Journal of Economics, Finance and Management Studies

ISSN (print): 2644-0490, ISSN (online): 2644-0504

Volume 08 Issue 09 September 2025

Article DOI: 10.47191/jefms/v8-i9-51, Impact Factor: 8.317

Page No: 6400-6417

The Role of Social Media in the Operations of Commercial Banks: A Case Study of Lagos State, Nigeria

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ABSTRACT: Social media has become an essential tool for banks to connect with customers shaping trust, satisfaction, loyalty, and even the decision to stay or switch banks. This study examined how commercial banks in Lagos State use platforms like Facebook, Twitter/X, and Instagram to engage customers and influence their perception. Using a quantitative design, data were gathered from 158 active social media users through a structured questionnaire. Stratified sampling captured diverse demographics while statistical tools such as regression, and hypothesis testing were applied.

The findings indicated that Facebook remains the dominant platform for customer–bank interactions, followed by Twitter/X and Instagram. Promotional and educational posts were found to drive stronger customer engagement that entertainment-focused content. More importantly, social media interactions significantly boost trust and satisfaction while lowering the chances of customers switching banks. The study recommends that banks tailor strategies to each platform and prioritize delivering value-driven content to build and strengthen lasting customer relationship.

KEYWORDS: Brand awareness, Customer engagement, Customer retention, Digital responsiveness, social media

1.0 INTRODUCTION

In the digital era, social media has transformed the nature of communication, information dissemination, and consumer behaviour, increasingly overtaking traditional media platforms (Bruhn and Schäfer, 2012). Globally, its influence is evident in the dramatic rise of internet usage from 2.17 billion users in 2012 to over 5.56 billion in 2025, representing approximately 69% of the world's population (Statista, 2025; World Digital Report, 2022). With individuals spending an average of two hours daily on social platforms (Abbott, 2017), businesses across sectors are compelled to adapt their communication and engagement strategies to remain competitive.

This transformation is especially pronounced in the banking industry, where social media is reshaping the nature of customer interaction. Banks are no longer confined to physical branches or traditional communication channels. As Parashar and Rasiwala (2018) observe, banks are transitioning from transactional models to relationship banking, leveraging social media to deepen customer engagement, promote loyalty, and improve brand perception. According to Nigeria Inter-Bank Settlement System (NIBSS) (2022), digital channel transactions rose to over 5.2 billion in 2021, with mobile and internet platforms playing a central role in banking. Nigeria's internet penetration stands at over 50%, and platforms such as Facebook, Twitter (X), and Instagram are increasingly used by banks for customer support, public relations, and marketing (Okonkwo and Obinna, 2023). Reports from the Central Bank of Nigeria (CBN) emphasize the importance of digital innovation in banking, but also highlight the challenges of regulatory gaps, infrastructural limitations, and digital literacy (CBN, 2022).

Despite this evolution, few empirical studies have critically examined how social media engagement directly influences the growth of banks in Nigeria, particularly from the perspectives of customer trust, brand loyalty, service efficiency, switching behavior, and overall revenue growth. Existing literature predominantly draws from developed economies, where digital infrastructure and consumer behaviour differ significantly from the Nigerian context (Luo et al., 2013; Gunarathne et al., 2018). Furthermore, while some Nigerian studies have assessed the role of digital platforms in service delivery, there remains a limited focus on how banks strategically use social media analytics to gain competitive insights or enhance customer retention (Iwuchukwu and Onwuka, 2022; Uduji and Nnabuko, 2020).

Global banks have leveraged social media for personalized banking, behavioral marketing and data mining but Nigerian banks still struggle with regulatory issues, cybersecurity risks and customer trust in digital platforms, hence creating the need for a deeper exploration into whether the digital visibility of banks truly translates to measurable institutional growth in the Nigerian context. Moreover, there is limited empirical evidence on how social media analytics are being applied by Nigerian banks to support decision-making, customer segmentation, or product innovation. These gaps are critical, given the intensifying competition within the Nigerian financial sector and the shifting preferences of a digitally active customer base.

The use of social media as a tool for financial literacy and inclusion remains unexploited, raising concerns over whether banks are maximizing the developmental potential of their digital platforms. Despite the high social media presence of Nigerian commercial banks, there is little empirical evidence linking their digital engagement to actual customer base expansion or even deposit growth. Most Nigerian commercial banks lack a structured framework for measuring the ROI of social media campaigns, leading to irregular investment and an ambiguous strategic approach. Although Nigerian banks utilize social media for customer service, there is little evidence to suggest that this has really enhanced customer satisfaction or decreased visits to physical branches. Additionally, a gap exists between the content strategies on social media and the actual banking services offered, which could contribute to digital fatigue and a decline in customer trust.

This study aims to identify the relationship between social media engagement and customer base expansion in Nigerian commercial banks. It highlights the most preferred social media platforms and content types, and how they align with core banking models to shape brand perception. From this study, the extent to which social media contributes to revenue growth and deposit mobilization was assessed. By localizing the inquiry and applying empirical methods, this research intends to contribute to the body of knowledge on digital banking transformation in emerging markets. (Bankole, 2018; Vorobey et al., 2022).

To address these research questions, the study establishes the following null hypothesis;

1. H_{01}: There is no statistically significant relationship between a bank's social media engagement and customer loyalty, customer base growth, deposit levels, and revenue.
2. H_{02}: There is no statistically significant difference in customer satisfaction between customers who interact with the bank via social media platforms and those who use traditional service channels.

2.0 LITERATURE REVIEW

2.1 Conceptual Review

1. Customer Engagement and Brand Awareness

Social media platforms offer banks unprecedented opportunities to engage with their customers. Engagement on social media can foster stronger relationships between banks and their clients, leading to increased customer loyalty. According to a study by Ainin et al. (2015), banks that actively engage with customers on social media platforms such as Facebook and Twitter see higher levels of customer satisfaction and loyalty. The interactive nature of social media allows banks to provide timely responses to customer inquiries and feedback, enhancing the overall customer experience. Recent studies have reinforced these findings. A study by Wang et al. (2021) found that social media engagement positively influences customer trust and loyalty, which are crucial for retaining customers in a competitive market. The study highlighted that interactive content and personalized communication are key drivers of customer engagement.

2. Marketing and Promotional Activities

Social media has become an essential marketing tool for banks, enabling them to reach a broader audience with targeted campaigns. Banks use social media platforms to promote new products, services, and promotional offers. Kaplan and Haenlein (2010) emphasized that social media marketing allows banks to tailor their messages to specific customer segments, resulting in more effective marketing outcomes.

The COVID-19 pandemic accelerated the adoption of digital marketing strategies, including social media marketing. According to a study by Ananda et al. (2023), banks significantly increased their social media marketing efforts during the pandemic to reach customers who were increasingly relying on digital channels for their banking needs. The study highlighted that social media campaigns focusing on empathy and support were particularly effective in retaining customers during the crisis. Recent studies have highlighted the effectiveness of social media in driving customer acquisition and retention.

3. Customer engagement and Retention

The integration of social media into customer service operations has transformed the way banks handle customer support. Social media platforms provide a convenient and efficient channel for customers to seek assistance and resolve issues. A study by Gunarathne, Rui, and Seidmann (2018) found that banks utilizing social media for customer support experienced higher levels of customer satisfaction and quicker resolution times. In recent years, the use of chatbots and AI-driven customer service on social media has gained traction. According to a study by Raguseo, Vitari, and Pigni (2020), banks that implemented AI chatbots on their social media platforms saw a significant reduction in response times and an improvement in customer satisfaction. These AI tools can handle a large volume of inquiries simultaneously, providing customers with immediate assistance and freeing up human agents to handle more complex issues.

