

Internet Marketing and Customer's Purchase Intentions of Selected Virtual Banks in South South Zone, Nigeria

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Abstract: *The development in technology has provided opportunities for banks to use the internet as an impressive marketing tool in communicating their bank services. This development has led to the evolution of some virtual banks where customers have the opportunity of sitting at the comfort of their homes and offices to make financial transactions without involving any physical presence at the banking hall. In this connection, the researchers conducted this study to examine the effect of internet marketing on customer's purchase intentions of virtual banks in South South Zone, Nigeria. Internet marketing employed by virtual banks formed the pre-determined factors in assessing customer's purchase intentions. These pre-determined factors which were email marketing and social media marketing constituted the independent variables for the study. The dependent variable was customer's purchase intentions. The study adopted a descriptive research design and a sample size of 395 customers who owned a bank account with the selected virtual banks were employed for the study. A purposive sampling technique was adopted in selecting the respondents. Data for the study were collected using structured copies of questionnaire and 2 research hypotheses formulated for the study were tested using simple regression model at a 5% level of significance. From the data analysis, findings revealed that the independent variables (email marketing and social media marketing) significantly affect customer's purchase intentions of virtual banks in South South Zone, Nigeria. From the findings, it was concluded that internet marketing plays a significant role in influencing customer's purchase intentions of virtual banks in South South Zone, Nigeria. Hence, it was recommended that virtual banks which wish to increase their customer's purchase intentions should adopt the internet marketing of email marketing and social media marketing to help create product knowledge and repeat purchase among their customers.*

Keywords: Internet Marketing, Virtual Banks, Customer's Purchase Intentions, Email Marketing and Social Media Marketing

INTRODUCTION

Technology has permeated all spheres of life with businesses not being exempted. It has brought new possibilities for businesses of all sizes and formations. The internet is one of the essential parts of technology and has become one of the major channels of communication that has been adopted by the financial institutions all over the world (Adamgbo, Joel, Zukbee and Ikole, 2020). Prior to the existence of internet, transaction of businesses in the financial sectors had been a difficult and stressful one. Banks mostly made use of ledgers, folio numbers, and postcards, like data sheet where customers name, specimen signature, photo were kept in record. These manual operations resulted in a slow purchase and usage of the banks services in Nigeria (Chimaobi, Jane and Mbah, 2020).

According to Akyuz and Opusunju (2019), the banking industry in the 21st century operates in a complex and competitive environment characterized by changing conditions and a highly unpredictable economic climate, associated with the availability of dynamic customers whose interest are targeted on banking services, improved regulation, and high profitability. This to a large extent is as a result of technological improvement, increased awareness and demands from customers. This advent in technologies has brought about the online banking which is also referred to as "Digital Banking" or "Internet Banking" or "Electronic Banking" or "Web-Banking" or "Virtual Banking". Virtual banking is electronic payment system which permits bank customers to undertake diverse financial transactions through the financial institution's website which is interactive and communication channels. These are banks that offer banking services through electronic channels. All services of virtual banks can be performed online and there is no bricks-and-mortar branch. Clients can open an account, make deposits, take out loans and perform other banking transactions via a mobile app or through the website of the virtual bank, thus saving time without having to visit the banking hall. That is, client executes banking transaction via electronic means (Chimaobi, Jane and Mbah, 2020). This has enables bank customers to access accounts and general information on bank products and services through the internet which can be done at the comfort of their homes or offices.

In Nigeria, virtual banking has emerged as a strategic resource for achieving higher efficiency, control of operations and reduction of cost by replacing paper based and labour intensive methods with automated practices thus leading to greater productivity and profitability. Example of virtual banks in Nigeria are; ALAT, Moniepoint, PalmPay, Opay, OneBank, Kuda Bank, VFD,

FairMoney, Kuda Bank, GoMoney, Eyowo, Rubbies, Fundall and Piggyvest. This virtual means of banking is a way of carrying out financial transactions with the use of mobile devices in order to reduce the huge risk involved in carrying physical cash or paper cheques. It guarantees speed, efficient, fair and well secured transactions compared to that of cash-at-hand procedure (Chimaobi, *et al.*, 2020).

The development of internet has provided opportunities for firms to use the internet as an impressive marketing tool. The advent of internet marketing can be traced back to the time of early 1980s. Before internet marketing we had traditional marketing, which was a conventional mode of marketing that helps to reach out to a semi-targeted audience with various offline advertising and promotional methods which may have evolved over the past few decades (Lasi, 2021). Internet marketing encompasses all marketing efforts that use electronic device such as mobile phones, computers or the websites. Businesses leverage internet channels such as search engines, social media, email, and other websites to connect with current and prospective customers. Internet Marketing involves the use of numerous tactics and channels from the internet to connect with customers where they spend much of their time online.

The purchase intention of the consumer is influenced by his or her perception towards a product and different consumers have different perceptions for the same product. Purchase intention is a process in which the consumers buy the products and make a repeat purchases for the specific product. The four behaviour of consumer relating to purchase intention include the undoubted plan for product purchase, thinking to purchase the product, contemplating to buy the product in the future, and to purchase the specific product. Purchase intention is a projected behavior of consumers about the repetition purchase of specific product i.e. it is a willingness of one's self to purchase the product. Purchase intention is a multi-step process in which first of all the consumer collect the information about the brand then evaluate its attributes to suits with his intentions then decide to make a purchase. When the consumer finally purchases the product the consumer gains personal experience, if the consumer is satisfied with the brand then they will show interest to purchase the brand again, this process is called as "purchase intention". Dimensions such as brand image, product quality, product knowledge, product reviews and product features, positively impacts the purchase intentions. To increase and retain this customer' purchase intentions, internet marketing strategies have been employed by virtual banks in Nigeria to create product knowledge and repeat purchase among consumers.

