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Innovative Marketing Strategy a nd Performance Of Banks In South-South Nigeria

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Abstract: *This research work was designed to empirically examine innovative marketing strategy and performance of banks in South-South Nigeria. Cross sectional survey research design was employed in the study. Primary data for the study were collected through a self-administered questionnaire issued to the respondents using simple sampling technique. The data was collected from a sample of one hundred and eighteen employees of the selected banks in South-South, Nigeria. The findings revealed that the dimensions of innovative marketing strategy adopted in this study have positive and significant effect on performance of commercial banks in South-South Nigeria. The study concluded that innovative marketing strategy has a significant positive effect on performance of commercial banks in South-South Nigeria. The study recommended that, to fully benefit from innovations, commercial banks need to improve the internal environment of the banks including bank resources, and other competences. From the research findings most of the banks were innovating at the lowest level of novelty implementing mostly incremental innovation. The study contributed that despite the widely-held view that innovation lends to competitiveness in commercial banks, empirical studies and analysis to support this concept especially in Nigeria is limited and not conclusive. This study therefore contributes to the body of knowledge on innovation marketing strategies and performance of commercial banks by providing empirical evidence of the effect of specific innovation on performance of banks; whereas previous studies have considered the effect/ impact of innovative marketing strategy on performance of banks.*

Keyword: Innovative Marketing Practices**,** service and product innovation, channel innovation and performance

Introduction

The practice of innovation has been growing around the world, directly reflecting on companies' investments and the productivity achieved. In all, both statutory and case law definition defined a bank as an institution that possess the following characteristics namely: the acceptance of money from, and collection of cheques for, customers and the placing of them to the customers' credit; the honouring of cheques or orders drawn on the bank by their customers when presented for payment; and the keeping of some form of current or running accounts in their books in which the credits and debits are entered (Ezirim, et al 2002). In addition to these usual characteristics, there is of course, other like the lending of money. From the foregoing therefore, I can clearly state for all practical purpose that the traditional functions of banks include that of deposit taking, lending money and the provision of money transmission services.

Marketing came into the commercial banks in the late 1950's in the form of advertising and promoting concepts, not in the form of marketing concept. With the upsurge in competition many financial institution devised to adopt marketing tools to get their share of the market. Kolapo, Mokuolu, Dada, and Adejayan, (2021) noted that earlier in recent decades, banks have traditionally operated in a relatively stable environment.

Many banks in Nigeria are facing decline in performance. Sattari and Mehrabi (2016) argued that competitive advantage depends on pioneering in innovative activities. They argued further that innovation usually leads to changes in the operational process of organizations and is the main instrument for using marketing strategies in conformity with the customers' and the markets' interests, which, in turn, results in sustainable competitive advantage. Major factors like globalization, economic depression and the growing competitiveness in the market have compelled financial institutions to entrench innovativeness in their operations in order to gain a sustainable competitive advantage and improve their overall performance in terms of market orientation, financial standing, and human resources among others (Muigai & Njeri, 2018).

The banks financial performance subject to how effectively a firm uses its assets from its principal role of conducting business and its subsequent generation of revenues. Financial performance can also refer to the general well-being of a firm as far as finance is concerned over a certain period of time. Performance focuses more items that affect the financial statements or reports of a firm directly. The financial performance analysis can deal with items such as dividend growth, sales turnover, capital employed, asset base among others about the firm (Yahaya & Lamidi, 2015). Innovation is an essential element for economic progress of a country and competitiveness of an industry. Performance can be measured using the following repayment rate, portfolio quality ratios, arrears ratio rate, portfolio rate and delinquent borrowers. Repayment rate measures the amount of payment received with respect to the amount due. Portfolio quality ratios include the arrears rate portfolio risk and the ratio of delinquent borrowers.The arrears ratio rate indicates how much of the loans have been due but have not been received (Idun & Aboagye, 2014).

Statement of the Problem

Commercial banks in South-South Nigeria face significant challenges in maintaining competitiveness and improving performance amidst increasing market saturation, technological advancements, and evolving customer expectations. Despite efforts to innovate, many banks struggle to effectively integrate innovative marketing strategies into their operations. Despite the increasing competition in the banking industry, many commercial banks in South-South Nigeria continue to struggle with stagnant market shares, declining customer loyalty, and inadequate service differentiation.

Specifically, commercial banks' product and service offerings often fail to meet changing customer needs due to absence of innovative marketing strategies, leading to poor performance by most commercial banks. Also, lack of innovative distribution channels hinder banks' ability to reach and engage with customers effectively. Commercial banks inadequate communication strategies result in poor service/product awareness, customer loyalty, and ultimately, reduced performance. Outdated service pricing and cost structures make it difficult for banks to remain competitive and responsive to market dynamics.

Nigerian banking sector are operating in a highly competitive and rapidly changing environment. Volatile uncertainties have affected the banking industry towards adopting marketing orientation and its activities leading to the implementation of innovative marketing concepts. The challenge of banking business coupled with the increased competitive posture the Nigerian Banking sector has assumed in recent times, have caused many banks executives to question the status quo in their search for ways of survival.

