# SOCIAL MEDIA MARKETING AND PERFORMANCE OF MICRO FINANCE BANKS

## BY

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**BEING AN UNDERGRADUATE PROJECT SUBMITTED AND PRESENTED TO THE DEPARTMENT OF BUSINESS ADMINISTRATION, FACULTY OF MANAGEMENT AND SOCIAL SCIENCES, THOMAS ADEWUMI UNIVERSITY, OKO-IRESE, KWARA STATE NIGERIA.**

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## AUGUST 2024

# CERTIFICATION

This research work by SALAMI, Barakat Damilola (20/15BAA002) has been read and approved as meeting the requirements for the award of Bachelor of Science (B.Sc.) degree in Business Administration by the Department of Business Administration, Faculty of Management Sciences, Thomas Adewunmi University, Oko, Kwara State, Nigeria.

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## DECLARATION

I, SALAMI, Barakat Damilola(20/15BAA002), hereby declare that the dissertation "Social Media Marketing and Performance of Micro Finance Banks in Lagos State Nigeria", is my own work and that all the sources that I have used or quoted have been indicated and acknowledged by means of complete references.

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## DEDICATION

This research work is dedicated to my loving, caring and supportive parents, Mr. & Mrs. SALAMI

## ACKNOWLEDGEMENT

I wish to express my profound gratitude to Almighty Allah for the guidance and help given me throughout the course of this study.

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# ABSTRACT

*This study spring from the fact that Microfinance banks (MFBs) serve as crucial financial institutions that provide banking services, such as savings accounts and loans, to individuals and small businesses, particularly those with limited access to conventional banking. These banks primarily focus on low-income individuals, micro-entrepreneurs, and small enterprises, aiming to enhance financial inclusion and economic empowerment. Traditionally, MFBs have utilized conventional marketing channels, including print media and broadcasting, to reach potential customers. However, the rapid advancement of digital technologies and the rise of social media have prompted a significant shift in marketing strategies.*

*In recent years, influencer marketing has emerged as a powerful tool for brands to engage with their target audiences, including the financial services sector. In Lagos State, a densely populated and economically vibrant region in Nigeria, microfinance banks are increasingly adopting social media marketing to enhance visibility and attract customers. Despite this trend, the specific impact of social media marketing on the performance of MFBs in Lagos remains inadequately explored.*

*This study aims to investigate the relationship between social media marketing and the performance metrics of microfinance banks, particularly focusing on customer acquisition costs and retention strategies.*

*The research is based on customers of SunTrust Microfinance Bank in Lagos State, utilizing both primary and secondary data sources. A structured questionnaire was administered to gather demographic information and insights related to social media marketing dimensions and their effects on performance. The findings from this study are expected to provide valuable insights into optimizing marketing strategies for microfinance banks in a competitive market environment.*

*Based on the findings of the study, the following recommendations are made: i). Based on the confirmation that content marketing is a significant and positive predictor of customer acquisition cost, microfinance banks should focus on creating high-quality, relevant content tailored to their target audience. Content should address the specific needs and interests of potential customers to effectively attract and engage them, thereby reducing acquisition costs. Ii). Utilize data analytics to personalize social media advertising. Tailor ad content to reflect customers' preferences and behaviors to enhance its relevance and impact on retention. Iii). Develop influencer marketing campaigns that emphasize authenticity and credibility. Encourage influencers to share personal experiences and testimonials about the bank's services to build trust and resonate with their audience.*

# CHAPTER ONE

# INTRODUCTION

## 1.1    Background of the Study

Microfinance banks, often abbreviated as "MFBs," are financial institutions that provide banking services, including savings accounts, loans, and other financial products, to individuals and small businesses, particularly those who have limited access to traditional banking services (Adebayo, (2021). These banks primarily target low-income individuals, micro-entrepreneurs, and small-scale enterprises, aiming to promote financial inclusion and economic empowerment. Traditionally, microfinance banks have relied on conventional marketing channels such as print media, radio, and television to reach potential customers and promote their services (Eze,& Nwosu,(2023). However, with the rapid proliferation of digital technologies and the increasing use of social media platforms, there has been a paradigm shift in marketing approaches.

In recent years, influencer marketing has emerged as a dynamic and impactful strategy for brands to engage with their target audience (Wang & Zhang, 2023). Influencers, who are individuals with significant online presence and following on social media platforms, have the ability to sway consumer perceptions and behavior through their recommendations and endorsements. This phenomenon has gained traction across various industries, including the financial services sector.

Lagos State, being one of the most populous and economically vibrant regions in Nigeria, presents a competitive market environment for microfinance banks (Folarin & Ojo, 2019). To differentiate themselves and gain a competitive edge, microfinance banks in Lagos State have begun exploring social media marketing as a means to enhance their visibility, attract potential customers, and ultimately increase customer patronage (Nwachukwu, & Osunmakinde, 2018). However, despite

the growing adoption of social media marketing by microfinance banks, there remains a gap in understanding the precise impact of social media marketing activities on performance within the microfinance banking sector in Lagos State. Thus, this study seeks to address this gap by examining the significant relationship between social media marketing and performance of microfinance banks.

Content marketing has emerged as a pivotal strategy for businesses aiming to attract and retain customers by creating valuable, relevant, and consistent content. The influence of content marketing on customer acquisition cost (CAC) is profound, as it can significantly reduce the expenses associated with attracting new customers. High-quality content tailored to the needs and interests of the target audience not only enhances brand visibility and credibility but also nurtures potential leads through the sales funnel, ultimately lowering CAC. By examining this influence, businesses can better understand how to optimize their content strategies to achieve more cost-effective customer acquisition.

Social media advertising has become an integral part of modern marketing strategies, offering a direct and engaging way to communicate with customers. Its effect on customer retention is a critical area of study, as retaining existing customers is often more cost-effective than acquiring new ones. Social media platforms provide businesses with the tools to create personalized and targeted ads that can keep customers engaged, informed, and loyal to the brand. By determining the effect of these advertisements, companies can refine their approaches to maximize retention rates, ensuring long-term customer relationships and sustained business growth.

Influencer marketing leverages the reach and credibility of individuals with substantial followings to promote products and services, thereby influencing the purchasing decisions of their audience. The relationship between influencer marketing and customer patronage is a fascinating aspect to investigate, as it highlights the power of social proof and personal recommendations in driving consumer behavior. Influencers can effectively bridge the gap between brands and potential customers, fostering trust and encouraging patronage. Understanding this relationship can help businesses identify the most effective influencer partnerships and strategies to boost customer engagement and sales.

Social media engagement, encompassing likes, shares, comments, and other interactions, plays a crucial role in shaping the online reputation of a brand. The effect of this engagement on electronic word of mouth (E-WOM) is significant, as positive interactions can lead to increased organic reach and brand advocacy. E-WOM, which refers to the sharing of opinions and experiences about products or services online, can greatly influence potential customers' decisions. By examining this effect, businesses can develop strategies to enhance their social media engagement, thereby amplifying positive E-WOM and leveraging it as a powerful marketing tool to attract new customers and build brand loyalty.

Subsequently, by examining this area of research, the study aims to provide valuable insights that can inform microfinance banks' marketing strategies, help them allocate resources effectively, and ultimately drive business growth. Additionally, the findings of the study can contribute to the existing body of knowledge on the effectiveness of social media marketing in the financial services industry. This underscores the importance of investigating the role of social media marketing in shaping performance of microfinance banks in Lagos State, with particular reference to SunTrust Microfinance bank, amidst the evolving digital marketing landscape.

## 1.2 Statement of the Problem

In the dynamic landscape of financial services, particularly in microfinance banks, the role of content marketing in shaping customer acquisition cost remains a critical yet underexplored area. Despite the increasing importance of content marketing strategies in attracting and retaining customers, there is a notable gap in understanding its specific impact on customer acquisition costs within the context of microfinance banks (Adelakun & Olugbire, 2023). Addressing these issues will provide valuable insights into the role of content marketing in microfinance banks' customer acquisition efforts in Lagos, enabling the development of more informed strategies to enhance efficiency and effectiveness in acquiring and retaining customers in this competitive market environment.

Furthermore, microfinance banks in Lagos State are gradually leveraging social media platforms to advertise their products and services. However, the specific impact of these social media advertising efforts on customer retention within the microfinance banking sector remains uncertain (Fasakin & Olatunji, 2020). Customer retention is essential for the sustained growth and profitability of microfinance banks, especially in a competitive market like Lagos State. Therefore, understanding the direct effect of social media advertising on customer retention is crucial for microfinance banks to optimize their marketing strategies and raise long-term customer relationships

Additionally, in today's digital age, social media has become a prominent platform for individuals to share their opinions and experiences about products and services. For microfinance banks in Lagos State, understanding how social media engagement influences electronic word of mouth e-WOM is crucial. E-WOM plays a significant role in shaping consumer perceptions and decisions,

and microfinance banks need to leverage social media effectively to manage their online reputation and foster positive word of mouth. Therefore, there is need to examine the perceptions and attitudes of customers towards microfinance banks' social media engagement and its effect on electronic word of mouth e-WOM.

Influencer marketing has emerged as a prominent strategy for brand promotion across various industries, including the financial sector (Omolara, & Adegboye, (2018). Microfinance banks in Lagos State have increasingly embraced influencer marketing to enhance their visibility and attract customers. However, the precise impact of influencer marketing on customer patronage within the microfinance banking sector remains understudied. Understanding this relationship is crucial for microfinance banks, with particular reference to SunTrust Microfinance bank, seeking to effectively leverage influencer marketing to increase customer patronage and drive business growth.

## 1.3    Research Objectives

The main objective of this study is to examine the effect of social media marketing on performance of Micro Finance Banks in Lagos State, Nigeria. Thus, the specific objectives include:

i. to examine the influence of content marketing on customer acquisition cost;

ii. to determine the effect of social media advertising on customer retention;

iii. to investigate the relationship between influencer marketing and customer patronage;  and

iv. to examine the effect of social media engagement on electronic word of mouth (E-WOM)

## 1.4.    Research Questions

The following questions were raised to provide appropriate guidelines for the conduct of the study.

i. To what extent does content marketing influences customer acquisition cost?

ii. What effect does social media advertising has on customer retention?

iii. Does influencer marketing has significant relationship with customer patronage?

iv. What is the effect of social media engagement on electronic word of mouth (E-WOM)?

## 1.5    Research Hypotheses

The following hypotheses stated in null form were tested in the course of the study:

**H0₁:** Content marketing has no significant influence on customer acquisition cost.

**H0₂:** Social media advertising has no significant effect on customer retention.

**H0₃:** Influencer marketing has no significant relationship with customer patronage.

**H0₄: S**ocial media engagement has no significant effect on electronic word of mouth (E-WOM).

## 1.6    Scope of the Study

The main aim of this study is to examine social media marketing and performance of micro finance banks, with particular reference to SunTrust Microfinance bank, in Lagos State, Nigeria. Thus, the contextual coverage of the study is limited to finding the nexus between two main constructs via: social media marketing and performance. It is noteworthy that the general constructs of social media based on extant literature include content marketing, social media advertising, influencer marketing and **s**ocial media engagement, using the platform of email, Facebook, LinkedIn, twitter, instar-gram etc. Performance was examined from customer perspectives using the constructs of

customer acquisition cost, customer retention, customer patronage, and electronic word of mouth (E-WOM), as the dependent variables, which have been established in literature to influence both financial and no-financial performance of micro finance banks in Nigeria (Olabode, & Akinloye, (2018).

Customers were considered as the basis of evaluation for the study, thus, data that were used for analysis were collected from the customers of SunTrust Microfinance bank. Therefore, the geographical coverage of the study was restricted to customers of SunTrust Microfinance bank in Lagos State, Nigeria.

## 1.7    Significance of the Study

This study aims to examine the effect of social media marketing on the performance of micro finance banks, with particular reference to SunTrust Microfinance bank in Lagos state, Nigeria. Technologies have transformed the way people live and work by making it easier to connect and engage online. They have also enabled major changes in customer behavior which in turn have revolutionized industries that have successfully incorporated these technologies in their business model. The evolution of communication technology in recent years has facilitated business's ability to network with its existing and potential customers. The government, customer, employee and stakeholders will benefit from the completion of this study.

This study aims to explore the effect of social media marketing on the performance of microfinance banks, focusing on SunTrust Microfinance Bank in Lagos State, Nigeria. Social media marketing has become a crucial component of modern business strategies, yet its specific impact on microfinance institutions (MFIs) remains under-researched. By examining this relationship, the study contributes to a deeper understanding of how social media marketing strategies influence the

performance metrics of MFIs. This is particularly significant in the context of Nigeria, where the microfinance sector plays a vital role in financial inclusion and economic development.

Additionally, the findings from this study offer practical insights for microfinance banks, specifically SunTrust Microfinance Bank, on how to effectively utilize social media marketing to enhance their performance. Understanding the impact of social media marketing on various performance indicators, such as customer acquisition, retention, and overall business growth, will enable microfinance institutions to optimize their marketing strategies. This can lead to more effective engagement with customers, improved brand visibility, and ultimately, better financial performance.

For policymakers and decision-makers within the microfinance sector, this study provides valuable evidence on the effectiveness of social media marketing. It can inform the development of strategies and policies aimed at leveraging digital marketing tools to improve the operational and financial performance of microfinance banks. By demonstrating the tangible benefits of social media marketing, the study supports the formulation of policies that encourage the adoption of digital marketing practices in the microfinance sector.

Microfinance banks are instrumental in promoting financial inclusion by providing access to financial services for underserved populations. This study's insights into social media marketing's impact on performance can help microfinance banks design targeted marketing campaigns to reach a broader audience, including those in remote or underserved areas. Enhancing the effectiveness of social media marketing can, therefore, contribute to the broader goal of increasing financial inclusion and empowering individuals and small businesses with access to necessary financial resources.

This research contributes to the academic literature on digital marketing and microfinance by providing empirical evidence on the role of social media marketing in enhancing MFI performance. It fills a gap in existing research by focusing specifically on microfinance institutions in the Nigerian context, thus offering a unique perspective on the application of social media marketing in a developing country setting. The study's findings will be valuable for scholars, researchers, and students interested in the intersection of digital marketing and microfinance.

By analyzing the case of SunTrust Microfinance Bank, the study sets a benchmark for other microfinance institutions seeking to implement or improve their social media marketing strategies. The insights gained can serve as a guide for best practices, helping other MFIs in Nigeria and similar markets to design and execute effective social media marketing campaigns that drive performance improvements.

Ultimately, the study's findings can have a long-term impact on the development of the microfinance sector. By demonstrating the positive effects of social media marketing on MFI performance, the research supports the sector's growth and sustainability. Improved performance and strategic marketing approaches can enhance the stability and expansion of microfinance institutions, contributing to broader economic development and financial stability in the region.

Essentially, this study is significant for its potential to enhance the understanding and application of social media marketing within the microfinance sector, offering practical, policy, academic, and strategic benefits that support the growth and development of microfinance banks in Lagos State, Nigeria, and beyond.

