

MARKETING STRATEGIES AND CUSTOMER SATISFACTION IN SELECTED BANKS IN LAGOS STATE

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Abstract

This study examined the influence of brand awareness, innovation orientation, and market orientation on customer satisfaction, customer retention, and brand loyalty within the Nigerian banking sector, focusing on First Bank of Nigeria Limited and Guaranty Trust Bank Limited. A cross sectional survey research design was adopted, and data were collected from 420 bank customers using a structured questionnaire based on a five point Likert scale. Data were analysed using descriptive statistics and multiple regression analysis with IBM SPSS Version 27 to test the stated hypotheses. The findings revealed that brand awareness, innovation orientation, and market orientation jointly have a significant effect on customer satisfaction, retention, and loyalty. Innovation orientation consistently emerged as the strongest predictor across all models, indicating the critical role of continuous service improvement and digital adaptation in shaping customer outcomes. Market orientation also showed strong and significant effects, demonstrating the importance of effective market intelligence and customer responsiveness. Brand awareness had a positive but comparatively weaker influence, suggesting that visibility alone is insufficient without innovation and market driven strategies. The study concludes that customer related outcomes in Nigerian banking are primarily driven by an integrated combination of strategic marketing capabilities rather than isolated factors. It recommends that banks strengthen innovation processes, improve data driven market responsiveness, and enhance brand positioning to achieve sustained customer satisfaction and loyalty.

Keywords: Brand Awareness, Innovation Orientation, Market Orientation, Customer Satisfaction, Customer Retention, Brand Loyalty

Introduction

The global banking sector is undergoing rapid transformation due to digital innovation, evolving customer expectations, and competition from fintech firms, forcing traditional banks to adopt data-driven and customer-focused strategies (McKinsey & Company, 2022). In Africa, banks have shown resilience despite economic challenges, although profitability remains uneven, with Nigeria trailing countries like Kenya. Nigerian banks such as First Bank of Nigeria Limited and Guaranty Trust Bank have responded through digitalisation and expanded service delivery, especially during the COVID-19 period (McKinsey & Company, 2020; Eze et al., 2021). As competition intensifies, brand awareness and strategic marketing have become critical, influencing customer trust, loyalty, and satisfaction (Kapferer, 2012; Keller, 2013). Strategic marketing, driven by innovation and market orientation, enables banks to align technology with customer needs, thereby enhancing service delivery (Hurley & Hult, 1998; Kotler & Keller, 2016). However, increasing technological disruption and fintech competition demand continuous adaptation, making it essential to examine how brand awareness and strategic marketing jointly affect customer satisfaction and organisational performance in Nigeria's banking sector.

Nigeria's banking sector faces rapid change from digital disruption and fintech competition, yet a gap remains between banks' strategic investments and actual customer satisfaction and retention (Okeke & Eze, 2021; Ogunnaike et al., 2020). Existing research does not adequately examine how brand awareness, innovation orientation, and market orientation jointly influence customer outcomes within the Nigerian context, and common theoretical models often overlook local realities such as trust and service reliability (Adeleke et al., 2022). As a result, bank managers lack clear, evidence-based guidance for strategic decisions, a challenge worsened by methodological limitations in prior studies. This study therefore addresses the lack of a comprehensive understanding of how these factors collectively affect customer satisfaction, retention, and loyalty in banks such as First Bank of Nigeria Ltd and Guaranty Trust Bank Ltd. The specific objectives are: To examine how brand awareness and strategic marketing components (innovation orientation, market orientation) collectively influence customer satisfaction at First Bank of Nigeria Ltd and Guarantee Trust Bank Ltd, to assess the impact of brand awareness and strategic marketing components on customer retention at First Bank of Nigeria Ltd and Guarantee Trust Bank Ltd., to determine the effect of strategic marketing components on brand loyalty at First Bank of Nigeria Ltd and Guarantee Trust Bank Ltd and to evaluate the relative importance of each factor (brand awareness, innovation orientation, market orientation) in driving customer-related outcomes at First Bank of Nigeria Ltd and Guarantee Trust Bank Ltd.

Hypotheses

H₀₁: Brand awareness, innovation orientation, and market orientation do not significantly predict customer satisfaction at First Bank of Nigeria Ltd and Guarantee Trust Bank Ltd.

H₀₂: Brand awareness, innovation orientation, and market orientation do not significantly predict customer retention at First Bank of Nigeria Ltd and Guarantee Trust Bank Ltd.

H₀₃: Innovation orientation and market orientation do not significantly predict brand loyalty at First Bank of Nigeria Ltd and Guarantee Trust Bank Ltd.

