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Influence of Advertisement on Banking Sector Performance in Nigeria

ASIAGWU, H.[1], EMUVEYAN, E. A.[2], UTALOR, C.[3]
Department of Banking and Finance, Faculty of Management Sciences,
Chukwuemeka Odumegwu Ojukwu University, Anambra State.
Correspondence E-mail: ucheharriet@gmail.com

ABSTRACT

The objective of this study is to assess the influence of advertisement on banking sector performance in Nigeria. To achieve this objective, relevant data used spanning from 2010-2021 were sourced from Zenith bank annual report and account for the period under review. The study adopted Descriptive statistics, ADF Unit root, Johansen Co-integration test and Ordinary Least Square (OLS) from E-Views 9.0 as the statistical tool for this study. The variables used were the log of the amount spent on the advertisement (LOGAD) as the independent variable; while Return on asset (ROA) proxy for banking sector performance in Nigeria as the dependent variable. The variables were stationary at their respective levels; The result of Johansen co-integration test confirm the existence of co-integration among the variables. Using the ordinary least square technique, the result shows a positive relationship between advertisement and return on asset which implies that a unit change/increase in the advertisement will lead to an increase in return on asset by 2.346560% which is the financial performance of the banking sector in Nigeria. R^2 = 0.606602 implies that about 60.66% of the total variation model in the specified was explained by the independent variable; There is a significant relationship between advertisement and return on asset, since the P-value of 0.0028 for LOGAD is less than 0.05 chosen level of significance (0.0028 < 0.05); Durbin-Watson statistic of approximately 1.70 showed the presence of autocorrelation; The F-statistic of the regression output stood at 15.41957, which implied that the regression plane was statistically significant; The study, therefore, concluded that advertisement has a great influence on the performance of banks in Nigeria. The study recommended that banks should embark on aggressive marketing communication strategies especially advertisement to improve/boost their performance, which will lead increase in customers' patronage as well increase in the economic growth of the country.

Keywords: Advertisement, Return on Asset, Bank Product, Media, Zenith Bank.

INTRODUCTION

Bank advertising incorporates publicizing performed by managing an account educate. Separated from publicizing address to bank clients, this category may too incorporate commerce reports, data brochures of declarations on installment of modern offers, reports on venture program comes about and a few other financial declarations (data). The first type contains a dominant psychological message, while the latter involves factual or logically verifiable messages, to impact banks product and service to current and

potential customers. The type of banking advertisement used is determined by the bank's target market. Most financial institutions target their advertisements to small-account holders, and they use the media to promote their products and services.

For larger banks with branches all over the world, the press and television are the preferred methods of communication. Advertisement on investment programs usually appears in almost all the circulation newspaper as they are addressed to small investors. Numerous banking institutions lease space in several presentation and print data brochures to portray their activities and service. Regularly the general public today, accept that for a trade organization or enterprises to outlive, make a profit and indeed accomplish its aims and targets it must go through the advertisement. However, this framework is required by the profit-making organization to create their products and services well known and known to the individuals so that larger part of the individuals can be turned into customers.

In this case, the advertisement can be clearly defined as the publication of a specific product or service by a business entity to attract the attention of consumers to make a profit. Advertisement of the bank improves the economic development of a country. As a result, advertising is an essential part of starting and growing a company. It can also decide a bank's or establishment's existence. After a careful analysis, to think about the quality of the bank product or service need with references to the taste of customers. All these facts stated above must be in place before the bank comes up with a perfect means of advertising techniques that will boost the product of banks completely. Advertisement can be a valuable device to advance your item over that of competitors. It serves as a limited time apparatus in any organization that needs to point and targets of benefit maximization. For a bank to final long, its items within the showcase must experience certain advertisement.

Advertising is a form of mass marketing in which a specific sponsor, known as the advertiser, pays a media outlet, such as a television network, to air an advertisement made by an advertising agency. Advertising's primary goal is to effectively distribute information to large numbers of people, potentially numbering in the hundreds of millions (Aaker and Myers, 1975). Through the development and reinvention of the "brand picture," many commercials are

designed to increase consumption of certain goods and services.