# CHAPTER TWO

# LITERATURE REVIEW

## 2.0    Preamble

The focus of this chapter is to review and evaluate the contributions of other writers, theorists and researchers on the subject of social media marketing and its effect on performance of microfinance banks. The focus of the chapter is to establish conceptual clarifications, theoretical approaches and empirical perspectives as to identify research gaps for the study

## 2.1    Conceptual Clarifications

## 2.1.1    Concept of Social Media Marketing

Using social media platforms to accomplish marketing goals is known as social media marketing (SMM) (Al-Mohammadi & Gazzaz, 2020; Araujo, *et al.*, 2022; Fan, 2023). It entails producing and disseminating information to draw in and hold the interest of target audiences. In relation to banks that provide microloans: In order to engage with current and new clients, advertise financial products and services, develop brand recognition, and strengthen client relationships, microfinance banks in Lagos State use social media marketing (SMM) strategies on sites like Facebook, Instagram, Twitter, and WhatsApp (Adelakun & Olugbire, 2023). Producing interesting and useful content, such as success stories, financial advice, product details, and client endorsements (Ezeani & Nwosu, 2020). Community management consists of interacting with clients, responding to questions, and fostering connections.

According to Scott (2007), social media marketing (SMM) is the process of interacting and communicating with customers through social media platforms in order to increase brand awareness and cultivate a favorable customer base. In order to get and keep followers on social media, Scott emphasized the value of producing interesting and worthwhile material. He also emphasized the need of tracking and evaluating

social media data in order to assess the success of SMM initiatives. Smith (2012) highlighted the function of social media marketing in establishing a two-way dialogue between companies and consumers. According to the author, social media platforms give companies the ability to hear directly from customers, react quickly, and adjust their marketing plans in light of audience insights discovered through social media interactions. Smith also emphasized the value of establishing credibility and trust on social media platforms by communicating in an honest and open manner. The insights provided by these previous studies draw attention to the fundamental ideas of social media marketing (SMM), which include interacting with clients on social media platforms, producing worthwhile content, evaluating data, and cultivating connections with them. Businesses may successfully use social media marketing to accomplish their marketing goals and spur company expansion by adhering to these guidelines.

Social media marketing, or SMM for short, is a type of digital marketing that uses social media sites to advertise goods and services (Godey, Manerzoli, Rokka, Aiello, Donvito, & Singh, 2023). It may include producing and disseminating content on social media platforms, interacting with fans and clients, and executing focused marketing initiatives to raise brand recognition, improve website traffic, and boost revenue. SMM is an effective tool that helps companies engage with their target market, establish rapport, and boost customer loyalty (Hudson & Hudson, 2024). Through the utilization of well-known social media platforms like Facebook, Instagram, Twitter, and LinkedIn, organizations may efficiently connect with their target audience and generate outcomes. Moreover, social media marketing (SMM) enables companies to compile insightful customer data and insights that can be leveraged to enhance marketing tactics and boost overall company success. Through the observation of social media metrics like engagement, click-through rates, and conversion rates, companies may monitor the efficacy of their marketing initiatives and make informed decisions to maximize their use of social media (Nwachukwu & Ekwe, 2023).

### 2.1.2    Content Marketing

In order to draw in and hold on to a precisely defined target and eventually encourage profitable consumer action, content marketing is a strategic marketing method that focuses on producing and disseminating valuable, pertinent, and consistent information (Content Marketing Institute, 2021). Rather than just pushing a product or service, this marketing strategy focuses on producing and disseminating content that is interesting and educational for readers. A study conducted by Pulizzi and Barrett (2014) found that content marketing has grown in popularity as a tactic for companies trying to become thought leaders in their field and connect with their target market. According to the study, businesses who put a high priority on content marketing enjoy improvements in customer loyalty, brand awareness, and return on investment over their competitors.

Additionally, a study conducted by Aitamurto and Tarkiainen (2021) emphasize how crucial consistency is to content marketing initiatives. In order to effectively engage and keep their audience, they contend that firms need to maintain a unified and consistent message across all platforms and channels. Businesses may become reliable information sources and create enduring connections with customers by regularly producing insightful and timely content. All things considered, a rising corpus of research backs up the idea of content marketing, emphasizing the need of producing relevant and consistent material to draw in and keep users. By concentrating on offering pertinent and interesting content, companies may successfully engage their target audience and encourage profitable consumer action (Godey, Manthiou, Pederzoli, Rokka, Aiello, Donvito, & Singh, 2021).

### 2.1.3 Social Media Advertising

A type of digital marketing known as "social media advertising" involves using sponsored posts on social networking sites to advertise goods and services (Ogunleye & Salawu, 2021). In contrast to traditional advertising tactics, it enables firms to connect with a specific audience and interact more personally and interactively with potential clients. Through the use of social media platforms, social media advertising

reaches specific audiences with product or service promotions. Through focused and affordable user outreach, this type of advertising helps businesses increase engagement, brand recognition, and conversions (Castronovo & Huang, 2012). Another model of marketing communication is social media (Chinedu & Eze (2024). According to Barker, Barker, Bormann and Neher (2021), **t**here are always new platforms, features, and targeting possibilities available for social media advertising. With new platforms, features, and targeting options constantly being added, social media advertising is becoming an increasingly important and dynamic part of contemporary marketing strategies. Companies may connect with their target audience more personally and powerfully by using social media advertising, which promotes brand success and growth.

### 2.1.4 Influencer Marketing

Using social media influencers to market goods and services to their followers is known as influencer marketing (Nwachukwu & Ekwe, 2022). Influencers are people with a sizable and active fan base on social media sites like YouTube, Instagram, and TikTok who are regarded as reliable informational and recommendation sources by their audience. Besharati and Zabihimayvan's (2021) affirmed that influencers can be an effective means for brands to connect with and involve their target audiences because they can establish a personal connection with their followers and produce relatable and genuine content that appeals to them. In comparison to conventional forms of advertising, the study also revealed that influencer marketing can result in increased levels of engagement, brand awareness, and purchase intentions.

According to Jin and Phua (2020), influencers can affect consumer attitudes and behaviors through their relatable and real material, which emphasizes the significance of influencer marketing in the digital age. Influencer marketing is a successful tactic for organizations trying to establish credibility and trust with their target audience, since it has been revealed that consumers view influencers as more reliable and convincing than traditional forms of advertising (Ogunbiyi & Akinpelu, 2023). In general, influencer marketing has become a crucial tactic for companies trying to engage and establish a genuine connection

with their audience. Brands may effectively utilize social media to meaningfully connect and influence prospective customers by forming partnerships with influencers who share their values and appeal to their target demographic.

### 2.1.5    Social Media Engagement

A brand or individual's interactions with their audience on social media platforms are referred to as social media engagement (Adegoke & Okanlawon, 2020). Direct messages, mentions, shares, comments, and likes can all fall under this category (Ibrahim & Lawal, 2023). Engagement plays a crucial role in social media marketing since it fosters relationships with followers, raises brand exposure, increases website traffic, and eventually boosts conversions or sales. An audience's likelihood of becoming devoted supporters or clients of a brand Increases with their level of engagement (Mills & Sutherland, 2021). Creating and disseminating worthwhile material, promptly answering messages and comments, and actively interacting with their audience through polls, competitions, and the sharing of user-generated content are all necessary for brands to boost social media engagement. Brands may increase meaningful interactions and eventually accomplish their marketing objectives by concentrating on developing a robust and active social media community. On social media sites like Facebook, Instagram, Twitter, and LinkedIn, this contact can take the form of likes, comments, shares, retweets, mentions, and direct messages (Kotler, & Keller, 2024). Ojo and Nwogugu (2023) affirmed that engaging on social media is crucial since it fosters relationships with followers, raises brand exposure, increases website traffic, and eventually promotes business expansion. Users actively interact in and exchange content with their networks through social media engagement, which is defined as a two-way communication process by Kaplan and Haenlein (2010).

High levels of social media involvement, according to the study, can boost word-of-mouth advertising and brand loyalty. Boyd and Ellison (2007) conducted another study that emphasized the value of social media participation in creating online communities and establishing connections between people who share

interests. In comparison to traditional media, social media platforms offer a more customized and interactive place for consumers to interact and engage with content, according to the survey. Informational, emotional, social, and behavioral are the four characteristics of social media involvement that were found by Kietzmann *et al.* (2011) in their study. Sharing and consuming content is known as informational engagement, whereas expressing emotions and sentiments about a company or subject is known as emotional engagement. While behavioral engagement refers to behaviors made as a result of social media interactions, social engagement focuses on user interactions. In general, relationships are developed, engagement is increased, and brand loyalty is fostered on social media platforms through social media engagement. Businesses and people who interact with their following in a proactive manner and establish deep connections with others are more likely to experience success and growth in their social media presence (Durojaiye & Olatunji , 2023).

### 2.1.6    Concept of Performance

### 2.1.6.1  Customer Acquisition Cost as a Construct of Performance

Customer acquisition cost (CAC) is the sum of money that a company needs to spend on sales and marketing initiatives in order to bring on a new client (Bennett & Rundle-Thiele, 2020). Its computation involves dividing the overall cost of client acquisition by the total number of customers attained within a given time frame. This measure is useful for organizations to assess the success of their marketing and sales efforts as well as how much they are spending on acquiring new clients. Generally speaking, a lower CAC denotes more effective customer acquisition procedures (Nwokedi & Ogbo, 2024).

### 2.1.6.2  Customer Retention as a Construct of Performance

Building strong relationships with customers, understanding their needs, providing ongoing value, and addressing any concerns they may have are all part of customer retention strategies and actions that businesses take to keep their current customers engaged and satisfied and consequently reduce customer

defections or churn (Nwachukwu, & Ekwe, 2019). Businesses that are successful in customer retention can see increases in customer lifetime value and a more stable revenue stream.

**2.1.6.3 Customer Patronage**

When a consumer regularly buys goods or services from a business, they are exhibiting their continued support and loyalty to that business (Nwokedi & Ogbo, 2024). This is known as customer patronage. Organizational rules, relationship marketing, and environmental elements like the retail setting are some of the factors that impact it. Recurring business can be encouraged and customer satisfaction raised with the use of attractive retail environments and efficient customer relationship management (Ogunbiyi & Akinpelu, 2021). In order to cultivate long-term consumer loyalty and competitive advantage, firms must comprehend these dynamics. It equally infer consumers who regularly make purchases from the same company. It may encompasses brand loyalty, an intense inclination to favor one brand over another; good word-of-mouth, referring to clients telling others about the company.

**2.1.6.4 Electronic Word of Mouth (e-WOM)**

The exchange of ideas, remarks, and details regarding goods, services, and brands via online channels including social media, review websites, blogs, and forums is known as electronic word of mouth, or e-WOM (Ibrahim & Adetunji, 2019). Customers' opinions, attitudes, and purchasing decisions can be influenced by e-WOM (Akinwande & Ogbonna, 2020). This kind of communication may reach a wide audience and spread quickly, which makes it an effective tool for businesses looking to create buzz and advertise their goods and services (Olabisi & Iroham, 2023). In order to manage their online reputation and address any unfavorable comments, businesses can also keep an eye on e-WOM and react accordingly.

In the digital age, electronic word of mouth, or e-WOM, has become a crucial part of consumer decision-making and marketing techniques. Studies have indicated that electronic word-of-mouth (e-WOM) has a notable impact on consumer attitudes, perceptions, and behavioral intentions towards brands and products

(Alhassan & Osei, 2022). Positive evaluations and recommendations have a particularly big influence on consumers' buying decisions, according to a study by Cheung *et al.* (2012). Because customers are more inclined to believe suggestions from friends, family, and online groups, the study also emphasized the significance of trust in e-WOM sources. Li *et al* (2018) investigated the impact of e-WOM on brand perception and loyalty and found that e-WOM positively and indirectly affects brand impression and loyalty.

These studies show how e-WOM has a big influence on customer behavior and how crucial it is to manage and take advantage of online interactions to improve brand reputation and propel marketing success. Because of this, companies need to actively participate in and keep an eye on e-WOM in order to fully reap the benefits and skillfully handle any unfavorable comments.

**2.1.7    Dimensions of Social Media Marketing and their Effect on Microfinance Banks Performance**

The rise of social media has transformed how businesses engage with customers, including microfinance banks. Social media marketing (SMM) has become a vital component of financial institutions' strategies to enhance their performance. Social media marketing encompasses several dimensions that influence organizational performance. Key dimensions include content marketing, social media advertising, influencer marketing, and social media engagement.

**2.1.7.1    Content Marketing as a Construct of Social Media Marketing and its Effect on Customer Acquisition Cost**

Content marketing involves creating and sharing valuable content to attract and engage a target audience. According to Pulizzi (2014), effective content marketing helps build brand trust and authority, which can drive customer acquisition and retention. For microfinance banks, content

marketing can educate potential clients about financial products and services, thereby enhancing their market reach and customer engagement (Holliman & Rowley, 2014).

Content marketing, a critical component of social media marketing, plays a significant role in shaping customer acquisition strategies. By creating and distributing valuable content, organizations aim to attract and engage potential customers, ultimately influencing their acquisition costs. Content marketing involves developing and sharing valuable, relevant, and consistent content to attract and retain a clearly defined audience, with the goal of driving profitable customer action (Pulizzi, 2014). The importance of content marketing lies in its ability to build trust and authority, enhance brand visibility, and engage potential customers through informative and entertaining material (Holliman & Rowley, 2014). Content marketing strategies often include blog posts, articles, infographics, videos, and social media updates.

Studies have shown that social media marketing significantly impacts customer acquisition. Research by Patel and Patel (2020) indicates that social media platforms can be highly effective in attracting new clients by enhancing visibility and targeting specific customer segments. For microfinance banks, utilizing social media marketing strategies can lead to increased customer acquisition and market penetration (Zhang & Zhang, 2021).

Demand Metric (2014) report indicates that content marketing reduces CAC by attracting more engaged and qualified leads, thereby lowering overall marketing expenses. Patel and Patel (2020) demonstrates that content marketing strategies lead to a decrease in CAC due to the efficiency of content in nurturing leads and driving conversions. Likewise, B2B Content Marketing Report (2020) finds that content marketing generates leads at a lower cost compared to traditional marketing methods, highlighting its effectiveness in reducing CAC.

The value creation theory posits that content marketing creates value for both the company and its customers. By offering valuable information and solutions, organizations can build a strong relationship with their audience, which can reduce CAC (Vargo & Lusch, 2004). Content that addresses customer pain points and provides solutions can lead to higher engagement rates and lower acquisition costs by attracting highly interested and qualified leads (Kotler & Keller, 2016). Likewise, the AIDA (Attention, Interest, Desire, Action) model outlines the stages a customer goes through before making a purchase decision (Strong, 1925). Content marketing aligns with this model by capturing attention through engaging content, generating interest with informative material, creating desire with compelling messages, and prompting action with clear calls-to-action (Schultz & Bailey, 2000). Effective content marketing thus influences CAC by accelerating the customer journey and reducing the resources needed to convert prospects into customers.