Moreover, despite the widely-held view that innovation lends to competitiveness in commercial banks, empirical studies and analysis to support this concept especially in Nigeria is limited and not conclusive. Therefore, this study is carried out to fill this gap.

Research Questions

The purpose of research question is to guide the researcher on his topic of study. Therefore, the following relevant questions have been constructed to guide the study:

i. to what extent can service and product innovation impact on performance of commercial banks in South-South, Nigeria?
ii. what effect does channel innovation have on the performance of commercial banks in South-South Nigeria?

Objective of the Study

In the present competitive banking arena, customers are looking for quality products or services that will address their needs. Most of the customers are loyal with some specific banks; this is due to the fact that customers have high awareness about their known services as compared with others. This study shall broadly investigate how innovative marketing strategies have impacted the performance of commercial banks in South-South, Nigerian. To comply with the broad objective, the following specific objectives were looked at:

i. to ascertain the effect ofservice and productinnovation on commercial bank performance in South-South, Nigerian.
ii. to examine the effect of channel innovation on performance of commercial banks in South-South Nigeria.

Research Hypotheses

The following null hypotheses have been formulated for the study:
HO1: service and product innovation have no significant effect on the performance of commercial banks in South-South Nigeria.

HO2: channel innovation has no significant effect on the performance of commercial banks in South-South Nigeria.

Significance of the Study

As competition is shaping and reshaping the banking industry, it is important that bank management must be strategic in their business operation to enable them survive the turbulent business world. The Nigerian banking sector has experience various reforms for the purpose of making the banks viable. This study will be helpful to critical stakeholder in assessing the performance of banks in Nigeria in line with the various reform policies on the banking sector.

Theoretical Importance: the theoretical importance arises from the overarching conceptual structure, namely the dimensions within innovative marketing strategy and performance of banks. A theoretical framework will then be built using the ideologies and research amongst scholars in marketing and addressing concerns and application. This study would benefit researchers in these fields, along with the consultants and administrators working in the commercial banks in Nigeria.

Review of Related Literature

Conceptual Review

InnovativeMarketing

The definitions of innovative marketing presented by the researchers in the field of marketing varied according to their points of view (Sultan, Diana & Tareq, 2020). Innovative marketing is a method of promoting new products and services in the process of innovation. It includes researching customer behavior, needs and trends to help you develop changes in a product's design to be more successful.In the view of Moreira, Silva, Simoes and Sousa (2012) in Omoregbe, Azage and Alufohai(2022), marketing innovation as an advancement which is the capacity of a firm to invents or creates new product that will lead to their market sustainability and strong presence.

The researcher defines Innovative marketing as the development of entirely new programme, the modification of exiting strategy or unconventional ideas in marketing activities in a unique way that is aimed at creating and delivery product offerings in a competitive marketing environment. It involves all novel and creative marketing activities related to directing the product or service from the organization to the consumer. Basically, innovative marketing revolves the application of new ideas that revolves the fundamental marketing mix – product, price, promotion and place. Sultan, Diana and Tareq (2020), noted that, any unusual marketing effort that distinguishes a firm from the competition can be characterized as creative marketing. According to the definitions provided above, innovative marketing is the development and implementation of creative and non-traditional ideas, as well as their practical application in one of the marketing mix areas such as product, price, promotion, and distribution (Sultan, Diana, & Tareq, 2020).

Marketing Strategies Employed by Banks

Nigerian banks employ a variety of marketing strategies to create and sustain a positive image with their target market. These strategies include image making, which involves projecting a good image to the public through corporate promotion, and image sustenance, which utilizes various tools such as publications, lectures, seminars, and sponsorships to attract the right customers. For example, First Bank of Nigeria Plc and Access Bank Plc both employ image making and image sustenance strategies to create and maintain a positive image with their customers. First Bank of Nigeria Plc claims to be “The Home of Financial Solutions”, while Access Bank Plc proclaims itself to be “Passion for Excellence” and “Leadership”, with the slogan “Your Everyday Partner”. Additionally, banks employ customer relations managers whose primary duties are to ensure that customer service is delivered satisfactorily by providing feedback and responding to customers’ queries through phone calls, emails, and social media platforms (Osuala et al., 2020). Banks also employ customer loyalty programs to reward and encourage clients to utilize their services more frequently, Additionally, banks conduct market research to understand the needs and wants of their customers, which helps them to customize their services accordingly and attract more customers (Osuala et al., 2020).