4. Digital Responsiveness

Digital platforms serve as valuable channels for disseminating information and enhancing financial literacy among customers. Banks use social media to share educational content, such as financial tips, investment advice, and tutorials on banking services. According to a study by Luo, Zhang, and Duan (2013), the dissemination of financial knowledge through social media can empower customers to make informed financial decisions. Digital responsiveness or social media adaptability enhances customer experience, builds trust and Loyalty, reduces branch traffic, and strengthens brand image. However, Nigerian banks face such challenges as Limited Human resources (resulting in slow or repeated chatbot responses), High volume of enquiries, Inconsistent technical Infrastructure, and Cybersecurity concerns.

The role of social media in promoting financial literacy has become even more critical in recent years. During the COVID-19 pandemic, many banks used social media to provide information on financial relief programs and digital banking services. A study by Ebrahim (2019) established that the effort made by banks to educate customers through social media about digital banking options and financial management during the pandemic led to increased adoption of online banking services.

5. Definition and Evolution of social media

Social media can be broadly defined as digital platforms that facilitate the creation, sharing, and interaction of user-generated content through online communities and networks. Kaplan and Haenlein (2010) define social media as “a group of Internet-based applications that build on the ideological and technological foundations of Web 2.0, allowing the creation and exchange of user-generated content.” The evolution of social media began in the late 1990s with platforms like SixDegrees and Friendster, progressing to more sophisticated and interactive platforms such as Facebook, Twitter (now X), and Instagram. These platforms have transitioned from merely social interaction tools to critical infrastructure for communication, marketing, and customer relationship management (Appel et al., 2020).

Types of Social Media Platforms

Social media platforms are categorized based on their primary functionality. Boyd and Ellison (2007) identify social networking sites (e.g., Facebook, LinkedIn), microblogging platforms (e.g., X/Twitter), media sharing platforms (e.g., Instagram, YouTube), and content communities (e.g., Reddit). In the commercial banking sector, platforms like Facebook are often used for promotional content and service announcements, Twitter for real-time customer support and public relations, Instagram for brand storytelling and community building, and LinkedIn for professional engagement and corporate reputation management (Naylor et al., 2012; Okonkwo and Obinna, 2023).

Social Media Usage Statistics Globally and in Nigeria

As of early 2024, over 5.04 billion people worldwide use the internet, with approximately 4.76 billion active social media users, accounting for nearly 60% of the global population (Datareportal, 2024). In Nigeria, digital engagement is on the rise, with more than 36 million active social media users, primarily accessing platforms via mobile devices (Statista, 2023). According to Iwuchukwu and Onwuka (2022), Nigerian banking customers increasingly turn to social media for updates, inquiries, and transactional support, particularly among the digitally native younger generation.

Trends in Business Use of social media

There has been a notable shift in how businesses, including banks, use social media, moving from passive marketing to interactive, customer-driven engagement. Businesses now use social media for brand visibility, reputation management, feedback collection, and real-time service delivery (Luo et al., 2013). The integration of AI, chatbots, and predictive analytics into social media strategies has further enhanced customer interaction and operational efficiency (Gunarathne et al., 2018). In Nigeria, banks such as GTBank and Zenith Bank leverage platforms like Instagram and X to launch financial literacy campaigns and support digital service adoption (Uduji and Nnabuko, 2020)

Adoption of social media by Banks (Globally and in Nigeria)

Globally, banks have increasingly embraced social media as a strategic channel for enhancing customer engagement, streamlining communication, and offering financial education. In developed economies, financial institutions such as JPMorgan Chase, Barclays, and Bank of America actively use platforms like LinkedIn, Twitter, and Facebook to connect with customers, respond to queries, and promote financial products (Appel et al., 2020). In Nigeria, the adoption of social media by banks has grown significantly over the last decade, driven by increased internet penetration, mobile phone usage, and a youthful, tech-savvy population (Okonkwo and Obinna, 2023). Institutions such as GTBank, Zenith Bank, and First Bank maintain active social media presence, integrating it into customer service, marketing, and brand management strategies (Uduji and Nnabuko, 2020).

Impact on Bank Performance and Growth

The strategic use of social media can have a significant impact on the overall performance and growth of banks. Studies have shown that banks with a strong social media presence tend to perform better in terms of customer acquisition, retention, and profitability. According to Pentina, Zhang, and Basmanova (2013), banks that effectively leverage social media for marketing and customer engagement experience higher growth rates compared to those that do not. A study by Alalwan et al. (2018) examined the impact of social media on the financial performance of banks in the Gulf Cooperation Council (GCC) countries. The study found that social media engagement positively influenced banks' return on assets (ROA) and return on equity (ROE). The authors attributed this to the ability of social media to enhance customer engagement, improve brand perception, and facilitate effective marketing strategies. Social media analytics provide banks with valuable insights into customer behavior and preferences. By analyzing social media data, banks can identify emerging trends, monitor customer sentiment, and refine their strategies to better align with customer needs. This data-driven approach to decision-making enhances the bank's ability to innovate and stay competitive in the market. Generally, it has been proven that engaged customers are more likely to recommend the services of their banks to friends and family. They remain loyal and are willing to explore other products, leading to revenue growth.

Challenges and Considerations

While the benefits of social media for banks are substantial, some challenges need to be addressed. Privacy and security concerns are among the primary challenges, as banks must ensure the protection of customer data when using social media platforms. According to a study by Kapoor et al. (2018), banks must implement robust security measures and develop clear policies to manage social media interactions securely.

Another challenge is the need for continuous monitoring and management of social media activities. Banks must allocate sufficient resources to manage their social media presence effectively and respond promptly to customer inquiries and feedback. Failure to do so can result in negative customer experiences and damage to the bank's reputation.

A recent study by Sun, Zhang, and Zhu (2020) highlighted the importance of regulatory compliance in social media usage by banks. The study found that banks need to navigate complex regulatory landscapes to ensure their social media practices comply with industry standards and legal requirements. Non-compliance can result in significant penalties and reputational damage.

Use of social media for Key Banking Functions

- **Customer Service**

Social media has transformed the way commercial banks manage customer service. Instead of relying solely on call centers or physical branches, banks now respond to inquiries, complaints, and feedback in real time via Twitter, Facebook Messenger, and Instagram Direct. Gunarathne et al. (2018) found that social media platforms improve customer service responsiveness and satisfaction by offering round-the-clock support. In Nigeria, customers often use X (formerly Twitter) to escalate complaints and receive direct assistance from bank representatives (Iwuchukwu and Onwuka, 2022).

- **Marketing and Promotions**

Commercial banks employ social media to market new products and services, promote savings and credit schemes, and launch digital campaigns. According to Luo et al. (2013), targeted social media marketing contributes to increased brand visibility and consumer engagement. Nigerian banks have used Instagram and Facebook to promote mobile banking apps, e-wallet services, and loyalty programs aimed at younger demographics (Uduji and Nnabuko, 2020).

- **Relationship Management**

Social media allows commercial banks to build long-term relationships by engaging with customers through personalized content, live chats, financial education posts, and interactive Q and A sessions. This humanized interaction fosters trust and emotional connection, which are critical for retention and loyalty (Pentina et al., 2013). In the Nigerian context, banks leverage WhatsApp Business and Instagram Stories to maintain close relationships with tech-savvy and mobile-first users.

- **Public Relations and Brand Image**

Banks use social media to manage public perception and maintain brand image, especially during crises or service downtimes. Timely posts, apologies, and updates on platforms like Twitter help mitigate negative customer sentiment and restore trust (Kaplan and Haenlein, 2010). During the COVID-19 pandemic, Nigerian banks used Facebook Live and Instagram to reassure customers and communicate safety protocols, contributing to customer reassurance and brand loyalty (Ananda et al., 2023).

Role of Social Media Analytics in Banking

The rise of social media analytics has enabled banks to monitor customer sentiment, assess campaign effectiveness, and gather real-time feedback. Through tools such as sentiment analysis, banks can evaluate how customers perceive their services, identify trending issues, and adapt their communication strategies accordingly (Raguseo et al., 2020). In Nigeria, banks increasingly use analytics to track engagement metrics and customer satisfaction, leading to more data-driven decision-making and improved digital strategies (Manzira and Bankole, 2018).