Content marketing can reduce CAC by generating high-quality leads at a lower cost compared to traditional advertising methods. Research by Patel and Patel (2020) shows that organizations using content marketing experience lower CAC due to the effectiveness of content in nurturing leads through the sales funnel. Content marketing attracts organic traffic and engages potential customers over time, reducing the need for expensive paid acquisition channels (Holliman & Rowley, 2014).

High-quality content can improve lead quality, which in turn affects CAC. According to a study by Demand Metric (2014), content marketing generates 3 times more leads per dollar spent compared to traditional marketing methods. By attracting and engaging a targeted audience, content marketing helps in identifying leads that are more likely to convert, thereby reducing CAC (B2B Content Marketing Report, 2020).

Content marketing establishes brand authority and trust, which can influence CAC. Research by Content Marketing Institute (2021) highlights that brands with strong content marketing strategies are perceived as industry leaders, leading to higher conversion rates and lower CAC. Effective content builds credibility and trust, making it easier to acquire customers at a lower cost (Pulizzi, 2014).

Organizations, including microfinance banks, can leverage content marketing to optimize their customer acquisition strategies. By developing valuable and relevant content, organizations can create content that addresses the specific needs and interests of target audiences to attract high-quality leads; use engaging content to build relationships with potential customers, reducing the need for aggressive acquisition tactics; establish industry authority through thought leadership and expert content, which can lower CAC by increasing trust and credibility.

**2.1.7.2    Social Media Advertising as a Construct of Social Media Marketing and its Effect  on Customer Retention**

Social media advertising refers to paid promotional activities on social media platforms. Research by Tuten and Solomon (2017) highlights that social media advertising can increase brand visibility and customer acquisition by targeting specific demographics and interests. For microfinance banks, targeted advertising can improve the effectiveness of marketing campaigns by reaching potential customers who are most likely to benefit from their services (Kaplan & Haenlein, 2010).

Customer retention is another critical performance metric influenced by social media marketing. According to Malthouse et al. (2013), engaging with customers on social media platforms helps maintain ongoing relationships and loyalty. Microfinance banks that effectively use social media

engagement strategies can enhance customer satisfaction and reduce churn rates (Hollebeek, 2011).

Social media advertising is a pivotal construct within social media marketing that significantly impacts various business performance metrics, including customer retention. Social media advertising involves the use of paid advertisements on social media platforms to promote products, services, or brands to targeted audiences (Tuten & Solomon, 2017). It includes various formats such as display ads, video ads, sponsored posts, and carousel ads. The importance of social media advertising lies in its ability to reach large audiences, target specific demographics, and engage users with visually appealing and interactive content (Batra & Keller, 2016).

Relationship Marketing Theory emphasizes the importance of long-term customer relationships over short-term sales (Morgan & Hunt, 1994). Social media advertising can foster these relationships by consistently engaging customers with relevant content, personalized messages, and interactive experiences. This continuous engagement helps in building customer loyalty and retention. Social Exchange Theory posits that social behavior is a result of an exchange process where individuals seek to maximize rewards and minimize costs (Homans, 1958). In the context of social media advertising, customers perceive value in the form of relevant and engaging content, which can enhance their loyalty to the brand, thereby positively influencing customer retention (Blau, 1964).

Social media advertising enhances customer engagement through interactive and visually appealing content. Engagement is a critical factor in customer retention as it fosters a sense of connection and loyalty to the brand (Hudson et al., 2016). High engagement levels driven by social media advertising can lead to increased customer retention rates.

Social media platforms offer sophisticated targeting options that allow advertisers to deliver personalized ads to specific segments of their audience (Lamb, Hair, & McDaniel, 2018). Personalized ads are more likely to resonate with customers, leading to a deeper connection with the brand and higher retention rates. Studies have shown that personalization in advertising can significantly enhance customer loyalty and retention (Tam & Ho, 2005).

Consistent exposure to social media ads increases brand awareness and recall, which are crucial for customer retention (Keller, 2009). When customers are repeatedly exposed to a brand's message, it reinforces their association with the brand, making them more likely to stay loyal over time. Social media advertising helps maintain this continuous presence in the minds of customers.

Several studies provide empirical evidence of the positive impact of social media advertising on customer retention. Goh, Heng and Lin (2013) found that social media advertising significantly improves customer engagement, which in turn positively affects customer retention. Hudson *et al.* (2016) showed that social media engagement, driven by advertising, leads to stronger customer-brand relationships and higher retention rates. Tam and Ho (2005) findings indicate that personalized social media advertising enhances customer loyalty and retention by creating a more relevant and engaging customer experience.

Organizations, including microfinance banks, can leverage social media advertising to optimize customer retention strategies. By developing targeted and engaging social media ads, organizations can create interactive and visually appealing ads to foster higher levels of customer engagement and connection with the brand; utilize advanced targeting options to deliver personalized ads that resonate with specific customer segments; maintain a consistent presence through regular and strategic ad placements to reinforce brand awareness and recall.

**2.1.7.3   Influencer Marketing as a Construct of Social Media Marketing and its Relationship with Customer Patronage**

Influencer marketing has emerged as a pivotal component of social media marketing, significantly impacting various business performance metrics, including customer patronage. Influencer marketing leverages individuals with significant social media followings to promote products or services. According to Freberg, Graham, McGaughey, and Freberg (2011), influencer marketing can enhance credibility and trust, which are crucial for financial services. Microfinance banks can use influencers to build brand reputation and attract new customers through endorsements and testimonials (Brown & Hayes, 2008).

Influencer marketing involves partnering with individuals who have a significant following on social media platforms to promote products, services, or brands (Freberg *et al.,* 2011). These influencers can range from celebrities and industry experts to micro-influencers with niche audiences. The importance of influencer marketing lies in its ability to leverage the trust and credibility that influencers have built with their followers, resulting in more authentic and engaging promotional content (Brown & Hayes, 2008).

Social Influence Theory posits that individuals' behaviors, attitudes, and beliefs are influenced by others (Kelman, 1958). Influencers, through their established credibility and authority in specific niches, can significantly affect their followers' purchasing decisions, thereby increasing customer patronage. Trust Transfer Theory suggests that trust can be transferred from one entity to another. In influencer marketing, the trust that followers have in influencers can be transferred to the brands that influencers endorse (Stewart, 2003). This transfer of trust can enhance customer patronage as followers are more likely to purchase products recommended by trusted influencers.

Influencer marketing builds trust and credibility, which are crucial for fostering customer patronage (Hwang & Zhang, 2018). Influencers' authentic and relatable content helps establish a connection with their audience, making their endorsements more persuasive. Studies have shown that consumers are more likely to trust and purchase products recommended by influencers they follow (Glucksman, 2017).

Influencers can significantly enhance brand awareness and reach by exposing their followers to new products and brands (De Veirman, Cauberghe, & Hudders, 2017). The extensive reach of influencers allows brands to tap into new customer segments, thereby increasing patronage. Research indicates that influencer marketing can effectively expand a brand's audience and drive higher engagement rates (Lou & Yuan, 2019).

Influencer marketing drives higher levels of engagement and interaction compared to traditional advertising (Kapitan & Silvera, 2016). Influencers' interactive content, such as live streams, Q&A sessions, and product reviews, encourages followers to engage with the brand, fostering a sense of community and loyalty. This increased engagement can lead to higher customer patronage as consumers feel more connected to the brand.

Several studies provide empirical evidence of the positive impact of influencer marketing on customer patronage. Hwang and Zhang (2018) study found that influencer endorsements significantly enhance brand trust, leading to increased customer patronage. Glucksman (2017) study showed that influencer marketing campaigns drive higher engagement rates and improve purchase intentions among consumers. De Veirman, Cauberghe, and Hudders (2017) findings indicate that influencers' reach and credibility positively impact brand awareness and customer patronage.

Organizations, including microfinance banks, can leverage influencer marketing to optimize customer patronage strategies. By partnering with relevant influencers, organizations can collaborate with trusted influencers to enhance credibility and trust in the brand; use influencers' extensive reach to target new customer segments and increase brand awareness; create interactive and engaging content with influencers to foster a deeper connection with the audience.

**2.1.7.4   Social Media Engagement as a Construct of Social Media Marketing and its Effect on Electronic Word of Mouth (E-WOM)**

Social media engagement refers to the interaction between consumers and brands on social media platforms, encompassing activities such as likes, comments, shares, and direct messages (Barger, Peltier, & Schultz, 2016). It reflects the level of consumer interest and involvement with the brand's content and plays a critical role in fostering relationships and enhancing brand loyalty (Dessart, Veloutsou, & Morgan-Thomas, 2015).

Social media engagement is a fundamental aspect of social media marketing, playing a crucial role in shaping consumer behavior and perceptions. The concept involves interacting with users through comments, likes, shares, and direct messages. As noted by Kietzmann et al. (2011), high levels of engagement can strengthen customer relationships and increase brand loyalty. For microfinance banks, effective engagement can improve customer satisfaction and retention by providing timely support and fostering a sense of community (Ashley & Tuten, 2015).

Uses and Gratifications Theory posits that individuals engage with media to fulfill specific needs and desires (Katz, Blumler, & Gurevitch, 1974). In the context of social media engagement, consumers interact with brand content to satisfy needs such as information seeking, entertainment, social interaction, and personal identity (Whiting & Williams, 2013). This engagement can lead to

positive outcomes like increased E-WOM. Additionally, Social Exchange Theory suggests that social behavior is the result of an exchange process where individuals seek to maximize benefits and minimize costs (Homans, 1958). Engaging with brands on social media can be seen as a form of social exchange where consumers expect rewards such as social recognition, exclusive information, or enhanced brand experiences. Positive engagements often result in favorable E-WOM as consumers share their experiences with others (Blau, 1964).

Social media engagement increases brand awareness and loyalty, which are critical for generating positive E-WOM (Hollebeek, Glynn, & Brodie, 2014). When consumers are actively engaged with a brand, they are more likely to remember and advocate for it. Engaged consumers often share their positive experiences on social media, amplifying brand messages and influencing their network's perceptions and behaviors. Engagement fosters strong consumer-brand relationships, leading to increased E-WOM (Hudson, Roth, Madden, & Hudson, 2015). Interactive and personalized content helps build emotional connections with consumers, making them more likely to recommend the brand to others. Research indicates that consumers who feel a personal connection with a brand are more inclined to participate in E-WOM activities (Dessart, Veloutsou, & Morgan-Thomas, 2015).

Equally, active engagement enhances the perceived value and trust in a brand, which are crucial for E-WOM (Gómez, Lopez, & Molina, 2019). When brands consistently deliver valuable and trustworthy content, consumers perceive higher value in the brand, encouraging them to share their positive experiences. Studies have shown that higher levels of trust and perceived value are associated with increased E-WOM (Chu & Kim, 2011).

Several studies provide empirical evidence of the positive impact of social media engagement on E-WOM. The study of Hollebeek, Glynn and Brodie (2014) study found that consumer engagement positively influences brand loyalty and E-WOM. Equally, Hudson *et al.* (2015) demonstrate that strong consumer-brand relationships lead to increased E-WOM. Chu and Kim (2011) indicate that trust and perceived value significantly impact consumers' willingness to engage in E-WOM.

Therefore, microfinance banks and other organizations can leverage social media engagement to enhance E-WOM by developing interactive and valuable content that encourages consumer participation and sharing; fostering strong consumer-brand relationships through personalized interactions and responses; and consistently deliver trustworthy and valuable information to enhance perceived value and encourage positive E-WOM.

## 2.2    Theoretical Review

Businesses, especially microfinance banks, are finding that social media marketing is crucial to connecting with and engaging with their target market. Using social media for marketing can assist microfinance banks in Lagos, Nigeria, raise their profile, draw in new clients, and keep hold of their current clientele. The relationship between social media marketing and the performance of microfinance banks in Lagos, Nigeria, can be understood from a number of theoretical angles.

### 2.2.1    Technology Acceptance Model (TAM)

The Technology Acceptance Model (TAM) is one such viewpoint that contends perceived utility and usability have an impact on the acceptance and use of technology, including social media platforms. Microfinance banks can use social media to explain to prospective clients the advantages of their services, which will make it simpler in order for them to comprehend and utilize financial goods. Social Exchange Theory: This theory suggests that people interact with each other in social settings to optimize benefits and

reduce expenses. It may also be applied to social media marketing for microfinance institutions. Microfinance banks can establish a reciprocal communication channel with their clients by employing social media platforms for marketing purposes. This allows them to offer important information, assistance, and services in return for their patronage and dedication.

Technological Acceptance Model (TAM) assumes that when someone forms an intention to act, he/she will be free to act without limitation (Bagozzi, Davis &Warshaw 1992). The model suggests that when users are presented with a new technology, a number of factors such as Perceived Usefulness (PU) and Perceived Ease-Of-Use (PEOU) influence their decisions about how and when they will use it. The theory helps to understand how microfinance banks come to accept or reject the use of ICT in their businesses.

### 2.2.2    Diffusion of Innovation Theory (DOI)

Diffusion of innovation theory as postulated by Rogers (1995) involves the process by which an innovation is communicated through certain channels over time among the members of a social system. The DOI approach has its primary focus on how potential adopters perceive an innovation in terms of relative advantage/disadvantage (Rogers, 1995). The basic features of the innovation as perceived by the members of a social system determine its rate of adoption (Rogers, 1995). This theory comprises four elements including innovation, communication channels, time and the social system. In summary, the diffusion theory provides a framework that helps to understand why ICTs are adopted by some microfinance banks and not by others (Shih, 2013).

### 2.2.3    Resource-Based View (RBV)

To further comprehend how social media marketing might improve the performance of microfinance institutions, the Resource-Based View (RBV) of the company can be utilized. By making use of their special resources and skills, businesses can gain a sustained competitive edge, according to RBV. In the realm of social media marketing, microfinance institutions may leverage their local market expertise and consumer requirements awareness to craft focused and successful campaigns that boost customer loyalty and propel

business expansion. The effectiveness of microfinance banks in Lagos, Nigeria, is greatly influenced by social media marketing. Microfinance banks may create efficient social media marketing strategies that improve brand recognition, customer engagement, and revenue by utilizing theoretical vantage points including TAM, DOI, and RBV. However, this study adapts the diffusion theory of innovation because it predicts that the earlier microfinance banks in Nigeria accept and use social media in their respective business operations, the earlier it improve their business activities.

## 2.3    Empirical Review

The study of Alashe and Uyar (2021) examined the effect of marketing expenses and social media on financial performance: the case of Nigeria. Regression method and correlation analysis were used to examine the relationships between the variables. Findings revealed that there is a significant correlation between the number of users following the social media accounts of financial institutions and the gross earnings.

Daowd, *et al* (2020) investigate the impact of social media on the performance of microfinance institutions in developing countries: a quantitative approach. A web-based questionnaires was used to collect data from MFIS employees in developing countries. Results reveal a significant influence of the social media over the MFIs performance, offering valuable insights into both researchers and practitioners in the domain of microfinance, as well as social media, conforming that the adoption of social media as marketing, advertising and communication tools may significantly improve the MFIs performance.

