

E-Marketing and Savings Mobilization Drive of Selected Microfinance Banks in Uyo Metropolis, Akwa Ibom State

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Abstract: This study empirically examined the influence of e-marketing on savings mobilization drive of selected microfinance banks in Uyo metropolis, Akwa Ibom State. In achieving this objective, data were obtained using a survey of 354 respondents drawn from micro finance bank branches/cash centres, Marketing managers of micro finance banks and selected staff /customers. 251 copies of the questionnaire were retrieved in useable form representing 70.9 percent and data analysed using the simple regression model (SRM). Data generated from the study were processed using descriptive and inferential statistics and hypothesis tested with linear regression at 0.05 level of significance. Findings revealed e-marketing had significant influence on saving mobilization drive of microfinance banks in Akwa Ibom State. Based on the findings, we concluded that e-marketing had significance influence on saving mobilization drive of microfinance banks. This means that increasing effort in e-marketing potentials by microfinance banks will yield a corresponding increase in saving mobilization drive of those banks. Thus, we recommended that managers of microfinance banks should effectively enhance the use of e-marketing strategies to increase their banks saving mobilization drive.

Keywords: E-marketing, savings mobilization drive, microfinance banks.

I. Introduction

There have been revolutionary changes in our business today influenced by the changes in our business environment due to the introduction of electronic marketing strategy. It is a recent construct used by contemporary business firms. Accordingly, Etuk (2015) postulates that business environment has witnessed a revolution due to the introduction of electronic marketing technologies vis a vis the expanding electronic market place. According to him, the electronic technologies such as website, social medias, search engine optimization, e-mailing and mobile phones etc has significantly affect the way business sell their products and interact with their suppliers.

e-marketing is very vital in business today as it provides online and electronic opportunities, dissolves both domestic and international barriers, provide entrance to both customer and intending customers worldwide. Firms now uses the internet which aid their marketing campaigns making electronic marketing to grow rapidly. E-marketing provides varieties of business models used in online marketing, methods for doing online market research, developing and creating competitive intelligent for business organizations (Etuk, 2015). Smith and Chaffey (2005) sees e-marketing as “achieving marketing objectives through applying digital technologies” while Etuk (2015) sees it as the application of marketing principles and techniques via the electronic media and more specifically the internet. Thus, there is need to use e-marketing techniques to build customer relations in order to enhance effective savings mobilization drive of microfinance banks. Research has revealed that increase liquidation among microfinance banks (a situation where microfinance is established today and in a few years time the bank ceases to operates) poor reputation of some microfinance banks, absence of customer satisfaction with microfinance services, excessive charge on customer’s account, poor crises management and a lot more have eroded the public confidence in microfinance banks thus affecting their savings mobilization (Acha, 2012; Akpong and Nneji, 2005; Awah, Aniefiok and Ele, (2020).

Extant literature reveals significant knowledge gap as most studies were focusing on commercial banks with little or no effort to study the microfinance banks. Moreso, most of the studies on microfinance banks were carried out from the perspective of developed economies while very little efforts is done on developing economies like Nigeria. This obvious knowledge gap uses the main impetus for conducting this study.

Objectives of the Study

The objectives of this study was to determine the relationship between e-marketing and savings mobilization drive of selected microfinance banks in Uyo metropolis, Akwa Ibom State, Nigeria.

The specific objectives therefore include to:

- i. determine the influence of mobile banking platforms on savings mobilization drive of select microfinance banks in Uyo metropolis, Akwa Ibom State
- ii. ascertain how e-advertising affects saving mobilization drive of select microfinance bank in Uyo metropolis, Akwa Ibom State.

Hypotheses

The following hypotheses were postulated to guide the study:

H₀₁: There is no significant effect of e-advertising on the savings mobilization drive of microfinance banks.

H₀₂: Mobile banking platforms does not significantly influence savings mobilization drive of microfinance banks.

II. Conceptual Framework

E-Marketing and Savings Mobilization Drive

The emergence of e-marketing have greatly influence the way modern business operate. Marketers are faced with the challenges of trying to switch and adapt their marketing strategies and targeting to suit the e-marketing strategies, there have been dynamic modifications, changes, adjustments and transformations in our environments today. The emergence of the electronic environments have given marketers the electronic arsenal with the aid of the internet access to global markets.

