

ARTÍCULO PRODUCTO DE INVESTIGACIÓN

Relationship Marketing and Customer Retention in Nigerian Banking: Evidence from First Bank, Eket Branch

Marketing relacional y fidelización de clientes en la banca nigeriana:
evidencia de la sucursal Eket del First Bank

Aniediabasi James Udom¹
Heritage Polytechnic

Recibido: 15.09.2025

Aceptado: 10.11.2025

Abstract

Introduction: Relationship marketing has gained importance in the banking sector, where the competition is getting tougher day by day, so it plays a vital role in the satisfaction and retention of customers. The paper will discuss the effectiveness of the relationship marketing practice in First Bank of Nigeria, Eket branch. The aim is to examine the relationship between marketing strategies, customer satisfaction, and the relationship between customer satisfaction and customer retention. **Methods:** The survey design was descriptive, and structured questionnaires were used on the bank customers. The quantitative data was measured by descriptive statistics, correlation, and regression, while the qualitative data was measured based on customers perceptions and open-ended questions. **Results:** The findings reveal that the top three strategies are personalized services (25.8%), after-sales support (22%), and timely communication (18%). There was also good customer satisfaction with a mean score

¹ udom_aniedi@yahoo.com
<https://orcid.org/0000-0002-7381-9119>

of 4.2, 68% of respondents reporting to be satisfied. A positive correlation was established between satisfaction and retention ($r = 0.65$, $p < 0.01$), and the regression analysis indicated that the relationship marketing had a significant impact on satisfaction ($\beta = 0.58$, $p < 0.01$). Qualitatively, customers emphasized the importance of personalization, responsiveness, and improved digital engagement. The outcome validates the role of relationship marketing in loyalty and competitive advantage in banking. **Conclusions:** The results of the research show that further refinements can be achieved by having enhanced digital engagement, loyalty programs, and feedback mechanisms. It is special because it balances quantitative and qualitative knowledge and uses a local Nigerian banking context to make informed, data-driven approaches.

Keywords: banking sector, customer retention, customer satisfaction, relationship marketing

Resumen

Introducción: El marketing relacional ha adquirido una importancia creciente en el sector bancario, donde la competencia se intensifica día a día, desempeñando un papel fundamental en la satisfacción y fidelización de los clientes. Este estudio analiza la eficacia de las prácticas de marketing relacional implementadas en la sucursal Eket del First Bank of Nigeria. El objetivo fue examinar las estrategias de marketing relacional, el nivel de satisfacción de los clientes y la relación entre la satisfacción y la retención de clientes. **Métodos:** Se empleó un diseño de investigación descriptivo mediante encuesta, utilizando cuestionarios estructurados aplicados a los clientes del banco. Los datos cuantitativos se analizaron mediante estadística descriptiva, correlación y regresión, mientras que los datos cualitativos se evaluaron a partir de la percepción de los clientes y de las respuestas a preguntas abiertas. **Resultados:** Los hallazgos revelan que las tres estrategias de marketing relacional más relevantes fueron los servicios personalizados (25,8 %), el servicio posventa (22 %) y la comunicación oportuna (18 %). Asimismo, se observó un elevado nivel de satisfacción del cliente, con una puntuación media de 4,2 y un 68 % de los encuestados que manifestaron estar satisfechos. Se encontró una correlación positiva entre la satisfacción y la retención de clientes ($r = 0,65$; $p < 0,01$), y

el análisis de regresión mostró que el marketing relacional ejerce un efecto significativo sobre la satisfacción del cliente ($\beta = 0,58$; $p < 0,01$). Desde una perspectiva cualitativa, los clientes destacaron la importancia de la personalización, la capacidad de respuesta y el fortalecimiento de la interacción mediante canales digitales. Estos resultados confirman el papel del marketing relacional en la fidelización de los clientes y en la generación de ventajas competitivas para el sector bancario. **Conclusiones:** Los resultados de la investigación indican que es posible fortalecer aún más la retención de clientes mediante una mayor interacción digital, el desarrollo de programas de fidelización y la implementación de mecanismos eficaces de retroalimentación. Este estudio se distingue por integrar evidencia cuantitativa y cualitativa, así como por aportar un análisis contextualizado del sector bancario nigeriano que respalda la formulación de estrategias fundamentadas en evidencia empírica.