Ekakitie-emonena, Okwuise, and Osuji (2023) examine marketing positioning and financial performance of microfinance banks in Nigeria. The study used the content analysis to measure the each of the marketing positioning while the dependent variable (financial performance) was sourced using the aggregate return on asset of all microfinance banks in Nigeria. The data obtained were analyzed

using Regression Analysis. The study considered four (4) main pre-estimation tests which are Variance Inflation factors-VIF, Ramsey Reset Test-RRT; and Heteroskedasticity test-HET. The result reveals that, market positioning (mono-segment positioning, multi-segments and adaptive positioning) are positively significant and defensive positioning is negatively significant on microfinance banks' performance.

Nwankwo and Ajaero (2019) assess the effectiveness of social media platforms in improving the operational performance of microfinance banks in Southeast Nigeria. A mixed-method approach was used, combining qualitative interviews with key stakeholders and quantitative surveys of 150 bank customers. Data were analyzed using SPSS software. The study concluded that social media marketing significantly improves customer communication and satisfaction, which in turn enhances the overall performance of microfinance banks.

Eze and Okoro (2020) explore the role of social media advertising in boosting the financial performance of microfinance banks in Abuja, Nigeria. The research adopted a case study approach, focusing on three microfinance banks. Data collection involved interviews with bank managers and analysis of financial reports before and after social media marketing campaigns. The results indicated that social media advertising leads to increased brand awareness and customer acquisition, contributing to improved financial performance.

Oladipo and Falola (2021) examine the relationship between social media engagement and the performance of microfinance banks in Southwestern Nigeria. A cross-sectional survey was conducted, involving 200 customers of various microfinance banks. Data were analyzed using correlation and regression techniques. The study found a significant positive correlation between social media engagement (measured by likes, shares, and comments) and customer retention, which positively impacts the banks' performance.

Uche and Obinna (2022) determine the impact of social media marketing strategies on the competitive advantage of microfinance banks in Northern Nigeria. The researchers used a combination of focus group

discussions and surveys, targeting 120 employees from different microfinance banks. Data were analyzed using thematic analysis and ANOVA. The findings revealed that innovative social media marketing strategies provide a competitive edge by attracting a younger demographic and increasing market share.

Ibekwe and Chukwuma (2023) investigate the influence of social media marketing on customer loyalty and the overall performance of microfinance banks in Southern Nigeria. A quantitative research design was adopted, with questionnaires administered to 250 customers of microfinance banks. Data were analyzed using multiple regression analysis. The study concluded that social media marketing significantly enhances customer loyalty through consistent engagement and personalized content, leading to better bank performance.

# CHAPTER THREE

# METHODOLOGY

## 3.0    Preamble

This chapter focused on the methodology for collecting, classifying, summarizing, coding and analyzing the required data as well as the methods that were employed to achieve the stated specific objectives of the study. The chapter include the following sub-headings: research philosophy, research design, population of the study, sample size and sampling procedure, method of data collection, validity and reliability of instrument, method of data analysis and statement of ethical consideration.

## 3.1    Research Philosophy

The five major philosophies in business and management research are positivism, critical realism, interpretivism, postmodernism, and pragmatism. This study adopts the positivist research philosophy, which is preferred for its focus on quantifying qualitative data. Data were collected from customers of microfinance banks in Lagos State, Nigeria, using closed-ended questionnaires. Epistemology, which concerns how knowledge is acquired (Crotty, 1998; Daniel, 2016), is integral to this study. Specifically, the research aims to develop knowledge on the dimensions of social media marketing and their effects on the performance metrics of microfinance banks in Lagos State. The positivist research approach, known for employing surveys and quantitative statistical analysis techniques (Williams, 2007), is used to explore the relationships between independent and dependent variables.

This study aligns with the positivist paradigm due to its empirical nature, focusing on observable and measurable phenomena, and is grounded in testable hypotheses and deductive reasoning. However, it also incorporates elements of the post-positivist paradigm, acknowledging the fallibility and potential errors in observations and the need for theories to be subject to revision. While recognizing the challenge of knowing reality with certainty, the study aims to approximate reality as closely as possible through scientific inquiry.

Epistemologically, the study adopts a quantitative research methodology, with the researcher maintaining detachment and objectivity to ensure unbiased observations and conclusions about the phenomena under investigation.

## 3.1 Research Design

The study adopts the survey research method as the research design. A survey method for this study is quite appropriate in the measurement of respondents' opinions and attitudes towards dimensions of social media marketing dimensions and their relative effect on performance metrics of micro-finance banks in Lagos State, Nigeria.

## 3.2 Data Specification

Primary and secondary sources of data were used to source for information from the study area. The primary data that were obtained to include the bio-data of the respondents and data related to dimensions of social media marketing and their relative effect on performance metrics of microfinance banks in Lagos State, Nigeria. The bio-data of the respondents covered items such as gender, age group, marital status, and education qualifications. The data sourced through secondary medium were mainly used for literature review in chapter two.

### 3.3. Population for the Study

The population for the study is restricted to customers of SunTrust Microfinance bank in Lagos state, Nigeria. The actual figure of the population of the study could not be ascertained because it is considered a moving population thus it is infinite (Hair *et al.,* 2016). This made the study to adopt a hypothetical sample in line with the views of Attwell and Rule (1991) which postulates that theoretical samples may be used for an unknown or indefinite population.

### 3.4 Sampling Techniques and Sample Size

Since the population is considered infinite because it could not be determine, Cochran (1977) developed a formula for calculating a representative sample for proportions of infinite population. Therefore, in the determination of the sample size of customers for this study, the researcher adopts statistical formula of Cochran (1977). Babalola (1998) corroborated the usefulness of this formula in asserting that the formula can be used to calculate the minimum sample size when the population is infinite. The formula is given as follows:

$$n_0 = \frac{Z^2 pq}{e^2}$$

Where:

Z= the selected critical value of desired confidence level (1.96)

p= the estimated proportion of an attribute that is present in the population (0.5)

q= 1− p and e is the desired level of precision (0.5)

e= Degree of accuracy desired (0.5)


Therefore,

$$n_0 = Z2pq = \frac{(1.96)^2 (0.5)(1-0.5)}{0.05^2}$$

$n_0 ==$ 384 Respondents

However, in the determination of the sample size, the calculated sample size of 384 was increase by 5% (19) making a total 403 respondents for replacement of likely non-response or missing responses as well as to increase the adequacy of the sample as submitted by Aliyu (2014). Therefore, four hundred and three (403) samples was considered as the total number of customers that were to be selected.

**Sampling Procedure**

The study employed a purposive sampling technique. Due to the unavailability of a sampling frame and the impracticality of constructing a reliable sample frame for the customers, a convenient sampling technique was adopted for selecting participants. This approach allowed the researcher to choose sample elements based on specific characteristics of the population that were essential for obtaining the required data.

The study focused on customers of SunTrust Microfinance Bank in Lagos State, Nigeria. Given the accessibility of respondents among the bank's customers, the researcher was able to obtain willing participants from those present in the bank hall. Four hundred and three (403) copies of questionnaires were administered to these customers.

This sample size aligns with the views of Hill, Brierley, and MacDougall (2003), who suggest that a sample size of 100 or more is sufficient to produce reliable research findings and provide good representation of the population or organization under investigation.

**3.4     Method of Data Collection**

The collection of primary data for this study involved the administration of a structured questionnaire, divided into two main parts. The first part gathered demographic information from the respondents, including items such as gender, age group, marital status, and educational qualifications. The second part contained questions related to the dimensions of social media marketing and their relative effects on the performance metrics of microfinance banks, aimed at addressing the research objectives.

A five-point Likert rating scale was employed for sampling, measuring, and recording respondents' opinions. This scale ranged from strongly agree (5 points) to strongly disagree (1 point), enabling the researcher to quantify respondents' attitudes and perceptions effectively. Saunders, Lewis, and Thornhill (2000) assert that the Likert-style rating method allows researchers to gauge the level of agreement or disagreement with a series of statements. Additionally, this method facilitates the assignment of numerical values to responses, enabling straightforward quantitative analysis (Zinberg, Revelle & McDonald, 2006).

**3.5     Reliability and Validity of the Instrument**

One important way of ensuring that studies use the right instruments and take correct measurements is by ensuring that the research outcomes meet the criteria for validity and reliability (Aliyu, 2014). Validity and reliability tests are essential for confirming that a research instrument can accurately measure the intended features within the population, aligning with the research objectives.

Cronbach's alpha was used to measure the reliability of the instrument, as it is the most commonly employed test for assessing internal reliability (Bryman & Bell, 2007). Cronbach's alpha examines how well individual item scores are consistent with the composite scores from all other items. A

coefficient of 0.70 or above indicates a high level of reliability, which is considered an appropriate threshold for the study.

For this study, Cronbach's alpha was calculated for each construct. A reliability index of 0.801 was obtained, indicating a high degree of consistency and reliability for all constructs used. This demonstrates that the research instrument is reliable and capable of effectively measuring the intended variables.

**Table 3:1**                                    **Cronbach's Alpha Reliability Statistics**

| Cronbach's Alpha | Cronbach's Alpha Based on Standardized Items | N of Items | N |
|---|---|---|---|
| .811 | .801 | 32 | 379 |

**Source: Author's Computation, 2024**

Research instrument validity refers to the extent to which a research instrument actually measures what it is design to measure (Mugenda & Mugenda, 2008). Thus, the instrument was further subjected to both face and content validity to be done through the help of the supervisor and three other professionals in the field of management. Their observations, corrections and suggestions were incorporated into the final draft of the instrument.

## 3.6 Method of Data Analysis

Descriptive and inferential statistical analyses were employed to present and analyze the data collected from the field study, utilizing IBM Statistical Package for Social Sciences (IBM SPSS version 27.0). The responses from the questionnaires were coded and entered into SPSS for analysis. Descriptive statistics, such as mean and standard deviation, were calculated to provide a comprehensive overview of the respondents' demographic characteristics and their responses to the questionnaire items.

To determine the relationship between the dependent and independent variables under study, hypotheses were analyzed and tested using regression analysis and correlation analysis.

Descriptive statistics, such as simple bar charts, were used to present the data, while regression and correlation analyses were employed to test the formulated hypotheses. The rationale for using regression analysis lies in its ability to explore the relationship between two or more variables (dependent and independent) and to indicate the direction (positive or negative relationship) and magnitude (degree of variability changes in the dependent variable due to factors related to the independent variable) of the effect of one variable on another.

The significance value helped determine the significance of the relationship between the independent and dependent variables, while the coefficient of determination ($R^2$) revealed how well each independent variable could predict the dependent variable. This analysis provided a basis for generalizing the findings on the effect of change management on organizational performance in the hospitality industry. The hypotheses were tested at a 0.05% level of significance and a 95% confidence level, ensuring the robustness and reliability of the results.

Table 3.1: Relationship Matrix (i.e Research Objective, Research Hypotheses and Method of Data Analysis Techniques Matrix)

| S/N | Objectives | Hypotheses ($H_0$) | Statistical Tech. |
|---|---|---|---|
| 1 | To examine the influence of content marketing on customer acquisition cost | Content marketing has no significant influence on customer acquisition cost. | Regression Analysis |
| 2 | To determine the effect of social media advertising on customer retention; | Social media advertising has no significant effect on customer retention. | Regression Analysis |
| 3 | To investigate the relationship between influencer marketing and customer patronage | Influencer marketing has no significant relationship with customer patronage. | Correlation Analysis |
| 4 | To examine the effect of social media engagement on electronic word of mouth (E-WOM) | Social media engagement has no significant effect on electronic word of mouth (E-WOM). | Regression Analysis |

**3.7    Ethical Consideration**

The study strictly adhered to established ethical research standards, prioritizing the confidentiality of the information provided by respondents. This commitment to confidentiality was clearly articulated in the introductory section of the questionnaire, which explicitly assured participants that their personal identities would be protected and not disclosed. It was also emphasized that the data collected would be used exclusively for academic purposes, thereby safeguarding the privacy and integrity of the respondents.

Additionally, the study adhered to rigorous academic standards by ensuring comprehensive acknowledgment of all sources of literature. This was achieved through meticulous citations and referencing, thereby upholding the principles of academic honesty and providing due credit to original authors and researchers. By maintaining these practices, the study not only ensured the ethical handling of respondent information but also reinforced the credibility and reliability of its academic contributions.

# CHAPTER FOUR

## DATA ANALYSIS, PRESENTATION AND INTERPRETAION

### 4.0 Preamble

The main emphasis of any empirical study is on the analysis of data for the achievement of research objectives. This chapter presented and analyzed the data collected from the field of study. The data were presented and analyzed using descriptive statistical tools and frequency distribution analysis (percentage count) while the hypotheses formulated for the study were tested using regression analysis and correlation analysis. The chapter is divided into three main sections. The first section used a cross-tabulation to analysed and described the socio-demographic characteristics of the respondents as well as the descriptive analysis of the items. The second section portrayed the test of hypotheses, while the last section focused on the discussion of findings coupled with managerial implications.

### 4.1 Analysis of Response Rate of Administered Questionnaire

**Table 4.1**                                                          **Response Rate**

|  | Frequency | Percent |
|---|---|---|
| Returned | 379 | 89.81 |
| Non-returned | 43 | 10.19 |
| Total | 422 | 100.0 |

**Source: Field Survey, 2024**

The responses to the questionnaires administered as depicted in table 4.1.1 revealed that a total of four hundred and twenty two (422) copies of questionnaire were administered, three hundred and seventy-nine (379) copies of the questionnaire representing 89.81% were returned and considered suitable for the study. This implies that majority of the respondents positively responded to the questionnaire, making it relevant for the study.

**4.2 Analysis of Socio-demographic Characteristics of Respondents**

This section summarises the frequency distribution of respondents on different demographic items as shown in bar graphs below.

