

CUSTOMER RELATIONSHIP MANAGEMENT PRACTICES AND CUSTOMER RETENTION AMONG NEW GENERATION COMMERCIAL BANKS IN AKWA IBOM STATE, NIGERIA

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DOI: <https://doi.org/10.70118/ajbam-01-2026-002>

ABSTRACT

Consumer retention poses a significant challenge for new generation commercial banks in Akwa Ibom State, Nigeria, as fierce competition and evolving consumer expectations necessitate enhanced customer relationship management techniques. This research investigated the impact of relationship management practices on customer retention in new generation commercial banks in Akwa Ibom State, Nigeria. The study aimed to assess the influence of customer engagement, communication quality, and customer trust on customer retention. A survey study approach was employed, and primary data were gathered using a structured questionnaire. A sample of 384 customers was extracted from an infinite population utilising Cochran's Sample Size formula. The data was analysis using regression techniques. The findings indicated that all three dimensions of customer relationship management practices (customer engagement, communication quality, and customer trust) exert a strong positive influence on customer retention in new-generation commercial banks in Akwa Ibom State, Nigeria. The authors concluded that customer engagement, communication quality, and customer trust are essential factors influencing customer retention in new-generation commercial banks in Akwa Ibom State, Nigeria. Based on findings, it was recommended that New-generation commercial banks in Akwa Ibom State should prioritise and actively improve customer engagement techniques, including personalised communication, loyalty programs, and interactive digital platforms, as these methods substantially promote customer retention. The banks are also encouraged to adopt a holistic communication enhancement strategy that prioritises clarity, timeliness, and responsiveness across all customer contacts, including digital platforms, call centres, and in-branch engagements. The study further recommended that prioritise the establishment of customer trust via clear communication, consistent service delivery, and robust relationship management, as trust is fundamental to retention and enduring loyalty.

Keywords: Customer Relationship Management Practices, Customer Engagement, Communication Quality, Customer Trust, Customer Retention.

INTRODUCTION

The Nigerian banking sector has experienced significant transformation in recent decades owing to deregulation,

globalization, and swift technological progress. The advent of new-generation commercial banks has transformed the competitive environment by introducing

contemporary service delivery channels, innovative financial products, and customer-centric procedures. These advancements have heightened competition and raised customer expectations regarding service quality, efficiency, and personalized interaction. In this context, customer retention has emerged as a strategic necessity for banks aiming to maintain profitability, stability, and long-term growth (Sakariya, 2016). Consequently, customer relationship management (CRM) has become a crucial strategic instrument for attaining customer loyalty and retention.

Globally, CRM has evolved as a key driver of business performance across sectors, with firms leveraging it to understand and anticipate customer needs, enhance service quality, and cultivate loyalty. Studies reveal that effective CRM practices—including personalized communication, customer engagement initiatives, and trust-building measures significantly improve customer retention and brand equity in competitive markets (Santosh & Prakash, 2025; Mittal & Sahu, 2025). Similarly, in Africa, and particularly in Nigeria, CRM has gained prominence as banks and other service-oriented industries recognize the necessity of fostering long-term relationships to mitigate competitive pressures and sustain profitability (Njuguna & Mirugi, 2017; Jakpa, 2024).

Effective CRM entails understanding and fulfilling customer requirements, sustaining robust customer relationships through exemplary service and feedback integration, and promoting transparent communication and trust (Odonkor et al., 2024). Research suggests that relationship management enhances service delivery by improving operational procedures, service quality, and customer value, thereby providing a competitive advantage (Njuguna & Mirugi, 2017). Additionally, strong relationship management promotes resilience by fostering transparent communication, trust, and mutual support, which in turn strengthens customer loyalty and reduces churn (Odonkor et al., 2024). Three dimensions—customer engagement, communication quality, and customer trust—are widely recognized as fundamental factors influencing customer loyalty and retention (Santouridis & Veraki, 2017; Hapsari et al., 2020).