In achieving optimal understanding of whether internet marketing strategies such as search engine optimization, search engine marketing, social media marketing, content marketing, email marketing, online advertising, website, affiliate marketing, influencer marketing and viral marketing affect customer's purchase intentions, studies on internet marketing and customer's purchase intentions need to be conducted to assess the effect of internet marketing on customer's purchase intentions. Thus, this research was conducted to determine if Internet Marketing affects Customer's Purchase Intentions of Selected Virtual Banks in South South Zone, Nigeria.

Statement of the Problem

Before the advent of internet marketing, we had the traditional marketing, which was a conventional mode of marketing that helps to reach out to a semi-targeted audience with various offline advertising and promotional methods. A paradigm shift in technology has permeated all spheres of life with businesses not being exempted. It has brought new possibilities for the businesses of all sizes and formations. The internet is one of the essential parts of technology and has become one of the major channels of communication that has been adopted by the financial institutions all over the world. Prior to the existence of internet, transaction of businesses in the financial sectors had been a difficult and stressful one. Banks mostly made use of ledgers, folio numbers, and postcards, like data sheet where customers name, specimen signature, photo where kept in record. These manual operations resulted in a slow purchase and usage of the banks services in Nigeria. The advent of internet has provided opportunities for banks to use it as an impressive marketing tool.

One of the factors that have accelerated the change in strategic marketing to internet marketing strategy was the Covid-19 pandemic, where Nigerians were encouraged to stay at home as well as government policies related to the pandemic, namely keeping your distance, and no crowding, which caused offline sales moving to internet sales. Banks in Nigeria tapped into these opportunities to increase and retain their customer's purchase intentions towards their services by introducing online banking services. Consumers on the other hand, who were looking for ways of meeting their financial needs conveniently without incurring additional cost and queuing up in the banking halls to make transactions also tapped into these opportunities. This led to the evolution of some virtual banks where customers had the opportunity of sitting at the comfort of their homes to make financial transactions without involving any physical presence at the banking hall and eliminating numerous paper works.

However, despite this comfortability created through virtual banks, some customers still have a misconception and negative attitude towards virtual banking thus influencing their purchase intentions. To curb this and increase customer's purchase intentions towards virtual banks, the researcher conducted this study to examine the effect that Internet Marketing has on Customer's Purchase Intentions of Selected Virtual Banks in South South Zone, Nigeria.

Objectives of the Study

The main objective of this study was to examine the effect of Internet Marketing on Customer's Purchase Intentions of Selected Virtual Banks in South South Zone, Nigeria. Specifically, the research was designed to:

- i. Examine the effect of Email Marketing on Customer's Purchase Intentions of Selected Virtual Banks in South South Zone, Nigeria.
- ii. Determine the effect of Social Media Marketing on Customer's Purchase Intentions of Selected Virtual Banks in South South Zone, Nigeria.

Research Questions

The following research questions were formulated from the objectives of the study:

- i. To what extent does Email Marketing affect Customer's Purchase Intentions of Selected Virtual Banks in South South Zone, Nigeria?
- ii. To what extent does Social Media Marketing affect Customer's Purchase Intentions of Selected Virtual Banks in South South Zone, Nigeria?

Research Hypotheses

Based on the research objectives and the research questions, the following null hypotheses were formulated for the study.

HO₁: Email Marketing has no significant effect on Customer's Purchase Intentions of Selected Virtual Banks in South South Zone, Nigeria.

HO₂: Social Media Marketing has no significant effect on Customer's Purchase Intentions of Selected Virtual Banks in South South Zone, Nigeria.

LITERATURE REVIEW

Concept of Internet Marketing

Internet marketing, also known as web marketing, online marketing, webvertising, or e-marketing, is referred to as the marketing (generally promotion) of goods or services over the Internet. It is essentially any marketing activity that is conducted online through the use of internet technologies. It encompasses not only advertising that is displayed on websites, but also other kinds of online actions such as email and social networking. Every aspect of internet marketing is digital, meaning that it is an electronic information that is transmitted on a computer or similar device, though naturally it can be tied to the traditional offline advertising and sales too. Internet marketing is the process of advertising of products or services of companies using digital technologies available on internet, including mobile phones, display advertising, and any other digital medium like Google and Facebook ads etc. (Panda and Aishwarya, 2021).

Internet marketing is broad in scope, because it does not only refers to marketing on the internet, but also includes marketing done through wireless media. Internet marketing brings together the creative and technical parts of the internet, including development, design, advertising and sales. Internet marketing involves the placement of media along numerous different stages of the customer engagement cycle through social media, search engine marketing, search engine optimization, websites, email and mobile advertising (Eke, 2022)

Before internet marketing we had traditional marketing, which was a conventional mode of marketing that helps to reach out to a semi-targeted audience with various offline advertising and promotional methods which may have evolved over the past few decades (Panda and Aishwarya, 2021). Internet marketing encompasses all marketing efforts that use an electronic device such as mobile phones, computers or the websites. Businesses leverage internet channels such as search engines, social media, email, and other websites to connect with current and prospective customers. At the beginning marketing communication was a one-way communication process, but with the development of technology and the spreading of internet, it become an interactive and a two-

way process among the purchaser and the vendor where the communication is effective whenever the customers understand the message sent from the seller and act consequently (Eno and Udonde, 2022).

Internet marketing has created exciting new and cheaper ways to learn about and track customers, create products and service tailored to meet customer's needs, distribute product more efficiently and communicate with potential customers effectively (Etuk and Udonde, 2023b). Internet marketing can be seen as the use of numerous digital tactics and channels to connect with customers where they spend much of their time online. There are many types of internet marketing implementation strategies such as Search Engine Optimization (SEO), Search Engine Marketing (SEM), Social Media Marketing (SMM), Content Marketing, Email Marketing, Online Advertising, Website, Affiliate Marketing, and Viral marketing (Panda and Aishwarya, 2021).

