Gender-Based Retail Bank Choice Decisions in Nigeria
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Abstract
As the Nigerian retail banks customers become more sophisticated it is now very important that retail banks determine the factors that are important and relevant to the customers' retail bank choice decisions. By using a survey of retail bank customers, this study evaluates the relative importance attached to retail banks' choice criteria used by male and female customers in Nigeria. The results show that there are some differences in choice factors used by male and female customers in selecting a retail bank for patronage. The recommendation is that bank managers should take both female and male market segments into consideration when making retail bank strategic planning in order to become competitive. The findings can assist retail bank managers in refining their marketing strategies as a means of overcoming the intense competition that exists in the Nigerian banking system.

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Introduction

This paper is an analysis of the factors that affect the choice of retail banks by men and women customers in Nigeria. A similar study conducted elsewhere in West Africa of personal banking habits and preferences (see Owusu-Frimpong, 1999) shows that the reasons people choose retail banks appear to be based on location, reputation, service and security of funds. There are, however, likely to be some differences in how Nigerian consumers interpret these variables. The Nigerian interpretation is important for a number of reasons. Firstly, because of the differences in the financial responsibility of men and women within a household, the perception and choice of banks are likely to vary significantly between men and women. Secondly, because most banks and other financial service providers tend to target only the male market with financial products the female market segment is usually ignored.

In spite of such a limiting banking strategy, the rapid transformation of the Nigerian retail banking sector has redefined the role of banks in Nigeria from financing trade to one of mobilising and channelling resources more effectively to customer needs. These changes were indicated by the emergence of many new financial institutions, the introduction of new financial instruments and services, the securing of financial operations, and the elimination of strict gender demarcation lines among different types of customers.

The purpose of this study was to determine the factors considered important in the choice of retail banks in Nigeria. More specifically, the study was designed to determine if there are differences in the factors used by men and women in retail bank choice. The objectives of this paper are to determine the relative strengths of factors used by Nigerian consumers in the retail bank selection process; evaluate the corresponding behavioural and demographic characteristics of Nigerian consumers; and gauge the knowledge of male and female customers regarding their perception of retail banks in Nigeria. The findings presented in this paper will be useful and provide pertinent information for bank managers in formulating their marketing strategies with a focus on customers irrespective of gender.

The rest of this paper is structured as follows: a model of retail bank choice is introduced to provide a theoretical underpinning. This is followed by a review of relevant literature, research design and data collection method; analysis and discussion of the generated data are followed by managerial implications indicating the usefulness of the research.

Retail Bank Choice Model

In order to develop a customer choice model, two observations about bank selection and patronage behaviour were made. Firstly, research evidence shows that most consumers divide their regular bank transactions into a main financial deposit and/or withdrawal (see Anderson, de Palma and Thisse, 1992; Trubik and Smith, 2000), and a further secondary bank visit for a minor cash transaction as a top-up. Secondly, customers of different income levels and on different types of banking transactions are attracted to different retail banks (Devlin, 2002). For this study, a single bank transaction period is the consideration taken into account in the development of the choice model. Thus, in any period the customer makes one primary and a secondary banking, where primary banking is that on which the largest financial transaction is conducted (deposit and/or withdrawal). The distinction between primary and secondary transaction is referred to as the 'mode' of banking.

The decisions on primary and secondary transactions are analysed separately and are treated as independent; although utility parameters are allowed to differ between the two modes. The independence assumption greatly simplifies the analysis and is reasonable for secondary banking motivated by correction of mistakes made in primary banking. It is less plausible where the motivation is a desire for differentiation. However, given that secondary banking is 20% of total transactions, and mistakes (banking errors) are likely to account for a sizeable fraction of the total transactions, differentiation based secondary transaction is only a small proportion of overall banking. Even for secondary transaction, motivated differentiation, independence may be a reasonable approximation (see also Berry, Levinsohn and Pakes, 1995), as there is no obvious substitutability between any of the retail banks.

The observable characteristics of customer I (male or female) on any bank transaction are financial resources (income), bank location, and transaction mode. Discrete measures were used for these characteristics as follows: three income categories, one transaction mode, and six locations. Using these characteristics each customer I is classified into observationally equivalent types i. There is 3 x 2 x 6 = 36 such i-types.