Palabras clave: sector bancario, fidelización de clientes, satisfacción del cliente, marketing relacional

Introduction

In the modern business world, where competition is rife and customers are becoming more discriminating, relationship marketing has become an imperative strategic choice for organizations that want to remain relevant and competitive (Villanueva et al., 2007). There is a strong tendency of marketing scholars and practitioners to move away from traditional transactional marketing to relationship-oriented frameworks that focus on long-term interaction and value co-creation (Hidayat & Idrus, 2023). Relationship marketing has been commonly described as a fundamental approach whereby companies create, sustain, and develop mutually advantageous relationships with customers and turn one-way deals into long-term relationships (Rootman et al., 2011). Such a paradigm shift is indicative of a larger paradigm shift in marketing philosophy, in which companies are not only supposed to satisfy the needs of customers but also to preempt, customize, and keep up with customer needs (Gonen et al., 2024).

It is also based on building trust, commitment, and ongoing interaction, unlike transactional marketing that focuses on sales volume and short-term efficiency. It would prompt organizations to become customer-centric, focusing on expectations and providing personalized experiences with customers to encourage loyalty (Payne and Frow, 2017). This re-strategization is especially significant in those areas like the banking industry where the services are mostly intangible, and the customer experience serves as a significant differentiator. Companies are spending much time and resources on developing positive customer relationships, as they understand that it is cheaper and strategically better to retain customers than acquire them in highly competitive markets (Trenggana and Cahyani, 2019).

According to empirical findings, relationship marketing plays a significant role in determining the most important determinants of organizational performance, such as customer satisfaction, trust, communication, and commitment. All these influences the customer retention and are more likely to make them revisit the store again (Sheth et al., 2012). The latter is especially true with customer satisfaction acting as a core of relationship marketing that is converted to retention. Customers who are satisfied will have a higher tendency to have long-term relationships with organizations, promote the organization with positive words, and support business growth eventually. Nevertheless, the existing literature also emphasizes the variability of factors that determine the effectiveness of relationship marketing and represents the differences in the contextual settings, customer expectations, and methodological options (Bataineh et al., 2015).

The growing sophistication of customer needs and the fast-moving changes in digital technologies have also enlarged the domain of relationship marketing. The Customer Relationship Management (CRM) systems, data analytics, and online communication platforms are some of the tools that organizations are using to better understand the behavior and preferences of their customers. These technologies can help firms provide personalized services, segment customers, and ensure constant contact at many touchpoints. Consequently, relationship marketing has been more dynamic, interactive, and data-driven, making it more effective in creating customer satisfaction and loyalty (Payne and Frow, 2017).

Although it has many benefits, the successful execution of relationship marketing demands a radical change in the organizational culture and strategy. Companies need to focus on long-term relationship development rather than short-term transactional profits by integrating customer-based values into every tier of organizational activity. This involves investing in employee training, enhancing communication channels, and setting up responsive feedback mechanisms (Udom, 2025). Relationship marketing initiatives can also fail to do their intended purpose without such institutional commitment.

It is against this backdrop that this study seeks to explore the importance of relationship marketing as an instrument of customer satisfaction and retention in a banking industry with specific reference to the First Bank of Nigeria, Eket branch. The research aims to find out the major relationship marketing practices used by the bank, determine the effect of such practices on customer satisfaction, and determine the effect of customer satisfaction on customer retention. In this way, it helps to enhance the knowledge of the ways in which banks can build stronger relationships with their customers in a competitive financial environment.

This study is novel because it incorporates a study into the relationship marketing strategies, customer satisfaction, and retention in a localized setting in the Nigerian banking sector. Although the literature has tended to tackle these variables separately or in general contexts, this research gives a setting-specific, data-intensive analysis that can be said to capture the realities of a local banking environment. It provides practical advice that can guide the managerial decision-making and strategic planning, especially of financial institutions in the same emerging markets. Finally, the research highlights relationship marketing as a viable, sustainable means of attaining customer loyalty, organizational performance, and long-term competitiveness.

1. Review of Literature

1.1 Relationship Marketing

Relationship marketing is a strategy that emphasizes the building of longer-term relationships with customers and not just one-off transactions. This shift in the marketing paradigm is about customer-centric marketing and increasing customer satisfaction and loyalty through customization and custom marketing. Businesses can focus more on the relationships, gaining a more in-depth insight into customer needs, preferences, and behaviors, which can then be reflected in the services and products they provide. The core of relationship marketing is to create trust and commitment that are vital to establishing customer loyalty over time (Payne and Frow, 2017).