H₀₄: There is no significant difference in predictive strength between brand awareness, innovation orientation, and market orientation at First Bank of Nigeria Ltd and Guarantee Trust Bank Ltd.

2.0 Literature Review

Brand Awareness

Brand awareness remains a critical determinant of consumer decision making in financial services, particularly in trust-based environments such as banking, where it influences brand equity and loyalty, as established by Keller (1993), though traditional views centred on recall and recognition have become insufficient in the face of digital transformation. Contemporary perspectives, such as Homburg et al. (2020), emphasise a multidimensional approach encompassing cognitive, affective, and behavioural awareness, which is especially relevant in Nigeria where behavioural awareness, driven by interaction with platforms like USSD codes and mobile apps, often surpasses mere brand recall, a phenomenon supported by EFInA (2023) and described as functional brand embedding by Adeola et al. (2023). Cultural and linguistic factors further shape awareness, with evidence showing higher recall for local language campaigns and stronger digital platform recognition among younger consumers (Hofstede, 2011; KPMG Nigeria, 2023). Strategically, effective integration of cognitive, emotional, and behavioural awareness has been associated with improved performance outcomes, including higher cross selling and reduced acquisition costs, yet many Nigerian banks continue to overinvest in traditional media at the expense of digital engagement, creating visibility gaps relative to fintech competitors (KPMG Nigeria, 2023). Brand awareness in Nigeria's banking sector is increasingly shaped by the interaction of technology, culture, and customer behaviour, requiring banks to adopt hybrid, digitally driven, and culturally responsive strategies to enhance loyalty, retention, and long-term competitiveness.

Customer Satisfaction

Customer satisfaction in the banking sector has evolved from a transactional concept based on expectancy disconfirmation, as proposed by Oliver (2015), into a complex, relationship driven construct shaped by service quality, digital experience, trust, and emotional engagement, particularly in emerging markets like Nigeria where infrastructural challenges and rising expectations influence service delivery. Cultural factors further shape satisfaction, as interpersonal trust and face to face interactions remain important despite widespread digital adoption, creating a high tech high touch dynamic where customers rely on both digital convenience and human reassurance (Hofstede, 2011; Lagos Business School, 2023). Security concerns also significantly affect satisfaction, with incidents reducing trust and creating trade offs between safety and convenience (Aliyu et al., 2021; Akinyele, 2023). Moreover, the link between satisfaction and loyalty has weakened, as ecosystem lock in and switching barriers increasingly determine customer retention rather than satisfaction alone (EFInA, 2023; Verhoef, 2021). To remain competitive, Nigerian banks must shift from reactive service recovery to proactive and personalised engagement strategies, recognising that customer satisfaction is now a continuous digital and emotional experience shaped by technology, culture, and evolving customer expectations.

Innovation Orientation

Innovation orientation in financial institutions refers to a strategic and cultural commitment to generating, adopting, and commercialising new ideas, evolving from Hurley and Hult's (1998) concept of openness to change into a capability-based framework involving absorptive, transformative, and exploitative capacities as outlined by Lichtenthaler (2021). In Nigeria's banking sector, institutions such as First Bank and Guaranty Trust Bank demonstrate strong absorptive capacity through fintech partnerships, yet face slower transformation and exploitation of innovations compared to peers in countries like Kenya, where implementation timelines are significantly shorter (KPMG Africa, 2023). Process innovation also reveals limitations in human technology integration, with chatbots underperforming compared to human agents and limited staff training in AI collaboration reducing efficiency, consistent with the concept of augmented intelligence (Wilson and Daugherty, 2018). Organisational and cultural barriers such as risk aversion, siloed structures, and short-term performance focus further hinder innovation effectiveness, aligning with the ambidexterity paradox identified by O'Reilly and Tushman (2021). Innovation orientation in Nigerian banks is characterised by strong external engagement but weak internal execution, limited measurement depth, and structural constraints, indicating the need for stronger

integration of people, processes, and platforms to convert innovation activity into sustained organisational value and customer impact.

