LETTERS OF CREDIT (EXPORT)			
1.	Processing and Registration of Nigerian Export (NXP) Form		N5,000 flat
2.	Advising Commission		
	a)	When a Nigerian Bank simply verifies authenticity of the Credit and delivers same	N2,000 flat
	b)	When a Nigerian Bank has to rewrite the Credit	N0.5 per mille. Minimum equivalent of US$25.
3.	Confirming Commission		1%, minimum N5,000
4.	Transferable Credits, Transferable and Divisible Credits (part-shipment)		
	When all or part of a Credit is transferred, the charges (payable by the original beneficiary) are of the amount transferred.		0.5%, minimum US$25 or equivalent
5.	Negotiation of Documents Commission plus Interest, if applicable, at local rate		1%
OUTWARD LETTERS OF CREDIT (IMPORT)			
6.	Processing and Registration of Form M		N5,000 flat
	a)	Amendment	Negotiable, subject to a minimum of N5,000
	b)	Revalidation	Negotiable, subject to a minimum of N5,000
	c)	Extensions	Negotiable, subject to a minimum of N5,000

SECTION 8: INWARD AND OUTWARD LETTERS OF CREDIT (Continued)

Description	Rates
OUTWARD LETTERS OF CREDIT (IMPORT)	
7. Establishment Commission	
For credits up to 180 days	1%, plus communication charge
For credits up to 270 days	1.25%, plus communication charge
For credits up to 360 days	1.5%, plus communication charge
(These charges are on the period of validity of the credit)	
8. Handling Commission	Maximum 0.5%. Minimum N5,000
9. Renewal, Extension and Increase in the amount	
Renewals:	Credits may be renewed after 15th day following expiry only on payment of full Establishment Commission
Extensions: Minimum Charge	N5,000.00 flat
NOTE: Where a letter of credit is extended for period in excess of 12 months from the date of establishment, a Re-establishment Commission of 1% is payable.	1% p.a.
Increases: Additional Establishment Commission should be charged on the amount of any increase for the unexpired period of validity of credit. Minimum Charge	N2,000.00 flat
10. Other Amendments: On each occasion that amendments (other than those mentioned above) are made, a charge is to be made of at least	N2,000.00 flat
11. Usance Bill under Credit Guarantee Commissions: When the Bank accepts or guarantees payment at maturity of draft drawn under Credits Guarantee, commission should be charged.	
a) Where usance is less than one year	N3 per mille per month
b) Where usance exceeds one year	N5 per mille per month

SECTION 9: INTERNAL TRANSACTIONS

Description	Rates
1. a) Purchases	Negotiable
b) Collection of Cheques within Nigeria	Free
c) Transfers and Drafts drawn and payable within Nigeria	Free
d) Internal Transactions paid for in physical cash Cash handling charge for cash transactions of minimum of N5m per day.	Negotiable subject to a minimum of 1% (To discourage cash transactions)
2. a) Normal period for clearing of cheques: As advised by the Clearing House	
b) Special clearing of cheques: on the amount of cheque	0.5% flat of face value
3. Bank Drafts	
a) Customer	N200.00 flat
b) Non-Customer	N200.00, plus maximum 1% for cash handling charge
4. Standing Order Charge	N250.00 plus external transfer cost (e.g. NIBSS/NACS charges)
5 Encashment of cheques within Nigeria (Cheque cashing credit)	
a) Authorisation covering the encashment of the customer's own cheques at another bank or branch is liable to a commission on the maximum available in any one year. Charge to be shared equally between establishing and paying banks.	0.50%
b) Withdrawals from current account at another branch of a bank	N100 per transaction (to be borne by Payee)
6. Night Safe Charges: per qtr in advance irrespective of number of times facility is used Lost wallet and wallet keys will be charged at the cost of replacement	Negotiable
7 Stopped cheques	2% flat

SECTION 10: ELECTRONIC BANKING

Description	Rates
All Electronic Banking Services (including electronic card, internet banking and PC banking services) are subject to the following charges:	
1. Implementation Fee	Negotiable
2. Access Fee	Negotiable
3. Transaction Fee	Negotiable
4. Maintenance Fee	Negotiable
5. Card Issuance Fee	Negotiable

NOTE: These charges will be applicable to other existing and future Electronic Banking Products and Services not captured by this Guide.