Service and Product Innovation

Service innovation is the introduction of new service products or service processes that are based on technological or systematic approach. However, when it comes to services, the innovation does not always have to do with the uniqueness of the technology itself; rather, innovation often emerges in non-technological domains (Abdulrauf, Tinuoye, Quadri & Akosile, 2022). Introducing new services and products to the market that improve upon their previous iterations in terms of performance and utility is an example of product innovation (Nuryakin, 2018). Su and Tang (2016) defined product innovation as "the presence of originality or a degree of invention". Product innovation, according to the Oslo Manual (Organization for Economic Cooperation and Development/OECD, 2015), is the introduction of a good or service that is new or significantly better in terms of its characteristics or planned functions. Evidence suggests that businesses that have a product-based competitive advantage over their rivals whether through innovation, quality, packaging, or design perform better than their peers (Batiz-Lazo & Woldesenbet, In a similar vein, Nuryakin (2018) argues that productivity increases along with product innovation.

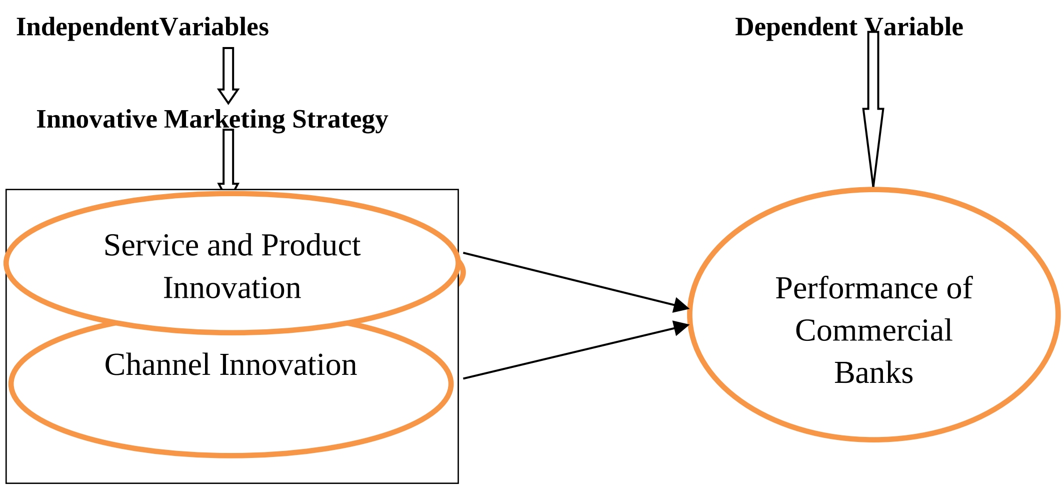
Channel Innovation

As a result of deregulation, new technology and changing consumer behavior, the competition in the banking sector is getting fiercer. In the banking industry, increased competition has led to the creation of non-bank financial services by banks, insurance firms, and other companies are opening banks. The battle for the customers is, however, also fought through new electronic distribution channels (Uche, Anene, &Nnabugwu, 2022). They further noted that However, despite these predictions, the electronic distribution channels available for financial service companies world-wide force the banks to make a number of strategic distribution channel decisions. With the pace of technology and competition, the banking industry has adopted innovative distributional channels in our today contemporary banking world. Banks' innovative service distribution methods have made it possible for clients to get banking services without the need to stand in line at branches. Though as a result of the adoption of technology in distribution, Barasa and Mwirigi (2013), noted that branch banking network segment is still large and important but it is shrinking as many banks might be reducing their reliance on the branch network.

Innovation Marketing Strategy and Performance of Commercial Banks

Performance is defined in business dictionary as the accomplishment of a given task measured against pre-set known standards of accuracy, completeness, cost, and speed. According to Tobby (2000), to assess accurately how well a business is performing, one needs to develop some quantifiable measures by identifying those aspects of the business process that need improvement and that are working well. This can then be used to evaluate the company productivity over a set period. Organizational performance is the outcome of both individual and collective efforts of human elements in the work environment. Performance is the measure of firm's capability to increase its annual revenues over a defined period of time (Toby, 2000). The growth performance can be measured by internal expansion such as growth in number of employees, revenues and number of branches. Other indicators include turnover, pre-tax profit, return on net assets, return on capital employed, capital investment / turnover (Matti, 2006).

Consequently, performance is an important indicator of the health of a country's economy. Banks perform a variety of critical functions, from providing access to credit and providing necessary liquidity to consumers, to providing the capital necessary for businesses to expand and create jobs. The performance of a bank is an important metric that investors, regulators and policy makers use to assess the overall stability and soundness of the banking sector. The performance of banks can be measured in terms of various metrics, such as asset quality, capital adequacy, profitability, liquidity, and risk management. Asset quality refers to a bank's ability to collect on loans and investments, and is measured by looking at the rate at which loans are defaulting and the quality of the underlying collateral. Capital adequacy is assessed by looking at the amount of capital that a bank holds relative to its assets and the quality of that capital. Profitability is measured by looking at net income, return on assets and return on equity. Liquidity is measured by looking at the amount of cash and other liquid assets a bank has on hand to meet its obligations.