Advertisements provide factual information in their persuasive message for these purposes. Advertising can be used to influence reader/viewer behaviour against a product or service, to influence public opinion, to obtain political support, to support, to advance a particular idea, or to achieve the desired result for some advertisers. Buyer's attitude towards the products may be determined not merely by the products as manufactured in factories, but also by what added in the form of packaging, services, advertising, customer advice and other things that people value. Thus, advertising plays an important economic role in the introduction of new products in the markets. (Sidhu, 2003). Television, radio, theatre, magazines, newspapers, video games, the Internet, carrier bags, and advertisements are all used to distribute these messages (http://www.managementparadise.com).

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A lot of studies have been undertaken in the area of impact of advertisement on bank performance. Some studies (Rust and Lemon, 2001; Hadiza, 2014; Priyanka, 2014; Ani et al, 2018) have shown that advertisement of banking product have significant influence on their performance, while some studies result (Mylonakis, 2008; Shani and Alhassan, 2013) present negative impact on banks performance. While Most of these researches were, however, conducted in the developed countries that have attained full industrialization status and have banking as their main economic driver. These conflicting results have created a gap this study intends to fill. This study sought to assess the influence of advertisement on banking sector performance in Nigeria.

Research Hypotheses:

$H0_1$: There is no significant relationship between advertising and bank product in Nigeria.

$H0_2$: There is no significant relationship between advertising and bank performance in Nigeria

LITERATURE REVIEW

Conceptual Review:

Concept of Advertising:

Since it uses the mass media, such as newspapers, television, radio, magazines, bus hoardings, and billboards, advertising is the most recognizable component of the communications mix. Advertising is particularly appropriate for goods that rely on delivering the same promotional message to broad audiences due to mass consumption and geographically scattered markets. Since many of advertising's goals are only understood over time, it is mostly used as a strategic marketing tool (Adeleke, 2002).

The objectives of advertising are broader than that of directly stimulating sales volumes. Advertising involves making decisions on the five Ms- mission, message, media, money and measurement (Kotler, 2009). Customers have become increasingly savvy to print and electronic media, so businesses must step up their efforts to make them merge even more seamlessly so that customers are reading ads without even noticing it, and they are more likely to remember the brand favourably if they have a similar item that they use every day. Both the contact and sales impact of an advertising campaign can be calculated Before or after the commercial is printed or transmitted, the contact impact may be calculated.

After-the-fact advertising measurement assesses how the advertisement impacted consumer recall, product recognition, familiarity, and preference. Norris (1984) found that the importance of advertising as an information provider leads to greater market share and a positive image in the market as a consumer are better able to match their needs and wants against their product offering. The banking industry is a major advertising market. Because of the intangible essence of their facilities, this is the case. Customers need to be more stimulated to raise the desired response to accept and purchase the products or services.

Advertising is a commercially relevant persuasive non-personal communication that seeks to modify the cognitive, affect and cognate dimensions of the attitude of the target consumer audience towards developing long-lasting favourable preference and purchase of a firm’s product or services. There are many definitions of advertising as there are marketing scholars and authors though. Advertising is a type of communication funded by an established entity or individual channeled through a

medium to target consumers to persuade them to purchase its goods, services, or ideas, according to the Advertising Practitioners Council of Nigeria (APCON) (2005). However, with the introduction of the blended communication mix, determining what constitutes ads has become more difficult, as many marketing tools are merged to catch the mood and imagination of targeted audiences (Pickton and Broderick, 2005).

It would suffice to infer, according to Ivanovic and Collin (2003), that advertising is all about the business of announcing that something is for sale or attempting to convince consumers to purchase a product or service, by noting that advertising seeks to educate, persuade, remind, and reinforce the intention. This announcement is usually through the mass media prominent among which are the electronic and print media including radio, television, Internet, newspapers, magazines, periodicals, etc.

Bank products and Bank performance:

The market of goods and services should encourage good management. It can be the cause of perverse effects by encouraging leaders to assume a high level of risk in the investment choices in order to obtain comparable profits of competitors. Products that enhance bank performance includes:

Children's Account: Ages 0-12: could be a interesting investment funds account planned to permit guardians spare for their children's future whereas instructing children the benefits of money related teach and investment funds in a fun way. It offers competitive intrigued rates and bolsters cheque, draft and profit lodgments.

Children's Account For Teens : Ages 13-17: is planned to profit young people matured 13 to 17 a long time with all the benefits of the Children's Account and a customized Naira Master Card (a paid ahead of time card issued upon Parent's ask), so they can begin learning to manage money.

