

Public Relations Strategies and the Marketing Performance of Financial Service Providers

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Abstract

This study examined public relations strategies and the marketing performance of financial service providers. It aimed to ascertain the influences of community relations, customer relations, social media relations and crisis management on the marketing performance of commercial banks. Cross-sectional survey research design was adopted. Applying a convenience sampling method, primary data were obtained from 175 customers of commercial banks using an adapted 5-point Likert scale questionnaire. The data were analyzed using descriptive statistics, while the hypotheses developed for the study were tested using multiple linear regression. The findings of the study revealed that customer relations ($p\text{-value} = 0.000 < 0.05$) and crisis management ($p\text{-value} = 0.000 < 0.05$) had significant positive effects on the marketing performance of commercial banks, while community relations ($t\text{-value} = -5.976$) and social media relations ($t\text{-value} = -3.906$) had significant negative effects on marketing performance in this regard. On the basis of the findings made, practical implications were presented in the study for possible application by financial service providers.

Keywords: public relations; marketing performance; financial service-providers; commercial banks; customer relations; crisis management.

1. Introduction

In an effort to enhance market share and competitive performance, financial service providers (commercial banks) have applied a variety of marketing strategies, including but not limited to public relations strategies so as to create and maintain cordial and mutually-beneficial relationships with their stakeholders that will enable them thrive commercially (Anwurum, 2018; Chikwado & Tochukwu, 2018; Oti, Odigbo & Bassey, 2016). Public relations is a management function that determines the attitudes and opinions of the organization's publics, identifies its publics, and formulates and executes a programme of action to earn the understanding and goodwill of its publics (Jerma, Vukovi & Završnik, 2018). Public relations is applied by corporate organizations, including financial service providers, to manage communications with their stakeholders; build and maintain cordial relations with them and gain the goodwill of their publics in a bid to enhance corporate performance, which may be financial or non-financial. In the views of Ďurišová, Tokarčíková, Virlanuta and Chodasova (2019), corporate performance comprises financial metrics (such as gross profit, net profit, return on asset, return on equity, and return on investment) and non-financial metrics (such as customer patronage, market leadership, market share, customer satisfaction and customer retention). The corporate performance of organizations is essential to their survival and competitiveness, which is why financial service providers have applied various public relations strategies as part of their strategic communication plan. However, the focus of this study was on community relations, customer relations, social media relations and crisis management.

According to Kayirangwa, Namusonge and Kule (2018), community relations is the planned and sustained effort by corporate organizations to establish and maintain cordial and mutually-beneficial relations with members of their host community where they operate. Customer relations entail the establishment and maintenance of cordial and mutually-beneficial relations between corporate organizations and their customers. Kerubo (2019) perceives social media relations as the adoption and utilization of social media networks and platforms to communicate with an organization's stakeholders and maintaining cordial relations with them so as to gain public goodwill. Crisis management is the process of conveying accurate facts and data to an organization's publics during a crisis situation

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in order to prevent or minimize negative publicity that could adversely affect organizational performance (Farhad, 2019). Corporate organizations apply community relations strategy by initiating programmes and schemes (such as provision of basic infrastructure, educational scholarships, employment opportunities and community event sponsorships) targeted at improving the environment and lives of members of their host communities (Kayirangwa, Namusonge & Kule, 2018). Customer relations is applied through the establishment of direct communication lines between corporate organizations and customers; and by ensuring that customers' needs are satisfactorily met by corporate organizations (Nwogwugwu, 2017). Companies apply social media relations by using social media platforms such as Facebook, Twitter, YouTube and Instagram to enhance communication with their stakeholders to gain mutual understanding and public goodwill. Crisis management is used by companies to disseminate accurate information about their internal and external affairs to their publics to avoid misconception and negative publicity (Nisrina, 2019).

Using these and a host of other public relations strategies, research has shown that financial service providers have been able to enhance their corporate performance around the world (Kwizera, 2017; Mzwela & Agomundi, 2019; Nwogwugwu, 2017; Ugwoke, 2019). However, there is inadequate empirical evidence to demonstrate how the implementation of these public relations strategies have particularly affected the marketing performance of commercial banks, given that there is inadequate research attention by scholars in the context of commercial banks. Most of the existing studies on public relations strategies in banks addressed overall organizational performance and financial performance, without specific focus on marketing performance (Oti, Odigbo & Bassey, 2016; Anwurum, 2018; Chikwado & Tochukwu, 2018; Mzwela & Agomundi, 2019; Ugwoke, 2019). Hence, there appears to be insufficient empirical evidence of the correlation between public relations strategies and marketing performance metrics such as brand awareness, customer patronage, and customer retention among commercial banks especially in developing African countries like Nigeria. Against this backdrop, there is therefore a need for studies aimed at examining the effects of public relations strategies on the marketing performance of commercial banks in the context of a developing African country. Hence, this study was conducted to examine the effects of public relations strategies (namely: community relations, customer relations, social media relations and crisis management) on the marketing performance of financial service providers in Nigeria.