Theoretical Review

This study was guided by the Diffusion of Innovations Theory

Diffusion of Innovations

Theory Diffusion of innovations is a theory profound by Everett Rogers in 1962. The theory seeks to explain how, why, and at what rate new ideas and technology spread. According to Rogers, diffusion refers to the gradual spread of an invention among social system members. For Dedrick and West (2003), adoption is a decision of "full use of an innovation as the best course of action available" and rejection is a decision "not to adopt an innovation". Rogers defines diffusion as "the process in which an innovation is communicated thorough certain channels over time among the members of a social system. Assumption of the theory discuss that innovation diffusion research has attempted to explain the variables that influence how and why users adopt a new information medium, such as the Internet.

Opinion leaders affect audience behavior through personal interaction, but dissemination also involves intermediaries such as change agents and gatekeepers.Innovations are often adopted by organizations through two types of innovation decisions: collective innovation decisions and authority innovation decisions. The collective decision occurs when adoption is by consensus. The authority decision happens via adoption among a few persons with high positions of power inside an organization (Dedrick & West, 2003). Criticism of the theory has identified several gaps in the theory; Organizations are described as a social system, but within organizations, departments or teams can also serve as social systems. The unique issues and elements of departments or teams within a larger organizational context are not addressed in terms of how these boundaries affect the adoption of innovation. In the adopters" categories of this theory, it is noted that the category of a set of adopters is omitted. Rogers fails to realize some adopters who have not been featured in the adoption of other products such as the lack of identifying the adoption based on process innovation and marketing innovation. The weakness of the theory is that it covers much on technological adoption and neglects other types of innovation.

The theory is relevant to this study in that it outlines the stages of innovation, types of innovation and the role of social systems in spreading innovations. This relates to the independent variable influence automated trading system. Diffusion of Innovations Theory is significant to the study since it explains phenomenon behind the effects of innovation culture on the Performance of commercial banks variable. The theory communicates that the four main components of innovation spread are communication channels, time, and the social system.

Empirical Review

The empirical review of literature looked at the empirical evidence on the independent variable.

Abidin (2023) examined the effects of innovation and promotion on business performance in South Sulawesi's Micro, Small, and Medium-Sized Enterprises (MSMEs). The research design is explanatory research with quantitative methods. This research is located in South Sulawesi Province, Indonesia. The object of research is MSMEs located in South Sulawesi with a research sample of 170 MSMEs. The type of data collection is primary data with a questionnaire through a google form. The Statistical Product and Service Solution (SPSS) version 25 was used to process the data in this study's multiple linear regression analysis. The results show that, partially, innovation has a positive and significant impact on MSME business performance, and promotion has a positive and significant impact on the business performance of MSMEs in South Sulawesi. Simultaneously, Innovation and Promotion significantly impact the business performance of MSMEs in South Sulawesi.

Idah, Nelima, Akoth and Rutto (2023) examined the influence of product innovation on the competitiveness of commercial banks in Kenya. The theory of creative destruction served as the study's guide. The study utilized a positivist research philosophy. Descriptive and correlational research designs were used. The target population consisted of 175 directors and general managers of Tier 1 commercial banks. Stratified and simple random sampling was then employed to select 122 respondents. Primary data was collected using closed and open-ended questionnaires. A pilot study was done on Equity Bank. To test validity, the study used content and construct validity. The study utilized descriptive and inferential analysis. Descriptive analysis included the use of frequencies, percentages, mean, and standard deviation, while inferential statistics employed correlation and simple linear regression analysis. Data collected from open-ended questionnaires was analyzed using content analysis. The results were presented in tables. The study found that product innovation had a positive and significant influence on the competitiveness of commercial banks in Kenya ($t = 0.6.438$, $P = 0.000$). The study thus recommends that commercial banks embrace product innovation as a tool to achieve competitiveness. Product innovation should be enhanced by carrying out regular surveys, seeking client views in the development of mobile and internet product innovations, and training clients on the usage of mobile and internet banking products before on boarding.

Idah and Egessah (2023) this study explored how market innovation affects the competitiveness of commercial banks in Kenya. The study was based on the dynamic capability hypothesis. The study used a positivist research philosophy. Descriptive and correlational research designs were used. The target population consisted of 175 directors and general managers of tier one commercial banks in the following departments based in head office: Research and Development, Marketing and Communication, Customer Service, Credit and Payments. Banks were divided into tiers using stratified sampling. Managers were divided into director and general manager levels. The 122 respondents were then selected using simple random sampling. Primary data was collected using closed and open-ended questionnaires. Reliability was tested by a pilot study done on Equity bank. To ensure content validity, the research questionnaire was subjected to thorough examination with two university supervisors and two experts from banking sector. The study adopted Principal Component Analysis approach to test for construct validity. The study included both descriptive and inferential analysis. Descriptive analysis utilized frequencies, percentages, mean, and standard deviation, whereas inferential statistics used correlation and regression analysis.Data collected from close-ended questionnaire was analyzed using content analysis. Results were presented in form of tables, graphs and pie charts. The study findings reveal that market innovation influenced the competitiveness of commercial banks in Kenya. There was a statistically significant relationship between market innovation and competitiveness (r=0.651, p0.0000), which indicated that there was significant relationship between market innovation and competitiveness of Commercial Banks in Kenya. The report suggests that commercial banks should use market innovation to improve competitiveness.Market innovation should be enhanced by carrying out continuous market surveys, use of account cash flows to measure clients' financial strength, regular reviews on bank marketing strategies to match the dynamic business environment, differentiated product offering, promotional campaigns on various media platforms, use of artificial intelligence technology to target new customers and use of intermediaries to onboard new clients.

