

**INFLUENCE OF DETERMINANTS OF CUSTOMER EXPERIENCE IN
MICROFINANCE INSTITUTIONS IN OSUN STATE, NIGERIA**

By

OLUFUNMILAYO GBONJUBOLA EFUNTADE

**Submitted in accordance with the requirements for the degree of
Doctor of Philosophy**

In

Management Studies

At the

UNIVERSITY OF SOUTH AFRICA

SUPERVISOR: PROFESSOR LOUISE VAN SCHEERS

CO-SUPERVISOR: PROFESSOR DANIEL MAKINA

29TH JUNE 2021

ABSTRACT

The emergence of customer experience as the new competitive differentiator has made creating and offering superior customer experience a major objective for the survival of service organisations. However, despite the current scholarly and managerial attention, understanding of the customer experience construct is fragmented. Also, literature has not properly addressed the relationships or role of variables in creating and measuring superior customer experience in various service contexts. This study, therefore, contributes to the understanding of customer experience by evaluating the influence of the determinants of customer experience in microfinance service context to promote effective management. The descriptive case study research design is utilised to harvest customer assessment with the use of questionnaires through non-probability sampling of 466 customers of Grooming (People for Better Livelihood) Centre in Osun State, Nigeria.

Findings suggest seven experience determinants, namely, memory, social environment, retail atmosphere, service interface, product assortment, multichannel interactions and brand image influence microfinance customer experience in varying degrees of significance. The findings also suggest the mediating influence of goal and location on the determinants in varying levels of significance. From the study, memory was found to have the most significant influence on microfinance institution customer experience while multichannel interactions was found to have the least significance. Also, goal was found to be a more significant mediator on the determinants of microfinance institution customer experience than location.

The originality of the study is that it contributes to the understanding and conceptualising of customer perspective on the impact of determinants in the measurement of microfinance customer experience. Practically, policy makers and microfinance managers can use the findings to deepen understanding on customers and strategically design experiences that will be positive and memorable.

Keywords: Customer experience, social environment, service interface, product assortment, retail atmosphere, determinants, dimensions, microfinance institution, multichannel interactions, memory.

ACKNOWLEDGMENTS

My doctoral studies started and has been successfully completed with the love, interest, encouragement, kindness and financial support of both individuals and organisations, many of whom I may not be able to mention here. Their motivation, counsel, guidance, technical assistance, and other forms of assistance are very much appreciated.

I am grateful to God almighty, for beginning and completing this good work in me. He is my maker, my help in ages past and hope for years to come, the author and finisher of my faith, the one who gave me capacity and courage, my strength, my anchor, my Lord and King.

I am grateful to my Supervisor, Professor Louise Van Scheers - a scholar, a mentor, and a mother, who started this journey with me from the proposal stage to the very end. Her kindness, guidance, and “can do” spirit saw me to the successful end of this study. She not only encouraged me but also acted as a stakeholder in my success. I am grateful to my Co-supervisor, Professor Daniel Makina, a thoroughbred scholar, who gave valuable insights to the direction of my work. Their combined efforts ensured a good quality output.

I thank my siblings Professor Adejoke Oyewunmi, Mrs. Adebola Osundina, Dr. Ademola Popoola for setting the pace. I specially appreciate Professor Adejoke Oyewunmi who assisted me financially, prepared me, counselled and prayed with me through the challenges that would have otherwise terminated the journey. I appreciate Dr. Adedeji Adeleke, for his encouragement and benevolence in providing a work environment conducive to actualising this goal. I acknowledge Professor Solomon Adebola - Vice-Chancellor of Adeleke University; my boss, Professor James Ebun Atolagbe -Provost of Adeleke College of Postgraduate Studies; and, Dr. Bolanle Oyerinde whose support and motivation went a long way in helping me to complete this journey.

I deeply appreciate Dr. Adesoji Tayo for his words of encouragement and assistance in getting access to Grooming Centre. I am also grateful to the Training Officer, Osun

Divisional Head, Area Managers, Branch Managers, and other staff of Grooming Centre for their cooperation during the field work. My sincere appreciation also goes to Mr. Gbenga Solademi, Professor Olu Okotoni, Dr. Akintoye Onamade, Mrs. Tinuke Fawole, Mr. Temitope Akobi, Mr. Debo Adetayo, Professor Alex Ovie-D'Leone, Mr. Prince Amaji, Mrs. Mobola Babarinde, Dr. Ebun Adeoye, Dr. Abiola Hamzat and Professor Tunde Ope-Davies for providing logistic and technical support during my study. I am deeply grateful to the University of South Africa for the opportunity given me to earn a doctorate degree from a prestigious institution, for the conducive method of study and for the financial support received towards my study.

I am most grateful to my sons, Oluwagbayi and Oluwagbotemi, for whom I had to show an example in academic resilience and excellence, for their logistic support and belief in me, and also for their sacrifices and prayers.

Finally, my profound gratitude and so much love goes to my husband and best friend, for giving me wings to fly, for believing so much in God and in me even during those difficult times when I did not believe in myself, for his encouragement, for his wisdom and patience in allowing me voice my fears, for counselling me wisely and praying fervently, for sacrificing his comfort, time, and finances throughout my doctoral studies.

DEDICATION

This work is first dedicated to God Almighty who gave the idea and the courage, who started and completed this good work in me.

This work is dedicated to my husband, Olugbenga, and my sons, Oluwagbayi and Oluwagbotemi, who sacrificed a lot of family time and who supported me spiritually, emotionally, academically, logistically and in every way within their capacity so that I could complete this study successfully.

I also dedicate this work to my parents, Elder Moses Adeyemi and Mrs. Mercy Olufunke Popoola, who prepared me for this task by starting me on the right track of good quality education and expecting nothing less than the best from me.

Finally, this project is dedicated to the enterprising but underprivileged populace, as well as private and public institutions that are focused on empowerment and economic development.

DECLARATION

Name: Efuntade, Olufunmilayo Gbonjubola

Student Number: 42424631

Degree: Doctor of Philosophy in Management Studies

Title: Influence of determinants of customer experience in microfinance institutions in Osun State, Nigeria

I declare that the above thesis is my own work and that all the sources that I have used or quoted have been indicated and acknowledged by means of complete references.

I further declare that I submitted the thesis to originality checking software and that it falls within the accepted requirements for originality.

I further declare that I have not previously submitted this work, or part of it, for examination at Unisa for another qualification or at any other higher education institution.



SIGNATURE

June 29, 2021

DATE

TABLE OF CONTENTS

ABSTRACT	I
ACKNOWLEDGMENTS	II
DEDICATION	IV
DECLARATION	V
CHAPTER ONE: INTRODUCTION AND BACKGROUND TO STUDY.....	1
1.1 INTRODUCTION.....	1
1.2 RESEARCH BACKGROUND.....	1
1.3 PROBLEM STATEMENT	8
1.4 RESEARCH OBJECTIVES	9
1.4.1 PRIMARY RESEARCH OBJECTIVE.....	9
1.4.2 SECONDARY RESEARCH OBJECTIVES	9
1.5 RESEARCH QUESTIONS.....	10
1.6 SIGNIFICANCE OF THE STUDY	10
1.7 THEORETICAL FRAMEWORK FOR THE STUDY.....	11
1.9 OUTLINE OF CHAPTERS.....	13
1.10CONCLUSION	15
CHAPTER TWO: THEORETICAL FRAMEWORK.....	16
2.1 INTRODUCTION.....	16
2.2 THEORETICAL FOUNDATIONS FOR CUSTOMER EXPERIENCE CREATION IN THE SERVICE CONTEXT.....	16
2.2.1 THEORY OF PLANNED BEHAVIOUR	23
2.2.2 SERVICE-DOMINANT LOGIC.....	25
2.3 CUSTOMER EXPERIENCE.....	27
2.3.1 THE CUSTOMER EXPERIENCE JOURNEY	29
2.3.1 THE PRE-PURCHASE STAGE	32
2.3.2 THE PURCHASE STAGE.....	33
2.3.3 THE POST-PURCHASE STAGE	34
2.4 MODELS OF CUSTOMER EXPERIENCE	36
2.4.1 A MODEL OF SERVICE ENCOUNTER EVALUATION.....	36
2.4.2 SERVQUAL MODEL.....	37
2.4.3 CONCEPTUAL MODEL OF CUSTOMER EXPERIENCE CREATION....	38
2.4.4 EXPERIENCE QUALITY (EXQ) SCALE.....	40

2.4.5	ENTERPRISE-CUSTOMER SERVICE MODEL	42
2.4.6	ANALYTIC HIERARCHY PROCESS MODEL OF CUSTOMER EXPERIENCE.....	43
2.4.7	CONCEPTUAL MODEL OF ANTECEDENTS AND CONSEQUENCES OF CUSTOMER EXPERIENCE	44
2.5	CONCLUSION	47
	CHAPTER THREE: LITERATURE REVIEW.....	48
3.1	INTRODUCTION.....	48
3.2	ORIGINS OF CUSTOMER EXPERIENCE IN OTHER DISCIPLINES	48
3.3	OVERVIEW OF CONSUMER BEHAVIOUR.....	49
3.4	CONSUMER BEHAVIOUR IN SERVICES MARKETING	50
3.5	OVERVIEW OF THE MICROFINANCE INDUSTRY.....	52
3.5.1	MICROFINANCE MODELS	56
3.5.2	MICROFINANCE INDUSTRY IN NIGERIA.....	61
3.6	CUSTOMER EXPERIENCE IN MICROFINANCE INSTITUTIONS	66
3.7	RESEARCH GAP	74
3.8	CONCLUSION	76
	CHAPTER FOUR: CONCEPTUAL FRAMEWORK.....	78
4.1	INTRODUCTION.....	78
4.2	CONCEPTUAL FRAMEWORK	78
4.3	DESCRIPTION OF VARIABLES	82
4.3.1	SOCIAL ENVIRONMENT	84
4.3.2	SERVICE INTERFACE	85
4.3.3	RETAIL ATMOSPHERE	86
4.3.4	PRODUCT ASSORTMENT	87
4.3.5	PRICE.....	88
4.3.6	MULTICHANNEL INTERACTIONS	88
4.3.7	BRAND IMAGE.....	89
4.3.8	MEMORY.....	90
4.3.9	MODERATORS OF CUSTOMER EXPERIENCE IN SERVICE CONTEXT	91
4.3.9.1	LOCATION	91
4.3.9.2	GOAL.....	92
4.3.9.3	INVOLVEMENT	93

4.4. DEVELOPMENT OF HYPOTHESES.....	94
4.5 CONCLUSION	97
CHAPTER FIVE: RESEARCH DESIGN AND METHODOLOGY	98
5.1 INTRODUCTION.....	98
5.2 RESEARCH PARADIGM	98
5.3 RESEARCH APPROACH	99
5.4 RESEARCH METHOD	101
5.5 RESEARCH DESIGN	103
5.5.1 HISTORICAL RESEARCH DESIGN.....	104
5.5.2 SYSTEMATIC REVIEW RESEARCH DESIGN	104
5.5.3 EXPLORATORY RESEARCH DESIGN	104
5.5.4 DESCRIPTIVE RESEARCH	105
5.5.5 EXPLANATORY RESEARCH DESIGN	106
5.5.6 RESEARCH STRATEGY.....	106
5.5.6.1 OBSERVATIONAL STUDIES.....	106
5.5.6.2 CASE STUDY.....	106
5.5.6.3 SURVEY.....	107
5.6 RESEARCH TIME HORIZON.....	108
5.7 TARGET POPULATION.....	108
5.7.1 CASE ORGANISATION.....	109
5.7.2 GROOMING CENTRE SERVICES.....	110
5.8 SAMPLING STRATEGY AND SAMPLING TECHNIQUE	111
5.9 SAMPLE SIZE	114
5.10PILOT STUDY	115
5.11DATA ADMINISTRATION AND COLLECTION	121
5.11.1 NATURE OF DATA COLLECTED	121
5.11.2 STRUCTURE AND ADMINISTRATION OF QUESTIONNAIRE	122
5.12DATA ANALYSIS AND PRESENTATION	126
5.13RELIABILITY AND VALIDITY OF RESEARCH.....	130
5.14 ETHICAL CONSIDERATION.....	132
5.15 CONCLUSION.....	132
CHAPTER SIX: PRESENTATION AND INTERPRETATION OF FINDINGS.....	134
6.1 INTRODUCTION.....	134

6.2 SOCIO-DEMOGRAPHIC CHARACTERISTICS OF RESPONDENTS.....	134
6.2.1 AGE DISTRIBUTION OF RESPONDENTS.....	136
6.2.2 GENDER DISTRIBUTION OF RESPONDENTS.....	136
6.2.3 DISTRIBUTION OF RESPONDENTS BY EDUCATIONAL LEVEL.....	137
6.2.4 DISTRIBUTION OF RESPONDENTS BY AVERAGE MONTHLY INCOME	138
6.2.5 DISTRIBUTION OF RESPONDENTS ACCORDING TO LENGTH OF	
TIME OF PATRONAGE.....	139
6.2.6 FREQUENCY OF VISITS TO GROOMING CENTRE.....	139
6.2.7 OCCUPATIONAL DISTRIBUTION OF RESPONDENTS.....	140
6.2.8 MODE OF AWARENESS DISTRIBUTION OF RESPONDENTS.....	141
6.3. DESCRIPTIVE ANALYSIS OF DETERMINANTS OF MICROFINANCE	
INSTITUTION CUSTOMER EXPERIENCE.....	143
6.3.1 DETERMINANTS OF MICROFINANCE INSTITUTIONS CUSTOMER	
EXPERIENCE IN NIGERIA.....	143
6.3.1.1 SOCIAL ENVIRONMENT.....	144
6.3.1.2 SERVICE INTERFACE.....	145
6.3.1.3 RETAIL ATMOSPHERE.....	146
6.3.1.4 PRODUCT ASSORTMENT.....	147
6.3.1.5 PRICE.....	149
6.3.1.6 CUSTOMER EXPERIENCE IN MULTICHANNEL INTERACTIONS..	150
6.3.1.7 BRAND IMAGE.....	151
6.3.1.8 MEMORY.....	152
6.3.1.9 LOCATION.....	153
6.3.1.10 GOAL.....	154
6.3.1.11 INVOLVEMENT.....	155
6.3.1.12 CUSTOMER EXPERIENCE.....	157
6.3.1.13 IMPORTANCE OF THE DETERMINANTS TO CUSTOMERS	
EXPERIENCE OF MICROFINANCE INSTITUTIONS.....	157
6.3.2 DESCRIPTIVE STATISTICS OF MEAN AND STANDARD DEVIATION	
SCORES OF THE DETERMINANTS OF MICROFINANCE INSTITUTION	
CUSTOMER EXPERIENCE IN NIGERIA.....	159
6.4 QUANTITATIVE ANALYSIS OF THE DETERMINANTS OF MICROFINANCE	
INSTITUTION CUSTOMER EXPERIENCE IN NIGERIA.....	160
6.4.1 FACTOR ANALYSIS.....	161
6.4.1.1. THE BARTLETT'S TEST OF SPHERICITY AND KAISER-MEYER-	
OLKIN MEASURE OF SAMPLING ADEQUACY.....	166
6.4.1.2 COMMUNALITIES.....	167

6.4.1.3	EIGENVALUES	169
6.4.1.4	TOTAL VARIANCE EXPLAINED.....	169
6.4.1.5	PATTERN MATRIX	173
6.4.1.6	SUMMARY OF DETERMINANTS OF MICROFINANCE INSTITUTION CUSTOMER EXPERIENCE FROM FACTOR ANALYSIS	178
6.4.2	RELIABILITY ANALYSIS OF DETERMINANTS OF MICROFINANCE INSTITUTION CUSTOMER EXPERIENCE.....	185
6.4.3	HIERARCHICAL LINEAR REGRESSION OF MODERATING VARIABLES OF MICROFINANCE INSTITUTIONS' CUSTOMER EXPERIENCE	187
6.4.3.1	EFFECT OF LOCATION ON DETERMINANTS OF MICROFINANCE INSTITUTION CUSTOMER EXPERIENCE.....	187
6.4.3.2	EFFECT OF GOAL ON DETERMINANTS OF MICROFINANCE INSTITUTION CUSTOMER EXPERIENCE.....	189
6.4.4	MULTIPLE REGRESSION MODEL OF MICROFINANCE INSTITUTION CUSTOMER EXPERIENCE	190
6.5	CONCLUSION	195
	CHAPTER SEVEN: DISCUSSION OF FINDINGS	196
7.1	INTRODUCTION.....	196
7.2	FINDINGS ON DETERMINANTS OF MICROFINANCE INSTITUTION CUSTOMER EXPERIENCE.....	196
7.2.1	SOCIO-ECONOMIC CHARACTERISTICS OF CUSTOMERS OF MICROFINANCE INSTITUTIONS	196
7.2.2	SOCIAL ENVIRONMENT AS A DETERMINANT OF CUSTOMER EXPERIENCE OF MICROFINANCE INSTITUTIONS	197
7.2.3	SERVICE INTERFACE AS A DETERMINANT OF CUSTOMER EXPERIENCE OF MICROFINANCE INSTITUTIONS	197
7.2.4	RETAIL ATMOSPHERE AS A DETERMINANT OF CUSTOMER EXPERIENCE OF MICROFINANCE INSTITUTIONS	198
7.2.5	PRODUCT ASSORTMENT AS A DETERMINANT OF CUSTOMER EXPERIENCE OF MICROFINANCE INSTITUTIONS	199
7.2.6	PRICE AS A DETERMINANT OF CUSTOMER EXPERIENCE OF MICROFINANCE INSTITUTIONS	200
7.2.7	MULTICHANNEL INTERACTIONS AS A DETERMINANT OF CUSTOMER EXPERIENCE OF MICROFINANCE INSTITUTIONS.....	201
7.2.8	BRAND IMAGE AS A DETERMINANT OF CUSTOMER EXPERIENCE OF MICROFINANCE INSTITUTIONS	202
7.2.9	MEMORY AS A DETERMINANT OF MICROFINANCE INSTITUTION CUSTOMER EXPERIENCE	203
7.3	THE EFFECT OF MODERATORS ON DETERMINANTS OF CUSTOMER EXPERIENCE IN MICROFINANCE INSTITUTIONS	204

7.3.1	LOCATION OF MICROFINANCE INSTITUTIONS AS A MODERATOR OF DETERMINANTS OF MICROFINANCE INSTITUTION CUSTOMER EXPERIENCE.....	204
7.3.2	GOAL OF CUSTOMER AS A MODERATOR OF DETERMINANT OF MICROFINANCE INSTITUTION CUSTOMER EXPERIENCE	205
7.3.3	CUSTOMER INVOLVEMENT AS A MODERATOR OF DETERMINANT OF MICROFINANCE INSTITUTIONS CUSTOMER EXPERIENCE.....	205
7.4	SIGNIFICANCE OF INFLUENCE OF THE DETERMINANTS ON MICROFINANCE INSTITUTIONS CUSTOMER EXPERIENCE	206
7.5	MODEL OF DETERMINANTS FOR IMPROVING CUSTOMER EXPERIENCE IN MICROFINANCE INSTITUTIONS IN OSUN STATE, NIGERIA.....	207
7.5.1	HYPOTHESIZED MODEL	207
7.5.2	DEVELOPED MODEL	209
7.6	DISCUSSION OF FINDINGS AND HYPOTHESES RESULT	212
7.7	CONCLUSION	217
	CHAPTER EIGHT: CONCLUSIONS, RECOMMENDATIONS, AND IMPLICATIONS OF STUDY	218
8.1	INTRODUCTION.....	218
8.2	SUMMARY OF RESEARCH RESULTS.....	218
8.2.1	AN OVERVIEW OF RESEARCH FINDINGS.....	219
8.2.2	CONCLUSIONS ON SECONDARY OBJECTIVE 1 FROM STUDY RESULTS	221
8.2.3	CONCLUSIONS ON SECONDARY OBJECTIVE 2 FROM STUDY RESULTS	227
8.2.4	CONCLUSIONS ON SECONDARY OBJECTIVE 3 FROM STUDY RESULTS	228
8.2.5	CONCLUSIONS ON SECONDARY OBJECTIVE 4 FROM STUDY RESULTS	231
8.3	CONTRIBUTION OF THE STUDY	233
8.3.1	CONTRIBUTION TO THEORETICAL KNOWLEDGE	233
8.3.2	CONTRIBUTION TO PRACTICE.....	236
8.4	LIMITATIONS TO STUDY	237
8.5	RECOMMENDATIONS.....	238
8.6	SUGGESTIONS FOR FURTHER RESEARCH	241
8.7	ETHNOGRAPHIC REFLECTION	243
	REFERENCES.....	247
	APPENDIX 1 – RESEARCH QUESTIONNAIRE	274

LIST OF TABLES AND FIGURES

Table 1.1: Structure of Study at a Glance.....	5
Figure 2.1: Theory of Planned Behaviour	24
Figure 2.2: The Narrative and Process of S-D Logic	26
Figure 2.3: Progression Model for Customer Experience Journey.....	311
Figure 2.4: A Model of Service Encounter Evaluation	37
Figure 2.5: Conceptual Model of Customer Experience Creation	39
Figure 2.6: Conceptual Framework of Service Experience	41
Figure 2.7: An AHP Based Model of Customer Experience	44
Figure 2.8: Conceptual Model of Customer Experience Antecedents and Consequences	45
Table 3.1: Categories of microfinance institutions	66
Table 4.1: Outline of Determinants of Customer Experience Gathered From Literature Review	82
Figure 4.1: Hypothesised model for determinants of microfinance institution customer experience in Osun State, Nigeria.....	95
Table 5.1: Population sampling	113
Table 5.2: Cronbach’s alpha values for pilot studies.....	117
Table 5.3: Outline of number of questions for survey.....	118
Table 5.4: Reliability statistics analysis result for retail atmosphere.....	119
Table 5.5: Reliability statistics analysis result for multichannel interactions	119
Table 5.6: Reliability statistics analysis result for location	120
Table 5.7: Source of measurement for questionnaire	123
Table 5.8: Likert scale	125
Table 5.9: Literature Review on Approaches to Statistical Analysis to identifying determinants.....	127
Figure 5.1: Steps Taken in Analysis of Research.....	130
Table 5.10: Summary of Reliability Coefficients of the Factors	132
Table 6.1: Socio-demographic characteristics of respondents	135
Figure 6.1: Age and gender distribution of respondents.....	136
Figure 6.2: Distribution of respondents by age and educational level	137
Figure 6.3: Distribution of respondents by age and average monthly income	138
Figure 6.4: Distribution of respondents according to age and length of time of patronage	139
Figure 6.5: Distribution of respondents according to age and frequency of visits...	140
Figure 6.6: Occupational Distribution of Respondents	141
Figure 6.7: Mode of awareness and age distribution respondents	142

Table 6.2: Frequency distribution of responses on social environment.....	144
Table 6.3: Frequency distribution of responses on service interface.....	146
Table 6.4: Frequency distribution of responses on retail atmosphere	147
Table 6.5: Frequency distribution of responses on product assortment	148
Table 6.6: Frequency distribution of responses on price	149
Table 6.7: Frequency distribution of responses on customer experience in multichannel interactions.....	150
Table 6.8: Frequency distribution of responses on brand image.....	151
Table 6.9: Frequency distribution of responses on memory.....	153
Table 6.10: Frequency distribution of responses on location	154
Table 6.11: Frequency distribution of responses on goal.....	155
Table 6.12: Frequency distribution of responses on involvement.....	156
Table 6.13: Frequency distribution of responses on customer experience.....	157
Table 6.14: Frequency of responses showing importance of determinant components.....	158
Table 6.15: Mean and standard deviation scores of the variables	160
Table 6.16: Correlation matrix showing relationship between variables	164
Table 6.17: KMO and Bartlett's tests.....	166
Table 6.18: Communalities.....	167
Table 6.19: Total variance explained.....	170
Figure 6.8: Scree Plot showing factor numbers and eigenvalues.....	172
Table 6.20: Pattern matrix of customer experience components	175
Table 6.21: Summary of effects of location on determinants of customer experience in microfinance institutions	188
Table 6.22: Conditional effects of location on customer experience model.....	189
Table 6.23: Summary of effects of goal on determinants of customer experience of microfinance institutions	189
Table 6.24: Conditional effects of goal on customer experience model	190
Table 6.25: Regression model of customer experience of microfinance institutions	191
Table 6.26: Coefficients of multiple regression.....	194
Figure 7.1: Hypothesised model for determinants of microfinance institution customer experience.....	208
Figure 7.2: Developed Model for determinants of microfinance institution customer experience in Osun State, Nigeria.....	210

CHAPTER ONE: INTRODUCTION AND BACKGROUND TO STUDY

1.1 Introduction

Chapter one provides the motivation for the study and lays the foundation for the research context. The chapter summarises the research focus and highlights the problem that the study attempts to address. It demonstrates the relevance of the research based on previous studies carried out on the subject. It sets out the structure for the study by specifying research objectives, research questions, rationale, and significance of the study, as well as the methodology applied to achieve the objectives. The chapter ends with an outline of the chapters in the thesis and conclusion.