2. Literature review

2.1. Theoretical framework

The theoretical underpinning for this study was the stakeholder theory, propounded by Freeman and Phillips (1994). The stakeholder theory is viewed as managerial and corporate ethics paradigm that takes into account a variety of stakeholders influenced by companies, including workers, vendors, host communities, lenders, among others (Lin, 2018). It was propounded by Freeman and Phillips (1994). The theory stresses the interconnected relationships between a business and its customers, suppliers, employees, investors, communities and others who have a stake in the organization. It argues that a firm should create value for all stakeholders, not just shareholders as a key to enhancing its performance in a dynamic environment (Phillips, 2003). According to the theory, the stakeholder ecosystem involves anyone who has invested in and is involved in, or affected by the company's operations, such as employees, environmentalists near the company's plants, host communities, vendors, governmental agencies, and more. It suggests that a company's real success lies in satisfying all its stakeholders, not just those who might profit from its stock (Freeman & Phillips, 1994). Freeman and Phillips' (1994) stakeholder theory holds that a company's stakeholders include anyone affected by the company and its workings. Freeman and Phillips (1994) suggest that a company's stakeholders are those groups without whose support the organization would cease to exist. Consumers, workers, vendors, political advocacy organizations, conservation organizations, host communities, the press, investment firms, regulatory agencies, and etcetera are examples of the stakeholders of companies.

The stakeholder theory is relevant to this study because it propagates the premise that the performance of financial service providers is contingent on the quality of interconnected relationships they maintain with their stakeholders. According to the stakeholder theory, the stakeholder ecosystem for financial service providers involves anyone that has invested and involved in, or affected by the companies' operations, such as customers, employees, host communities, governmental agencies, media organizations, investors, and others who have a stake in financial service companies. The theory therefore asserts that for financial service providers to achieve significant and sustainable growth, they ought to create value for all their stakeholders, not just shareholders. This is because the theory is rooted in the notion that the marketing performance of financial service providers such as commercial banks, in the case of this study, is contingent on their ability to maintain quality relationships with stakeholders. As such, the theory

advocates for the implementation of effective public relations programmes (such as community relations, customer relations, employee relations, crisis management and media relations) that create value for the stakeholders of financial service providers.

2.2. Community relations and marketing performance

Community relations is a set of strategic and deliberate initiatives or programmes implemented by a business organization for the benefit of members of its host community in order to advance mutually-beneficial and cordial relationships with the host community (Chepkirui & Naserian, 2020). It is simply the establishment, nurturing and sustenance of harmonious and productive relations between a corporate entity and the community which hosts its structures and operations (Hassani, 2017). In the view of Kayirangwa, Namusonge and Kulec (2018), community relations is where a company devotes time and resources to community development programmes, such as sponsorship of sports, cultural festivals, building basic infrastructure like pipe-borne water, primary healthcare facilities, schools, clinics, electric components, and resolution of communal clashes and conflicts between and among local communities, in order to reach out and maintain amiable and cordial relationships with the communities in which it operates. The importance of maintaining harmonious relations with host communities cannot be overemphasized. It is undoubtedly true that the performance and even survival of corporate organizations depend extensively on the quality of relationship with its host community (Owolabi & Isaac, 2018). The foregoing premise is supported by the study of Anwurum (2018), which revealed that community relations had a significant correlation with organizational performance in the Nigerian banking industry. The premise is also supported by the study of Chikwado and Tochukwu (2018), which revealed that community relations significantly and positively enhanced the performance of commercial banks. Finally, the premise corresponds with the study of Mzwela and Agomundi (2019), which revealed that community relations had a significant positive effect on the performance of commercial banks.

2.3. Customer relations and marketing performance

Customer relations is the process by which companies promote customer satisfaction and loyalty over the long term. At its core, it involves managing communications with customers, particularly customer questions and complaints, and resolving disputes amicably (Al-Adwan & Mohammed, 2018). Customer relations, as a tool of public relations, traces its roots to the corporate "complaint department," the part of the operation that dealt with negative client comments, returns, and other concerns (Farhad, 2019). The goal of the majority of customer relations initiatives is to convert infrequent consumers into long-term clients. Effective establishment and maintenance of cordial and harmonious relationships with customers enables firms to improve customer patronage, customer loyalty and overall marketing performance in the long run. This premise is corroborated by the study of Ugwoke (2019), which revealed that customer relations had a significant positive impact on banks' performance. The foregoing premise is also backed by the study of Jerman, Vukovi and Završnik (2018), which revealed that customer relations had a significant positive impact on the performance of telecommunications companies in Slovenia. Similarly, the premise is in alignment with the study of Al-Adwan and Mohammed (2018), which revealed that customer relations had a significant positive relationship with organizational effectiveness of Jordanian public hospitals.