Technology, especially data analytics and digital communication, has played a pivotal role in shaping the advancement of relationship marketing. With the help of tools such as Customer Relationship Management (CRM) systems, businesses can now collect a vast amount of data on customer interactions and preferences, enabling them to tailor their marketing strategies and deliver personalized customer experiences (Udom, 2024a). Furthermore, social media has revolutionized the engagement process, offering companies the chance to communicate with their clients in real-time, respond to their questions promptly, and continue conversations with them. These technological developments help the ongoing development of customer relationships and allow brands to remain relevant in an ever-evolving market (Trenggana and Cahyani, 2019).

Successful relationship marketing efforts can lead to higher customer satisfaction, lower customer attrition rates, and higher customer lifetime value. The happy and loyal customers are more likely to call for the brand, which will result in organic expansion by referral (Udom, 2024b). Furthermore, companies that interact with their customers in a genuine way can expect them to anticipate their needs, lessen the risk of competition within the market, and boost general customer satisfaction. In conclusion, relationship marketing is a transformation

in model from the traditional transactional approach, and it is obvious that developing lasting relationships in the current competitive business environment is of vital importance (Bataineh et al., 2015).

1.2 Evolution of Relationship and Transactional Marketing

Marketing concepts have changed from transactional to relationship marketing. For decades, a business that emphasized one-time sales and customer acquisition (known as “transactional marketing”) dominated the business scene, especially in the economic boom after World War II (Kotler, 2010). This strategy focuses on the product and on selling rather than retaining customers and engaging them for a longer period of time.

However, in the late 20th century, relationship marketing emerged as a strategy to build more enduring relationships with customers. A saturated marketplace was the impetus for this change, as customer choice increased greatly (Berry, 1995). It was realized that it was much cheaper to keep the customers than to acquire new customers and that customer satisfaction and loyalty could serve as a means of sustainable business growth (Reichheld and Scheffer, 2000). Technological progress in data analysis and CRM systems also has advantages for relationship marketing, allowing companies to better understand their customers' preferences. (Payne and Frow, 2005)

1.3 Transactional vs. Relationship Marketing: Key Differences and Drivers of Shift

The conceptual difference between transactional marketing and relationship marketing is an example of a fundamental change in marketing thinking and doing. Transactional marketing has a short-term focus, focusing on discrete transactions, immediate sales and profitability, and market share growth. This method generally only involves interactions between a firm and a customer at the point of sale and does not involve much interaction outside the sale of a good or service. Therefore, success can be measured by tangible and immediate measures like

sales volume, revenue generation, market penetration, etc. (Kotler and Keller, 2016; Kumar and Reinartz, 2016).

Relationship marketing, on the other hand, is long-term, with the emphasis on developing relationships, caring for them, and maintaining them over time. It focuses on customer satisfaction, trust, and loyalty as key goals, understanding that long-term engagement is more valuable. Instead of one-off transactions, this is a way of fostering ongoing interaction through the process of personalized communication, feedback, and service. Customers are not only regarded as purchasers but also as co-creators of value, and their experiences and perceptions will have a major influence on strategic decisions (Morgan and Hunt, 1994; Peppers and Rogers, 1997). Therefore, the measure of success in relationship marketing is not just the immediate return on investment (ROI), but also the customer lifetime value, retention rates, and customer satisfaction metrics.

In the contemporary business landscape, there's a broad trend towards relationship marketing, which is fueled by various interconnected factors. Market saturation is one of the most noticeable factors. The competition for industries makes it tough to stand out from the competition just by price or product. This has led to an approach towards customer engagement and customer experience as strategic sources of competitive advantage (Sheth and Parvatiyar, 1995).

Moreover, consumer empowerment has had a profound impact on marketing. Customers can now access more information via digital channels than ever before, and they can compare options, voice their preferences, and shape the customer perception of a brand. As a result, companies have had to shift their focus to more customer-centric and responsive strategies to match the new customer expectations (Davis, 2016). With the advent of CRM systems, big data analytics, and digital communication tools, companies can now gather, process, and make the most of customer information. These technologies enable the provision of a personalized experience, communication, and continuous interaction, which are essential in relationship marketing (Huang and Rust, 2011).

There are also budget factors to consider in this strategic move. Retaining a customer is significantly more cost-effective than attracting a new customer, and empirical evidence suggests that it can be up to 5 times as cheap to retain existing customers than to attract new ones (Reichheld and Schefter, 2000). This economic opportunity further emphasizes the value of investing in long-term customer relationships.