**4.2 Analysis of Respondents Demographic Data**

This section summarises the frequency distribution of respondents on different demographic items as shown in tables and bar graphs below. Scholars had averred that customers' demographic characteristics influence their purchasing behavior, particularly in respect to product satisfaction (DeVane & Sandy, 2003). Therefore, the analysis of respondents' demographic characteristics were presented below:



**Distribution of the Respondents by Gender**
■ Male
■ Female
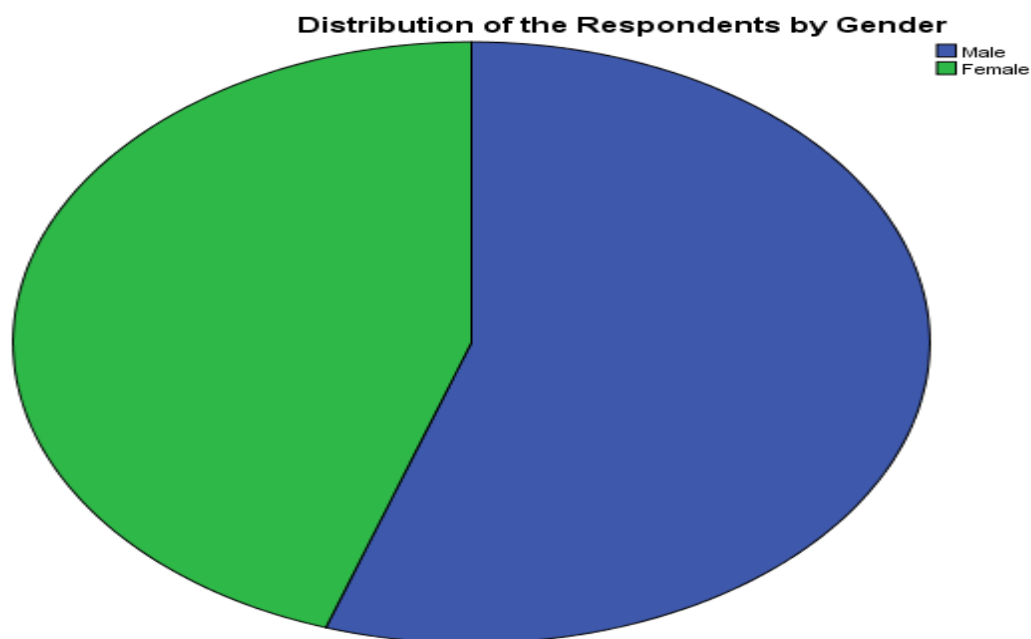
**Figure 4.1: Distribution of the Respondent by Gender**
**Source: Field Survey, 2024**

**Table 4.2.1     Distribution of the Respondent by Gender**

|       |        | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------|--------|-----------|---------|---------------|--------------------|
|       | Male   | 170       | 44.9    | 44.9          | 100.0              |
| Valid | Female | 209       | 55.1    | 55.1          | 55.1               |
|       | Total  | 379       | 100.0   | 100.0         |                    |

**Source: Field Survey, 2024**

Table 4.2.1 and figure1 revealed the distribution of respondents by gender which indicates that majority were females with 55.1% (209) of the total percentage while males constitute 44.9% (156) of the total respondents. This connotes that the microfinance bank have more female customers than females and they should therefore focus more of their customer satisfaction programs on female so as to ensure that most of their customers are satisfied.
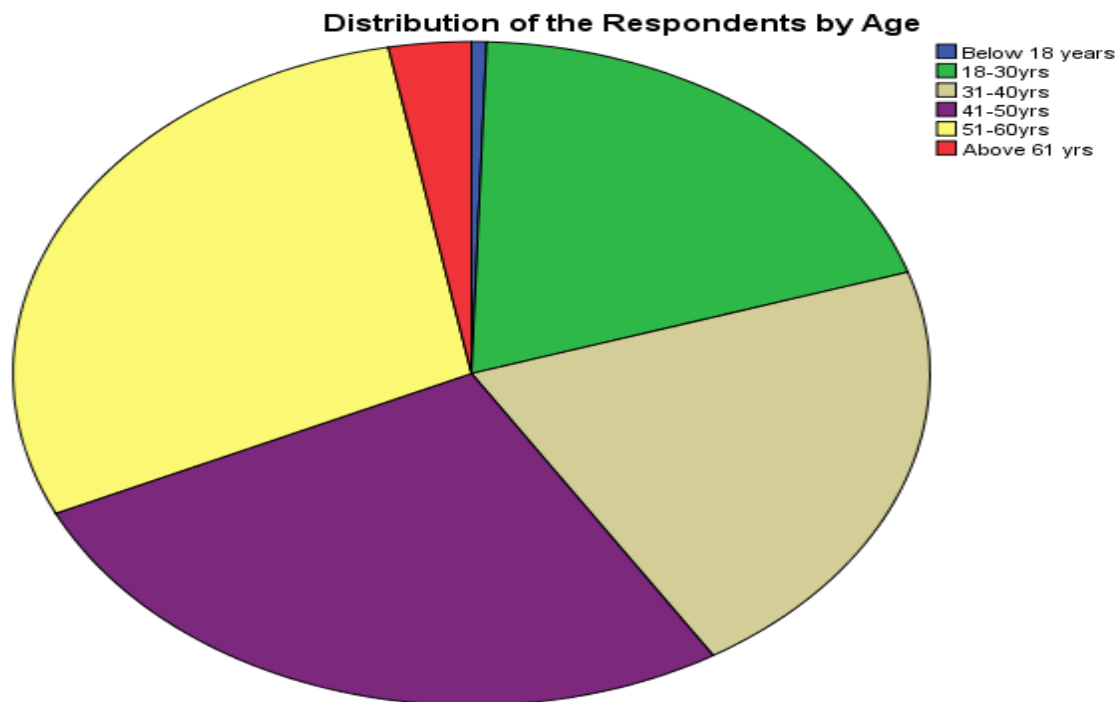


**Figure 2: Distribution of the Respondent by Age**
**Source: Field Survey, 2024**

**Table 4.2.2**                                **Distribution of the Respondent by Age**

| | | Frequency | Percent | Valid Percent | Cumulative Percent |
|---|---|---|---|---|---|
| Valid | Below 18 years | 2 | .5 | .5 | .5 |
| | 18-30yrs | 74 | 19.5 | 19.5 | 20.1 |
| | 31-40yrs | 80 | 21.1 | 21.1 | 41.2 |
| | 41-50yrs | 102 | 26.9 | 26.9 | 68.1 |
| | 51-60yrs | 110 | 29.0 | 29.0 | 97.1 |
| | Above 61 yrs | 11 | 2.9 | 2.9 | 100.0 |
| | Total | 379 | 100.0 | 100.0 | |

**Source: Field Survey, 2024**

The age distribution of the respondents in table 4.2.2 and figure 2 indicate that 0.5% (2) were below 18 years; 19.5% (74) were within the age range of 18-30 years of age; 21.1% (80) were 31 to 40 years; 26.9% (102) were 41-50 years; 29.0% (110) of the respondents were 41-50 years; 2.9% (11) of the respondents were 60 and above years of age. This implies that majority of the respondents were young and mature adults and they were economically active, which implies that the customers would actually understand and appreciate the value of social media marketing as a core variable affecting microfinance bank performance.
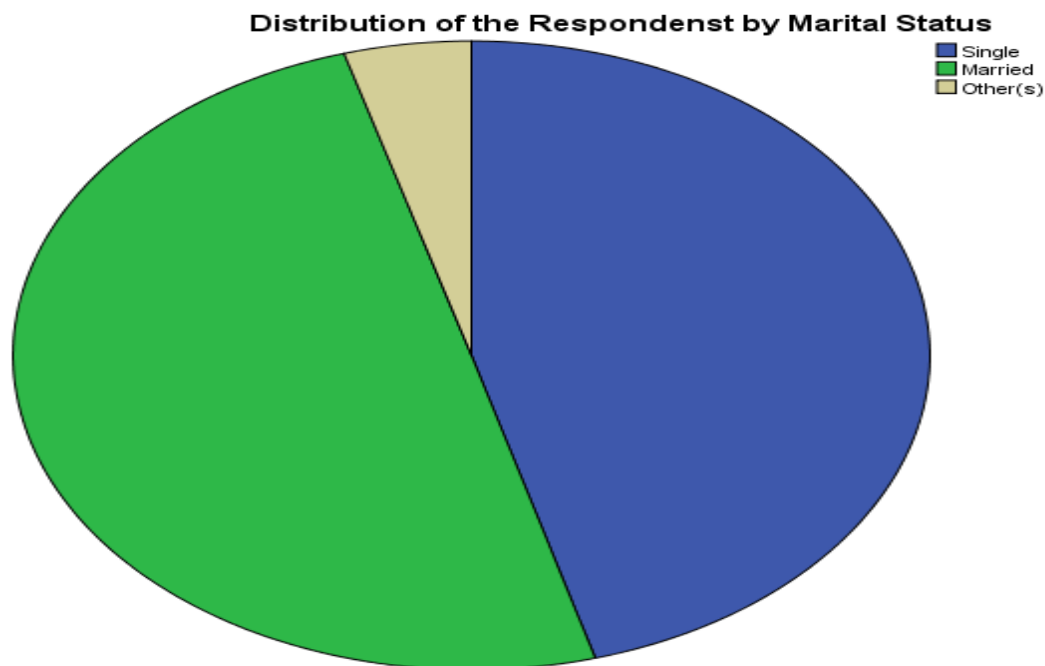


**Figure 3: Distribution of the Respondents by Marital Status**
**Source: Field Survey, 2024**

**Table 4.2.3                     Distribution of the Respondents by Marital Status**

|       |           | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------|-----------|-----------|---------|---------------|--------------------|
| Valid | Single    | 173       | 45.6    | 45.6          | 45.6               |
|       | Married   | 189       | 49.9    | 49.9          | 95.5               |
|       | Other(s)  | 17        | 4.5     | 4.5           | 100.0              |
|       | Total     | 379       | 100.0   | 100.0         |                    |

**Source: Field Survey, 2024**

Distribution by marital status as shown in table 4.2.3 and figure 3 revealed that 45.6% (173) were singles; 49.9% (189) which made up the majority were married; 4.5% (17) of the respondents belong to other categories not specified. This implies that majority of the microfinance customers were married and they would react more proportional to level of satisfaction derived in their transactions.
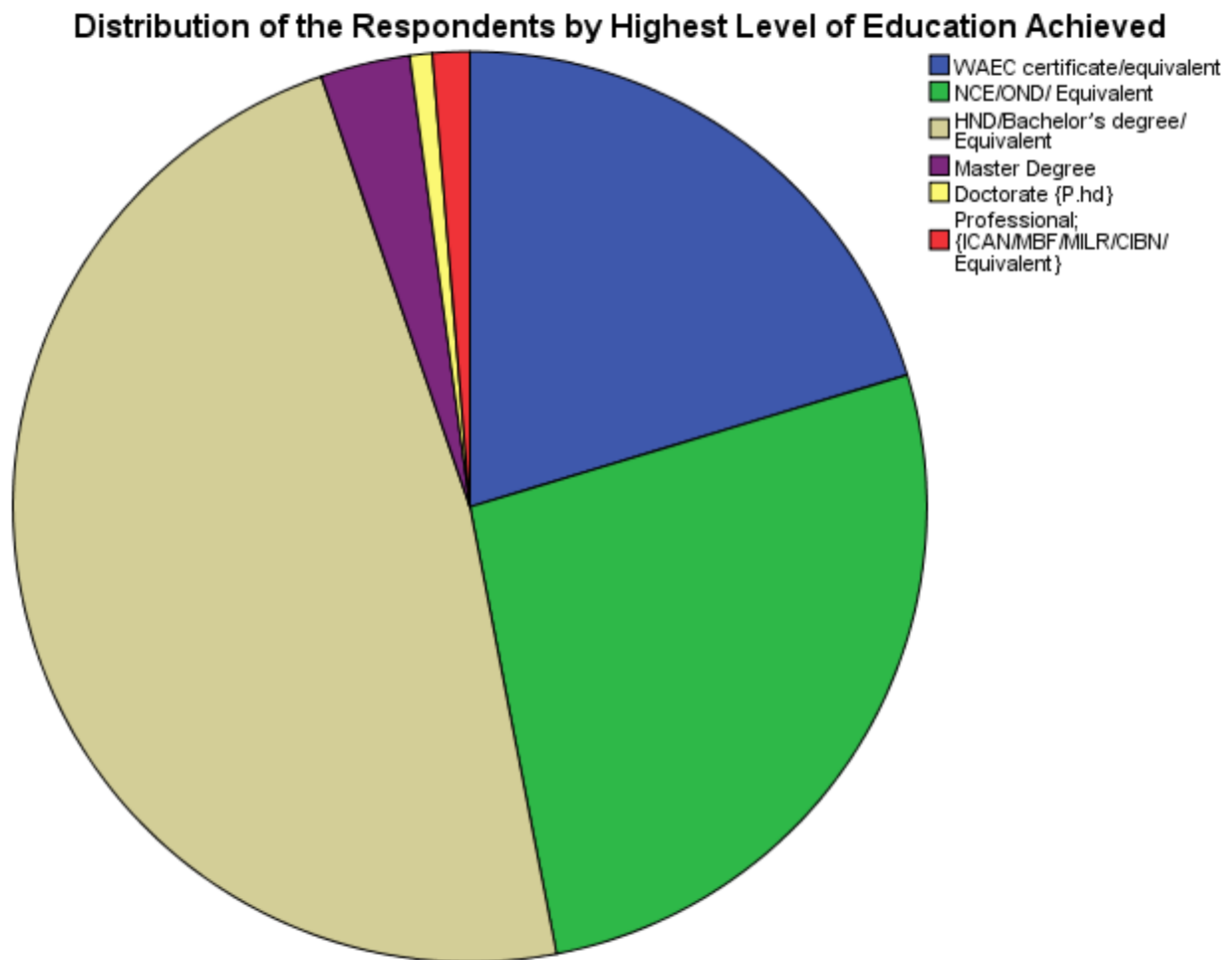


**Source: Field Survey, 2024**
**Figure 4: Distribution of the Respondents by Highest Level of Education Achieved**

**Table 4.2.4    Distribution of the Respondents by Highest Level of Education Achieved**

|  |  | Frequency | Percent | Valid Percent | Cumulative Percent |
|---|---|---|---|---|---|
| Valid | WAEC certificate/equivalent | 77 | 20.3 | 20.3 | 20.3 |
|  | NCE/OND/ Equivalent | 101 | 26.6 | 26.6 | 47.0 |
|  | HND/Bachelor's degree/ Equivalent | 181 | 47.8 | 47.8 | 94.7 |
|  | Master Degree | 12 | 3.2 | 3.2 | 97.9 |
|  | Doctorate {P.hd} | 3 | .8 | .8 | 98.7 |
|  | Professional; {ICAN/MBF/MILR/CIBN/ Equivalent} | 5 | 1.3 | 1.3 | 100.0 |
|  | Total | 379 | 100.0 | 100.0 |  |

**Source: Field Survey, 2024**

The distribution by level of educational qualification shows that 20.3% (77) had secondary school certificate or its equivalent; 26.6% (101) had National Diploma/NCE or its equivalent; 47.8% (181) which constitutes majority of the respondents had HND/Bachelor's degree or its equivalent; 3.2% (12) had Masters certificate or its equivalent; 0.8% (3) had Ph.D certificates; and 1.3% (5) had other qualifications not specified in the instrument. This implies that majority of the respondents were educated and appropriately qualified to respond to the questions related to issues relating to under discourse.