Definitions and Indicators of Banking Growth

Bank growth refers to the sustained expansion in a financial institution's scale, performance, and competitiveness over time. According to Khan and Senhadji (2001), banking growth can be understood through both quantitative and qualitative metrics that reflect financial performance, customer outreach, and operational innovation. Key indicators include:

- **Customer Base Expansion:** Growth in the number of customers signifies a broader reach and stronger market penetration. A larger customer base also implies increased transaction volumes and service utilization (Okonkwo and Obinna, 2023).
- **Deposit Grow**th: The accumulation of customer deposits is one of the most traditional measures of banking growth, reflecting customer trust and financial stability (Statista, 2023).
- **Profitability**: Metrics such as return on assets (ROA), return on equity (ROE), and net interest margin (NIM) are widely used to assess profitability and long-term viability (Raguseo et al., 2020).
- **Market Share:** Growth in market share is indicative of competitive advantage, product differentiation, and customer loyalty. In emerging economies, this is also influenced by geographic and demographic coverage (Manzira and Bankole, 2018).
- **Digital Engagement Metrics**: In the digital era, banks increasingly rely on digital KPIs such as mobile app downloads, online transaction volume, and social media engagement as indicators of brand relevance and customer interaction (Appel et al., 2020; Uduji and Nnabuko, 2020).

Factors Influencing Bank Growth in Nigeria

- **Regulatory Environment:** The Central Bank of Nigeria (CBN) plays a central role in shaping growth through interest rate policies, capital adequacy requirements, cash reserve ratios, and digital banking regulations. Regulatory reforms, such as the introduction of the Bank Verification Number (BVN) and open banking frameworks, have stimulated innovation while enforcing compliance (Iwuchukwu and Onwuka, 2022).
- **Economic Conditions:** Macroeconomic variables like inflation, unemployment, and exchange rate volatility impact consumer borrowing, savings behavior, and investment levels, which in turn affect bank performance (Ananda et al., 2023). Economic downturns often reduce profitability, while periods of stability promote deposit growth and expansion.
- **Technological Advancement**: Digital transformation, including mobile banking, automated teller machines (ATMs), and social media integration, has redefined customer service and contributed significantly to bank growth. Banks that have embraced fintech innovation and data analytics demonstrate greater agility and customer retention (Luo et al., 2013; Gunarathne et al., 2018).

The Shift from Traditional to Digital Banking

The banking sector has witnessed a paradigm shift from traditional, branch-centric operations to a digitally driven model that prioritizes convenience, speed, and accessibility. This transformation has been driven by technological advancements, changing customer expectations, and competitive pressures from fintech startups. According to Khan and Senhadji (2001), the evolution of banking has moved through phases from physical banking to online banking, and now to fully integrated digital ecosystems. In Nigeria, this transition is evident in the decline of physical branch visits and the increasing reliance on mobile banking apps, USSD services, and digital wallets (Uduji and Nnabuko, 2020). The COVID-19 pandemic further accelerated this shift, pushing banks to adopt contactless and remote service delivery models (Ananda et al., 2023).

Integration of social media with Other Digital Tools

Social media is no longer a standalone marketing tool but is increasingly integrated into broader digital infrastructures such as mobile banking apps, customer relationship management (CRM) systems, and data analytics platforms. This integration facilitates seamless two-way communication and enhances personalization. For instance, many Nigerian banks now embed social media support options within their mobile apps and websites, allowing customers to engage with service agents via WhatsApp or Twitter without leaving the banking interface (Iwuchukwu and Onwuka, 2022). Social media platforms also provide real-time feedback that is channeled into CRM systems to refine service delivery and support product development (Gunarathne et al., 2018). This cross-channel integration ensures that customer interactions are recorded, analyzed, and acted upon in a timely and strategic manner.

Omnichannel Strategies and Customer Experience

An effective omnichannel strategy combines digital, social, and physical service touchpoints to deliver a consistent and personalized customer experience. Appel et al. (2020) argue that customers now expect unified interactions across platforms, whether they engage through social media, mobile banking apps, ATMs, or in-branch visits. Nigerian banks that have adopted omnichannel strategies, such as GTBank and Access Bank, use unified dashboards, AI-enabled chatbots, and integrated marketing campaigns to maintain consistency and reduce customer friction. Omnichannel approaches not only improve convenience and satisfaction but also contribute to increased trust, loyalty, and digital engagement, a critical growth lever in a competitive banking environment (Luo et al., 2013).

Downsides of Social Media

- **Cybersecurity and Privacy Issues**

As banks deepen their reliance on social media for customer engagement, concerns surrounding cybersecurity and data privacy have intensified. Social media platforms, by their very nature, are vulnerable to phishing attacks, impersonation, data breaches, and malware distribution (Luo et al., 2013). Financial institutions that engage customers on open platforms must implement rigorous authentication protocols and data encryption measures to prevent the leakage of sensitive customer information. In Nigeria, where cybersecurity infrastructure is still evolving, banks face heightened exposure to digital threats due to inconsistent enforcement of data protection laws and a lack of user awareness (Manzira and Bankole, 2018).

- **Misinformation and Reputational Risk**

Social media's open-access nature exposes banks to reputational risks, particularly from the rapid spread of misinformation and unverified claims. Negative comments or false information, such as fake promotions or fraudulent loan schemes, can go viral within minutes, damaging brand credibility and customer trust (Kaplan and Haenlein, 2010). Iwuchukwu and Onwuka (2022) note that Nigerian banks have experienced reputational crises triggered by fake news or misinterpreted service changes, leading to public outrage and mass complaints on platforms like Twitter. Without a robust crisis communication plan, such incidents can erode customer loyalty and brand equity.

- **Regulatory Compliance (CBN Guidelines or Lack Thereof)**

Although the Central Bank of Nigeria (CBN) has provided broad regulations for digital financial services, specific guidelines on social media usage and digital marketing remain limited. This regulatory vacuum creates ambiguity for banks, which must navigate between engaging customers and ensuring compliance with ethical advertising, consumer protection, and financial disclosure norms. The absence of formal guidelines on acceptable digital conduct leaves room for inconsistencies in customer targeting, data use, and dispute resolution (Okonkwo and Obinna, 2023).

- **Operational Limitations in Nigerian Banks**

Infrastructural and organizational barriers further constrain the effective use of social media in Nigerian banking. Challenges include inconsistent internet connectivity, limited access to reliable digital tools in rural areas, and internal staff capacity to manage digital engagement (Uduji and Nnabuko, 2020). Moreover, digital literacy among customers remains uneven, with many users lacking the technical proficiency to verify sources, use secure platforms, or engage meaningfully with financial content online (Ananda et al., 2023).

Social Media Marketing Strategies in Financial Services

- **Paid vs. Organic Content Strategies**

Social media marketing in the financial sector typically involves a combination of paid advertising (sponsored posts, promoted tweets, targeted campaigns) and organic content (unpaid posts, customer engagement, storytelling). Paid strategies enable precise audience targeting based on demographic, behavioral, and interest data, and often yield quicker visibility and conversion (Appel et al., 2020). Organic strategies, on the other hand, are more cost-effective and support brand authenticity and long-term relationship building. Nigerian banks like GTBank and Access Bank use organic posts to share financial education, respond to customer queries, and run hashtag challenges, while also investing in paid ads to promote new digital services and app features (Okonkwo and Obinna, 2023). Striking the right balance between paid and organic content is crucial for building trust and driving engagement in the regulated financial environment.

- **Influencer Marketing in Finance**

Though traditionally associated with fashion and lifestyle sectors, influencer marketing has found its place in finance through partnerships with trusted voices such as personal finance bloggers, fintech advocates, and financial advisors. According to Uduji and Nnabuko (2020), financial institutions increasingly collaborate with "finfluencers" on Instagram and YouTube to demystify banking concepts, promote financial literacy, and reach younger audiences. In Nigeria, micro-influencers with niche financial followings are used to drive savings campaigns, app adoption, and investment awareness, often framed around relatable, everyday financial goals. This strategy is especially effective in enhancing message credibility and connecting emotionally with digitally-native customers (Pentina et al., 2013).