Dimensions of Internet Marketing

The two dimensions of internet marketing adopted for this study were email marketing and social media marketing.

E-mail Marketing

This is a form of direct marketing which uses electronic mail as a means of communicating commercial or personal messages to an audience. Every e-mail sent to a potential or existing client could be seen as e-mail marketing. They may be unsolicited, in which the sender may give the receiver an option to opt-out of future emails, or it may be sent with the recipient's prior approval. As a tool of strengthening customer relationship, e-mail marketing helps companies keep in touch with their customers on a regular basis at low cost (Etuk and Udonde, 2023a).

It is an exceptional technique for generating brand awareness, keeping the company on the top of the mind, and encouraging repeated purchases. Email marketing is developing and refining the advert campaigns, as well as growing the audience. Email marketing also focuses on providing users with valuable information otherwise, people would not stay subscribed. The idea is that, while these users may not need the services or products now, they will remember the brand name when it is time to make a purchase. That brand awareness encourages them to choose the desired company when they are ready to buy. When those subscribers need a service, whether maintenance, emergency, or installation, they have a higher chance of choosing that business because the company has proven themselves as knowledgeable and trustworthy.

One of the benefits of this approach is that you can also segment the recipient and personalize the email campaigns. The main objective of email marketing as an internet marketing initiative is to stay at the top of mind for potential customers, and provide current clients with beneficial information, like relevant industry news, and personalized content, like product coupons, that will keep them coming back. Its impressive return emphasizes the potential of this internet marketing strategy for increasing business's revenue, brand awareness, or client retention rates. E-mail marketing campaigns are cost effective, personalized, fast, massive but targeted, approved by consumers that are usually consciously registered on the companies e-mail list, easily tracked etc. E-mail marketing offers audio and virtual messages, making it possible to capture the interest of consumers with mind captivating campaigns (Etuk and Udonde, 2023a).

However, it is very important to avoid spamming consumers with lot of information that are not relevant but rather sent just to remember the consumers about the company's presence. According to Minculete and Olar (2018), email marketing is one of the most important tools of any internet marketing campaign. Despite the increased influence of social media, email is still the most effective way to convert visitors or readers into customers. However, considering e-mail marketing as a concept, it is the process of collecting email addresses from current and potential buyers (individuals and/or legal entities) interested in the products of a company in order to send them newsletters, offers etc.

Social Media Marketing

Social media marketing is an ground-breaking tool that companies use for creating a very strong public relation with customers on the virtual networks. Social media platforms (e.g. Facebook, Twitter, Instagram, LinkedIn etc.) consist of large and various communities of customers that are not that easily available and visible in traditional channels. These groups have a great power in sharing information about the company and its products, expressing personal opinion, rating their experience that can be both positive and negative (Grubor and Jakša, 2018). Social media marketing involves the development of appealing content on different social media platforms to create awareness and win new and existing customer's attention; it refers to carrying out marketing activities through online communities and social networks (Etuk and Udonde, 2023a).

Social Media Marketing (SMM) is another functional part of internet marketing that has become quite important in recent years. From a functional point of view, social media represents a group of internet marketing applications that are based on the ideological and technological foundations of web and allow the creation and exchange of user-generated content. Social media marketing actions are opportunities that include text, images, video and networks for all business partners designed and developed according to online marketing methods (Minculete and Olar, 2018).

Social media websites help in enhancing the communication with all users, and each social media site demands different approaches, techniques and strategies of marketing. The increased in the use of social media platform such as; the Facebook, YouTube, twitter among others had paved way for the exchange of information among consumers (Etuk and Udonde, 2023a).

Benefits of Internet Marketing

According to Santos (2020), some of the benefits of internet marketing includes:

- i. **Efficacy of Internet Marketing:** Apart from being less expensive than traditional marketing, internet marketing enables businesses to remain accessible to clients no matter the place, time or even location. Offering products on the internet makes it convenient for customers to browse through online store or websites at any given time and place orders when it is suitable for them making the business twice efficient.
- ii. **Building Relationships with Customers:** The internet presents an essential stage for establishing relationships with clients and enhancing customer retention levels. When a customer purchases a product, the company can start connecting with the customer and follow up via email or through an automation series. Following up with clients regularly with personalized offers helps to retain and shape long-term relationships.
- iii. **Global Marketing:** The potential and capacity to market the company's products worldwide is another important benefit of internet based marketing. Companies can easily reach to every corner of the world through the internet which could be considered expensive through traditional means. A firm can instantly get in touch with their target audience 24/7 via the internet, no matter which country they are.

Customer's Purchase Intention

Customer's Purchase Intention is the willingness for a customer' to buy a certain product or a certain service. Purchase intentions are a measure of the consumer attitude towards purchasing a product. Customer's Purchase Intention is a process in which the customers buy the products and make a repeat purchases for the specific product. It is a projected behavior of consumers about a repeat purchase of specific product i.e. the willingness to one's self to purchase the product. Purchase intention is a multi-step process in which first of all the consumer collect the information about the brand then evaluate its attributes to suits with the buyer's intentions then they decide to make a purchase, when the customer lastly purchases the product the customer gains personal experience, if the consumer is satisfied with the product then they will display interest to purchase the brand again, this process is called as purchase intention (Putri, 2021). This behavior of purchase of a specific product is called purchasing behaviour.