Madanga and Bambur (2023) assessed the impact of marketing strategies on the performance of two selected commercial banks located in Jalingo, Metropolis, North-Eastern Taraba State. A descriptive survey design was utilized in this study. Seventy-six participants were chosen for the study through random sampling. The primary data was collected using a questionnaire and then analysed using descriptive statistics. Chi-square was used to test the hypothesis. The findings revealed that technological adoption, prioritizing customers' experience, financial inclusion and marketing mix components affect the bank performance significantly. As a result, it is determined that marketing strategy is extremely perfect for the expansion of the banking business and is also necessary for its productivity, but it also depends on methods that drive client retention and encourage the inclusion of new customers.In order to maintain its competitive edge in the highly dynamic and competitive market, commercial banks should create digital marketing strategies to remain relevant. Banks should ensure that well-trained and experienced professionals are in charge of customer service, and that Technology Adoption, Prioritizing Customers' Experience, Financial Inclusion; Marketing Mix Components are included in their service packages and to boost the banks' performance.Peng, Qin and Tang (2023)this paper examines marketing innovations and their impact on business performance, as well as how market environmental variables may temper these benefits. This study analyzed the literature to identify two categories of marketing innovations and developed a model to explain how they impact business performance in various market contexts. Empirical data were collected and used to validate the model. Results show that both market driven and market-driving innovations significantly contribute to a firm's performance. Furthermore, their impacts are greatly mitigated by competitive intensity and technological volatility, but not by demand uncertainty. This study contributes to the literature because it elaborates the conceptualization of marketing innovation and presents the dynamics of marketing innovation, market environment, and firm performance. It also provides practical implications on how firms can utilize marketing innovations to achieve business sustainability.

Uchea, Aneneb and Nnabugwu (2022) identified the distribution channel strategies adopted by commercial banks in Nigeria and to determine the effect of the distribution channel strategies adopted on the performance of the bank. The study adopted a descriptive survey research design. The population of the study was 43 management staff of five commercial banks operating in Nigeria. Questionnaire was used as the tool for data collection. The data was analyzed and presented using percentages, mean and standard deviation. The study found that the branch network, electronic banking and multiple distributions were used by the banks. Marketing strategies being employed by the banks were aggressive marketing, mass marketing and value marketing, the study further found that the adopted distribution channel strategies have a significant effect on the performance of the banks. It was recommended among other things that; commercial banks should adopt those marketing distribution strategies that ensure the performance of the bank is improved and do away with those which adds costs so that the banks can compete effectively with the others and that they should embrace the concept whole heartedly by adopting electronic banking as already the battle for the banks is technology usage which should be one which offers customers more features

Methodology

The survey research design method is mostly used in the field of social sciences. This research design method is most appropriate in getting the required data from the staff of commercial bank on innovative strategies and performance of commercial banks in South-South Nigeria. A cross-sectional survey research design methodology was employed for this study. This was adopted to enable the researcher collect the required information and response to the research questions towards achieving the study objectives. The justification for adopting this method of survey research design is due to its inexpensiveness. Moreover, the cross-sectional method has the ability of using data from a large number of subject at a particular point in time. Population is the totality of elements that have one or more characteristics in common. The researcher chose a target population comprising four hundred and twenty-six (426) employees from different banks in Delta, Edo and Rivers States to effectively and efficiently accomplish an in-depth study on innovative marketing strategies on performance of commercial banks in South-South Nigeria. The target group comprised bank staff, those who are responsible for bank management; those who are concerned with bank operation and services. The purpose of sampling is to gain a clear understanding about characteristics of the whole population based on such observable characteristics of the sample. In this study, a sample size of two hundred and six (206) employees was used. The simple random and stratified sampling techniques was employed for this study because entire population was divided into homogenous groups called strata. Stratified sampling technique ensured that each stratum was assigned the proportionate number of respondents as per the target population in each commercial bank and were selected using simple random sampling.

Structured questionnaire was used to collect the required information from the respondents of the different departments in the Commercial banks in South-South Nigeria.

The study used Content validity where the researcher seeks expert opinion to comment on the representativeness and suitability of questions and to give suggestions of corrections to be made to the structure of the research tool. The content and coverage the research instrument will be checked and scrutinized by researcher supervisor, lecturers and other experts in management sciences.

After data collection, data check was done for consistency and analysis was done with the aid of statistical package for social sciences (SPSS) version 24.0. Data were analyzed using both descriptive and inferential statistics. Descriptive statistics such as standard deviation, mean score, frequencies and percentages for each variable was calculated and tabulated using frequency distribution tables.