The 36 customers (i-types) are distributed across the six area zones in Abuja (the federal capital city). Customers' banking behaviour is allowed to differ by income, transaction and mode. Customer types I are assembled by location, income, and mode into choice groups $g = g(i)$ with which consumer (choice) parameters $\theta g(i)$ are identical. Each g corresponds to a unique location, income, and mode combination. There is 1 x 3 x 2 = 6 such groups. Thus, customer I of type i values bank j according to the indirect utility function:

$$V^I_j = v (z^i_j, P_j, ¢^I ; Ø^{g(i)}) + \epsilon^i_j = v^I_j + \epsilon^I_j \quad \ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots \text{(i)}$$

Where $z^i_j = (staff_j, funds_j, serv_j, reput_j, F_j)$ denotes the observed characteristics of retail bank j, i.e. friendly staff, safety of funds, speed of service, reputation of the bank, and firm (bank branch). P_j is the cost of doing business at bank j. The terms $¢^I$ and ϵ^I_j are independent random variables $¢^I$ represents unobserved customer characteristics which influence retail banking transactions. A natural interpretation is customer income potential. The idiosyncratic ϵ^I_j is unobserved opinion of customer $I's$ valuation of retail bank j. This may include, for example, the effect of customer $I's$ (unobserved) struggle to transact business at the bank.

The parameters $Ø^{g(i)} = (\alpha^g, \beta^g, \lambda^g, \hbar^g)$ are as follows: α^g is on bank characteristics other than F_j; β^g is on cost P_j; $Ø^g$ is on the firm (bank) dummy variables; and λ^g and $\hbar^g$ are scaling terms on random deviates $¢^I$ and ϵ^I_j respectively. The variation in $Ø^g$ by g allows customers in different groups (demographic characteristics) to value the characteristics of each retail bank F differently. A customer of type i chooses from choice set J^i, defined as the nearest six retail banks by distance plus a convenience location $j = 0$. The customer chooses the bank that offers the maximum realised value of V^I_j. Depending on a given value of $¢^I_j$ the authors define s^I_j as the (conditional) market share of bank j among customers of type i:

$$s^I_j = Pr (V^I_j = \max V^I_k / z^i, P, ¢^I, Ø^{g(i)}) = s^i_j, p, ¢^I, Ø^{g(i)}) \ldots.. \text{(ii)}$$

where z^i and p are J^i – vectors of bank characteristics and costs respectively. It is assume that ϵ^I_j is an **iid** Type-1 (Extreme Value deviate if standard form with unit scales parameter so that s^I_j is given by the standard multinational logit choice probability):

$$s^I_j = \exp v^I_j / \sum_{k \epsilon Ji} \exp v^I_k \quad \text{for all } j \epsilon J^i \ldots.. \text{(iii)}$$

Integrating the (univariate) distribution of $¢^I$ gives r^i_j, the market share of retail bank j among customers of type i:

$$r^i_j = r^i_j (z^i, p; Ø^{g(i)}) = \int_c^i s^i_j (z^i, p, ¢^I_j Ø^{g(i)}) dH(¢^i) \quad \ldots\ldots \text{(iv)}$$

Where $H(.)$ is the distribution function for $¢^I$, which is assumed to be lognormal such that in $¢^I \sim N (0, \lambda^g)$.

Depending on $\mathbf{\mathit{c}^1}$, customers make a multinomial logit choice. A familiar property of the multinomial logit framework is the Independence of Irrelevant Alternatives. This has been criticised for imposing unnatural substitution patterns in which cross-elasticities between banks for any customer type í depend exclusively on type $\mathbf{i's}$ vector $\mathbf{s^1}$ of (conditional on $\mathbf{\mathit{c}^1}$) market shares (this is unrealistic if í-types are not narrowly defined). For example, a small size bank in a broadly defined market may have the same share of overall market demand as a high reputable bank; but, because the small bank appeals to different (lower income) customers, the pattern of cross elasticities with other bank should not be identical for the two banks. The problem may also arise if banks differ by location (and appeal to differently located customers) or differ by suitability for secondary banking. These problems have been avoided in this study by separating customers into **í-type** markets which are defined narrowly by income, location, and mode so that there is a minimal level of variation within any **í-type**. Each í-type has a different (conditional on $\mathbf{\mathit{c}^1}$) valuation $\mathbf{v^I_j}$ for any bank, and therefore a different $\mathbf{s^I_j}$.