SECTION 11: MISCELLANEOUS

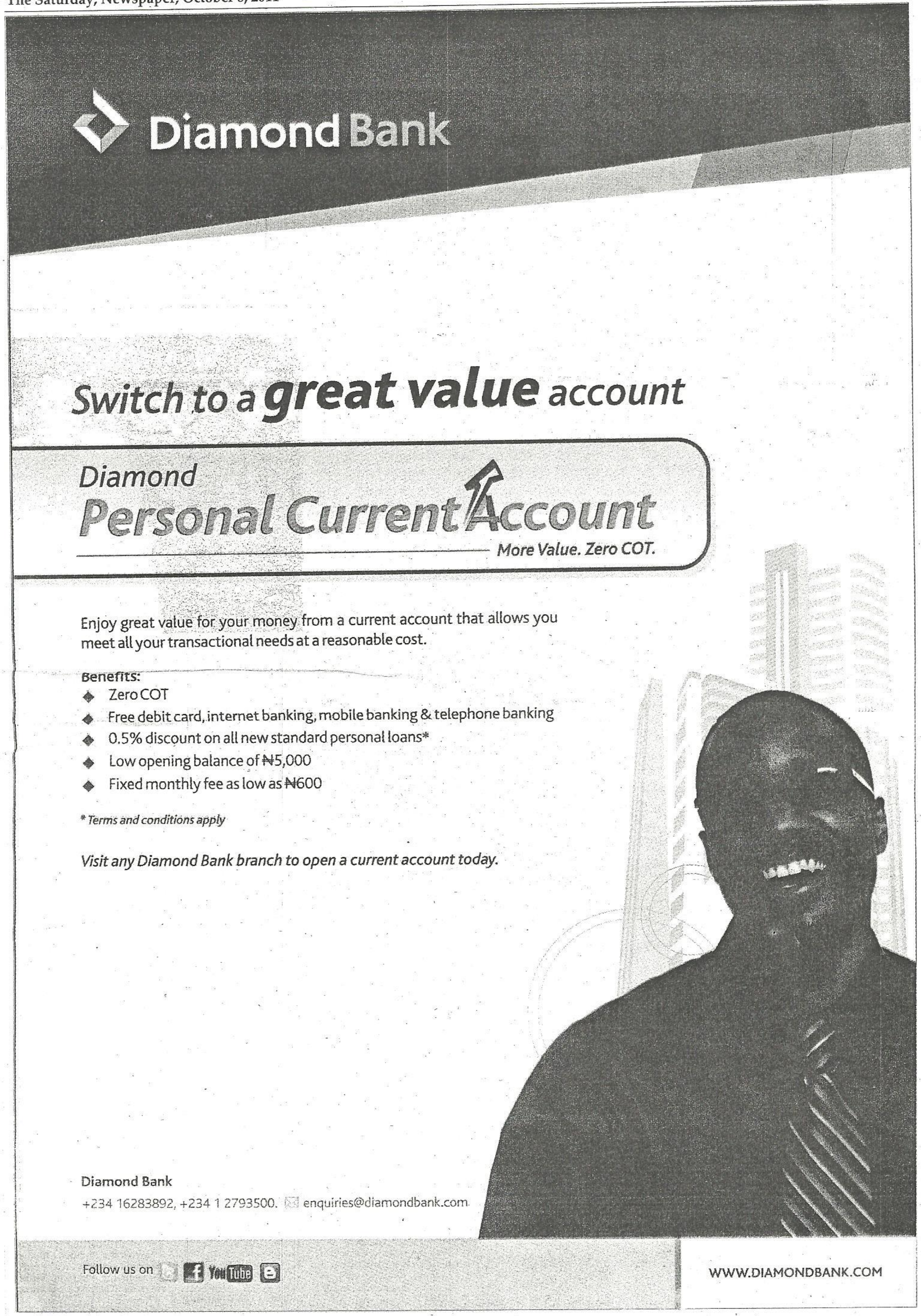
Description		Rates
1.	Reactivation/Closure of Accounts:	
	Savings	N500.00
	Current	N500.00
2.	Safe Custody	Negotiable
3.	Insurance Debits	Negotiable
4.	Bulk Third Party Payments e.g. Salaries, Dividend Warrants, Vendor Payments, etc.	Negotiable up to N250 per beneficiary (to be borne by instructing Party)
5.	Special request for Duplicate Statement	Negotiable
6.	Returned Cheques	0.5% of amount, maximum N5,000 (to be borne by Drawer)
7.	Reimbursement for business visit initiated by customer	Negotiable
8.	Status enquiry at the request of Customer	Negotiable
9.	Confirmation of overseas enquiries to correspondent banks at the instance of the beneficiary.	US$100 & other incidental expenses
10.	Intermediation Fees for Commercial Papers (to be borne by the Issuer)	Maximum 2% flat
11.	Replacement of Savings Passbook/Identity Card	N100.00 (Passbook) N200.00 (Lamination)
12.	Cash Deposit Booklet	
	a) Duplicate book of 50 leaves	N200.00
	b) Triplicate book of 100 leaves	N400.00
13.	NIBSS/NACS/etc - Processing Fee	Negotiable up to full recovery of cost