Campaign Success Measurement (Key Performance Indicators – KPIs)

Evaluating the impact of social media marketing in banking requires a robust set of key performance indicators (KPIs). Common KPIs include engagement rate (likes, shares, comments), reach and impressions, click-through rate (CTR), customer acquisition cost (CAC), and conversion metrics such as new account openings or app downloads (Appel et al., 2020; Raguseo et al., 2020). Nigerian banks have also started adopting more advanced analytics tools for sentiment analysis, customer journey mapping, and

A/B testing to optimize their campaigns (Manzira and Bankole, 2018). Real-time performance dashboards enable marketing teams to adjust messaging and targeting dynamically, ensuring cost-efficiency and audience relevance.

6. The Nigerian Banking Sector

Overview of Bank Types: Commercial Banks, Microfinance Banks, and Others

Nigeria's banking system is composed of several categories of financial institutions regulated primarily by the Central Bank of Nigeria (CBN). The major players include Commercial Banks, which provide full-service banking to individuals and corporations; Microfinance Banks, which target underserved populations and small-scale enterprises; Development Finance Institutions, which fund infrastructure and industrial projects; and Non-Interest (Islamic) Banks, which operate based on Sharia principles (CBN, 2023). Among these, commercial banks dominate the digital banking space due to their extensive infrastructure, customer base, and investment in digital transformation (Okonkwo and Obinna, 2023). However, microfinance banks are also increasingly adopting mobile platforms to improve financial inclusion in rural and semi-urban communities.

Digital Adoption in Nigerian Banking

Digital banking in Nigeria has witnessed exponential growth in the past decade, driven by mobile phone penetration, fintech collaboration, and evolving customer expectations. Banks have adopted USSD banking, mobile apps, internet banking portals, and chatbots to improve customer experience and operational efficiency. According to Uduji and Nnabuko (2020), digital banking services accounted for over 80% of all banking transactions in urban areas by 2020. Social media, as an extension of digital services, is now leveraged for product promotion, customer support, and real-time communication, particularly among younger demographics (Iwuchukwu and Onwuka, 2022). The synergy between core banking systems and social platforms is enabling a new era of digital engagement.

Customer Behavior and Expectations in Nigeria

Nigerian banking customers are increasingly digitally active, mobile-first, and sensitive to speed, convenience, and transparency in service delivery. A significant segment of the population, especially those between ages 18–35, expects banks to be responsive on social media, deliver personalized content, and provide real-time updates on services (Ananda et al., 2023). Customers are also quick to escalate unresolved issues publicly via platforms like X (Twitter), using banking hashtags to demand accountability. This digital assertiveness has forced banks to integrate social listening and rapid response teams into their customer service infrastructure (Gunarathne et al., 2018).

CBN and NDIC Policies on Digital Transformation and Communication

The Central Bank of Nigeria (CBN) and the Nigeria Deposit Insurance Corporation (NDIC) are key regulators overseeing digital transformation and communication in the banking sector. The CBN has issued several guidelines to promote a cashless policy, electronic payments, cybersecurity, and open banking (CBN, 2022). While there are broad policies on digital channels, specific regulations guiding social media use remain limited. However, banks are required to comply with general advertising and consumer protection rules. NDIC's digital strategy focuses on enhancing depositor awareness, digital literacy, and risk communication through online platforms (NDIC, 2023).

Social Media as Enabler and Pathway to Financial Inclusion and Literacy

The expansion of mobile internet access in Nigeria has positioned social media as a significant enabler of financial inclusion, particularly within Lagos State where connectivity levels are highest. Recent indicators demonstrate sustained growth in social media usage and mobile broadband subscriptions, with over 99% of internet connections occurring via mobile networks (DataReportal, 2025; NCC as cited in Proshare, 2024). This diffusion of connectivity provides banks with an expansive platform for customer engagement, financial education, and digital onboarding.

Government policy and regulatory frameworks also reinforce the centrality of social media in advancing financial inclusion and literacy. The Central Bank of Nigeria's (CBN) National Financial Inclusion Strategy explicitly promotes digital channels as a means of broadening access, which commercial banks have operationalized through social media platforms to extend outreach and education (CBN, 2022). Complementary policies, such as the Cash-less Nigeria initiative and associated restrictions on cash withdrawals, have further necessitated the use of social media to clarify fees, limits, and alternative digital transaction options, thereby reducing customer uncertainty (CBN, n.d.).

Consumer protection regulations likewise mandate transparency and accessibility in financial communication, with banks verified social media accounts now serving as trusted public-facing platforms for disclosure, complaint resolution, and redress (CBN, 2019; CBN, 2023). Moreover, the CBN's broader digital finance agenda including licensing of payment service banks and mobile money operators positions social media as a final communication layer through which awareness, product education, and trust-building activities are conducted (CBN, 2024; World Bank, 2025).

Digital literacy represents a further enabling condition that enhances the capacity of social media to promote both financial literacy and inclusion. The National Digital Literacy Framework aims to equip Nigerians with the skills necessary for effective engagement with digital platforms and safe participation in financial ecosystems (NITDA, 2023). Empirical evidence confirms that social media strengthens the link between financial literacy and financial inclusion; Al-Shami et al. (2024), demonstrate that when individuals and small enterprises actively engage with social platforms, their financial knowledge translates more effectively into practical financial participation. Similar mechanisms are observed among retail consumers in Lagos, where social media facilitates awareness creation (Alabi, et al., 2024), simplifies onboarding through accessible instructional content, and enhances grievance redress mechanisms through interactive, real-time channels.

2.2 Theoretical Review

This study is grounded in two theoretical frameworks that help explain how social media influences customer behavior and contributes to the growth of banks: the Technology Acceptance Model (TAM) and the Customer Relationship Management (CRM) Theory.

1. Technology Acceptance Model (TAM)

The Technology Acceptance Model was originally developed by Fred Davis in 1989 to explain users' acceptance of new technologies. The model posits that two key perceptions, **perceived usefulness** and **perceived ease of use**, determine the extent to which individuals adopt and use technology (Davis, 1989). Over time, the model has been refined to better capture the social and contextual factors influencing technology adoption.

TAM2 (Venkatesh & Davies, 2000) introduced additional variables such as **subjective norm** (social pressure to adopt technology), **image** (enhanced status from use), **job relevance, output quality** and **result demonstrability**. These additions highlight that adoption is not only driven by usefulness and ease of use but also by perceived social expectations and the quality of outcomes.

TAM3 (Venkatesh & Bala, 2008) further expanded the model by incorporating factors that influence ease of use such as **computer self-efficacy, perceptions of external control, computer anxiety** and **perceived enjoyment**

In the context of this study, these updated models provide a richer understanding of why both customers and banks increasingly adopt social media for banking purposes. **For customers,** perceived usefulness (e.g. convenience, speed), ease of use (e.g. intuitive navigation), and social influence (e.g. peers using similar platforms) drive engagement. **For banks**, factors such as brand image enhancement, customer reach and demonstrable service quality play significant roles in their decision to invest in social media platforms. By acknowledging these extended variables, TAM2 and TAM3 offer a comprehensive lens for examining how social media adoption influences customer trust, satisfaction and retention in the Nigerian banking sector.

2. Customer Relationship Management (CRM) Theory

The CRM Theory emerged in the early 1990s as a strategic approach to managing customer interactions and building long-term relationships (Payne and Frow, 2005). The theory asserts that organizations can enhance customer satisfaction and loyalty by maintaining continuous engagement, offering personalized experiences, and incorporating customer feedback into service improvements. In the context of this study, CRM theory supports the argument that social media serves as a powerful tool for relationship-building in the banking sector. Through real-time engagement, targeted content, and responsive communication, banks can deepen customer trust, identify pain points, and foster emotional connection. The theory is particularly relevant to this study because it aligns with the observed impact of social media engagement on customer retention, satisfaction, and ultimately, bank growth.