2.4. Social media relations and marketing performance

Social media relations is the adoption and utilization of social media networks and platforms to communicate with an organization's stakeholders and maintaining cordial relations with them so as to gain public goodwill (Kerubo, 2019). It is the planned and sustained effort by an organization characterized by the usage of social media channels and platforms as a conduit for the circulation of information between an organization and its publics. Given the widespread adoption of social media tools, the scope of its reach, social media message flexibility and its affordability compared to conventional mass media, corporate organizations now consider social media as a popular tool for the execution of various public relations campaigns (Kwizera, 2017). Global companies such as Coca Cola, Amazon and Intel have heavily relied on social media to create and change impressions of their target audience in periods of upheaval (Kwizera, 2017). Various companies around the globe use social media as an effective platform to shape or create desired perceptions in the minds of their target audiences at very affordable costs, compared to traditional mass media such as radio or television. The use of social media by corporate organizations for public relations purposes has been confirmed to enhance organizational performance by various researchers. In Ethiopia, a study conducted by Hassani (2017), revealed that social media relations had a significant positive impact on the performance of public universities. Another study by Kwizera (2017) in Rwanda revealed that social media relations had a significant

positive impact on the financial performance (return on equity and net profit) of commercial banks. Similarly, a study conducted by Farhad (2019) revealed that social media relations had a significant positive relationship with organizational performance in private and public healthcare facilities in Tehran.

2.5. *Crisis management and marketing performance*

Crisis management is the process of conveying accurate facts and data to an organization's publics during a crisis situation in order to prevent or minimize negative publicity that could adversely affect organizational performance (Farhad, 2019). It is the procedure by which a company handles a problematic and unforeseen incident that challenges the company's or its stakeholders' well-being. Furthermore, Janssen, Sen and Bhattacharya (2015) assert that the adoption of appropriate crisis management strategies to address the suitable crises situation has the capacity to protect a company's corporate image, protect its goodwill, safeguard its market share and shield it from the damaging impacts of crises situations. This viewpoint suggests that crisis management has the tendency to affect the performance of an organization. This viewpoint is supported by the study of Anwurum (2018), which revealed that crisis management had a significant correlation with organizational performance in the Nigerian banking industry. The viewpoint is also reinforced by the study of Chikwado and Tochukwu (2018), which revealed that crisis management significantly and positively enhanced the performance of commercial banks. Similarly, the viewpoint is corroborated by the study of Mzwela and Agomundi (2019), which revealed that crisis management had a significant positive effect on the performance of commercial banks.

2.6. *Empirical review and conceptual model development*

Oti, Odigbo and Bassey (2016) conducted a study to determine the effects of corporate image management practices, media relations practices, and customer relations practices on corporate performance of commercial banks in Nigeria. The study obtained primary data from 60 employees of selected commercial banks in Calabar using a judgmental sampling technique. Data analysis was done using Chi-square (X^2) statistical tool. The findings of the study revealed that corporate image practices, media relations practices and customer relations practices of commercial banks in Nigeria have significant effects on corporate performance of commercial banks in Nigeria. Anwurum (2018) conducted a study to determine the correlation between public relations strategies (crisis management, social media relations, customer relations and community relations) and organizational performance in the Nigerian banking industry. The researcher obtained primary data from 450 employees and customers of 5 commercial banks in Abia State, Nigeria using a convenience sampling technique. Pearson's product moment correlation coefficient was the statistical tool adopted for data analysis. The findings of the study subsequently revealed that all four dimensions of public relations used in the study (crisis management, social media relations, customer relations and community relations) had significant correlations with organizational performance in the Nigerian banking industry. Also, Chikwado and Tochukwu (2018) conducted a study to examine the effects of community relations, customer relations, social media relations, crisis management and investor relations on organizational performance in Nigeria's banking sector. The researchers obtained primary data from 205 personnel of 10 commercial banks in Asaba, Delta State using a systematic sampling technique. Data were analyzed using multiple regression inferential statistics. Consequently, the findings of the study revealed that community relations, customer relations, social media relations, crisis management and investor relations significantly and positively enhanced the performance of commercial banks in Delta State, Nigeria.