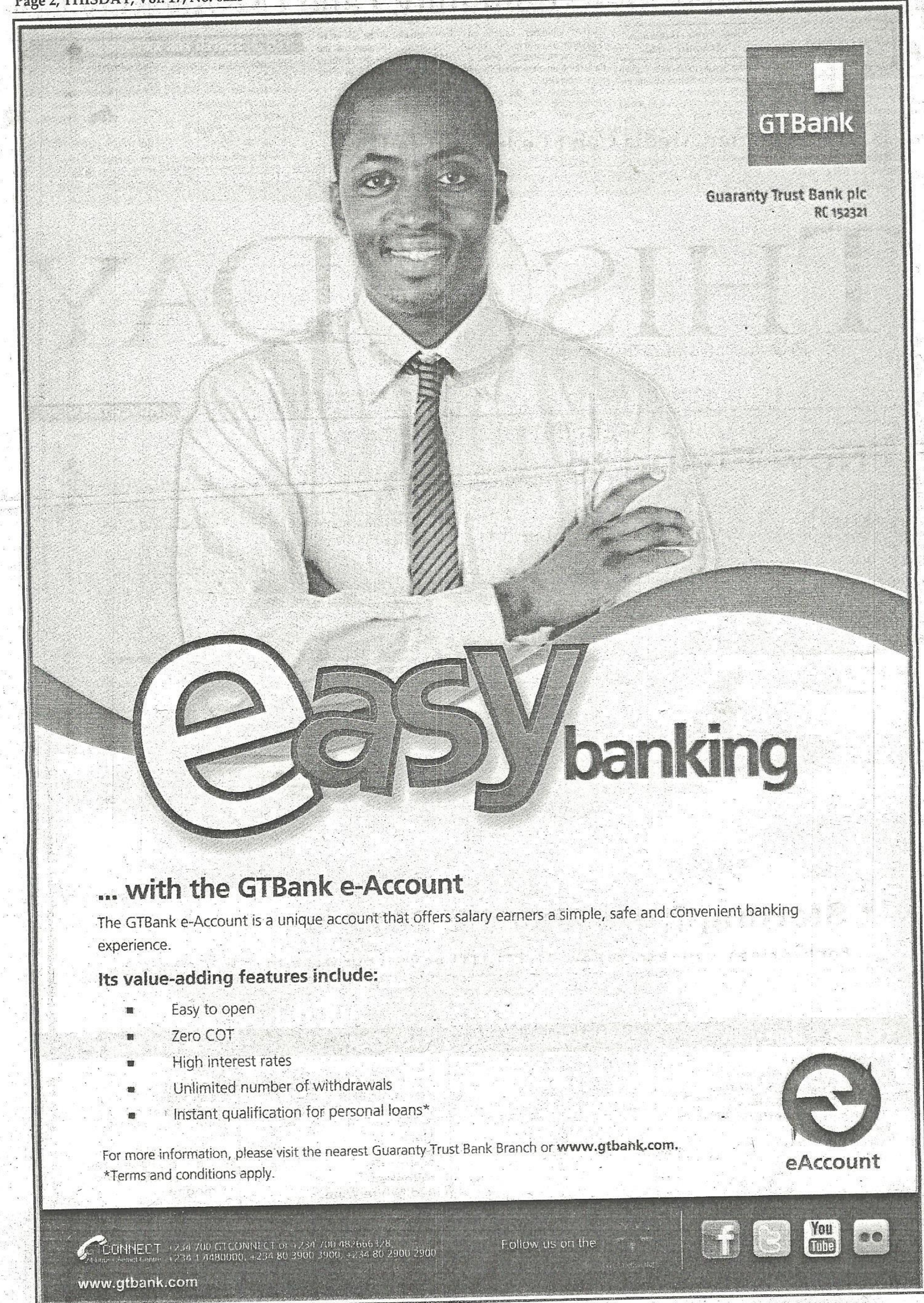
Footnotes:

(i) The Standing Sub-Committee on Bank Charges is to be notified of new charges proposed by any bank, which are not covered by this Guide. These proposed charges will be collated and presented to the Bankers' Committee for consideration.