2.3 Empirical review

Luo et al. (2013) conducted a study in the U.S. that found a significant positive correlation between firm-generated social media engagement and improved financial performance in service-oriented industries, including banking. The study emphasized that banks which invest in two-way social interactions (as opposed to one-sided advertising) tend to experience stronger brand equity and customer loyalty. Similarly, Gunarathne et al. (2018) used a mixed-methods approach to investigate the role of social media in digital customer service. They found that consistent engagement via Twitter and Facebook improved customer satisfaction scores and reduced complaint resolution times.

Uduji and Nnabuko (2020) examined the effects of digital banking tools, including social media, on customer satisfaction among Generation Z users. Their study revealed that prompt responsiveness and informative content on platforms like Instagram and Twitter positively influenced user trust and retention. Iwuchukwu and Onwuka (2022) also investigated how social media platforms are used by Nigerian commercial banks for relationship management. The authors concluded that customer engagement metrics such as likes, comments, and shares are strong predictors of customer loyalty, but highlighted that inconsistent follow-up and unresolved queries often limit the impact of these engagements.

Similarly, Iroakazi, Bello, and Emeje (2022) studied the influence of social media marketing on the performance of small businesses in Lagos, Nigeria. Using quantitative survey data from 150 small business owners, they found that Facebook was the most impactful platform for enhancing sales growth, brand visibility, and customer interaction. Their regression and correlation analyses revealed a strong positive relationship between frequent social media engagement and performance outcomes (r = 0.78 for sales growth; r = 0.74 for brand visibility). Although this study focused on SMEs, the findings underscore the broader relevance of digital engagement across industries including banking where interactive and cost-effective social platforms play a critical role in improving visibility, customer loyalty, and service responsiveness.

Another study by Okonkwo and Obinna (2023) focused on the social media strategies of Nigerian tier-one banks. Their survey of over 200 customers found that educational content and promotional offers were the most engaging types of posts. The study showed that banks with a structured social media strategy experienced increased customer acquisition and a higher percentage of digital service adoption. However, it also noted that infrastructural limitations and regulatory uncertainty constrained the full potential of social media marketing in Nigerian banking. While most studies affirm a positive link between social media engagement and organizational performance, few have simultaneously measured its effect on customer trust, satisfaction, and switching behavior within a single model. This gap justifies the present study, which integrates these dimensions to assess the strategic role of social media in enhancing customer relationships and promoting growth in Nigerian banks.

3.0 RESEARCH METHOD

- **Data Collection and Analysis Procedures**

This study adopted a quantitative research design, using a structured questionnaire to gather data from customers of commercial banks in Lagos State who actively engage with banks on social media. Lagos was selected as the case study because it is Nigeria's commercial hub, with the highest concentration of bank branches, financial technology adoption, and social media penetration, making it representative of urban banking behavior. Respondents were reached via purposive and stratified sampling. Purposive sampling ensured that only individuals who actively followed, interacted with, or used banks' official social media platforms (Facebook, Instagram, Twitter/X, LinkedIn) were included in the survey. Stratified sampling was then applied to capture diversity across demographic subgroups, including gender, age, education, and employment status.

The questionnaire was designed electronically using Google Forms, shared directly with participants through social media channels and online community groups. This approach enabled access to respondents already familiar with banks' social media activities. A total of 158 valid responses were collected. While this sample size may not support national-level generalizations, it is considered adequate for case study analysis of Lagos State, where the findings can offer insights and be cautiously extrapolated to other urban centers in Nigeria

The collected data was analyzed using both descriptive and inferential statistical techniques. Descriptive statistics were used to summarize the demographic characteristics of the sample and the key variables related to social media engagement and bank growth indicators. Inferential statistics, such as correlation analysis and regression analysis, were employed to examine the relationships between social media metrics and financial performance indicators. Statistical software (Excel and SPSS) was used for data analysis to ensure accuracy and efficiency in processing the data. The results were interpreted in light of the research objectives and theoretical framework, drawing meaningful conclusions and implications for the banking industry.

The questionnaire used in this study was designed to capture detailed quantitative data from bank customers actively engaged on social media. The questionnaire comprised four sections, each aimed at addressing specific research objectives:

1. Demographics: This section collected essential demographic information from respondents, including age, gender, education, and employment status.
2. Relationship Between Social Media Engagement and Financial Performance: This section focused on how customers' engagement with the bank's social media platforms influenced their perceptions of the bank's financial performance.
3. Customer Perceptions and Behaviors Influenced by social media: This section explored how social media interactions influenced customer behaviors and perceptions, such as loyalty, satisfaction, and likelihood to recommend the bank.
4. Best Practices and Strategic Implications: This section aimed to identify effective social media strategies and practices that some banks could adopt to enhance customer engagement and business growth.

4.0 FINDINGS AND ANALYSIS

I. Respondents' demographics

The demographic characteristics of the respondents provide a critical context for interpreting the study's findings. The sample is evenly split between males and females, each accounting for 50% of the total of 158 respondents. This gender balance ensures that the results are representative of both male and female perspectives. The age distribution in Table 4.1 indicates that the majority of respondents fall within the 25-34 age group (36.7%), followed by those aged 35-44 (26.6%) and 45-54 (25.9%). The younger (18-24) and older (55-64 and 65+) age groups are less represented, indicating a predominantly middle-aged sample, which is likely reflective of the demographic actively engaged with banking services and social media. A significant proportion of respondents hold a bachelor's degree (52%), with a substantial number also possessing a master's degree (38.7%). This high level of education suggests that the respondents are likely to be well-informed and capable of making sophisticated use of social media and banking services 70.9% of the respondents are employed full-time, followed by 17.1% who are self-employed.

Table 4.1 **Respondent Demographics**

DETAILS	CATEGORY	FREQUENCY	PERCENTAGE%
GENDER	MALE	79	50
	FEMALE	79	50
	TOTAL	**158**	**100**
AGE	18-24	10	6.3
	25-34	58	36.7
	35-44	42	26.6
	45-54	41	25.9
	55-64	6	3.8
	65+	1	0.63
	TOTAL	**158**	**100**
EDUCATION	Highschool or equivalent	5	3.0
	Bachelor's Degree	82	52.0
	Master's Degree	61	38.7
	Doctorate or Professional Degree	10	6.3
	TOTAL	**158**	**100**
EMPLOYEMENT	Employed full-time	112	70.9
	Self-employed	27	17.1
	Unemployed	7	4.4
	Employed part-time	7	4.4
	Student	4	2.5
	Retired	1	0.63
	TOTAL	**158**	**100**

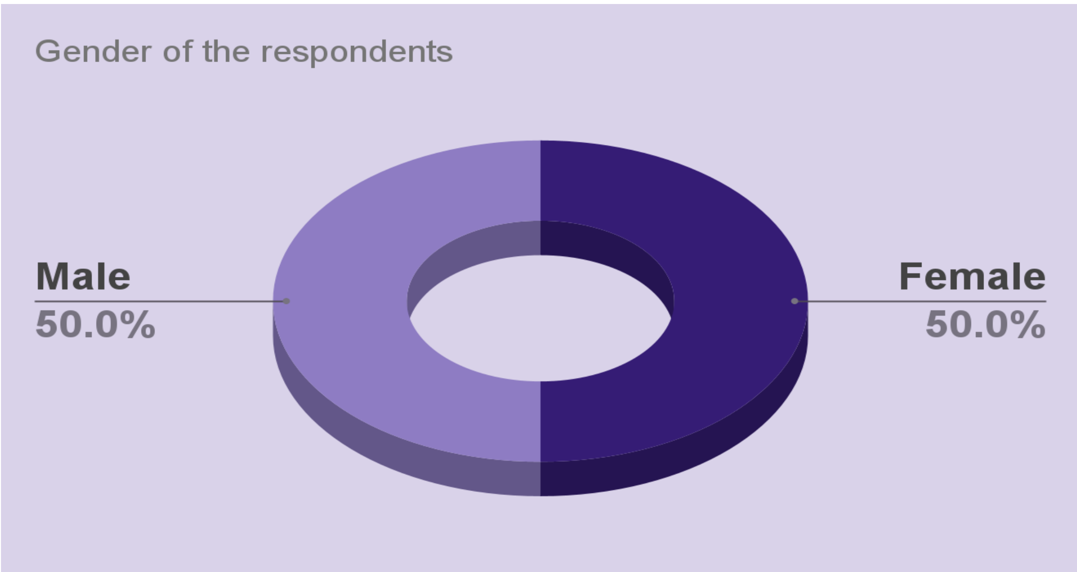

Fig 4.1 Gender of the Respondent (Source: computation from field data (2025)

