Examining the effect of customers' perception of bank marketing communication on customer loyalty

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ABSTRACT

Even though the banking industry across the globe has undergone tremendous transformations especially digitalisation, research has barely kept pace with these changes especially as it has to do with marketing communication strategies. Thus, this paper examined how customers' perceptions of banks marketing communication tools influence customer loyalty. 313 valid responses were obtained from Nigerian bank customers through a survey questionnaire. The partial least squares structural equation modelling (PLS-SEM) procedure was utilised to examine the measurement model and test the research hypotheses. The results indicate that elements of bank marketing communication including advertising, sales promotion, public relations and personal selling are significant predictors of customer loyalty, but direct marketing is not. This study has implications for the update of marketing communication and formulation of customer loyalty policy in commercial banks in Nigeria and other emerging economies with similar business and economic history. The contributions of the study were discussed.

Introduction

Banks are the most important savings mobilisation and financial resource allocation institution in every economy. Modern economies depend on a thriving financial system which is believed to account for around 20% of the GDP [45]. Hard numbers show that three financial services sectors including retail banking generate approximately $6.6 trillion in global financial annual revenue and has tended to grow at a 6% over the preceding decade [40]. Therefore, the quest to keep to the promise of making the banking industry the engine of every economy has made the banking industry across the globe to witness tremendous transformation because the industry has become highly complex and competitive whilst the services and products offered by banks slightly differ, making differentiation difficult [5].

In Nigeria in particular, the impact of the Internet economy and digitalisation in the banking industry is seen in the increased move to retail banking and use of e-banking channels. This has further led to improvements in financial inclusion. Thus, without innovative services, financial services providers especially banks can rarely thrive. This might be why Barnes and Howlett [4] earlier argued that customers of financial services are unlikely to be overly impressed by core product at-

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tributes when all companies are providing similar offerings because many of such services are parity offerings. One of the key strategies that financial services firms especially banks can employ to distinctively set themselves apart from competitors is well articulated marketing communication programmes that match the current developments in the banking sector.

However, a recent research by Mintel shows that while smart financial services firms are increasingly investing in marketing communication, significant others are still stuck in their traditional spending habits which is far from suitable for delivering scintillating experiences to consumers of financial services nor winning over new ones [32]. Worst still, research has barely kept pace with the recent developments in the banking sector. It has been argued that customer-centric communications capabilities aided by social media lead to customer loyalty [44]. Additionally, good communication quality, which is timely, relevant, and reliable can facilitate customer loyalty [37]. However, there is limited research on how the marketing communication tools influence marketing outcomes especially customer loyalty. Extant studies tend to focus mainly on Europe and Asia (see for example [5,14,20]). However, Izogo [25] argued that customer loyalty manifest country and industry peculiarities whilst how the sense of loyalty evolve in the minds of consumers is inadequately understood. Tarus and Rabach [43] also argued that the determinants of loyalty exhibit industry or context peculiarities such that the antecedents of the concept cannot be generalised across contexts.

The foregoing presents a valid reason to believe Russell-Bennett, McColl-Kennedy, and Coote's [41] thoughts that what motivates consumers to be loyal is relatively unclear. When the marketing communication mix is splendidly integrated and executed, customers can be influenced to become loyal. This is because communication has been declared a key element of every business relationships [20]. Research also shows that social media channels such as blogs, wikis, discussion forums, and social networking sites are increasingly becoming very influential marketing communication channels even though they are not a replacement for offline digital tools [20].

But despite the acclaimed importance of communication as a critical element of value-based perspective relationships, little is known about the role of marketing communications in business relationships [20]. Thus, a systematic response to this void within the marketing literature has become long overdue. In response to this apparent knowledge shortage and the need to further our understanding of marketing communication in a rapidly evolving banking space, this paper seeks to investigate how customers' perception of marketing communication tools influence customer loyalty. The rest of this paper is structured as follows. The next section outlines the theoretical foundations upon which the paper is founded and draws on both conceptual and empirical literatures to develop the research hypotheses. The methodology employed to answer the research question is thereafter described. The last section of the paper analysed the data, present the findings, and discussed the research implications.