Finally, given the number of banks in Abuja (research location), the absence of bank specific un-observables, other than the idiosyncratic term, greatly simplify estimation. The suppression of bank un-observables is justified by the importance of the firm in determining the character of its retail branches. The most important decisions concerning bank operations are taken at company headquarters. Thus, the company's name rather than the bank is emphasised in advertising and features prominently in the banking communications that engineer choice.

Review of Relevant Literature

By far the majority of studies concerned with choice criteria in the financial services area have focused on the choice of retail banks as service providers. Boyd, Leonard, & White (1994) studied differences in selection criteria for retail banks with respect to basic demographic factors and found that white collar households emphasised reputation, modern facilities and location, high income households attached greater importance to interest rates, opening hours and friendliness of staff, and low income households relied on favourable publicity and word of mouth.

A related theme that emerges from the existing literature is that of studying bank choice criteria based on a particular ethnic, sex equality, cultural or religious context (Haron, Ahmed & Planisek, 1994; Stafford, 1996; Woodward & Ozbiligin, 1999). In general, studies pertaining to choice of banks and their services provide valuable pointers, but they draw conflicting conclusions. Meanwhile, none of these studies have focused on Nigerian retail banks nor do they compare retail bank preferences between men and women. This study fills this gap by studying the differences in bank choice based on gender and focusing on the Nigerian financial market.

Gender differences

The nature of male-female role differences has been summarised by Hofstede (1991) from previous research and some of the gender-based personality traits (Figure 1) may be of significance to the development of relationships within the financial services sector.

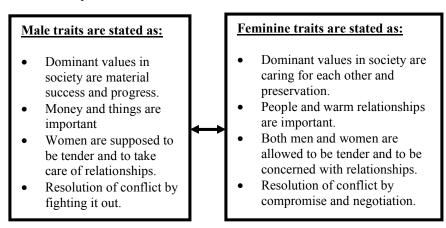| **Male traits are stated as:**	**Feminine traits are stated as:**
• Dominant values in society are material success and progress. • Money and things are important • Women are supposed to be tender and to take care of relationships. • Resolution of conflict by fighting it out.	• Dominant values in society are caring for each other and preservation. • People and warm relationships are important. • Both men and women are allowed to be tender and to be concerned with relationships. • Resolution of conflict by compromise and negotiation.

Figure 1: Male and female traits (based on Hofstede, 1991)

These factors may also help to identify and define reasons for differences in choice of retail banks (Mba, 1995; Ezirim, 2005). Some of the differences between men and women have been attributed to role perceptions (Alsop, 1984; World Bank, 1995; Woldie and Adersua, 2004). As Omar and Ogenyi (2004) posited, in Nigeria, men have, by tradition, been regarded as better suited to manage family affairs than women (see also Imam, 1987; Anakwue, 2002). Similarly, as a result of tradition and culture (Mba, 1995), women's involvement in socio-political matters especially in financial decision-making (Woldie and Adersua, 2004), and leadership roles (Vilkinas, 2000) have been limited or even negligible (see also Rosener, 1990; Turner and O'Connor, 1994; Iheduru, 2002). By translating the information contained in Figure I to the Nigerian environment, two orientations could be used to describe male and female role differences. According to Ogenyi (1997), the first is the traditional constraint - where the husband assumes responsibility for providing for the family and making financial decisions; and the second is the modern dimension - where both husband and wife share responsibilities of work and of financial decision making (see also the work of Schein, 1973; Rogers, 1984; Omar and Ogenyi, 2004).

Gender and family roles

As Iheduru (2002) observed, gender roles and family responsibilities are both defined and fulfilled in Nigerian society by marriage; and as Dadzie, Winston and Afriyie (2003) remarked, gender roles are the effects of normative social belief systems. The man's obligation, based on tradition, is to be the financial provider for the household (Kinsey, 1988, p.50; Ogenyi, 1997). In return for this (Ogenyi, 1997), his wife must obey him and is expected to be the homemaker, mother, wife and domestic manager. Thus, traditionally, men have been responsible for everything outside the home (Obbe, 1980), while women are responsible for everything inside the home. However, in recent years (Omar and Ogenyi, 2004) men have become less able to act as the sole providers due to structural unemployment and low real wage growth, causing more women to undertake work outside the home (Omar and Ogenyi, 2006). Thus, women's roles as financial providers for the household have been evolving over the same period.