Results and Discussion

Out of the two hundred and six (206) sets of questionnaire administered on the employees of the selected commercial banks in South-South Nigeria, one hundred and thirteen (113) were returned, five (5) were wrongly filled and were rejected, while one hundred and eight (108) were usable. Therefore, the analysis of this chapter is based on the sample size of one hundred and eight (108) copies.

Table 1: Gender of Respondents

Gender	Frequency	Percentage %
Male	84	77.8
Female	24	22.2
Total	108	100

Source: Analysis of Field Survey, 2024.

From table 1 above, 84(77.8%) were male respondents and 24(22.2%) were female respondents. This indicates that male respondents were more in number than the male respondents.

Table 2: Marital Status of Respondents

Status	Frequency	Percentage %
Single	82	75.9
Married	26	24.1
Total	108	100

Source: Analysis of Field Survey, 2024.

Table 2 above indicates the marital status of the respondents. It was observed that 82 (75.9%) of the respondents were single while 26(24.1%) were married.

Table 3: Age Distribution of respondents

Age Range	Frequency	Percentage %
21 – 30	56	53.7
31 – 40	47	43.5
41 – 50	8	7.4
51 and above	6	5.6
Total	108	100

Source: Analysis of Field Survey, 2024.

From table 3 above, the age distribution of respondents which was spread across various age brackets show that the highest concentration of respondents fell within the age bracket of 21–30 years with 56(57.3%) of respondents. The categories of respondents between 31–40 years' accounts for 47(43.5%). 8(7.4%) of the respondents fell under 41–50 years. While 6(5.6%) respondents fell under 51 years and above.

Table 4: Working Experience of Respondents

Work Experience	Frequency	Percentage %

0-5 years	75	69.4
6-10 years	18	16.7
11-15 years	9	8.3
Above16 years	6	5.5
Total	108	100

Source: Analysis of Field Survey, 2024.

It shows from the above table 4.4 that greater part of the respondents 75(69.4%) had 0-5 years working experience followed by 6-10 years 18(16.7%), those respondents that have 11-15 years working experience were 9(8.3%), and 16 years and above accounted for 6(5.5%) of the respondent.

Analysis of other Research Data

This section focuses on the analysis of responses to the major research questions which were broken down into twelve (12) sub-questions using the five (5) point Likert scale. In which, they were analyzed using descriptive statistics correlation and multiple regression.

Table 5: Service/Product Innovation and Performance of Banks

S/N	Statement	SA 5	A 4	UD 3	D 2	SD 1
1	The bank regularly carries out surveys on internet and mobile banking products consumed by its clients	28 (25.9)	69 (63.9)	4 (3.7)	7 (6.5)	5 (4.6)
2	Clients are trained on how to use mobile and internet banking before they are on boarded on the platforms	57 (41.1)	39 (36.1)	2 (1.8)	4 (3.7)	3 (13)
3	Employees suggestions are sought for before new products are designed	19 (17.5)	82 (76)	2 (1.8)	3 (2.7)	2 (1.8)
4	Employees undergo training for the new or significantly improved products before they are launched	41 (37.9)	54 (50)	6 (5.5)	7 (6.5)	-

Source: Analysis of Field Survey, 2024.

Table 4.5 showed the extent to which service and product innovation impact on Performance of Banks in South-South Nigeria. It was revealed in statement 1 that 97(89.8%) of the respondents agreed that their bank regularly carries out surveys on internet and mobile banking products consumed by its clients. 4(3.7%) were undecided while 12(11.1%) disagreed. In statement 2, 93(88.5%) of the respondents agreed that Clients are trained on how to use mobile and internet banking before they are on boarded on the platforms. 2(1.8%) were undecided while 7(6.5%) disagreed. In statement 3, 101(93.5%) of the respondents agreed that Employees suggestions are sought for before new products are designed. 2(1.8%) were undecided while 5(4.6%) disagreed. In statement 4, 95(88%) of the respondents agreed that Employees undergo training for the new or significantly improved products before they are launched. 6(6.5%) were undecided, while 7(6.5%) disagreed.

Table 6: Communication Innovation and Performance of Banks

S/N	Statement	SA 5	A 4	UD 3	D 2	SD 1
5	Provides information in making given decisions to in the creation of new service	17 (15.7)	77 (71.2)	3 (2.7)	7 (6.5)	2 (1.8)
6	Signifies a large percentage of the given overall cost of producing bank's services	43 (39.8)	46 (42.5)	10 (9.2)	6 (5.5)	3 (2.7)
7	Builds up a succession of messages that can be extremely cost-effective	23 (21.3)	67 (62)	2 (1.8)	7 (6.5)	7 (6.5)
8	Adjust consumer attitudes toward a particular banking service	27 (25)	72 (66.7)	2 (1.8)	5 (4.6)	2 (1.8)

Source: Analysis of Field Survey, 2024.