**Distrbution of the Respondents by Career Status**

Legend:
- ■ Student
- ■ Self Employed [ ]
- ■ Civil Servant
- ■ Private Employee
- ■ Retired
- ■ Unemployed
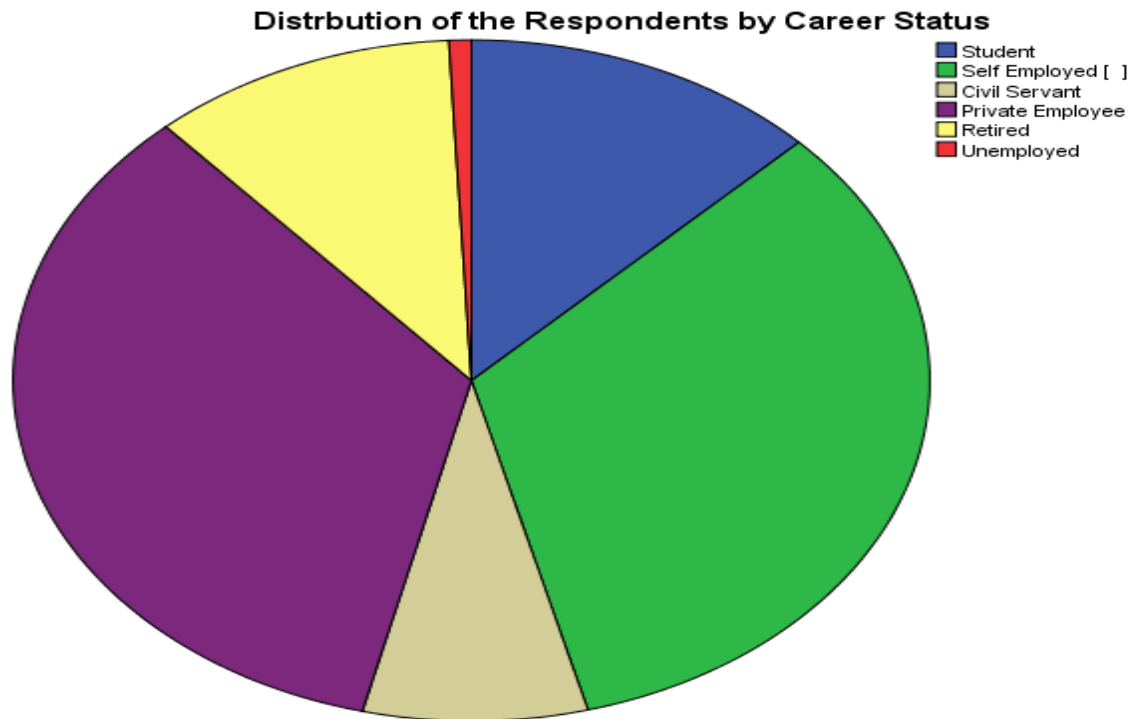
**Source: Field Survey, 2024**

**Figure 5: Distribution of the Respondents by Occupation**

**Table 4.2.5                        Distribution of the Respondents by Occupation**

|       |                  | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------|------------------|-----------|---------|---------------|--------------------|
|       | Student          | 48        | 12.7    | 12.7          | 12.7               |
|       | Self Employed    | 126       | 33.2    | 33.2          | 45.9               |
|       | Civil Servant    | 30        | 7.9     | 7.9           | 53.8               |
| Valid | Private Employee | 131       | 34.6    | 34.6          | 88.4               |
|       | Retired          | 41        | 10.8    | 10.8          | 99.2               |
|       | Unemployed       | 3         | .8      | .8            | 100.0              |
|       | Total            | 379       | 100.0   | 100.0         |                    |

**Source: Field Survey, 2024**

Career status distribution posits that 12.7% (48) of the respondents were students; 33.2% (126) were

self-employed or having their personal business; 7.9% (30) were civil servants; 34.6% (131) of the

respondents were private employees; 10.8% (41) were retirees, while 0.8% (3) were unemployed. This

implies that the respondents cut across various social status of the country, which would help the study

gain heterogeneous opinions on issues relating to effect of social media marketing on performance of Micro Finance Banks in Lagos State, Nigeria.

The inference from the demographic characteristics of the respondents is that they cut across various age bracket, gender, marital and social status of the country, which helped the study gain heterogeneous perspectives on issues bordering on effect of social media marketing on performance of Micro Finance Banks in Lagos State, Nigeria. The Micro Finance Banks in Lagos State must therefore clearly perceive and understand the unique needs of these diverse customers and must tailor their marketing programs so as to ensure customer loyalty. This is because their level of educational awareness could lead them to shift their demand to other service providers if they are not well satisfied.

**4.3 Descriptive Statistical Analysis of Items on Effect of Social Media Marketing on Performance of Micro Finance Banks in Lagos State, Nigeria Criteria.**

The goal of the descriptive statistics measurement, such as the mean value, standard variation, Skewness and Kurtosis, etc is to determine the statistical significance of the items on the instrument (questionnaire). The Likert scale, often known as the five-point interval scale, was used to assess items in the questionnaire. The instrument was constructed using five interval scale constructs on the scale of 1 to 5, representing strongly disagree to strongly agree; with 1 indicating Strongly Disagree (SA), 2 indicating Disagree (D), 3 indicating Neutral (N), 4 indicating Agree (A), and 5 indicating Strongly Agree (SA). The current study sought to assess information related to effect of social media marketing on performance of Micro Finance Banks in Lagos State, Nigeria. Table 4.3.1 gives highlights of the trend of the participants' responses. Notably, the most commonly descriptive statistics measurement in management and social sciences are measures of central tendency, measures of variability around the mean, measures of deviation from normality, and information concerning the spread of the distribution (Wiedermann, Hagmann & von Eye, 2015; George & Mallery, 2010).

The commonest used measure of central tendency is the mean, which is the measure of the average value of the data set (Sekaran & Bougie, 2010), while the most commonly measure of deviation is the standard deviation, derived from the square root of the variance, which is a measure of dispersion that offers an indicator of variability in the data collection. Thus, the mean and standard deviation are two of the most important descriptive statistics for data. Accordingly, a score of less than 2.33 is considered low for mean, 2.33 to 3.67 is considered moderate, and 3.67 and above is considered high (George & Mallery, 2010; James, 2021). Moreover, skewness and kurtosis are the commonest means of testing for data normality. Skewness is perceived as a representation of the extent to which a given distribution varies from a normal distribution (James, 2021), depicting the degree of asymmetry observed in a probability distribution. Thus, the general rule is that if either of these values for skewness are less than +/-1 to +/-2, then the skewness for the distribution is not outside the range of normality, so the distribution can be considered normal; if the values are greater than +/-1 to +/-2, then the skewness or kurtosis for the distribution is outside the range of normality, so the distribution cannot be considered normal (George & Mallery, 2010). On the other hand, Kurtosis, which is a measure of the "peakedness" or "flatness" of a distribution, assumes that a kurtosis value near zero indicates a shape close to normal; a negative value indicates a distribution which is more peaked than normal, and a positive kurtosis indicates a shape flatter than normal. Thus, a kurtosis value of +/-1 or +/-2 is considered very appropriate for the study (George & Mallery, 2010; Streiner & Norman, 1995).

**Table 4.3.1**　　　　　　　　　　　　　**Descriptive Statistics**

| | N | Mean | Std. Deviation | Skewness | | Kurtosis | |
|---|---|---|---|---|---|---|---|
| | Statistic | Statistic | Statistic | Statistic | Std. Error | Statistic | Std. Error |
| ConMkt | 379 | 4.43 | .664 | -1.400 | .125 | 3.823 | .250 |
| SoMAd | 379 | 4.25 | .829 | -1.679 | .125 | 4.053 | .250 |
| InfMkt | 379 | 4.18 | .937 | -1.665 | .125 | 3.133 | .250 |
| CAC | 379 | 4.01 | .917 | -1.535 | .125 | 3.001 | .250 |
| CuRet | 379 | 3.93 | 1.257 | -1.031 | .125 | -.088 | .250 |
| CuPat | 379 | 3.71 | 1.132 | -1.008 | .125 | .246 | .250 |
| E-WOM | 379 | 3.48 | 1.146 | -.423 | .125 | -.482 | .250 |
| SoMeNg | 379 | 4.16 | .928 | -1.650 | .125 | 3.172 | .250 |
| Valid N (listwise) | 379 | | | | | | |

*Field Study, 2024*

Table 4.3.1 depicts the summary of descriptive statistics in respect to effect of social media marketing on performance of Micro Finance Banks in Lagos State, Nigeria as independent and dependent variables included in the study. The table depict that the Mean and Standard Deviation values for the six items (ConMkt, SoMAd, InfMkt, CAC, CuRet, CuPat, E-WOM, and SoMeNg) representing content marketing, social media advertising, influencer marketing, customer acquisition cost, customer retention, customer patronage, electronic word of mouth, and social media engagement criterion were within the statistical acceptable range.

The mean and standard deviation for the items content marketing (ConMkt), social media advertising (SoMAd), influencer marketing (InfMkt), customer acquisition cost (CAC), customer retention (CuRet), customer patronage (CuPat), electronic word of mouth (E-WOM), and social media engagement  (SoMeNg) were 4.43 & 0.664; 4.25 & 0.829; 4.18 & 0.937; 4.01 & 0.917; 3.93 & 1.257; 3.71 & 1.132; 3.48 & 1.146; and 4.16 & 0.928 respectively. This posits that the means for all items were greater than the standard deviation thereby they were within the statistically acceptable benchmark.

Moreover, the reported Skewness and Kurtosis for content marketing (ConMkt), social media advertising (SoMAd), influencer marketing (InfMkt), customer acquisition cost (CAC), customer retention (CuRet), customer patronage (CuPat), electronic word of mouth (E-WOM), and social media engagement (SoMeNg) were -1.400 & 3.823; -1.679 & 4.053; -1.665 & 3.133; -1.535 & 3.001; -1.031 & -0.088; -1.008 & 0.246, -0.423 and 3.172 respectively. These posit that Skewness and Kurtosis for the values were not outside the range of normality, so the distribution of the values was considered to be statistically appropriate for the study.

## 4.4 Test of Hypotheses

The three hypotheses formulated were tested using regression and correlation analysis to examine the relative relationship and effect of dimensions of social media marketing as independent variable(s) on the performance of Micro Finance Banks in Lagos State, Nigeria as dependent variable.

### 4.4.1 Test of Hypothesis One

*H0$_1$: Content marketing has no significant influence on customer acquisition cost.*

Regression analysis was the instrument used to test this hypothesis as shown in table 4.4.1-4.4.3.

**Table 4.4.1    Regression Model Summary of Influence Content Marketing on Customer Acquisition Cost.**

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|---|---|---|---|---|
| 1 | .581[a] | .337 | .335 | 1.077 |

a. Predictors: (Constant), ConMkt
*Source: Author's Computation, SPSS 27.0, 2024*

The model summary as shown in table 4.4.1 posits that content marketing as a construct of social media marketing is a positive and significant predictor of customer acquisition cost in microfinance banks in Nigeria. The correlation coefficient (R) value of 0.581 (58.1%) signifies that there is positive significant relationship between content marketing (ConMkt) as a construct of social media

marketing and customer acquisition cost (CAC) in microfinance banks in Nigeria. The table equally demonstrated that the coefficient of determination, R-square value of 0.337 (33.7%) implies that content marketing (ConMkt) as a construct of social media marketing accounted for 33.7% when determining customer acquisition cost (CAC) in microfinance banks in Nigeria, while the remaining 66.3% was accounted for by exogenous variables not included in the model. It also depicts that 33.7% variability change in customer acquisition cost (CAC) in microfinance banks in Nigeria is explained by a unit change in content marketing (ConMkt) as a construct of social media marketing, while other factors which accounted for the remaining 66.3% were not captured in the model specification of the study.

Furthermore, the adjusted $R^2$ value of 0.335 (33.5%) established that content marketing (ConMkt) as a construct of social media marketing actually contribute to variation in the level of customer acquisition cost (CAC) in microfinance banks in Nigeria. This is good enough in determining the goodness of fit for the model and for making predictions.

**Table 4.4.2 Analysis of Variance (ANOVAa) of Mean, F-statistics and Significant Value**

| Model | | Sum of Squares | df | Mean Square | F | Sig. |
|---|---|---|---|---|---|---|
| | Regression | 222.375 | 1 | 222.375 | 191.677 | .000[b] |
| 1 | Residual | 437.377 | 377 | 1.160 | | |
| | Total | 659.752 | 378 | | | |

a. Dependent Variable: CAC
b. Predictors: (Constant), ConMkt
*Source: Author's Computation, SPSS 27.0, 2024*

Table 4.4.2 described the overall diagnostic test of significant using Analysis of Variance (ANOVA) between content marketing (ConMkt) as a construct of social media marketing and customer acquisition cost (CAC) in microfinance banks in Nigeria. The ANOVA results for regression coefficients indicate that the significant value of the F-statistics at F=191.677>F-table=3.84 at a degree of freedom of (1, 377) with p-value< 0.05. This posits content marketing (ConMkt) as a construct of social media marketing significantly influence customer acquisition cost (CAC) in

microfinance banks in Nigeria and therefore represent a good fit for the model. Thus, the F-statistics value of 191.677 with the probability value of 0.000 posits that the independent variable (explorative) of content marketing (ConMkt) as a construct of social media marketing explained the variations in the dependent variable in term of customer acquisition cost (CAC) in microfinance banks in Nigeria at 95% confidence level.

**Table 4.4.3**          **Regression Coefficientsa of Beta and t-test statistics**

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|---|---|---|---|---|---|---|
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | .750 | .373 | | 2.007 | .045 |
| | ConMkt | 1.154 | .083 | .581 | 13.845 | .000 |

a. Dependent Variable: CAC
**Source: Author's Computation, SPSS 27.0, 2024**

Table 4.4.3 reveals that the coefficient value for content marketing (ConMkt) as a construct of social media marketing positively and significantly influences customer acquisition cost (CAC) in microfinance banks in Nigeria. As shown in the table, customer acquisition cost (CAC) in microfinance banks in Nigeria would be equal to 0.750 when all other variables were constant. It would increase by 1.154 when there is a unit increase in content marketing (ConMkt) as a construct of social media marketing. Furthermore, the table depict that the beta coefficient in respect to content marketing (ConMkt) as a construct of social media marketing was 1.154 with t-test value of 13.845 and $p<0.005$ at 5% level of significance. This posits that content marketing (ConMkt) as a construct of social media marketing is a positive and significant predictor of customer acquisition cost (CAC) in microfinance banks in Nigeria. Thus, it therefore becomes obvious that content marketing (ConMkt) as a construct of social media marketing actually contribute to customer acquisition cost (CAC) in microfinance banks in Nigeria. This is because the coefficient of trend analysis were $\beta_1=1.154$ and t-test 13.845 was significant at 5%. This portrays that content marketing (ConMkt) as a construct of social media marketing actually contribute significantly to customer

acquisition cost (CAC) in microfinance banks in Nigeria with p-values=0.00<0.05. Therefore, the study rejected the null hypothesis and accepted the alternative hypothesis which established that content marketing as a construct of social media marketing actually contribute to customer acquisition cost (CAC) in microfinance banks in Nigeria, at 95% level of confidence.