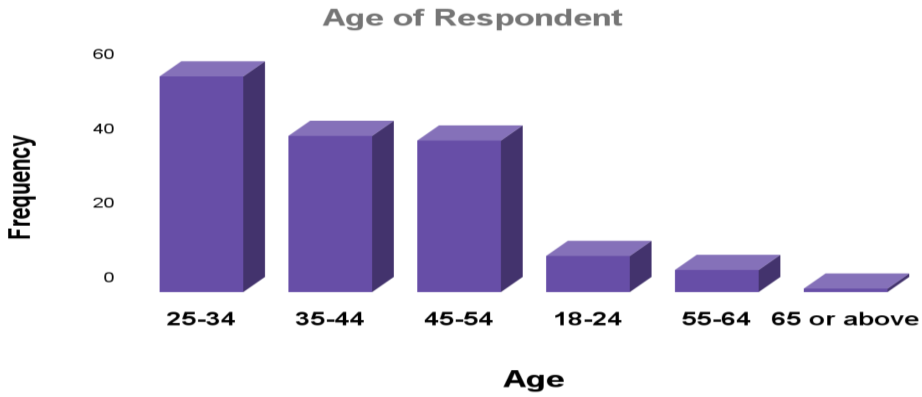

Fig 4.2: Age of the Respondents (Source: computation from field data (2025)

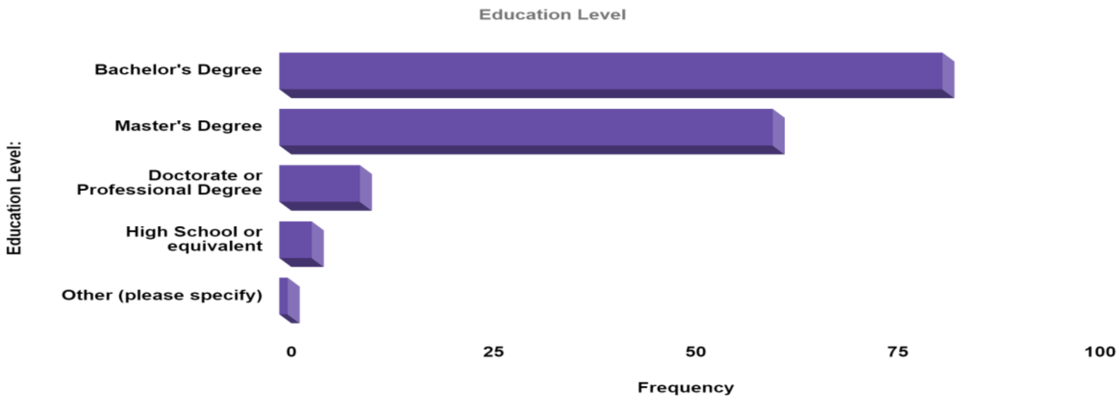

Fig 4.3: Education level of the Respondents (Source: computation from field data (2025)

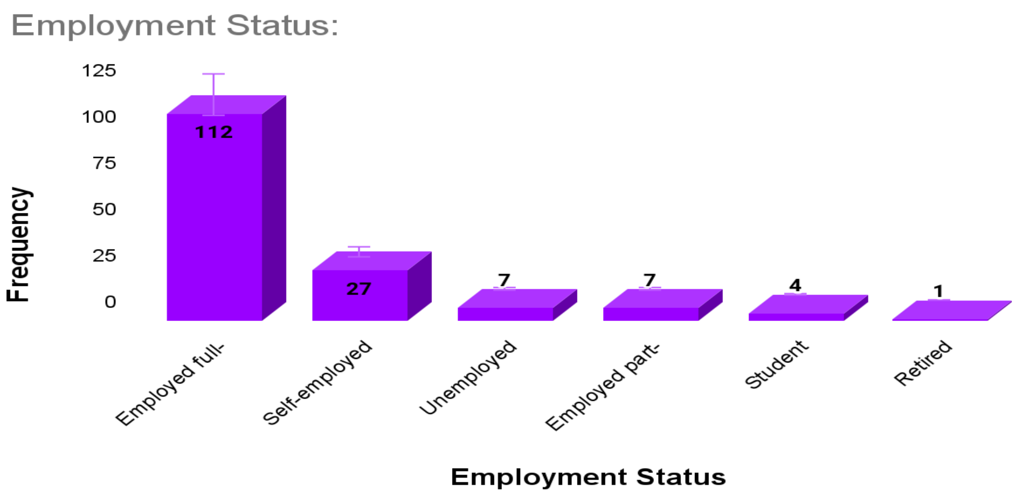

Fig 4.4: Employment status (Source: computation from field data (2025)

II. Social Media Platform Preferences

Table 4.2 shows the analysis of social media platform preferences for complaints according to the respondents' preferences. Facebook is the most preferred platform for engaging with banks, used by 39.9% of respondents. Twitter follows with 30.4%, and Instagram is third at 15.2%. LinkedIn and WhatsApp have smaller user bases among the respondents, with 7.0% and 5.7%, respectively. This preference distribution suggests that banks should prioritize their social media engagement efforts on Facebook, Twitter, and Instagram to maximize reach and customer interaction.

Table 4.2: Social Media Platform Preferences

Social Media Platform	Frequency	Percentage
Facebook	63	39.9%
Twitter	48	30.4%
Instagram	24	15.2%
LinkedIn	11	7.0%
WhatsApp	9	5.7%
Mail	2	1.3%

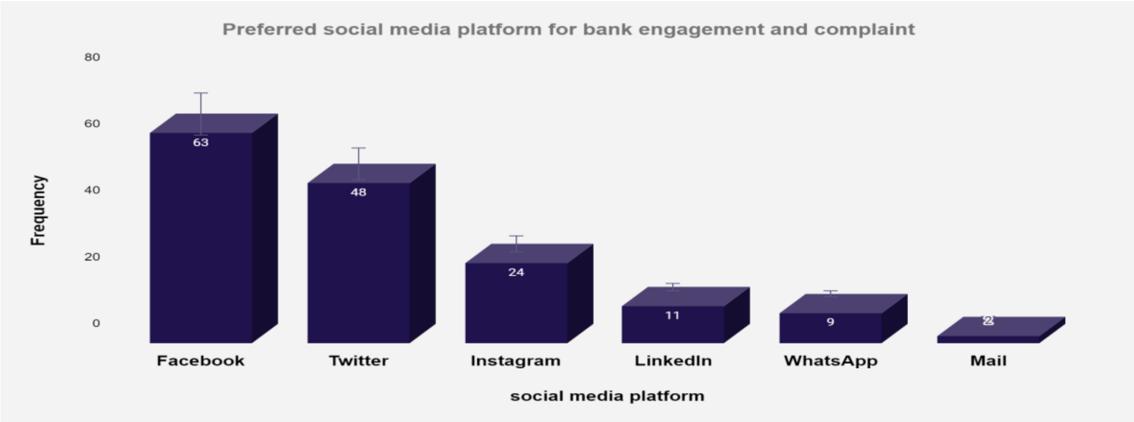

Figure 4.5 Preferred Social Media Platform (Source: computation from field data (2025)

III. Content Preferences

Promotional offers, such as discounts and bonuses, are the most preferred type of social media content, cited by 28.5% of respondents. Educational content, including financial tips and tutorials, is also highly valued (13.3%). A notable portion of respondents (10.1%) prefers a combination of promotional and educational content. This highlights the importance of providing valuable information and incentives to customers through social media channels, which can enhance customer engagement.