Customer engagement reflects the emotional and behavioral commitment exhibited by customers toward a service provider, encompassing involvement, advocacy, and emotional attachment beyond mere transactions (Udeh, 2025). In the Nigerian banking sector, engagement is facilitated through digital platforms, including mobile banking, loyalty programs, and feedback systems that promote interactive experiences. Communication quality, in contrast, refers to the clarity, timeliness, and accuracy of information exchanged between banks and clients (Moliner-Tena, 2019; Levy, 2020). Effective communication enhances transparency, reduces ambiguity, and builds confidence, particularly in regions such as Akwa Ibom State, where disparities in technological literacy and access to digital services can influence customer experiences (Etuk, 2018; Igbaji et al., 2024). Customer trust—the belief in a bank's reliability and integrity—remains essential in an industry historically plagued by bank failures and unethical practices (Szustak & Szweczyk, 2020). New-generation banks have endeavored to restore trust through clear policies, enhanced service reliability, and secure digital operations.

Despite these developments, customer retention remains a formidable challenge in Nigeria's increasingly competitive banking sector. Many banks prioritize technological innovation and marketing strategies while overlooking the relational and psychological factors that foster enduring loyalty. Research indicates that while digital banking enhances convenience, it does not inherently generate emotional connections or long-term loyalty (Süer et al., 2025; Prisca & Odili, 2025). Customer retention, the ability of an organization to maintain its existing clientele over time by ensuring ongoing satisfaction and continuous patronage, is therefore vital. Maintaining existing customers ensures satisfaction and personalized service, is more cost effective than acquiring new customers, and mitigates adverse outcomes such as lost business and negative word of mouth. Retention can be achieved by delivering exceptional value, ensuring customer satisfaction, and implementing differentiated marketing strategies that balance short term

tactics with long term approaches (Albérico & Casaca, 2024; Weinstein, 2018).

In the banking sector, characterized by intangible services and fierce competition, customer retention is more cost-efficient than customer acquisition. Nigerian new-generation commercial banks have adopted innovative marketing and digital strategies to enhance customer experiences and foster long-term loyalty. However, sustainable customer retention relies not solely on technological advancement but also on effective CRM practices that strengthen emotional and psychological bonds between banks and their clients (Melodi et al., 2012; Akintunde & Akaighe, 2016).

This study aims to investigate the impact of relationship management methods on customer retention in contemporary commercial banks in Nigeria, while situating the analysis within global and national CRM practices and their influence on the banking industry.

Statement of the Problem

Low customer retention continues to pose a significant concern for new generation commercial banks in Akwa Ibom State, Nigeria. Notwithstanding sophisticated technologies and a plethora of banking alternatives, numerous customers persist in changing banks or terminating accounts. This problem is frequently associated with deficient customer relationship management, encompassing insufficient customer engagement, inadequate communication, and diminished trust between banks and customers. The repercussions include diminished profitability, increased marketing and operational expenses, and a compromised competitive edge. These challenges lead to reduced customer loyalty, decreased customer lifetime value, and adverse word-of-mouth, jeopardising the viability of these banks.

Although several empirical studies have examined customer retention and customer relationship management within the banking sector, existing findings are largely drawn from developed economies and major commercial centres, with limited evidence from new generation banking environments such as Akwa Ibom State. Furthermore, many of these studies either focus broadly on

customer satisfaction and service quality or treat relationship management as a single construct, thereby providing insufficient empirical insight into how specific relationship management practices influence customer retention. In addition, prior empirical findings remain inconsistent, with varying conclusions regarding the strength and direction of the relationship between customer relationship management and customer retention.

Consequently, there is a paucity of empirical evidence that specifically investigates the factors and consequences of inadequate customer retention in new generation commercial banks in Akwa Ibom State, particularly from the perspective of relationship management. This gap in the literature necessitates a context-specific empirical investigation to better understand the role of relationship management in enhancing customer retention within the banking sector in Akwa Ibom State, Nigeria.

Objective of the study

The primary objective of the study was to examine the influence of customer relationship management practices on customer retention in new generation commercial Banks in Akwa Ibom State, Nigeria.

The specific objectives were to:

- I. assess the effect of customer engagement on customer retention in new generation commercial Banks in Akwa Ibom State, Nigeria.
- ii. Investigate the influence of communication quality on customer retention in new generation commercial Banks in Akwa Ibom State, Nigeria.
- iii. examine the effect of customer trust on customer retention in new generation commercial Banks in Akwa Ibom State, Nigeria.

Statement of Hypotheses

- Ho₁: Customer engagement has no significant effect on customer retention in the new generation commercial banks in Akwa Ibom State, Nigeria.
- Ho₂: Communication quality does not play a significant role in customer retention among the new generation commercial banks in Akwa Ibom State, Nigeria.
- Ho₃: There is no significant effect of customer trust on customer retention

in the new generation commercial banks in AkwaIbom State, Nigeria.