Similarly, Mzwela and Agomundi (2019) carried out a study to determine the effects of community relations, social media relations, customer relations and crisis management on the performance of commercial banks in Kenya. The researchers collected primary data from 289 personnel of commercial banks in Nairobi and Mombasa using a convenience sampling technique. The hypotheses of the study were statistically tested using simple linear regression method. The findings of the study revealed that community relations, social media relations, customer relations and crisis management had significant positive effects on the performance of commercial banks in Kenya. Also, Ugwoke (2019) conducted a study to examine the impacts of social media relations, community relations, crisis management and customer relations on banks' performance in Nigeria. Primary data were obtained from 158 personnel of commercial banks in Abia State using simple random sampling technique. Data analysis was completed using multiple linear regression method. Consequently, the findings of the study revealed that social media relations, community relations, crisis management and customer relations had significant positive impacts on banks' performance in Abia State, Nigeria. Jerman, Vukovi and Završnik (2018) carried out a study to determine the impacts of social media relations, community relations, investor relations, customer relations and media relations on

organizational performance of telecommunications companies in Slovenia. Primary data were obtained from 200 personnel of Slovenian telecommunications companies including corporate directors, and marketing directors using convenience sampling technique. The data obtained were statistically analyzed using multiple regression method. The findings of the study revealed that social media relations, community relations, investor relations, customer relations and media relations had significant positive impacts on the performance of telecommunications companies in Slovenia. Also, Hassani (2017) conducted a study to examine the impacts of community relations, stakeholder relations, social media relations, crisis management and corporate social responsibility on organizational performance public universities in Ethiopia. The researcher obtained primary data from 54 personnel of selected public universities in Ethiopia using snowball non-probability sampling technique. Multiple linear regression method was adopted to test the hypotheses developed for the study. The findings of the study subsequently revealed that community relations, stakeholder relations, social media relations, crisis management and corporate social responsibility had significant positive impacts on the performance of public universities in Ethiopia.

Furthermore, Al-Adwan and Mohammed (2018) conducted a study to examine the relationship between public relations practices (customer relations, community relations, social media relations and crisis management) and organizational effectiveness (image, identity and reputation) of Jordanian public hospitals. The researchers obtained primary data from 569 patients at a major hospital in Jordan using simple random sampling technique. Pearson's Product Moment Correlation statistic was the statistical tool adopted for data analysis in the study. The findings revealed a significant positive relationship between public relations practices (customer relations, community relations, social media relations and crisis management) and organizational effectiveness (image, identity and reputation) of Jordanian public hospitals. Likewise, Kwizera (2017) conducted a study to investigate the impacts of social media relations, community relations, customer relations, crisis management and investor relations on financial performance of commercial banks in Kigali. The researcher obtained primary data from 152 bank staff in Kigali Metropolis using convenience sampling technique. Data analysis was completed using multiple linear regression in the Statistical Product and Service Solutions (SPSS 15). Consequently, the findings of the study revealed that social media relations, community relations, customer relations, crisis management and investor relations had significant positive impacts on the financial performance (return on equity and net profit) of commercial banks in the Rwanda. In addition, Farhad (2019) conducted a study to demonstrate the relationship between public relations practices (customer relations, community relations, social media relations and crisis management) and organizational performance in the healthcare industry of Iran. The study obtained primary data from 569 patients and medical practitioners at selected public and private healthcare facilities in Tehran using simple random sampling technique. Data analysis was done by adopting Pearson's Product Moment Correlation Coefficients in the Statistical Product and Service Solutions (SPSS 18). The findings of the study revealed significant positive relationships between public relations practices (customer relations, community relations, social media relations and crisis management) and organizational performance in private and public healthcare facilities in Tehran.

Also, Kerubo (2019) carried out a study to establish the correlation between public relations strategies (crisis management, social media relations, customer relations and community relations) and organizational performance in Kenyan universities. The study obtained primary data from 450 students and staff of 2 public universities in Kenya using convenience sampling technique. The hypotheses developed for the study were tested using Pearson's Product Moment Correlation Coefficient. The findings subsequently revealed that all four strategies of public relations used in the study (crisis management, social media relations, customer relations and community relations) had significant correlations with organizational performance in Kenyan public universities. Similarly, Owolabi and Isaac's (2018) study assessed the effects of community relations, customer relations, employee relations and crises management on organizational performance of Nigerian breweries. The study obtained primary data from 159 management and staff of Nigerian Breweries using simple random sampling technique. Data analysis was done using simple regression and descriptive statistics in the Statistical Product and Service Solutions (SPSS 20). The findings of the study therefore revealed that community relations, customer relations, employee relations and crises management had significant effects on the organizational performance of Nigerian Breweries in Lagos State. Finally, Nisrina (2019) conducted a study to determine the impacts of customer relations, community relations, social media relations and crisis management on organizational performance of in Bali's tourism industry. The study obtained primary data from 158 staff of hotels in Bali Metropolis using simple random sampling technique. Data analysis was completed using multiple linear regression. Consequently, the findings revealed that customer relations, community relations, social media relations and crisis management had significant positive impacts on the performance of hotels in Bali Metropolis, Indonesia.