Purchase intentions are essential metrics in marketing. In fact, marketing based on intentions or intent marketing is about marketing goods and items based on the intentions of the customers or the customer's intent to accept, buy or use a particular product which may or may not have been evidently mentioned by the company. Customer's Purchase intention as a measurement is effective in designing marketing activities or promotions. The intent of a customer can make it very easy to exactly iterate what kind of content should be displayed in an advertisement (Putri, 2021). The intentions can reflect information about the knowledge levels of the customer's mind and on the basis of this measurement the design of marketing actions can be formed. Customer's Purchase intention can be analyzed to make an integrated map of how to go about an advertising campaign.

Concept of Virtual Banking in Nigeria

Virtual banks are online banks that offer the same services as traditional banks, but everything is done online and open 24/7. This means transactions can be done anytime with just a few clicks of a button on your phone or computer. In addition, almost all virtual banks have a mobile app to manage your funds on the go. One of the major contributors to the increase in virtual banks is the improvement in technology. This has made it easier for banks to offer online banking services. With the increase in smartphone usage and internet, customers can now access banking services anywhere anytime.

Virtual banking is also an electronic payment system which permits bank customers to undertake diverse financial transactions through the financial institution's website which is interactive and communication channels. These are banks that offer banking services through electronic channels. All services of virtual banks can be performed online and there is no bricks-and-mortar branch. Clients can open an account, make deposits, take out loans and perform other banking transactions via a mobile app or through the website of the virtual bank, thus saving time without having to visit the banking hall. That is, client executes banking transaction via electronic means (Chimaobi, Jane and Mbah, 2020). This has enables bank customers to access accounts and general information on bank products and services through the internet which can be done at the comfort of their homes or offices.

One major key difference between conventional and virtual banking is location. Traditional banks have brick-and-mortar locations, offer an extensive range of products, and deliver in-person customer service. Because of that, traditional banking inclines to come with higher charges because they have more running costs. Virtual banks have no physical locations and require one to do everything digitally. Whether to check your bank account balances, send money, or perform any other transaction, it can be done right from the mobile app offered by the virtual bank. Since virtual banks have little running costs, they often come with lesser charges and higher rates of return. It allows one to perform financial transactions using the internet. It offers nearly every service available at traditional banks. The only difference is that you do not have to visit a local branch to complete the most basic banking transactions.

Virtual banking has become progressively popular in recent years due to the rising demand for more convenient and handy banking services. A great factor that contributed to the surge of virtual banking in Nigeria was the Covid-19 pandemic. With the pandemic restricting physical movements and limiting face-to-face interactions, many people turned to online banking as a safer and more convenient way to manage their finances. Gone are the days when one queue for long hours at the banking hall to make a simple transaction like sending and receiving cash. In today's digital age, one can access his bank account anytime from anywhere. This is where virtual banks come in. The trend of traditional banks in Nigeria is slowly reducing because of the stress involved in their dealings with customers, ridiculous bank charges, going to banks to queue just to register an account, and unappealing customer support.

In Nigeria, virtual banking has emerged as a strategic resource for achieving higher efficiency, control of operations and reduction of cost by replacing paper based and labour intensive methods with automated processes thus resulting to higher profitability. Example of virtual banks in Nigeria are; ALAT, Moniepoint, PalmPay, Opay, OneBank, Kuda Bank, VFD, FairMoney, Kuda Bank, GoMoney, Eyowo, Rubies, Fundall and Piggyvest. The virtual means of banking is a way of carrying out financial transactions with the use of mobile devices in order to reduce the huge risk involve in carrying physical cash or paper cheques. It guarantees speed, efficient and fair and well secured transactions compared to that of cash-at-hand procedure (Chimaobi, *et al.*, 2020).

Advantages and Disadvantages of Virtual Banking

Advantages discovered includes:

- i. **Convenience:** One of the major advantages of using a virtual bank is convenience. Provided that one has an internet connection, they can perform all their transactions anytime from anywhere. Whether transferring money between accounts, paying bills, or checking ones balances, one can do everything with a few taps on their mobile phones. Also, one can deposit checks remotely. Generally, a virtual bank lets one keep tabs on their finances from anywhere.
- ii. **Lower Fees:** Virtual banks tend to have lower fees than traditional banks because they have fewer overhead costs. Utmost virtual banks have no minimum account balances, monthly maintenance charges, overdraft charges, and foreign transfer charges. This means one can save a lot of money on fees.
- iii. **Better Interest Rates:** The absence of significant infrastructure and overhead costs in a virtual bank means higher interest rates or Annual Percentage Yields (APY) on savings. The most generous virtual banks offer 1% to 2% more than what one earns in a traditional bank.
- iv. **Full control over one's account and bank information:** Another benefit of using a virtual bank is that one can have complete control over your account. One can decide what happens to their finances at every point in time.
- v. **Online Bill Payments:** The ability to pay one's bills online is another benefit of virtual banking. One can set automatic bill payments so they do not get late paying their bills. With the online bill payments feature, monitoring all one's bills in a place is easy.
- vi. **Security Assurance:** When it comes to virtual banking, one's security is covered. In fact, most banks in Nigeria currently provide online services. High-end encryption of users' details is ensured on most virtual banks' platforms. This enables premium protection against online scams.
- vii. **Dependability:** The fear and worry that might come with payment deadline are eradicated with virtual banking. Online transactions can be made anywhere. No more reasons to queue at banks for large transactions. One can make transfers easily with no headache.
- viii. **Close Account Management:** Budget planning and account management are super easy with mobile banking. One can track their expenses from their purchases and also be intentional about savings. At the end of every month, one can always request their transaction log or any day of their choice.