(ii) Banks should adhere strictly to the provisions of the Guide to Bank Charges.

The Saturday, Newspaper, October 8, 2011 THISDAY, Vol. 16, No. 6011, Page 5

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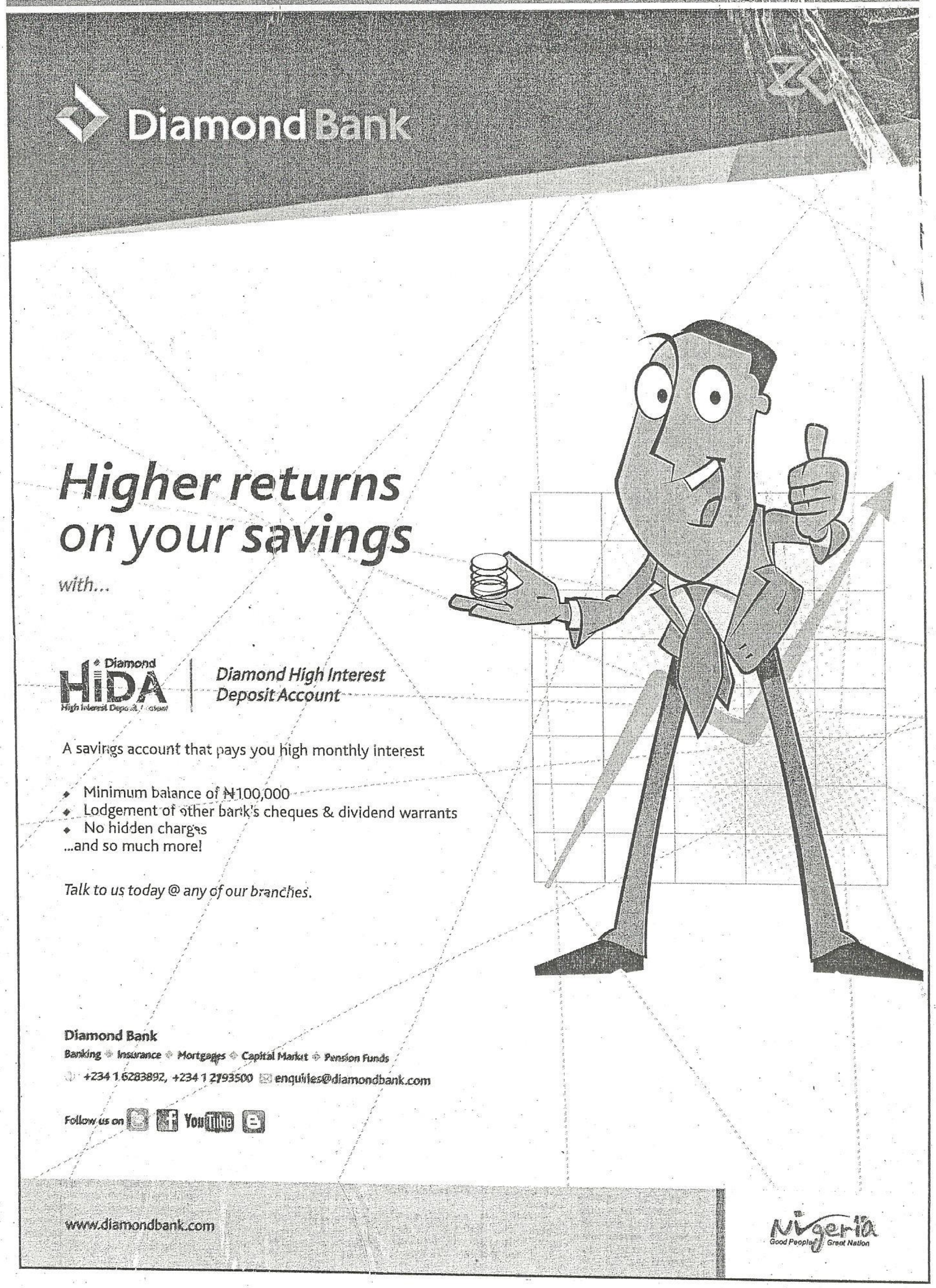
APPENDIX VIII

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**** Earn Qmiles every time you travel on Qatar Airways. Award flights exclude relevant surcharges and taxes.*