REVIEW OF RELATED LITERATURE

Relationship management Practices

Customer Relationship management in banking is a strategic method aimed at cultivating trust-based, enduring customer relationships to improve satisfaction, loyalty, and profitability. Relationship managers act as the principal conduit between banks and customers, providing customised financial counsel and solutions. By comprehending consumers' goals and ensuring regular communication, banks synchronise their offers with customer requirements, cultivating trust and loyalty (Sakariya, 2016; Budiastuti, 2023). Technology and data analytics are essential, since Customer Relationship Management (CRM) systems monitor interactions, preferences, and behaviours. Digital tools facilitate communication and transactions, allowing for more personalised and efficient services (Lambie, 2020). In addition to enhancing service quality, relationship management facilitates revenue expansion and risk reduction. Managers recognise cross-selling opportunities and oversee financial health to foresee issues, so augmenting trust, safeguarding reputation, and increasing profitability. Effective relationship management combines personalised service, technology, and strategic risk management for enduring success (Santikian, 2014; Sakariya, 2016).

Customer Engagement

Customer engagement in the banking sector constitutes a strategic framework that enables financial organisations to cultivate enduring connections and provide personalised experiences across several touchpoints, hence fostering loyalty, satisfaction, and profitability (Giebe et al., 2025). In the digital era, banks utilise data analytics, mobile applications, and social media to offer customised financial solutions, immediate assistance, and emotionally resonant connections (Agarwal, 2024). Effective engagement transcends mere transactions, highlighting proactive communication and value-enhancing offerings. Predictive analytics empowers banks to foresee consumer requirements, provide tailored advice, and identify fraudulent activities, thereby cultivating trust and enduring loyalty.

Moreover, omnichannel strategies guarantee cohesive and uniform experiences across digital, mobile, and in-branch platforms (Moliner-Tena, 2019; Ayyapparajan, 2025). Through the integration of technology, data-driven insights, and personalised service, banks enhance relationships, increase client loyalty, and attain sustainable development in a competitive market (Rane, 2023).

Communication Quality

The quality of communication denotes the efficacy of information sharing, characterised by clarity, correctness, timeliness, and responsiveness. In banking, proficient communication is essential for establishing trust, guaranteeing consumer satisfaction, and upholding regulatory compliance. Essential components include clarity, accuracy, promptness, and responsiveness facilitate the communication of intricate financial information to varied clientele, minimising misunderstandings and blunders while bolstering loyalty (Shrestha et al., 2019).

It enhances operational efficiency by facilitating seamless collaboration between banks and external stakeholders. Transparent articulation of loan conditions, expenses, and risks facilitates informed decision-making, reduces conflicts, and guarantees adherence to regulations. The emergence of digital banking necessitates continuous accurate communication across platforms to maintain engagement (Shrestha et al., 2019; Grennan, 2019; Alam, 2025). However, challenges such as secrecy and legal constraints may impede communication quality (Nagachevska et al., 2023).

Customer Trust

Customer trust is essential in banking, signifying confidence in a bank's honesty, proficiency, and dependability. In high-risk, intangible transactions, customer depend on ethical conduct, transparency, and integrity (Pristiyono et al., 2022). Digital banking amplifies the necessity for cybersecurity, data privacy, and system stability (Yousefi & Nasiripour, 2015). Financial institutions that guarantee robust data security and reliable digital services cultivate confidence, whereas breaches rapidly diminish it. Trust functions at the institutional level; adherence to legislation, corporate social responsibility, and transparent communication improve public impression. Upholding trust is a moral and

strategic necessity, enhancing consumer loyalty, fortifying brand reputation, and ensuring financial stability (Bachmann et al., 2011; Manimalar & Sudha, 2016).

Customer Retention

Customer retention in the banking sector denotes a financial institution's ability to sustain long-term relationships by regularly meeting customers' financial needs. It is a crucial factor in profitability, as retaining current consumers is less costly than recruiting new ones. Retention relies on trust, service quality, personalised experiences, and convenience, aspects increasingly shaped by improvements in digital banking (Milan et al., 2015; Widjaya et al., 2024).