### 4.4.2   Test of Hypothesis Two

*H0₂: Social media advertising has no significant effect on customer retention.*

Regression analysis was the instrument used to test this hypothesis as shown in table 4.4.4-4.4.6.

**Table 4.4.4    Regression Model Summary of Effect of Social Media Advertising on Customer Retention**

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|---|---|---|---|---|
| 1 | .871[a] | .758 | .757 | .619 |

a. Predictors: (Constant), SoMAd
*Source: Author's Computation, SPSS 27.0, 2024*

The model summary as shown in table 4.4.4 posits that social media advertising as a construct of social media marketing is a positive and significant predictor of customer acquisition cost in microfinance banks in Nigeria. The correlation coefficient (R) value of 0.871 (87.1%) signifies that there is positive significant relationship between social media advertising (SoMAd) as a construct of social media marketing and customer retention (CuRet) in microfinance banks in Nigeria. The R-square value of 0.758 (75.8%) implies that social media advertising (SoMAd) as a construct of social media marketing accounted for 75.9% when determining customer retention (CuRet) in microfinance banks in Nigeria, while the remaining 24.1% was accounted for by exogenous variables not included in the model. It also depicts that 75.9% variability change in customer retention (CuRet) in microfinance banks in Nigeria is explained by a unit change in social media advertising (SoMAd) as a construct of social media, while other factors which accounted for the remaining 24.1% were not captured in the model specification of the study.

Furthermore, the adjusted $R^2$ value of 0.757 (75.7%) established that social media advertising (SoMAd) as a construct of social media marketing actually contribute to variation in the level of customer retention (CuRet) in microfinance banks in Nigeria. This is good enough in determining the goodness of fit for the model and for making predictions.

**Table 4.4.5 Analysis of Variance (ANOVAa) of Mean, F-statistics and Significant Value**

| Model | | Sum of Squares | df | Mean Square | F | Sig. |
|---|---|---|---|---|---|---|
| 1 | Regression | 452.579 | 1 | 452.579 | 1180.794 | .000[b] |
| | Residual | 144.498 | 377 | .383 | | |
| | Total | 597.077 | 378 | | | |

a. Dependent Variable: CuRet
b. Predictors: (Constant), SoMAd
*Source: Author's Computation, SPSS 27.0, 2024*

Table 4.4.2 described the overall diagnostic test of significant using Analysis of Variance (ANOVA) between social media advertising (SoMAd) as a construct of social media marketing and customer retention (CuRet) in microfinance banks in Nigeria. The ANOVA results for regression coefficients indicate that the significant value of the F-statistics at F=1180.794>F-table=3.84 at a degree of freedom of (1, 377) with p-value< 0.05. This posits social media advertising (SoMAd) as a construct of social media marketing actually contribute to customer retention (CuRet) in microfinance banks in Nigeria, therefore represent a good fit for the model. Thus, the F-statistics value of 1180.794 with the probability value of 0.000 posits that the independent variable (explorative) of social media advertising (SoMAd) as a construct of social media marketing explained the variations in the dependent variable in term of customer retention (CuRet) in microfinance banks in Nigeria at 95% confidence level.

**Table 4.4.6          Regression Coefficientsa of Beta and t-test statistics**

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|---|---|---|---|---|---|---|
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | .095 | .116 | | .821 | .412 |
| | SoMAd | .871 | .025 | .871 | 34.363 | .000 |

a. Dependent Variable: CuRet
**Source: Author's Computation, SPSS 27.0, 2024**

Table 4.4.6 reveals that the coefficient value for social media advertising (SoMAd) as a construct of social media marketing actually positively and significantly influences customer retention (CuRet) in microfinance banks in Nigeria. As shown in the table, customer retention (CuRet) in microfinance banks in Nigeria would be equal to 0.095 when all other variables were constant. It would increase by 0.871 when there is a unit increase in social media advertising (SoMAd) as a construct of social media marketing. Furthermore, the table depict that the beta coefficient in respect to social media advertising (SoMAd) as a construct of social media marketing was 0.871 with t-test value of 34.363 and $p < 0.005$ at 5% level of significance. This posits that social media advertising (SoMAd) as a construct of social media marketing is a positive and significant predictor of customer retention (CuRet) in microfinance banks in Nigeria. Thus, it therefore becomes obvious that social media advertising (SoMAd) as a construct of social media marketing actually contribute to customer retention (CuRet) in microfinance banks in Nigeria. This is because the coefficient of trend analysis were $\beta_1 = 0.871$ and t-test 34.363 was significant at 5%. This portrays that social media advertising (SoMAd) as a construct of social media marketing actually contribute to customer retention (CuRet) in microfinance banks in Nigeria with p-values=0.00<0.05. Therefore, the study rejected the null hypothesis and accepted the alternative hypothesis which established that social media advertising (SoMAd) as a construct of social media marketing actually contribute to customer retention (CuRet) in microfinance banks in Nigeria, at 95% level of confidence.

### 4.4.3 Test of Hypothesis Three

***H0₃: Influencer marketing has no significant relationship with customer patronage.***

The hypothesis was tested using Pearson moment correlation analysis as shown in table 4.4.7 below

**Table 4.4.7    Correlations Statistics Showing Relationship Between Influencer Marketing and Customer Patronage.**

|  |  | InfMkt | CuPat |
|---|---|---|---|
| InfMkt | Pearson Correlation | 1 | .414** |
|  | Sig. (2-tailed) |  | .000 |
|  | N | 379 | 379 |
| CuPat | Pearson Correlation | .414** | 1 |
|  | Sig. (2-tailed) | .000 |  |
|  | N | 379 | 379 |

Table 4.4.7 depicts the result of the correlation statistical analysis table. The table indicates that there is positive and significant relationship between influencer marketing (InfMkt) as a construct of social media marketing and customer patronage (CuPat) in microfinance banks in Nigeria. It further pointed out that there is direct and significant relationship between influencer marketing (InfMkt) as a construct of social media marketing and customer patronage (CuPat) in microfinance banks in Nigeria (i.e $r=0.414$; $n=379$, $p<0.01$). The positive correlation coefficient posits that influencer marketing (InfMkt) as a construct of social media marketing is significantly related in influencing customer patronage (CuPat) in microfinance banks in Nigeria. Therefore, the null hypotheses was rejected while the alternative hypothesis which establishes that there is significant relationship influencer marketing as a construct of social media marketing and customer patronage in microfinance banks in Nigeria is accepted.

### 4.4.4 Test of Hypothesis Four

***H0₄: Social media engagement has no significant effect on electronic word of mouth (E-WOM).***

The regression analysis was the instrument used to test this hypothesis as shown in table 4.4.8-4.4.10.

**Table 4.4.8 Regression Model Summary of Effect of Social Media Engagement on Electronic Word of Mouth *(E-WOM)***

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|---|---|---|---|---|
| 1 | .770[a] | .594 | .592 | .732 |

a. Predictors: (Constant), SoMeNg
*Source: Author's Computation, SPSS 27.0, 2024*

The model summary as shown in table 4.4.8 suggests that social media engagement (SoMeNg) as a construct of social media marketing is a positive and significant predictor of electronic word of mouth in microfinance banks in Nigeria. The correlation coefficient (R) value of 0.770 (77.0%) signifies that there is positive significant relationship between social media engagement (SoMeNg) as a construct of social media marketing and electronic word of mouth (E-WOM) in microfinance banks in Nigeria. The R-square value of 0.594 (59.4%) implies that social media engagement (SoMeNg) as a construct of social media marketing accounted for 59.4% when determining electronic word of mouth (E-WOM) in microfinance banks in Nigeria, while the remaining 40.6% was accounted for by exogenous variables not included in the model. It also depicts that 59.4% variability change in electronic word of mouth (E-WOM) in microfinance banks in Nigeria is explained by a unit change in social media engagement (SoMeNg) as a construct of social media, while other factors which accounted for the remaining 40.6% were not captured in the model specification of the study.

Furthermore, the adjusted $R^2$ value of 0.592 (59.2%) established that social media engagement (SoMeNg) as a construct of social media marketing actually contribute to variation in the level of

electronic word of mouth (E-WOM) in microfinance banks in Nigeria. This is good enough in determining the goodness of fit for the model and for making predictions.

**Table 4.4.9 Analysis of Variance (ANOVAa) of Mean, F-statistics and Significant Value**

| Model | | Sum of Squares | df | Mean Square | F | Sig. |
|---|---|---|---|---|---|---|
| | Regression | 294.767 | 1 | 294.767 | 550.583 | .000[b] |
| 1 | Residual | 201.835 | 377 | .535 | | |
| | Total | 496.602 | 378 | | | |

a. Dependent Variable: E-WOM
b. Predictors: (Constant), SoMeNg
*Source: Author's Computation, SPSS 27.0, 2024*

Table 4.4.9 illustrated described the overall diagnostic test of significant using Analysis of Variance (ANOVA) between social media engagement (SoMeNg) as a construct of social media marketing and electronic word of mouth (E-WOM) in microfinance banks in Nigeria. The ANOVA results for regression coefficients indicate that the significant value of the F-statistics at $F=550.583 > F\text{-table}=3.84$ at a degree of freedom of (1, 377) with p-value$< 0.05$. This posits social media engagement (SoMeNg) as a construct of social media marketing actually contribute to electronic word of mouth (E-WOM) in microfinance banks in Nigeria, therefore represent a good fit for the model. Thus, the F-statistics value of 550.583 with the probability value of 0.000 posits that the independent variable (explorative) of social media engagement (SoMeNg) as a construct of social media marketing explained the variations in the dependent variable in term of electronic word of mouth (E-WOM) in microfinance banks in Nigeria at 95% confidence level.

**Table 4.4.10        Regression Coefficientsa of Beta and t-test statistics**

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|---|---|---|---|---|---|---|
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | .772 | .121 | | 6.361 | .000 |
| | SoMeNg | .627 | .027 | .770 | 23.465 | .000 |

a. Dependent Variable: E-WOM
*Source: Author's Computation, SPSS 27.0, 2024*

Table 4.4.10 reveals that the coefficient value for social media engagement (SoMeNg) as a construct of social media marketing actually positively and significantly influences electronic word of mouth (E-WOM) in microfinance banks in Nigeria. As shown in the table, electronic word of mouth (E-WOM) in microfinance banks in Nigeria would be equal to 0.772 when all other variables were constant. It would increase by 0.627 when there is a unit increase in social media engagement (SoMeNg) as a construct of social media marketing. Furthermore, the table depict that the beta coefficient in respect to social media engagement (SoMeNg) as a construct of social media marketing was 0.627 with t-test value of 23.465 and $p<0.005$ at 5% level of significance. This posits that social media engagement (SoMeNg) as a construct of social media marketing is a positive and significant predictor of electronic word of mouth (E-WOM) in microfinance banks in Nigeria. This is because the coefficient of trend analysis were $\beta_1=0.627$ and t-test 23.465 was significant at 5%. This portrays that social media engagement (SoMeNg) as a construct of social media marketing actually contribute to electronic word of mouth (E-WOM) in microfinance banks in Nigeria with p-values=0.00<0.05. Therefore, the study rejected the null hypothesis and accepted the alternative hypothesis which established that social media engagement (SoMeNg) as a construct of social media marketing actually contribute to electronic word of mouth (E-WOM) in microfinance banks in Nigeria, at 95% level of confidence.

## 4.5    Discussion of the Findings

This study examines the effect of social media marketing on performance of Micro Finance Banks in Lagos State, Nigeria. Three hypotheses were formulated in line with the study specific objectives, which were analysed using regression analysis and correlation analysis in order to arrive at conclusive findings for the study. This helped to portray the significance of the results of the analyses

in the light of what was already known about the research problems being investigated and to further explain any new understanding that emerged as an implication of the study findings.

Findings from test of hypothesis demonstrates a significant relationship between content marketing (ConMkt) and customer acquisition cost (CAC), with a beta coefficient (β) of β=1.154, a t-test value of t-test 13.845, at a significance level of $p < 0.005$. This result supports the hypothesis that content marketing, as a dimension of social media marketing management, is a positive predictor of customer acquisition cost, validating its impact on the performance of microfinance banks.

The positive beta coefficient (β = 1.154) indicates a moderate positive relationship between content marketing efforts and customer acquisition cost. This suggests that effective content marketing strategies contribute to the reduction of customer acquisition costs. Content marketing involves creating and distributing valuable, relevant, and consistent content to attract and engage a target audience (Pulizzi, 2014). By providing informative and engaging content, organizations can build trust and credibility, leading to more efficient customer acquisition processes.

The high t-test value of 13.845 and the significance level ($p < 0.005$) confirm that the observed relationship is statistically significant. This statistical significance underscores the reliability of the relationship between content marketing and customer acquisition cost. For microfinance banks, this result implies that investing in well-crafted content marketing strategies can lead to a more cost-effective approach to acquiring new customers. Content marketing can enhance brand visibility, attract qualified leads, and improve conversion rates, ultimately reducing the overall cost of acquiring new customers.

The acceptance of the hypothesis highlights the value of integrating content marketing into social media marketing management strategies. Microfinance banks should focus on developing high-

quality content that resonates with their target audience, addressing their needs and concerns. Effective content marketing can lead to higher engagement, better lead generation, and reduced acquisition costs, contributing to improved overall performance.

The findings are consistent with theoretical perspectives on content marketing and its impact on customer acquisition. Dynamic resource theory posits that delivering relevant and valuable content can attract and convert potential customers more efficiently than traditional marketing methods (Pulizzi, 2014). Empirical research supports this view, showing that content marketing can lower customer acquisition costs by improving lead quality and conversion rates (B2B Marketing, 2016).

The findings from the second testing reveal that social media advertising (SoMAd) has a beta coefficient ($\beta$) of 0.871, a t-test value of 34.363, and a significance level of $p < 0.005$. This indicates that social media advertising (SoMAd), as a dimension of social media marketing is a positive predictor of customer retention (CuRet) for microfinance banks. This result confirms the hypothesis that social media advertising significantly impacts customer retention, contrary to the initial hypothesis that it has no significant effect. The positive beta coefficient ($\beta = 0.871$) signifies a moderate positive relationship between social media advertising and customer retention. This suggests that effective social media advertising strategies are associated with improved customer retention rates. Social media advertising encompasses targeted promotional activities on platforms such as Facebook, Twitter, and LinkedIn, aimed at engaging customers and maintaining their interest (Kaplan & Haenlein, 2010). By reaching customers through these channels with relevant and engaging ads, microfinance banks can enhance their brand visibility and foster customer loyalty, leading to higher retention rates.

The t-test value of 34.363 and the significance level ($p < 0.005$) confirm that the relationship between social media advertising and customer retention is statistically significant. This robust evidence suggests that the impact of social media advertising on customer retention is reliable and not due to chance. For microfinance banks, this result implies that investing in targeted and strategic social media advertising can effectively improve customer retention. Social media platforms provide opportunities for continuous engagement with customers, which can reinforce brand loyalty and encourage long-term relationships.

