# Pricing Strategy, Customers' Satisfaction and Banks' Performance in Nigeria: Evidence from Ekiti State

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***Abstract:***
*This study investigated pricing strategy, customer satisfaction and banks performance: evidence from Ekiti State, Nigeria. The study used qualitative research design of survey method involved primary data generated through administered questionnaires from five commercial banks in Ekiti State. The model for the study has pricing strategy and customer satisfaction as independent variables while the dependent variable is banks performance using Ordinary Least Square (OLS) regression analysis the study revealed that pricing strategy serves as signals in markets, provide information and therefore influence supply and demand of financial products. Furthermore, customers identify pricing as an area where they wish to see improvements and regard these as a suitable means of increasing satisfaction thus contribute significantly to the performance of banks. Based on this result, the study recommended that, financial institutions especially banks should set appropriate pricing mechanism, ensuring that the value of products are commensurate with the fees charged, for this, customers' satisfaction will be sustained thus reducing the incidence of switching to other banks. Also, banks should awake to new technology that will ensure optimum service delivery at a reasonable and profitable cost of services to their consumers.*

***Keywords:*** *Pricing Strategy, Customer Satisfaction, Banks Performance*

## 1.0 INTRODUCTION

In this current era of hyper-competition, financial service industries appear to focus more and more on customer satisfaction. Attempt to deviate from this key factor can ultimately lead to customers switching behaviour (Akpan, 2010). Much recently, the tightening of competitive conditions in banking industries and the increasing intensification of marketing that have become more globalized and the development of information and telecommunication technologies have contributed to a large extent to the rapid development and evolution of products and services intended to satisfying the needs and wants of the customers (Ngambi & Ndifor, 2015).

Banks provide several services for which customers pay to enjoy. Attainment of a bank's specific goals is therefore hinged on four principal strategies of effective marketing of banking services viz: product, pricing, promotion and place strategies. Pricing is an integral part of the product packaging. The bank manager is confronted with taking decisions on the type of pricing strategy that will be appropriate for a particular service in a particular situation and at a given time to reach a given set of objectives. He has to introspect whether the size of a deposit made by a customer merit pricing separately or does interest rates play an important role in customers' long-term relationships (Cetina & Mihail, 2008). This pricing strategy is more problematic before the deregulation of Nigeria financial system, when financial institutions are of the habit of charging arbitrary rate, even with rate of lending that are not symmetric with deposit rate. The era of bank consolidation in Nigeria that dated back since 2004 was to drive down the cost of credit which contributed to the high cost of production in the economy.

Nonetheless, with this aggressive competition for customers and deposit mobilisation among Nigerian banking institutions, appropriate pricing for bank services has become increasingly important if the bank is to attain its corporate goals and objectives. Furthermore, banks' services are essentially intangible and customized in nature, which makes the pricing strategies for bank's services different from pricing of tangible products. Such price must be in conformity with the other four Ps of the marketing mix. The importance of price to both the seller and buyer of bank services must be distinguished. Cetina and Mihail (2008) identified the importance of price (of bank services) to the seller (bank) as considerations of cost of service, income from service, short and long-term profitability, ability to adapt to market requests and to the buyer of bank services (customers). Wruuck (2013) is also of the view that pricing matters to companies for these reasons: it impacts on customer satisfaction, profitability, play a central role in the consideration to switch banks behaviour and serve as a major area where they wish to see improvements and regard these as a suitable means of increasing satisfaction with their bank. Therefore, for optimum satisfaction of customers', the price for the product must be commensurable with the quality of that product.

Satisfaction materializes when expectations are fulfilled or exceeded. Strategies that focus on customer satisfaction as a key objective have a relationship-based approach and typically take a longer-term view. While short-term frictions between profitability and customer satisfaction cannot be ruled out, e.g. when considering price increases, customer satisfaction remains indispensable for long-term commercial success in a competitive market. Since financial services in particular are geared towards longer-term client relationships, the desire to maintain and improve on this relationship through appropriate pricing strategy that will enhance banks' corporate image is a cause of concern. Ngambi and Ndifor (2015) observed that Customer satisfaction implies an extended relationship through activities such as selling, increasing revenue of the customers, and generating customer maintenance. It is a factor that directly or indirectly impacts a company. A company must perform well, adhere to social contracts and show mutual understanding. More satisfaction from customers creates security and decreases loss of clients. It also creates positive word of mouth advertising, attracts more customers, and creates customer loyalty. Customer satisfaction is also seen as an important element in creating profitability and building bond and value for customers.