Effective retention strategies include relationship management, loyalty programs, and proactive communication. Banks utilise data analytics and Customer Relationship Management (CRM) systems to assess client behaviour, predict needs, and reduce attrition. Customised offerings, diligent service, and financial advising assistance foster loyalty, while transparent pricing and swift issue resolution build confidence (Rane et al., 2023). Sustained retention enhances institutional reputation, stability, and enduring customer value, fostering sustainable growth and competitive resilience, (Kachhala, 2025)

Theoretical Framework

This study is based on Social Exchange Theory, initially proposed by George Homans (1958) and further developed by Blau (1964). The theory posits that human interactions are motivated by the pursuit of rewards and the avoidance of costs, emphasising reciprocity, trust, and mutual benefit. Within organisations, individuals assess their contributions relative to expected returns, thereby promoting cooperation and sustained engagement (Borige & Shailaja, 2024).

Applying to relationship management, the theory provides a framework for establishing long-term, trust-based connections by fostering perceived fairness and mutual value. Organisations that prioritise transparent communication, recognition, and resource sharing cultivate stakeholder loyalty and commitment (St. John *et al.*, 2013). Consequently, Social Exchange Theory serves as a solid foundation for comprehending how reciprocity and relational equity enhance partnerships and organisational performance (Borige & Shailaja, 2024).

Empirical Review

Abang et al. (2025) investigated the relationship between relationship management strategies and customer retention practices in Nigerian microfinance banks. The study adopted a descriptive correlational research design to examine how relationship management influences customer loyalty. The population consisted of 400 customers from microfinance banks in Calabar Metropolis, Cross River State, Nigeria, all of whom had been actively engaged with the banks for at least one year. To ensure representation across various customer subgroups, stratified random sampling was employed. Data were collected using a structured questionnaire titled Relationship Management Strategies and Customer Retention in Microfinance Banks (RMSCRQ). The study applied both descriptive and inferential statistical techniques, including frequency distribution, mean, standard deviation, Pearson's correlation, and regression analysis, to test hypotheses and analyze the data. The findings revealed significant relationships between relationship management strategies and customer retention, with customer engagement practices emerging as a positive predictor of retention. Based on these results, the study concluded that implementing effective relationship management strategies is crucial for enhancing customer retention in Nigerian microfinance banks.

Santosh and Prakash (2025) examined the role of Customer Relationship Management in enhancing customer retention, particularly in competitive markets where retaining existing customers is more cost-effective than acquiring new ones. The study adopted a descriptive survey research design and used a questionnaire as the primary instrument for data collection. Descriptive statistical tools such as mean, standard deviation, and frequency were employed to summarize the data, while inferential statistical techniques including correlation, regression, and chi-square tests were used to test the hypotheses. The findings revealed that effective implementation of Customer Relationship Management has a positive and significant impact on customer retention. The study concluded that when Customer Relationship Management is integrated into a customer-focused strategy, it significantly

enhances customer retention and overall business performance. The authors recommended continuous optimization of Customer Relationship Management practices and suggested further research on the integration of artificial intelligence and machine learning technologies in CRM systems.

Udodiugwu et al. (2024) conducted a comprehensive study to examine the influence of customer engagement on customer retention at Guaranty Trust Bank Plc, with a focus on the Asaba region of Delta State, Nigeria. The study adopted a cross sectional survey research design and employed a structured questionnaire as the primary data collection instrument. Data were collected from a total of 417 respondents, comprising both bank staff and customers. Inferential statistical techniques, including regression analysis were utilized to test the study hypotheses with the aid of SPSS version 25. The findings revealed that various dimensions of customer engagement exert a significant and positive influence on customer behavior. Specifically, the results demonstrated that customer engagement has a strong and positive effect on customer retention. Based on these findings, the study concluded that effective customer engagement is a critical determinant of customer retention in the banking sector. The researchers therefore recommended that Guaranty Trust Bank should invest more in employee training to ensure the effective and efficient utilization of customer relationship management systems..

Rusnawati et al. (2025) similarly discovered that successful corporate communication at Labbaik Chicken, Indonesia, cultivates trust, loyalty, and favourable customer experiences, advocating for integrated communication and product quality management to achieve competitive differentiation.

Pisarska et al. (2025) examined the relationships between organizational trust, eudaimonic well-being, and digital well-being among IT professionals in Poland and Italy. The study employed a quantitative research design using a structured, self-administered questionnaire available in both Polish and Italian. The sample included 243 public sector IT employees (116 in Poland and 127 in Italy), comprising administrative staff, IT specialists, and mid-level managers with varying levels of work experience. The findings indicated that

organizational trust significantly enhances eudaimonic well-being, particularly in Poland, where the fast-paced, innovation-driven IT sector increases the demand for psychological safety and stability. Organizational trust was also found to positively influence digital well-being in both countries. It recommends that company owners, managers, and policymakers prioritize organizational trust to promote sustainable and healthy work environments in the digital era..