In light of the review of relevant existing literature, we have adapted the measures obtained from the study of Ugwoke (2019) to develop the conceptual model to describe the hypothesized relationship between the independent variable (public relations strategies) and the dependent variable (marketing performance) in the context of this study. The adapted conceptual model developed for the study is presented in Figure 1.

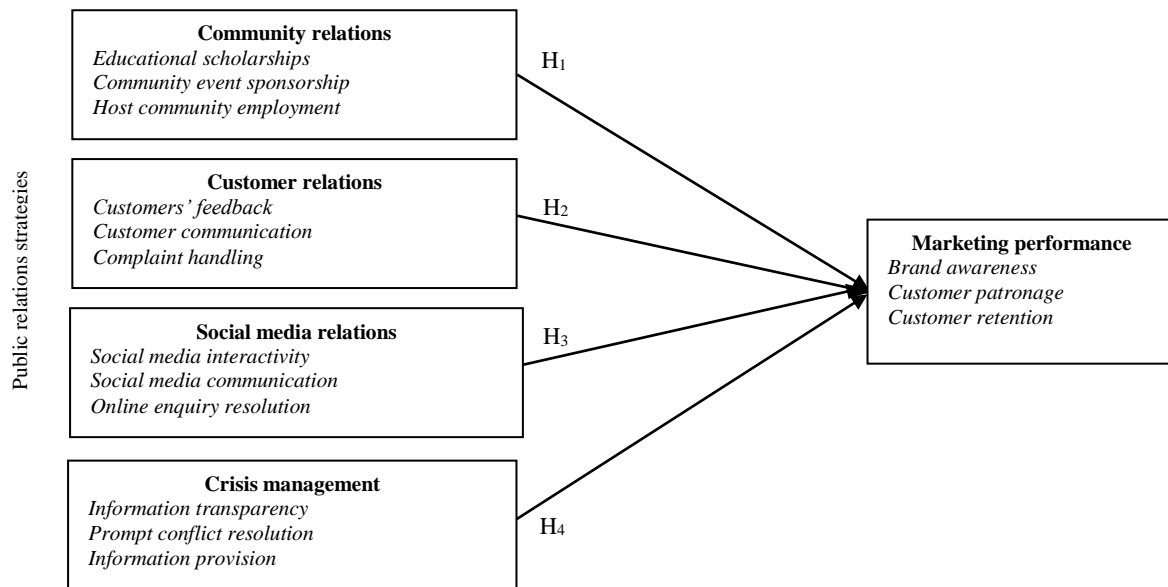


Figure 1. Conceptual model of the study

Source: Independent variables adapted from Ugwoke (2019)

3. Materials and methods

This study applied cross-sectional survey research design, which facilitated the one-time collection of data required for analysis and findings generation. The population of the study comprised all customers of commercial banks in Calabar, Nigeria; and given that the population figure was numerically unknown, a sample size of 185 was statistically determined through the Topman sample size determination method. Using a convenience sampling technique, 185 bank customers were identified for inclusion in the questionnaire survey. An adapted structured questionnaire was the instrument employed to obtain primary data from bank customers in this study. The instrument had a 5-point Likert scale containing pre-determined multiple-choice responses to statements drawn from the variables of the study. Through a rigorous authority-vetting approach, the questionnaire was confirmed to validly measure the variables developed for this study; whereas, Cronbach's alpha reliability method was employed for reliability testing. As can be seen in Table 1, all measurement scales on the questionnaire yielded Cronbach's alpha coefficients ranging from 0.7 and above, thereby indicating that the instrument was internally-consistent; and hence considered suitable for field administration. Consequently, the data obtained were analyzed using simple percentages and frequency tables. For hypotheses testing, we adopted multiple linear regression to verify the extent of influence of each of the four (4) independent variables (community relations, customer relations, social media relations, and crisis management) on the sole dependent variable in this study (marketing performance). The multiple regression model was stated as follows:

$$MKTPERF = a + \beta_1COMREL + \beta_2CUSTREL + \beta_3SMREL + \beta_4CRSMGT + e$$

where:

- MKTPERF = Dependent variable (marketing performance)
- a = The intercept
- $\beta_1, \beta_2, \beta_3, \beta_4$ = Coefficients of the independent variable
- e = Error margin (5 percent)

Hence,

- COMREL = Community relations
- CUSTREL = Customer relations
- SMREL = Social media relations
- CRSMGT = Crisis management

Table 1. Cronbach’s Alpha Coefficient reliability estimate for the study instrument

S/n	Variables	No of items	Reliability
1.	Community relations	3	0.762
2.	Customers’ relations	3	0.745
3.	Social media relations	3	0.700
4.	Crisis management	3	0.756
5.	Marketing performance	3	0.726

Source: Authors’ computation via SPSS, 2021

4. Results and discussions

4.1. Results

One hundred and eighty-five (185) respondents were surveyed but 175 copies of the questionnaire were completed and retrieved, hence, the working data consisted of 175 responses yielding an overall response rate of 94.6 percent.

Table 2. Respondents’ demographic composition

<i>Demographic</i>	<i>Total</i>	<i>Percent (%)</i>
Gender		
Male	92	52.6
Female	83	47.4
Total	175	100.0
Age		
18 - 24 years	97	55.4
25 - 31 years	26	14.9
32 – 38 years	25	14.3
39 – 45 years	23	13.1
46 and above	4	2.3
Total	175	100.0
Educational status		
FLSC	23	13.1
SSCE	120	68.6
B.Sc/HND	19	10.9
Post Graduate	13	7.4
Total	175	100.0
Marital status		
Single	121	69.1
Married	54	30.9
Total	175	100.0

Source: Authors’ computation via SPSS, 2021

Table 2 presents the demographic profile of the respondents. The table shows that 92 respondents (52.6 percent) were males while females were 83 (47.4 percent). The distribution shows that more males participated in the survey than the females. The table also shows that 97 respondents (55.4 percent) were between the ages of 18 and 24 years; 26 respondents (14.9 percent) were between the ages of 25 and 31 years; 25 respondents (14.3 percent) were between the

ages of 32 and 38years; 23 respondents (13.1percent) were between the ages of 39 and 45 years and 4 respondents (2.3percent) were 46 years and above. The age profile of the respondents indicates that more of young people took part in the survey. Furthermore, the table showed the respondents’ educational level. 23 of the respondents (13.1 percent) were first school leaving certificate holders; 120 respondents (68.6 percent) were in SSCE holders; 19 respondents (10.9 percent) were B.Sc./HND holders while 13 respondents (7.4 percent) were postgraduate degree holders. The marital status of the respondents revealed that 121 (69.1 percent) were single while 54 (30.9 percent) were married. This shows that singles took part in the survey more than the married ones.

Table 3. Normality test result showing the skewness and kurtosis for the dataset

	N	Skewness		Kurtosis	
	Statistic	Statistic	Std. Error	Statistic	Std. Error
Educational scholarship	175	-.297	.128	-.956	.255
Sponsor key event	175	-.508	.128	.421	.255
Employment opportunities	175	-.466	.128	-.537	.255
Customers feedback	175	-.938	.128	.502	.255
Open channel	175	-.879	.128	-1.234	.255
Bank rapidly resolve	175	-1.159	.128	-.659	.255
Bank is interactive	175	-.871	.128	.969	.255
Bank disseminate information	175	-1.404	.128	2.845	.255
Bank uses social media	175	-1.082	.128	.636	.255
Transparent in information	175	-.633	.128	1.468	.255
Fraudulent activities resolve	175	-.397	.128	-.882	.255
Honest information	175	-.938	.128	-1.127	.255
Financial product and services	175	-.491	.128	-1.109	.255
Financial transaction	175	-1.050	.131	.459	.262
Bank services	175	-.795	.129	1.532	.258
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.			.510		
Bartlett's Test of Sphericity	Approx. Chi-Square	455.742			
	df	105			
	Sig	.000			

Source: Authors’ computation via SPSS, 2021

Normality test was performed to determine if the properties of the dataset were normal. According to Davcik (2014), the rule of thumb for normality of data is that the skewness and kurtosis should not exceed +2 and +7 respectively. The result in Table 3 shows that all the constructs satisfied this condition. To further confirm the normality of the dataset, the Kaiser-Meyer-Olkin Measure of Sampling Adequacy (KMO) and Bartlett's Test of Sphericity were executed. The rule of thumb for these tests is that the KMO should be greater than 0.6 and the probability value (p value) should be below 0.05. The result in Table 3 confirmed that the dataset had normal properties.