Table 6 showed the extent to which communication innovation have effects on performance of banks. It was revealed in statement 5 that 94(87%) of the respondents agreed that communication innovation provides information in making given decisions to in the creation of new service. 10(9.2%) were undecided while 9(8.3%) disagreed. In statement 6, 89(82.4%) of the respondents agreed that communication innovation signifies a large percentage of the given overall cost of producing bank's services. 10(9.2%) were undecided while 9(8.3%) disagreed. In statement 7, 100(92.5%) of the respondents agreed that communication innovation Builds up a succession of messages that can be extremely cost-effective. 2(1.8%) were undecided while 14(12.9%) disagreed. In statement 8, 99(91.6%) of the respondents agreed that communication innovation. 2(1.8%) were undecided, while 7(6.4%) disagreed.

Table 7: Performance of Banks

S/N	Statement	SA 5	A 4	UD 3	D 2	SD 1
17	The way services are perceived influence their patronage decision towards the banks	7 (6.4)	88 (81.4)	4 (3.7)	2 (1.8)	3 (2.7)
18	The quick responsiveness of service determines the level of satisfaction derived on certain service	38 (35.1)	57 (52.7)	4 (3.7)	2 (1.8)	7 (6.4)
19	The immediate response on customer compliant on certain service gives credible reliability to the bank	28 (25.9)	67 (62)	4 (3.7)	4 (3.7)	5 (4.6)
20	Special service channels to various customers can be key turning point for more attachment to the bank	31 (28.7)	63 (58.3)	4 (3.7)	6 (5.5)	4 (3.7)

Source: Analysis of Field Survey, 2024

Table 7 revealed in statement 17 that 95(87.9%) of the respondents agreed that the way services are perceived influence their purchase decision towards the banks. 4(3.7%) were undecided while 5(4.6%) disagreed. In statement 18, 95(87.9%) of the respondents agreed that the quick responsiveness of service determines the level of satisfaction derived on certain bank's service. 4(3.7%) were undecided, while 9(8.3%) disagreed. In statement 19, 95(87.9%) of the respondents agreed that The immediate response on customer compliant on certain service gives credible reliability to your firm. 4(3.7%) were undecided, while 9(8.3) disagreed. In statement 20, 94(87%) of the respondents agreed that special service to various customers can be key turning point for more attachment to the bank. 4(3.7%) were undecided while 10(9.2%) disagreed.

Table 8 Correlation Matrix Studied Variables

		Performance of Banks	Service/ Product Innovation
Performance of Banks	Pearson correlation	1	
	Sig.(2-ailed)		
	No.	285	
Service/ Product Innovation	Pearson correlation	.507**	1
	Sig.(2-ailed)	.000	
	No.	285	285
Communication Innovation	Pearson correlation	.222**	.450**
	Sig.(2-ailed)	.000	.000
	No	285	285

**Correlation is significant at the 0.01 level (2-tailed)
*Correlation is Significant at the 0.05 level (2-tailed)

From the above table 8, it indicated positive correlation coefficients of the indicators of performance of banks, an indication that they are good measures of innovative marketing strategy. The findings indicated that service/product innovation correlated positively with performance of banks (r= .507**, 0.01).

The second variable being communication innovation correlated positively with performance of banks (r= .222**, 0.01).

Table 8: Multiple Regression Analysis of Coefficients [a]

Model	Unstandardized Coefficients	Standardized Coefficients	T	Sig

	B	Std. Error	Beta		
1 (constant)	6.678	1.875		3.562	.000
Service/Product Innovation	.143	.066	.136	2.155	.001
Communication Innovation	.266	.068	.259	3.892	.000

a. Dependent Variable: Performance of Banks

Table 9: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.978[a]	.956	.914	1.8948

a. Predictor: (Constant) Service/Product Innovation and Communication Innovation.
Dependent Variable: Bank Performance
Source: Analysis of Field Survey, 2024.

The multiple regression analysis was adopted to test the relationship of service/product innovation/ communication innovation, channel innovation and service cost/pricing innovation and performance of banks. The results were shown in table 9: From the data shown, the correlation R=.978 means that the two (2) factors have high relationship with performance of banks. In this regression, the independent variables at 91.4% (R square= 0.914), ANOVA statistics (F=10.702, p<.05) indicated that the overall model is statistically significant and has Std. Error of the estimate at ± 1.8948. When considering the regression data of independent variables. I found that service/product innovation (B=.143, $SE_{b1=}$ .066, β= .136, t=2.155, P=.001), and communication innovation (B=.226, $SE_{b1=}$ .068, β= .259, t=3.892, P=.000),

Table 10: ANOVA [a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	176.330	4	38.423	10.702	.000 [b]
	Residual	925.733	280	3.590		
	Total	1102.063	284			

a. Dependent variable: Performance of Banks
b. Predictors (Constant), Service/Product Innovation and Communication Innovation

Source: SPSS Version 23.0, 2024

The F-ratio in the ANOVA Table tested weather the overall regression model is a good fit for the data. The table showed that the independent variables (Service/Product Innovation/ Communication Innovation) significantly predict the dependent variable (performance of banks), since F(4, 280) = 10.702, p<.005, the regression model is good for the data.