METHODOLOGY

The study employed a survey research approach, suitable for the efficient collecting of quantifiable data from a specified population, facilitating the analysis and inference of correlations among the study variables. The target population comprised retail customers of selected new generation commercial banks in Akwa Ibom State, including Globus Bank, Sun Trust Bank, Parallax Bank, and Premium Trust Bank. These banks are categorised as new generation because of their focus on digital banking, innovation, and customer-oriented service. Due to the dispersed and unrestricted nature of the customer base, coupled with the absence of an official customer registration, the precise population size was deemed unknown or infinite. The sample size was calculated using Cochran's formula for an infinite population, with a 95% confidence level and a 5% margin of error:

$$n_0 = \frac{Z^2 pq}{e^2}$$

Where:

$Z = 1.96$ for 95% confidence

$p =$ estimated proportion

$q = 1 - p$ (0.5)

$e =$ margin of error (0.05)

$$n_0 = \frac{1.96^2 \times 0.5 \times 0.5}{0.05^2} = \frac{3.8416 \times 0.25}{0.0025} = 384.16$$

This yielded a sample size of 384 respondents. To account for potential non-responses, the sample was increased to approximately 400 respondents.

A multiple-stage sampling technique was used for the study. First, a purposive sample strategy was employed to choose banks having a significant presence in Akwa Ibom State, accessibility, and elevated customer turnover. A convenience sampling method was then employed to select respondents from

customers in the selected bank branches who satisfied the eligibility criteria: being 18 years or older, having an active account for a minimum of six months, and consenting to participate in the study. This method

guaranteed the selection of participants had sufficient expertise and engagement with the bank to evaluate its relationship management practices.

Table 1: The total sample of 400 respondents was proportionately distributed across the four banks based on customer inflow as follows:

Globus Bank	120
Sun Trust Bank	100
Parallex Bank	100
Premium Trust Bank	80
Total	400

Source: Researcher compilation, 2025

Data were obtained using a structured questionnaire that utilised a 5-point Likert scale, with responses ranging from 1 (Strongly Disagree) to 5 (Strongly Agree). Prior to distribution, the questionnaire was pilot tested with 25 participants to ensure clarity, reliability, and internal consistency. The comments from the pilot research was employed to improve the instrument. To ensure content validity, the questionnaire was reviewed by professionals in marketing, human resource management, and banking, whose feedback allowed for the development

of specific portions to appropriately cover the constructs being investigated. A Cronbach's Alpha test was performed on the pilot data, and a reliability coefficient of 0.70 or above was declared satisfactory for internal consistency. The hypotheses were tested using a simple linear regression analysis.. This technique was appropriate for determining the predictive power and impact of each relationship management variable on customer retention. The analysis used SPSS with a 5% significance threshold ($p < 0.05$)

The empirical model was developed to address the three research objectives and corresponding hypotheses:

$$CR = f(CE) + \mu \dots\dots\dots(1)$$

$$CR = \beta_0 + \beta_1 CE + \mu \dots\dots\dots(2)$$

$$CR = f(CQ) + \mu_1 \dots\dots\dots(3)$$

$$CR = \beta_0 + \beta_2 CQ + \mu \dots\dots\dots(4)$$

$$CR = f(CT) + \mu \dots\dots\dots(5)$$

$$CR = \beta_0 + \beta_3 CT + \mu \dots\dots\dots(4)$$

Where:

CR = Customer Retention

CE = Customer Engagement

CQ= Communication Quality

β_0 = Intercept or regression constant

β_1 – β_3 = Regression coefficients

μ_1 = Error term

DATA PRESENTATIONS, ANALYSIS AND FINDINGS

Data Presentation

The data collected were presented in table using regression analysis. However, out the 400 copies of questionnaire distributed across

selected new generation commercial banks, 374 copies were filled and returned which indicated 93.5% response rates and tested using 95% confident level with alpha value of 0.05 level of significant in social sciences.