1.2 Research Background

The challenge of poverty in developing economies has resulted in a growing research focus on the service industry as a crucial contributor to economic development of countries (Bueno et al., 2019). Lemke et al. (2011) suggest services as being responsible for a growing percentage of gross domestic product in developed economies. Maiyaki and Mokhtar (2011) and Piason et al. (2013) similarly suggest that the services sector is highly instrumental to increased economic output, and therefore, needs to be constantly researched to guarantee its increased relevance in the achievement of economic growth. Hu et al. (2016) state that Nigeria's financial and business sector is responsible for 52% of the gross domestic product of \$594 billion. Hu et al. (2016) further posit Nigeria as having the largest consumer market, Africa's largest economy and the 26th largest economy in the world. The economic potential of Nigeria as a notable consumer market and economy is however yet to fully materialise. According to Jolaoso and Asirvatham (2018), despite earning over \$300 billion from petroleum resource alone in the last three decades, Nigeria has deteriorated to become one of the 25 poorest countries from being in the top 50 in the early 1970s. The country regressed from having 15% of the populace in poverty in 1960 to 28% in 1980 and this figure is currently over 50%.

The microfinance service sector is created for, and globally recognized as being fundamental to economic growth and poverty alleviation in developing countries and has received research attention (Bhuiya et al., 2016; Ilori & Tajudeen, 2017; Annim, 2018). Specifically, Apere (2016) proffers microfinance in Nigeria as promoting

economic growth at the rural level through increased savings noting that total assets of microfinance banks grew from ₦981.0 million to ₦15,463.5 million in the year 2002. Similarly, in a study of Osun State, Nigeria, Odetayo (2016) reveals that a total of 38.78% of Small Scale Enterprise capital come from microfinance institutions comprising of 11.94% start-up capital, 12.45% working capital and 14.39% expansion capital. Studies by Kanyurhi (2013); Onyele and Onyekachi-Onyele (2020) establish the presence of strong competition both within the microfinance industry and other financial institutions such as commercial banks. Kanyurhi (2017) thus suggest that customer demand for service is more than it used to be. This, according to the author has resulted in the loss of microfinance customers both to competition and dissatisfaction. Offering research on microfinance institutions customer satisfaction as uncommon in Nigeria, Idolor and Imhanlahimi (2011), and, Kanyurhi (2017) suggest a resultant effect of customer attrition and unproductivity in microfinance growth rates. The authors recommend weighing microfinance services to client's needs, thus showing a methodical understanding of their outlook as a way of improving the effectiveness. According to Nwanyanwu (2011) and Okwoli et al. (2013), failure of the financial system to meet customer needs leads to alternative means of sourcing for funds with resultant negative impact on the economy. Kanyurhi (2017) assert microfinance institutions as having a lot of ground to cover based on the high population of its target market. García-Pérez et al. (2020) similarly describe microfinance as emerging globally with USD 124 billion gross loan portfolio, and 140 million active borrowers as at 2018. World Bank data from 2018 however offer a dismal statistics of 736 million people living below the international poverty line in Sub-Saharan Africa (41%), South Asia (12%) and MENA (5%). Specifically, Obokoh et al. (2016) describe Nigeria as the 28th poorest nation in the world with a low human development index value of 0.511 and high unemployment level. Taiwo et al. (2016) asserting the poor state of distribution of credit and the resultant dissatisfaction and attrition, state that customer retention is an essential determinant of the continued existence and increased impact of microfinance institutions. This, according to the authors can be resolved by increased microfinance access.

The study of microfinance services is thus central to both scholars and practitioners. Research approach on microfinance has been diverse, covering its impact, accessibility, and challenges, among others. Over the years however, attention has

shifted from simply providing services to creating superior customer experiences. Recent studies (Maklan & Klaus, 2011; Nasution et al., 2014; Du Plessis & De Vries, 2016, Hwang & Seo, 2016; Maklan et al., 2017; Becker & Jaakkola, 2020) contend that the new focus for differentiation has shifted from services to the creation of positive customer experience which is deemed the new battleground for competitive advantage for organisations. Schmitt and Zarantonello (2015), in contrast argue that though experience has been posited as the new differentiator of value, many nations are yet to adopt the experience economy. The author suggests that defining how the customer experience construct is evaluated is essential to marketing.

Researchers (Palmer, 2010; Du Plessis & Vries, 2016) hold that various definitions of customer experience exist in literature. Meyer and Schwager (2007) define customer experience as an all-inclusive measure of how the customer perceives an organisation through the various channels of interaction with its product before, during or after such interactions. The interaction which may be by design or by default, according to Meyer and Schwager (2007) would include the company's products, representatives, employees, customers, among others. Schmitt and Zarantonello (2015) offer experience in two distinct categories of consumer experience and experiential marketing. Consumer experience denotes continuing perceptions and observations through participation in service encounters while experiential marketing comes to conclusions based on knowledge and accumulated experiences over time. Studies (Bagdare, 2016; Srivastava, 2018; Keiningham, 2019) describe the holistic customer experience as multi-dimensional and posit various measures to engage the customer holistically in the affective, sensorial, cognitive, relational and behavioural responses aroused by certain stimuli through the various touchpoints of interaction. Cetin et al. (2014) offer customer experience as a series of value propositions by the organization which according to Bagdare (2016) are inclusive of the functional and hedonic value of the service encounter. Schmitt & Zarantonello (2015) describe functional value as encompassing the cognitive benefits of service, while the hedonic value is the affective, sensorial, and behavioural value attached to the service interaction at various touchpoints from customer's perspective.

Literature on customer experience offer certain variables as moderating the customer experience. Du Plessis & De Vries (2016) identify moderators as impacting the

customer's service expectation and influencing perception of the experience. The authors assert determinants as designed by organisations based on organisational perception of customer expectation. According to Singh and Soch (2015), and, Du Plessis & De Vries (2016), though moderating variables are not direct determinants, they impact the service offering, behavioural outcome and ultimately the experience. Studies (Verhoef et al., 2009, Du Plessis & De Vries, 2016), broadly categorise moderators of customer experience as situation, consumer and macro-economic moderators. While specific variables measured under the broad categories of moderators of customer experience include economy, politics, competitors, activities, brand perception, employee satisfaction, company culture, and, type and location of the store, climate, season, competition/entrance, goals, socio-demographics, and consumer attitudes such as involvement, price sensitivity, and innovativeness (Verhoef et al., 2009, Du Plessis & De Vries, 2016; Jain et al. 2017; Krause & North, 2017). Grewal et al. (2009) and Puccinelli et al. (2009) offer the need for studies on the influence of location on consumer decision when compared with other variables such as price and multiple channels and, the role of mediators such as involvement in purchase decisions and post-purchase satisfaction.

A close examination of extant literature indicate different approaches used to meet the increasing research interest in the customer experience construct. Researchers (Palmer, 2010; Johnston & Kong, 2011; Kranzbühler et al., 2018; Subhadip, 2018; Becker & Jaakkola, 2020) dwell on the holistic conceptualization, determinants, creation, process, and measurement framework of customer experience in different service contexts. Despite the increasing interest in customer experience however, there have been noted gaps in literature such as scarcity of academic literature and empirical investigation of customer experience (Verhoef et al., 2009; Schmitt & Zarantello, 2015; McColl-Kennedy et al., 2018), fragmentation and theoretical confusion in academic research and management (Du Plessis and De Vries, 2016; Becker and Jaakkola, 2020). Recent studies (Palmer, 2010; Homburg et al., 2017; Kranzbuhler et al., 2018) highlight the difficulty of finding a generally acceptable description of the nature and measure of the customer experience. Specifically, studies (Palmer, 2010; Maiyaki & Mokhtar, 2011; Bueno et al., 2019) offer that there are uncertainties and currently no universal measure for customer experience execution in the service sector.

Studies (Lemon & Verhoef, 2016; Klink et al., 2019) suggest increased academic research and the development of measurements in diverse contexts, for a deeper understanding of the customer experience. Specifically, Bagdare (2016) summarises the current interest areas of customer experience research as:

- (i) establishment and validation of the impact of experience variables in marketing.
- (ii) investigation, categorisation, and prioritisation of environmental variables significant to the customer experience.
- (iii) research on the impact of determinants and moderators and its association with customers, and
- (iv) establishment of validated metrics for evaluating experience and its multifaceted dimensions.

Studies (Meyer & Schwager, 2007; Verhoef et al., 2009; Klaus & Maklan, 2012; Garg et al., 2012; Saba, 2014; Bagdare, 2016; Du Plessis & De Vries, 2016; Jain et al. 2017; Krause & North, 2017; Shamshudeen, 2017; Bueno et al. 2019) on measures of customer experience have been carried out as a means of differentiation and competitive strategy. However, due to the complexity of customer experience construct, there have been various methods posited for the construct. For example, studies (Meyer & Schwager, 2007; Verhoef et al., 2009; Klaus & Maklan, 2012; Bueno et al. 2019) propose SERVQUAL developed by Parasuraman et al. (1988) as an important foundation for the measurement of customer experience in the service sector. SERVQUAL anchors the measurement of service quality from customers' perception based on expectation using a 22-item scale with five dimensions of reliability, assurance, tangibility, empathy, and responsiveness. Other studies (Garg et al., 2012; Saba, 2014; Bagdare, 2016; Shamshudeen, 2017) conceptualise various determinants important to the creation and measurement of customer experience such as employees, convenience, social environment, physical environment, technology, the assortment, the price, customer experience in alternative channels, brand image and previous experiences, among others. Authors (Du Plessis & De Vries, 2016; Jain et al. 2017; Krause & North, 2017) also highlight the role of moderating variables in the measurement of customer experience. The moderators are offered as influences which may be within or outside the organisation or customer's control that can impact customer perception of service interaction across the various touchpoints in the

consumption journey. Building from the understanding from literature, this study thus empirically validates the influence of moderators on microfinance institutions customer experience from two broad classifications of situation and consumer moderators. The selection of the two moderators is based on the suggestions made in previous studies on customer experience (Verhoef et al., 2009; Saba, 2014; Du Plessis & De Vries, 2016) Keiningham et al. (2017) customer reactions are moderated by diverse stimuli and though research may not offer a comprehensive list of potential moderators, it can provide adequate measures pointing to the multifaceted nature of the construct.

The different measures proposed for the evaluation of customer experience though often complimentary also present a fragmented view of the construct. (Bagdare, 2016; Bueno et al., 2019; Becker & Jaakkola, 2020) suggest a lack of unified holistic procedure for the evaluation of customer experience. Further, despite the importance attached to the construct, empirical validation of the determinants of customer experience has been limited. Although there is no consensus on customer experience measurement, previous studies agree on the role that certain determinants play on the total customer experience. Keiningham et al. (2019) suggest that the construct is yet to be practiced due to a lack of clear structure for connecting the scientific literature on the construct to the business model. Jain et al. (2017) propose the necessity for the development of measurement for customer reactions concerning customer experience, suggesting the need for managers to realise customers' outlook in order to design and regularly measure positive customer experiences.

A review of empirical studies specific to the financial services sector highlight the existing gap in research. Studies by Aghaei and Anoushehi (2016) to identify and appraise the factors affecting customer experience in banks argue that the outcome of customer experience is loyalty and offer interaction, feelings, perceptions, reactions, thoughts as cognisant to the creation of experience. The study offer seven factors as key determinants of the customer experience with product or service assortment, physical environment and service interface being the most important factors. Suggestions for future research by Aghaei and Anoushehi (2016) include an investigation of relationships between the variables affecting the customer experience using other statistical analysis, research of other banks and study of the impact of

customer experience on outcomes such as loyalty, satisfaction, trust and organisational efficiency.

Chalal and Dutta (2015) in a study measuring the impact of customer experience in the banking sector establishes cognitive, affective and behavioural experience as significantly influencing the creation of customer experience. The study also provides a strong association between customer experience and outcomes such as satisfaction, brand equity, word of mouth. Chalal and Dutta (2015) concludes the study by positing future research area of customer experience as including validation of results across geographical and service contexts and employee perspectives.

Kyguoliene and Makutenas (2017) in a study measuring the customer experience of generation-y in the banking sector assert technology as the most significant determinant followed by atmosphere, relationship with employees, product and process with social environment and communication being the worst. Kyguoliene and Makutenas (2017) highlight challenges faced by the financial sector in standing out due to multiple offerings available to customer and posit the need for an understanding of the customer journey to identify the important factors. Kyguoliene and Makutenas (2017) suggest future research directions as measuring customer experience of other generations and also measure experience of specific service offerings such as credits and savings.

From the aforementioned empirical studies, it is evident that the determinants of customer experience are specific to banks in the area under investigation. With the highlighted pivotal role of microfinance institutions, need for sustainability, ongoing competition and current focus on customers as co-creators of value, understanding the microfinance customer perception of experience requires care and continuous measurement as the new battleground for differentiation and a veritable tool to remaining relevant (Karim & Chowdbury, 2014; Kyguoliene & Makutenas, 2017). As offered by Palmer (2010); and Bueno et al. (2019) who highlight the need for research into the uniqueness of the services sector and its specific requirements, the question then is what variables are key determinants and moderators of determinants of the microfinance institutions customer experience from the customer's perception?.

1.3 Problem Statement

Extant literature (Homburg et al., 2017; Bueno et al., 2019; Kharat et al., 2020) on customer experience indicate inadequate research, lack of proper understanding, and, a need to develop a holistic conceptualisation of the construct as well to determine peculiarities based on service contexts. Studies on the measurement of the customer experience construct have also been conducted in different service contexts (Verhoef et al., 2009; Du Plessis & De Vries, 2016; Kyguoliene & Makutenas, 2017; Shamsudeen, 2017). Different views have been offered on the nature of customer experience based on its definition, design and measurement which are sometimes complementary but also engender uncertainties among scholars and practitioners in understanding the construct (Bueno et al., 2019). Previous studies (Garg et al., 2012; Haery & Farahmand, 2013; Kyguoliene & Makutenas, 2017) have focused on the financial industry such as commercial banks in Iran and Lithuania.

However, there is a scarcity of literature on the microfinance customer experience. This is corroborated by Gilboa et al. (2019) who suggest a lack of customer experience studies on small businesses. However, a review of related literature on customer satisfaction, loyalty, attraction, and retention indicates high untapped potential, poor outreach, poor growth, lack of customer confidence, and poor satisfaction as some challenges currently facing microfinance institutions globally (Ibok & Udofot, 2012; Abdusalam & Tukur, 2014; Rahman et al., 2014; Muhammad et al., 2015; Babajide et al., 2016; Idewele et al., 2017; Kanyurhi, 2017; Ilori & Tajudeen, 2017; Annim, 2018). Due to the distinct nature of its low-income target customers (Taiwo et al. (2016), it is expected that there are determinants that uniquely contributes in different levels of significance, to the holistic microfinance institution customer experience in Osun State, Nigeria. Literature (Rahman et al., 2014; Taiwo et al., 2016; Kanyurhi, 2017) on microfinance reveal poor dispersion of credit, strong competition within the microfinance industry and with other financial institutions, poor customer focused outlook, customer dissatisfaction and attrition as some impediments to achieving the objective of microfinance institutions specific to the microfinance context in Nigeria. Heretofore, research to understand customer perception and expectation in the microfinance sector has received limited research interest in Nigeria (Babajide et al., 2016). There is limited research available on the degree to what factors individually and collectively impact the overall microfinance institution customer experience

globally, in Africa, specifically in Nigeria. It is also not known what role moderating variables play on the determinants of microfinance institution customer experience. It seems that research gaps exist in this field.

This study therefore, is in response to the lack of existing research generally on customer experience, and, specifically, on validated measurement of customer experience in the service sector (Choo et al., 2018; Gilboa, 2019), and, a need to develop a holistic conceptualisation of the experience construct, and determine peculiarities based on service contexts (Palmer, 2010; Bueno et al., 2019). The aim of this research is to investigate the influence of determinants (memory, social environment, retail atmosphere, service interface, product assortment, price, multichannel interactions and brand image), and moderators (involvement, goal and location) of determinants on microfinance institution customer experience in Osun State, Nigeria.

1.4 Research Objectives

In response to the research problem highlighted in section 1.3 and as a contribution to the ongoing conversation on filling the gap in conceptualising customer experience, the study attempts to expand available knowledge and advance the existing discussion. The study will also enhance institutional and economic impact by investigating the significance of determinants to Microfinance Institution customer experience in Osun State, Nigeria.

1.4.1 Primary Research Objective

The primary objective of the research is to examine the effects of determinants of experience on microfinance institution customers from customers' perception.

1.4.2 Secondary Research Objectives

The secondary objectives of the study are formulated as follows:

- 1) To establish determinants that influence microfinance institution customer experience in Osun State, Nigeria.
- 2) To evaluate the significance of influence of the determinants on microfinance institution customer experience in Osun State, Nigeria.

- 3) To assess the effects of location, goal, and involvement as moderators of the influence of determinants on customer experience in microfinance institutions in Osun State, Nigeria.
- 4) To develop a model of determinants for improving customer experience in microfinance institutions in Osun State, Nigeria.

1.5 Research Questions

In response to the research objectives highlighted in section 1.6 to establish the contributing determinants of customer experience in microfinance institutions, the study seeks to provide answers to the following questions:

- 1) What are the key determinants of customer experience in microfinance institutions in Osun State, Nigeria?
- 2) What is the customer assessment of the significance of influence of each of the determinants on the microfinance institution customer experience in Osun State, Nigeria?
- 3) What is the influence of moderating variables of location, goal and involvement on the impact of determinants on microfinance institution customer experience in Osun State, Nigeria?
- 4) How can customer experience specific to microfinance institutions in Osun, State, Nigeria be measured?

1.6 Significance of the Study

This study attempts to contribute to a deeper understanding of customer experience. Previous studies offer a consensus on the fragmented nature of research into customer experience. Also, inability of organisations to contextualise customer value and lack of understanding of customer experience are some of the limitations to achieving positive customer experience. Though service providers generally agree on the importance of customer experience management, academic marketing literature investigating antecedents of customer experience has been limited. Specifically, there is little or no academic research available on customer experience both in the microfinance service and the Nigerian context. This study therefore contributes to academic literature on the concept of customer experience through an empirically validated study of the subject. In this study, an attempt is made to empirically establish the influence of determinants, identify the impact of moderators, and develop a

conceptual model of customer experience in the Nigerian microfinance sector to open up access and understand consumer perceptions of the service experience in microfinance institutions.

The microfinance service sector was selected due to its recognition as a tool for economic development and the eradication of poverty in developing countries. It is therefore pertinent to carry out this investigation to improve customer experience of the service offerings of microfinance institutions. Such information acts as a blueprint for microfinance institution research and management, to better strategize on improving microfinance access based on better understanding of client perspectives on offerings by microfinance institutions.

1.7 Theoretical Framework for the Study

The study of customer experience dates back to over three decades. Holbrook and Hirschman (1982), one of the first proponents of the construct associates the term with emotions, fantasies and enjoyment. Later development (Pine & Gilmore, 1998) posit customer experience as a tool for competitive advantage and a measure of value resulting from customer assessment of service interaction. For the purpose of this study, in line with previous studies (Grewal et.al, 2009; Puccinelli et.al, 2009; Garg et al., 2012; Mohd-Ramly & Omar, 2017; Shamshudeen, 2017), customer experience is conceptualised as the overall perception of the cognitive (what customers think), sensorial (what people experience through the senses), affective (how people feel), relational (how people interact) and behavioural (how people share) response that a customer receives at every touchpoint of service encounter in the consumption journey. According to Chahal and Dutta (2015), the various dimensions of customer experience function differently in different service sectors.