Schneider (2015) postulates that business organizations that changes and adapt with these trend will certainly have a competitive edge over competitors.

Modern business uses e-marketing to advertise and sell their product and services. Electronic marketing via the internet can aid microfinance banks mobilize saving through the mobile banking platforms, e-advertising, email marketing, social media platforms etc.

Andreki and Yazdanifard (2014) argues that e-marketing is rapidly growing at a dazzling pace with its influence on customer and market behavior. They found that e-marketing has been positively affected by the current technological change which has made the use of mobile smart phones and gadgets a necessity.

Ali et al (2015) found that e-marketing, mobile marketing, e-mail marketing and web marketing all have positive and significant impact on consumer perception hence positive consumer perception can be derived through e-marketing and its dynamics.

Ayaba and Aliyu (2015) indicated that the adoption of internet marketing has significantly enhanced customers banking services in Nigeria especially in the area of improved patronage, on-time (effective) service delivery and reduced marketing cost. The study also found out that internet marketing has created exciting new and cheaper ways to learn about and track customers, create products and service tailored to meet customers needs, distribute product more efficiently and communicate with potential customers effectively. These activities has the ability to mobilize saving, create customers satisfaction, patronage and repeat purchase of the service product.

Chinenye *et al.*, (2017) in a study, digital marketing in Nigerian banking industry. It was revealed that digital marketing significantly and positively impact on customers patronage.

Saving mobilization is essential of a society progressively processed into self-sustaining economic growth (Bannerman, Craw and Agbenjo, 2017).

Saving Mobilization

Saving mobilization can be seen as creating safe and sound institutions where saver can confidently place their deposits with the expectation that they will receive the full value of their funds plus a real return upon withdrawal. It in the development of appropriate products to satisfy the local demand for voluntary savings services and marketing these products to savers with different levels of income (Awah, Aniefiok and Ele, 2021).

Odejimi and Nosa (2019) pointed out in their study on microfinance banks and saving mobilization: case study of ABC microfinance bank, Okada that ABC microfinance bank was not effective on mobilizing savings from Okada community. They found that some factors militated against the banks success such as the individuals level of educations, access to loan, incentives to encourage savings and others. Hence, mobilization of savings stands out as the vest tactics for sustainable and effective operations of microfinance banks.

III. Theoretical Framework

Online Information Processing Model Propounded by Charles Hofacker (2000)

Charles Hofacker (2000) originally created the 5 stages of information processing in his book ‘internet marketing’ originally published in 2000. It was intended to help marketers and advertisers consider how well their websites and adverts/promo panel communicated value to website visitors. The book explained how web browsers work.

Exposure

Ensuring the web visitor is exposed to the website long enough to absorb the content or the ad. Within online advertising today, this is measured and media traded based on the concept now known as “view ability”. Ensure that critical elements on the website are located ‘high and early’ on the website. Consider using CPM (Cost per Thousand Impressions) adverts or call to action adverts, instead of pay per click. These advertising formats provide greater potential brand awareness and as a result, potentially greater exposure to your target audience.

Attention

It is easier to gain attention from the web visitor with the collection of data across many social media websites. Personalized banner adverts on social media websites such as LinkedIn and facebook gain greater attention due to their relevance and context. Research into online interactivity demonstrates that there is greater engagement if adverts have more interactivity.

Comprehension and Perception

Web visitors need to easily find their way around a website. Hofacker describes the use of a site map which is now common place, as well as visitors navigating around a website which could be achieved by a breadcrumb trail. Ensuring the website is intuitive and the principle is applied so that web visitors can easily understand and take in the relevant information is key. This absorbed into the pages, getting closer to the next step.

Yielding and Acceptance

Websites and adverts need to provide clarity. A complicated advert is unlikely to get click-through as the viewer has to process too much information. With seconds to make an impact and to gain acceptance from the visitor; ensure the web visitors accept (believe, trust) your information to get the visitor to stay on your site or proceed to the next step.

Retention

Hafacker discussed retention at a time when retargeting previous site visitors or ad viewers were only starting to develop. Today, recalling websites can now be automated via a range of options including: ‘Follow me’ marketing or ad retargeting.