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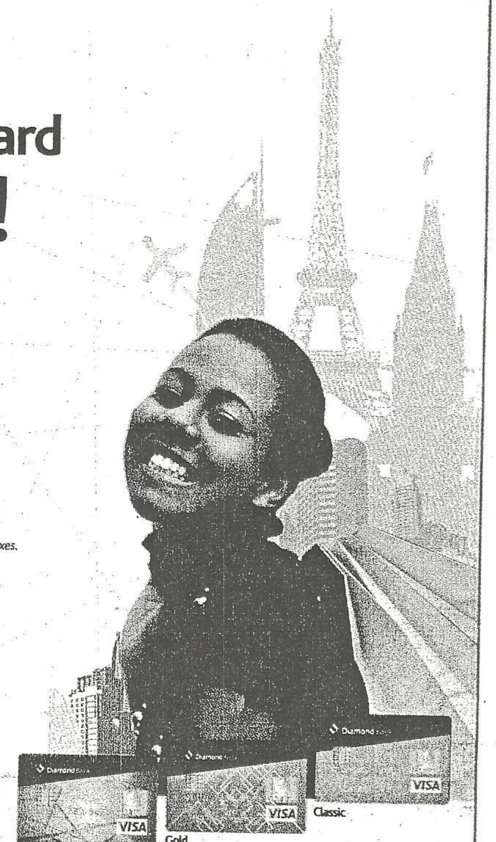

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APPENDIX V

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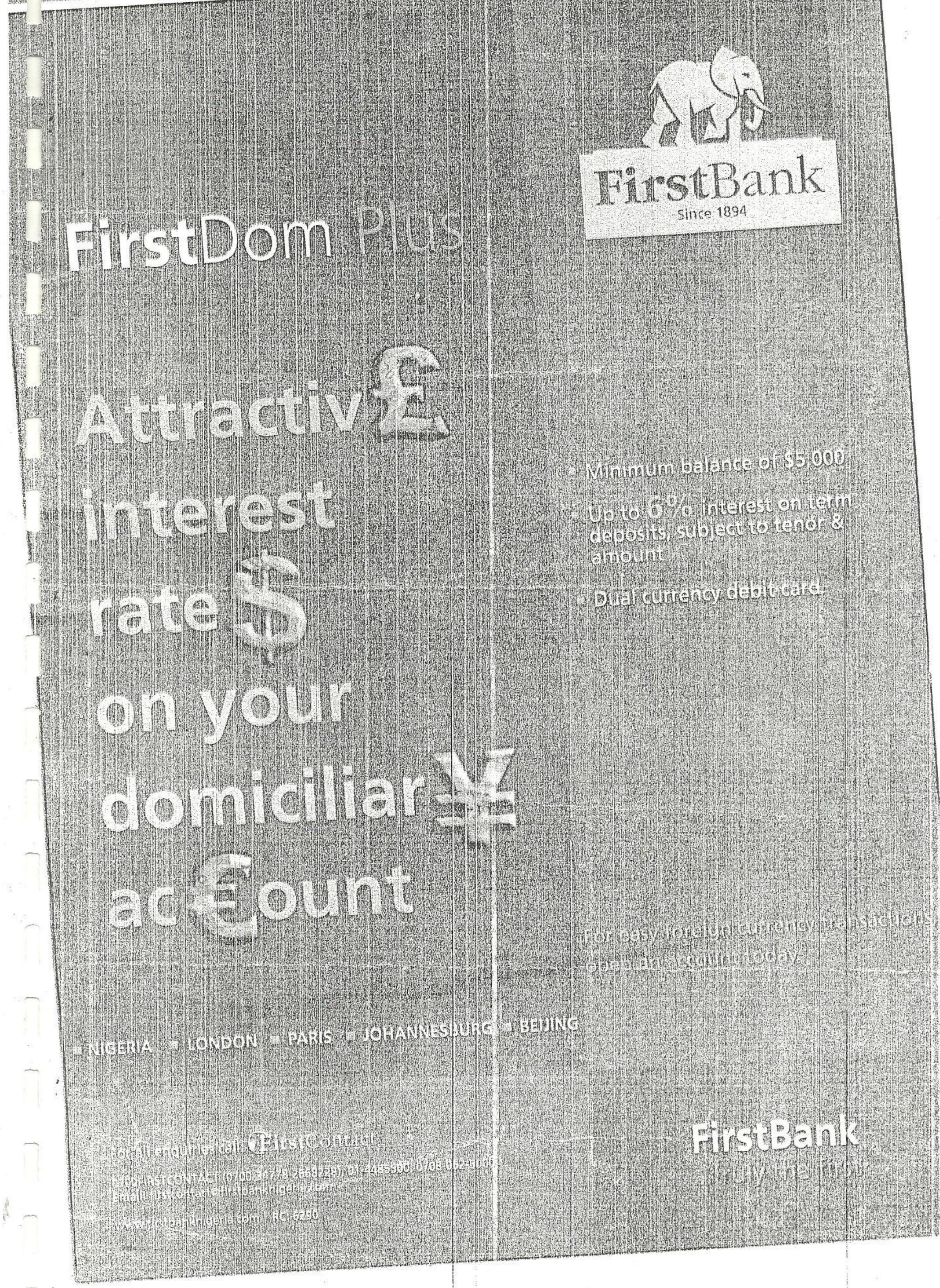
Appendix VI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CENTRAL BANK OF NIGERIA