The major disadvantages of Virtual Banking are;

- i. **Unfamiliarity with the Bank Staffs:** One of the greatest concerns for average Nigerians is the inability to establish close relationships with the bankers or converse with them physically. At traditional banks, customers find it easy to create familiarity with the bank staffs. However, this is nearly impossible with virtual banking. This is due to the fact that one speaks with an anonymous customer support agent at virtual banks and so cannot establish any familiarity.
- ii. **Inability of Complex Transactions:** Basic banking activities like transferring funds, receiving funds, and paying for items online are generally seamless with virtual banking. However, when it comes to executing international transactions like sending funds in other currencies like Cedis, Euro, etc., it might not be possible with virtual banks that do not operate internationally.
- iii. **Safety Threat:** All innovations are at the risk of IT fraud and security. Some Nigerians are still skeptical about switching to virtual banking because of this. If a scammer gets access to one’s banking account by password hack, their money is at a high risk. People also find it difficult to trust virtual banks because there will be no physical site to report to in case of illegal access or their website goes down.

Conceptual Model

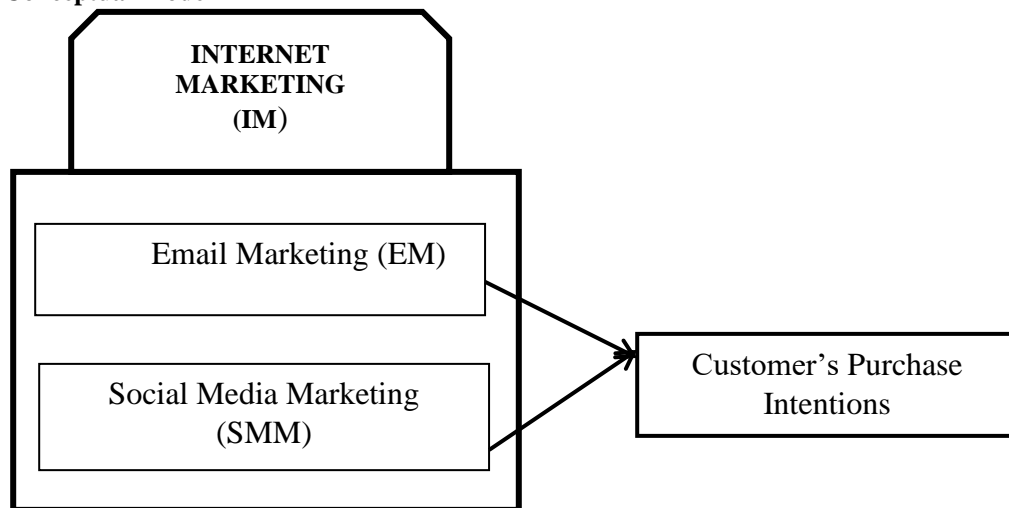


Figure 2.1: A Conceptual Model Showing the Link between Internet Marketing and Customer’s Purchase Intention of Selected Virtual Banks in South South Zone, Nigeria.

Source: Researcher’s Conceptualization, (2023).

Theoretical Framework

Unified Theory of Acceptance and Use of Technology (Venkatesh, Morris, Davis and Davis, 2003)

Unified Theory of Acceptance and Use of Technology (UTAUT) was propounded by Venkatesh *et al.* (2003) through reviewing eight models which explain Information and Communication Technology (ICT) usage, namely; Theory of Planned Behaviour (TPB), Diffusion of Innovations (DOI), Theory of Reasoned Actions (TRA), Technology Acceptance Model (TAM), the motivational model, a model combining TAM and TPB, the model of PC utilization and the social cognitive theory. It was proposed and validated in order to provide a unified theoretical basis from which to facilitate research on information system (IS)/ information technology (IT) adoption and diffusion. The theory postulates that four core constructs –performance expectancy, effort expectancy, social influence and facilitating conditions –are direct determinants of IS/IT behavioral intention and ultimately behaviour (Venkatesh *et al.*, 2003). The UTAUT model aims at explaining a user’s intentions to use ICT and the subsequent user behaviour. UTAUT centers on users who may be less willing to embrace and use new systems.

Good number of banks has taken advantage of information communication technology in their operations in order to improve the standard of its operation. This recent improvement is being accomplished through enormous development of websites

and a mobile application that is of befits the bank customers. Customers are avail the opportunity to have access to bank operations in anywhere they go as long as there is the availability of the internet connectivity. This theory is concerned with the way in which a new technological idea, artifact or techniques or new use of an old one, migrates from creation to use.

According to this theory, technological innovation is being communicated through a particular medium on time basis among the relative social system. Technological innovation passes through stages which includes: experience (expose to its existence and understanding its function); affiliation (the forming of favourable attitude to it); decision (engagement to its adoption); implementation (putting it to use); and confirmation (reinforcement base on positive outcome of it). Innovation decisions might be optional (where individual or institutions has a real opportunity to accept or reject an idea) or authority based (where decision is being imposed by another individual or organizations which possess the needed power, status or technical expertise).

Empirical Review

Purwati, Libara and Hamzah (2020) conducted a study on the analysis of customer intention in using internet banking in Pekanbaru city. The aim of the study was to determined and analyzed the influence of perceived value, perceived ease of use and perceived risk to customer intention to use internet banking. The respondents in this study were 100 clients who visited BCA KCP A. Yani Pekanbaru The number of samples in this study was determined using the Slovin Formula where the number of sample in this study is as many as 100 people with an error rate of 10%. The technique sampling used in this study was simple random sampling, which in this sampling technique, all individuals in the population either individually or together are given the same opportunity to be selected as sample members. Data analysis techniques used in this research are descriptive analysis of respondents and this research was conducted on customers who transact at BCA Bank A. Yani Sub- Branch Office, with a total of 500 people. The data analysis technique used was multiple linear regression analysis using the t test and F test for hypothesis testing. The results of this study indicate that not all variables are influential, in Perceived Ease of Use there is no influence, while the variables of perceived value and perceived risk have an influence on customer intention. The proxies of perceived value and perceived risk have a significant effect, while perceived ease of use proxies that do not significantly affect customer intention for using internet banking. It was recommended that by improving the security system in transactions, BCA customers will feel more confident when using each of BCA's products and services.