Test of Hypotheses

Hypothesis 1

Table 2: The Simple linear Regression Analysis on the significant influence of Customer Engagement on Customer Retention of New Generation Commercial Banks In Akwa State, Nigeria

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.894 ^a	.799	.798	.31850

ANOVA^a

Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	150.178	1	150.178	1480.422	.000 ^b
Residual	37.838	373	.101		
Total	188.016	374			

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	.493	.107		4.600	.000
	Customer Engagement	.893	.023	.894	38.476	.000

Source: Researcher's Computation (2025)

Table 2 demonstrates a substantial impact of customer interaction on customer retention within new generation commercial banks in Akwa Ibom State, Nigeria. The model accounts for 79.9% of the variance in customer retention ($R^2 = .799$), with customer engagement exhibiting a significant positive

effect ($\beta = .893, p < .05$). This indicates that a one-unit rise in customer involvement results in a 0.893-unit increase in customer retention. The model's goodness of fit is validated by the F-statistic ($F = 1480.422, p < .05$), indicating its appropriateness for evaluating the relationship. As a result, the null hypothesis is

rejected, leading to the conclusion that customer interaction has a considerable and

positive impact on customer retention in these banks.

Hypothesis 2

Table 3: The Simple linear Regression Analysis on the significant influence of Communication Quality on Customer Retention of New Generation Commercial Banks In Akwa State, Nigeria

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.968 ^a	.937	.936	.17885

ANOVA^a

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	176.085	1	176.085	5504.963	.000 ^b
	Residual	11.931	373	.032		
	Total	188.016	374			

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.090	.063		-1.420	.156
	Communication Quality	1.019	.014	.968	74.195	.000

Source: Resercher’s Computation (2025)

Table 3 indicates that communication quality significantly enhances customer retention in new-generation commercial banks in Akwa Ibom State, Nigeria. The regression analysis reveals a R² of 0.937, indicating that communication quality accounts for 93.7% of the variance in customer retention. The beta coefficient ($\beta = 1.091$) indicates that a one-unit enhancement in communication quality results

in a 1.091-unit increase in customer retention. The model's goodness of fit is validated by an F-statistic of 5504.963 ($p < 0.001$), signifying that the model is suitable for evaluating this relationship. Since the F-value and p-value are below the 0.05 significance threshold, the null hypothesis is rejected, indicating that communication quality significantly improves customer retention in these banks.

Hypothesis 3

Table 4: The Simple linear Regression Analysis on the significant influence of Customer Trust on Customer Retention of New Generation Commercial Banks In Akwa State, Nigeria

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.916 ^a	.839	.839	.59106

ANOVA^a

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	679.681	1	679.681	1945.550	.000 ^b
	Residual	130.308	373	.349		
	Total	809.989	374			

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.270	.076		3.555	.000
	employeeTrust	.924	.021	.916	44.108	.000

Table 4 indicates that customer trust significantly positively affects customer retention in new-generation commercial banks in Akwa Ibom State, Nigeria. The model accounts for 83.9% of the variance in customer retention ($R^2 = .839$), with a robust positive beta coefficient ($\beta = .924$), signifying that a one-unit increase in customer trust results in a .924-unit increase in customer retention. The model's adequacy is validated by a highly significant F-value of 1945.550 ($p < .000$). Since the F- and p-values are below the 0.05 significance criterion, the null hypothesis is rejected. Consequently, consumer trust is demonstrated to substantially improve customer retention in the analysed institutions.

Discussion of Findings

The results for hypothesis one indicate that customer engagement is a statistically significant predictor of customer retention in new-generation commercial banks in Akwa Ibom State ($T = 38.476$, $p < .05$). The very high T value demonstrates a strong effect of customer engagement on retention, while the significant p-value confirms that this relationship is not due to chance. This affirms that customer involvement plays a crucial role in retaining customers, although other factors

such as service quality, pricing, and technological innovation may also contribute to retention outcomes. These findings are consistent with Udodiugwu et al. (2024), who found that customer engagement positively influences customer behaviour at GTBank Asaba. Similarly, Abang et al. (2025) reported that relationship management strategies enhance customer retention, with engagement serving as a key component. Collectively, these studies underscore that effective customer interaction is vital for sustaining long-term relationships and achieving competitive advantage in the banking sector.