Table 4. Result of multicollinearity test

Variables	Collinearity Statistics	
	Tolerance	VIF
Community relation	.195	5.120
Customers relation	.819	1.221
Social media relation	.332	3.015
Crisis management	.183	5.457

Source: Author’s computation via SPSS, 2021

Multicollinearity test was executed using Tolerance Value and Variance Inflation Factor (VIF) to see if there are very high inter-correlations or inter-association among the predictor variables. When the tolerances are close to 0, there is high multicollinearity and the standard error of the regression coefficients will be inflated. The rule of thumb is that tolerance should not be less than 0.1 and VIF should not be greater than 10. Most research papers consider a VIF

(Variance Inflation Factor) greater than 10 as an indicator of multicollinearity (Herawati *et al.*, 2018). The result in Table 4 revealed that there were no multicollinearity issues as the tolerance values was above 0.1 and Variance Inflation Factors were less than the threshold value of 10.

4.2. *Test of hypotheses*

Hypothesis one:

Ho: Community relations has no significant effect on the marketing performance of financial service providers.

Hypothesis two:

Ho: Customer relations has no significant effect on the marketing performance of financial service providers.

Hypothesis three:

Ho: Social media relations has no significant effect on the marketing performance of financial service providers.

Hypothesis four:

Ho: Crisis management has no significant effect on the marketing performance of financial service providers.

Independent variables: Community relations, Customer relations, Social media relations, Crisis management.

Dependent variable: Marketing performance of financial service providers in Calabar Metropolis.

Test statistic: Multiple Linear Regression

Table 5. Model summary of the effect of public relations strategies on the marketing performance of financial service providers

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.873 ^a	.762	.757	1.240

a. Predictors: (Constant), Community relations, Customer relations, Social media relations, Crisis management.

b. Dependent Variable: Marketing performance of financial service providers

Source: Authors' computation via SPSS, 2021

Table 6. Analysis of variance (ANOVA) of the effect of public relations strategies on the marketing performance of financial service providers

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	961.015	4	240.254	156.163	.000 ^b
	Residual	300.005	195	1.538		
	Total	1261.020	199			

a. Dependent Variable: Marketing performance of financial service providers

b. Predictors: (Constant), Community relations, Customer relations, Social media relations, Crisis management.

Source: Authors' computation via SPSS, 2021

Table 7. Coefficients of the effect of public relations strategies on the marketing performance of financial service providers

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	4.855	.835		5.812	.000
	Community relations	-.639	.107	-.427	-5.976	.000
	Customer relations	.606	.068	.345	8.945	.000
	Social media relations	-.559	.143	-.237	-3.906	.000
	Crisis management	1.027	.091	.924	11.328	.000

a. Dependent Variable: Marketing performance of financial service providers in Calabar Metropolis.

Source: Authors' computation via SPSS, 2021

Interpretation

A multiple linear regression analysis was performed to determine the effect of public relation strategies on the marketing performance of financial service providers as presented in Tables 5, 6 and 7. The regression results revealed an R value of .873, R-square of .762 and adjusted R-square of .757; all these estimates indicate goodness of fit of the data to the model. The R shows that the relationship between public relations strategies and marketing performance is 87.3 percent. This shows a strong relationship between the variables. The proportion of the variance of the dependent variable (marketing performance) that is explained by the four independent variables is 76.2 percent. The adjusted R-squared value (.757) implies that the independent variables account for 75.7 percent of the marketing performance of financial service providers. The results also show that the four variables tested – community relations, customer relations, social media relations, and crisis management had significant effects on the marketing performance of financial service providers because their p values were less than 0.05, the error margin. However, community relations, and social media relations had negative slope (β), indicating that they negatively influence the marketing performance of financial service providers. Conversely, customer relations, and crisis management had positive slope (β), indicating that they positively affect the marketing performance of financial service providers.

4.3. Discussion of findings

The first finding of the study revealed that community relations had a significant negative effect on the marketing performance of financial service providers in Calabar, because its p-value [community relations (p-value = 0.000)] was less than the error margin of 0.05, with a negative t-test value (-5.976) indicating that the relationship between community relations and marketing performance of financial service providers is a negative one. This means that as financial service providers engaged in community relations initiatives during the time of this research, their marketing performance was negatively affected. This finding contradicts the studies of Anwurum (2018) and Chikwado and Tochukwu (2018), which revealed that community relations had a significant positive correlation with organizational performance. The implication of this finding is that ideally, existing studies have shown that engagements in community relations initiatives by financial service providers had significantly improved marketing performance; but given that this study was conducted during the COVID-19 pandemic, where economic downturns and declines in consumer savings decimated the revenue of financial service providers, most commercial banks in Nigeria, motivated by cost-minimizing objectives, reduced their investments in community relations programmes. The resultant effect of the decline in banks' investment in community relations programmes appears to have negatively affected their marketing performance significantly.