Previous studies (Bhandari, 2016; Bustamante & Rubio, 2017) offer experience as created from interactions occurring when customers engage and align with the organisational offerings. Such interactions are thus subjective to the customer's assessment and is validated based on customer behaviour or attitude. Such response is perceived as resulting from stimuli. Studies (Sorooshian et al., 2013; Cetin et al., 2014; Gafar et. al., 2017; Rather, 2018) offer certain determinants such as social environment, service interface, past experiences, product, brand, price, among others

as experience triggers and also offer certain variables such as location, consumer and situational factors as moderators of customer experience.

Studies (Hsieh & Chuang, 2015; Singh & Soch, 2015; Choo et al., 2018) have linked determinants of customer experience with behavioural outcomes such as loyalty, purchase and satisfaction. The current study however applies the Theory of Planned Behaviour (TPB) and Service-Dominant (S-D) logic as a basis for understanding customer assessment of the influence of determinants as well as the role of moderators on determinants of experience in the Nigerian microfinance institution service context. The TPB (Ajzen, 1991) is a theory frequently utilised to explore or predict customer behavioural intention through attitude (personal opinion), subjective norm (other people's opinion) and perceived behavioural control (opinion of value and usefulness). Variables interpreted through the three elements are offered as predictors of behaviour. The current study applies the predictive power of the TPB to test customer behaviour towards microfinance service offerings. The study anchors the formation of customer assessment of experience on customer beliefs about the implication, opinion of others and the presence of factors which may aid or hinder performance (Ajzen, 1991). Specifically, intention denotes the motivation of the customer. The study offer the determinants as intentions that prompt the predictive power of TPB.

The Service-Dominant (S-D) Logic (Vargo & Lusch, 2004; Kauppinen-Räsänen & Grönroos, 2015) similarly explains value creation based on customer assessment of benefits derived from propositions of organisational service offerings. Thus, service providers are required to understand the nature of stimuli being created during the interaction process, while the customers assesses the value of propositions and accepts or rejects such offers. Kranzbuhler et al. (2018), validate value as subjective and contextual customer experience during service encounters at a single or several touchpoints during a specific consumption journey or over time. In line with the assertion of Kranzbuhler et al. (2018), the current study measures the customer experience by assessing the significance of the service offerings to the holistic customer experience journey.

1.8 Contributions of the Research

This thesis provides several significant contributions to existing knowledge. A major contribution of the study is the development of a model for improving the microfinance institution customer experience in Nigeria. The study also validates the context specific nature of determinants of customer experience as well as the specific determinants and moderators of microfinance institution customer experience in Osun State, Nigeria. Four, the study provides a holistic measure of customer experience in microfinance setting which affords scholars a design to further research the antecedents of customer experience in microfinance institutions.

Finally, the study deepens understanding of the impact of individual determinants to the holistic experience as an outcome rather than in comparison to other marketing outcomes as applicable in previous studies.

1.9 Outline of Chapters

The composition of thesis according to the format proposed in Mouton (2003) includes preliminaries (title page, acknowledgements, abstract, table of contents etc.), chapters; references and appendices. The study is organised into seven chapters as outlined in table 1.1.

Chapter one is the introductory chapter which comprises of background to the study, the structure for the study such as the problem that the research addressed, the primary and secondary research objectives, the research design and methodology. Also, the outline of chapters are clearly defined in chapter one.

Chapter two provides theoretical underpinnings that form the framework for the study. The chapter attempts to deepen the understanding of customer experience through a theorization of the construct. Also, the theories relevant to the current study are outlined in the chapter. Further, previous models and determinants for measurement of customer experience is reviewed and the hypothesis developed. The chapter ends with a conclusion.

Chapter three is a review of literature on customer experience and microfinance relevant to the current study. The concept of customer experience and its association with consumer behaviour and services marketing as parent disciplines related to the

study is presented in the chapter. The chapter is also an overview of the microfinance service sector. The history and ongoing conversations on microfinance that pertain to the focus of the study is highlighted in the chapter. The literature review provides a proper understanding of the customer experience construct. The role, objectives, challenges, impact, and outreach of microfinance both in general terms and specifically in the Nigerian context are also discussed in the chapter. Further, an attempt to describe customer experience in the microfinance sector is made. Finally, chapter three highlights research gaps based on previous studies and ends with a conclusion.

Chapter four is the conceptual framework chapter which provides mapping for the current study. The relationship between the variables relevant to the study as extracted from literature are discussed. Also, the hypotheses to be tested in the study are formed.

Chapter five is a review and adaption of the research design and methodology for the study. The research paradigm and logic as well as the rationalisation for the research outlook are presented in the chapter. The chapter also highlights the overall structure as well as the strategy to meet the objectives of the study such as research environment, population, sampling, data administration and collection, validity and reliability of research, statistical process for data analysis, and ethical considerations.

Chapter six centres on the analysis and presentation of data obtained from the quantitative study. The chapter presents the results of the empirical analysis which is a fulcrum of the study.

Chapter seven centres on discussion of empirical findings from this and review of literature vis-à-vis research objectives and hypotheses. All the information gathered were targeted at addressing the research objectives which is primarily to establish the influence of determinants on microfinance institution customers in Osun State, Nigeria.

Chapter eight provides conclusions, recommendations and implications based on the research findings and discussions. The chapter also highlights the contribution of the research to theoretical knowledge as well as professional practice. Limitations to the

study are discussed and recommendations are made to microfinance stakeholders on the influence of determinants and moderators of microfinance institution customer experience in Nigeria. The chapter ends with a conclusion and reflection on the doctoral journey.

Table 1.1: Structure of Study at a Glance (Source: Developed by Researcher)

Chapter 1	Introduction and Background to study
Chapter 2	Theoretical Framework
Chapter 3	Literature Review: Overview of Customer Experience and Microfinance
Chapter 4	Conceptual Framework
Chapter 5	Research Design and Methodology
Chapter 6	Presentation and Interpretation of Findings
Chapter 7	Discussion of Findings
Chapter 8	Conclusion, Recommendations and Implications of Study

1.10 Conclusion

The chapter establishes the need for research into customer experience in microfinance institutions in response to the growing research interest in the customer experience construct. The background and framework for the study was properly conceptualised. The research problems were clearly stated and the objectives for the study established. The chapter also specified the rationale, significance and nature of the study while clearly giving a summary of research design and methodologies utilised in carrying out the research. The theoretical foundation for the study is discussed in the next chapter.

CHAPTER TWO: THEORETICAL FRAMEWORK

2.1 Introduction

Chapter 2 provides theoretical underpinning that provide perspective on understanding the customer experience construct. The chapter also provides an overview of theory underlying the present study. The customer journey and customer experience models relevant to the context of the study are described in the chapter. The chapter ends with a conclusion.

2.2 Theoretical Foundations for Customer Experience Creation in the Service Context

The concept of customer experience has received academic and managerial research interest for decades (Gilboa et al., 2019; Becker & Jaakkola, 2020). Customer experience is defined (Meyer & Schwager, 2007; Verhoef et al., 2009; Gilboa et al., 2019) as the perception of the customer of all interactions with the organisation, express or implied, intended, or unintended through various channels within or out of the service provider's control. Brakus et al. (2009) and Verhoef et al. (2009) suggest that prearranged contact typically occur at the point of acquisition, consumption, and service and is usually initiated by the customer; while inadvertent contact, which can result in endorsement or censure, most often entails interactions with others in respect of the organisation's goods, service or brands through marketing communication experience and the experience of other customers' social relationships.

Pine and Gilmore (1998) invented the term 'experience economy' from the outcome of a study of the service industry to argue that the purchase of goods and services by customers is a means of satisfying deeper goals which are emotional, sensorial, and hedonic in nature. According to Pine and Gilmore (1998), experience is a concept that goes beyond functionality or efficiency to engaging interactions that touch emotions and requires creativity. Studies (Pine & Gilmore, 1998; Schmitt & Zarantonello, 2015) argue that experiences possess economic value. Customer experience quality is therefore proffered as measured based on its effect on value-in-use, thus suggesting that value-in-use is a measure of relationship outcomes. Wenwei and Tongtong (2010) portray customers as more interested in value than the product and assert customer

experience as a response to shared dealings between the organisation and the customers. Schmitt and Zarantonello (2015) extend value as derived from a combination of the product/service itself, its functionality, the hedonic attachment and experience surrounding the purchase and consumption. Ali et al. (2013) affirm experience as a measure of delivering economic value; and, thus, impact customer's opinion of value in the same way as products and services do (Pine & Gilmore, 1998; Cetin et al., 2014). Economic value is consequently not limited to functionality but encompasses a wide spectrum of value offerings to the customers. Schmitt and Zarantonello (2015) posit service as not just an exchange of service for money, but a chain of interactions through the three stages of pre-consumption, consumption, and post-consumption.

Holbrook & Hirschman (1982) conceptualised consumption experience as associated with emotions, fantasies, and enjoyment. Other studies (Caru & Cova, 2003; Verhoef et al., 2009; Schmitt, 2011; Srivastava, 2018) support the multidimensional value of experience. Such value offerings involving the customer's intellectual and emotional appraisal, incorporates the cognitive, spiritual, physical, affective, sensorial, behavioural, and relational responses of the customer to the entire buying process of searching, acquisition, utilisation, and post-purchase evaluation. Keiningham et al. (2019) opine that such categorisation assists organisations to improve each aspect of the dimension to provide a holistic customer experience. Studies (Schmitt & Zarantonello, 2015; Bagdare, 2016) offer the functional value of experience as encompassing the cognitive benefits of service, while the hedonic value is the affective, sensorial, and behavioural value attached to the service interaction at various touchpoints from the customer's perspective. Other studies (Schmitt, 1999; Brakus et al., 2009; Garg et al., 2012; Haery and Farahmand, 2013) describe sensorial experience as focused on the five senses of sight, sound, touch, taste, and smell which is mainly influenced by the physical and aesthetic aspects of an offering. Sensorial experience as described by Bustamante and Rubio (2017) is the customer's perception of well-being or discomfort in reaction to the retail atmosphere. The affective experience encompasses the emotions, moods and feelings based on the interconnection between the organization and the customer (Schmitt, 1999; Brakus et al., 2009; Garg et al., 2012; Haery & Farahmand, 2013).

Bustamante and Rubio (2017) describe the affective experience as varying emotional responses to service stimulus. Such emotions according to Schmitt (1999) may be positive or negative, and impact how information is processed by the customer. They influence information processing and impact consumer behaviour toward the organisation. According to previous studies (Schmitt, 1999; Brakus et al., 2009; Garg et al., 2012; Haery and Farahmand, 2013) cognitive experience is influenced by the mental processes of the customer which may support or disagree with the organisation. Bustamante and Rubio (2017) argue that cognitive experience is a rational response developed when a stimulus adequately influences the individual. Cognition is described as processing of available information prior to affective responses. Schmitt (1999) offers such responses as thoughts to environmental clues such as brands and retail atmosphere, products, and service environment, among others. Bustamante and Rubio (2017) summarise the cognitive experience as service offerings that arouse mental action through direct or indirect contact. Authors (Schmitt, 1999; Brakus et al., 2009; Garg et al., 2012; Haery and Farahmand, 2013) offer behavioural experience as encompassing connections and way of life of the customer. Kharat et al. (2020) also describe behavioural experience as customer perception of how the customer and organisational interact with others in a social context. According to the authors, the social environment provides the stimuli for the customer to form opinions on behavioural experience through cognitive and affective processing of interaction with employees and other customers. The relational experience as described in literature (Schmitt, 1999; Garg et al., 2012; Kharat et al., 2020) is the perspective and outcome of interactions between the customer and others within and outside the customer's social context such as family, friends, and other customers.

Kyguoliene and Makutenas (2017) in contrast offer that the sensory, emotional, behavioural, and relational dimensions of experience have supplanted the functional value. Schmitt (1999) offers customers as emotional co-creators of value in search of pleasurable and memorable experience. This study adopts the perspective common to studies (Helkkula, 2011; Bustamante & Rubio, 2017) on service context as inclusive of internal and contextual components. This study conceptualises the holistic customer experience as the strategic experiential including the sensory, affective, cognitive, behavioural, and relational dimensions. Brakus et al. (2009) and Schmitt and Zarantello (2015) argue that certain dimensions of customer experience, such as

sensorial and lifestyle, or pragmatic, cognitive, and lifestyle overlap and cannot be engaged individually due to the overlap and high level of interaction of aspects of customer experience dimensions. Garg et al. (2012), and, Haery and Farahmand (2013) in contrast view the various dimensions as distinct offerings, however varying in significance based on industry context. For example, the retail atmosphere will more significantly impact affective experience in hospitality while healthcare will be more impacted by the cognitive experience. Garg et al. (2012) argues that the significance of influence of determinants on the various dimensions of customer experience differ based on the service sector context. Garg et al. (2012) offer that the affective dimension may be more significant to the hospitality sector while the retail atmosphere will be more significant to the cognitive dimension of the hospitality sector. Brakus et al. (2009) similarly argue that components of the brand image such as logo and slogans may generate more than one experience dimension and produce sensory experience originating from the colours, shapes, and designs, affective experience – emanating from emotions based on sentimental attachments, and cognitive experience, and resulting from the intricacy of design patterns.

Becker and Jaakkola (2020) assert conflicting views of customer experience in literature. According to the authors, experience is conceptualized as an offering in some studies while the majority view it as customers' response to stimuli. Thus there is confusion about whether experience should be viewed as a response to an offering or assessment of value offered. Other studies (Palmer, 2010; Schmitt 2011; Jain et al., 2017) offer that customer experience can be viewed as a process or an outcome. Customer experience as an outcome is viewed as formative accumulation of knowledge based on interactions, while as a process it is viewed as a reflective continuous perception of interactions. Other studies (Schmitt & Zarantonello, 2015; Kranzbuhler et al., 2018) proffer that customer experience can be categorized into two diverse but connected groups. The first is experience as a continuing view, emotion, and direct estimation of customer involvement with an organisation; while the second classification defines experience as knowledge gathered from past interactions. In summary, customer experience is the outcome of interaction with specific touchpoints described in multidimensional ways.

Bagdare (2016) describe the experience as a multidimensional phenomenon arising out of encounters with environmental clues and sensorial stimuli. Jain e al. (2017) similarly affirm interaction as pivotal to experience formation. Bagdare (2016) offer experience as involving customer appraisal of and response to aspects of environment, situation, and consumer characteristics. Jain et al. (2017) similarly extend environmental psychology of service interactions as encompassing stimulus of Pleasure, Arousal and Dominance (PAD). Jain et al. (2017) proffer the stimulus of PAD during service interactions as causing avoidance or dominance which explains the customer experience formation. The author posits that experience is the result of interaction with environmental clues and sensorial stimuli at different phases of the buying process. According Bagdare (2016), clues are either classified as cognitive and emotional; or mechanic and humanic. Such categorisation are subjective to moderators such as context, individualities, and macro environmental factors. The study argues that organisations can design memorable customer experience by managing the customer journey. Lemon and Verhoef (2016) identify theories of consumer behaviour which provide a strong foundation for customer experience research as including: i) Howard and Sheth's model; ii) The attention–interest–desire–action (AIDA) model; and iii) The theory of business buying behaviour. The servicescape/environmental perspective model reflects all the experiential components of the servicescape where service delivery occurs such as the form of the physical environment, ambience, environmental design, and functionality. Kranzbuhler et al. (2018) identify key theories underlying the customer experience, from both the consumer and service provider perspectives to include i) Behavioural theory of the firm; ii) Experience utility theory; iii) Customer value creation; iv) Service-dominant logic; v) Model of environmental psychology; and vi) Expectation confirmation theory. Kranzbuhler et al. (2018) argue that research from the organisational perspective which are anchored on the behavioural theory of the firm are focused on the designing and management of customer experiences and internal processes with a view to meeting organisational objectives (Grewal et al., 2009; Verhoef et al., 2009). Customer experience research from consumer perspective according to Kranzbuhler et al. (2018), focuses on understanding consumer psychological processes and behaviour and is anchored on such theories as experience utility, expectation confirmation theory and Service-dominant logic.

Recent studies (Jain et al., 2017; Bueno et al., 2019) argue that the concepts of service experience and customer experience as interchanged in literature. The authors opine that both concepts situate in the Service-Dominant logic and emphasise value-in-use. Both concepts are also comparable in their conceptualization, dimensions, process, and evaluation. However, while customer experience is limited to customer-oriented interaction with the organization at different touchpoints; service experience is a broader concept spanning perception of the customers, organisational representatives, organisations, as well as other stakeholders during service interaction. Other studies (Caru & Cova, 2003; Brakus et al., 2009) offer that positive experience can be memorable or extraordinary, weak, or strong. Thus, it is viewed in a range based on strength of customer reaction to stimuli (Becker and Jaakola, 2020). Oswald et al. (2006) provide features of positive experience creation as:

- Envisaging and going the extra mile to uniquely meeting customer needs,
- Providing properly defined consumer experience,
- Providing palpable emotional experience,
- Viewing experience as having distinct economic value and involving customers and the organisation,
- Viewing experience as interactions, and
- Producing engaging memories.

Manthiou et al. (2020) in contrast, challenge past studies on the role of emotions in customer experience and offer that positive and negative emotion can co-occur during the consumption experience. According to Manthiou et al. (2020), positive emotions do not necessarily result in positive experience while negative emotions may also not cause negative experience. Manthiou et al. (2020) further posit that an unsatisfactory customer experience with an organizational representative may not necessarily result in a bad customer experience owing to positive experience in other touchpoints in the journey outweighing such negative experience. This affirms the importance of holistic customer experience.

From the foregoing, it can be concluded that diverse theoretical underpinnings have been used to explain the customer experience. To foster a deeper understanding of diverse theories that clarify the customer experience construct, Lemon and Verhoef (2016) identify three major categories of research domains on how customer

experience is fused into the major theories, how they impart knowledge, and are designed:

- 1) Research centred on process, behaviour, and value offers a background for the development customer experience through the buying process. Studies in this category, stress the importance of touch point interactions in the experience journey and the growing difficulties of managing the customer experience through all the facets of interaction.
- 2) Research centred on customer experience measurement and outcomes such as service quality loyalty, retention, word-of-mouth, profitability and satisfaction. Studies in this category stress the association of customer experience with behavioural outcomes.
- 3) Research centred on customer experience management both within and outside the organisation. Research in services marketing has shifted from conceptual dialogues to theory driven and focused on resolving challenges emanating from the now generally accepted distinctiveness between goods and services.

Helkkula (2011) aligns with the process and outcome categorization of customer experience offered by Lemon and Verhoef (2016) and expands it with an additional category termed the phenomenological categorization which is described as an internal subjective phenomenon limited to a specific individual, situation and context but is activated through interaction. Experiences in this category, though subjective, are interactive, social, and influenced by peer interpretations. The phenomenon based service experience perceives the customer's or service provider's representatives as the focus of experience. Helkkula (2011) recognising different research models of service marketing which are complementary, rather than being mutually exclusive, points out that analyses of research focused on the individual's experiences of the service process should be based on the phenomenological approach. Analyses centred on the order of process occurrence and variations of service experience in the longitudinal aspect should be centred on the process-based approach. Helkkula (2011) further suggests that the different characterisations might also be applied as a complementary approach in other settings. Palmer (2010) and Saba (2014) note that the notion of experience in marketing can be linked to the research in services that submits that customers' attitude to an event is induced by a mixture of three factors, namely stimulus characteristics, context, and situational variables.

Kranzbuhler et al. (2018) argues that the basis for researching customer experience from the consumer's perspective is its irrationality and subjective nature which cannot be projected by organisations. Such studies usually provide insights and contribute to empirical debates and has practical implications. Theories are used in designing the customer experience based on different premises. It is therefore vital to choose theories relevant to the research by considering their role as a sound basis for the study. Based on previous studies (Bitner, 1990; Puccinelli et al., 2009; Verhoef et al., 2009), the domain of the current study can be located in the process, behaviour, and value of customer experience. As argued by Lemon and Verhoef (2016), studies in this category, are focused on the significance of touch point interactions in the experience journey and managing such experiences. The precursors are also associated with customer expectation which determines perception of performance and behaviour.

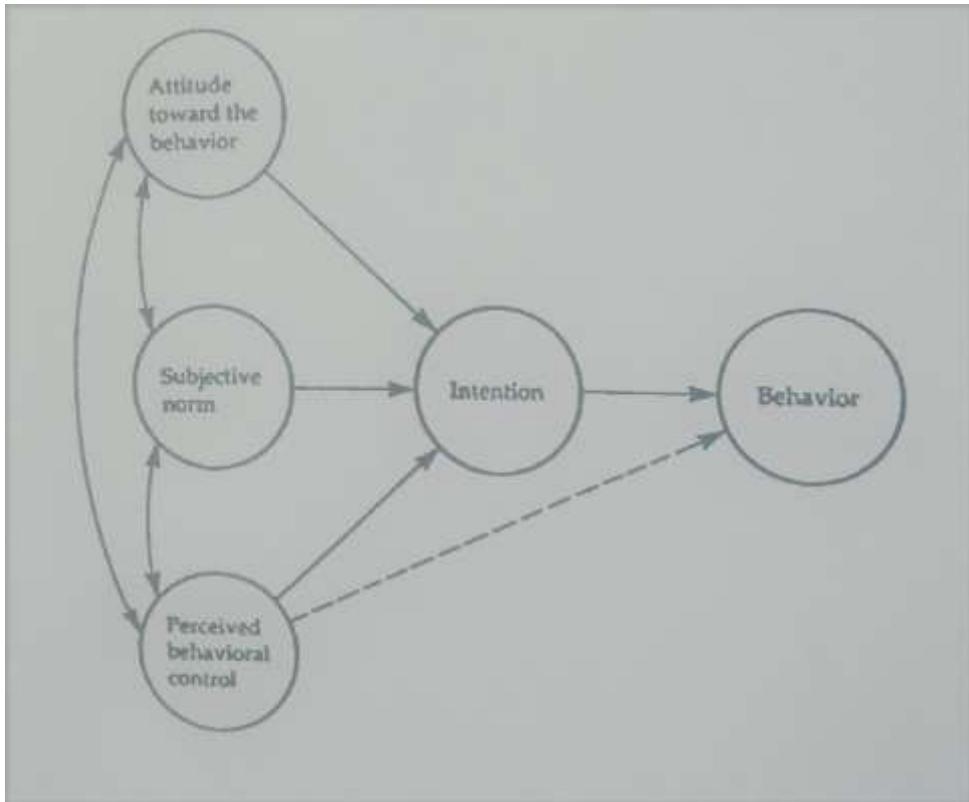
2.2.1 Theory of Planned Behaviour

The Theory of Planned Behaviour (TPB) conceptualised by Ajzen (1991) is an outgrowth of Theory of Reasoned Action (TRA), which was developed by Ajzen and Fishbein in 1980 (Njenga et al., 2016). The TPB adds a new construct of perceived behaviour control to the TRA. TPB postulates that behavioural intention is caused by attitude, subjective norms, and people's opinion on their ability to carry out the behaviour. Ajzen (1991) conceptualises the TPB as offering an underlying connection between beliefs, attitudes, intentions, and behaviour. Figure 2.1 illustrates TBP which Ajzen (1991) explains as a means of predicting customer's plans to behave in a certain way. He highlighted attitudes toward the behaviour, subjective norms, and perceived behavioural control to predict behavioural intention. The author argues that the three constructs and perceptions of behavioural control, explains behaviour and highlights the role of expectation and value as a way of evaluating limitations to behavioural intentions.