In terms of income generating potential, Omar (2005) found that women in Nigeria lag behind men in most indicators of the socio-economic development as result of cultural hindrances. In terms of female control of their income, although more numbers of women are becoming the breadwinners of their families, they still lack control over their income (Iheduru, 2002). According to Iheduru (2002), about 61 per cent of the male earners had full control over their earnings; but the proportion for female earners was only 36 per cent. Many women have to hand over their earnings either to their parents or to their spouse, reflecting the traditional belief that men should control the family income and make decisions regarding family expenditure (Schein, 1973; Rogers, 1984; Omar and Ogenyi, 2004).

Women in Nigeria tend to perform the lowest paid activities and are concentrated in low-end jobs and occupation (Adepoju, 2005). Adepoju (2005) also found that the poorer the household, the more time women devote to working in low-income activities. Englama and Bamidele (1997) claim that poverty affects a disproportionate number of women while Ajakaiye and Olomola (2003) assets that regulatory and cultural barriers keep women in disadvantaged condition relative to men in terms of access to banking, education, and insurance services. Omar and Ogenyi's (2004) finding suggests that Nigeria banks discriminate against women on the basis of their low income generating potential. These gender differences are reflected in Hofstede's male and female traits shown in Figure I. One of the central questions that may require answer is whether retail banks discriminate against women on the basis of their low income potential. In order to answer this question the service strategy of retail banks is reviewed.

Service strategy of Nigerian retail banks

The notion of retail banking used in this study referred to banking services that were supplied by banks to individual customers. It excluded all forms of business banking and related financial products, and private banking. Retail banking financial products has been broadly classified under the following headings: transaction and payment products, such as cheque accounts and debit cards; investment products, such as savings accounts, fixed deposits and unit trusts; credit and borrowing products, such as credit cards, home loans, overdrafts and car finance; and financial planning products such as, retirement annuity plans and education policies.

Garland (2002) observed that retail banks usually operate on a long-term "cradle-to-grave" customer management strategy. This means that some customers may be regarded as being unprofitable in the short terms but become profitable over time (see also Trubik and Smith, 2000). Retail banks in Nigeria have typically viewed their primary customers as males between 20 and 55 years old (Ojo, 1994). Usually,

males are seen as the primary wage earners and decision makers for financial planning in their households (Bartos, 1989). As the rationale goes, these male individuals offer the maximum profitability since they not only have the resources but also the necessary focus on increasing their assets (Hisrich and Ozturk, 1999). Increased growth from sales of financial services to the male segment has been the primary strategy of retail banks in Nigeria (Ojo, 1994). In short, male customers have been viewed as the golden geese of the financial service marketplace. But as Javalgi, Belonax and Robinson (1990) remarked, while this strategy may achieve some growth, the financial services needs of females are usually unclear.

Women's market in Nigeria is largely untapped by the banking industry because of the relatively lower income of female workers (Agu, 1992; Ayadi, 1996; Omar, 2005). Although on average women's earnings are less than those of their male counterparts (Ojo, 1994; Central Bank of Nigeria, 2001), with college-educated women that gap is closing. A growing percentage of women have annual incomes in excess of N20, 000 (Central Bank of Nigeria, 2001). As the educational level of women increases, along with the number of women in top management positions, their importance as financial services consumers will increase. Most working Nigerian women are major influencers in their household's financial decisions (Ojo, 1994). Some time during their lives almost 60 per cent of all Nigerian women will have to manage their own finances (Central Bank of Nigeria, 2001). The female market segment is also important because the wealth of Nigeria will increasingly lie in the hands of women as the population ages and as the life expectancy of women continues to exceed that of men. Some women, after a lifetime of non-involvement in financial decision-making, will find themselves in possession of the proceeds of life insurance and mutual funds (Ayadi, 1996). Women therefore represent a market segment that retail banks must serve in order to compete successfully in the marketplace.

Finally although some of the previous findings relating to retail bank choice are consistent with the ethos of Nigerian culture that emphasises social and family ties there has not been a study devoted to identifying differences in retail bank choice between male and female customers especially in an African context. This study is therefore a contribution to the marketing literature in this area.