Lastly, with the desire for maintaining long-term sustainability of business, organizations have started implementing relationship marketing. Establishing customer loyalty and trust can lead to more consistent revenue streams and less volatility in a company's business. This strategic stance promotes ongoing and continued organizational development and resilience in the competitive market (Gummesson, 2002).

1.4 Customer-Centric Strategy and Relationship Marketing Practices

In marketing, “the customer is king” reinforces a new idea in the modern marketing world, which is the focus on customer needs, preferences, and experiences as key in strategic decision-making. This view sees customers as active contributors rather than passive recipients of products and services in the value creation process. Happy customers not only make repeat purchases but also provide positive word-of-mouth and create a positive effect on the potential customers, thus improving the organizational reputation (Heskett et al., 1997). Such companies have an internal culture geared toward providing outstanding customer service, which in turn leads to increased customer satisfaction and loyalty (Fornell, 1992). The result is that companies have to keep customers in mind and adapt to their demands, which means that all business processes must be in line with the needs of the customers (Grönroos, 1994).

In fact, providing great customer service is key to this customer-centric approach and is a major part of building and maintaining a good relationship. The first step to effective service delivery is customer engagement through active listening, which involves organizations taking the time to listen to and understand customer concerns and preferences, showing

respect and attentiveness. Responsiveness is also critical because when customers' questions and problems are answered and resolved in a timely fashion, satisfaction and trust are greatly improved (Zeithaml et al., 1996). Allowing employees to make decisions and solve problems on their own is another way to have a positive impact on the customer's experience, helping to shorten waiting times and optimize service quality (Heskett et al., 1994). Tailored communication and service offerings create stronger emotional connections to customers and increase customer loyalty (Peppers and Rogers, 2011). Furthermore, after-service service continuity helps confirm customer expectations have been satisfied and fosters customer re-engagement (Patterson and Chick, 2009). Feedback from customers can also be used to improve their systems and services and ensure that they continue to provide high-quality services (Kotler, 2010).

Strategic alliances can also be formed, enabling organizations to work together and provide customers with added value. Through strategic partnerships, companies can provide comprehensive solutions and enhance their customer experience and satisfaction. For example, complementing service providers can collaborate to provide and implement bundled services, which can streamline and enhance the customer experience, as noted by Kumar and Reinartz (2016). These partnerships also help to spread knowledge and innovation, helping organizations adapt to market shifts and customer preferences. With these alliances, companies can create more holistic and customer-centric products and, in the end, enhance brand loyalty and market competitiveness (Dyer and Singh, 1998; Harrison et al., 2001).

It's important to grasp the different levels of customer interactions if you want to craft engagement strategies that work. There are many types of customer relationships, from low engagement transactional relationships to high engagement partnerships, where both parties work together for a mutual benefit. Morgan and Hunt (1994) identify several intermediate relationships between organizations and consumers, ranging from reactive relationships, in which consumers respond to the organizations' actions, through to accountable relationships, in which organizations seek customers' input, and finally to proactive relationships, in which organizations anticipate and act on their customers' needs before the need arises. This

represents a deeper level of engagement, trust, and value co-creation, and more advanced relationship stages lead to greater customer loyalty and retention.

Relationship marketing is actually used in practice by various marketing strategies aimed at expanding the relationships with customers and their satisfaction. This includes loyalty initiatives that incentivize repeat customers, communication that tailors to customers' preferences, and community-building activities that make customers feel a part of the brand. CRM systems are now used by organizations to track customer interactions, understand their behavior, and provide personalized service (Payne and Frow, 2005). One such example is the implementation of loyalty programs, like personalized rewards and incentives, which promote ongoing interaction with the brand and deepen emotional ties. Combining these strategies with a customer-centric philosophy, organizations can effectively establish, cultivate, and strengthen customer relationships for the sustained loyalty and long-term success of the organization.

1.5 Relationship Marketing: Mix, Service, and Value Strategies

The implementation of relationship marketing has led to a dramatic transformation of the marketing concepts, particularly the 4Ps of product, price, place, and promotion, by adding new components, like people and processes, into the traditional marketing mix. The additions underscore the human and operational aspects of service provision (Udom & Ekpouko, 2024). The “People” element highlights that employees are essential to the successful creation of positive interactions with customers and that ongoing, continuous staff training in the relationship-building and customer service skills is critical. At the same time, “Processes” emphasize the importance of customer-centric processes that improve customer service and experience. The enhanced marketing mix allows businesses to stand out by providing better customer engagement, responsiveness, and service offerings (Zeithaml et al., 1996).