Studies (Ajzen, 1991; Asare, 2015) further describe the behavioural intention as incentive that inspires behaviour and offer that the chances of behaving in a certain way increases with the intention to engage in the behaviour. TPB is adapted in investigation of relationship between attitude and behaviour. Attitude towards the

behaviour is determined by the degree of positive or negative assessment of the behaviour.

Figure 2.1: Theory of Planned Behaviour (Source: Ajzen, 1991)



Subjective norm is the individual's attitude towards social pressure to execute or not execute a particular behaviour based on beliefs and motivation. Finally, perceived behavioural control is the assessment of the degree of simplicity required to perform the intended behaviour. The current study adapts the argument of McColl-Kennedy et al. (2018) on the impact of organisational actions on customer evaluation and subsequent behaviour by applying the TPB to establish the role played by service offering and how it influences customer perception and behaviour towards the holistic experience. McColl-Kennedy et al. (2018) argues for an investigation of customer response to value creation elements in various touchpoints that have not been previously investigated based on qualitative data and quantitative data as a means of establishing the root causes and specific opportunities for improvement.

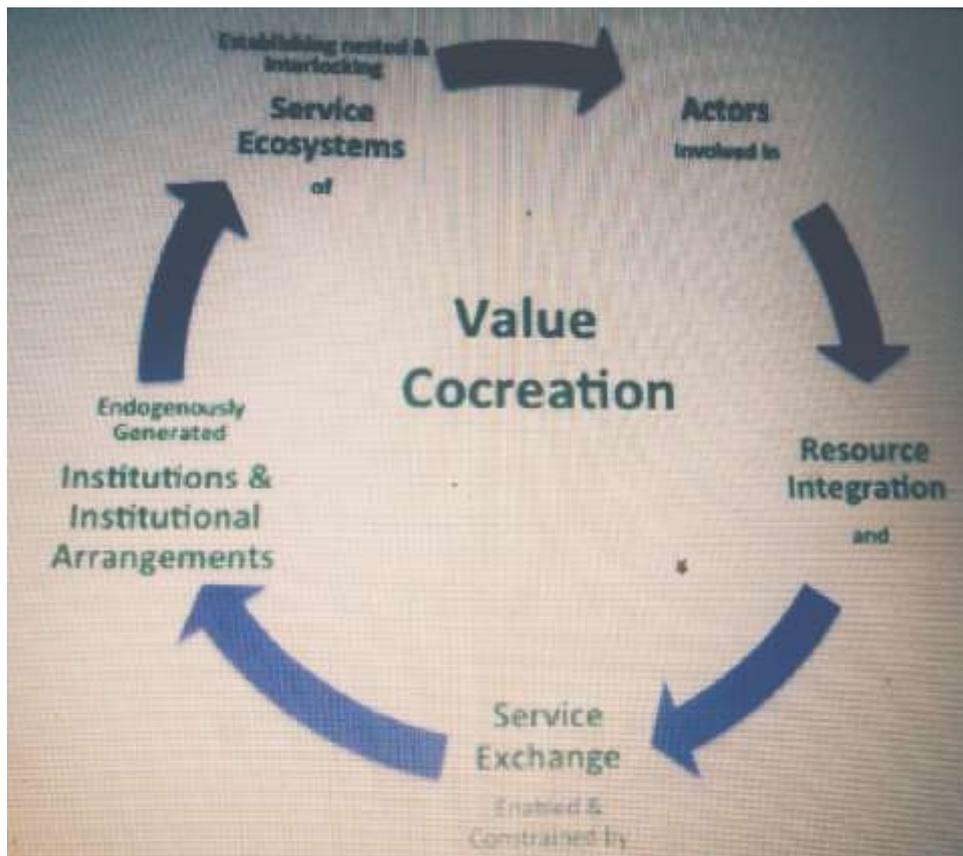
TPB has been adopted in several empirical studies to validate behavioural intention. Lodorfos et al. (2006) utilised the TPB in a study to establish determinants of consumers of consumer behaviour towards over-the counter pharmaceutical product

by testing the role of consumers' attitudes, intentions to choice, and subjective norm in investigating beliefs about reliability, price and previous experience. Yakasai and Jusoh (2015) in a study which investigated TPB as a predictor of university students' intention to use digital coupon validated the TPB as providing explanation for customer intention to use digital coupon. Tommasetti et al. (2018) adapted the TPB with two additional variables of perceived usefulness and curiosity in a study to establish factors affecting consumer choice of sustainable restaurants and found that attitude, subjective norm, perceived behavioural control, perceived usefulness, and curiosity influenced the consumers' behavioural intention which in turn impacted behaviour. The highlighted empirical studies provide evidence on the effectiveness of the TPB in investigating determinants predicting customer experience.

2.2.2 Service-Dominant Logic

The Service-Dominant (S-D) logic conceptualised by Vargo and Lusch (2004) as fresh marketing logic focused on co-creation of value in economic exchange as dependent on services instead of goods. Figure 2.2 illustrates S-D logic which according to Mohd-Ramly and Omar (2017) is a marketing concept attracting growing importance from researchers to providing memorable and engaging customer experience. Walter (2011) asserts that before the advent of the S-D logic, the focus was on marketing goods with values entrenched in the product while customers were considered consumers of value. Walter (2011) further describes features of services, including intangibility, heterogeneity, perishability, and inseparability, as evaluated based on comparison with goods. Customers were viewed as passive recipients of experience and the service provider as controlling experience. Viewing customers as passive recipients of experience received much criticism from scholars as such opinion did not consider the customer's subjective response to experiences. Tynan and McKechnie (2009) explain the S-D logic as a marketing theory that emphasises experience and co-creation of value between organisations and customers. Studies (Schmitt, 1999; Brakus et al., 2009) strengthening the S-D logic, confirm experiences as a construct that is not self-generated but activated by particular stimuli, and thus having cause and purpose.

Figure 2.2: The Narrative and Process of S-D Logic (Source: Vargo & Lusch, 2016)



Bustamante and Rubio (2017) submit experience as requiring interaction between the customer and the organisation through products or services, and the act of value co-creation between the two. Jain et al. (2017) describe the S-D logic as signifying a marketing shift from “value in exchanges” to “value in use”. The S-D logic as described by Gronroos and Gummerus (2014) is an analytical approach, where value creation is customer driven and created in the consumption process with the co-creation concepts of marketing from a service perspective. Bueno et al. (2019) explain the service-dominant logic as positing that increased value can be created by experiences. The authors offer value co-creation as ensuing during service encounters with various touchpoints during the consumption journey. Thus, organisations that focus on the various aspects of the service experience accomplish significant marketing outcomes.

The foregoing section holds that value, which is dependent on the customer’s objective for patronising the service provider, is determined through every stage of service encounter and is critical to organisational success. The service-dominant logic, which emphasises experience and co-creation of value in exchanges between organisations

and customers, are noted as offering insight into the customers' perspective in the value creation processes both within and outside what is discernible to the organisation. It suggests that value is created by customer experiences at any of the touchpoints. Thus, customers must be engaged by organisations in the value creation process.

The study adapts and defines the customer experience as the customer's holistic perception of past or continuous all-inclusive memorable personal, social, and marketing communication formed during direct and indirect interactions with the service provider. Customer experience is holistic, multidimensional, happens in both planned and unplanned contexts, and may be direct or indirect. In addition, it is dependent on customers' perception during social interactions or internal revisit of memories of previous encounter. The theoretical review highlights a lack of research that captures every facet of customer experience and a need for understanding the concept from customer's perspective. This study integrates the TPB and S-D logic as underlying theory to research the influence of determinants and moderators of microfinance institution customer experience. Asare (2015) utilised the TPB in a study as a basis for determining customer behavioural intention with a view to explore the viable factors. Lodorfos et al. (2006) also offer that in applying the TPB, the belief is determined by the researcher. Therefore, in the current study, relevant literature for determinants and moderators of customer experience are reviewed to establish the customer's perception of the impact of determinants on experience. Previous studies show the effectiveness of the TPB in forecasting diverse intentions and behaviours. The study adapts the S-D logic perspective to weigh the customer opinion of value propositions of microfinance experience. Value propositions, which are determinants and moderators of customer experience adapted for this study, are tested on existing practices and resources in new ways.

2.3 Customer Experience

Studies (Bustamante & Rubio, 2017; Kharat et al., 2020) identify customer experience as a developing concept reckoned as vital for service companies, presently receiving serious consideration by scholars and practitioners. The significance attributed to experience arose from the commoditisation of products and services as a consequence of increased competition. Hwang and Seo (2016) similarly describe

discussions on customer experience as having covered many aspects such as experience measurement, dimensions, models, and frameworks, among others. Verhoef et al. (2009); Puccinelli et al. (2009) and Grewal et al. (2009) all reveal that studies on customer experience have been focused on aspects of the construct. Mohd-Ramly and Omar (2017) identify various conceptualisations of customer experience in literature as: i) understanding arising from frequent exposures to the store; ii) emotional attachment arising from the influence of certain actors designed by the service provider; and iii) presence participatory or engaging activities that lead to striking experiences through interactions between customers and the brand.

Kranzbuhler (2018) note that customer experience research has been undertaken by scholars from both the customers' and the organisational perspective. The authors organise customer experience research from the perspectives of the organisation and the consumer on two levels ; i) static customer experience, which evaluates touch point experiences at a point in time; and ii) dynamic customer experience, which evaluates how experiences develop over time. The customer experience is a subjective construct with multiple elements which may be controllable or uncontrollable by the service-provider (Verhoef et al. 2009; Kranzbuhler et al., 2018). Kranzbuhler et al. (2018) propose that both organisations and customers play roles in the customer experience; the organisational perspective deals with the formation of customer experience while the customer perspective deals with the customer view of experiences. The authors therefore justify the need to design customer experience from both the organisation and customer perspectives, suggesting that customer experience may not be viewed by consumers as planned by the organisation. A positive customer experience may not be advantageous to the firm's outcome.

Recent studies (Schmitt & Zarantonello, 2015; Bueno et al., 2019; Becker & Jaakkola, 2020) emphasize the acclaimed fundamental nature of customer experience every service interaction, however, stipulate the absence of universally acceptable measure for the construct. Du Plessis and De Vries (2016); and Keiningham et al. (2019) similarly offer dearth of tangible strategies for the implementation of customer experience and argue for a critical need for clear framework that links customer experience to the business. Alharbi et al. (2016) highlight three aspects through which the customer experience phenomenon has been considered as emotions, value, and

dual interaction roles. These aspects, according to the authors, are not contemplated in a combined manner during single empirical studies. Schmitt (1999) reviewed the role of emotions and value gained through his experiences with the organisation to the customer experience. While Verhoef et al. (2009) and Rose et al. (2012) confirm value and dual interaction in designing the customer experience. Alharbi et al. (2016) contend that the regular combination of the three aspects is a means of achieving holistic customer experience management between scholars and managers.

Other scholars (Holbrook & Hirschman, 1982; Verhoef et al., 2009 Schmitt, 2011; Sorooshian et al., 2013; Keiningham et al., 2019) suggest partnership between organisations and customers to establish experience by understanding customer perspective. Eiamkanchanalai (2010) suggest that critical customer experience questions requiring answers by organisations include the question of the factors that generate customer experience, how organisations determine distribution of resources to each of these factors, the determination of experiences that customers value, and the universality of customer experience factors across all types of customers. Bagdare (2017) in a study to deepen understanding on the retail customer offer that the design of positive retail customer experience is achieved through cognitive and emotional clues in the environment, moderated by customer and contextual characteristics. The study further suggests that some essential determinants and dimensions are required for the formation of such positive retail experience. Kyguoliene and Makutenas (2017) offer that a variety of generalised and specific measurement scales of customer experience has been offered and over the relevance of studies on measurement of customer experience. The author offers that most experience measurement scales are unique to requirements of customers in such sectors. Such measurements are further focused on either virtual or physical settings, thus the existing appraisal scales are incapable of meeting microfinance sector customer requirements. Sector specific scale developments therefore require identification of touchpoints during the customer journey (Kyguoliene & Makutenas, 2017).

2.3.1 The Customer Experience Journey

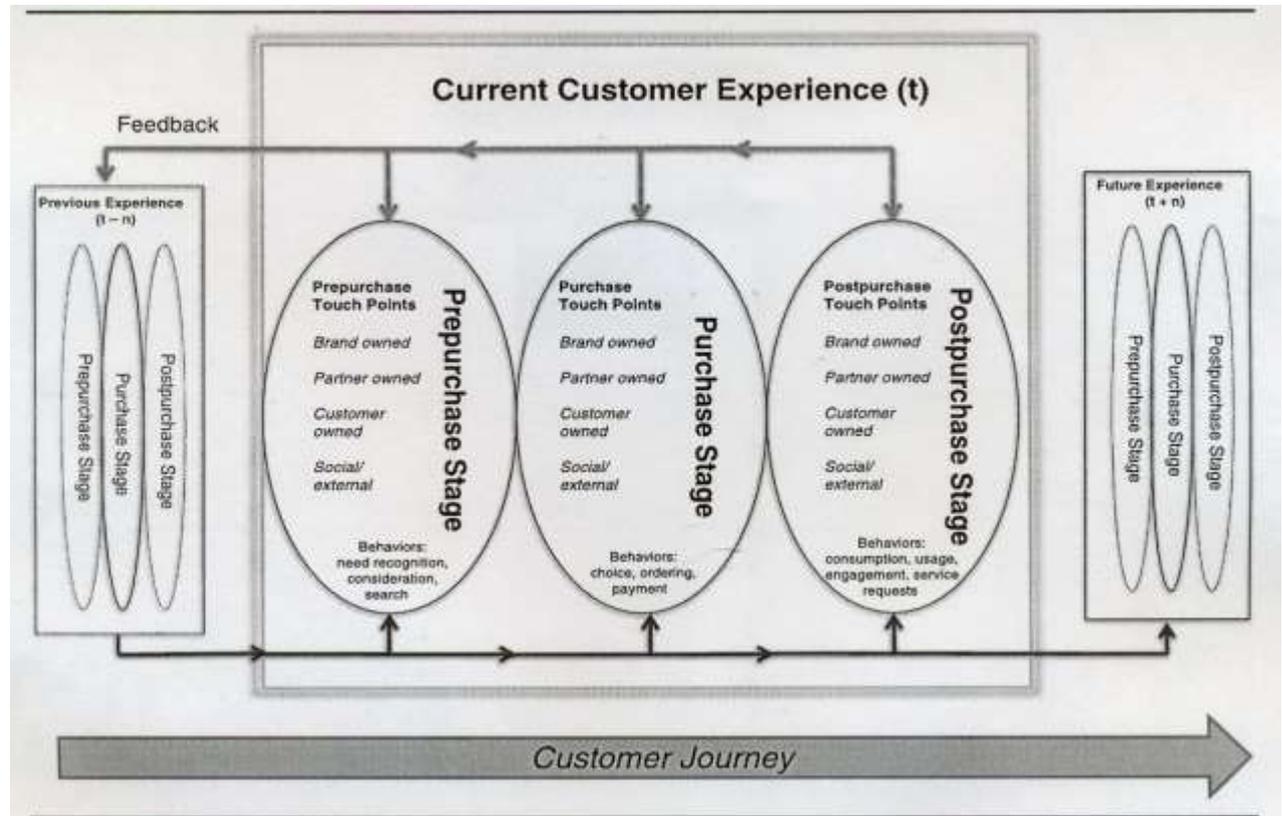
Bonney et al. (2019) proffers the buying decision process as evolving through seven themes -transactions, situations, influences, responses, relationships, networks, and journeys. The author however assert more current research as referring to the buying

process as a journey where many touchpoints influence buyers' purchasing decisions. Transactions according to Steward et al. (2019) focus on the communication between customer and service provider through stages in a single transaction while journeys focus on designing the customer journey and strategising marketing activities through several touchpoints traversing various customer journeys. Specifically, studies (Nasution et al., 2014; Lemon & Verhoef, 2016) describe the customer experience journey as the customer's dynamic interactive process with the service provider across multiple touchpoints throughout a time period during the buying cycle. Kranzbuhler et al. (2018) offer current customer experience research as focusing on holistic design of touchpoints throughout the customer journey in all the service channels. Brakus et al., (2009) opine that customer experience during the journey can be assessed through the cognition, affective and human lenses. Studies (Puccinelli et al., 2009; Saba, 2014; Lemon & Verhoef, 2016) conceptualise the customer experience journey in three distinct phases of experience prior to consumption, during consumption and after consumption. Hellén and Gummerus (2013) note that marketing and consumer behaviour affirm the need to differentiate consumer experiences at different stages of the consumption process.

Steward et al. (2019) argues that the central focus of the customer journey is the transaction which has been extended to incorporate situations, influences, relationships, and networks which form the basis of the customer experience. The author conceptualise the customer journey to incorporate all of the experiential features of customer and organisational interactions process over various time periods. Service providers are assigned the role of designing experiences at all touchpoints during the customer journey. Such design involves the assessment of the customer perception of people, places, situations, and activities; which may require redesigning for improvements. According to Nasution et al. (2014), customer values, needs and wants determine the perception of customer on the value, perceived quality, and decision regarding the experience. Marketing literature (Bonney et al., 2019) highlights the significance of pre-purchase expectations on post-purchase evaluations; while behavioural economics differentiates pre-purchase evaluations that consumers make between different types of utilities. Lemon and Verhoef (2016) acknowledge that while current research on customer experience look at the journey holistically, the three stage approach makes the process more systematic. In contrast,

Caru and Cova (2003) propose four stages of experience namely pre-purchase, purchase, consumption and remembered consumption. The difference between the three and four stage categorisation is the remembered consumption.

Figure 2.3: Progression Model for Customer Experience Journey (Source: Lemon and Verhoef, 2016)



Building on previous studies (Verhoef et al., 2009; Klaus & Maklan, 2011; Nasution et al., 2014) among others, the service experience journey can be designed through determination of the following: 1) customer requirements and goals in respect of the product or service; 2) strategies adopted by the organisation to ensure optimum experience; 3) phases of customer experience; 4) cumulative effect of past customer experience; and 5) change in response of customer to the product or service. In contrast, Caru and Cova (2003) propose an added dimension of reliving the experience through discussions with friends and the prospective influence of such discussions on memories and future decisions. Brakus et al. (2009) identify different situations through which experience can arise such as: i) Product Experience- which happens during customer interaction with products either directly or indirectly; ii) Shopping and Service Experience - which happens during customer interaction with

the service interface with employees; iii) Consumption Experience –which happens when customers utilise the products.

Figure 2.3 indicate how previous, current, and future experiences are interlinked in forming impressions during the customer journey. It also recognises four categories of touchpoints which the customer interacts with at each stage of the experience journey as brand-owned, partner-owned touch points, customer-owned and social/external touch points.

2.3.1 The Pre-purchase Stage

Studies (Dumitrescu et al., 2012; Jain et al., 2017; Bonney et al., 2019) opine that the pre-purchase stage, also referred to as pre-decision, pre-experience or search stage, combines every facet of the customer's contact with the brand either directly or indirectly before actual purchase. The customers picture the experience, and identify, visualising, searching for information, planning, and budgeting for fulfilling a particular need as characteristic customer behaviours at this stage. Components of customer interaction at the pre-purchase stage include need recognition, information search, and evaluation of alternatives (Lemon & Verhoef, 2016; Bonney et al, 2019). Tsiotso and Wirtz (2012) observe that need recognition may arise unconsciously (as in situations of spontaneous purchases), from the inside (as in situations of hunger) or from outward sources (such as influence of marketing mix). The study further offer information search as a means of finding solutions to the problem or need identified. Nasution et al. (2014) suggest that during the pre-encounter stage of customer journey, the customer values, needs and wants determine the value, perceived quality, and decision of the customer regarding the experience. Saba (2014) similarly posits that customers get ready and expect the consumption process by visualising the experience and searching for relevant information at the pre-experience stage.

Information sources for service consumers as identified by Tsiotso and Wirtz (2012) varies and is dependent on consumer orientation, predisposition to innovation and the outlook on the view of the shopping experience. The information search is then applied to lessen cost, mitigate risk, build expectations of service offering and find offerings of other providers of the same service using an assortment of approaches such as personal (family, friends and peers); social media, reputation of organisations,

guarantee/warranty offered, employees, and personal trial among other things, to harvest information targeted at helping them decide (Murray, 1991; Lovelock & Wirtz 2011). Stewart et al. (2019) proffer that customers form opinion, establish consideration, set, and determine important service features worthy of attention, and use such attributes to assess and make comparisons of available alternatives before finally making a purchase decision based on their understanding and conclusions. According to Tsiotsu and Wirtz (2012), four key models in the pre-purchase stage relevant to consumer behaviour in consumption of services are need arousal; information sources; perceived risk; multi-attribute model; and search, experience, and credence attributes. The need arousal concept is the stimuli for consumer action to search for information. Available alternatives are weighed during the information search using the service features (such as quality, cost, and accessibility). The multi-attribute models are then employed for consumer choice. According to Tsiotsu and Wirtz (2012), in the multi-attribute models service features are used by consumers, based on significance, to measure and compare available choices of organisations under consideration with the consumer choice dependent on the decision rules. The author notes that consumers cannot always evaluate all key attributes as assumed by the multi-attribute models due to the difficulty of evaluating certain attributes. They identify categories of attributes as search attributes which are tangible features such as price and brand image, appraised before purchase; experience attributes such as dependability, convenience and consumer support which can only be evaluated during purchase; and credence attributes which are technical or long-term in nature and may be difficult to assess even after. The service encounter stage comes up after consumers have appraised available choices and are set to decide. Scholars (Verhoef et al., 2009; Puccinelli et al., 2009; Stewart et al., 2019) build on the buying process approach to identify determinants of customer experience as a means of providing enhanced experience for the customer at all encounters with the organisation during the decision-making process.