In furtherance of the transparency and full disclosure stance of the Central bank of Nigeria, the Monetary Policy Committee has decided that henceforth the lending rates obtainable in all Deposit Money Banks (DMBs) be made public to guide business decisions. Consequently, find below the applicable rates for each of the DMBs as at 8/04/2011. The rates will be published every Wednesday in some selected national Newspapers. The rates will also be available on the website of the Central Bank of Nigeria

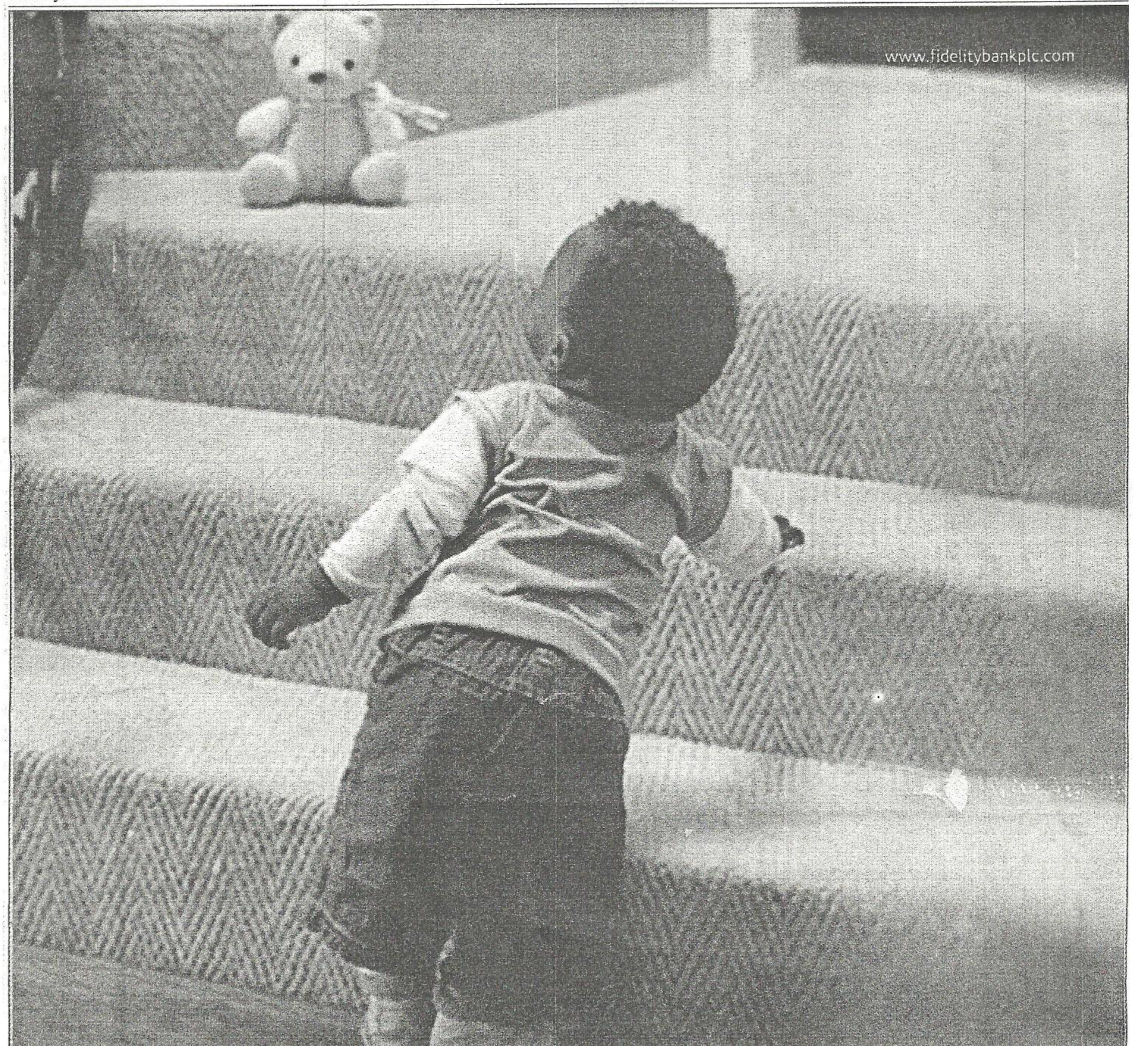
Average Deposit and Lending Rates as at 08-04-2011