Research Design and Methodology

The current study was undertaken at Abuja (the federal capital city of Nigeria). Abuja was chosen because all the major 25 retail banks in Nigeria have their head offices there. Moreover, as stated earlier, decisions on bank operations are made at the headquarters. Added to this is the fact that more male and female graduates are now employed and working in the federal capital (Omar and Ogenyi, 2004), although this fact does not restrict generalisation. The study was conducted during the months of November and December 2005, and attempts to evaluate the criteria used by Nigerians in choosing retail banks. This time frame is not significant apart from being a Christmas period during which time retail bank transactions (both primary and secondary) are at their highest.

Sampling procedure

Since the choice of the model was made to measure primary and secondary retail bank transactions, samples were drawn from five leading retail banks (with the largest market share) including First Bank, United bank for Africa (UBA), Intercontinental Bank, Zenith International Bank, and Union Bank. In order to select the appropriate sample from men and women who operate a bank account purposive sampling method (non-probability sampling) was adopted. This approach was used because it was impossible to know precisely the total population of men and women that operate a bank account. Each potential respondent was selected purposively so that they do not have a known non-zero chance of being included in the sample. The target respondents (retail bank customers) were chosen randomly as they entered the banks, or waited in the bank for their banking transactions. The sample size was calculated using simple random sampling method with the unknown large population size as follow:

$$n = \frac{z^2 pq}{E^2}$$

The sample size was calculated based on assumptions that allowable error (E) is 0.05; the level of confidence is at 95%; the standard score of z associated with the confidence level is equal to 1.96. The proportion of respondents (p) that intends to choose a retail bank as calculated from the pre-test data is 20%. The overall sample size was estimated initially to be 246 respondents, but on collection, the actual usable sample was 200 (128 male and 72 female) respondents. Basing the argument on the previous

literature findings (Omar, 2004; Ezirin, 2005) suggesting that the proportion of retail bank account's holders in Nigeria is eight to two (8:2) in favour of men. This sample is a reasonable reflection of bank account ownership of male and female customers in Nigeria (Ezirin, 2005).

Research instrument

Previously, permission was sort and gained from the respective bank managers to conduct the survey at the bank's entrance. The questionnaires were constructed and pre-tested to correct the errors. The final questionnaires were hand-delivered to the customers as they entered the banks. Only those who directly operate a bank account were requested to complete the questionnaires. They were asked to return the completed questionnaire in a pre-addressed envelope to the respective reception at the bank during their next visit. After a four weeks cut-off period, the researcher collected the responses from the respective receptions. By using Armstrong and Overton (1977) procedure, non-response bias was evaluated by comparing early respondents with late responses. Since no significant differences ($p < 0.12$) were found for any of the constructs considered in this study, non-response bias did not appear to be a problem.

It is important to note that after several other data collection methods were evaluated and difficulties were observed particularly with the telephone and postal systems, hand-delivery was the only suitable option. This hand delivery method was particularly suited to Nigerian conditions because neither postal or telephone method work efficiently (see also Kinsey, 1988). Postage is a very slow communication system and may take a very long time to conduct a study via this method (see for example, Omar and Ogenyi, 2004; 2006). Also the Nigerian telecommunication system is very poor and does not operate for most of the times (Ogenyi, 1997). Although the use of mobile phones is common, it is expensive to use this method for data collection. Similarly, computer-based e-mails could not be used because only a small percentage of the population own computers; hence hand delivery method was the only suitable option to use.

Measurement Instruments

The questionnaire was divided into three sections. In the first section, respondents were asked what, in their opinion, banks should be doing to serve customers better. This section was meant to elicit criteria that consumers might use in the future for choosing between banks, if the new product, service or conditions were available. The first section also included questions about the image which customers had of specific banks, their interest in particular bank products and the role of family members in banking decisions. The choice criteria from the questionnaires were grouped and reduced to categories based on gender. This first section of the questionnaire gathered information about the respondent's personal, demographic and economic characteristics as shown in Table I.