4.3 Test of Hypotheses

The multiple regression analysis was adopted as an analytical tool for testing the hypotheses. Hypotheses' testing is really a systematic way for testing claims or ideas about any given parameter in a population using data measured in a sample. The p-values reported in the regression coefficient table are used for testing the study hypotheses.

Hypothesis One

HO_1: Service and product innovation have no significant effect on the performance of commercial banks in South-South Nigeria.

From the coefficient table, Service and product innovation exhibited positively with performance of banks given the Beta value (β=136, p<.001). The regression analysis Service and product innovation and performance of banks on the test of hypothesis one, table 4.10 indicated that the exact level of significant calculated (.001) is less than the probability of committing a type one error (.05). Giving the result, the null hypothesis is rejected to accept the alternate hypothesis thereby implying that Service and product innovation have significant effect on the performance of commercial banks in South-South Nigeria..

Hypothesis Two

HO_2: Channel innovation has no significant effect on the performance of commercial banks in South-South Nigeria.

The coefficient table showed the extent to which channel innovation positively affects performance of banks. Given the Beta value (β=259, p<.000). The regression analysis for channel innovation and performance of banks on the test of hypothesis one, table 4.10 indicated that the exact level of significant calculated (.000) is less than the probability of committing a type one error (.05). Giving the result, the null hypothesis was rejected to accept the alternate hypothesis thereby implying that channel innovation has significant effect on the performance of commercial banks in South-South Nigeria.

Discussion of Findings

In conformity with the data analyses carried out in chapter four and the review of extent literature in chapter two, the discussion of the findings of this research study is accordingly presented.
From the results of data analyzed in table it was reported that the overall positive correlation coefficient values among variables of service and product innovation is indicative that they are appropriate indicators and dimensions of innovative marketing strategy. It showed the extent to which service and product innovation accounted for change in performance of banks (β= .136, P< 0.01). This shows that there is significant positive effect between service/product innovation and performance of banks. The analysis showed that the Adjusted R^2 reported 545(54.5%) of the change in performance of banks is explained by service and product innovation. This result agreed with the finding of Idah, Nelima, Akoth and Rutto (2023) examined the how product innovation affects commercial bank competition in Kenya. The study followed the principle of creative destruction.

The result obtained from table portrayed an overall positive correlation coefficient values among variables that measure performance of banks, and this point out the fact that they were all appropriate measures of channel innovation. It showed that the (β= .259, P< 0.00) indicates that channel innovation has significant positive relationship and accounted for variance in performance of banks. Also table 4.10 showed that the Adjusted R^2 reported 545(54.5%) of the change in performance of banks is explained by channel innovation.

Summary of the Findings
The main objective of the study was to assess the effect of innovative marketing strategy on performance of selected banks in South-South Nigeria. Innovative marketing strategy seems to have been identified as the engine that can drive performance of commercial banks. Four objectives were structured with the intention of addressing the four research questions raised. Four hypotheses were consequently proposed and tested in line with the objectives presented in the research.
Descriptive survey research design was adopted in this study. Cronbach's alpha (α) coefficient was used for testing the reliability of the research instrument (questionnaire) and the finding from this test revealed that the items were reliable and valid at an overall Cronbach's alpha value
This implied that;

i. service/product innovation has significant effect on the performance of commercial banks in South-South Nigeria.
ii. channel innovation has significant effect on the performance of commercial banks in South-South Nigeria.

Conclusion
The study sought to establish the effect of innovative marketing strategy on the performance of banks in South-South Nigeria. On the basis of the findings, the study made the following conclusion:
The study concluded that there is a significant impact of service and product innovation on performance of banks in South-South, Nigeria. For banks to be sustained in the competitive environment, the bank needs to focus on how to innovate their services or products offerings. Abank with excessive innovative capability is more likely to get the competitive edge in the market and could perform better as compared to the one which is not capable of innovating services. So, the bank needs to focus on improving its innovative capabilities to sustain its performance in the volatile business environment.

The study concludes that channel innovation results in an increase in performance of banks in South-South Nigeria. Commercial banks can therefore improve their performance by implementing the different types of channel strategy. The combined effect of the diverse channel types was higher than each individual channel structure; hence banks are better of implementing different types of innovations on channel structure as compared to any one type of innovation.

Recommendations

In line with the findings, the study makes the following recommendations:

1. commercial banks should put in place a mechanism that emphasize on service innovation that is tailored towards financial solutions, and proactive customer support to enhance customer experience and loyalty.
2. Strategic innovations should be encouraged and firms should continuously look for superior service, delivery processes, technological competencies and marketing innovations for banks' performance.

3. commercial banks' optimized service cost/pricing policy that provide for dynamic pricing, offering customized pricing plans, and provide transparent fee structures to attract price-sensitive customers. The Integration of combine services,

communication channel, and pricing innovations to create a seamless and holistic banking experience should be embraced for sustainable bank performance.

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