		Deposit			Lending Rate									
S/N	NAME OF BANK	Demand Deposit	Savings Deposit	Time Deposit	Agriculture		Mining & Quarrying		Oil & Gas		Manufacturing.		Real Estate & Const	
		Ave.Int Rate	Ave.Int Rate	Ave.Int Rate	Prime	Max.	Prime	Max.	Prime	Max.	Prime	Max.	Prime	Max.
1	Access Bank	-	1.00	1.75-7.00	12.00	18.00	12.50	18.50	12.00	18.00	12.00	18.00	12.00	18.00
2	Afribank Nigeria	0.01	1.50	7.00	18.00	22.00	18.00	22.00	18.00	22.00	18.00	22.00	18.00	22.00
3	Diamond Bank	0.55	2.50	5.25	14.00	19.00	17.00	23.00	17.00	23.00	17.00	23.00	17.00	23.00
4	Ecobank Nigeria	0.01	2.00	6.00	n/a	n/a	19.00	20.00	15.00	20.00	13.00	20.00	17.00	20.00
5	Equitorial Trust Bank	0.05	2.00	6.31	10.00	20.00	10.00	20.00	10.00	20.00	10.00	20.00	10.00	20.00
6	Fidelity Bank	1.00	2.00	7.00	6.00	23.00	19.00	23.00	19.00	23.00	19.00	23.00	19.00	23.00
7	First Bank of Nigeria	0.00	1.00	0.6-3.00	9.00	20.00	18.00	24.00	18.00	24.00	18.00	24.00	14.00	16.00
8	FCMB	0.37	1.95	5.50	17.00	18.00	17.00	22.50	17.00	22.50	17.00	23.00	17.00	24.00
9	FINBANK	0.25	3.00	5.72	14.00	20.00	18.00	20.00	18.00	22.00	13.00	20.00	18.00	22.00
10	Guaranty Trust Bank	N/A	1.25	1.75-5.00	7.00	21.00	18.00	21.00	5.00	21.00	5.00	21.00	10.00	21.00
11	Stanbic IBTC Bank	0.45	2.07	4.19	16.00	20.00	14.00	20.00	14.00	20.00	14.00	20.00	14.00	20.00
12	Intercontinental Bank	1.00	0.50	5.00-8.00	17.00	21.00	18.00	23.00	18.00	23.00	17.00	21.00	19.00	24.00
13	Citi Bank Nigeria	0.25	1.50	1.75	13.00	21.00	13.00	21.00	13.00	21.00	13.00	21.00	13.00	21.00
14	Oceanic Bank	-	1.00	0.05-8.00	16.00	24.50	16.00	24.50	16.00	24.50	16.00	24.50	16.00	24.50
15	Bank PHB	0.60	1.50	10.20	4.00	24.00	17.00	24.00	17.00	24.00	17.00	24.00	17.00	24.00
16	Skye Bank	1.00	1.50	3.45	14.00	14.00	17.00	22.00	17.00	22.00	17.00	22.00	17.00	22.00
17	Spring Bank	0.25	2.00	4.40	19.00	22.00	19.00	22.00	19.00	22.00	19.00	22.00	19.00	22.00
18	Standard Chartered Bank	0.50	1.25	3.00	13.00	16.00	13.00	16.00	13.00	17.00	13.00	16.00	13.00	16.00
19	Sterling Bank	0.50	2.50	3.0-6.0	14.00	18.00	16.00	20.00	16.00	20.00	16.00	19.00	16.00	20.00
20	Union Bank	0.50	2.00	3.50-9.00	8.00	18.00	16.00	20.00	14.00	20.00	16.00	18.00	15.00	20.00
21	United Bank for Africa	0.02	-	4.14	6.00	24.00	20.00	24.00	14.00	24.00	10.00	24.00	14.50	24.00
22	Unity Bank	0.00-0.50	3.00	1.00-6.00	18.00	26.00	18.00	26.00	18.00	26.00	18.00	26.00	18.00	26.00
23	Wema Bank	1.00	2.30	2.66	17.00	20.00	17.00	20.00	17.00	20.00	17.00	19.00	17.00	21.00
24	Zenith Bank	1.25	1.25	2.00-5.00	12.00	16.00	12.00	19.00	13.00	20.00	12.00	19.00	13.00	19.00