Aspire Account: Aspire Account is an interest-bearing savings account for Nigerian undergraduates that offers them competitive savings rates, free access to alternative channels, account transaction notifications, a customized debit card and discounts at select retail partners.

Bank Individual Current Account: Current account may be an adaptable current account that permits client bank and perform financial exchanges at comfort from anyplace within the world.

Bank Savings Account: The Individual and Salary Savings Accounts are suggested in

case client have particular savings objectives in intellect otherwise you fair need to begin setting money aside. The account offers competitive interest rates, debit and credit cards, email/SMS exchange notices and free get to the Bank's internet banking platform, portable app and other advanced arrangements.

Bank Gold Account: Bank Gold Account is an interest-bearing current account designed for customers that have more inflow transactions than outflows. The account pays out 1.7% interest per annum on daily account balances and has a minimum balance requirement of N1,000,000.00 (One Million Naira) at all times.

Bank Platinum Account: The Platinum Account is similar to the Gold account, but offers a higher interest rate of 2% on daily account balances and has a minimum balance requirement of N3,000,000.00 (Three Million Naira) at all times. Account holders also get a Platinum Premium debit card with higher spending limits and other lifestyle benefits at select merchants.

Card Range: Bank Card range is designed to enable customers perform transactions from anywhere in the world without having to carry cash, and are Debit Cards, Credit card, Prepaid cards.

The App World: The Bank has published four major apps on the Android, Blackberry and IOS stores to enable their customers bank and transact conveniently from anywhere in the world. These are; Mobile App, Scan to Pay App, e-Token App, Internet Banking Platform.

Point of Sale Terminals (POS): Electronic Point of Sale terminal (POS) is a device deployed at merchant locations that enable customers make payments to merchants using their bank cards.

Broadcasting and the Media: Broadcasting is a mass communication mode of transmitting message signals through electronic instruments including radio, television or the internet among others to broad heterogeneous listeners and viewers. It involves the generation and transmission of electromagnetic signals through space using electronic frequencies which a mass audience receive as visual or audio signals (Onabajo, 2000). Electronic advertisement also has been noted to provide information, education and entertainment. While radio broadcasting medium is audio-based, television combines both audio and visual.

The power of broadcast technologies lies in their widespread accessibility, ease of use and the utility of the broadcasting network for development. In comparison to television, Teer-Tomaselli and De Villiers (1998), as well as Bosch (2007), have identified radio as the most universally appealing mass media for entertainment, participatory communication, and production because of its specific personalized characteristics This is due to its affordability, simplicity, and broad coverage capacity: vast audiences reach, use by both young and old, in the developing world's rural, underdeveloped, and poor areas. On the other hand, television remains the better option notwithstanding its relatively high cost to acquire, use and maintenance than the radio. The attraction is found in its combination of sound, visual and motion aspects given that communication emanating from television more or less gives the impression of entertainment.

Theoretical Framework

The study is anchored on the Strong Theory and, Weak Theory of advertising. Proponents of advertising have been vehement about advertising as a potent marketing communication tool. Critics on their part have insisted that advertising is a spent force. The strong theory was developed by John Philip Jones (1991). Advertisement is seen as a strong weapon for both product and service sales as well as shifting customer perceptions, according to the theory. It assumes that consumers are incapable of processing information intelligently and that ads can influence a target audience's understanding, opinion, or behaviour to some degree. Since the user is thought to be incapable of intelligent information processing, ads may now influence his thinking by persuading him to behave in ways he would not otherwise. This will result in a long-term shift in buying decisions. Jones believes that advertisement has some latent persuasive forces that can lead to favourable purchasing behaviour for a product that hasn't been tested before.

Furthermore, the tangible power of ads could ensure long-term repeat purchases. Belch (2001) argues that advertising can create brand loyalty, which can contribute to a steady inflow of sales revenue, which supports the theory. These positive improvements are made possible by the use of misleading psychological strategies that distort and rearrange the consumer's mental order framework to their benefit. The hierarchy of effects model encapsulates this mechanism, in which sequential stages of the

buyer's decision-making process are stimulated by timely and appropriate promotional messages. Andrew Ehrenberg's weak theory of advertising was proposed in 1998 to address Jones' strong theory of advertising.