Literature review and research hypotheses

This paper draws on the promise theory of the service brand to argue its case. The promise theory was first developed by Calonius [11] and refined by Bitner [7] and Grönroos [17]. The theory stated that the external, internal and interactive marketing activities of an organisation form the customer, employee and organisational brand perceptions. The theory also depicts the service brand as playing an integrating role in aligning customer, employee and organisation brand perceptions and attitudes. This paper focuses on customers' perception of the service brand which emanates from external marketing and interactive marketing communications, but the scope of this paper is limited to the external marketing communication activities.

Within the promise theoretical framework, the external marketing activities are related to promise making. The external marketing activities being referred to in this sense relate to the marketing communications of organisations [10]. Thus, communications that emanate from firms' advertising, sales promotion, public relations, direct marketing, and personal selling activities fall within the remit of the organisation's external marketing activities. These communication tools are used to create brand awareness and build the firm's corporate image in the minds of the consumers [10]. Following Brodie et al.'s [10] reasoning that customer trust will be the outcome if the customer's experiences with a firm's external and interactive marketing activities are positive, we argue without loss of generality that a well-executed marketing communication programmes will lead to customer loyalty.

Customer loyalty is one of the widely investigated concepts in marketing. But despite the depth of extant research, customer loyalty deserves further investigation because a unified conceptualisation and measurement of the concept is lacking in the marketing literature [24]. Customer loyalty has been variously defined (see for instance [37,39]). However, we draw on Izogo [26] to define the concept within the banking sector as the continuous repurchase of (or ongoing supporting behaviour towards) a preferred bank, regardless of the presence of other banks and/or marketing efforts engineered by competing banks to induce customer switching. Thus, understanding customer loyalty entails exploring why some customers stay and others leave [36].

According to Izogo [26], recruiting loyal customers becomes important if, as is the case with the Nigerian banking industry, there are competing offerings. It has been shown that marketing communications shape attitude while attitude determine customer loyalty. Thus, a case can be made that marketing communication tools can be used to drive customer loyalty. For many modern business enterprises including financial services providers, advertising remains a critical driver of value [2]. Financial services advertising has been defined as "marketing communications carried out through the mass media or direct marketing means, with the intention of motivating the purchase of specific financial products or encouraging particular forms of financial behaviour" ([13], p. 127).

Advertising is a key element in the marketing communication tools that triggers brand preference and customer patronage because of its potency in informing, persuading, and reinforcing consumer purchase decisions [1]. To create the desired positive response in the target audiences, advertising need to be unique and credible or believable to the target audiences [34]. Advertisers try to influence customer loyalty by developing strong brand positioning to create brand preference and to develop strong emotional attachment to their brands through deeper and clearer understanding of their target audiences [34]. Advertising can influence human behaviour because advertising messages appeal to human needs [2]. The implicit proposal of the foregoing is that effective use of advertising can lead to positive brand attitude and brand loyalty. The foregoing evidences, therefore, led us to propose the following hypothesis:

H_1 Customers' perception of banks' advertising policy has a significant positive effect on customer loyalty

Sales promotion has been variously described such that the boundaries defining sales promotion is rarely clearly drawn nor consistently used. Recently, the American Marketing Association (2017 cited in [14], p. 438) defined sales promotion as "the media and non-media marketing pressure applied for a predetermined, limited period of time at the level of consumer, retailer, or wholesaler in order to stimulate trial, increase consumer demand, or improve product availability". Other definitions abound but the consensus points to the fact that sales promotion is any short-term inducement offered to consumers to stimulate a predetermined response. It can be used to arouse consumers' desires, stimulate interest, encourage customers to try new products, increase sales or incentivise trade (channel members) [12,38].