Table 1: The characteristics of respondents

Characteristics	Male		Female	
	N=128	%	N=72	%
Age Group				
< 20 years	2	1.6	4	5.5
21 – 30	39	30.5	32	44.4
31 – 40	51	39.8	21	29.2
41 – 50	15	11.7	12	16.7
51 >	21	16.4	3	4.2
Level of Education				
No education	10	7.8	6	8.3
Primary school	6	4.7	28	38.9
Secondary school	70	54.7	20	27.8
University / college	24	18.7	10	13.9
Professional training	18	14.1	8	11.1

Type of Employment

Self-employed	43	33.6	19	26.4
Private employer	29	22.7	22	30.5
Public employer	56	43.7	31	43.1

Occupation

Armed forces / police	23	18.0	2	2.8
Farming	18	14.0	8	11.1
Trading / retailing	32	25.0	31	43.1
Clerical / sales / nursing	24	18.8	26	36.1
Managerial / professional	31	24.2	5	6.9

In the second section respondents were asked to indicate, on a five-point Likert-type scale, ranging from 'very important' to 'not important', how they viewed a series of factors in selecting a retail bank. In line with the specification of the model, this section is intended to highlight whether the retail bank choice parameter is based primary or secondary transaction. This section of the questionnaire also elicits observable characteristics of customers by gender and in relation to income categories, transaction mode, and location dimensions. These factors were selected to identify demographic differences in gender; and to enable the application of discrete measures to these characteristics as specified in the model. This approach was adopted in order to meet the specification of the model to identify and segment primary transactions from customers' secondary transactions based on gender characteristics.

The final section of the questionnaire was designed to generate data concerning the usefulness of services offered by the retail banks to their customers. This section also contained the questions that measure the perception of respondents towards the retail bank. The perceived level of usefulness of the services offered was measured on a five-point Likert scale. The scale ranged from 'used all the time' to 'never being used'. The bank service choices were derived from Haron, Ahmed and Planisek, (1994), and Owusu-Frimpong, (1999).

Data Analysis and Results

Univariate technique (t-test) was used to identify the overall perception of bank customers towards retail banks and the usefulness of bank services in Nigeria.

Table II: Ranking importance of selection factors

	Male		Female		
Factors	Mean	Rank	Mean	Rank	t-test
Safety of funds	1.254	1	1.439	2	-2.647**
Efficient service	1.295	2	1.506	4	-2.489*
Speed of transaction	1.387	3	1.579	1	-1.138**
Friendly staff	1.436	4	1.428	5	0.928
Overdraft privileges	1.618	5	1.916	7	-3.676*
Bank recommended	1.637	6	1.806	3	-1.963*
Bank reputation	1.637	6	1.548	6	1,484
Credit availability	1.728	7	1.959	12	-2.140**
Low service charge	1.781	8	2.144	13	-3.796
Range of services	1.781	8	2.099	9	-2.906*
Convenient location	1.908	9	2.117	10	-2.197*
Bank size	2.314	10	2,489	8	-1.481
Bank ownership	2.463	11	2.425	11	0.198

**p > 0.05
*p > 0.01

Bank choice criteria

Table II reveals that there are few differences in terms of the order of importance and the characteristics exhibited by male and female customers when selecting a retail bank are almost the same.

The most important factor considered by male customers when selecting a retail bank is 'safety of funds. A possible interpretation of this could be that as heads of households (see Omar and Ogenyi, 2004), men are regarded as the traditional custodian of the family's finances and can't afford to take risks with it. 'Efficient service' was ranked second. Most men explained that they only went to their banks whenever they had the time to spare. Though they were not usually happy about slow service, they were more willing to tolerate and excuse it. On the other hand, female customers considered 'speed of transaction' as the most important factor, since they have to juggle home and work commitments, and thus can't afford to spend a lot of time at the bank waiting to be served. This is especially true of professional women who explained they only went to the bank during their lunch break. 'Safety of funds' was ranked as the second most important factor. Most women claimed that the amounts they had in banks were not that high as they only keep their disposable incomes in the bank. It was however surprising to note that even amongst self-employed women, (26%) safety of funds was still ranked second to efficiency of service.

Women are more likely to ask for the opinions of others before making a decision on where to bank. 'Banks recommended by relatives and/or friends' are ranked third by female customers while male customers ranked this item as sixth. Ezirim (2005) in his empirical investigation found that most Nigerians (74%) do not trust retail banks. Thus the difference in ranking between men and women might have resulted from the general lack of trust for banks in Nigeria – supporting Ezirim's finding. Female customers tend to rely on recommended banks probably because they feel friends or relatives who have recommended the bank have good banking experiences with the recommended bank. It is possible to infer that highly trained professional women (7%) are less likely to rely on recommendations from others because they are capable of making choice decisions. Both male and female customers ranked reputation the same, but while credit availability is important to male customers it is less important to female customers, who are less inclined to borrow money due to an instinctive fear of being regarded as debtors. Table II shows the list of score and rank of all factors.