Market buying decisions, rather than being affected by advertisements, are claimed to be influenced by habit. It posits that some people cannot be influenced by advertising messages but can be stimulated by several other things such as word of mouth, personal selling etc. Unlike the string theory, which argues that advertising can transform knowledge, the weak theory believes that advertising can improve knowledge but cannot persuade people whose views are opposed to the advertisement's object. According to Ehrenberg, a consumer's buying behaviour is affected more by habit than by advertising messages. While strong theory suggests that advertising can persuade, generate and secure long-term purchasing behaviour, and increase sales, weak theory suggests that purchase behaviour is a function of habit and that advertising can improve knowledge and reinforce existing attitudes because the consumer is an active problem solver who does not depend on advertising to initiate and complete a purchase. This study, therefore, hopes to establish which of the theories is applicable in this case.

Empirical Review:

Empirical evidence abounds on advertising and its relationship with other marketing variables. For instance, Singh (1983) examined the trends in bank advertising in the seventies in India. The study uncovered that bank publicizing was just for purpose of publicizing instead of for creating a market or serving the client palatably. There is a need of polished skill in bank promoting and promoting. Proposals were made to give stretch on 'positioning the bank' instead of on offering the items after identification and expectation of client necessities.

Askenazy et al. (2010) examined that publicizing and development are two engines shapes to elude competition through distant better; a much better; a higher; a stronger; an improved, a higher fascination control toward buyers or quality advantage. We propose a model that includes both the inactive and energetic intelligent between R&D, publicizing and competitive environment. This model gives two fundamental forecasts. First, quality leaders spend more on advertisements in a given

competitive environment to extract maximum rents; hence, lower advertisement costs can favour R&D. Second, increased competition forces Neck and Neck to spend more money on advertising to attract a larger share of the market for their products or services.

Rust and Lemon (2001) looked at how e-services can be used to easily communicate with customers in interactive, networked knowledge environments like the Internet. It addressed three major changes brought on by the Internet (true user interactivity, customer-specific, situational personalization, and the ability to make real-time adjustments to a firm's offering to customers), as well as changes in consumer preferences about firm service strategies as a result of these changes. Important elements of the e-service experience were established based on these developments in technology and customer preferences. The study concluded by demonstrating how e-service strategies can play a major role in increasing the firm's overall value.

Hadiza (2014) looked at the effect of marketing communications on bank financial results with a focus on First Bank Nigeria PLC. Since banks have advertised more after restructuring, and different ways of marketing have been introduced, advertisement and promotion were chosen. Return on Assets was used to evaluate the bank's financial performance (ROA). The effect of marketing communication approaches on financial results in First Bank PLC was investigated using regression analysis and the T-test. The findings show that marketing communication methods have a positive significant relationship with financial performance as measured by ROA.

Nitsure (2003) looked at some of the issues that developing countries with low information and telecommunications infrastructure face when it comes to understanding the benefits of e-banking initiatives. The 'digital divide' between rich and poor, the different operating environments for public and private sector banks, security and authentication issues, management and regulation issues, and insufficient 'financing of small and medium scale enterprises (SMEs) were all posed as major concerns.

Subba Rao (1982) researched to determine the impact of various advertising media and modes of personal sale on commercial bank deposit mobilization in both urban and rural

areas. Based on the findings, the study recommends using English newspapers sparingly because they have little effect on urban customers and almost none on rural depositors. Rather personal selling or direct contact was suggested as the best option.

Priyanka (2014) study assessed the effectiveness of advertising in Indian commercial banks concerning sales, net profit and, operating expenditure. Using data from 2000 to 2012, ten commercial banks were sampled, five from the public sector and five from the private sector. The study found that advertisement has a positive impact on the profitability performance of the banks.

Shani and Alhassan (2013) studied the effect of advertisement on customer patronage of selected banks' goods and services in Ghana. Seventy (70) respondents who are bank customers from Greater Accra and the Eastern Region of Ghana were randomly and purposively sampled. Data collected using a structured questionnaire were quantitatively analyzed. The study's findings indicated that the majority of respondents patronize banks based on word of mouth recommendations and the banks' proximity to their communities and neighbourhoods, implying that there is no association between advertising and bank product and service patronage. Further results indicate that advertising efforts of the bank are satisfactory to the staff holding that patronage of the customers is inspired by the advertisements. However, both the customers and the employees agree that word of mouth recommendation and the presence of banks in the community are strong incentives to the customers than media advertising - radio, television, and newspapers.