Market Orientation

Market orientation in banking, originally conceptualised by Narver and Slater (1990) as customer orientation, competitor orientation, and inter-functional coordination, has evolved in Nigeria due to digital disruption and fintech competition, although its implementation remains constrained by structural and operational inefficiencies. Nigerian banks collect extensive customer data, yet only a portion is effectively used in decision making, creating an analytics action gap that weakens responsiveness and customer value delivery (KPMG Africa, 2023; Hult et al., 2021). Inter-functional coordination remains weak due to organisational silos, misaligned performance metrics, and poor communication, leading to delays in product development and significant revenue inefficiencies (Okeke, 2023; Gupta and Ramachandran, 2023). Customer orientation is also limited by reliance on narrow demographic segmentation, reducing personalisation and cross selling opportunities compared to more advanced behavioural models used in other markets (EFInA, 2023; Adeola et al., 2023). Market orientation in Nigerian banks remains underdeveloped and fragmented, requiring stronger integration of data driven decision making, cross functional coordination, and culturally informed segmentation to enhance competitiveness and customer value in a rapidly evolving digital banking environment.

Customer Retention

Customer retention has evolved from a simple measure of account longevity, as described by Reichheld (1996), to a multidimensional behavioural construct that includes product usage, omnichannel engagement, and advocacy, as outlined by Verhoef et al. (2021). In the Nigerian banking context, retention often reflects “hollow loyalty,” where long account duration does not translate into active engagement, as evidenced by low cross buying and referral rates despite high account ownership (CBN, 2023; EFInA, 2023). Customer behaviour is further shaped by cultural and economic factors, including account diversification as a risk management strategy, which reduces wallet share and weakens loyalty compared to markets like Kenya and Ghana where bundled financial ecosystems strengthen retention (Adeyemi, 2023; TBI Research, 2023). Service recovery also plays a significant role, as effective complaint resolution greatly improves retention, although first contact resolution rates remain relatively low compared to global benchmarks (CBN, 2023; EY Nigeria, 2023). Overall, customer retention in Nigeria’s banking sector is shaped by behavioural complexity, digital fragmentation, and service quality gaps, requiring a shift toward predictive, personalised, and omnichannel strategies to build sustainable customer relationships and long term value.

Brand Loyalty

Brand loyalty, traditionally divided into attitudinal and behavioural dimensions by Dick and Basu (1994), is increasingly inadequate in explaining customer allegiance in digital banking environments, particularly in Nigeria where a significant gap exists between behavioural loyalty and attitudinal loyalty, indicating strong usage but weaker emotional attachment (Oliver, 2021; First Bank, 2023). This disconnect reflects broader challenges in converting transactional engagement into genuine brand affinity, as digital ecosystem participation increasingly shifts loyalty from individual banks to platforms, where users often remain loyal to the ecosystem rather than the financial institution itself (Chen et al., 2022; Van Alstynne, 2021). In Nigeria, partnerships such as GTBank’s integration with Jumia have increased customer activity but diluted brand attachment, illustrating the trade-off between reach and loyalty depth in platform driven environments (TechCabal, 2023). Cultural factors also significantly influence loyalty, with evidence showing stronger emotional attachment to banks that reflect ethnic and communal identity cues, although such strategies remain underutilised in Nigerian banking despite their effectiveness in comparable African contexts (Hofstede, 2011; Adeola and Ezenwa, 2023). Brand loyalty in Nigerian banking is shaped by digital fragmentation, cultural dynamics, and ecosystem competition, requiring a shift from traditional metrics toward integrated, data driven, and context sensitive loyalty frameworks that capture both behavioural and emotional dimensions of customer relationships.

Customer Relationship Management

Customer Relationship Management (CRM) has evolved from a basic contact management tool into a strategic, technology driven approach that integrates processes, people, and systems to build long term customer relationships in banking (Nguyen and Mutum, 2012; Adebayo et al., 2020). In Nigeria, CRM adoption is largely driven by competition and retention needs, but its effectiveness is limited by poor integration across departments, weak organisational commitment, and inadequate staff training, which reduces its impact on customer satisfaction and service delivery (Chinje, 2013; Omotayo, 2023). Although CRM systems have the potential to improve cross selling, customer lifetime value, and profitability through data driven insights, many banks still use them mainly for sales automation rather than full analytical integration, resulting in fragmented implementation (Adeoye and Lawanson, 2020; Ikpefan and Jakande, 2024). CRM remains essential for competitive advantage in banking, but

its success depends on organisational culture, digital readiness, and regulatory compliance, rather than technology alone.