A t-test was used to test the statistical differences between the means for selection factors between male and female customers and significant difference occurred for some of the factors (see Table II). At the 0.01 levels, factors of which both samples had variation were 'efficient service', 'overdraft privileges', 'bank recommended', 'wide range of services', and 'convenient location'. At the 0.05 significance levels, there were variations for factors 'safety of funds', 'speed of transactions', and 'credit availability'.

In general terms there are many similarities and differences between the findings of this research and the findings of earlier studies. The selection of 'fast and efficient service' as one of the important factors in selection decision by male and female customers is consistent with the findings by Kaynak and Whiteley (1999). 'Friendliness of bank personnel' that was considered the most important factor by Laroche, et al.'s (1986) is not considered so highly in this research. Female respondents ranked 'bank recommendation by friends and relatives', as a third most important factor but ranked sixth by male respondents. Bank recommendation was not considered as an important factor in a previous study conducted by Owusu-Frimpong (1999). Thus, the inconsistency between the findings of our research and Owusu-Frimpong's (1999), as far as recommendation is concerned, is rather strange, considering that the respondents from Ghana and Nigeria have many similarities. Like Nigerians, Ghanaians also have strong social links and close family ties. In African culture, where people still maintain strong traditional values, friends and relatives' advice still has a strong influence on someone's decision-making process.

Convenient location, or bank being near home, which was found to be important in the studies conducted by Kaynak and Whiteley, (1999) and Abratt and Russell, (1999), is found to be unimportant in our research. This can be explained by the clustered location of retail banks in Nigeria and hence equivalent convenience of all banks in Abuja where the sample was taken. Apart from convenient location', other unimportant factors in the selection decision are 'size of bank', 'ownership of bank', and 'low service charge'.

Bank services used

Table III shows the type of services used by male and female respondents in Nigeria. Since all the respondents are wage earners, the findings highlighted in Table III concerned services frequently used by the retail bank customers rather than services used by the business customers. One of the facilities most frequently used by both male and female customers was savings account, followed closely by the cheque account, and fixed deposits. This situation indicates that Nigerian customers, in general prefer banking facilities that carry some form of return. Probably, these customers also make full use of cheque account facility because of convenience. The respondents seldom use other facilities such as travellers' cheques,

foreign exchange, safe deposit boxes, housing loans, and personal loans. Results showed that almost all services were used significantly more by male customers than female respondents. The sole exception was remittance services. The t-test for the differences in usage by the two groups confirmed the variations.

Table III: Retail bank service usage

Services		Male		Female		
		Mean	Rank	Mean	Rank	t-test
1	Savings account	1.46	1	2.02	1	3.614*
2	Current account	2.76	2	2.79	2	0.205
3	Fixed deposits	3.06	3	3.45	3	4.327*
4	Remittance	3.68	4	3.12	6	-0.280
5	Personal loan	4.21	5	4.51	5	2.514*
6	Overdraft	4.21	5	4.51	5	2.620*
7	Foreign exchange	4.02	6	4.38	9	4.187*
8	Business loan	4.00	7	4.66	4	3.148*
9	Housing loan	4.00	7	4.66	4	2.864*
10	Travellers cheques	4.23	8	4.70	8	4.006*
12	Safe deposit boxes	4.15	9	4.49	7	2.60**
13	Other facilities	4.48	10	4.87	10	2.961*

Notes:
  $* p > 0.01$
  $** p > 0.05$

Discussion of the Findings

This study introduced and considered a typical consumer banking decision in a single bank transaction period. The model specification was that in any single period, the consumer (male or female) makes one primary and one secondary bank transaction decision. The use of the model is to estimate the likely parameters and consumer choice characteristics relating to an increasingly competitive Nigerian marketplace. The model specifications show that retail banks cannot be too far removed from the needs, motivations and purchase decisions of consumers. Similarly, retail banks should not be ignorant of the barriers that may confront consumers wishing to buy their services. A full range of service is the key to attracting new bank customers in Nigeria. The focus of this study is to explore gender differences in retail bank patronage by considering the consumption of retail bank services among male and female customers.