Abandoned Basket Emails

Retaining goods in a basket up to 5 days later. These tools keep specific websites in front of the visitor’s mind when the visitor has explored products and services without making a purchase or finalising the call to action which could include downloading information or subscribing for a newsletter.

4.1 Test of Hypothesis

Test of hypothesis One

Ho;: There is no significant effect of e-advertising on savings mobilization drive of microfinance banks

Table 4.1.1: Regression Analysis Result on the influence of e-advertising on savings mobilization drive

Model Summary						
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate		
1	.611 ^a	.373	.336	8.10431		

Goodness of Fit ^a						
Model		Sum of Squares	Df	Mean Square	F	Sig.
	Regression	166.393	1	3592.122	11.826	.001 ^b
	Residual	285.323	249	114.253		
	Total	451.716	250			

Coefficients^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.319	.147		3.621	.002
	E-advertising	.396	.163	.413	2.429	.000

- Source:** Researcher's Computation
a. Predictors: (Constant), E-advertising
b. Dependent Variable: Savings mobilization drive

The result of the simple regression analysis in table 4.1.1 the model summary table show that regression coefficient R-value is (.611) which indicate a positive relationship existing between the independent (that is e-advertising) variable and the dependent (that is, savings mobilization drive) variable. The R-square (.373) is the coefficient of determination. This shows the percentage of variation of the microfinance bank's e-advertising account for 37.3 percent of the total variation in saving mobilization drive. This means that for every unit that e-advertising increases, saving mobilization drive of microfinance banks will increase by 37.3 units. The variance saving mobilization drive that is associated with e-advertising is referred to as explained variance. The remainder of the total variance in savings mobilization that is not associated with sales promotion is referred to as unexplained variance. The regression analysis table establishes the significance of the regression model from which f-ratio value (11.826) indicates statistically significant at 0.001 because it is less than 0.05 level of significance. Since the probability value (that is, p-v 0.001<0.05).

We reject the null hypothesis and accept that, there is statistically significant effect of e-advertising on savings mobilization drive of microfinance banks.

Test of Hypothesis Two

Ho₂: Mobile banking platforms does not significantly influence savings mobilization drive of microfinance banks.

Table 4.1.2: Regression analysis result on the influence of e-banking platforms on savings mobilization drive

Model Summary						
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate		
1	.686 ^a	.470	.423	7.14033		

Goodness of Fit ^a						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	173.609	1	11460.203	163.1	.000 ^b
	Residual	233.196	249	139.125		
	Total	406.805	250			

Coefficients^a						
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Model	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	T	Sig.
1	(Constant)	2.123		3.032	1.022
	E-banking platforms	.514	.483	4.079	.000

Source: Researcher's Computation

- a. Dependent Variable: Savings mobilization drive
- b. Predictors: (Constant), E-banking platforms

Table 4.1.2 shows the result of regression analysis on the effect of e-banking platforms on savings mobilization drive. It shows that there is a positive relationship between the dependent variable with R-value of (.686). The R-square which is the coefficient of determination is (.470). This is an indication of the independent variable (e-banking platforms) in predicting the percentage of effect of the dependent variable can be explained from the independent variable (savings mobilization drive). In other word, 47 percent of the variation in the dependent variable (e-banking platforms). The F-ratio value in the table is 163.1 which is significant at 0.000, since the probability value (0.000) is less than 0.05 percent level of significant. We reject the null hypothesis and accept the alternative that e-banking platforms actually contributes to the savings mobilization drive of microfinance banks in Akwa Ibom State. The implication of this result is that e-banking platform can be used in predicting the savings mobilization drive of the bank.

Conclusion and Recommendations

This study revealed that e-marketing has significant effect on savings mobilization drive of microfinance banks. This means that every unit that e-marketing, such as (e-advertising and e-banking platforms) increases, savings mobilization drive of the banks will increase. Based on the findings and conclusion of the study, we proposed the following recommendations:

1. Managers of microfinance bank should effectively enhance the use of e-advertising to increase the banks savings mobilization drive.
2. They should enhance adequate use of e-banking platforms to assist in increasing the banks savings mobilization drive.

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