Ani et al (2018) investigated the impact of commercial bank product radio and television adverts in Anambra State. It aimed to determine the degree to which these media influence behaviour, as well as to draw attention to, pique interest in, and encourage customers to use banks' products and services in the state. A total of 254 people was randomly selected and proportionally distributed among the bank employees. The study's primary data was gathered through a standardized questionnaire. Frequency tables and percentages and multiple regression were employed to analyze the data. adverts played part in illuminating the clients around items and administrations advertised by the banks; they have a noteworthy impact on convincing the clients; and eventually patronizing the publicized items and administrations

showing that the media noteworthy part in emphatically impacting the states of mind; information and buy conduct of target group of onlookers of the banks. As a result, the consider concluded that radio and TV adverts have a major impact on commercial bank item and benefit publicizing in Anambra State.

Mylonakis's (2008) research looked into the effect of banking adverts on Greek consumers, based on their expectations. 260 questionnaires collected through a survey were treated to descriptive, ANOVA and correlational statistics. The study demonstrated the customers' indifference to advertising in their banking decisions. The results indicate that advertising promotions do not drive their final choice, rather selecting a bank is determined by the traditional products and services, price-related issues such as interest rates, information on banking loans, information on balance transfer and other related packages.

Nyarko (2013) looked into the impact of electronic media ads on rural banking in Ghana to assess its contribution to the country's rural banking. 350 rural bank customers in Ho Municipality were given the questionnaires. The data were analyzed using the Statistical Package for Social Sciences (SPSS). The results show that radio advertising is the main tool proven to be more effective adopted in this area to persuade these customers. Thus, it becomes important that the bank should increase radio advertising time to enhance customer patronage. Based on the above, it is apparent that the studies examined yielded contradictory results. The majority show that promotions by radio, television or newspapers do not significantly drive customers to choose a bank or its products and services. Products, services and their related issues are the major drivers of the customer's decisions.

Ezu & Chris-Ejiogu (2018), studied the Influence of Promotional Strategies on the Performance of Nigerian Banks: A Study of Selected Banks in Nigeria using questionnaire as instrument for data collection and the data collected were analyzed using five scale likert and simple percentage. Chi-square was used to test the hypotheses, the result showed that utilization of promotional strategies by banks highly improves their performance rate and that enables the bank to grow significantly, also promotional strategies adopted by banks encourage customers deposit level and increases the rate of deposit as well as

encouraging banks patronage hence, contributing to growth and performance of the bank.

METHODOLOGY

The research design for the study is ***Ex-Post-Facto*** research design which according to Olannye (2006) is a research tool for demonstrating cause and effect relationship by analyzing past occurrences or events and already existing data obtained from the annual reports. This study attempts to assess the influence of advertisement on banking sector performance in Nigeria, one deposit money banks was selected and the data used are time series data spanning from 2010-2021 which is five (12)years; The entire population for the study is the Deposit Money Bank in Nigeria, while the sample size is Zenith bank of Nigeria. The bank was chosen because it is among the tier-1 banks in Nigeria (it is among Nigeria's top 5 banks) that is, the 5 leading banks in Nigeria which are GTBank, Zenith, Access, FBN, and UBA. This study employed secondary data which is obtained from Zenith Bank annual report and account for the period under review (2010-2021).

Data Analysis Techniques and Model Specification:

Descriptive statistics, ADF Unit Root test, Johansen Co-integration test and Ordinary Least Square (OLS) is carried out to test the hypotheses. E-Views 9.0 is used as the statistical tool for this study.

Model Specification:

To evaluate the influence of advertisement on banking sector performance in Nigeria, the independent variable is advertising and banking performance measure is the dependent variable proxied by Return on Assets (ROA). Return on Assets was chosen because, according to researchers such as Evanoff and Fortier, it is the only and most suitable success metric for banks (1988).

Thus, the functional relationship between advertisement and banking performance in Nigeria is expressed as follows:

Bank performance = *f*(Advertisement)

ROA = *f*(AD)……..3.1

$ROA_t = \beta_0 + \beta_1 LOGAD + \mu$

Where;

ROA = Return on Asset

LOGAD = Log of Advertisement (amount spent on an advertisement)

μ = Stochastic disturbance or error term

β_0 denotes the constant term, β_1 is slope coefficients representing Parameter to be estimated and μ is the disturbance term assumed to be purely random. On a priori expectation, $\beta_1 > 0$.