Mundhe (2021) studied the modalities of virtual banking: Banking through technology in India. The main objective of the study was to highlight the various advanced services provided by the banking sector. Using a qualitative research method, the study revealed that Virtual banking has now becomes an inevitable part of the society and without virtual banking, the customer satisfaction, various services, online shopping, online bookings cannot be imagine by the account holders.

METHODOLOGY

Research Design

This study was conducted using the descriptive research design. The descriptive research design enables the researcher to collect data from all aspect of the variables through a structured questionnaire.

Population of the Study

The population of the study consisted of customers of 20 selected virtual banks in South South Zone, Nigeria. The six states that make up the South South Zone, Nigeria were Akwa Ibom State, Bayelsa State, Cross River State, Delta State, Edo State and Rivers State. The virtual banks in the six states chosen were Alat, Opay, PalmPay, Moniepoint, OneBank, Kuda Bank, Sofri, Umba, Piggyvest, VFD (V-bank), FairMoney, Carbon, Sparkle, Rubies, Eyowo, GoMoney, Mintyn, Fundall and PayPal. The researcher chooses these banks because as at 23 March 2023, these were the virtual banks approved by the Central Bank of Nigeria and also these virtual banks were discovered to be well-known brands during the pilot testing, and they have been in operations for more than 4 years. Also, these virtual banks are banks that have adopted the strategies of internet marketing in their operations.

Thus, the population of this study comprised of customers who owned a bank account with the selected twenty (20) virtual banks from the six states in the South South Zone, Nigeria which was derived from bank annual database for the period of three years (2020-2022).

Table 3.1 Names of Virtual Banks in South South Zone, Nigeria.

S/N	Names of Virtual Banks in South South Zone, Nigeria.	Total Number of Customers in South South Zone, Nigeria.
i.	Alat	4,300,000
ii.	Opay	7,168,000

iii.	PalmPay	3,500,000
iv.	Moniepoint	3,300,000
v.	OneBank	6,200,000
vi.	Kuda Bank	800,000
vii.	Sofri	200,000
viii.	Umba	190,000
ix.	Piggyvest	130,000
x.	VFD (V-bank)	300,000
xi.	FairMoney	560,000
xii.	Carbon	150,000
xiii.	Sparkle	80,000
xiv.	Rubies	45,000
xv.	Eyowo	15,000
xvi.	GoMoney	95,000
xvii.	<u>Kredi</u>	70,000
xviii.	Mintyn	25,000
xix.	Fundall	75,000
xx.	PayPal	950,979
	Total	28,153,979

Source: Field Survey, (2023).

Sampling /Sample Size Determination

To determine the sample size, the population of all the customers who owned a bank account with the selected twenty (20) virtual banks from the six states in the South South Zone, Nigeria was retrieved by the researcher through the various virtual banks annual database. From computation, the researcher arrived at 28, 153,979 as the study population (See table 3.1). Since the population is known, the researcher adopted the Taro Yamene's formula to obtain the sample size. Thus, we have;

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

Where n= sample size

N= population size= 28, 153,979

e=error margin=5% or 0.05%

$$n = \frac{28, 153,979}{1 + 28, 153,979 (0.05)^2}$$

$$n = \frac{28, 153,979}{1 + 28, 153,979 (0.0025)}$$

$$n = \frac{28, 153,979}{1 + 70, 384.9475}$$

$$n = \frac{28, 153,979}{70,385.9475}$$

$$n = 399.9 = 400(\text{approximation})$$

Therefore, the sample size used for the study was 400.

Sampling Procedures

In administering the questionnaire, respondents were selected with the help of the research assistants who were trained by the researcher on how to carry out the research process. The 20 selected virtual banks were allocated with 20 copies of structured questionnaire to be filled by their customers (20*20=400). In the absence of the customers, the questionnaire copies were dropped with the agents of each virtual bank in the six states under study who helped in administering it to the customers. The researcher adopted the purposive sampling method by relying on her own judgment in choosing the customers who participated in the survey. The use of E-questionnaire was not adopted in this study. This was to enable the researcher have a direct contact with the customers and assess their opinion.

Methods of Data Collection

The data collecting method used for this study was a structured questionnaire. A close-ended questionnaire where the researcher gave the respondents options from where they choose the one or ones that most represented their views, opinions, attitudes or behaviors. The questionnaire was structured using the five-point Likert scale rated as follows:

5 = Very Great Extent

4 = Great Extent

3 = Moderate Extent

2 = Low Extent

1 = Very Low Extent

Sources of Data

Data for this research were collected from primary source. The primary data were obtained with the use of questionnaire, designed to enable respondents express their independent opinions. The researcher also employed the use of secondary data where the virtual bank's annual database was assessed.

Instrumentation

The study adopted the use of self-report structured questionnaire titled Internet Marketing and Customer's Purchase Intentions of Selected Virtual Banks in South South Zone, Nigeria (IMCPISVB) where all the constructs were measured with a consistent multi-item instrument of indicators for each, all scaled on a 5 – point Likert type scale (ranking from 5 = very great extent, 4 = great extent, 3 = moderate extent, 2 = low extent, and 1 = very low extent) for analytical consistency. However, the 400 copies of the research instrument were administered to only 400 customers of the 20 virtual banks under investigation with each virtual bank having only 20 questionnaire copies (20*20=400).