2.3.2 The Purchase Stage

The second stage of the buying process is referred to as the consumption (Nasution et al., 2014), decision (Bonney et al., 2019) or service encounter (Tsiotsu & Wirtz, 2012) stage. (Tsiotsu & Wirtz, 2012; Lemon & Verhoef, 2016) define the purchase stage as the core service stage comprising all customer contact with the organisation

during purchase. Components of customer interaction at this stage include the marketing mix (product, price, place, promotion, process, people, and physical evidence); the environment; and the store atmosphere. They described customer behaviours during this event as including selection, ordering, and payment. Dumitrescu et al. (2012) opine that the purchase or experience stage involves the sensorial, affective, cognitive, behavioural, and relational dimensions of experience.

Stewart et al. (2019) suggest that consumers partner with the organisation in creating value while assessing the service experience. Tsiotsu and Wirtz (2012) note that such encounters provide an order of connected proceedings happening at different points, which includes the call for service from the selected provider; dealings with employees; and actual service delivery. The author aver the service encounter as defining consumers' expectations, satisfaction, loyalty, repurchase intentions and word-of-mouth behaviour. Such encounters open consumers to such features as aesthetics, physical environment, facilities, employees, service interface, and social environment, among others (Srivastava, 2018). Nasution et al. (2014) suggest that during the encounter stage of customer journey, customer experience is formed based on emotional connection and perceptions created with the provider during service interactions.

2.3.3 The Post-Purchase Stage

The post-purchase stage of encounter, also referred to as the post-decision or post-consumption (Nasution et al., 2014; Lemon & Verhoef, 2016; Bonney et al., 2019) or post experience stage encompasses all customer contact with the brand after purchase. Components of customer interaction at this stage includes consumption, post purchase engagement, and after sales service requests. Nasution et al. (2014) suggest that at the post-purchase stage of the customer journey, experience is shaped based on knowledge and value acquired during the pre-purchase and encounter stage of the journey. According to Dumitrescu et al. (2012) this depends on the individual customer's perception of the total experience. Such consequence according to Dumitrescu et al. (2012), include pleasure, education, nostalgia, dissatisfaction, and word-of-mouth promotion.

Lemon and Verhoef (2016) in figure 2.3 identify four kinds of touch points which the customer interacts with at each stage of the experience as:

- i) Brand-owned touch points which are touch points within the service provider's control such as brand communication and some marketing mix variables. The identified touch points have been dealt with in studies on customer satisfaction (Bitner 1990).
- ii) Partner-owned touch points which are touch points controlled by both the service provider and alternative channels.
- iii) Customer-owned touch points which are subjective and individual to customers such as customer needs or desires.
- iv) Social/external touch points are touch points of experience with others, such as other customers or influences from family and friends, which may affect the process.

The four categories of touch points identified above afford organisations a structure for recognising prospective touch points in the journey which is either within or outside their control. Saba (2014) identifies multiple moments-of-truth for customers during an experience journey which happen at the purchase and consumption stages. Positive post experience, according to Saba (2014) culminates in customer satisfaction, customer loyalty and customer equity. Lemon and Verhoef (2016) highlight the need for organisations to rightly fathom the provider and customer's perception of the experience journey to identify crucial features in each phase, pinpoint the various touch points throughout the journey and identify specific triggers that result in customer behavioural intentions. Grewal et al. (2009) and Verhoef et al. (2009) opine that customers evaluate interactions with the service provider holistically, and also agree that previous research have concentrated on particular components of the journey. Verhoef et al. (2009) based on a review of past research, suggest a richer conceptualisation of customer experience as possible future research. Grewal et al. (2009, p.1) review comprised different retail customer experience studies on "the promotion, price, merchandise, supply chain and location" variables. Neither of the studies researched the post-purchase stage of the experience process as identified in the customer journey.

Literature (Bagdare, 2016; Kharat et al., 2020) indicate that customer impressions are created during the holistic multidimensional aspects of current and past interactions

with various service touch points during which the customer passes through a process referred to as the “customer decision/purchase journey”. The review identifies the need for more research on a holistic design of touch points throughout the customer journey in all the service channels. In addition, the customer buying decision model was also identified as a framework for research into “customer decision/purchase journey” through the pre-purchase, purchase, and post-purchase stages of the buying process. Steps for the design of the service experience journey are also highlighted. The next section reviews literature and present models of customer experience.

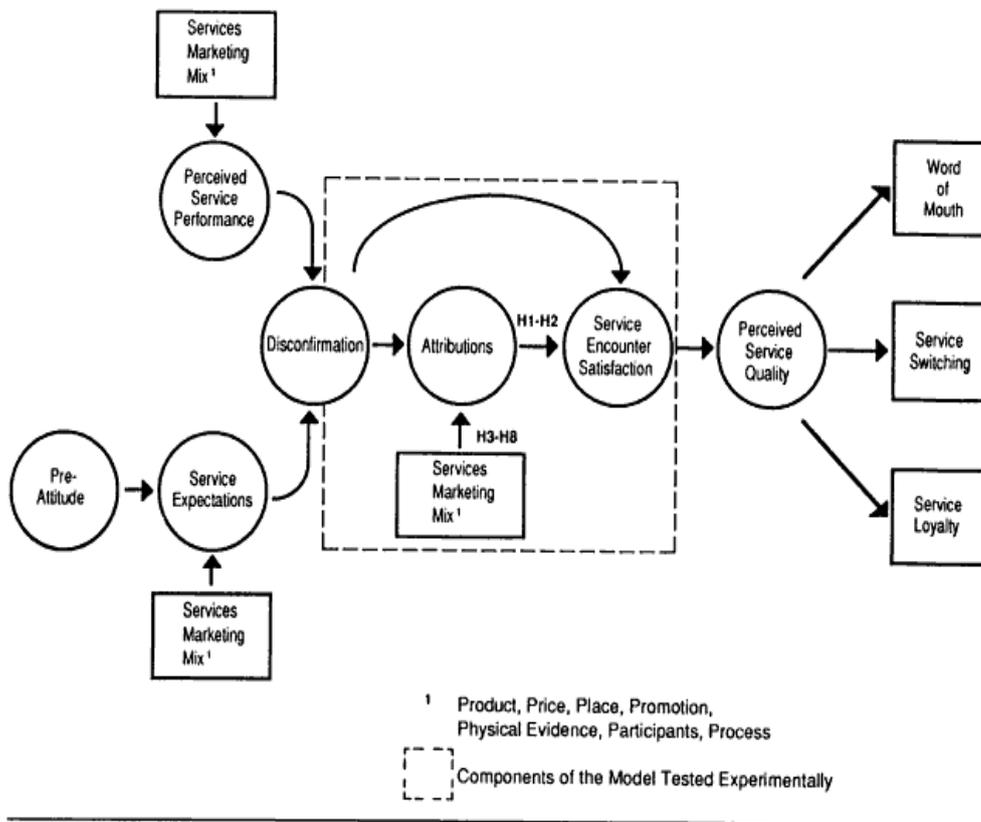
2.4 Models of Customer Experience

Diverse interpretations and various models have been posited to conceptualise the customer experience construct (Havir, 2017). The current study however focuses on research into the value placed on determinants of experience during the consumption journey. Studies (Bueno et al., 2019; Becker & Jaakkola, 2020) in this category stress the importance of stimuli in touch point interactions in the experience journey and conclude that intricacy of the service sector has resulted in suggestions of various methods of evaluation specific to contexts. This is to ensure that managerial strategies resonate with the peculiarities of the customer. Several models are reviewed in the current study based on universality and relevance.

2.4.1 A Model of Service Encounter Evaluation

Bitner (1990) developed a model representing theoretical associations between antecedents and outcomes of service encounters. The model, as illustrated in figure 2.4 is based on three premises: i) that a customer’s attitude prior to service interaction influences customer expectation of the outcome of the service encounter; ii) that the customer’s response to service interaction is determined by a comparison of previous expectation and perceived performance and the outcome is a confirmation or disconfirmation depending on whether such expectations were met or not; and iii) that a customer evaluates the reasons for unmet expectations and the result of such evaluation determines the customer’s level of satisfaction or dissatisfaction and future behaviours.

Figure 2.4: A Model of Service Encounter Evaluation (Bitner 1990)



Bitner (1990) concludes that customers' response to negative experience depends on whether the causal factors of such experience are controllable variables (such as physical environment and employees' response) by the firm.

In the context of the current study, the two out of the three concepts offered by Bitner (1990) are tested. The study empirically evaluates the influence of determinants proffered on the microfinance customer experience based on customer attitude prior to service interaction, comparison of previous expectation and perceived performance. Evaluation of identified determinants and moderators of experience are empirically tested on microfinance customers based on the attitude, comparison and perceptions of customers to their roles in influencing the total experience.

2.4.2 SERVQUAL Model

The SERVQUAL model developed by Parasuraman et al. (1988) anchors the measurement of determinants for service quality. The five determinants identified in the SERVQUAL scale are reliability, responsiveness, assurance, empathy, and tangibility. Reliability refers to how much customers can depend on the service

provider to keep service promise. Responsiveness measures the service speed and willingness of employees to assist customers during the service. Assurance is the level of trust reposed in the organization by the customer. Empathy refers to the level of understanding and compassion afforded the customer. Finally, tangibility includes the physical elements of the service such as the environment and employees. Maklan and Klaus (2012) offer that the SERVQUAL model is criticised for evaluating only customer's purchase intent, but not behaviour. Lemon and Verhoef (2016) however offer the SERVQUAL model as a major influence on customer experience. According to Maklan and Klaus (2011), the SERVQUAL model evaluates customers' perception of the five dimensions of service quality based on expectation using a 22-item scale. The author argues that the SERVQUAL model cannot adequately measure experience using service quality measures that compares actual services against expectations. Maklan and Klaus (2011) further proffer that customer assessment of individual elements of service interaction as good quality, based on the measurement scale of SERVQUAL model does not mean the entire service encounter is positive. The author argues that the customer experience journey transverses purchase, and, assessing service quality at the point of purchase does not give a holistic review of experience. Experience touchpoints may occur prior to or after the actual purchase, or across channels that are not accounted for in the SERVQUAL model.

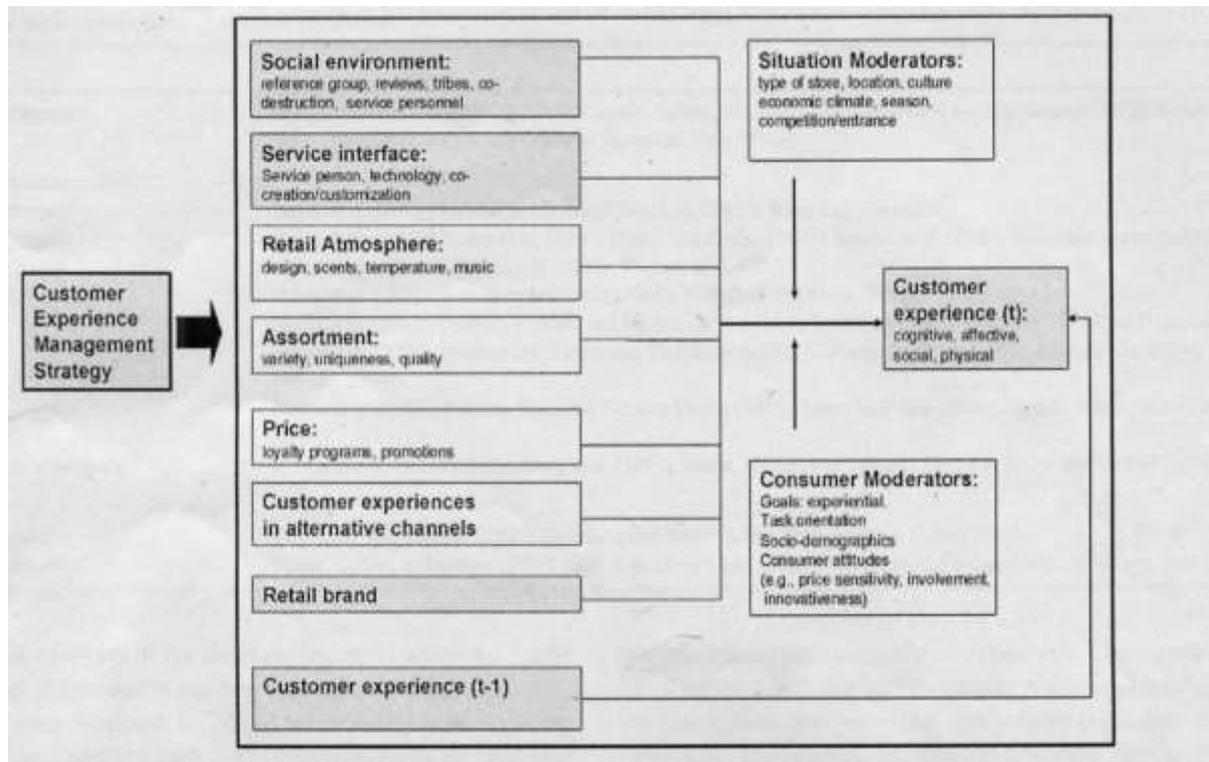
Elements of the determinants proposed in the SERVQUAL model are relevant to the current research. Responsiveness and empathy are integrated and measured as service interface in the current study. Also, assurance is measured as brand image, while some elements of tangibility are measured as the retail atmosphere (environment) and service interface (employees). However, while the SERVQUAL model assesses customers' perception of the service quality, the current study investigates the weight placed on the components of experience as a measure of the holistic experience.

2.4.3 Conceptual Model of Customer Experience Creation

Figure 2.5 illustrates the conceptual model of customer experience creation for retailing developed by Verhoef et al. (2009). The model is a synopsis of previous research, and is posited as a holistic framework for determinants of customer

experience. The distinctive feature of the model is the argument that current or future experience is affected by previous experiences.

Figure 2.5: Conceptual Model of Customer Experience Creation (Source: Verhoef et al., 2009)



The model conceptualises eight determinants, - social environment, service interface, retail atmosphere, assortment, price, customer experience in alternative channels, retail brand and past customer experiences, as significant to the creation of retailing customer experience. The model posits consumer and situational moderators to be considered by organisations in designing the customer experience management strategies. Consumer moderators of retail experience are offered as a goal, which may be experiential or task oriented, socio-demographics, or consumer attitude (such as price sensitivity involvement and innovativeness). Further, situation moderators are offered as type of store, location, culture, economic climate, season and competition or entrance on the retail experience. The model thus conceptualises the customer experience as the customer's overall perception of all interactions in all the touchpoints during the customer's journey. Contrary views were given in subsequent review of the study. For example, Grewal et al. (2009) suggest that the model was developed from the customer perspective, while Nasution et al. (2014) offer the model as based on the

provider's perspective. Also, empirical testing of the model was not totally supported in research by Klaus and Maklan (2011).

The model is relevant to the current research in some aspects, with distinct differences in others. Focusing on microfinance institution customer experience in Nigeria, the current study tests Verhoef et al. (2009)'s offer that geographical or sector variance influences the customer experience. Thus, the geographical and sector context of the current study differ from the model developed by Verhoef et al. Also, while the Verhoef et al. model focuses on conceptualisation of determinants and moderators of experience, the current study uniquely tests the core determinants and moderators that influence customer experience in microfinance sector. The model proposed in the study establishes the influence and significance of impact of determinants that form the holistic microfinance customer experience.

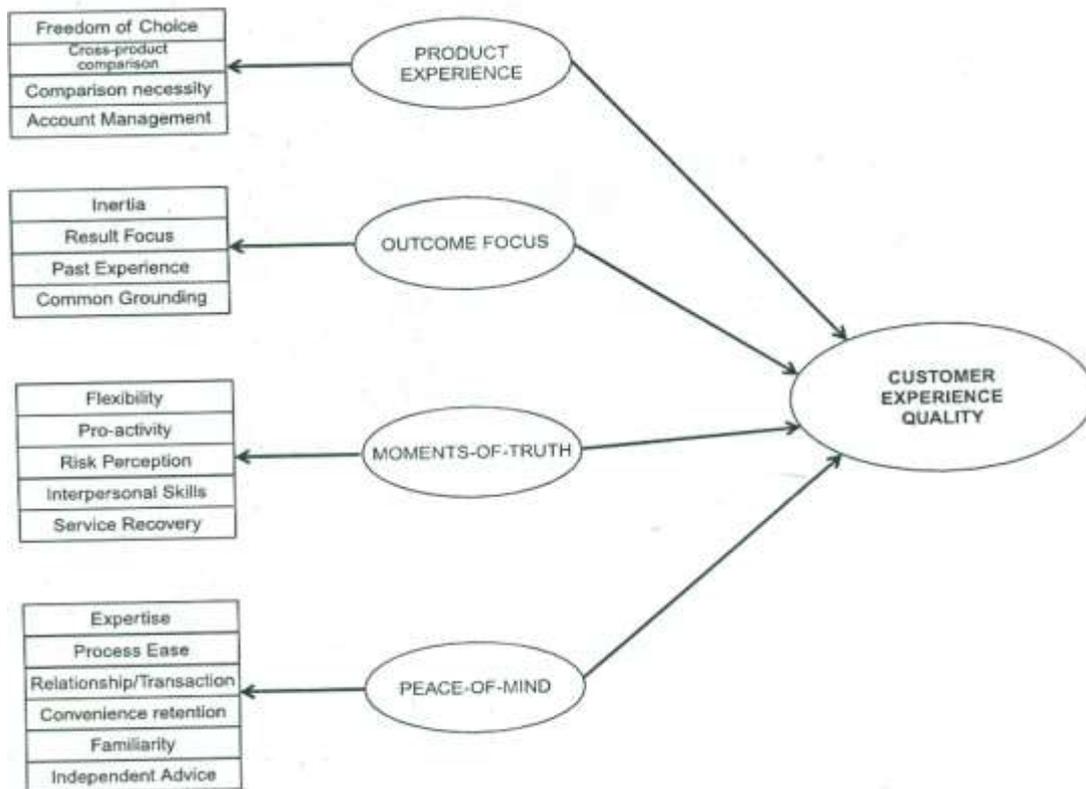
Several determinants and moderators of experience offered in the Verhoef model are adapted for the current study. The current model for this study, however, extend the Verhoef et al. (2009) model by conceptualising the customer journey in three stages of pre-experience, experience and post-experience as provided in other models of experience (Nasution et al., 2014; Saba, 2014; and Lemon & Verhoef, 2016). According to Lemon and Verhoef (2016) segregating the customer journey into three stages makes designing the experience touchpoints more manageable. Also, the current study investigates relative influence of each of the determinants as a measure of the holistic microfinance experience.

2.4.4 Experience Quality (EXQ) Scale

The EXQ scale is a four dimensional multiple-item scale of service experience developed by Maklan and Klaus (2011). The model (figure 2.6) is developed using the structure provided by Parasuraman et al. (1998) also used to develop the SERVQUAL discussed in section 2.4.2 above. The EXQ model explores and validates attributes and dimensions of service experience. The development of the model according to Maklan and Klaus (2011) is based on the unsatisfactory evaluation of SERVQUAL's validity across an extensive assortment of service contexts. The dimensions of the model are particular elements of experience which are identified as influencers of customer perception and behavioural intention. The model identifies two categories of

customer experience attributes as: i) concrete/technical attributes - which are instigators that influence the experience process, and, the ii) perpetual attributes which are customer evaluation of abstract dimensions of experience. The model suggests three stages through which customers assess experience at the general, dimensional and attribute level.

Figure 2.6: Conceptual Framework of Service Experience (Source: Klaus and Maklan, 2011)



As indicated in figure 2.6, the model identifies nineteen determinants of customer experience divided into four dimensions through which customer perceive experience as follows: i) Product experience – freedom of choice, cross-product comparison, comparison necessity and account management; ii) Outcome focus – inertia, result focus, past experience and common grounding; iii) Moments-of-truth - flexibility, pro-activity, risk perception, interpersonal skills and service recovery; and iv) Peace-of-mind - expertise, process ease, relationship/transaction, convenience retention, familiarity and independent advice. Product experience thus describe the significance of customer’s perception on product assortment. The outcome focus is the significance of experiences based on the consumer’s objective. Moments of truth highlight the significance of service interface while peace of mind reflects a customer’s evaluation

of emotional benefits derived from interactions throughout the consumption journey. Klaus and Maklan (2011) advance the importance of EXQ items as different from the measurement offered by the SERVQUAL model, because the SERVQUAL model is focused on the quality-dominant paradigm. Thus, as argued by the author, the effectiveness of the SERVQUAL model in the service experience context is limited. Klaus and Maklan (2011) draw parallels in the models provided by Verhoef et al. (2009) in developing the EXQ model. The EXQ model however has been criticized as not evaluating the hedonic and affective dimensions of customer experience.

Some of the determinants proposed for the current study, such as product assortment (freedom of choice, cross-product comparison, comparison necessity), past experience, service interface (expertise, process ease, transaction, independent advice) are adapted from the EXQ model. However, where the EXQ model measures the customer experience quality in the mortgage sector, the current study is focused on the influence and significance of determinants on the total microfinance customer experience.

2.4.5 Enterprise-Customer Service Model

The enterprise-customer service model developed by Du Plessis and De Vries (2016) provides a customer experience management framework to enterprises for bridging the gap between theoretical customer experience approach and implementation. The enterprise-customer service model combines the customer and organisational perspectives of the customer experience and posits that the service experience take place when the customer and the enterprise meet. As validated in the current study, the model provides that certain determinants influence service offerings by an organisation.