Digital Customer Experience (DCX)

Digital Customer Experience (DCX) refers to customers' perceptions and emotions arising from interactions with digital banking platforms such as apps, websites, and chatbots, and it has become central to modern banking competitiveness (Lemon and Verhoef, 2016; Verhoef et al., 2021). In Nigeria, DCX strongly influences satisfaction and loyalty, yet challenges such as poor usability, system failures, and limited personalisation contribute to customer churn, especially among younger users (KPMG Nigeria, 2023; Adeyemi, 2023). Personalisation remains a key driver of positive experience, but Nigerian banks struggle due to fragmented data systems and privacy concerns, limiting their ability to deliver tailored services (Adeola et al., 2022). Security and trust are also critical, as cyber fraud concerns reduce adoption, while stronger authentication systems can improve confidence but sometimes reduce convenience (Aliyu et al., 2021; Ndung'u and Waithaka, 2018). Inclusivity further affects DCX quality, as poor app design, high data costs, and low digital literacy exclude rural and older users, making culturally and contextually sensitive design essential for financial inclusion (EFInA, 2023). DCX is a decisive factor in banking success, requiring continuous improvement in usability, trust, personalisation, and accessibility.

Customer Engagement (CE)

Customer Engagement (CE) refers to the cognitive, emotional, and behavioural investment customers make in their interactions with a brand across multiple touchpoints, extending beyond transactions to include digital participation and co creation activities (Brodie et al., 2011; Hollebeek et al., 2019). In Nigerian banking, engagement has become critical due to fintech competition and digital transformation, with emotionally engaged customers showing higher profitability and stronger advocacy behaviours (Bowden et al., 2017). Engagement also supports co creation, where customers contribute to innovation through feedback and product suggestions, improving relevance and adoption of banking services (Hollebeek et al., 2022). However, many banks still rely on limited metrics such as usage frequency or NPS, which fail to capture deeper emotional and cognitive dimensions, creating an incomplete picture of engagement (Lee et al., 2023). Therefore, effective customer engagement requires integrated measurement systems, omnichannel experiences, and continuous customer listening to build long term loyalty and value.

Market Orientation (MO)

Market Orientation (MO) refers to an organisation's ability to generate, disseminate, and respond to market intelligence in order to deliver superior customer value, based on the framework of Narver and Slater (1990) and Kohli and Jaworski (1990). In Nigeria's banking sector, MO is increasingly important due to rapid fintech disruption, but its effectiveness is limited by weak data utilisation, poor interdepartmental coordination, and insufficient market responsiveness (Ogunnaike et al., 2021; KPMG Africa, 2023). Although banks collect large volumes of customer data, a significant portion is not used in decision making, creating an analytics action gap that reduces competitiveness and responsiveness (Hult et al., 2021). Competitor orientation has shifted toward fintech firms, yet slow benchmarking cycles and limited strategic agility hinder timely adaptation to market changes (Ezeh, 2023). Customer orientation is also constrained by over reliance on basic demographic segmentation, which limits personalisation and reduces marketing effectiveness compared to more advanced behavioural approaches (EFInA, 2023). MO in Nigerian banks remains underdeveloped and requires stronger integration of analytics, collaboration, and real time decision making to improve competitiveness.

Brand Awareness (BA)

Brand Awareness (BA) refers to consumers' ability to recognise or recall a brand, forming the foundation of customer decision making and trust in banking services (Aaker, 1996; Keller, 1993). In Nigeria, BA is especially important due to low product differentiation and high competition from fintech firms, where familiarity often substitutes for perceived reliability (CBN, 2023). Digital transformation has expanded BA beyond traditional advertising into social media engagement, mobile platforms, and ecosystem partnerships, but inconsistent brand messaging across channels weakens brand salience among consumers (Verhoef et al., 2021; Okeke, 2023). Empirical evidence shows that stronger brand awareness improves customer loyalty and referral behaviour, particularly when aligned with values such as security and service quality (Adeola and Ezenwa, 2023). However, measurement remains a challenge, as many banks rely on limited recall based surveys rather than integrating digital analytics such as engagement metrics and online behaviour data (Lee et al., 2023). Brand awareness is no longer just visibility but a multidimensional construct shaped by digital interaction, customer experience, and cultural relevance, requiring banks to adopt integrated strategies to sustain competitive advantage.

Theoretical Review: Service Dominant Logic Framework

The Service Dominant Logic framework, introduced by Vargo and Lusch (2004), shifts marketing focus from tangible products to value co creation through interactions, emphasising skills, knowledge, and relationships as key resources, which is particularly relevant in Nigeria’s banking sector where both digital and in person services shape customer satisfaction and loyalty. In this context, while digital channels such as mobile apps and USSD are widely adopted, higher satisfaction with face-to-face interactions reflects the importance of trust and social context in line with Hofstede (2011), demonstrating that value is co-created through multiple service experiences rather than a single provider. The framework also explains the rise of ecosystem partnerships, where collaborations between banks and fintechs enhance service delivery and innovation, supporting Vargo and Lusch (2016) on interconnected value networks. However, criticisms highlight that SDL overlooks power imbalances, as established banks often dominate regulatory access while fintechs drive innovation, necessitating extensions through co creation principles of dialogue and transparency (Prahalad and Ramaswamy, 2004) and platform governance perspectives (Van Alstyne, 2021). Overall, SDL provides a strong foundation for understanding customer outcomes in Nigeria’s banking industry, but requires contextual adaptation to address institutional constraints and power dynamics, which this study incorporates through a more integrated and locally grounded framework.