The second finding of the study revealed that customer relations had a significant positive effect on the marketing performance of financial performance of service providers in Calabar, because its p-value [customer relations (p-value = 0.000)] was less than the error margin of 0.05, with a positive t-test value (8.945) indicating that the relationship between customer relations and marketing performance of financial service providers is a positive one. This means that as financial service providers engaged in customer relations programmes during the time of this research, their marketing performance was positively affected. This finding corresponds with the studies of Mzwela and Agomundi (2019) and Ugwoke (2019), which revealed that customer relations had a significant positive effect on the performance of commercial banks. The implication of this finding is that, in line with existing empirical studies, the engagement of financial service providers in customer relations programmes resulted in significant and positive improvements in their marketing performance regardless of the disruptions of the COVID-19 pandemic as of the time of conducting this study.

The third finding of the study revealed that social media relations had a significant negative effect on the marketing performance of financial performance of service providers, because its p-value [social media relations (p-value = 0.000)] was less than the error margin of 0.05, with a negative t-test value (-3.906) indicating that the relationship between social media relations and marketing performance of financial service providers is a negative one. This means that as financial service providers engaged in social media relations initiatives during the time of this research, their marketing performance was negatively affected. This finding contradicts the studies of Ugwoke (2019) and Kwizera (2017), which revealed that social media relations had a significant positive impact on banks' performance. The implication of this finding is that given the COVID-19 pandemic and the resultant movement restrictions imposed on consumers by the Nigerian government as of the time of this research, as commercial banks used social media to communicate and promote their services to customers, account opening, cash deposits and customers' savings did not significantly improve since banking halls were inaccessible by customers and customers were more focused on making it through the pandemic than making financial investments. This may have been the reason for the

significant negative effect of social media relations on the marketing performance of financial service providers. Alternatively, during the pandemic, consumers' priority was surviving the virus and preventing its spread to them or their families, so even though commercial banks used social media to promote their services and relate with customers, consumers may have been less interested in anything other than staying safe and avoiding lethal infection from the virus. This, too, may have been the reason for the significant negative effect of social media relations on the marketing performance of financial service providers.

Finally, the fourth finding of the study revealed that crisis management has a significant positive effect on the marketing performance of financial performance of service providers, because its p-value [crisis management (p-value = 0.000)] was less than the error margin of 0.05, with a positive t-test value (11.328) indicating that the relationship between crisis management and marketing performance of financial service providers is a positive one. This means that as financial service providers engaged in crisis management programmes during the time of this research, their marketing performance was significantly and positively affected. This finding corresponds with the studies of Hassani (2017) and Kwizera (2017), which revealed that crisis management had a significant positive impact on the performance of public universities and commercial banks respectively. The implication of this finding is that, in line with existing empirical studies, the engagement of financial service providers in crisis management resulted in significant and positive improvements in their marketing performance especially because of the need for effective crisis management initiatives by consumers necessitated by the emergence of the COVID-19 pandemic as of the time of conducting this study.

5. Conclusion

Given the growing importance of public relations to financial service providers, several studies have been conducted to determine the effect of public relations strategies on the performance of financial service providers such as commercial banks around the world. Like previous empirical studies, this research aimed to determine the effects of public relations strategies (community relations, customer relations, social media relations and crisis management) on the marketing performance of financial service providers. The study obtained primary data from customers of commercial banks and statistically analyzed the data using the requisite statistical tools. Consequently, in view of the findings of the study, it was concluded that, to a large extent, public relations strategies have significant positive effects on the marketing performance of financial service providers, depending on the circumstances surrounding their implementation. Informed by the findings of the study, relevant practical implications are presented for potential implementation by practitioners in the financial service sector. First, financial service providers such as commercial banks should first and foremost consider their economic capacity and the circumstances of host communities before implementing community relations programmes such as scholarships, event sponsorships and employment opportunities in order to achieve desired objectives. Second, customer relations initiatives, such as communicating with customers, seeking customers' feedback and promptly resolving their enquiries and complaints, should be implemented by financial service providers in order to encourage customer patronage and retention, which may improve overall marketing performance. Third, to mitigate the high costs of traditional media of communication, financial service providers should utilize social media platforms such as Facebook, Twitter, Instagram and LinkedIn to maintain cordial and mutually-beneficial relations with customers in order to improve their corporate image, customers' preference and patronage, which may enhance overall marketing performance. Finally, it is essential for financial service providers to be proactive towards potential crises and effectively manage emerging crises confronting them through transparent and credible information sharing with their publics during service failures or potential fraudulent incidents so as to build customers' trust and encourage customer patronage.

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