The model adapts service quality specifications proposed by Lemke et al. (2011) and Verhoef et al. (2009) to design the factors of customer experience, -service quality, product quality, network quality, retail atmosphere, assortment, price, experience in alternative channels and retail brand, specific to the telecommunication sector. The enterprise-customer service model offer situation moderators of location/ type of store, employee satisfaction, organisational culture, and management as influencing the telecommunication service experience. Macro-economic moderators are identified as

economy, politics, competitor activities and brand perception. The model offer consumer moderators as personal needs, past experience and external influences as consumer moderators of experience. The model highlights organisational activities, customer journey and causal links between different constructs to include: i) management perception of customer expectation; ii) translation of perception into service quality specifications; iii) external communications to customers; iv) service expectation; v) customer perception of service experience which is measured with the four dimensions of product experience, outcome focus, moments-of-truth, and peace-of-mind; vi) intention to or not to recommend or repurchase; and finally vi) action repurchase. Du Plessis and De Vries (2016) argue that customer experience is ultimately dependent on the ability to bridge the organizational perception and the customer's expectation of service offering.

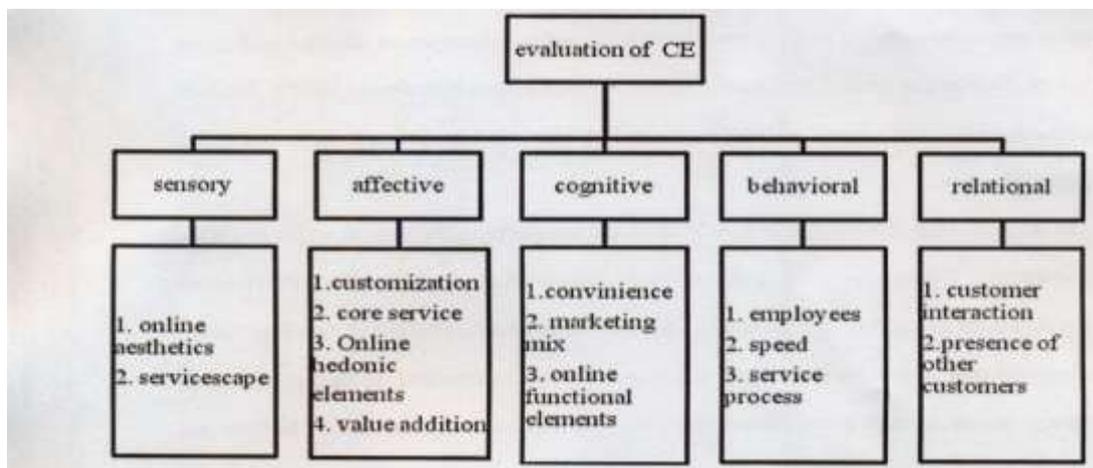
Determinants of the model provided by Du Plessis and De Vries (2016) such as service, retail atmosphere, assortment, price, experience in alternative channels, and retail brand are adapted for the current study. Also, similar to the model, the current study adapts location as a situation moderator of microfinance institution customer experience. However, past experiences and external influences (social environment) offered as moderators in the model are measured as determinants in the current study.

2.4.6 Analytic Hierarchy Process Model of Customer Experience

The Analytic Hierarchy Process model developed by Garg et al. (2012) and also adopted by Haery and Farahmand (2013), to assess the customer experience in the banking sector. Both studies apply the Analytic Hierarchy Process (AHP) model (figure 2.7) to ascertain and rank the factors of positive experience for bank customers. The studies categorise fifteen factors of experience under five major dimensions namely: i) sensory: servicescape, online aesthetics; ii) affective: customisation, core service, online hedonic elements, value addition; iii) cognitive: convenience, marketing mix, online functional elements; iv) behavioural: employees, speed, service process; and v) relational: customer interaction, presence of other customers. Both studies which were conducted in different bank settings gave different outcomes thus confirming the argument of previous authors (Saba, 2014; Verhoef et al., 2009) of the importance of context in customer experience research.

Garg et al. (2012) identify cognitive decisions on convenience, employees, online functional elements, and servicescape which cut across different dimensions of sensory, cognitive, and behavioural as critical success factors of banking customer experience. Haery and Farahmand (2013), identify behavioural and cognitive dimensions as critical to customer experience, with influencing factors of employee, service process, speed, physical evidence, marketing mix and convenience ordered by level of significance. A comparison of both outcomes indicates that cognitive and behavioural dimensions of convenience and employees were critical to customer experience in both contexts.

Figure 2.7: An AHP Based Model of Customer Experience (Source: Haery and Farahmand, 2013)



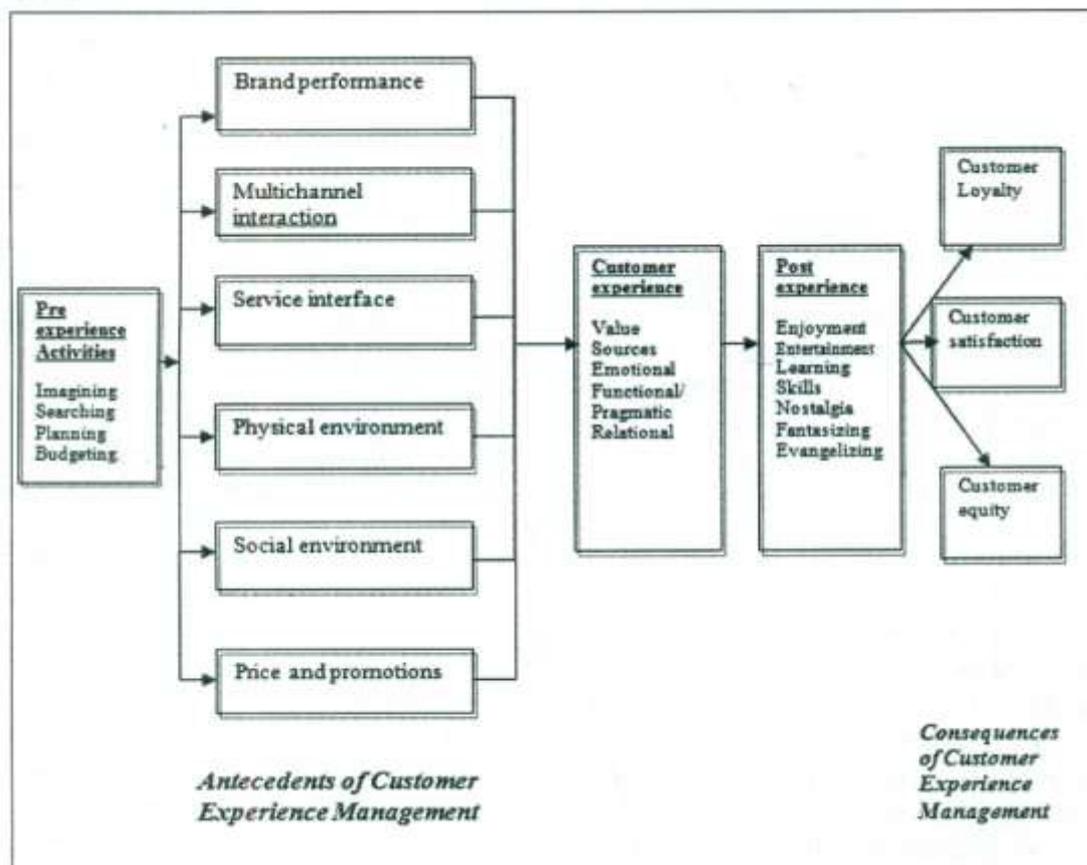
The model for this study aligns with the experience dimensions identified in the model. The current study also conceptualises some of the determinants such as servicescape, while others (aesthetics, customisation, core service, hedonic elements, convenience, marketing mix, employees, service process, customer interaction, and presence of other customers) are either subsumed within broad constructs or disintegrated into more narrow constructs as relevant to the current context of study.

2.4.7 Conceptual Model of Antecedents and Consequences of Customer Experience

Saba (2014) develops a conceptual model (figure 2.8) for assessing customer experience based on three stages of pre-experience, experience, and post-experience activities of the customer journey. The model posits six factors of brand performance,

multichannel interactions, service interface, physical environment, social environment, and price and promotions as antecedents of customer experience management. The consequences are noted as customer satisfaction, loyalty, and equity. The current research conceptualises customer experience in the three stages of the experience journey and measures the influence of all the determinants posited by Saba (2014) depicted in figure 2.8, on the microfinance customer experience. The current study extends Saba (2014) model by introducing two additional determinants (product assortment and memory) proffered in the study by Verhoef et al. (2009). Further, while the model by Saba (2014) is conceptual, the current study empirically tests the impact of determinants as well as the influence of moderators on the determinants.

Figure 2.8: Conceptual Model of Customer Experience Antecedents and Consequences
(Source: Saba, 2014)



For the purpose of the current study, models of customer experience reviewed from previous studies described in sections 2.4.1 to 2.4.7 can be categorised as:

- i) Model on associations between antecedents and outcomes of service interactions such as A Model of Service Encounter Evaluation (Bitner 1990); SERVQUAL model (Parasuraman et al., 1988); conceptual model of customer

experience creation for retailing (Verhoef et al., 2009); Conceptual Model of Antecedents and Consequences of Customer Experience (Saba, 2014).

- ii) Models on customer experience implementation which offer determinants that influence service offerings by an organisation such as the enterprise-customer service model (Du Plessis & De Vries, 2016); The Analytic Hierarchy Process model was developed (Garg et al., 2012; Haery & Farahmand, 2013).

Some of the reviewed models are sector specific while others are general to the service industry. There are similarities in the models. For instance, service interface, moments-of-truth, attitudes, service quality, human resources, technology, relational and people offered by SERVQUAL, Conceptual Model of Customer Experience Creation, Analytic Hierarchy Based Model for Evaluating Customer Experience, EXQ, and, Enterprise-Customer Service Model are all related to organizational service offerings to customers. Empathy, peace-of-mind and affective processing posited by the SERVQUAL, EXQ, and Analytic Hierarchy Based Model for Evaluating Customer Experience are all measures of emotion. Reliability, product assortment, product experience, product quality, cognitive, merchandise and product identified in SERVQUAL, Conceptual Model of Customer Experience Antecedents and Consequences, EXQ, Enterprise-Customer Service Model, and Analytic Hierarchy Based Model for Evaluating Customer Experience all measure the customer perception of the product offering. Tangibility, retail atmosphere, physical design, sensory, physical environment, location, place, and environment from SERVQUAL, Conceptual Model of Customer Experience Creation, Enterprise-Customer Service Model, Analytic Hierarchy Based Model for Evaluating Customer Experience, conceptual model of antecedents, and the ANP structure of customer service experience all refer to the customer's perception of the service environment. Finally, all the models, except Conceptual Model of Customer Experience Creation and Enterprise-Customer Service Model factor in the role of moderators on customer experience.

Some gaps are also revealed in the reviewed models. All the models, except the Enterprise-Customer Service Model focus on customer experience measurements in specific sectors and therefore proffer sector relevant requirements. This is supported in literature (Bueno et al., 2019). Researchers (Lemke et al., 2011; Kyguoliene &

Makutenas, 2017) suggest that a review of perception of touchpoints is critical to customer experience. The models were majorly conceptual and the determinants have not been empirically validated. Further, the significance of each determinant to the holistic experience are not known. Finally, the models also do not offer the influence of moderators on customer perception of significance of the determinants.

The current study differ from the models reviewed in diverse ways. First, the major aim of the study is to measure and confirm the significance of influence of determinants of customer experience. Thus, the current model integrates both categories by focusing on customer experience as the outcome. The model tests the significance of influence of determinants as a measure of the customer experience; as well as the influence of moderators on the determinants. Also, though other studies have tested the influence of moderators on customer experience, the current study tests the influence of moderators on the determinants. Finally, the current study is specific to the microfinance sector which has not been previously studied.

2.5 Conclusion

Chapter two highlights dominant theories relevant to the evaluation of customer experience and narrows down to two theories –The Theory of Planned Behaviour and Service-Dominant Logic as theoretical foundation for the current study. The theories explain motivation for customer actions as well as customer assessment of value-in use. The stages of the customer journey where experience evolve during interactions across various touch points, and customers accrue opinions and reactions during the service encounter are highlighted. Next, customer experience evaluation models relevant to the current research were reviewed and the similarities and gap in the various models to the current study is highlighted. Chapter three is a review of literature relevant to the study.

CHAPTER THREE: LITERATURE REVIEW

3.1 Introduction

Chapter three is a review of relevant literature on customer experience and microfinance to recognise the gap in literature. The chapter presents an overview of the microfinance landscape as well as microfinance customer experience. The chapter outlines customer experience as a multifaceted concept traceable to multiple disciplines and narrows down to the relationship with the more established constructs of consumer behaviour and marketing. The review highlights the role of the microfinance sector, as well as the importance and operation procedure to give perspective to the study.

3.2 Origins of Customer Experience in Other Disciplines

The review of literature on the roots of customer is required to link the customer experience as an emerging construct to more established disciplines (Lemon & Verhoef, 2016). It also provides a deeper understanding on the academic interest in the concept of customer experience. Authors (Klaus & Maklan, 2011; Schmitt, 2011) posit that the concept of experience is traceable to various disciplines such as services marketing, consumer behaviour, psychology, and sociology, among others. Studies (Schmitt, 2011; Schmitt & Zarattonello, 2015) declare philosophy as highlighting the emotional and subjective nature of experience in response to some stimulation of the senses which results in a truth to the individual experiencing it. The philosophy of science in contrast, views experience as objective and based on experiments which can be generalised.

Studies (Holbrook & Hirschman, 1982; Schmitt & Zarattonello, 2015) suggest that Psychology and Sociology disciplines view experience as a rational and an emotional process created or depicted on perceived reality from either individual or societal perception respectively. Klaus and Maklan (2011) opine that early research into economics acknowledge consumption decision by consumers as hinged on other factors of value and preferred experience, not just consumer utility function.

The consumer behaviour and services marketing as disciplines relevant to the current study are reviewed in next.

3.3 Overview of Consumer Behaviour

According to Blackwell et al. (2001) consumer behaviour is the decision processes that precedes, follows, and includes the activity of obtaining, consuming and utilising products and services. Similarly, research (Achmad et al., 2017; Isiklar et al. 2017; Vargas-Hernandez et al., 2017) define consumer behaviour as the internal and external influences of the process that individuals or groups go through in sourcing information, obtaining, utilising, and assessing products and services. Thus, it can be concluded that consumer behaviour starts before exchange of value and does not end after consumption of goods or services. Authors (Brakus et al., 2009; Lovelock & Wirtz, 2011; Oke et al., 2015; Lemon & Verhoef, 2016) similarly categorise the three stages consumers pass through in service consumption as the “pre- purchase stage, purchase stage and post-purchase stage” as discussed in the previous chapter. This three-stage-structure provides management and academic focus on necessary actions for practitioners and scholars, respectively.

Oke et al. (2015) however, posit that the most frequently used model of consumer decision making developed by Engel et al. in 1968 suggests five key phases of decision making as need recognition, information search evaluation of alternatives, purchase decision and post-purchase evaluation. Oke et al. (2015) describe need recognition as the acknowledgement of the consumer’s unfulfilled functional and/or psychological needs. The functional needs is the utility of the product or service while the psychological needs is about the consumers’ emotions about the product or service. Isiklar et al. (2017) describe the consumer as either making purchases to meet needs and expectations or being capable of doing so. Thus consumer behaviour is a result of customers feeling a felt need. Oke et al. (2015) describe information search as gathering information about the product or service internally and externally. Internally through past experiences based on previous interactions with the products or services, while external is from avenues such as other consumers, commercial and public sources. Evaluation of alternatives is a comparison of the features and qualities of other products prior to making a purchase decision. Generally, consumer decision making processes are based on the qualities which are related to their needs. Surkamta and Santosa (2016) postulates that the thoughts and attitudes of consumers about a product determines their buying behaviour and may be influenced by the approval and expectations of the consumer’s social group. Oke et al. (2015) explains

the purchase decision as being made based on the consumer's assessment of alternative products or services. Post-purchase includes the product or service consumption, evaluation of satisfaction with consumption and divestment of the product or service through disposal or recycle. Activities that inform and happen after the decision are thus included in the overall description of the consumer behaviour Isiklar et al. (2017).

Oke et al. (2015) suggest that the assessment of consumer behaviour can be integrated into two perspectives of the decision-making process and the contributing factors of the buying process. Ansari et al. (2019) offers that a lot of research has been carried out on factors of consumer behaviour with researchers having diverse opinion on the description of its components. For example, Vargas-Hernandez et al. (2017) describe components of consumer behaviour as product and price features, decision-making skill, characteristics and satisfaction of consumers, social influence, and physical environment. Ansari et al. (2019) similarly explain that consumer behaviour is appraised using different factors such as web atmosphere, image and consumer's attitude, trust, situational factors of e-consumers, social factors cultural factors. Surkamta and Santosa (2016) offer positive customer perception as provoking attention which fosters consumers' intentions and decisions to buy. Vargas-Hernandez et al. (2017) aver that the study of consumer behaviour helps to forecast purchasing behaviours and consumer satisfaction. The authors called for consumer purchase behaviour segmentation modelling, which provides relevant information, as a means to attract customers, with their dynamic behaviour, and to serve and retain them over time.

The review of consumer behaviour reveals that the procedure for consumer actions is impacted by internal and external influences throughout the customer journey from need recognition to post purchase evaluation

3.4 Consumer Behaviour in Services Marketing

Services marketing stemmed from the desire to differentiate between marketing of goods and services. In services, consumption shifted from production focus in goods literature to process focus (Lovelock & Wirtz, 2011). Lovelock et al. (2011) define services marketing as an intangible deed from one party to another which is

economically beneficial and results in a sought-after transformation to the recipient of the service. Garg et al. (2012) describe services as offered by many organisations in diverse sectors and highlight a key determinant of the service encounter as the service procedure and the rate of interaction with the customers. Sundbo (2015) reveal service as initially centred on operational quality, which encompasses operation, industrialisation, and quality issues; before focus was shifted to customer relations which depicts service deliveries under service dominant logic and service quality.

According to Surkamta and Santosa (2016) understanding consumers' perception of the product is essential to success in marketing. Similarly, Vargas-Hernandez et al. (2017) posit consumer behaviour as very pivotal to organisational growth and noted influencing the consumer's buying decision as one of the main goals of marketing. Gabbott and Hogg (1994), in a study to examine the consequences of services on consumer behaviour, explain the need to shed light on consumer reactions to services as a means of understanding the nature of the consumer buying process. The authors suggest that the evolvement of consumer services towards investigating the personal relationship between the service provider and consumer as a means of incorporating service design, service encounter and service consumption which are crucial to service marketing. Ansari et al. (2019) in a study of measurement and validation of online consumer behaviour posits attraction and retention of customer as a challenge in the marketing process and says there is a need to adapt to meet different cultural distinctions.

Holbrook and Hirschman (1982) posit that in the field of consumer behaviour, experience is perceived as a subjective and often emotional response of customers to interactions with organization offerings. Holbrook and Hirschman (1982) link experience to consumer behaviour in a study which recommends experience as another way of information processing and making buying decision in consumer behaviour. The authors associate consumer behaviour with experience through the interaction process and choice through the "information processing model". Schmitt (2011) presents experience from the consumer behaviour perspective as viewing consumption as not just the physical and functional attributes of a product but also as the experiential perception of customers which is derived from symbolic and nonverbal cues. Also, Puccinelli et al. (2009) find the consumer buying process valuable in

customer experience research. Tynan and McKechnie (2009) allude to research on consumption as addressing the experiential aspects of consumer behaviour associated with sensorial and emotional facet of product consumption. Schmitt (2011) calls for further research into the creation of consumer experiences at different touchpoints and the short-term and long-term effect of such experiences on the consumer behaviour. Klaus et al. (2012) observe the need for organisations to achieve insight into how customer experience influence customer behaviour and ultimately their actions or conduct; as well as to help understand current customer experience management practice to determine its link to organisational performance.

Schmitt (2011) argues Pine and Gilmore's assessment of experience as a new economic stage rather than as a new way of marketing products and services and offer all four stages of economy as an evolution of new and better ways of marketing goods. Sundbo (2015) differentiates service marketing and experience by stating that services are functional, solving practical, intellectual, or personal problems while experiences are expressive by nature, but also potentially instrumental, as a means for a better understanding of aspects of behaviour. Studies (Hellén & Gummerus, 2013; Kranzbuhler et al., 2018) describe consumer experience as comprising the customers' extensive rational and emotional understanding of a service offering throughout a period of time. According to Homburg et al. (2017), customer experience is adjudged by research as a marketing methodology in consumer industries. However, Bueno et al. (2019) similarly proffer consumer behaviour as determined by experience.

The foregoing section highlights the value of consumer behaviour as a construct that requires understanding as the underpinnings of customers' action to ensure marketing success. The next section is an overview of literature on customer experience relevant to the current study.

3.5 Overview of the Microfinance Industry

This section describes the broad concept of microfinance from past studies as a context for the study of the influencing variables of customer experience.

Studies (Apere, 2016; Idewele et al., 2017) posit microfinance as a global concept pivotal tool for poverty alleviation for decades. According to Jegede et al. (2011) and Tripathi and Tripathi, (2015) microfinance is diverse financial services offered to the underprivileged families and businesses. Similarly, Rahman et al. (2014) describe microfinance as a major avenue of access to finance by the poor in many countries in the world. These definitions have been supported by other studies that further describe microfinance. According to Nwanyanwu (2011), they are intended for those who may not ordinarily have access to such services due to the scope of financial services (loan/savings/insurance) needed, lack of collateral or simplistic procedure of doing business. Zuru et al. (2016), on the other hand, suggested that microfinance is generally perceived as the financial vehicle for meeting the needs of the less privileged or people who will not ordinarily utilise banking services. Jolaoso and Asirvatham (2018) describe the outcome of such access, especially in developing countries to be empowerment and eradication of poverty. Rahman et al. (2014) opine that microfinance is targeted at the poor due to its less demanding processes such as no collateral and easy loan repayment. Rashem and Yousif (2018) further explain microfinance as making financial services accessible to the low income populace by giving out small loans. Jegede et al. (2011) define microfinance as a financial solution that is specifically created for the enterprising poor of a given society which primarily involves credit services and may also include insurance on credits and savings. Rashem and Yousif (2018) holds that the basic goal of microfinance is to reduce poverty, and this is achieved through various means such as women empowerment, child education and improved standard of living. Idolor and Imhanlahimi (2011) note microfinance services as universally accepted as one of the means for poverty reduction to the economically active poor. Eigbiremolen and Anaduaka (2014) offer insight into the parameters for defining the poor as dependent upon the country or region where it is being defined and also note that the poor largely include those that work within the sectors of developing countries.