As such, it has been declared an important marketing communication tool [9]. According to Blattberg and Neslin [8], sales promotion is an action-focused marketing event whose purpose is to have a direct impact on the behaviour of the firm's customers. Therefore, it makes sense to argue that sales promotion can lead to customer loyalty because loyalty a typical example of customer behaviour. According to Fam et al. [14], successful sales promotional activities induce consumers to make new product trials and also provide additional consumer benefits, such as monetary or non-monetary rewards. Thus, we propose the following hypothesis.

H_2 Customers' perception of banks' sales promotional activities has a significant positive effect on customers loyalty.

Public relations are the development and maintenance of good relationships with the different organisational publics [42]. It can be used to build brands better than advertising [21] using tools such as news, speeches, special events, written materials and corporate identity materials. This implies that public relations are about the various publics of a firm including customers and how the firm relates with such publics to build corporate image. Thus, corporate social responsibility is tangentially related to public relations because it is equally about the organisation's publics. Consistent with the promise theory, public relations are one of the external marketing communication tools that firms can employ to enhance their image in the minds of the customers. External marketing communication tools are used to create brand awareness and build the firm's corporate image in the minds of the consumers [10]. Corporate image emerges from all the interactions, experiences, impressions, feelings, beliefs and knowledge of consumers about a firm [30]. Holmes [21] also argued that public relations help to manage communications and relationships with all the identified groups to establish goodwill and mutual understanding between them and the organisation as well as a good branding and customer loyalty building tool. Thus, we argued likewise that public relations have a role to play in inducing customer loyalty. According to Ladhari et al. [30], corporate image created through the firm's public relations activities is a vital tool which banks can utilise to retain its market position and enforce customer retention. Thus, we hypothesise as follows:

H_3 Customers' perception of banks' public relations practices has a significant positive effect on customer loyalty.

The UK Direct Marketing Association defined direct marketing as the distribution of information, products or services through any advertising medium that invites the individual to respond directly to the advertiser [42]. Direct marketing is therefore, a marketing communication tool that fosters two-way direct engagement with customers. Thus, consistent with the promise theory, it is an interactive external marketing activity that is used to deliver the service offer promised by the firm to its customers. Direct marketing is akin to electronic customer relationship management. The consensus within the e-CRM is that e-CRM strategies lead to customer loyalty. For instance, Lee-Kelley, Gilbert, and Mannicom [31] found that customers' perceived e-CRM has a strong positive linear effect on customer loyalty. Mbama and Ezepue [33] also demonstrated that digital banking service quality leads to customer loyalty. Given that e-CRM and digital marketing are only possible through direct marketing tools, we therefore, argue that direct marketing can influence customer loyalty. Therefore, we propose the following hypothesis:

H_4 Customers' perception of banks direct marketing practices has a significant positive effect on customer loyalty.

Futrell [15] described personal selling as "the personal communication of information to persuade a prospective customer to buy something – a good, service, idea, or something else". Johnston and Marshall [28] are of the view that marketing communications passed by salespeople are potentially more persuasive than advertising or publicity because of the face-to-face communication with customers. As such, it is widely recognised amongst academics and practitioners that effective personal selling has become indispensable to the success of banking institutions [6]. Personal selling is carried out by company employees. Building on the promise theory which postulates that employees emit experiences that carry positive effects during customer-firm interactions, we argue that personal selling efforts of salespeople can trigger customer loyalty. Communication apprehension has been noted as one of the key variables that affect salesforce performance [27] whilst customer loyalty is a major indicator of firm performance. Thus, we propose that effective personal selling will positively affect customer loyalty. Thus, the following hypothesis is proposed:

H_5 Customers' perceptions of banks' personal selling tactics have a significant positive effect on customer loyalty.