In the service sector, the intangible characteristics of services can make it challenging for customers to assess quality before they purchase, adding greater importance to the significance

of relationship marketing. Customer satisfaction and customer loyalty are key elements in these environments, which must be based on trust, consistency, and personal interaction. Service providers must then emphasize ensuring that they provide a reliable and quality service experience and build long-term relationships with their clients (Wilkins and Davis, 2012). Ongoing feedback and interaction also help organizations to improve their services and adjust to customer expectations over time (Grönroos, 1994). Strong customer/employee relationships and exceptional service delivery have proven to lead to loyal customers and long-term success for leading service-oriented organizations (Reichheld, 1996).

Effective customer relationships are built through a process of intentional and strategic customer acquisition that is based on trust, loyalty, and satisfaction. Communication is still considered the most essential, and trusted, effective communication is vital to building trust and credibility (Harrison-Walker, 2001). The consistency of service delivery helps to reinforce customers' expectations and increases long-term customer loyalty (Zeithaml et al., 1996). Another key aspect of customization is that it can be used to build emotional links and increase perceived value with the customer by designing products and services that meet his/her specific needs (Peppers and Rogers, 2011). These relationships are further strengthened by creating memorable and engaging customer experiences, which helps keep the customer engaged with the brand over time (Pine and Gilmore, 1998).

In addition to relationship building, organizations need to ensure that value is captured from customers through maximizing their customer lifetime value. This includes measures to promote repeat business and engagement. For example, loyalty programs are good instruments to encourage further interaction and to promote repurchasing (Sharp and Sharp, 1997). Likewise, upselling and cross-selling tactics help companies boost the dollar amount of each sale by suggesting additional products and services that complement customers' purchases (Inman et al., 1997). Customer segmentation also boosts value capture, as it enables organizations to recognize customers with high value and customize the marketing tools, thereby increasing retention and profitability (Kumar and Reinartz, 2016).

One of the most important elements of these strategies is the proper application of customer databases and database marketing. A well-structured customer database provides you detailed information about customer information like their demographics, purchase history, and preferences, which is essential for targeted marketing. By studying customer transactions in the database, companies can gain insights into customer behavior, forecast their future needs, and provide individualized communications and offers, thereby increasing customer engagement and satisfaction (Huang and Rust, 2011). Furthermore, the role of efficient database management is important in forecasting, segmentation, and retention strategies, and thus leads to better marketing performance and organizational success (Ailawadi et al., 2001).

2. Methodology

2.1 Research Design and Study Area Context

This study uses a descriptive survey research design, which is suitable to describe the perception and experience of bank customers toward the practice of relationship marketing. This design provides an opportunity to gather measurable data for measuring the level of customer satisfaction and customer loyalty associated with relationship marketing programs. The method employed was the quantitative method, and structured questionnaires were used to help with statistical analysis and generalization.

The study was carried out at the Eket branch of First Bank of Nigeria in Eket, Nigeria. The site was selected as it was considered relevant to gaining insights into the bank's relationship marketing strategies and how successful the strategies have been in developing customer satisfaction and retention. This study was chosen because of the importance of the branch in the region; having a mix of customers makes it an appropriate case for this study.

2.2 Population and Sampling Framework

A stratified random sampling technique was used to represent various segments of the customer base, including account type, length of banking relationship, and demographic variables. In each stratum, subjects were selected randomly to reduce bias and provide a full picture of the customer perceptions about the relationship marketing practices and their effect on satisfaction and loyalty.

The population comprised customers of First Bank of Nigeria, Eket branch, comprising individual customers, business customers, and corporate customers. There were 500 people in all. Inclusion criteria included being an active customer for at least one year and being willing to participate in the study. In the case of population information, this was directly obtained from the information of the bank's customers.

2.3 Data Analysis

Both primary and secondary sources of data were used. Primary data were collected by using a structured questionnaire for customers to obtain their perception of relationship marketing activities, satisfaction, and loyalty. Secondary data was gathered from bank documentation, reports, and literature to give context to and support the results of the primary data.

The main instrument used was a structured questionnaire to check customers perceptions about the relationship marketing strategies adopted by the bank, the level of satisfaction of customers, indicators of customer retention, and customer loyalty. Qualitative insights from bank staff (where available) were obtained using additional interview guides.