However, the way commercial banks especially in Nigeria promote their pricing regimes in a bid to attract more customers and increase their earning base has been a serious concern for most academia. Besides, the newspapers, the interested public and governments have all acted in a ways that give credence to the fact that these pricing policies, strategies or pricing regimes are critical to banks marketing programmes. Consequently, the need to evaluate and determine the usefulness, effectiveness and appropriateness of these pricing regimes and promotional programmes designed to increase the performance of banks have become very urgent in order to reduce loss of public confidence, waste of time, energy and other resources. Although much empirical evidence could be found in the literature worldwide investigating the relationship between customers' satisfaction and banks performance, this domain has not been much considered in Nigeria's context. A lot of research on customers' satisfaction and its effect on banks have been conducted in developed countries. Also, few studies conducted in this area in Nigeria for instance Ibok and Akpan, (2013), Samraz, and Bakhtiar, (2012) and many more majorly concentrated on performance of banks with respect to customers' satisfaction, neglecting the influence of bank pricing strategies. Therefore this study contributes to the literature by studying pricing strategy, customers' satisfaction and banks performance in Nigeria. The remainder of the paper is as follows: section two reviews literature, section three deals with the method, section four provides the empirical findings, and section five gives conclusion and recommendations.

## 2.0 LITERATURE REVIEW

### 2.1 Pricing Strategy and Banks Performance

Kotler and Armstrong (2008) noted that price is the amount of money charged for a product or service. More broadly, price is the sum of all the values that a customer gives up in order to gain the benefits of having or using a product or service. Pride (1991) defines price as the value placed on what is exchanged. The relationship between price and value is mathematically expressed as: Price + Perception = Value. Value is what consumers want. Prices of bank products should be fixed in such a way that will add value to customers' satisfaction and loyalty. Some other issues that require the attention of the bank service marketers is the nature of the market itself which sometimes requires some unique treatment of banks' products. Price is the second element of customer satisfaction. Pricing may generate short and long-term competitive advantages by boosting profitability and customer satisfaction.

In addition, pricing for bank products matters for the economy as a whole. Prices serve as signals in markets, provide information and therefore influence supply and demand of financial products. Prices therefore have an impact on savings, wealth accumulation and efficient financial market inter-mediation in an economy and also have distributional effects. Furthermore, price is the main reason why customers switch banks (Wruuck, 2013; Matzler, Würtele & Renzl, 2006). Price in banks includes: interest charges on loans and advances, interest paid on deposits, commission and fees charge on bank services. It is believed that banks fees and charges should not be exploitative but should reflect the true value of the service. Price as one of the marketing mix in banks is a major marketing strategy, because it has major impact on profit (Collins & Evelyn, 2015). Pricing is a key component of the marketing mix. When inappropriately fixed, service price may adversely affect the sales and hence lead to the product's failure. Cetina and Mihail (2008) identified six pricing strategies in banks. These include:

i. Cost plus strategy where the bank calculates how much it costs to produce the service and then adds a certain margin for profit;
ii. "Taking the cream" – which is used for new and high quality services to take the advantages of product introduction to maximize profit;
iii. Competition-induced pricing strategy (that is, depending on the price of other competitors.
iv. Market-dependent price. Such price is settled depending on the price of a similar product already existing on the market.
v. Value-depending pricing strategy. This is based on the evaluation of how the customer perceives the value of the product answering the question "How much a client would pay for this product?"
vi. Penetration pricing – the bank sets low prices that will allow it win the market, penetrate and increase market share

Cetina and Mihail (2008) further categorized banks' product pricing platforms into two: the centrally settled and the individually negotiated platforms. They posited that, on one hand, the centrally settled services include those for which their prices are fixed centrally and published by monetary and financial authorities. According to them, the services in this group include: personal current accounts, including interest deposit accounts, including interests, payments, cash out/cash in, factoring leasing, fixed terms credits for natural persons or small trading companies, exchange rates, trade finance operations (letters of credit, guarantees, and collection). On the other hand, the individually negotiated prices areas include: legal persons current accounts, including interests currency services, credits (fixed or reference rate plus a margin) and individual services.