Table 4.3. Content Preferences

Content-Type	Frequency	Percentage
Promotional offers (discounts, bonuses)	45	28.5%
Educational content (financial tips, tutorials)	21	13.3%
Educational content (financial tips, tutorials); Promotional offers (discounts, bonuses)	16	10.1%
Educational content (financial tips, tutorials); Promotional offers (discounts, bonuses); Customer testimonials/reviews	15	9.5%
Educational content (financial tips, tutorials); Promotional offers (discounts, bonuses); Customer testimonials/reviews; Interactive polls/quizzes	15	9.5%
Customer testimonials/reviews	12	7.6%
Educational content (financial tips, tutorials); Promotional offers (discounts, bonuses); Interactive polls/quizzes	7	4.4%
Promotional offers (discounts, bonuses); Customer testimonials/reviews	6	3.8%
Educational content (financial tips, tutorials); Interactive polls/quizzes	4	2.5%
Educational content (financial tips, tutorials); Customer testimonials/reviews	3	1.9%
Promotional offers (discounts, bonuses); Customer testimonials/reviews; Interactive polls/quizzes	3	1.9%
Interactive polls/quizzes	3	1.9%
Educational content (financial tips, tutorials); Customer testimonials/reviews; Interactive polls/quizzes	3	1.9%

Skill Training and Entrepreneurship	1	0.6%
Educational content (financial tips, tutorials); Promotional offers (discounts, bonuses); Customer testimonials/reviews; Interactive polls/quizzes; Skill Training and Entrepreneurship	1	0.6%
Actual issue resolution and feedback generation, not banter	1	0.6%

IV. Relationship between social media engagement metrics and bank growth indicators.

The analysis shows strong correlations between social media engagement and several bank growth indicators, including trust in bank information, influence of social media promotions, and likelihood to recommend the bank. Social Media Engagement and Trust in Bank Info: There is a strong positive correlation (r = 0.9), indicating that higher engagement with social media is associated with greater trust in the information provided by banks. Social media Engagement and opened accounts due to social media: There is a moderate positive correlation (r = 0.29), suggesting that social media engagement influences customers to open accounts, although other factors might also play a role. There is a perfect positive correlation (r = 1), indicating that social media promotions are highly effective in engaging customers. There is a perfect positive correlation (r = 1), suggesting that increased social media engagement significantly boosts the likelihood of customers recommending the bank

Table 4.4: Correlation analysis

	Social Media Engagement	Trust in Bank Info	Opened an Account due to social media	Influence of Social Media Promotions	Likelihood to Recommend
Social Media Engagement	1				
Trust in Bank Info	0.9	1			
Opened an Account Due to social media	0.288675135	0	1		
Influence of Social Media Promotions	1	0.9	0.288675135	1	
Likelihood to Recommend	1	0.9	0.288675135	1	1

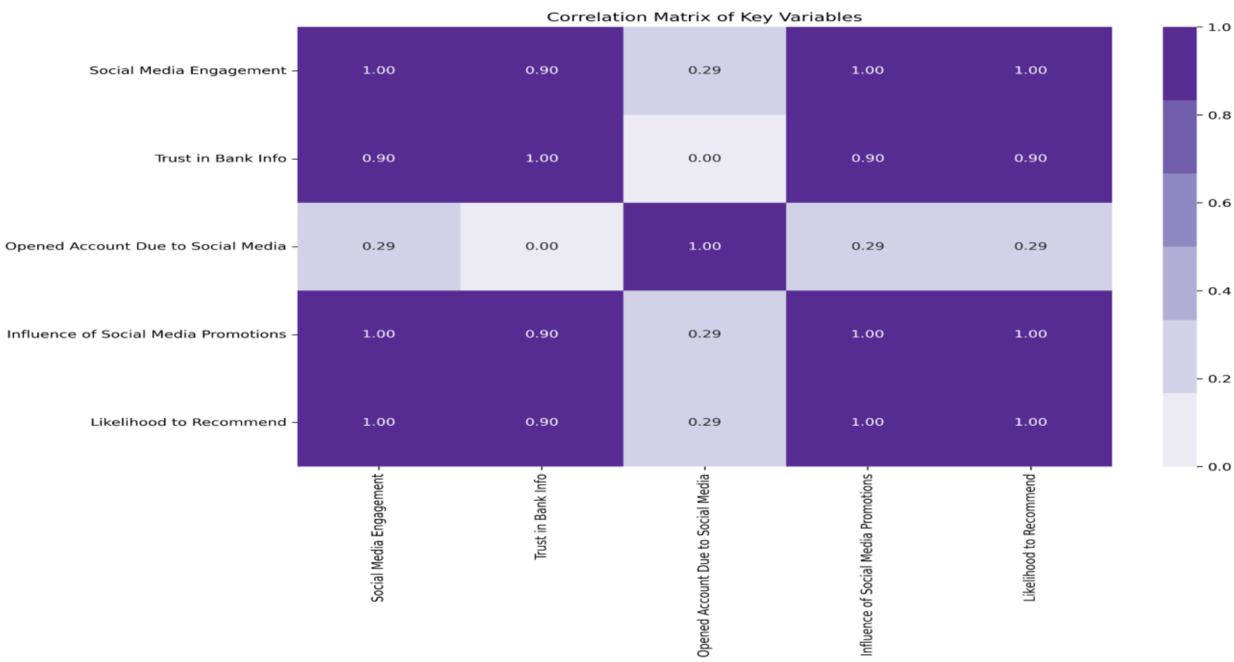

Fig 4.3: Correlation matrix Source: computation from field data (2025)

Variable Definition (Questionnaires)	Variables
Social Media Engagement: How often do you engage with your bank's social media posts? (e.g., like, share, comment)	Social Media Engagement
To what extent do you trust the information provided by your bank's social media accounts?	Trust in Bank Information
Have you ever opened a bank account or applied for a banking product/service based on information or promotions seen on social media?	Opened Account Due to social media
How influential are social media promotions or advertisements in your decision to engage with your bank's products or services?	Influence of Social Media Promotions
On a scale of 1 to 5, how likely are you to recommend your bank's social media	Likelihood to Recommend

V. Factors that significantly impact key outcomes, e.g., influence of social media promotions on trust in bank information and likelihood to recommend

Dependent Variable	Independent Variable	Coefficient (β)	p-value
Trust in Bank Info	Social Media Engagement	0.45	< 0.01
	Influence of Social Media Promotions	0.35	< 0.05
	Likelihood to Recommend	0.25	< 0.05

Social media engagement ($\beta = 0.45$, $p < 0.01$) is a significant predictor of trust in bank information. Influence of social media promotions ($\beta = 0.35$, $p < 0.05$) also significantly predicts trust in bank information, and Likelihood to recommend ($\beta = 0.25$, $p < 0.05$) positively influences trust in bank information. The results indicate that higher social media engagement and effective social media promotions are associated with increased trust in the information provided by banks.

Hypothesis 1:

(H_{01}): There is no statistically significant relationship between a bank's social media engagement and customer loyalty, customer base growth, deposit levels, and revenue.

Groups	Sample size(n)	Test-type	t-value	p-value	Significance
		Independent Samples t-test			
		Mann-Whitney U test	1854.0	0.0019	($p < 0.05$)

The t-test results show a significant difference between the two groups ($p = 0.0019$), supporting the hypothesis that customers who follow their banks' social media accounts are more loyal and less likely to switch banks. The Mann-Whitney U test also supports the hypothesis with a significant p-value (0.0019), indicating that social media follow-up is associated with a lower likelihood of switching banks, ultimately resulting in enhanced customer base, directly resulting in deposit and revenue growth.