		Deposit			Lending Rate									
S/N	NAME OF BANK	Demand Deposit	Savings Deposit	Time Deposit	General Comms.		Mortgage		Transp. & Comms.		Fin. & Ins.		Govt.	
		Ave.Int Rate	Ave.Int Rate	Ave.Int Rate	Prime	Max.	Prime	Max.	Prime	Max.	Prime	Max.	Prime	Max.
1	Access Bank	-	1.00	1.75-7.00	12.00	18.00	12.00	18.00	12.00	18.00	12.00	18.00	12.00	18.00
2	Afribank Nigeria	0.01	1.50	7.00	18.00	22.00	18.00	22.00	18.00	22.00	18.00	22.00	18.00	22.00
3	Diamond Bank	0.55	2.50	5.25	17.00	23.00	17.00	22.00	17.00	23.00	17.00	23.00	17.00	23.00
4	Ecobank Nigeria	0.01	2.00	6.00	15.00	22.00	12.00	18.00	17.00	20.00	15.00	20.00	14.00	20.00
5	Equitorial Trust Bank	0.05	2.00	6.31	10.00	20.00	10.00	20.00	10.00	20.00	10.00	20.00	10.00	20.00
6	Fidelity Bank	1.00	2.00	7.00	19.00	23.00	19.00	23.00	19.00	23.00	19.00	23.00	19.00	23.00
7	First Bank of Nigeria	0.00	1.00	0.6-3.00	18.00	24.00	18.00	24.00	18.00	24.00	18.00	24.00	18.00	23.00
8	FCMB	0.37	1.95	5.50	17.00	24.00	17.00	22.00	17.00	19.00	17.00	23.50	17.00	20.00
9	FINBANK	0.25	3.00	5.72	18.00	22.00	18.00	22.00	18.00	22.00	15.00	20.00	16.00	22.00
10	Guaranty Trust Bank	N/A	1.25	1.75-5.00	10.00	21.00	10.00	21.00	5.00	21.00	12.00	21.00	16.00	21.00
11	Stanbic IBTC Bank	0.41	2.07	3.13	14.00	20.00	16.00	22.00	14.00	20.00	14.00	20.00	14.00	20.00
12	Intercontinental Bank	1.00	0.50	5.00-8.00	19.00	25.00	9.50	9.50	18.00	23.00	18.00	21.00	18.00	22.00
13	Citi Bank Nigeria	0.25	1.50	1.75	13.00	21.00	-	-	13.00	21.00	13.00	21.00	-	-
14	Oceanic Bank	-	1.00	0.05-8.00	16.00	24.50	16.00	24.50	16.00	24.50	16.00	24.50	16.00	24.50
15	Bank PHB	0.60	1.50	10.20	17.00	24.00	17.00	24.00	17.00	24.00	17.00	24.00	17.00	24.00
16	Skye Bank	1.00	1.50	3.45	17.00	22.00	17.00	22.00	17.00	22.00	17.00	22.00	17.00	22.00
17	Spring Bank	0.25	2.00	4.40	19.00	22.00	19.00	22.00	19.00	22.00	19.00	22.00	19.00	22.00
18	Standard Chartered Bank	0.50	1.25	3.00	13.00	16.00	12.00	14.00	13.00	16.00	13.00	15.00	-	-
19	Sterling Bank	0.50	2.50	3.0-6.0	16.00	21.00	16.00	21.00	16.00	20.00	16.00	20.00	16.00	18.00
20	Union Bank	0.50	2.00	3.50-9.00	18.00	21.00	16.00	20.00	16.00	20.00	15.00	20.00	18.00	20.00
21	United Bank for Africa	0.02	-	4.14	15.00	24.00	10.00	24.00	12.00	24.00	11.00	24.00	13.00	24.00
22	Unity Bank	0.00-0.50	3.00	1.00-6.00	18.00	26.00	18.00	26.00	18.00	26.00	18.00	26.00	18.00	26.00
23	Wema Bank	1.00	2.30	2.66	17.00	21.00	17.00	21.00	17.00	21.00	17.00	20.00	17.00	20.00
24	Zenith Bank	1.25	1.25	2.00-5.00	13.00	22.00	13.00	19.00	12.00	19.00	13.00	21.00	13.00	20.00

These are the interest rates banks charge the public on loans and advances. It reflects the cost of borrowings and also includes all charges and commissions levied by banks.

(Signed)
Management



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