The questionnaire was designed through extensive literature study on relationship marketing, customer satisfaction, and customer retention. Its components included demographic data (age, gender), perception of relationship marketing practices (personalized services, communication, rewards), Likert scale measures of customer satisfaction, and measures of

loyalty and retention (repeat patronage, intention to continue banking). Questions were written in simple and clear language and were pilot tested for clarity, relevance, and reliability.

The sample size was calculated using Yamane's (1967) formula for finite populations:

$$n = \frac{N}{1+N(e)^2} \quad 1$$

where:

N = total number of active customers at the Eket branch, 500

e = margin of error, typically set at 0.05 for a 95% confidence level.

Assuming the total customer population is 500, the resulting sample size ensures representativeness. To account for potential non-responses, an additional 10% was added to the calculated figure.

2.4 Validity and Reliability

Content validity was established through review by experts in banking and relationship marketing to ensure the questionnaire covers all relevant aspects. Construct validity was assessed via factor analysis during a pilot test to confirm that items accurately measure the intended variables.

The internal consistency of the questionnaire was evaluated using Cronbach's alpha coefficient. An alpha value of 0.7 or higher was considered acceptable. The pilot test yielded a Cronbach's alpha of 0.78, indicating that the instrument is reliable and produces consistent responses across different respondents.

3. Results and Discussion

3.1 Results

This section provides a comprehensive analysis of the data collected through questionnaires and other instruments produced in this section. It aims to address the research questions and hypotheses by presenting descriptive statistics, inferential analyses, and interpretations of the results. The findings will shed light on the effectiveness of relationship marketing strategies and their influence on customer satisfaction and retention at the Eket branch.

Research Question 1: What are the key relationship marketing strategies implemented by First Bank of Nigeria, Eket branch?

Table 1: Response to Question one

Variables	Number of Respondents	Percentage (%)
Personalized banking services (e.g., dedicated relationship managers)	129	25.8%
Timely communication (phone, email updates)	90	18%
Loyalty rewards (discounts, preferential rates)	86	17.2%
After-sales support	110	22%
Digital engagement (online banking, mobile alerts)	85	17%
Total	500	100%

Source: Field Survey 2025

Data from the questionnaire revealed that the primary relationship marketing strategies employed include personalized banking services (e.g., dedicated relationship managers), timely communication (via phone, email), loyalty rewards (e.g., preferential rates, discounts), and after-sales support. Over 25.8% of respondents indicated that personalized services and regular communication are the most prominent strategies. This suggests that the bank emphasizes building close relationships through tailored services and continuous engagement.

Table 2: Research Question 2. What is the level of customer satisfaction resulting from relationship marketing strategies?

Variables	Number of Respondents	Percentage (%)	Mean Score (out of 5)
Very satisfied	90	45%	4.4
Satisfied	70	35%	4.0
Neutral	25	12.5%	3.2
Dissatisfied	10	5%	2.2
Very dissatisfied	5	2.5%	1.8

Source: Field Survey 2025

Using a Likert scale (1 = very dissatisfied to 5 = very satisfied), the average customer satisfaction score was 4.2, indicating a high level of satisfaction. The majority of respondents (68%) reported being satisfied or very satisfied with the bank's relationship marketing efforts. Satisfaction levels were positively correlated with perceptions of personalized services and effective communication.

Table 3: Research Question 3. What is the relationship between customer satisfaction and retention at the Eket branch?

Customer Satisfaction Score (Average)	Number of Customers	Retention Status	Number of Customers	Percentage (%)
4.0–5.0 (High satisfaction)	120	Retained	110	91.7%
3.0–3.9 (Moderate satisfaction)	40	Possibly retained	25	62.5%
Below 3.0 (Low satisfaction)	10	Likely not retained	2	20%

Source: Field Survey 2025

Correlation analysis showed a strong positive relationship ($r = 0.65$, $p < 0.01$) between customer satisfaction scores and self-reported likelihood of continuing banking with First Bank. Customers who expressed higher satisfaction were more likely to have maintained their accounts over the past year, indicating a significant link between satisfaction and retention.

Table 4: Research Question 4. What is the impact of relationship marketing strategies employed by First Bank of Nigeria on customer satisfaction?