In Nigeria, the study examines the relationship between advertising and banking results. The variables used include Return on Asset (ROA) as the dependent variable, while Advertisement (AD) is the independent variable.

RESULTS AND DISCUSSION

TABLE 4.1: EXTRACTED EFFICIENCY PARAMETERS FOR ADVERTISEMENT AND BANKING PERFORMANCE IN NIGERIA ZENITH BANK.

PERIOD	NET INCOME/PROFIT N'MILLION	TOTAL ASSETS N'MILLION	RETURN ON ASSET (ROA) PROFIT/ASSET%	ADVERTISEMENT (AD) N'MILLION	LOGADVERTISEMENT (AD)
2010	32,452	1,798,679	1.80	2,178	3.338058
2011	41,795	2,169,073	1.93	3,605	3.556905
2012	95,813	2,436,886	3.93	6,557	3.816705
2013	84,853	2,878,693	2.95	3,241	3.510679
2014	95,028	3,423,819	2.78	4,419	3.645324
2015	97,032	3,750,327	2.59	3,198	3.504878
2016	120,521	4,283,736	2.81	4,801	3.504878
2017	150,452	4,833,658	3.11	8,577	3.681332
2018	166,939	4,955,445	3.37	9,204	3.933335
2019	191,873	5,435,073	3.57	7,433	3.963977
2020	214,147	7,124,987	3.01	7,411	3.871164
2021	238,732	7,872,292	3.03	6,919	3.840043

Source: Zenith Bank Annual Report and Account for the period under review 2010-2021.

Descriptive Statistics

Table 2 below present descriptive statistics of the time series data of the dependent and the independent variables.

Table 4.2: Descriptive Statistics Result

	ROA	LOGAD
Mean	2.906667	3.680607
Median	2.980000	3.663328
Maximum	3.930000	3.963977

Minimum	1.800000	3.338058
Std. Dev.	0.608670	0.202024
Skewness	-0.356734	-0.063352
Kurtosis	2.715789	1.761143
Jarque-Bera	0.294906	0.775411
Probability	0.862903	0.678612
Sum	34.88000	44.16728
Sum Sq. Dev.	4.075267	0.448949
Observations	12	12

Source: Extracted from E-View 9 Output Result.

The table above shows the descriptive statistics of the variables used in our analysis. The table shows that between 2010-2021, the average Return on Asset (ROA) and Advertisement (LOGAD) are 2.906667and 3.680607 respectively; They are negatively skewed (-0.356734 and -0.063352) and are **platykurtic** since its distribution is flat peaked and had kurtosis of 2.715789 and 1.761143 which are less than 3; The Jarque-Bera statistic (JB) for ROA and LOGAD does provide enough evidence to accept the null hypotheses of normality since the p-value of the JB statistic of 0.862903 and 0.678612 are greater than 0.05.

4.3: Summary of ADF Unit Root Test

Variables	**ADF Test Statistics**	**Mackinnon Critical Value @ 5%**	**P-Value**	**Oder of integration**	**Remark**
ROA	-3.825249	-3.212696	0.0200	1(1)	STATIONARY
LOGAD	-3.407140	-3.212696	0.0374	1(1)	STATIONARY

Source: Extracted from E-View 9 Output Result.

ROA is stationary at first difference 1(1), also, LOGAD is stationary at first difference 1(1), according to the table above, this indicates that the variables were stable at their current levels.

Table 4.4: Result of Johansen Co-integration test

Date: 04/27/22 Time: 21:02
Sample (adjusted): 2012 2021
Included observations: 10 after adjustments
Trend assumption: Linear deterministic trend
Series: ROA LOGAD

Lags interval (in first differences): 1 to 1

Unrestricted Cointegration Rank Test (Trace)

Hypothesized No. of CE(s)	Eigenvalue	Trace Statistic	0.05 Critical Value	Prob.**
None *	0.940950	30.85983	15.49471	0.0001
At most 1	0.226329	2.566089	3.841466	0.1092

Trace test indicates 1 cointegrating eqn(s) at the 0.05 level
* denotes rejection of the hypothesis at the 0.05 level
**MacKinnon-Haug-Michelis (1999) p-values

Unrestricted Cointegration Rank Test (Maximum Eigenvalue)

Hypothesized No. of CE(s)	Eigenvalue	Max-Eigen Statistic	0.05 Critical Value	Prob.**
None *	0.940950	28.29374	14.26460	0.0002
At most 1	0.226329	2.566089	3.841466	0.1092

Max-eigenvalue test indicates 1 cointegrating eqn(s) at the 0.05 level
* denotes rejection of the hypothesis at the 0.05 level
**MacKinnon-Haug-Michelis (1999) p-values
Source: Extracted from E-View 9 Output Result.