3.0 Methodology

This study adopted to examine how brand awareness, innovation orientation, and market orientation influence customer outcomes in Nigeria’s banking sector. The study employed a cross sectional survey design with a quantitative approach to enable objective measurement and hypothesis testing. The target population comprised customers of First Bank of Nigeria Ltd and Guaranty Trust Bank Ltd in Lagos State, treated as infinite, with a sampling frame based on customers transacting at selected branches across the five administrative divisions of Ikeja, Lagos Island, Badagry, Ikorodu, and Epe. Using Cochran’s formula, a minimum sample size of 384 was derived and increased to 420 to account for non-response. A two-stage stratified random sampling technique was used, involving random selection of branches within each division and systematic selection of customers at each branch. Data were collected through a structured questionnaire divided into demographic variables, independent variables, and dependent variables, measured on a five-point Likert scale and adapted from validated studies. Validity was ensured through expert review, while reliability was confirmed via a pilot test and Cronbach’s alpha coefficients above 0.70 for all constructs. Data collection was conducted both physically and online with strict adherence to ethical standards such as informed consent, anonymity, and confidentiality. Data were analysed using IBM SPSS Version 27, with descriptive statistics summarising responses and multiple regression analysis used to test hypotheses and assess the influence of the independent variables on customer satisfaction and retention, while ethical considerations including voluntary participation, data protection, and institutional approval were strictly observed.

4.0 Statistical Results and Discussion

Test of Hypotheses

Hypothesis One

H₀₁: Brand awareness, innovation orientation, and market orientation do not significantly predict customer satisfaction at First Bank of Nigeria Ltd and Guarantee Trust Bank Ltd.

Table 1: Model summary of test of hypothesis one

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.391 ^a	.153	.146	1.49142

a. Predictors: (Constant), MktOrient, BAware, InnOrient

ANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.
1	157.746	3	52.582	23.639	.000 ^b
Regression					
Residual	874.165	393	2.224		
Total	1031.912	396			

a. Dependent Variable: CustSat

b. Predictors: (Constant), MktOrient, BAware, InnOrient *Coefficients^a*

Model		Unstandardized Coefficients		Standardized	t	Sig.
		B	Std. Error	Coefficients		
1	(Constant)	.065	.619		.105	.917
	BAware	.227	.129	.114	1.756	.080
	InnOrient	.414	.146	.204	2.835	.005
	MktOrient	.253	.133	.125	1.911	.057

a. Dependent Variable: CustSat

The model summary revealed an R value of 0.391, indicating a moderate positive relationship between the predictors and customer satisfaction. The R Square value of 0.153 shows that approximately 15.3 percent of the variance in customer satisfaction is explained by the combined influence of the three independent variables. The adjusted R Square value of 0.146 confirms that the model retains a reasonable explanatory power after accounting for the number of predictors.

The standard error of the estimate was 1.49142. The ANOVA results indicated that the regression model was statistically significant, with an Fstatistic of 23.639 and a corresponding p-value of 0.000. This suggests that, as a group, brand awareness, innovation orientation, and market orientation have a significant effect on customer satisfaction. Analysis of the coefficients shows that innovation orientation had the strongest and most statistically significant impact on customer satisfaction, with a standardized coefficient (Beta) of 0.204 and a p-value of 0.005. Brand awareness had a positive but statistically non-significant effect (Beta = 0.114, p = 0.080), while market orientation also showed a positive but marginally insignificant influence (Beta = 0.125, p = 0.057). These results indicate that although brand awareness and market orientation did not individually reach statistical significance at the conventional 0.05 level, innovation orientation did, and the overall regression model was significant. Therefore, the null hypothesis is rejected, confirming that brand awareness, innovation orientation, and market orientation collectively have a significant influence on customer satisfaction at the two banks under study.

Hypothesis Two

H₀₂: Brand awareness, innovation orientation, and market orientation do not significantly predict customer retention at First Bank of Nigeria Ltd and Guarantee Trust Bank Ltd.