One of the interesting findings from this study is that both male and female customers value their time highly and expect their banking transactions to be completed as quickly as possible. In general, there are only few differences between male and female customers. Males seemed to be more confident in managing money and taking greater risks. Their sense of power is inextricably linked with money. Female customers on the other hand are less frugal. They seem to look for immediate gratification through spending, more security-oriented in money handling, and are fearful of negotiating large purchases. There are likely to be increasing numbers of women who have large amounts of disposable income resulting from their move into professional occupations once defined as exclusively male. Retail banks therefore need to reposition their services for better targeting.

The inefficiency indicators in Nigerian banking such as long queues in the bank, un-operational counters during banking hours, unattended enquiries, and delays in making decisions should be addressed immediately. Customers are the lifeblood of retail banks and customers' views and demand should never be ignored. In order to be competitive in attracting customers, banks must be willing to invest in advertising campaign, with the aim of creating awareness for service offerings. Another important issue that requires attention is the way bank personnel handle their customers, which definitely involves quality of service. Quality of service here means more than a smile or a passing greeting to customers. The dress code, customer relations, and the technique of answering the telephone are some of the areas to be emphasised. Both male and female customers were found to use only the basic commercial facilities in their daily bank transactions. Retail banks should make serious efforts to market products such as travellers' cheques, overdrafts, personal and housing loans to their customers irrespective of their gender.

Managerial Implications

The management of retail banks in Nigeria must acknowledge that they can no longer depend on male customers as their sole source of deposits or as their funds users. They have to expand their customers' base by including also female consumers as potential customers. Evidence from this research show that men and women expect many of the same factors from retail banks and therefore the segmentation by gender on these issues is not economic and realistic base. Although the key characteristics in retail bank service usage between men and women may differ slightly (see Table III), it is important for retail banks to target homogenous groups irrespective of gender for economic benefits. Since there is evidence in the literature showing that women's market in Nigeria is largely untapped by banking industry (Agu, 1992, Ayadi, 1996; and Omar, 2005); women's market therefore represents a likely growth segment. Also as a result of women becoming more educated and many of them now working, they are more likely to use retail bank services in the same way as men do. Similarly, the traditional belief in Nigeria about work divisions, and sexual segmented roles are in decline (Omar and Ogenyi, 2004) because they are no longer seen as relevant. Bank managers must therefore take into consideration the changing environment when developing financial service marketing strategies. The needs and wants of both male and female customers must also be considered in the development of retail banks' service marketing plans.

Limitations of the Study

It is possible to acknowledge several research limitations. The author is only able to examine the relationships amongst the variables and is not able to make causal inferences. Customers' responses might have been influenced by some time-specific factors. The use of self-reports might have led to the problem of common method variance and social desirability. The author's personal contact with the respondents might have led to biases in responses. Similarly, Nigeria is a federation with 36 states, and taking a sample from one location, Abuja may not be representative of the whole country.

Further research Direction

Future researchers may select more than one service sector, for example, service sectors that differ on a range of cultural and social dimensions. The fact that all respondents came from the same sector and the same city may limit the general nature of the research findings. There are several underlying differences between men and women's retail bank choice that the questionnaire for this study has not covered that future researcher may consider. For example, the cultural influences on family income generation; and the development of suitable research methodology which takes Nigerian environment into consideration.

Conclusion

The purpose of this study is to determine the relevant factors that male and females perceive as useful to their choice of retail banks in Nigeria. The most significant fact revealed by this study is that there is no significant difference in the choice criteria between male and female customers. In other words, Nigerians (male and female) who patronised retail banks have almost common perception in bank choice. The results provide the basis for a demographic and behavioural profile that is used to examine the emphasis of some criteria over others. The patterns that emerge here could provide insight into strategies that banks can use in African countries having similar market environment. With this information, retail banks should not over emphasise, and rely on, the gender factor as a strategy in their efforts to attract customers.

Finally, management of retail bank managers should realise that the nature of competition in the Nigerian financial sector is changing with the deregulation, introduction of new technology, the internationalisation of competitors, and shift of bargaining power to the customers' advantage. The success and survival of individual retail bank therefore depends on the managers' ability to understand customers' needs and to find effective ways to satisfy these needs irrespective of their gender.

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