In another vein, Sayed, and Trivedi (2016) describe microfinance as the provision of financial services to Micro, Small and Medium Enterprises (MSMEs) which are acknowledged as a vital mainstay of economic development through job creation and means of earnings. Eigbiremolen and Anaduaka (2014) describe the identifying traits of microfinance institutions to include micro nature of loans and deposits, non-physical

asset for securing loans; and simple procedure for accessing loans. According to Alimukhamedova (2013), microfinance services are provided by bank or non-bank category organisations. Microfinance provision of financial services can be either through joint-liability group or individual-based (Eigbiremolen & Anaduaka, 2014)

From the varied description and definitions of microfinance from literature, it can be concluded that microfinance is a key contributor to the business growth cycle from individuals to micro-enterprise, small, medium and, finally, large scale enterprises. Microfinance, given the pivotal role it was created to play, is therefore a relevant industry for the study of customer experience as a means of increased access.

Common themes in the various definitions of microfinance include:

- 1) Provision of financial services to individuals as well as micro, small and medium scale enterprises that may not have had access based on their economic status (Jegade et al. 2011; Eigbiremolen & Anaduaka 2014).
- 2) It is not limited to granting of loans but cuts across a broad spectrum of financial services such as savings, loans, and insurance (Ledgerwood and Earne, 2012).
- 3) Microfinance is perceived as a key driver to poverty alleviation through improved standard of living and economic development of countries (Ledgerwood, 2012; Abdusalam & Tukur, 2014; Alimukhamedova, 2013).
- 4) Microfinance services is provided by both bank and no-bank organisations.

In contrast, Zuru et al. (2016) suggest a lack of universal definition of microfinance institutions, noting that definitions vary and are based on the characteristics of services offered to customers. Similarly, Tripathi and Tripathi (2015) suggest that despite a general understanding of the term 'microfinance', based on literature, there is no unanimously adopted definition of its intended beneficiaries. Based on the foregoing, the question is whether the purpose for the establishment of microfinance is being met.

According to Sayed and Trivedi (2016), many MSMEs in Mumbai do not have information on the existence of microfinance services and those that do have information have low satisfaction level due to high interest rate, a cumbersome procedure, and collateral needs. The assertion reflects the level of involvement and poor perception of customers regarding microfinance services. Zuru et al. (2016), quotes World Bank statistics about the approximate number of microfinance institutions all over the world and says that it is more than seven thousand (7,000). The authors further note that a sum of 2.25 billion United States dollars have been disbursed as loans by microfinance institutions to over 16 million clients worldwide. Gilal et al. (2012) and Tripathi and Tripathi (2015), quoting the World Bank estimate, note that over 100 million people have accessed about \$25 billion circulating microfinance fund and this figure embodies just part of the need. Specifically, Babajide et al. (2016) highlights a huge unexploited market for microfinance institutions in Nigeria. Acha (2012) similarly offers one million out of the forty million prospects needing microfinance services as actually reached. The growing significance of microfinance access has thus engendered academic research interest (Babajide et al., 2016; Okoh et al. 2021) with such literature spanning impact, accessibility, service quality and customer attrition.

Provision of microfinance services, according to Okoh et al. (2021) results from the inability of the erstwhile financial system to meet the needs of micro, small and medium scale entrepreneurs (MSMEs). This caused a segregation which led to MSMEs devising other means of saving which was outside the formal banking system. The inability of formal banks to amass such funds for economic growth negatively impacted the economy. Rahman et al. (2014) describe microfinance as expected to be a means of unlocking economic potential in micro entrepreneurs, thereby giving them a sense of self-worth in the society. The purpose of microfinance services cannot therefore be said to be fulfilled without access to such services by the expected beneficiaries.

Alimukhamedova (2013) describe the importance attached to microfinance services as stimulating scholarly research on its scope, accessibility, impact on economy and individuals, and capacity to alleviate poverty. The author however posits that the perceived relevance of microfinance has created intense scholarly research which still lacks empirical assessment of theory and impact. A study by Bhuiya et al. (2016)

carried out in Bangladesh to determine the effect of microfinance on household members' economic wellbeing as a means of poverty alleviation concludes that microfinance households' earnings and spending were positively impacted by participation in microfinance. They continue to be poorer than households who did not access microfinance, however.

Tetteh and Antwi (2013), in research on the benefits of microcredit for the economy of Ghana, found that access to microcredit services positively affects the wellbeing of customers. The authors identified bigger loans and lower costs as factors that influence economic growth of microcredit customers. Sayed and Trivedi (2016) note that despite extensive research on the difficulties confronted by MSMEs and microfinance institutions, there is a lack of scholarly study on determining the influencing factors of satisfaction or dissatisfaction of MSMEs and microfinance customers. Gutierrez-Goiria et al. (2016), in a study on ascertaining and improving the social cost of microfinance institutions internationally, found that the legal status (Non-Governmental Organisation, Cooperatives, Banks and Non-Bank Financial Institutions) and target market (low end income/high end income/small businesses) are major determinants of social and economic efficiency of microfinance institutions. The authors call for the microfinance sector's involvement in achieving a greater outreach and impact goal while still being viable and self-sustaining. Zuru et al. (2016), similarly, posits that the social and financial objectives of the Microfinance institutions can only be realised when the lending practices are effectively carried out. Imoisi and Godstime (2014) and Tetteh and Antwi (2013) also posit that any society that has a high level of poverty cannot experience reasonable economic development; access to microfinance is therefore a means of becoming self-reliant and enjoying an increased standard of living through job creation and entrepreneurship.

3.5.1 Microfinance Models

Tripathi and Tripathi (2015) broadly classify approaches to microfinance as the market-oriented and enterprise development approach with a great focus on minimising risk, cost saving, and self-sustainability achieved by empowerment through group based lending. Akingunola et al. (2013) identify and describe various microfinance operational models such as the Grameen, Progressive Lending-Banco Sol, Non-Governmental Organisation, Esusu model, Linkage model and Donors

model. Mall and Mishra (2013) similarly offer the NGO and SHG models of microfinance utilised in India. Ikpefan et al. (2016) highlight different models of microfinance through which business empowerment have developed such as Grameen, bank guarantees and the network. According to Ledgerwood and Earne (2012); Eigbiremolen and Anaduaka (2014); Zuru et al. (2016), credits may be granted to groups or individuals. Ledgerwood and Earne (2012) note that group lending is in various forms which include subgroups, solidarity groups and village banks. Group lending, according to Zuru et al. (2016), is a cooperative obligation in respect of loans granted to customers. Mall and Mishra (2013) describe the NGO business models in India as a self-help model focused on social and community development by supporting locally produced goods through enablement of social, capital, and human resources, knowledge, and skills thus empowering the people. The SHG model used in India according to Mall and Mishra (2013), was born out of well-established practice of small groups formation for savings and credit organisation. NGOs were initially key players in the full development of the SHG model with the model becoming the most popular forms of economic empowerment for women. It is a microfinance scheme which provides credit for poor women who are usually excluded from formal credit institutions for effective implementation of an SHG model.

Authors (Sengupta & Aubuchon, 2008; Akingunola et al., 2013) describe the Grameen microfinance model as a microfinance model where loans are secured not by physical assets but group influence through group collateral, follow up and pressure to guarantee loan repayment. Thus, though individuals are offered loans, payment liability rests on the group. Loan requests are rotated between members of a group of five. Loans are given in cycles of two members each. Where the two members are able to repay within the stipulated period, another set of two members within the group is availed a loan. Thus, for every member of the group to receive the loan, no member should default; otherwise, other members lose the opportunity. Between six and eight groups, such as is described above, form a centre with a centre chief and group leader. Bank officials deal with the eight groups. Loans equivalent to \$100 US Dollars at 10% rate per week are disbursed to individual borrowers and are payable within one year. Also, in the model, loans are approved for profit generating ventures only based on the backing of other group members (Rashem & Yousif, 2018), such that the borrower is able to repay and also save. Sengupta and Aubuchon (2008) offered that in the

Grameen model, access to future credit grants to the group is based on non-default of members (Zuru et al., 2016). Sengupta and Aubuchon (2008) further explain that the collection of repayment instalments, which occurs on a weekly basis during public meetings helps to guarantee transparency and facilitate communal pressure through creating a sense of shame for defaulters. Sengupta and Aubuchon (2008) highlight the advantages of this model as including saving of agency costs and problems such as ensuring that the credit advanced is put to productive use, verification of proposed business, follow up of timely repayment and determination of risky or safe borrowers which are largely handled or borne by the group.

Akingunola et al. (2013) describe the Progressive Lending-Banco Sol model as the microfinance model followed by Bancosol Microfinance institution in Bolivia to meet the financial needs of the urban poor without a job and cash-strapped informal sector (Lal & Lobb, 2016). Akingunola et al. (2013) offered that the Banco model is an expansion of the Grameen model which focuses on poor women and group formation. Sengupta and Aubuchon (2008) and Akingunola et al. (2013) observed that in the Progressive Lending-Banco Sol Model, loans are granted to groups as well as individuals. Collateral may or may not be in place. Also, the loan amount obtained by customers increase with every successful refund of previous loans. Sengupta and Aubuchon (2008) further described the Banco Sol model interest rates as ranging between 12 and 24 percent with loan tenure of between 1 to 60 months and, sometimes, as long as 120 months for housing loans.

The Esusu model is described by Nwanyanwu (2011); and Akingunola et al. (2013) as informal credit which is rotating in nature. Akingunola et al. (2013) further explain that in the Esusu model, groups are set up with a leader in charge. Members of each group pay a particular amount at specific intervals such as daily, weekly, or monthly. The Esusu model as described by Akingunola et al. (2013) differed from the Grameen Model in that a member of the group collects all payments by members of the group in a systematically arranged manner either monthly or quarterly for example. The collection of the members' contribution is then rotated until every member of the group benefits and the cycle starts again. Norwood (2005) describing Esusu model in Ghana, noted that a weekly meeting is held by members. The purpose of such meetings was to contribute funds which is handed over, based on rotation, to one woman in the group

each week. Usually, the beneficiaries of such funds are rotated, however, in critical situations; members are allowed to receive contributions out of turn. In Nigeria, according to Zuru et al. (2016) 'esusu' is also referred to as 'etoto' and 'adashi' by different tribes. Aside from the economic benefits of participation in 'esusu', Norwood (2005) highlights the health, social and political benefits of the meetings. Norwood (2005) notes that the Esusu model differs from the Grameen Model in that a member of the group collects all payments by members of the group in a systematically pre-arranged manner. The collection of members' contributions is then rotated until every member of the group benefits and the cycle starts again.

Akingunola et al. (2013) described the linkage model, as a model where informal collectors partner commercial banks or government to reinforce the group structure. In this model, commercial banks dedicate a certain percentage of their profit as investment in micro credits as a means of eradicating poverty. Also, organisations partner with sector specific government banks, such as agricultural banks to make available loans to micro, small and medium scale enterprises. Mall and Mishra (2013) in describing the roles of non-governmental organisations in microfinance, noted that NGOs sometimes act as middlemen that link borrowers and savers to sources of banks. Similarly, Bihari et al. (2009) presented the Banking Model: Bank- Self-Help-Groups (SHGs) Linkage Programme which operates through the formation and funding of Self Help Groups, NGOs, and other agencies. In this model, the SHGs have a membership of 15 to 20 which forms a group with members saving into a pool. Group leaders are chosen by the members on a rotational basis. The SHGs are then linked to a commercial bank to enable them access credits that are in multiples of the group savings which are granted to the members. The group serves as the collateral for such loans up to a certain limit. The Bank-SHG linkage programme has the benefit of motivating a savings culture by the poor. Group creation was however noted to hinge on intervening agencies. Moreover, the availability of credit subsidy was dependent on the agencies with the subsidy level; and this was a deciding factor as regards the standard loan size regardless of whether the loan size was adequate for the purpose. Bihari et al. (2009) identify the challenges of this model to include inability to reach the poor due to unfriendly products and services rigid procedures. In the donor model, as noted by Akingunola et al. (2013), international donors make donations for micro-credit mostly through Non-Governmental Organisations.

The Non-Governmental Organisation model as described by authors (Akingunola et al., 2013; Mall and Mishra, 2013) can be categorised as a hybrid of the Grameen and Linkage models. Akingunola et al. (2013) see the Non-Governmental Organisation model as a modification of the Grameen model which is usually gender specific and focused on particular sectors of the economy in the grouping. In support of the description offered by Akingunola et al. (2013), Mall and Mishra (2013) further describe the NGO model as the Self Help Group (SHG) model which is critical to sustainable community development through the development of individual capacity and empowerment afforded with the provision of microfinance services. The role of NGOs in microfinance according to Mall and Mishra (2013) are diverse. The author described NGOs as involved in direct lending through provision of credit to low income earners with some NGOs such as Grameen bank changing into banks and using the NGO approach as Formal Sector Financial Institutions. They also highlighted the role of NGOs as linkages between borrowers and savers to the banks with the NGOs remunerated for linkage services either in the form of direct fees or through re-lending monies borrowed from the bank at higher interest rate. The authors also describe the roles of NGOs as intermediaries who develop micro entrepreneurs to be viable and to ensure access to financial services from banks. NGOs capitalising on the relationship with micro-entrepreneurs also act as product developers by conceiving creative processes for providing financial services to them. Other roles of NGOs as highlighted by Mall and Mishra (2013) included training of bank staff to become familiar with the processes for successful rural financial intermediation, and training of others on skills needed to implement financial service programme.

Various microfinance operational models to provide a deeper understanding of the microfinance service industry is discussed in the preceding section. From the various models described, two ways of credit disbursement were highlighted. First, as adapted by the Grameen model, credits may be disbursed directly to individuals based on their membership and guarantee of other members of the group with successive loans to both the individual and other members of the group hinging on timely repayment. The second method, as utilised by the Linkage model, in contrast, is a partnership model where middlemen or agencies partner with commercial banks or government to reinforce the group structure. The two models provide varying experiences for customers. Taiwo et al. (2016) describe the microfinance structure in Nigeria as

basically an adaptation of the Grameen model which is focused on the poor as well as the poorly educated population.

As noted by Bihari et al. (2009), the customer journey to access microfinance is prolonged in the Linkage model with the introduction of middlemen or agencies thus giving opportunity for more points of interaction. Also, such agencies are second level determiners of the credit facilities due to customers; this is different from the Grameen model where customers deal directly with the financial service provider. Conversely, the multilevel process for loan access in the Linkage model may act as a stronger deterrent to loan repayment defaulters. From the review, it can also be concluded that group borrowing and individual lending are two methods through which loans are disbursed by microfinance institutions either directly or through agencies. In terms of customer experience, loans are disbursed based on group membership. The members provide support to receive loans, and can also become a pressure group to ensure repayment. Thus, the group where microfinance customers belong to is a touchpoint in the experience journey as both social and business interactions occur.

With the clearer prototypes through which microfinance operates as provided in this section, the specific nature of microfinance in Nigeria is discussed next.

3.5.2 Microfinance Industry in Nigeria

The last section was an overview of the models of micro-credit. This section is a description of microfinance services in Nigeria. Research (Nwanyanwu, 2011; Abraham & Balogun, 2012) shows that microfinance in Nigeria has been operating in one form or the other for a long time. Studies (Apere, 2016; Adeola & Evans, 2017) indicate that microfinance, in its early existence in Nigeria predating 1980, was not controlled by formal laws and was popularly known as “Esusu in the West, Itutu in the East and Adatsu in the North”. Similarly, Apere (2016) and, Idolor and Imhanlahimi (2011) posit that high failure of repayment and improperly designed procedure of qualification for accessing available funds of informal microfinance programmes such as “Self-Help-Groups, Rotating Savings and Credit Associations”, Saving Collectors, Co-operative Societies, Local Money Lenders and other subsidised rural credit programmes” owned by individuals , organisations or governments led to the establishment of a series of other programmes such as the Rural Banking

Programmes, Agricultural Credit Guarantee Scheme, between the 1980s and 1990s, but their efforts could not be described as successful as they were not able to meet up with the objective of wide coverage.

Jolaoso and Asirvatham (2018) argue that poverty reduction is very important to the development programme of every country. Other studies (Idolor & Imhanlahimi, 2011; Fadun, 2014) suggest that this is more so especially in developing countries like Nigeria where the poor form the larger percentage of the population, resulting in lack of development. According to Mejeha and Nwachukwu (2008), about 100 million out of the estimated 150 million population in Nigeria are in the poor category and dependent on micro and small scale farming as the source of income for livelihood. Akingunola et al. (2013) and Babangana (2010) similarly note that reaching the target market was still problematic and largely unachievable. This is attributed to a disconnect between the goals of the operators and the micro entrepreneurs which made it impossible for micro entrepreneurs to achieve the desired financial enablement. According to Babangana (2010); Jegede et al. (2011), the major role of microfinance banks is to create an operating system for micro entrepreneurs to get out of the poverty cycle by giving them access to finances and this is expected to translate into gainful employment, the provision of jobs through collaboration, and ultimately economic growth in the geographic area.

The failure of the erstwhile micro-credit financing schemes led to the development of more initiatives. Between 1990 to 2005, according to Idolor and Imhanlahimi (2011) and Eigbiremolen and Anaduaka (2014), other initiatives such as “The People’s Bank, Community Banks, Nigerian Agricultural Insurance Corporation, National Poverty Eradication Programmes and Family Economic Advancement Programs” came into existence but did not make the desired impact in terms of coverage and procedure for access. Also, due to poor coverage and poor implementation plans, these initiatives were short-lived. Mejeha and Nwachukwu (2008) attribute the failure of government sponsored programmes to several reasons such as decline in government subvention. Nwanyanwu (2011) attribute the growth of microfinance institutions in Nigeria to the failure of orthodox banks to meet the needs of a segment of the population. Abiola (2011) describe the purpose for formalising the establishment of microfinance in Nigeria as a means of increasing the movement of financial services to micro, small

and medium scale enterprises. Apere (2016) further identify that the establishment of formalised microfinance which is the creation of well-organised and regulated financial services for micro entrepreneurs and the low income group is a means for increased access. The authors suggest that the creation of various platforms such as formalised microfinance by the Nigerian government to reduce poverty is in response to the recognition of poverty as a hindrance to development.

Mejeha and Nwachukwu (2008); and Nwanyanwu (2011), describe the launch of the new microfinance policy by the Central Bank of Nigeria (CBN) in 2005 with the replacement of Community Banks with Microfinance Banks as a great milestone in the revitalising microfinance operations in Nigeria. Under the New Microfinance Policy in Nigeria, microfinance institutions (microfinance institutions) are registered as microfinance banks and regulated by the Central Bank of Nigeria, while registered non-bank microfinance institutions are only required to forward periodic returns on their activities to the CBN, (CBN, 2005). The structuring of microfinance as was effected in 2005 was not only to provide financial services to the poor but also, according to Eigbiremolen and Anaduaka (2014), to provide financial services to both urban and rural dwellers irrespective of their economic status.

Nwanyanwu (2011) describe the microfinance system as having three fundamental aspects which are “policy objectives, policy targets and policy strategies”. Babangana (2010) described the major role of microfinance institutions in Nigeria as the creation of an operating system for micro entrepreneurs to get out of the poverty cycle by giving them access to finance which is expected to translate into gainful employment, provision of jobs through collaboration and ultimately economic growth in the geographic area. The Central Bank of Nigeria (CBN, 2005) also described microfinance as structured to:

- 1) Create financial access for a huge segment of the industrious Nigerian public who ordinarily would not have had such access.
- 2) Encourage collaboration between the informal financial system and the traditional banks.
- 3) Improve service quality of micro-finance institutions to micro, small and medium enterprises.
- 4) Engender rural development.

Arising from the goals for establishment of microfinance, as noted by CBN (2005)

Microfinance institutions in Nigeria are expected to:

- 1) Cater to all the poor micro entrepreneur population of Nigeria by 2020 through job creation and poverty alleviation.
- 2) Grow micro-credit share of the total economic credit from between 0-9 percentage to 20 percent in 2020.
- 3) Increase the involvement in microfinance to two-thirds of states and local governments in Nigeria.
- 4) Grow linkages between microfinance banks and other formal/specialised financial institutions by 10% every year.

Approaches to achieve the goals for the establishment of microfinance institutions in Nigeria as provided by CBN (2005) are:

- 1) To promote the creation of Non-Governmental Organisation micro finance institutions.
- 2) To certify, reinforce and regulate the establishment and supervisory framework of micro finance banks (MFBs).
- 3) To improve government involvement in Microfinance institutions through the commitment of a minimum of 1% of the annual budget to micro credit initiatives.
- 4) Promote the creation of associations that back the development of Microfinance institutions and customers.

Mejeha and Nwachukwu (2008), citing a 2001 report from the CBN, acknowledge the existence of 160 Microfinance institutions in Nigeria, with combined savings of N99.4 million and credit of N649.6 million. Zuru et al. (2016), citing a CBN report of 2005, identify 872 microfinance institutions situated in six political regions in Nigeria. Zuru et al. (2016), describe the concentrations of microfinance institutions in Nigeria as 66, 158, 33, 334, 116 and 165 in the North-west, North-central, North-east, South-west, South-south and South-east regions, respectively. Similarly, Monguno et al. (2015) note that 39.4 percent of all the registered microfinance banks in Nigeria were located in the Southwest. From the analysis and in the context of the current study, Osun State is located in the Southwest Nigeria, which constitutes the highest concentration of microfinance institutions out of the six geopolitical zones.