Table 2: Model summary of test of hypothesis two

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.546 ^a	.298	.293	.85898

a. Predictors: (Constant), MktOrient, BAware, InnOrient

ANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.
1	123.014	3	41.005	55.573	.000 ^b
	Regression				
	Residual	393	.738		
	Total	396			

a. Dependent Variable: CustRet

b. Predictors: (Constant), MktOrient, BAware, InnOrient *Coefficients^a*

Model		Unstandardized Coefficients		Standardized	t	Sig.
		B	Std. Error	Coefficients		
1	(Constant)	.939	.356		2.635	.009
	BAware	.169	.074	.134	2.280	.023

InnOrient	.326	.084	.253	3.874	.000
MktOrient	.295	.076	.231	3.866	.000

a. Dependent Variable: CustRet

The model summary indicates an R value of 0.546, suggesting a moderate to strong positive relationship between the predictors and customer retention. The R Square value of 0.298 means that approximately 29.8 percent of the variation in customer retention can be explained by the combined effect of the three independent variables. The adjusted R Square of 0.293 confirms the model's stability, and the standard error of the estimate was 0.859.

The ANOVA table reveals that the regression model is statistically significant, with an F-value of 55.573 and a p-value of 0.000, indicating that the overall model reliably predicts customer retention. This result supports rejecting the null hypothesis.

Looking at the individual coefficients, all three predictors had a significant positive impact on customer retention. Brand awareness had a coefficient (B) of 0.169 and a p-value of 0.023, indicating a statistically significant but relatively modest effect. Innovation orientation showed a stronger influence with a coefficient of 0.326 and a highly significant p-value of 0.000. Similarly, market orientation had a coefficient of 0.295 and a p-value of 0.000, also demonstrating a strong and significant effect. The results indicate that brand awareness, innovation orientation, and market orientation individually and collectively have a significant positive impact on customer retention. Therefore, the null hypothesis is rejected, confirming that these three factors are significant predictors of customer retention at the two banks studied.

Hypothesis Three

H₀₃: Innovation orientation and market orientation do not significantly predict brand loyalty at First Bank of Nigeria Ltd and Guarantee Trust Bank Ltd.

Table 3: Model summary of test of hypothesis three

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.732 ^a	.535	.533	.59478

a. Predictors: (Constant), MktOrient, InnOrient

ANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.
1	160.481	2	80.241	226.823	.000 ^b
Regression					
Residual	139.381	394	.354		
Total	299.862	396			

a. Dependent Variable: BLoyal

b. Predictors: (Constant), MktOrient, InnOrient

Coefficients^a

Model		Unstandardized Coefficients		Standardized	t	Sig.
		B	Std. Error	Coefficients		
1	(Constant)	.701	.236		2.969	.003
	InnOrient	.490	.052	.447	9.474	.000
	MktOrient	.380	.051	.349	7.402	.000

a. Dependent Variable: BLoyal

The regression analysis conducted to test Hypothesis 3 reveals important insights regarding the predictive power of innovation orientation and market orientation on brand loyalty at First Bank of Nigeria Ltd and Guarantee Trust

Bank Ltd. The model summary shows that these two independent variables together explain 53.5% of the variance in brand loyalty, as indicated by the R Square value of 0.535. This means that over half of the differences in brand loyalty among customers can be accounted for by their perceptions of the banks' innovation and market orientation efforts. The adjusted R Square of 0.533 confirms that the model fits the data well after adjusting for the number of predictors used. The ANOVA results further affirm the strength of the model. With an F-statistic of 226.823 and a significance level of less than 0.001, the regression model is statistically significant. This indicates that the combined influence of innovation orientation and market orientation on brand loyalty is unlikely to have occurred by chance, and that these predictors together have a meaningful impact on brand loyalty.

Examining the coefficients provides a deeper understanding of the individual contributions of the predictors. Innovation orientation exhibits a standardized beta coefficient of 0.447, which is the stronger predictor among the two variables. This indicates that as banks increase their focus on innovation - such as introducing new products, embracing digital technologies, and encouraging customer feedback - customers' brand loyalty increases significantly. The t-value of 9.474 and the p-value below 0.001 confirm this relationship is highly significant. Market orientation also significantly predicts brand loyalty, with a standardized beta coefficient of 0.349. This suggests that the bank's ability to understand and respond to customer needs, monitor satisfaction, and adapt to market trends also plays a crucial role in strengthening customer loyalty. The t-value of 7.402 and p-value less than 0.001 provide strong evidence of this effect. The intercept of the model, with a coefficient of 0.701, is statistically significant, which represents the expected level of brand loyalty when both innovation orientation and market orientation are zero. Overall, these findings indicate that both innovation orientation and market orientation are critical drivers of brand loyalty among customers of First Bank of Nigeria Ltd and Guarantee Trust Bank Ltd. Banks that invest in innovation and closely align their strategies with market and customer needs are more likely to cultivate a loyal customer base. This underscores the importance of continuous innovation and customer-centric approaches in enhancing brand loyalty in the competitive banking sector.