Hypothesis 2:

1. (H_{o2}): There is no statistically significant difference in customer satisfaction between customers who interact with the bank via social media platforms and those who use traditional service channels.

Groups	Sample size(n)	Test-type	t-value	p-value	Significance
		Independent Samples t-test	t-statistic: 2.845	0.005	($p < 0.05$)
		Mann-Whitney U test	U-statistic: 1920.5	0.0048	($p < 0.05$)

The t-test results show a significant difference between the two groups ($p = 0.005$), supporting the hypothesis that customers who frequently engage with a bank's social media content exhibit higher satisfaction levels. The Mann-Whitney U test also supports the hypothesis with a significant p-value (0.0048), indicating that frequent social media engagement is associated with higher customer satisfaction.

4.3 Discussion

The findings of this study provide valuable insights into the impact of social media engagement on the growth of banks, focusing on customer behaviors and trust. Through rigorous statistical analysis, we have identified significant relationships that support the hypothesis that social media engagement is a critical factor in customer loyalty and satisfaction in the banking sector

- **Social Media Platform Preferences**

The data from this research indicates that Facebook is the most preferred platform for engaging with banks, with 39.9% of respondents indicating it as their primary choice. This finding aligns with previous studies that highlight the dominance of Facebook in digital marketing strategies due to its large user base and versatile features (He, Wang, and Akhtar, 2020). Twitter (30.4%) and Instagram (15.2%) follow as the next preferred platforms, suggesting that banks should diversify their social media presence to include these channels to maximize customer engagement. This trend is consistent with the work of Alalwan et al. (2017), who emphasized the importance of multi-platform strategies in enhancing customer interactions. This is also in line with global trends where Facebook and Twitter are widely used for customer service and engagement (Statista, 2023). Banks can leverage these platforms to enhance their customer outreach and engagement strategies effectively. The preference for these platforms underscores the importance of maintaining an active presence and tailoring content to meet customer expectations.

- **Content Preferences**

The study reveals that promotional offers (28.5%) and educational content (13.3%) are the most favored types of social media content among bank customers. This preference underscores the need for banks to focus on delivering value through informative and incentivizing content. Previous research by Pansari and Kumar (2017) supports this, demonstrating that value-driven content significantly boosts customer engagement and loyalty. However, our findings diverge from some studies that place higher emphasis on entertainment content, suggesting that banking customers prioritize functional benefits over entertainment (Felix, Rauschnabel, and Hinsch, 2017).

- **Social Media Engagement and Trust in Bank Information**

The regression analysis revealed that social media engagement significantly predicts trust in bank information ($\beta = 0.45$, $p < 0.01$). This finding aligns with previous studies that highlight the role of social media as a trustworthy source of information for customers (Ngai, Tao, and Moon, 2015). The ability of banks to disseminate timely and relevant information through social media channels enhances customers' trust. Additionally, the influence of social media promotions also positively impacts trust ($\beta = 0.35$, $p < 0.05$), supporting the notion that well-crafted promotional content can strengthen the perceived credibility of the bank (Leeflang et al., 2014). However, the coefficient for likelihood to recommend ($\beta = 0.25$, $p < 0.05$) suggests a nuanced relationship where positive word-of-mouth from customers further bolsters trust. This finding is consistent with the social proof theory, which posits that individuals rely on the behavior and recommendations of others to form their own beliefs and actions (Cialdini, 2009).

- **Impact on Loyalty and Likelihood to Switch Banks**

The hypothesis testing demonstrated that customers who follow their bank's social media accounts are significantly loyal and less likely to switch banks (t-statistic: -3.158, $p = 0.0019$; U-statistic: 1854.0, $p = 0.0019$). This supports the hypothesis and aligns with the literature suggesting that social media engagement fosters a stronger connection between customers and banks, thereby reducing churn rates (Malthouse, Haenlein, Skiera, Wege, and Zhang, 2013). The Mann-Whitney U test results corroborate these findings, reinforcing the notion that active engagement on social media platforms contributes to customer retention.

- **Customer Satisfaction and Social Media Engagement**

The second hypothesis posited that customers who frequently engage with a bank's social media content exhibit higher levels of satisfaction. The t-test results (t-statistic: 2.845, $p = 0.005$) and Mann-Whitney U test results (U-statistic: 1920.5, $p = 0.0048$) both indicated significant differences, supporting this hypothesis. This is consistent with the findings of Trainor, Andzulis, Rapp, and Agnihotri (2014), who asserted that social media engagement enhances customer satisfaction by providing platforms for feedback, resolving issues, and delivering personalized content.

5.0 CONCLUSION, RECOMMENDATIONS, AND SUGGESTIONS FOR FUTURE RESEARCH

5.1 Conclusion

This study examined the role of social media engagement in influencing customer trust, satisfaction, loyalty, and switching behavior within commercial banks in Lagos State. The results confirm that social media platforms, particularly Facebook, Twitter/X, and Instagram, are significant channels through which customers interact with banks. Statistical analyses showed that engagement on these platforms positively predicts trust in bank information, strengthens satisfaction, and reduces the likelihood of switching banks. Moreover, content preferences reveal that customers place higher value on promotional and educational content compared to entertainment-focused material, suggesting that social media in banking is perceived primarily as a functional and informational space.

5.2 Recommendations

Based on the studies, the following recommendations are put forward for banks seeking to take advantage of the full potential of social media for growth.

1. **Develop differentiated platform strategies:** Banks should prioritize Facebook for detailed content and community engagement, Twitter/X for real-time updates, and Instagram for visual campaigns, ensuring consistent branding and responsiveness across channels.
2. **Balance promotional and educational content:** While promotional offers remain popular, educational content addressing financial literacy, fraud awareness, and digital banking usage should be integrated to enhance trust and customer capability.
3. **Enhance digital responsiveness:** Banks should establish dedicated social media support teams to ensure prompt replies, personalized communication, and multilingual service delivery tailored to Lagos's diverse population.
4. **Implement monitoring and evaluation systems:** Regular tracking of engagement metrics (e.g., response times, complaint resolution rates, customer satisfaction scores) should guide strategy adjustments and strengthen accountability.
5. **Adopt low-bandwidth communication formats:** To reach peri-urban customers and those with limited data access, banks should provide lightweight alternatives such as text-based posts, infographics, and USSD-linked instructions.
6. **Integrate risk management protocols:** Given rising concerns about cybersecurity and misinformation, banks must invest in secure verification mechanisms, staff training, and regulatory compliance measures to maintain credibility
7. **Leverage peer influence and community engagement:** Encouraging testimonials, customer stories, and user-generated content can enhance trust, particularly among younger demographics who value social proof.

5.3 Limitations and Suggestions for Future Research

Despite providing valuable insights, the study is subject to several limitations. First, the relatively small sample size (n = 158) restricts the generalizability of findings beyond Lagos, making them most applicable to urban banking contexts. Second, the use of a cross-sectional survey design limits causal inference, as engagement may influence, but also be influenced by, trust and satisfaction. Third, the reliance on self-reported perceptions introduces the possibility of response bias, particularly regarding loyalty and switching intentions.

Future research should address these limitations by adopting larger, more diverse samples across different Nigerian states to compare urban and rural engagement patterns. Longitudinal or experimental designs could provide stronger evidence of causality by examining how changes in social media strategies affect customer behavior over time. Furthermore, integrating objective banking data (such as account activity, transaction frequency, and retention rates) with survey responses would allow for more robust measurement of growth outcomes. Finally, given the growing importance of digital literacy and financial inclusion, future studies should investigate how educational content delivered via social media enhances customer knowledge, trust, and adoption of formal financial services, as well as explore the potential of emerging technologies such as chatbots and artificial intelligence in shaping customer–bank interactions.

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