The result of the Johansen co-integration test presented above indicates one co-integration equation. The result therefore, confirm the existence of co-integration among the variables. Consequently, the study concludes that there is existence of a long-run relationship between advertisement and banking sector performance in Nigeria.

TABLE 4.3: Ordinary Least Square (OLS)

Dependent Variable: ROA
Method: Least Squares
Date: 04/27/22 Time: 21:07
Sample: 2010 2021
Included observations: 12

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-5.730097	2.202489	-2.601646	0.0264
LOGAD	2.346560	0.597579	3.926776	0.0028

R-squared	0.606602	Mean dependent var	2.906667
Adjusted R-squared	0.567263	S.D. dependent var	0.608670
S.E. of regression	0.400400	Akaike info criterion	1.158306
Sum squared resid	1.603200	Schwarz criterion	1.239123
Log likelihood	-4.949834	Hannan-Quinn criter.	1.128384
F-statistic	15.41957	Durbin-Watson stat	1.695230
Prob(F-statistic)	0.002835		

Source: Extracted from E-View 9 Output Result.

$ROA_t = \beta_0 + \beta_1 LOGAD_t + \mu$

Thus, using the absolute values of all the variables, the estimated parameters of the regression model is:

$ROA_t = -5.730097+2.346560LOGAD + \mu$

Discussion

From the coefficient of regression, the estimated model shows that there exists a positive relationship between ROA and LOGAD; hence, the estimated result revealed that a unit change/increase in a transaction with LOGAD will boost the performance of the banking sector in Nigeria by the value of 2.346560%. The coefficient of determination (R^2) is $R^2 = 0.606602$ which is 60.6602%. This implies that about 60.66% of the total variation of the regression model was explained by the independent variables while 39.34% was unexplained and has been taken care off by the stochastic disturbance term or error term μ. The Durbin-Watson statistic shows that there is a presence of autocorrelation or serial correlation in the residual as its value of 1.695230, approximately 1.70 which is less than the Durbin-Watson value of 2 (1.70 < 2).

The F-statistic of the regression output stood at 15.41957. This implies that the regression plane is statistically significant.

Comparing Sign P-values with the chosen level of significance (0.05), it is observed that P-values 0.0028 for LOGAD is less than 0.05 chosen level of significance (0.0028 < 0.05). Also, the Prob. (F-Statistic) 0.002835 which is the overall level of significance is also less than the 0.05 level of significance (0.002835 < 0.05); hence, our null hypotheses is rejected and alternative accepted.

This study also, is in conformity with the "Strong Theory" of advertising, that was developed by John Philip Jones (1991), who propounded that advertisement is seen as a strong weapon for both product and service sales as well as shifting customer perceptions. The study corroborated the study of Nyarko (2013); Hadiza (2014); Priyanka (2014); Shani and Alhassan (2013); and Ani et al (2018) who in their separate studies investigated the effect of advertisement on customer patronage and banking sector performance, found that advertisement has a positive impact on the profitability/performance of the banks.

CONCLUSION

The study was carried out to examine if advertising has influenced banking sector performance in Nigeria between 2010-2021, using Zenith Bank as a case study. From the data gathered and analyzed, it was found that there is a positive and significant relationship between advertisement and return on assets, and a long-run relationship between advertisement and banking sector performance. Thus, the use of advertisement gives banks effective options towards increasing their profit base as well as attracting customers to their brand. That is, an aggressive marketing communication strategy in which advertising plays a key role in the banking sector improves performance. Therefore, the study concludes that advertisement has a great influence on the performance of banks in Nigeria. Based on the findings of the result, the study recommends that banks should embark on aggressive marketing communication strategies especially advertisement to improve/boost their performance which will lead increase in customers' patronage as well increase in the economic growth of the country. More so, management of the banks should further exploit the potential offered by these media and invest more in it to boost their profitability by attracting more customers.

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