**Customer Satisfaction and Banks Performance**

Satisfaction is a feeling that surfaces from an evaluation process, i.e. when the consumer of a good or service compares what is received against what is expected from the utilization of that good or service. Anderson, Fornell and Mazvancheryl (2004) define customer satisfaction as an overall evaluation of a customer's total purchase and consumption experience of a product or service over time. Chakrabarty (2006) on the other hand defines customer satisfaction as how a product or service surpasses customer's expectation. According to Hoq and Amin (2010), ensuring higher customer satisfaction is important because it translates to low intention of switching banks.

In the banking industry, many factors have been found to relate with customer satisfaction. For example, fast and efficient service, confidentiality of bank, speed of transaction, friendliness of bank staff, accuracy and timeliness of billing system, competitive pricing and service quality have been found to have significantly influence customer satisfaction. Chakravarty, Feinberg and Rhee, (2004) in their study on banking characteristics employed service quality, staff quality, corporate architecture, Bank atmosphere and overall service delivery as independent variables. A study in the strategic marketing of bank services conducted by Ibok (2009) argued that bank specific characteristics are more important than any other factor in determining customers' satisfaction in the service industry. Thus, Sivadass, and Baker-Prewitt, (2000) in their examination of the relationship between service quality, customer satisfaction and store loyalty reveals that firms which give a higher priority to meeting their customer expectation achieve higher performance. These firms are known for their use of annual and long term strategic marketing plan, performing marketing research about the needs and wants of their customers, and they are proactive in their planning approach as well as employing many other marketing efforts that will their performance in the market.

The following criteria are laid down by Liu, Li, Tao & Wang, (2008) for measuring the satisfaction level of customers regarding purchase and subsequent consumption of goods or services:

i. *Satisfaction:* The perception developed by the customers that the goods or services are acceptable or tolerable.
ii. *Content:* The features of goods or services and the underlying benefits gives customer a positive consumption experience.
iii. *Relived:* The alleviation of the negative state of customers' mind of by the goods or services provided.
iv. *Novelty:* The goods or services bring freshness and excitement in customers.

v. *Surprise:* The amazement and unexpected pleasure brought to people by goods or services consumed.

Performance in the context of a bank operation according to Peter and Sylvia (2008) refers to how adequately a bank meets the needs of its stakeholders; owners, employees, depositors, and the borrowing customers. Indicators of the quality and quantity of a bank performance are determined by the extent of a business profitability and (or) risk which provide surrogates for evaluating the extent to which the bank achieves its objectives of maximizing owners wealth (Adeoti & Salami, 2007). Nigerian banks since the commencement of the consolidation programme in 2004 have demonstrated great awareness of the linkage between performance and customer satisfaction. The approach is premised on interrelationship between market prices of an organization stocks; and changes in operational efficiencies, interest or exchange rates and the economy in general.

Business performance according to Ayopo, Darego and Bright, (2010) refers to the effectiveness of organizations in fulfilling their purposes. While some organizations transact to return financial benefits to their shareholders, others have non-financial benefits as their returns. It is worthy of note that, in a competitive and dynamic environment, some organizations may compare their performance against their competitors, while others measure success with usage and productivity (Epstein, 2004).

Often time, performance examination adopted by most organizations is subjective, and many of these studies are narrowly packaged to operationalise this construct. Slatter and Naver (1994) used only return on investment, sales growth and market share to substitute market performance. This point out that the current business performance among firms today could necessarily be understood through the adoption and utilization of strategy meant for satisfy customer.

## 2.2 Empirical Reviewed

Kombo (2015) investigated the satisfaction trends of 403 respondents in the banking industry in Kenya. The research results were acquired through administration of questionnaire and processed with special emphasis on descriptive statistics. Based on the research results, the overall level of customer satisfaction is above 50%. Besides, women are more satisfied than men. In addition, presence of bank branches is the most important factor of satisfaction and preferred more by people with university education. High bank charges are the most important factor of dissatisfaction in Kenyan commercial banks. The most important factor of dissatisfaction is supported by more than 50% of the respondents in all the social groups. Collins and Evelyn (2015) investigated strategic options adopted in agency banking and their influence on performance among commercial banks in Mombasa County, Kenya. Utilizing a sample size of 102 agency outlet operators of 3 commercial banks, the study establishes that commercial banks differentiate their agency banking products/services with respect to pricing, remuneration structure for their agents and customer service quality. Thus, at $p<0.05$, product/service pricing, remuneration structure and customer service quality were positive correlates of performance of agency banking with correlation coefficients of $r=0.71$, $r=378$, $r=0.309$ and $r=0.277$ respectively. Volume agency banking transactions can therefore be generated through lowering transaction costs, attractive commissions for agent outlet operators and superior customer service quality.