Methodology

The data was gathered through a mall-intercept survey involving commercial bank customers who have had a minimum of ten years of experience with their banks. The participants were conveniently recruited from the five states in South East, Nigeria. As such, the study relied on the bank customers who were available on request. The selection of South East Nigeria was because states within this region contain massive number of bank customers who fall within both the working-class category and businessmen. These classes of people are bound to maintain active accounts with commercial banks. Additionally, all the twenty commercial banks operating in Nigeria have branches all over the five states of the South East Nigeria. The questionnaire administered to the customers contained measures of customer loyalty, advertising, sales promotion, public relations, direct marketing, and personal selling as well as questions used to elicit demographic information.

In total, 1000 customers were approached. The refusal rate was above 60%. 384 respondents agreed to participate but only 313 were valid for final analysis. The rest were discounted for reasons related to incomplete data, responses bias, and inappropriate responses. The gender distribution of the sample was relatively even (females 52.4%; males 47.6%). 55.4% were self-employed while the remainder were employed by the government. 49.7% were single while 50.3% were married. The age distribution of the respondents is consistent with the population distribution of Nigeria as majority of the respondents (over 85%) were less than 40 years. This is because the country is currently undergoing a demographic transition. All the respondents had a minimum of primary education.

Finally, the percentage of responses from each of the five states of South East geopolitical zone in Nigeria were proportional to their populations respectively. Taken together, the sample demonstrates normal distribution because the 25 measurement items have skewness and kurtosis statistics that were in the range of -0.513 to -1.143 and 0.152 to 2.471 respectively. The skewness and kurtosis statistics for the demographic variables were in the following range: 0.242–$1.500(-0.332/-0.284)$ and 0.237–$1.752(-0.280- -1.934)$ respectively. According to Kline [29], indexes of skewness and kurtosis that are respectively less than ±3.0 and ±8.0 demonstrate normal distribution.

Analysis and results

Assessing multicollinearity of the measurement model

According to Hair, Black, Babin and Anderson [19], multicollinearity is not present if the tolerance value is substantially above 0.10 and the variance inflation factor (VIF) is below 5. The five predictor variables (that is advertising, sales promotion, public relations, direct marketing, and personal selling) were submitted to a multiple regression analysis through the SPSS version 23.0 software. The results indicate that multicollinearity is very unlikely because the variance inflation factor is well within the limit of acceptability because it ranges from 1.264 to 1.501 which is well below 5. Additionally, the tolerance values which ranged from 0.666 to 0.791 are a clear indication that multicollinearity issues are very unlikely because the values are well above 0.10.

Psychometrics of the measurement scale

The measurement items of the six latent variables (that is, advertising, sales promotion, public relations, direct marketing, personal selling, and customer loyalty) were assessed for unidimensionality, validity, and reliability to ascertain their psychometric properties. Latent variables demonstrate excellent psychometrics if its measurement scales are unidimensional, reliable, and valid. "An indicator should be significantly associated with the underlying latent variable [whilst] the indicator must represent a single factor" ([22], p. 486). Additionally, the average variance extracted (AVE) of a latent construct must be 0.5 or greater for the construct to claim unidimensionality [3] while the reflective indicators must load with significant *t*-values on their theoretical constructs [16]. Additionally, the items constituting a scale has indicator reliability if the factor loading of each item is ≥50% [23]. The set minimum threshold for establishing reliability with Cronbach's alpha is ≥0.60 while the set threshold for composite reliability is ≥0.70 [3,18].

Additionally, two ways of determining construct validity are convergent validity and discriminant validity [18]. According to Moliner, Sánchez, Rodríguez and Callarisa [35], convergent validity is met if the factor loadings exceed 0.5. Convergent validity is also established when the reflective indicators of the latent variables load with significant *t*-values on their theoretical constructs [16]. Discriminant validity is established if the square root of the AVEs is higher than every correlation pair amongst the latent variables [18]. Additionally, discriminant validity is established if the loadings of measurement items on their primary variable is higher than their loadings on the other variables [18].