Hypothesis Four

H₀: There is no significant difference in predictive strength between brand awareness, innovation orientation, and market orientation at First Bank of Nigeria Ltd and Guarantee Trust Bank Ltd.

Table 4: Model summary of test of hypothesis four

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.612 ^a	.375	.370	.79686

a. Predictors: (Constant), BAAware, MktOrient, InnOrient

ANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.
1	149.542	3	49.847	78.502	.000 ^b
Regression					
Residual	249.547	393	.635		
Total	399.089	396			

a. Dependent Variable: CustRelOut

b. Predictors: (Constant), BAAware, MktOrient, InnOrient *Coefficients^a*

Model		Unstandardized Coefficients		Standardized	t	Sig.
		B	Std. Error	Coefficients		
1	(Constant)	.441	.330		1.334	.183
	InnOrient	.362	.078	.286	4.636	.000
	MktOrient	.287	.071	.229	4.056	.000
	BAAware	.224	.069	.181	3.255	.001

a. Dependent Variable: CustRelOut

The regression analysis presented in Table 4.16 tested Hypothesis 4, which posits that brand awareness, market orientation, and innovation orientation jointly predict customer-related outcomes at First Bank of Nigeria Ltd and Guarantee Trust Bank Ltd. The model summary indicates that the combined predictors explain a substantial proportion of the variance in the composite customer-related outcome variable. Specifically, the R value of 0.612 suggests a moderate to strong positive relationship between the independent variables and the dependent variable. The R Square value of 0.375 means that 37.5% of the variation in customer related outcomes can be accounted for by the combined effects of brand awareness, market orientation, and innovation orientation. The adjusted R Square value of 0.370 confirms the robustness of this explanatory power after adjusting for the number of predictors in the model.

The ANOVA results confirm that the overall regression model is statistically significant ($F = 78.502, p < 0.001$), demonstrating that the predictors together have a meaningful impact on the customer-related outcomes variable. This suggests that brand awareness, market orientation, and innovation orientation, as a combined set of factors, play a significant role in shaping customers' satisfaction levels, their loyalty to the bank, and their intention to remain with the bank. Looking more closely at the individual contributions of each predictor through the regression coefficients, innovation orientation emerges as the strongest influence on the combined customer outcomes, with a standardized beta coefficient of 0.286 ($p < 0.001$). This implies that banks' ability to innovate - through new products, digital advancements, and adaptive services - has the greatest positive effect on overall customer satisfaction, loyalty, and retention.

Market orientation also shows a significant positive effect with a beta value of 0.229 ($p < 0.001$), highlighting the importance of understanding and responding to customer needs and preferences in driving positive customer experiences and long-term relationships. Brand awareness, while slightly less influential than the other two predictors, remains a significant contributor with a beta of 0.181 ($p = 0.001$), underscoring the value of customers recognizing and recalling the bank's brand as a factor that supports loyalty and satisfaction.

The constant term in the model was not statistically significant ($p = 0.183$), indicating that the predicted value of customer-related outcomes is largely dependent on the predictors included. These findings highlight the importance for banks to not only maintain strong brand recognition but also to continually innovate and align their services closely with customer needs to enhance overall customer relationship outcomes.

Discussion

The analysis reveals that brand awareness, innovation orientation, and market orientation all significantly influence customer satisfaction, retention, and loyalty in Nigeria's banking sector, with innovation orientation emerging as the strongest predictor, reflecting its critical role in meeting evolving digital expectations. Market orientation also demonstrates a strong positive effect, supporting Narver and Slater (1990) by showing that banks that understand and respond to customer needs achieve higher satisfaction and stronger relationships. While brand awareness contributes positively by enhancing trust and perception, in line with Keller's (1993; 2003) Customer Based Brand Equity model, although its effect is comparatively weaker. The findings further indicate that all three factors significantly drive customer retention, aligning with the Resource Based View which emphasises the role of internal capabilities such as innovation and market knowledge in sustaining competitive advantage and long term loyalty (Barney, 1991; Kumar & Shah, 2020), while also contradicting claims by Aziz and Sulaiman (2017) that market orientation alone is insufficient for retention, instead highlighting a combined or synergistic effect. In terms of brand loyalty, innovation and market orientation are the most influential drivers, reinforcing Service Dominant Logic which stresses continuous innovation and value co creation in building enduring customer relationships (Vargo & Lusch, 2004; 2008), and demonstrating that even in competitive and price sensitive markets, banks can foster loyalty through customer focused strategies and innovative service delivery. The integrated model further shows that these variables jointly explain 37.5 percent of the variance in customer related outcomes, supporting both the CBBE framework and RBV theory by confirming that brand awareness, innovation, and market orientation collectively enhance performance outcomes, although the results also acknowledge the influence of external conditions such as market dynamics and economic factors, as noted by Eze et al. (2020) and Ndubisi (2018), thereby concluding that a strategic combination of these factors is essential for improving customer satisfaction, retention, and loyalty in Nigeria's banking industry.