Samraz and Bakhtiar, (2012) investigated the impact of service quality, customer satisfaction and loyalty programs on customer's loyalty in banking sector of Pakistan. A questionnaire was designed and survey was conducted to collect the data from 331 customers having bank accounts in different banks of Pakistan. The research concluded that service quality, customer satisfaction and loyalty programs are the important factors that can increase the loyalty of a customer so banks must focus on providing loyalty programs to their loyal and valued customers. Research also indicates that banks should focus on improving the quality of their services for better and greater customer satisfaction and customer loyalty.

Ibok and Akpan (2013) investigated Customer Satisfaction Driven Values in the Retail Banking Industry using a sample of 45 MBA students of the University of Uyo. The data was collected from the 45 students because they have at least an account with one bank or the other in Akwa Ibom State. The data collected were then analyzed using multiple regression. From the analysis, the study revealed that customer's satisfaction was positively correlated with all the variables except queuing time which had a negative correlation, suggesting that bank customers would want prompt service delivery irrespective of how tight the situation might be. This is in essence, a way of meeting their expectations, if their satisfaction must be guaranteed.

Oke (2012) examined the effect of marketing strategies on banks performance in the Nigeria consolidated industry using fifteen of the twenty consolidated banks in Nigeria. Qualitative data were sourced through the administration of structure questionnaire while the quantitative data were sourced from the Central Bank of Nigeria publications and the Nigerian Stock Exchange fact book. The quantitative data were transformed to quantitative data with the use of Likert scale. The Ordinary Least Square estimation technique was employed for analysis while the Marketing Efficiency Model Approach was adopted and modified to suit the Nigerian context. The finding shows an overall significance of the marketing variables adopted, although not much effect is seen when a marketing variable is compared with bank performance in isolation of other variables.

Nwaeze, Anetor, and Egwu, (2016) investigated the impact of marketing of banking services on the profitability of Nigerian banks for the period 1990-2013. Secondary data sources from the CBN Statistical Bulletin were used. The Ordinary Least Square Technique (OLS) involving multiple regression analysis were used in the study. Earnings Before Tax and Interest (EBIT) was adopted as the dependent variable while Demand Deposit, Time Deposit and Savings Deposit were adopted as the independent variables. The empirical results show that Demand deposit has an insignificant impact on the profitability of Nigerian banks ($P > 0.05$), while both time deposit and savings deposit exerted significant impacts on bank profitability ($P<0.05$). Thus, it is recommended amongst others that interest paid to depositors on the different bank accounts should be enhanced to encourage more patronage. Banks should also engage in relationship marketing and should be encouraged to be more customer-focused and embrace relationship marketing rather than transaction marketing

Obidike. Ejeh and Ugwuegbe (2015) examined the impact of interest rate spread on the performance of Nigerian banking industry for the period of 1986-2012. The authors used OLS method of estimation to analyze the data aggregate commercial bank total assets (as a proxy for bank performance) and interest spread (defined as variation between Nigerian deposit rate and that of their lending rate). They found out that interest rate spread negatively and insignificantly impact on bank performance in Nigeria.

## 3.0 METHOD AND MATERIALS

This study used qualitative research design of survey method involved primary data generated through administered questionnaires, consisting of closed ended multiple choice-questions conducted to evaluate pricing strategy, customers' satisfaction and banks performance in Nigeria. The target population includes all commercial banks in Nigeria while the accessible population includes five commercial banks in Ekiti State. These banks are: First Bank, Access Bank, Union Bank, Wema Bank and Zenith Bank. In doing this, a total of two hundred and seventy (270) questionnaires were purposively distributed to bank officials and customers. The first part of the questionnaire contains questions on banks' and respondents' characteristics. The second part of the questionnaire examined issued relating to pricing strategy and customer satisfaction as independent variables while the dependent variable is banks performance. These variables were modified from the work of Ibok and Akpan (2013) and Kombo (2015). A total of two hundred and thirty nine (239) usable questionnaires were completed and used for the analysis. A reliability test was done on the data collected using Cronbach Alpha model, to explore the internal consistency of the questionnaire which indicates a value of 0.76, indicated that the Cronbach Alphas of measures were all comfortable above the lower limit of acceptability (Cronbach's Alpha > 0.70). Thus, all the measures were highly reliable, therefore, suggested that this instrument is robust and can be used for measuring pricing strategy, customers' satisfaction and banks performance. The technique used in analyzing the administered questionnaire involves the use of ordinary least square guided by the following linear model:

$$PERF = f(PSTR, CUST)$$

The model is therefore represented in a linear form:

$$PERF = \beta_0 + \beta_1 PSTR + \beta_2 CUST + \mu$$

Where

PERF = Bank Performance
PSTR = Pricing Strategy
CUST = Customers Satisfaction

$\beta_0, \beta_1, \beta_2$ = Regression parameters

$\mu$ = Stochastic error term

Apriori expectations in respect of variables are denoted below:

That is: $\frac{\delta PERF}{\delta PSTR} > 0, \frac{\delta PERF}{\delta CUST} > 0$

## 4.0 RESULTS AND FINDINGS

### 4.1 Demographic Analysis

**Table 1: Demographic Data**

| S/N | Demographic Variables | Grouping | Frequency | Percentage |
|---|---|---|---|---|
| 1 | Sex | Male<br>Female | 92<br>147 | 38.5%<br>61.5% |
| 2 | Marital Status | Married<br>Single | 138<br>101 | 57.7%<br>42.3% |
| 3 | Age | 21-30 years<br>31-40 years<br>41-50 years | 108<br>109<br>22 | 45.2%<br>45.6%<br>9.2% |
| 4 | Educational Qualification | OND/NCE<br>HND/B.SC<br>MSC/MBA<br>Professional Qualification/others | 62<br>146<br>15<br>16 | 25.9%<br>61.1%<br>6.3%<br>6.7% |
| 5 | Relationship with your bank | Less than 5 Years<br>5-8 years<br>9- 12 Years | 15<br>95<br>129 | 6.3%<br>39.7%<br>54% |

**Source: Field Survey 2016**

The result depict in the above table shows the data collected from the demographic characteristic of the respondents, indicated that 92 respondents with a percentage of 38.5% are male while 147 representing 61.5% of the respondents are female. Therefore, it could be inferred that majority of the respondents consulted on the field survey are female. The implication of the above result is that, female are more prominent among the staff and customers of banks under consideration. It was also revealed from the marital status of the respondents that 138 are married representing 57.7% and 101 of the respondents are single representing 42.3%. The implication of the above is that, with the result of the field survey shows that a greater proportion of the respondents are married. The age distribution of the respondents clearly indicated that 108 respondents representing 45.2% are within the age of 21-30 years, 109 respondents with a proportion of 45.6% are within the age of 31-40 years while 22 respondents with a value of 9.2% are within the age of 41-50 years. It shows that majority are within the age of 31-40. The educational qualification of the respondents shows that 62 respondents indicating 25.9% are OND/NCE holders, 146 respondents indicating 61.1% are HND/B.Sc. holder, 15 respondents with a proportion of 6.3% are MSC/MBA and 16 respondents representing 6.7% are holders of professional qualification/others. With this result it could be inferred that a large proportion of the respondents are HND/B.SC, which indicate a higher percentage. Also, considering the relationship of the respondents with the bank indicated that 15 respondents with a value of 6.3% are under less than 5 years' experience, 95 are under 5- 8 years' experience with a proportion of 39.7% and 129 indicating 54% are under 9-12 year working experience. It shows that a greater proportion of the respondents have had reasonable experience with the bank.

## 4.2 Analysis of Pricing Strategy, Customer Satisfaction and Bank Performance

**Table 2: Pearson Correlation Result**

| | | PERF | PSTR | CUST |
|---|---|---|---|---|
| Pearson Correlation | PERF | 1.000 | .465 | .353 |
| | PSTR | .465 | 1.000 | .256 |
| | CUST | .353 | .256 | 1.000 |
| Sig. (1-tailed) | PERF | . | .000 | .000 |
| | PSTR | .000 | . | .000 |
| | CUST | .000 | .000 | . |
| N | PERF | 239 | 239 | 239 |
| | PSTR | 239 | 239 | 239 |
| | CUST | 239 | 239 | 239 |

**Sources: Authors' Computation**

The above table of Pearson correlation show the significant and positive correlation between pricing strategy and customer satisfaction with a value of 46.5% and 35.3% respectively.