Informed by the above criteria, all the 25 measurement items were submitted to partial least squares structural equation modelling (PLS-SEM) technique through the SmartPLS version 2.0 software. Two scale items were eliminated after series of iterative confirmatory factor analysis because they impeded the potency of the scale's psychometrics. Results as shown in Table 1 which is based on the 23 remaining scale items indicate that the measurement scales demonstrate unidimensionality. Except public relations whose AVE is 0.4827, the five remaining latent variables have AVEs that are above 0.50 which is the minimum acceptable threshold. Additionally, all the twenty-three (23) measurement indicators loaded with significant *t*-values at the $p < 0.001$ level of significance. Taken together therefore, we conclude that the measurement scales demon-

Table 1
Unidimensionality and Reliability Attributes of the Measurement Scale.

Variables and scale items	Factor loadings	*t*-values	AVE	Cronbach alpha (composite reliability)
Advertising (AD)			0.6502	0.7471(0.8472)
AD1	0.8252	28.8736***		
AD2	0.8655	37.4184***		
AD3	0.7216	12.0269***		
Customer Loyalty (CL)			0.5741	0.6400(0.7989)
CL1	0.6116	8.3093***		
CL2	0.7967	20.1379***		
CL3	0.8446	34.2433***		
Direct Marketing (DM)			0.5175	0.6925(0.8106)
DM1	0.7026	10.6043***		
DM2	0.6877	10.3055***		
DM3	0.7804	19.4386***		
DM4	0.7032	10.3812***		
Public Relations (PR)			0.4827	0.7344(0.8231)
PR1	0.6283	6.8685***		
PR2	0.7230	12.8833***		
PR3	0.7304	13.1074***		
PR4	0.6768	10.4128***		
PR5	0.7102	10.5951***		
Personal Selling (PS)			0.5596	0.7406(0.8353)
PS1	0.7627	17.6517***		
PS2	0.6989	13.0014***		
PS3	0.7878	22.4519***		
PS4	0.7400	16.684***		
Sales Promotion			0.5483	0.7290(0.8290)
SP2	0.7687	16.7113***		
SP3	0.7418	14.8223***		
SP4	0.7492	14.6972***		
SP5	0.7005	12.0532***		

Note: ***$p < 0.001$; AVE- Average variance extracted.

Table 2
Correlation matrix and square root of AVE.

Variables	AVE	1	2	3	4	5	6
1. Advertising	0.6502	0.8063					
2. Customer Loyalty	0.5741	0.4299	0.7577				
3. Direct Marketing	0.5175	0.2755	0.3194	0.7194			
4. Public Relations	0.4827	0.1514	0.3106	0.4918	0.6948		
5. Personal Selling	0.5596	0.3178	0.4325	0.4209	0.3503	0.7481	
6. Sales Promotion	0.5483	0.3860	0.3393	0.297	0.2312	0.3032	0.7405

Note: AVE- Average variance extracted; all correlation coefficients were significant at $p < 0.05$; figures in bold in the diagonal are the square root of the AVEs.

strate good unidimensionality, an initial evidence that the psychometric properties of the measurement scales are minimally contentious.

Also, Table 1 shows that the measurement scales demonstrate excellent internal consistency across their theoretical constructs because their coefficients well exceeded the minimum limits of acceptability. Specifically, the Cronbach alpha coefficients for advertising, sales promotion, public relations, direct marketing, personal selling, and customer loyalty are 0.7471, 0.7290, 0.7344, 0.6925, 0.7406, and 0.6400 respectively. Similarly, the composite reliability coefficients for advertising, sales promotion, public relations, direct marketing, personal selling, and customer loyalty are 0.8472, 0.8290, 0.8231, 0.8106, 0.8353, and 0.7989 respectively. In sum, the respective items of the measurement scales are internally consistent (that is, reliable).