Reliability of the Instrument

Using the internal consistency reliability, the research instrument was assessed to ascertain the relationship between multiple items in the test that are intended to measure the same construct. The Cronbach Alpha Coefficient with the Statistical Package for Social Sciences (SPSS) was adopted with an alpha coefficient benchmark of 0.76.

The reliability statistics were computed and presented on Table 3.2:

Table 3.2: Reliability Test

Variable	Number of Item	Cronbach's Alpha Statistics
CPI	6	0.993
EM	6	0.986
SMM	6	0.990

Source: Researcher's Computation, (2023).

From Table 3.2, it was observed that the Cronbach's Alpha Statistics indicated that the data collected for each of the variables of Customer's Purchase Intentions (CPI), Email Marketing (EM) and Social Media Marketing (SMM) were all greater than the benchmark of 0.76 which showed that they were all reliable to this study. CPI had 0.993, EM was 0.986 and SMM was 0.990. The number of items showed that the questions in each of the variables were six (6).

Instrument Administration

The questionnaire copies were distributed to four hundred (400) customers of selected 20 virtual banks in South South Zone, Nigeria out of which three hundred and ninety-five (395) were successfully retrieved and used for the study. The survey instrument titled Internet Marketing and Customer's Purchase Intentions of Selected Virtual Banks in South South Zone, Nigeria (IMCPISVB) was divided into two major sections; the first section contained questions about the respondents' demographic data including gender, age, educational level, which virtual bank the customer operates with and the number of years the customer have operated with the virtual bank. The second section consists of questions about the hypotheses testing. The data collecting questionnaire was a close-ended questionnaire where the researcher gave the respondents options from where they choose the one or ones that most represent their views, opinions, attitudes or behaviours. The researcher adopted a five-point Likert scale for the questionnaire which was rated as follows:

5 = Very High Extent

4 = High Extent

3 = Moderate Extent

2 = Low Extent

1 = Very Low Extent

Variables and their Measures

Independent Variables: The independent variable of this study was the internet marketing. This includes Email Marketing (EM) and Social Media Marketing (SMM).

Dependent Variable: The dependent variable in this study was Customer's Purchase Intentions.

The statistical tool used in this study was the simple linear regression model. The measurement of the variables and the *apriori* expectation for each of the independent variables on the dependent variable are presented on Table 3.3

Table 3.3: Variable Description

S/N	Variable	Abbr.	Measurement	Apriori Expectation
1.	Customer's Purchase Intentions	CPI	Five-Point Likert Scale	
2.	Email Marketing	EM	Five-Point Likert Scale	Positive
3.	Social Media Marketing	SMM	Five-Point Likert Scale	Positive

Source: Researcher's Compilation, (2023).

Model Specification

Customer's Purchase Intention was estimated as a direct function of Internet Marketing (Email Marketing (EM) and Social Media Marketing (SMM)).

This was expressed in functional equation form as;

$$Y = F(X_1, X_2)$$

Recoded to represent the variables, it was presented as;

$$CPI = F(EM, SMM)$$

The model representing the effect of the independent variable (X_1, X_2) on the dependent variable (Y) was expressed in this form;

$$H_{01}: Y = a_0 + b_1 X_1 + e$$

$$H_{02}: Y = a_0 + b_2 X_2 + e$$

To represent the variables in use, the equations were presented as:

$$H_{01}: CPI = a_0 + b_1 EM + e$$

$$H_{02}: CPI = a_0 + b_2 SMM + e$$

Where: CPI (Y) = Customer's Purchase Intention

EM(X_1) = Email Marketing

SMM(X_2) = Social Media Marketing

e = error term

The above estimated equations are linear function which was used in testing the model separately.

Method of Data Analysis

The analysis of data for this study was done based on the data collected from the respondents using a self-structured questionnaire. Simple Linear Regression was used in testing the hypotheses at a 5% level of significance.

Decision Rule

The decision of accepting or rejecting the null hypotheses (H_0) of the statistical test was based on 95% confidence interval.

- i. The null hypothesis will be accepted if P value is more than 5% (0.05) level of significance
- ii. The null hypothesis will be rejected if P value is at or less than the 5% (0.05) level of significance and the alternative will be accepted.

DATA PRESENTATION, ANALYSIS AND DISCUSSION OF FINDINGS

Data Presentation

In this subsection of the study, the collected data were strictly on the key variables of the study known as Customer's Purchase Intentions (CPI), Email Marketing (EM) and Social Media Marketing (SMM). The computed data were based on the opinion of the respondent's collected using questionnaire. The dependent variable of the study was Customer's Purchase Intentions (CPI) while the independent variable was internet marketing measured using Email Marketing (EM) and Social Media Marketing (SMM).

Test of Hypotheses

The individual hypotheses of this study stated in accordance with the objectives were tested using simple linear regression statistical tool. The computations were done following the stated models of this study.

Hypothesis One

HO₁: Email Marketing has no significant effect on Customer's Purchase Intentions of Selected Virtual Banks in South South Zone, Nigeria.

The simple linear regression statistics were computed and presented on the Table 4.1:

Table 4.1: Simple Linear Regression Output

Variable	Beta (β)	t-Stat.	P-Value	Remark	R	R ²	F-ratio
Constant	0.038	1.235	0.217	Significant	0.990	0.980	19510.782
EM	1.018	139.681	0.000	Significant			prob.>0.05

Source: Researcher's Computation, (2023)

*Dependent Variable=CPI

From Table 4.1, R² showed that 98.0% variation in Customer's Purchase Intentions (CPI) was caused by the influence of Email Marketing (EM). From the computed value of F-statistics of 19,510.782 (prob.>0.05), it was discovered that R² was insignificant in explaining the influence of EM on CPI of selected virtual banks in South-South Zone, Nigeria. EM indicated a positive and significant influence on CPI (t-stat.>1.966, p-value>0.05) of selected virtual banks in South-South Zone, Nigeria. It implied that a percentage increase in EM resulted to 101.8% increase in CPI for the period of this study.