The acceptance of the hypothesis indicates the importance of integrating social media advertising into marketing strategies. Microfinance banks should focus on creating compelling and relevant advertisements tailored to their target audience. Effective social media advertising campaigns can help in maintaining customer interest, addressing their needs, and encouraging ongoing engagement with the brand. The findings are consistent with theoretical frameworks on social media advertising and its impact on customer retention. According to Kaplan and Haenlein (2010), social media advertising plays a crucial role in building and maintaining customer relationships by providing relevant content and interactive experiences. Empirical studies also support this view, demonstrating that social media advertising can positively affect customer retention by increasing brand awareness and fostering customer engagement (Lemon & Verhoef, 2016).

The findings from the third hypothesis indicate that influencer marketing (InfMkt) has significant relationship with customer patronage at $r=0.414$; $n=379$, $p<0.01$. This indicates that influencer marketing, as a dimension of social media marketing has a positive relationship with customer patronage for microfinance banks. The results validate the hypothesis that influencer marketing has a positive and significant relationship with customer patronage. The positive $r=0.414$; $n=379$, $p<0.01$ signifies a moderate positive relationship with customer patronage. This suggests that

effective influencer marketing strategies are associated with increased customer patronage, meaning that customers are more likely to engage with and support microfinance banks due to influencer endorsements. Influencer marketing involves partnering with individuals who have substantial followings on social media platforms to promote products or services (Freberg et al., 2011). These influencers can leverage their credibility and reach to attract new customers and encourage existing ones to deepen their engagement.

The r=0.414; n=379, p<0.01 and the significance level (p < 0.005) confirm that the relationship between influencer marketing and customer patronage is statistically significant. This robust evidence demonstrates that the influence of influencer marketing on customer patronage is reliable and not due to random chance. For microfinance banks, this result implies that investing in influencer marketing can be an effective strategy for enhancing customer engagement and increasing patronage. Influencers can create authentic and compelling endorsements that resonate with their audience, leading to greater interest and involvement in the services offered by microfinance banks. The acceptance of the hypothesis underscores the value of incorporating influencer marketing into social media marketing strategies. Microfinance banks should identify and collaborate with influencers whose audience aligns with their target market. By leveraging influencers' reach and credibility, banks can enhance their brand visibility, build trust, and drive customer patronage.

The findings align with theoretical frameworks and empirical research on influencer marketing. According to dynamic capability theory, influencers can impact consumer behavior by leveraging their authority and trust within their follower base (Freberg *et al.*, 2011). Empirical studies further support this, showing that influencer marketing can significantly affect customer patronage by

increasing brand awareness and perceived credibility (De Veirman *et al.,* 2017; Lou & Yuan, 2019).

Finally, findings from the fourth hypothesis reveals that social media engagement (SoMeNg) as a dimension of social media marketing has a beta coefficient ($\beta$) of 0.627, a t-test value of 23.465, and a significance level of $p < 0.005$. This indicates that social media engagement, as a dimension of social media marketing, is a positive predictor of electronic word of mouth (E-WOM), a key metric of microfinance banks' performance. The results validate the hypothesis that social media engagement has a significant effect on E-WOM. The positive beta coefficient ($\beta = 0.627$) suggests a moderate positive relationship between social media engagement as a dimension of social media marketing and electronic word of mouth (E-WOM) in micro finance bank. This indicates that higher levels of engagement on social media platforms are associated with increased electronic word of mouth. Social media engagement includes activities such as liking, sharing, commenting, and interacting with content posted by an organization (Baird & Parasnis, 2011). When customers are actively engaged, they are more likely to share their positive experiences and opinions about the organization with their network, contributing to favorable E-WOM.

The t-test value of 23.465 and the significance level ($p < 0.005$) confirm that the relationship between social media engagement and E-WOM is statistically significant. This robust evidence supports the reliability of the impact of social media engagement on E-WOM. For microfinance banks, this finding implies that fostering higher levels of engagement on social media can lead to more positive E-WOM. Enhanced E-WOM can improve brand reputation, attract new customers, and reinforce trust among existing customers, thereby benefiting overall business performance.

# CHAPTER FIVE

## SUMMARY, CONCLUSION AND RECOMMENDATIONS

### 5.0    Preamble

This chapter is concerned with the summary of findings, conclusion and recommendations drawn from the inferences of the findings of the study. Subsequently, contributions of the study to knowledge and suggestions for further study were also offered.

### 5.1    Conclusion

Given the findings reported in the study, it is concluded that dimensions of social media marketing have significant effect on the performance of Micro Finance Banks in Lagos State, Nigeria. Specifically, the study established that:

i) Content marketing as a dimension of social media marketing is a significant and positive predictor of customer acquisition cost. The statistical evidence supports the hypothesis that effective content marketing contributes to a reduction in customer acquisition costs, validating its role as a key driver of microfinance banks' performance.

ii) Social media advertising as a dimension of social media marketing is a significant and positive predictor of customer retention. The statistical evidence supports the hypothesis that effective social media advertising within CRM frameworks contributes to improved customer retention, validating its role as a key driver of microfinance banks' performance.

iii) Influencer marketing as a dimension of social media marketing is a significant and positive predictor of customer patronage. The statistical evidence supports the hypothesis that effective

influencer marketing within CRM frameworks contributes to increased customer patronage, validating its role as a key driver of microfinance banks' performance.

iv). Social media engagement is a significant and positive predictor of electronic word of mouth (E-WOM). The statistical evidence supports the hypothesis that effective social media engagement within social media marketing frameworks contributes to increase E-WOM, validating its role as a key driver of microfinance banks' performance.

## 5.2    Recommendations

Based on the findings of the study, the following recommendations are made:

i). Based on the confirmation that content marketing is a significant and positive predictor of customer acquisition cost, microfinance banks should focus on creating high-quality, relevant content tailored to their target audience. Content should address the specific needs and interests of potential customers to effectively attract and engage them, thereby reducing acquisition costs.

ii). Utilize data analytics to personalize social media advertising. Tailor ad content to reflect customers' preferences and behaviors to enhance its relevance and impact on retention.

iii). Develop influencer marketing campaigns that emphasize authenticity and credibility. Encourage influencers to share personal experiences and testimonials about the bank's services to build trust and resonate with their audience.

iv). Regularly track and analyze social media engagement metrics such as likes, shares, comments, and mentions. Use these insights to refine content strategies and optimize engagement efforts.

v). Create and nurture online communities where customers can interact with each other and with the brand. Building a sense of community can increase engagement and promote positive E-WOM.

## 5.3    Contributions to Knowledge

This study contributes to the understanding of the role of dimensions of social media marketing in significantly influence the performance of Micro Finance Banks in Lagos State, Nigeria: Specifically, the study has been able to:

i). Provides empirical evidence that content marketing significantly influences customer acquisition costs. This supports theoretical perspectives that effective content marketing can lead to cost efficiencies in acquiring new customers.

ii) Underscores the importance of social media advertising within CRM frameworks as a critical driver of customer retention, adding to the understanding of how digital marketing strategies impact customer loyalty.

iii) Provide actionable recommendations for microfinance banks on how to leverage influencer marketing to increase customer patronage. These insights can help organizations optimize their marketing strategies and enhance customer acquisition and retention.

iv). Underscores the importance of social media engagement within social media marketing strategies as a crucial driver of E-WOM, contributing to a deeper understanding of how digital interactions impact customer advocacy.

v). Offers actionable recommendations for microfinance banks on how to leverage social media engagement to increase E-WOM. These insights can help organizations improve their social media strategies and enhance overall business performance.

## 5.4    Suggestions for Future Research

Future research could build on this study by exploring:

i) Investigate which specific elements of content marketing (e.g., type of content, distribution channels, content format) most effectively impact customer acquisition costs. This can provide deeper insights into how to optimize content strategies for better results.

ii. Examine the long-term effects of social media advertising on customer retention and overall business success. Understanding these long-term impacts can offer insights into the sustained benefits of social media advertising strategies.

iii. Conduct research across different industries to compare how influencer marketing affects customer patronage in various contexts. This can help identify industry-specific best practices and strategies.

iv). Explore how emerging technologies, such as artificial intelligence and data analytics, can enhance social media engagement and E-WOM. Investigating technological innovations can offer new approaches for improving engagement and amplifying positive word-of-mouth.

v). Study how social media engagement strategies can be tailored for different customer segments to maximize their effectiveness. Analyzing the impact of engagement on various segments can help design more targeted and impactful strategies.

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**APPENDIXES**

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**APPENDIX (a): QUESTIONNAIRE**

**Department of Business Administration,**

**Faculty of Management and Social Sciences,**

**Thomas Adewumi University,**

**Kwara State.**

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Dear Respondent,

I am an undergraduate student in the Department of Business Administration, Faculty of Management and Social Sciences, at Thomas Adewumi University, and I am conducting academic research on "*Social Media Marketing and Performance of Microfinance Banks in Lagos State, Nigeria*."

I kindly request your assistance in completing this survey. Your responses will be treated with the highest level of confidentiality and will be used solely for the purpose of this research. Please be assured that there are no right or wrong answers; we value your honest and thoughtful responses.

Thank you very much for your time and cooperation.

**SALAMI, Barakat.**

**(Matric Number: 20/15BAA002)**

**09053443154**

# SUB-SECTION A

## DEMOGRAPHIC DATA

**INSTRUCTION:** Please tick (√) against the option suitable to your appropriate option below:

1. Gender:  Male [ ]     Female [ ]

2. Age: Below 18 years [ ] 18-30yrs [ ] 31-40yrs [ ] 41-50yrs [ ] 51-60yrs [ ] Above 61 yrs [ ]

3. Marital Status: Single [ ] Married [ ] Other(s) [ ]

4. Highest Level of Education Achieved: WAEC certificate/equivalent NCE/OND/ Equivalent [ ] HND/Bachelor's degree/ Equivalent [ ] Master Degree [ ] Doctorate {P.hd} [ ] Professional; {ICAN/MBF/MILR/CIBN/ Equivalent} [ ]

5. Occupation: Student [ ]     Self Employed [ ]     Civil Servant [  ] Private Employee [  ] Retired [ ] Unemployed [ ]

## SUB-SECTION B
**QUESTIONS RELATING TO SOCIAL MEDIA MARKETING AND PERFORMANCE OF MICROFINANCE BANKS IN LAGOS STATE, NIGERIA.**

## SECTION B
*Please be assured that your responses and identities will be treated with utmost confidentiality and all the information required is solely for academic purposes.*
Please tick the response code that correctly approximates your view (every option you mark is correct and will meet the need of this research)**. Guide: Strongly Disagree (SD), Disagree (D), Neutral (N), Agree (A), Strongly Agree (SA)**

|  | **Constructs of Social Media Marketing** | **SD** | **D** | **N** | **A** | **SA** |
|---|---|---|---|---|---|---|
| **ConMkt** | **Content Marketing** |  |  |  |  |  |
| **ConMkt$_1$** | I find it interesting relating to the bank through the social media platform. |  |  |  |  |  |
| **ConMkt$_2$** | The quality of content provided by the company on social media platforms are relevant |  |  |  |  |  |
| **ConMkt$_3$** | I often engage with the company's content on social media (e.g., liking, sharing, commenting) |  |  |  |  |  |
| **ConMkt$_4$** | The content I see on our social media channels influence my decision to make a purchase |  |  |  |  |  |
| **SoMAd** | **Social Media Advertising** |  |  |  |  |  |
| **SoMAd$_1$** | I encounter the company's advertisements on social media platforms. |  |  |  |  |  |
| **SoMAd$_2$** | The social media advertisements of the bank are relevant to my needs and interests |  |  |  |  |  |
| **SoMAd$_3$** | I feel that the social media advertisements the company influence my decision to remain a customer |  |  |  |  |  |

| | | | | | | |
|---|---|---|---|---|---|---|
| **SoMAd₄** | The content of the company social media advertisements are creative and appealing | | | | | |
| **InfMkt** | **Influencer Marketing** | | | | | |
| **InfMkt₁** | Influencer endorsements increase my interest in products or services | | | | | |
| **InfMkt₂** | I am more likely to trust the quality and reliability of products or services that are promoted by influencers I follow. | | | | | |
| **InfMkt₃** | When influencers share their personal experiences with a product or service, it impacts my decision to patronize that brand. | | | | | |
| **InfMkt₄** | Brands that use influencer marketing seem more relatable and connected to me compared to brands that do not. | | | | | |
| **SoMeNg** | **Social Media Engagement** | | | | | |
| **SoMeNg₁** | | | | | | |
| **SoMeNg₂** | | | | | | |
| **SoMeNg₃** | | | | | | |
| **SoMeNg₄** | | | | | | |
| | **PERFORMANACE METRICS** | **SD** | **D** | **N** | **A** | **SA** |
| **CAC** | **Customer Acquisition Cost** | | | | | |
| **CAC₁** | It is essential that microfinance bank effectively tracks Customer Acquisition Cost (CAC) to assess the efficiency of its marketing and sales efforts. | | | | | |
| **CAC₂** | CAC will help microfinance banks to understand which marketing strategies are delivering the best return on investment. | | | | | |
| **CAC₃** | It is essential that microfinance banks assess and adjust the effectiveness of various channels to achieve the lowest possible CAC. | | | | | |
| **CAC₄** | CAC information should be a basis of allocation of resources to different marketing channels. | | | | | |
| **CuRet** | **Customer Retention** | **SD** | **D** | **N** | **A** | **SA** |
| **CuRet₁** | I am willing to buy a service from a particular bank that offer value for my money within a specified period | | | | | |
| **CuRet₂** | I have no intention of switching to other banks for my future banking transactions. | | | | | |
| **CuRet₃** | I feel confident patronizing a bank that prioritizes customer satisfaction. | | | | | |
| **CuRet₄** | The way I perceive a bank significantly affects my level of patronage towards its services. | | | | | |
| **CuPat** | **Customer Patronage** | **SD** | **D** | **N** | **A** | **SA** |
| **CuPat₁** | I regularly engage with the bank's services and products. | | | | | |
| **CuPat₂** | I intend to maintain my relationship with the bank and use its services over the long term. | | | | | |

| | | | | | | |
|---|---|---|---|---|---|---|
| **CuPat$_3$** | I am inclined to refer the bank to family, friends, and colleagues. | | | | | |
| **CuPat$_4$** | The quality of service provided by the microfinance bank influences my decision to stay with them. | | | | | |
| **E-WOM** | **Electronic Word of Mouth (E-WOM)** | | | | | |
| **E-WOM$_1$** | Positive feedback about the bank is commonly shared on various online platforms. | | | | | |
| **E-WOM$_2$** | I trust the information shared by other customers about the microfinance bank on social media. | | | | | |
| **E-WOM$_3$** | Seeing favorable online feedback motivates me to engage with the bank. | | | | | |
| **E-WOM$_4$** | High ratings and positive comments about the bank on online platforms influence my decision to use their services. | | | | | |

**Thank you for your time and cooperation in completing this questionnaire!**