**Table 3: Model Summary(b)**

| | | | | | Change Statistics | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Model | R | R Square | Adjusted R. Square | Std. Error of the Estimate | R Square change | F change | df1 | df2 | Sig. F. change | Durbin-Watson |
| 1 | .524(a) | .275 | .269 | .21515 | .275 | 44.754 | 2 | 236 | .000 | .148 |

a Predictors: (Constant), CUST, PSTR

b Dependent Variable: PERF

**Sources: Authors' Computation**

**Table 4: ANOVA(b)**

| Model | | Sum of Squares | Df | Mean Square | F | Sig. |
|---|---|---|---|---|---|---|
| 1 | Regression | 4.143 | 2 | 2.072 | 44.754 | .000(a) |
| | Residual | 10.924 | 236 | .046 | | |
| | Total | 15.068 | 238 | | | |

a Predictors: (Constant), CUST, PSTR

b Dependent Variable: PERF

**Sources: Authors' Computation**

**Table 5: Coefficients(a)**

| Model | | Unstandardized Coefficients | | Standardized Coefficients | T | Sig. |
|---|---|---|---|---|---|---|
| | | B | Std. Error | Beta | B | Std. Error |
| 1 | (Constant) | 1.071 | .104 | | 10.270 | .000 |
| | PSTR | .329 | .047 | .401 | 6.990 | .000 |
| | CUST | .192 | .044 | .251 | 4.373 | .000 |

a Dependent Variable: PERF

**Sources: Authors' Computation**

From the three tables presented above, shows the relationship between the dependent variable i.e Bank Performance (PERF) and the explanatory variables which are Pricing Strategy (PSTR) and Customer Satisfaction (CUST) can be expressed mathematically as:

**PERF** $=1.071+ .329_{\mathbf{PSTR}} +.192_{\mathbf{CUST}} + e$

### 4.3 Interpretation of Result

From the result above it could be inferred that the constant parameter is positively related to Bank Performance (PERF). The coefficient of the constant parameter is 1.071. This implies that if all the explanatory variables were fixed at zero, PERF which is the explained variable will increase by 1.071 units. 0.329 is the partial regression coefficient of pricing strategy indicates that with the influence of customer satisfaction held constant, as this variable changes, say by one percent the dependent variable will increase by 0.329. Also, 0.192 is the partial regression coefficient of customer satisfaction. It indicates that with pricing strategy held constant, if this is increase by one percent the dependent variable will also increase by 0.192, exerting a direct relationship. However, the result of statistical significant of each of the parameter used in the quest to investigate pricing strategy, customer satisfaction and bank performance exhibited a significant value. This is considered taken into consideration their corresponding probability value that is less than 5%. This is also indicated from the F-test result which is to find out whether all the independent variables put together have any significant effect on the dependent variables, indicates statistical significance of the whole model as depicted in the regression and ANOVA results. All these result conforms to apriori expectation stated early.

### 4.4 Discussion and Policy Implication of Findings

From this study, the regression analysis indicated that there is positive and significant relationship between pricing strategy and customer satisfaction. The implication of this result is that pricing strategy and customer satisfaction serves as veritable tools in stimulating the performance of banks. For pricing strategy, the responses of the respondents also indicated from the frequency that more than half dissatisfy with fees and interest rates as a factor which influences their decision to switch to other banks. Implies that financial institutions especially banks should develop appropriate pricing strategy for different product offer to the customers. The positive relationship of customers satisfaction thus indicates that if customer satisfaction are significantly improved, then bank performance will be maximized which is the prime object of every marketing firm. These findings do agree with some of the factors revealed in the findings of (Matzler, Würtele, & Renzl, 2006; Ibok & Akpan, 2013). Evidence of this is also indicated in the correlation analysis which also conforms to the ordinary least square regression result.

## 5.0 Conclusion and Recommendations

This study is set to investigate pricing strategy, customer satisfaction and bank performance in Ekiti State Nigeria. From the above result, it shows clearly that pricing of bank product and customer satisfaction in the financial service industries play vital roles in enhancing their performance thus contributing to the economy as a whole. Pricing serves as signals in markets, provide information and therefore influence supply and demand of financial products. Furthermore, customers identify pricing as an area where they wish to see improvements and regard these as a suitable means of increasing satisfaction thus contribute significantly to the performance of banks. Based on this, financial institutions especially banks should set appropriate pricing mechanism thus ensuring that the value of products commensurate with the fees attached, for this, customers' satisfaction will be attained thus reducing the incidence of switching to other banks. Also, banks should awake to new technology that will ensure optimum service delivery at a reasonable and profitable cost of services to their consumers.

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