The result of the analysis was in compliance with the *apriori* expectation stated by the researcher for this study. The constant (β_0) of 3.8% showed the level of CPI of this study as EM was held constant and insignificant (t-stat.<1.966, p-value>0.05). The null hypothesis, which states that email marketing does not significantly influence customer's purchase intentions of selected virtual banks in South-South Zone, Nigeria was rejected and the alternative hypothesis, which states that email marketing significantly influence customer's purchase intentions of selected virtual banks in South-South Zone, Nigeria, was accepted on the rationale of t-statistics and p-value computed (t-stat.>1.966, p-value<0.05).

Hypothesis Two

HO₂: Social Media Marketing has no significant effect on Customer's Purchase Intentions of Selected Virtual Banks in South South Zone, Nigeria.

The simple linear regression statistics were computed and presented on the Table 4.2:

Table 4.2: Simple Linear Regression Output

Variable	Beta (β)	t-Stat.	P-Value	Remark	R	R ²	F-ratio
Constant	0.384	11.385	0.000	Significant	0.986	0.972	13687.222
SMM	0.936	116.992	0.000	Significant			prob.>0.05

Source: Researcher's Computation (2023)

*Dependent Variable=CPI

From Table 4.2, R² showed that 97.2% variation in Customer's Purchase Intentions (CPI) was caused by the influence of Social Media Marketing (SMM). From the computed value of F-statistics of 13,687.222 (prob.>0.05), it was discovered that R² was significant in explaining the influence of SMM on CPI of selected virtual banks in South-South Zone, Nigeria. SMM indicated a positive and significant influence on CPI (t-stat.>1.966, p-value<0.05) of selected virtual banks in South-South Zone, Nigeria. It implied that a percentage increase in SMM resulted to 93.6% increase in CPI for the period of this study.

The result of the analysis was in compliance with the *apriori* expectation stated by the researcher for this study. The constant (β_0) of 38.4% showed the level of CPI of this study as SMM was held constant and significant (t-stat.>1.966, p-value<0.05). The null hypothesis, which states that social media marketing does not significantly influence customer's purchase intentions of selected virtual banks in South-South Zone, Nigeria was rejected and the alternative hypothesis, which states that social media marketing significantly influence customer's purchase intentions of selected virtual banks in South-South Zone, Nigeria, was accepted on the rationale of t-statistics and p-value computed (t-stat.>1.966, p-value<0.05).

Discussion of the Findings

The main objective of this study was to examine the effect of Internet Marketing on Customer's Purchase Intentions of Selected Virtual Banks in South South Zone, Nigeria. The researcher adopted a study window of a three-year period (2020-2022) to assess customer's purchase intentions of virtual banks in South South Zone, Nigeria using internet marketing strategies. The internet marketing strategies considered for this study were Email Marketing (EM) and Social Media Marketing (SMM) to see how they affect customer's purchase intentions of selected virtual banks in South South Zone, Nigeria. To achieve the study objectives, a simple linear regression model was used to test each of the independent variable. The major findings revealed were as follows:

- i. The result showed that Email Marketing significantly affects Customer's Purchase Intentions of selected virtual banks in South South Zone, Nigeria. This implies that having a direct and personalized communication with new and old customer's increases customer's purchase behaviour of virtual banks.
- ii. Social Media Marketing is seen as having a significant effect on Customer's Purchase Intentions of selected virtual banks in South South Zone, Nigeria. This means that constant promotional campaigns through social media platform about a bank's product increases customer's awareness resulting in more purchase intentions.

SUMMARY, CONCLUSION AND RECOMMENDATIONS

Summary

The main objective of this study was to examine the effect of Internet Marketing on Customer's Purchase Intentions of Selected Virtual Banks in South South Zone, Nigeria. The researcher adopted a study window of a three-year period (2020-2022) to assess customer's purchase intentions of virtual banks in South South Zone, Nigeria using internet marketing strategies. The internet marketing strategies considered for this study were Email Marketing (EM) and Social Media Marketing (SMM) to see how they affect customer's purchase intention of selected virtual banks in South South Zone, Nigeria. To achieve the study objectives, a simple linear regression model was used to test each of the independent variable. Relevant data were collected with the use of questionnaire from the customers who owned a bank account with any of the selected virtual banks in South South Zone, Nigeria.

From the analysis of data, the independent variables (Email Marketing and Social Media Marketing) were seen as having a positive and significant effect on the dependent variables (Customer's Purchase Intention). This suggests that for virtual banks to continue increasing customer's purchase intention for their bank products, all the strategies of internet marketing must be employed to build more brand awareness and familiarity.

Conclusion

Based on the findings of this study, the following conclusions were made:

- i. Email Marketing significantly affects Customer's Purchase Intentions of Selected Virtual Banks in South South Zone, Nigeria.
- ii. Social Media Marketing significantly affects Customer's Purchase Intentions of Selected Virtual Banks in South South Zone, Nigeria.

Recommendations

Based on the above findings, the following recommendations were made;

- i. Based on the positive effect of Email Marketing on Customer's Purchase Intentions of Selected Virtual Banks in South South Zone, Nigeria, it was recommended that virtual banks should create a direct and personalized communication with new and old customers to increase customer's purchase behaviour.
- ii. Based on the significant effect of Social Media Marketing on Customer's Purchase Intentions of Selected Virtual Banks in South South Zone, Nigeria, virtual banks should constantly create promotional campaigns through social media platform about their bank's product in order to increase customer's awareness resulting in more purchase intentions of their bank's products.

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