Table 2 reports the results of the AVE, correlation between the latent constructs and the square root of the AVE. The correlation coefficients are in the lower half of the matrix while the square root of the AVEs are in bold along the diagonal. The AVE were all above 0.50 except public relations, an indication that the scale items demonstrate convergent validity. Furthermore, the outputs in Table 1 show that the factor loadings of the 23 measurement indicators were all above 0.50 the minimum threshold. This is another indication that the measurement scales demonstrate convergent validity. Also, all the square root of the AVEs were uniformly well above the highest correlation pair amongst the latent variables (see Table 2). Additionally, Table 3 shows that, the factor loadings on the primary factor of the six latent variables were far more than 0.2 higher than their loadings on the secondary or other constructs. Take together therefore, we conclude that our measurement scales satisfy all the conditions for establishing validity. Thus, the estimation of our model to obtain outputs relating to

Table 3
Cross loadings of scale items.

Scale Items	Advertising	Customer Loyalty	Direct Marketing	Public Relations	Personal Selling	Sales Promotion
AD1	0.8252	0.3508	0.2342	0.1725	0.3219	0.2807
AD2	0.8655	0.4298	0.2382	0.0962	0.2307	0.3482
AD3	0.7216	0.1806	0.1862	0.0996	0.2189	0.3184
CL1	0.1860	0.6116	0.1027	0.1406	0.2427	0.1073
CL2	0.4310	0.7967	0.1944	0.1525	0.2478	0.2883
CL3	0.3298	0.8446	0.3625	0.3619	0.4530	0.3208
DM1	0.1461	0.1994	0.7026	0.4449	0.2016	0.1246
DM2	0.1248	0.1973	0.6877	0.3011	0.3060	0.1756
DM3	0.2558	0.2861	0.7804	0.3538	0.3166	0.2663
DM4	0.2419	0.2195	0.7032	0.3281	0.3820	0.2659
PR1	0.0444	0.2599	0.3385	0.6283	0.2417	0.0105
PR2	0.1834	0.2253	0.2531	0.7230	0.2543	0.1747
PR3	0.0868	0.1880	0.3692	0.7304	0.1207	0.1285
PR4	0.1459	0.1668	0.4006	0.6768	0.3419	0.2108
PR5	0.0775	0.2090	0.3601	0.7102	0.2589	0.3166
PS1	0.2659	0.3164	0.2725	0.2727	0.7627	0.1390
PS2	0.1674	0.2477	0.3526	0.2900	0.6989	0.2368
PS3	0.2113	0.3954	0.4351	0.3210	0.7878	0.3037
PS4	0.3052	0.3076	0.1810	0.1595	0.7400	0.2160
SP2	0.3197	0.3101	0.2196	0.1619	0.2808	0.7687
SP3	0.2547	0.2408	0.1937	0.1488	0.1857	0.7418
SP4	0.2920	0.2122	0.2300	0.1270	0.2666	0.7492
SP5	0.2699	0.2208	0.2419	0.2532	0.1503	0.7005

Note: Ad- Advertising; CL- Customer loyalty; DM- Direct marketing; PR- Public relations; PS- Personal selling; SP- Sales promotion.

Table 4
Hypotheses test outputs.

Hypothesised relationships	Path Coefficients	Standard Errors	t-Values	Results
H1: Advertising → customer loyalty	0.2761	0.0599	4.6085**	Supported
H2: Sales promotion → customer loyalty	0.1152	0.0493	2.3372*	Supported
H3: Public relations → customer loyalty	0.1374	0.0551	2.4937*	Supported
H4: Direct marketing → customer loyalty	0.0382	0.0694	0.55 ns	Not supported
H5: Personal selling → customer loyalty	0.2457	0.0733	3.3532**	Supported

$R^2 = 0.3189$; *$p < 0.05$; **$p < 0.01$, ns = Not significant.

the hypothesised relationships is not impaired by poor psychometric properties because our scales demonstrate excellent psychometric properties.