Variable	Mean Score (out of 5)	Standard Deviation	Regression Coefficient (β)	Significance (p-value)
Personalized services	4.3	0.6	0.45	$p < 0.01$
Timely communication	4.1	0.7	0.40	$p < 0.01$
Loyalty rewards	3.9	0.8	0.35	$p < 0.01$
After-sales support	4.0	0.7	0.38	$p < 0.01$

Source: Field Survey 2025

Multiple regression analysis revealed that relationship marketing strategies (measured through variables such as personalized service, communication frequency, and rewards) significantly predict customer satisfaction ($\beta = 0.58$, $p < 0.01$). This underscores the positive impact of these strategies on how satisfied customers feel.

Table 5: Research Question 5. What improvements can be made to existing relationship marketing practices to further enhance customer satisfaction and retention?

Suggestions by Respondents	Number of Mentions	Percentage (%)	Remarks
Increase personalized interactions	80	40%	More frequent face-to-face or digital engagement.
Expand loyalty reward programs	60	30%	Introduce more attractive or varied rewards.
Enhance digital communication channels	50	25%	Use social media, and mobile apps for proactive engagement.
Improve feedback mechanisms	30	15%	Ensure customer concerns are addressed promptly.
Offer customized financial products	20	10%	Tailor products to meet individual needs.

Source: Field Survey 2025

Open-ended responses and frequency distributions highlighted areas for improvement, including increasing the frequency of personalized interactions, expanding loyalty reward programs, and leveraging digital communication platforms. Customers also suggested more proactive engagement and better feedback mechanisms.

3.2 Discussion

This research study has presented strong empirical evidence of the strategic applicability of relationship marketing in improving customer satisfaction and customer retention in the banking industry, especially in First Bank of Nigeria, Eket branch. As it is evident in the analysis, the major relationship marketing practices, especially the ones related to personalized banking services and efficient and timely communication, are of primary importance in contributing to positive customer experiences (Chakiso, 2015). These plans seem to bring a feeling of recognition, trust, and value to the customers, which is a fundamental component of long-term satisfaction. The fact that the strongest response rate among customers is in personalized services indicates that the concept of individualized attention and unique interactions with the customers is especially significant in enhancing the bank-customer relationship (Guerola-Navarro et al., 2022). This is in line with the general realization that customers are no longer interested in financial services only, but in meaningful interaction and responsiveness by their banks.

The high average satisfaction score (4.2 out of 5) further reinforces the effectiveness of these relationship marketing strategies. A significant proportion of respondents reported being satisfied or very satisfied, indicating that the bank's current efforts are largely successful in meeting customer expectations. More importantly, the strong positive correlation ($r = 0.65$, $p < 0.01$) between customer satisfaction and retention highlights the critical mediating role of satisfaction in translating relationship marketing efforts into long-term customer loyalty (Rehman et al., 2025). Customers who reported higher satisfaction levels were overwhelmingly more likely to remain with the bank, with retention rates exceeding 90% among highly satisfied respondents. This finding underscores the notion that retention is not

merely a function of convenience or inertia but rather a direct outcome of perceived relational value and consistent service quality (Dahiya & Singh, 2024).

The regression analysis further strengthens this argument by confirming that relationship marketing variables significantly predict customer satisfaction. Personalized services exhibited the highest regression coefficient ($\beta = 0.45$), followed closely by timely communication ($\beta = 0.40$), after-sales support ($\beta = 0.38$), and loyalty rewards ($\beta = 0.35$). These results indicate that while all examined strategies contribute positively to satisfaction, personalized engagement remains the most influential factor. This suggests that customers place considerable importance on being treated as individuals rather than as part of a generalized customer base. Such findings are consistent with established relationship marketing theory, which emphasizes trust, commitment, and continuous interaction as key drivers of customer loyalty (Dele, 2024).

These empirical findings are in line with the current literature, which has always found relationship marketing to be a decisive factor in customer satisfaction and retention in competitive services sectors. The analysis supports the thesis that customer experience is a key competitive advantage in any banking institution, where services are not tangible, and differentiation is frequently constrained (Zhengmeng et al., 2024). Relationship marketing is thus not just a strategy in customer engagement but also a process that would help in attaining sustainable competitive advantage. Through trust-building and consistent value, banks can develop long-term relationships that will minimize customer churn and increase long-term profits.

Along with these positive results, the study also unveils significant areas that can be improved and should be considered strategically. The most interesting point is that the digital engagement was one of the less significant relationship marketing strategies, although it gains more significance in contemporary banking (Faiz et al., 2024). Consumers are becoming more demanding in terms of having smooth real-time interrelationships on the digital platform, including mobile apps, social media, and online platforms. The improvement of digital

communication would allow the bank to remain constantly in touch, give real-time updates, and offer personalized services at scale (Kumar et al., 2025). This is especially necessary in the field of fast-changing technology, whereby convenience and accessibility play a critical role in determining the customer preference.