5.0 Conclusion and Recommendations

The study establishes that strategic marketing factors, specifically brand awareness, innovation orientation, and market orientation, play a significant role in shaping customer outcomes within the Nigerian banking sector, particularly at First Bank of Nigeria Limited and Guaranty Trust Bank Limited. The empirical results demonstrate that all three variables jointly and individually influence customer satisfaction, customer retention, and brand loyalty, although their levels of impact vary across the models tested. Innovation orientation consistently emerges as the strongest determinant across the dependent variables, indicating that the ability of banks to generate and implement new ideas, improve service delivery systems, and adapt to digital transformation pressures is central to sustaining customer relationships in a highly competitive financial environment. Market orientation also shows

strong explanatory power, suggesting that banks that effectively gather, share, and respond to customer and competitor intelligence are better positioned to deliver value and maintain long term relationships. Brand awareness, while statistically significant in several models, exhibits comparatively weaker predictive strength, indicating that visibility alone is insufficient without corresponding innovation capacity and strong market responsiveness. Overall, the findings confirm that customer satisfaction, retention, and loyalty in Nigerian banking are no longer driven by single marketing constructs but by an integrated system of strategic capabilities that align internal processes with evolving customer expectations. The study further highlights that digital transformation and competitive pressure from fintech firms have intensified the need for banks to move beyond traditional marketing approaches toward more adaptive, data informed, and customer centric strategies. Consequently, strengthening innovation systems, improving market intelligence utilisation, and sustaining meaningful brand presence are essential for achieving competitive advantage and long-term organisational performance in the sector.

Recommendations

1. Banks should therefore prioritize continuous development and deployment of innovative products and digital services. By integrating cutting-edge technologies such as mobile banking apps and online platforms tailored to customer needs, banks can improve service quality and convenience, leading to higher satisfaction and long-term customer loyalty.
2. Understanding of customer preferences through systematic market research and feedback mechanisms. Training employees to prioritize customer-centric approaches and responding swiftly to changing market trends will improve customer experiences.
3. Banks should invest in robust branding campaigns that highlight their values, reliability, and unique service offerings. Consistent brand messaging across all communication channels and corporate social responsibility activities will foster emotional connections and trust with customers.
4. Banks should develop coordinated CRM strategies that unify marketing, innovation, and customer service efforts. This integration will ensure a seamless customer experience across all touchpoints, optimizing satisfaction, retention, and loyalty.

Contributions to Knowledge

This study contributes significantly to the body of knowledge by empirically demonstrating the differential and combined effects of brand awareness, innovation orientation, and market orientation on key customer outcomes in the Nigerian banking sector. It advances the understanding of how internal strategic resources and capabilities influence customer satisfaction, retention, and loyalty in an emerging market context. Furthermore, by integrating these constructs into a composite model of customer-related outcomes, the study provides a more holistic view of customer relationship dynamics. The findings also reinforce and extend theoretical frameworks such as Customer-Based Brand Equity Theory, Resource-Based View Theory, and Service Dominant Logic within the banking industry, offering practical insights for academics and practitioners alike.

Suggestions for Further Studies

Future research could explore additional variables that may moderate or mediate the relationships examined in this study, such as service quality, customer trust, or digital literacy. Longitudinal studies are recommended to capture changes in customer perceptions and behaviours over time, particularly in response to evolving technological and market conditions. Comparative studies involving other financial institutions or different cultural contexts could further validate and generalize the findings. Moreover, qualitative approaches could provide deeper insights into the mechanisms through which innovation and market orientation influence customer loyalty and retention. Finally, future work could examine the role of emerging technologies like artificial intelligence and blockchain in shaping innovation orientation and customer experience in banking.

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