Test of hypotheses

Table 4 summarises the results of the five hypothesised relationships. Results show that advertising has a significant positive effect on customer loyalty ($\beta = 0.2761$, $t = 4.6085$, $p < 0.01$). Thus, H1 is supported. Results also indicate that customer loyalty was significantly predicted by sales promotional activities ($\beta = 0.1152$, $t = 2.3372$, $p < 0.05$); public relations ($\beta = 0.1374$, $t = 2.4937$, $p < 0.05$); and personal selling ($\beta = 0.2457$, $t = 3.3532$, $p < 0.01$). Thus, there is sufficient evidence to confirm H2, H3, and H5. In contrast, we found that direct marketing is not a significant predictor of customer loyalty ($\beta = 0.0382$, $t = 0.55$, $p > 0.05$). Thus, H4 is not supported. Taken together, the five predictor variables explained 32% of the variations in customer loyalty.

Discussion and conclusion

This study originally sets out to examine how consumers' perception of bank marketing communication tools influence customer loyalty. In Nigeria, the challenges facing the banking industry in relation to customer service delivery is enormous. Amidst competition amongst each other, banks engage in recruitment of best hands and adopt several marketing communications practices to outsmart competition, win, retain, and maintain loyal customers. Therefore, this study revealed the levels of performance of banks' marketing communication practices vis-a-vis customer loyalty. Generally, our findings indicate that marketing communication tools help banks to build and sustain customer loyalty. Specifically, the findings demonstrate that advertising, sales promotion, public relations, and personal selling programmes of banks all lead to customer loyalty, but direct marketing does not. These finings are consistent with previous research (see for example [20,24]).

We make three important contributions. First, our study identifies and discusses the effect of customers' perception of marketing communication tools on customer loyalty and the factors affecting both constructs. The study also provides

pointers on how banks operating in a highly competitive banking space can exploit marketing communication tools to position service delivery engagements and ultimately trigger customer loyalty. The relationship between customers' perception of marketing communication tools (that is, advertising, sales promotion, personal selling, public relations, and direct marketing) and customer loyalty is not widely discussed in the academic literature because previous research efforts towards relating marketing communication tools to customer loyalty was at best very limited. Previous research was limited to Europe and Asia (see for example [14,20]). Our study represents the first and latest attempt to extensively decompose the marketing communication tools and examine its effects on customer loyalty within the retail banking sector of an emerging economy that is intensively competitive.

Second, research shows that many financial services firms are still stuck in their anachronistic ways of mapping out finances to marketing communication activities (see [32]). But a detailed guide on how firms especially banks can approach this issue in a way that is consistent with the developments in the modern banking sector is absent from the marketing literature. Specifically, Hänninen and Karjaluoto [20] noted that despite the acclaimed importance of communication as a critical element of value-based perspective in marketing relationships, little is known about the role of marketing communication tools in business relationships. This study demonstrates that bank customers can be made to become loyal by splendidly and optimally integrating advertising, sales promotion, public relations, and personal selling.

Additionally, and managerially, this paper is also important in several ways. Since our findings show that banks can cause customer loyalty to happen when they utilise advertising, sales promotion, public relations and personal selling, it will be worthwhile for banks to employ a variety of marketing communication channels to reach and persuade customers. These include radio, television, newspapers, magazines as well as social media channels such as blogs, wikis, discussion forums, and social networking sites.

Finally, based on our findings, advertising has the strongest effect on customer loyalty followed by personal selling, public relations, and sales promotion. Thus, the use of incentives to lure customers into greater dealings with banks as done by most Nigerian banks is necessary but insufficient to trigger customer loyalty. Banks must invest more in advertising and personal selling activities. Using various advertising channels such as radio, television, newspapers and magazines as well as social media channels will produce positive results. Also, training staff on how to do proper marketing to clients will also yield optimal results. In sum, while more expenditures should be made on advertising and personal selling activities, less expenditures should be made on public relations and sales promotion.

Declaration of Competing Interest

The authors certify that there is no conflict of interest associated with this manuscript.

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