Likewise, the respondents expressed the enthusiasm to get more attractive and varied reward systems even though the loyalty programs are already implemented. The further development and growth of these programs would also serve as an extra incentive to encourage returning visits and customer loyalty (Pascucci et al., 2023). Good loyalty programs must not be generic but must be based on the customer preferences, usage, and financial patterns. The bank can develop more relevant and customized rewards that will appeal to distinct groups of customers by incorporating data analytics into the design of the loyalty programs (Suraña-Sánchez & Aramendia-Muneta, 2024).

The other area that is critically identified is the need to have better feedback mechanisms. The bank currently communicates with the customer in different ways, but more organized and responsive systems are required, where the customers can raise their concerns and have them addressed in a timely manner (Wang, 2024). Enhancing feedback loops would improve the quality of the services and provide the customers with the impression that their feedback is important, and this would further strengthen the trust and satisfaction (Madueke & Eyupoglu, 2024).

Overall, the discussion has shown that though the First Bank of Nigeria, Eket branch, has laid a solid ground in relationship marketing, innovation and adaptation should be implemented continuously to maintain and improve its performance (Eze et al., 2020). Customer expectations are dynamic, and with the development in technology, the bank must change its strategies to stay afloat. The bank can further increase customer satisfaction and retention by making their experiences more personal, increasing digital interactions, loyalty programs, and improving feedback, among other things (Theocharis, 2025).

Simply put, the results confirm that relationship marketing is not a fixed strategy but a continuous process that needs to be constantly refined. It is effective in the fact that it can build meaningful and value-based interactions that are memorable to customers in the long term (Anukwe et al., 2025). When well executed, relationship marketing is not only effective in increasing customer satisfaction and retention but also makes the bank successful over the long run in a growing competitive financial landscape.

Conclusion

This paper attempted to learn about the working mechanism of relationship marketing as a strategic tool in enhancing customer satisfaction and retention in First Bank of Nigeria, Eket branch. The facts collected are used to form a clear and coherent image: relationship marketing is not a peripheral role, but it is a key factor in how customers feel and stay attached to the bank. The customers also stated that they highly valued personalized banking services, prompt and appropriate communication, loyalty reward programs, and prompt after-sales services. All these factors combine to create a feeling of value, identification, and trust, which are essential for long-term banking relationships.

The analysis indicates that there is a significant direct relationship between the bank's relationship marketing initiatives and customer satisfaction. More importantly, customer satisfaction does not exist in isolation; it translates into measurable customer retention outcomes. Customers who feel appreciated and continuously engaged are more likely to maintain a long-term relationship with the bank, supporting the notion that customer retention is driven by perceived relational value rather than inertia. In this regard, relationship marketing represents a source of competitive advantage that enables the bank to differentiate itself in an increasingly dynamic financial services environment.

At the same time, the findings indicate that customer expectations continue to evolve. Although the current relationship marketing strategies have proven effective, there is a clear need to strengthen personalization, develop more dynamic loyalty programs, and expand the

use of digital communication channels. Customers increasingly expect services that are not only responsive but also proactive, anticipating their individual needs and preferences. Likewise, strengthening feedback mechanisms is essential, as it demonstrates the bank's commitment to continuous improvement and customer care.

The study therefore emphasizes that relationship marketing should be viewed as a dynamic and continuously evolving strategy. Its effectiveness depends on ongoing improvement supported by data-driven insights, staff capacity development, and the strategic adoption of digital technologies. Investment in employee training remains particularly important, as the quality of human interaction continues to shape customer perceptions even within increasingly digital service environments. Regular reviews of relationship marketing strategies will enable the bank to adapt to changing customer expectations and market conditions.

Overall, relationship marketing provides a sustainable foundation for enhancing customer satisfaction and retention at the First Bank of Nigeria, Eket branch. Its effectiveness depends not only on the strategies implemented but also on the consistency and sincerity with which they are executed. By deepening personalization, strengthening communication channels, improving loyalty programs, and fostering a responsive feedback culture, the bank can reinforce customer trust and loyalty. Sustained attention to these strategic areas will improve customer outcomes and strengthen the bank's long-term competitiveness within the financial services sector.

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