The results for hypothesis two indicate that communication quality is a statistically significant predictor of customer retention in new-generation commercial banks in Akwa Ibom State ($T = 38.476$, $p < .05$). The very high T value reflects a strong effect of communication quality on customer retention, while the significant p-value confirms that this relationship is not attributable to chance. This suggests that clear, timely, and responsive communication plays a critical role in fostering customer loyalty, although other factors such as service delivery, trust, and technological support may also influence

retention outcomes. These findings are consistent with Rusnawati et al. (2025), who found that transparent and responsive communication enhances consumer trust and loyalty in Indonesia's Labbaik Chicken. Similarly, Abang et al. (2025) reported that communication-driven relationship management significantly improves client retention in Nigerian microfinance institutions. Collectively, these studies underscore that effective communication is essential for shaping customer perceptions, strengthening engagement, and sustaining long-term relationships in the banking sector.

The results for hypothesis three indicate that customer trust is a statistically significant predictor of customer retention in new-generation commercial banks in Akwa Ibom State, Nigeria ($T = 44.108, p < .000$). The very high T value demonstrates a strong effect of customer trust on retention, while the significant p-value confirms that this relationship is not due to chance. This affirms that trust plays a crucial role in retaining customers, although other factors such as service quality, pricing, and technological innovation may also influence retention outcomes. These findings are consistent with Abang et al. (2025), who found that relationship management and client involvement substantially enhance retention in Nigerian microfinance organisations. Similarly, Rusnawati et al. (2025) reported that transparent corporate communication fosters trust and loyalty in Indonesia's fast-food industry, while Pisarska et al. (2025) showed that organisational trust improves employee well-being and engagement in Europe. Collectively, these studies highlight that customer trust is a central factor linking relationship quality to long-term retention in financial services.

CONCLUSION AND RECOMMENDATIONS

This study's findings indicate that customer engagement, communication quality, and customer trust are essential factors influencing customer retention in new-generation commercial banks in Akwa Ibom State, Nigeria. The data indicate that these parameters jointly explain a significant amount of the variance in customer retention, highlighting their strategic significance. Communication quality appeared as the

primary predictor, followed by customer trust and engagement. These results emphasise that effective communication, trust cultivation, and meaningful customer engagements are crucial for enhancing loyalty and preserving long-term relationships in a competitive financial landscape.

Based on the discussion of findings, it was recommended that:

- i. New-generation commercial banks in Akwa Ibom State should prioritise and actively improve customer engagement techniques, including personalised communication, loyalty programs, and interactive digital platforms, as these methods substantially promote customer retention. By cultivating profound and significant contacts with customers, banks may ensure enduring loyalty, diminish attrition, and sustain a competitive edge in the swiftly transforming banking industry.
- ii. New generational commercial banks in Akwa Ibom State should adopt a holistic communication enhancement strategy that prioritises clarity, timeliness, and responsiveness across all customer contacts, including digital platforms, call centres, and in-branch engagements. By upholding superior communication standards, banks can markedly elevate client happiness and loyalty, thereby enhancing customer retention.
- iii. New generation banks in Akwa Ibom State must prioritise the establishment of customer trust via clear communication, consistent service delivery, and robust relationship management, as trust is fundamental to retention and enduring loyalty. This fosters confidence in the bank's dependability, fortifies emotional connection, and amplifies customer loyalty and profitability.

Limitations of the Study

While this study provides valuable insights, it has several limitations. First, the reliance on self-reported surveys may introduce response bias; however, this was mitigated by ensuring respondent anonymity and using well-structured, validated questionnaires to reduce social desirability

bias. Second, the use of convenience sampling limits generalizability, but efforts were made to include participants from diverse demographic backgrounds to enhance representativeness.

The study primarily focused on customer engagement, communication quality, and trust, potentially overlooking other relevant factors such as service quality and digital experience. To address this, the research incorporated exploratory questions and a literature review to contextualize findings within the broader service ecosystem. Additionally, the cross-sectional design limits causal inference; nevertheless, robust statistical analyses, including correlation and regression, were used to identify significant associations and trends that provide meaningful insights.

Lastly, the study concentrated on a few new-generation banks, limiting

applicability to older or larger Nigerian financial institutions. To mitigate this, the research highlighted similarities and differences with existing literature on traditional banks, offering a basis for cautious generalization while recommending future studies to cover a wider range of institutions.

Suggestions for Future Studies

Future research should use a longitudinal design to assess the causal impact of relationship management on customer retention. Probability sampling can increase sample size and variety across states and banking categories while adding constructs such as customer satisfaction, digital service quality, brand loyalty, and perceived value, so improving generalizability. Using mixed techniques can provide more thorough insights into relationship management and customer retention in Nigeria's banking business.

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