A more recent publication of CBN (2017) puts the number of microfinance banks in Nigeria at 1,008 as at December 2017. The CBN (2017) report gave the indices of the Nigerian microfinance industry as consisting of eight (8) National, 132 State and 868 Units. The Assets/liabilities totalled N375.01 billion. The paid-up capital and shareholders' funds were put at N63.11 billion and N82.97 billion, respectively. Net loans and advances totalled N215.8 billion, while deposits stood at N162.5 billion. Reserves were N19.86 billion. The average capital adequacy ratio was 34.64 percent while the average portfolio-at-risk (PAR) was 21.2 percent. Industry average return on assets and return on equity was 3.9 percent and 7.6 percent, respectively. The average liquidity ratio was 91.7 percent while investible funds was valued at N28.8 billion. The reports indicate a growing number of microfinance institutions in Nigeria, specifically after the regulation of the sector in 2005. However, the growth is not proportionate to the clientele that microfinance institutions are created to serve.

According to Zuru et al. (2016), microfinance institutions are differentiated by attributes such as ownership structure, source of capital, capital base and legal status. Zuru et al. (2016) categorise five types of microfinance institutions operational in Nigeria, including community banks, privately owned microfinance institutions, government owned microfinance institutions, non-government organisation owned microfinance institutions and foreign owned microfinance institutions. Eigbiremolen and Anaduaka (2014) in contrast identify four categories of microfinance institutions based on their source of funding as "the Non-Governmental Organisation microfinance institutions; government-supported microfinance institutions/Development microfinance institutions; Private sector-operated microfinance institutions such as community/microfinance banks and Cooperative societies; and sector microfinance institutions or Self-Help groups (SHGs)". Microfinanza Rating (2014) on the microfinance sector in Nigeria noted that the microfinance regulatory framework classifies microfinance banks into three categories of Unit, State and National. According to the report, Units microfinance institutions are limited to a location and are not allowed to expand into branches. State microfinance institutions are allowed to open branches but are limited to operating only within the State where they are licensed. National microfinance banks are authorised to operate in more than one state. The three categories according to Microfinanza rating also have different capital

requirements of N20 million, N100 million and N2 billion capital allocated to Unit, State and National Microfinance, respectively.

Table 3.1 presents a summary of the specific features of the five categories of microfinance in Nigeria. The table distinguishes the categories of microfinance institutions based on ownership, source of business capital, minimum capital base and legal form except for government owned microfinance institutions which are government agencies.

Table 3.1: Categories of microfinance institutions (Source: Zuru et al., 2016)

Categories of Microfinance institution	Ownership Structure	Source of Capital	Capital Base (Naira)	Legal Status
Community Bank	Community	Shareholders' Funds	20-100 million	Private Limited
Privately Owned	Shareholders and Partners	Shareholders' Funds	20-billion	Private Limited
Government Owned	Government	Government Grants	20 million	Government Agency
NGO Owned	NGO	NGO Grants	20-100 million	Private Limited
Foreign Owned	Shareholders and Partners	Shareholders' Funds	20 million	Private Limited

Zuru et al. (2016) provide an overview of microloans offered by microfinance institutions in Nigeria, including consumer, agriculture, trading, livestock, education, and skill development micro loans.

3.6 Customer Experience in Microfinance institutions

According to Alimukhamedova (2013), microfinance has garnered much research interest due to the importance attached to it. Research in Nigeria has mainly focused on its role in poverty reduction (Jegade et al., 2011; Eigbiremolen & Anaduaka, 2014; Okoh et al., 2021), the impact on economic growth and empowerment (Ideweke et al., 2017; Ilori & Tajudeen, 2017), customer retention (Ibok & Udofot, 2012; Inkumsah, 2013), and access (Abdusalam & Tukur, 2014; Babajide et al., 2016). An outcome of some of such studies (Tetteh & Antwi, 2013; Imoisi & Godstime, 2014; Muhammad et al., 2015) is that microfinance in Nigeria has been operating below capacity in terms of coverage and impact. Studies on measurement of customer experience has been carried out in different contexts. However, there is a lack of empirical studies on microfinance customer experience. Specifically, Gilboa et al. (2019) suggest a lack of

customer experience studies on small businesses. A review of related literature on customer satisfaction, loyalty, attraction, and retention indicates how microfinance customer experience impacts the results of organisational goals.

Imoisi and Godstime (2014) and Gilal et al. (2012) describe the outcome of microfinance access, especially in developing countries like Nigeria, to be empowerment and eradication of poverty. Acha (2012) posits that the idea of microfinance in Nigeria was brought about by the inability of government to properly supervise monetary resources in such a large informal financial sector. The author attributes poor supervision to several issues such as a high unbanked rural population and lack of trust in the banking system due to past experience. Research (Nwanyanwu, 2011; Ibok & Udofot, 2012; Idewe et al., 2017) similarly points out that microfinance banks have a lot of ground to cover as shown by the high population of the unbanked in Nigeria.

According to Acha (2012), one of the goals of microfinance is to meet the needs of small and medium scale enterprises in Nigeria, which constitute about 95% of businesses. Similarly, Obokoh et al., (2016) also indicate that the Central Bank of Nigeria (CBN) has adopted microfinance institutions as the leading provider of financial services to Small and Medium Scale Enterprises (SMEs), particularly in the Manufacturing Sector in Nigeria. The author however raises the question of insufficient access to financial services by manufacturing industries. Customer outreach and the embracement of microfinance has generally been perceived as poor with untapped potential of 90 percent (Muhammad et al., 2015).

Annim (2018), in a study of the outreach and impact of microfinance, suggest that impact assessments should be more detailed with the full awareness that there are different groups of microfinance institutions with different target groups and different lengths of relationship with clients as all these skew impact research results. Based on the research outcome, the author concludes that microfinance has generally contributed to poverty alleviation in Ghana. The study however reveals urban areas as greater beneficiaries and suggests that more importance should be placed on reaching clients in the rural area. The author also promotes the need for greater attention factors such as the legal status, span of financial services rendered; age;

rural–urban differences; repayment rate; average loan sizes and savings; and the capability of employees as factors that influence access. Taiwo et al. (2016) also proposes a need for flexibility of microfinance products to meet the need of the poor.

Jegade et al. (2011) describe the emergence of microfinance as due to the inability of the poor social group to meet the financial access requirements of commercial banks. This is attributed to a disconnect between the goals of the commercial bank operators and the micro entrepreneurs. The fallout of this, according to Babajide et al. (2016), is that the poor developed a culture of not banking which impacted the economy negatively because such funds could not be aggregated and utilised by banks to grow the economy as they were not within the control of commercial banks.

Ibok and Udofot (2012) raise the question of poor growth of microfinance institutions in Nigeria despite its role as a key driver of economies, and highlights lack of customer confidence and empirical analysis of performance as major contributors to the poor expansion of microfinance institutions. Abraham and Balogun (2012) suggest that previous efforts by governments to provide microfinance were not successful because the modalities for access were not conducive to overcoming the identified challenge. Woller (2002) hinges the success of microfinance marketing on customers' willingness to pay, which results from attractive service offerings (both in quality and service) in addition to loan pricing to achieve sustainability. Active pursuit and assessment of positive and negative customer opinion is also a critical aspect of marketing orientation as it has been noted that only about 5 percent of dissatisfied clients give negative feedback and the remaining 95% drop out, which necessitates the need to conduct market orientation research that is specifically relevant to microfinance institutions.

Studies (Abraham & Balogun, 2012; Babajide et al., 2016) describe the challenges of microfinance sector operations in Nigeria as including unstable government policies, high transaction costs, lack of management and employee technical know-how, inadequate product knowledge, low demand from potential microfinance clients, poor accessibility, unskilled employees, high costs of operation and wrong customer expectations, among others. Gilal et al. (2012) establish that though it is widely accepted that microfinance institutions' accomplishments have attracted a lot of international interest, most of the institutions are confronted by loss of clients. Affirming

the high rate of customer attrition in microfinance banks, Rahman et al. (2014) submit that attrition has resulted in the limitation of development in the sector. The authors, however, attribute the attrition to poor management. Rahman et al. (2014) argues that bad experience caused by certain influencing factors are responsible for customer defection in microfinance institutions. The authors note that retaining clients is critical to the survival of microfinance banks as it reduces administrative costs, lowers default risks, increases risk assets and financial productivity, and calls for product development and meeting the customers' needs as measures to retain clients.

According to Schicks (2013), part of the duties of microfinance institutions is to ensure the wellbeing of their customers but this is being gradually eroded as a result of the growing customer debt obligation arising from the push by microfinance institutions to increase profit as a way of ensuring sustainability. Woller (2002), describes a high customer attrition rate across board irrespective of status of customer's income, gender, age, and location. Authors (Gilal et al., 2012; Ibok & Udofot, 2012) identify customer retention as an essential determinant of the continued existence and increased impact of microfinance banks. Jegede et al. (2011) emphasise the need for better approach on outreach and depth to achieve practicable and sustainable poverty alleviation, while Joshi (2013) highlights the need for organisations to build a culture of staff development to cater for customers, to make customers feel appreciated and thus, determine what the customer wants which help in developing marketing strategy for customer retention. Fadun (2014) stresses the need for an efficient financial structure that makes available diversified providers, offerings, as well as technologies that best suit the physical, economic, political, cultural and geographic peculiarities of the economy in view. He further emphasised the need for continuously compelling all stakeholders in Nigeria to enable access to financial services.

Annim (2018), in a study of the outreach and impact of microfinance in Ghana using descriptive and quasi-experimental methodologies, notes that impact assessments should be more detailed with the full awareness that there are different groups of microfinance institutions with different target groups and different lengths of relationship with clients as all these skew impact research results. Based on the research outcome, the author concludes that microfinance has generally contributed to poverty alleviation in Ghana. Annim (2018) however notes that the urban areas have

been greater beneficiaries and promoted the need to pay greater attention to such factors as the legal status; span of financial services rendered; age; rural–urban differences; repayment rate; average loan sizes and savings; and the capability of employees. The author also suggests more importance should be placed on reaching clients in the rural area. The suggestion aligns with a previous study (Woller, 2002) which specifies variation in the outcome of empirical assessment of microfinance impact resulting from such factors as location; procedures; economic, social, and political factors; usage of loan; and timing among others.

Fadun (2014) describes access to formal financial services as remaining poor in developing economies like Nigeria. Unfriendly business environment, lack of sustainable growth, insufficient infrastructure, limiting physical access, psychological constraints such as fear of the staff of financial institutions, structures, complicated financial products, information including lack of knowledge regarding products and procedures were identified as reasons for this situation. This stresses the need for studies on customer experience in Nigeria, and the impact of such on the attraction and retention of customers. Fadun (2014) highlights the need for continuous efforts on the part of all stakeholders in Nigeria to make access to financial services possible. Ikpefan (2013) posits that the effectiveness and impact of the banking industry necessitates a regular assessment of its tactics to draw customers, and to design products and services that are able to attract their requirements and desires which are constantly changing.

Akande (2012), in research on microfinance and women entrepreneurs in Oyo State, Nigeria, notes that only 46.67% of respondents were conscious of the existence of microfinance banks with only 16.67% going a step further to utilise the services of such microfinance banks. Research (Rahman et al., 2014; Kanyurhi, 2017) submits that the customer satisfaction level of microfinance institutions is low. Kanyurhi (2017), in a study on customer satisfaction in microfinance sector offers product, empathy, price, employees, infrastructure, customer involvement and suitability of services to context as some factors that impact the microfinance customer satisfaction. Rahman et al. (2014) stress that satisfied clients attract new clients and that acquiring new customers costs more than to retaining old ones. Rahman et al. (2014) further notes that some of the risks in microfinance institutions include clients' dropout and switching from one

organisation to another. The authors propose that the cause of clients' switching is unsatisfactory service, which seriously impacts profitability, performance, operational costs, and sustainability of the microfinance establishment. Client retention and loyalty are indeed important for both the firms and their clients. Several factors, ranging from policies, operational procedure and service quality are highlighted as contributors to microfinance client attrition.

Idolor and Imhanlahimi (2011) and Kanyurhi (2017) offer microfinance marketing research on customer satisfaction as uncommon and suggests a resultant effect of competition, abandonment of clients, and unproductivity in microfinance growth rates. The authors recommend weighing microfinance services to client's needs as a way of improving the effectiveness of microfinance banks, thus showing a methodical understanding of the outlook of the poor. Few research have looked at the clients' perspectives on the impact of microfinance. Such research is critical in determining the goals of clients and how they intend to use financial services to meet these goals. An understanding of customer needs and perception open up the demand side of the micro-finance equation which in turn forms the basis of designing products and services. The outcome of harmonising services to client requirements is the retention of existing customers and attraction of new clients. One major way such needs can be determined is by doing customer experience research.

Sayed and Trivedi (2016), in a study to ascertain the important factors that impact the level of satisfaction or dissatisfaction in the use of Microfinance services by Micro, Small and Medium Enterprises (MSMEs) find variables such as sales revenue, profitability, age and gender as vital variables for MSMEs satisfaction while marital standing and business category are key predictors for MSMEs dissatisfaction. Woller (2002), in his study on the fundamental role of market orientation to microfinance outreach, notes that with the importance placed on microfinance, only a few have achieved deep outreach. Similarly, Kasali et al. (2015) in a study of determinants of access to microfinance by the poor in Nigeria find that factors such as age, family size, business net worth, capability, educational status, assets, level of wellbeing, standard of living and revenue are major predictors. The study concludes that microfinance institutions' requirements for access to microfinance were stringent and calls for increased supervision of microfinance institutions for better service delivery.

Bhuddhika et al. (2008), in a study to examine the perception of customers on variances in service quality between formal and semi-formal microfinance institutions in Sri Lanka, found that loan recovery, employees' knowledge, accessibility, tangibles and responsiveness to communication, variety, credibility and commitment of staff are determining factors of quality of service. According to Rahman et al. (2014) customer dropout is unfavourable to both microfinance institutions and the entire financial industry. They call for a detailed knowledge of the clients' needs as a means of providing solution. The authors perceive microfinance as a unifying factor in economic development and the inability of clients to fully participate impact negatively on the individual, the microfinance institution, and society. One bad experience may lead to several prospective customers losing the opportunity of access due to a negative interaction or communication.

Idolor and Imhanlahimi (2011) while noting the critical nature of the clients' goal and intention in their patronage of microfinance institutions, concludes that there is little research in Nigeria that focus on the clients' perspectives on the impact of microfinance. Such research is critical in determining the goals of clients and how clients intend to use financial services to meet these goals. An understanding of this opens up the demand side of the micro-finance equation which in turn forms the basis of designing products and services. Idolor and Imhanlahimi (2011) opine that success of poverty alleviation schemes such as micro financing in Nigeria, requires a systematic understanding of the perception of the poor Since they are essentially the 'customers' of the microfinance institutions. Nwite and Ogiji (2012) similarly offer that despite several measures by the government in the past, the potential of the microfinance banking system is still latent, and this has resulted in the disproportionately low saving culture and mobilisation in microfinance banks.

Ikumsah (2013) highlights the need for microfinance banks to be informed about the worth placed on offerings from the customers' viewpoint to enable them meet up with the anticipation of customers, while Ibok and Etuk (2013) point out that the packaging of microfinance offering and inability to identify the most effective ways to identify and meet the needs of customers has slowed down the effectiveness of access, growth, and development of microfinance. This situation promotes the importance of identifying and meeting such needs to break the access barrier. Proper communication

and acceptance of the concept and benefits of microfinance services to customers, according to Egbiremolen and Anaduaka (2014), are required to improve the effect of microfinance offerings to micro-entrepreneurs. The authors further propose the need to explore client viewpoint on the effect of microfinance, claiming that such research is critical in determining the objectives of clients and how they propose to use financial services to meet such objectives.

Research (Ibok & Udofot, 2012; Kanyurhi, 2013; Rahman et al., 2014) shows that the microfinance industry is largely perceived as old-fashioned due to its low responsiveness to the “market oriented” outlook of attracting customers thereby creating a service gap between customer perception and expectations and pushing customers to seek better options. According to Egbiremolen and Anaduaka (2014), an understanding of customer objectives helps unlock customer buy-in of microfinance offerings which form the foundation for creating products and services. Idolor and Imhanlahimi (2011) and Schicks (2013) highlight debates about measuring the impact of microfinance through increased profits at the risk of losing the social dimension of the role of microfinance institutions. The authors posit that some of the problems of microfinance institutions come through the over-indebtedness of clients and therefore propose service offerings to meet client needs as a means of reducing the problem of client over-indebtedness which further promotes poverty. The poor outreach and low impact of microfinance institutions, according to Rutherford et al. (2012), made microfinance institutions shift their attention from institutional success to determining and satisfying consumer needs through proper understanding of consumer behaviour. Schicks (2013) opines that better products, improved loan advancement procedures, financial advisory services and public awareness improves microfinance institution services in terms of better credits and less over-indebtedness. Schicks (2013) therefore proposes focused research and interest in the experiences and welfare of customers as a means of ensuring customer focus.

Idolor and Imhanlahimi (2011) recommend weighing microfinance services to client needs as a way of improving the effectiveness of microfinance banks in Nigeria thus showing a methodical understanding of the outlook of the poor. Kanyurhi (2017) and Bueno et al. (2019) suggests developing measurement instruments specific to the context and sector, and more so in the microfinance sector where there is a dearth of

studies on measurement and marketing. Zuru et al. (2016) similarly propose more research attention to be paid to the business strategies, operations, and procedures of microfinance banks as well as their level of success. Bihari et al. (2009) notes that microfinance banks have hitherto not been properly researched as service organisations and propose an accurate understanding of customer opinions as a means of improving performance. Akande (2012) and Yahaya et al. (2011) posit that patronage is a major obstacle for microfinance banks in achieving their purpose as a key contributor to economic development.

From the review, it is evident that only a few research carried out in Nigeria has looked at the client's perspectives on the impact of microfinance. The gap in literature, based on the theoretical framework and literature review in chapters two and three, is highlighted in the next section to provide justification for the focus of the current study.

3.7 Research Gap

The background to the study in section 1.2, as well as the theoretical framework and literature review chapters (2 and 3) reveal increased research on customer experience, however, based on the limited research available on the holistic customer experience, and, measurement of the construct, there are still gaps in the customer experience research (Puccinelli et al. 2009; Grewal et al., 2009; Brakus et al., 2009; Palmer, 2010; Du Plessis & De Vries, 2016; Bueno et al., 2019; Keiningham et al., 2019). According to Bagdare (2016) current research gaps in customer experience literature include validation of categorisation and prioritisation of variables significant to experience in marketing. Bueno et al. (2019) also stress a need for research on customer requirements, perception, and expectation holistically and at all the identified multifaceted levels in coming up with the strategies, determinants and measurement of customer experience. This is especially so in microfinance institutions in Nigeria which forms the geographical and industry context of the current research, where there is a dearth of studies on measurement and marketing.

Kharat et al. (2020) highlighted limited research on experience and offered the need for more studies focused on measuring the customer experience by identifying factors, as well as exploring the significance and ranking of such factors on the holistic experience. Similarly, Palmer (2010), Kanyurhi (2017) and Bueno et al. (2019)

emphasised limited empirical studies, and, a gap in measurements specific to context and sector based on the uniqueness and diverseness of the service sector. Measurement of experience specific to the microfinance context of the current study is critical due to the existence of customer attrition, unproductivity in growth rates, poor microfinance access and customer dissatisfaction (Taiwo et al., 2016; Kanyurhi, 2017; García-Pérez et al., 2020). The current research thus attempts to establish determinants of customer experience specific to the microfinance service sector which has hitherto not received academic attention. Kanyurhi (2017) and Bueno et al. (2019) further emphasised paucity of empirical studies, and a gap in context and sector specific measuring instrument resulting in lack of clarification on categorisation of factors, scales and concepts connected to customer experience. This study attempts to address assertions by Kanyurhi (2017) and Bueno et al. (2019) by establishing variables that result in creation of customer experience in microfinance institutions in Osun State, Nigeria.

From the review of models in section 2.4, most of the measurement models (Verhoef et al., 2009; Maklan & Klaus, 2011; Garg et al., 2012; Haery & Farahmand, 2013; Saba, 2014; Du Plessis & De Vries, 2016) were sector specific and thus proffer sector relevant requirements. It however seems that limited research is conducted globally, and especially in Africa and Nigeria which create a research gap that justify this study. Previous models such as conceptual model of antecedents and consequences of customer experience (Saba, 2014) and the enterprise-customer service model (Du Plessis & De Vries, 2016) test the significance of influence of determinants in providing outcomes such as equity, loyalty, satisfaction, word of mouth. The microfinance model proposed in this study however focuses on customer experience as the outcome. The microfinance model developed in the current research will test the significance of influence of various determinants as a measure of the customer experience; as well as the influence of moderators on the determinants in Nigeria. Also, conceptual models (Verhoef et al., 2009; Du Plessis & De Vries, 2016) reviewed posit the influence of moderators on customer experience in other service contexts, the current study however empirically validates the influence of moderators on the determinants from the microfinance institution customer perception. Further, the measurement of customer experience models in various service contexts revealed limited research in the financial sector and no research specific to the microfinance industry. This study

is thus carried out in microfinance institutions in Osun State, Nigeria, a service sector and geographical context which have not received academic attention.

From the aforementioned, it is evident that though globally, previous studies (Maklan & Klaus, 2011; Kyguoliene & Makutenas, 2017; Choo et al., 2018; Kharat et al., 2020) on customer experience have established the existence of determinants which act as triggers of the customer experience in diverse service contexts, there still exists a gap of the empirical validation to determine peculiarities of such determinants to the microfinance sector. Therefore, to bridge the research gap this study examines the significance of experience determinants, namely, memory, social environment, retail atmosphere, price, service interface, product assortment, multichannel interactions and brand image on microfinance institution customers. This study also measures the mediating influence of involvement, goal and location on microfinance institution customer experience from customers' perception in Osun State, Nigeria.

3.8 Conclusion

Research continues to evolve in response to the identified complexities of customer experience measurement. Chapter 3 provided a broad review of the history, models, and operations of microfinance both globally and in Nigeria. The chapter pointed to inadequate research on microfinance institution customer experience both in Nigeria and globally noting that related research carried out on microfinance have been mostly on the drivers and inhibitors of the adoption, attraction, and retention of customers. It highlighted the importance of microfinance and described the uniqueness of various organisations offering microfinance services while calling for a need for improved services. It also provided a summary of literature of recent discussions on the outreach and customer access to microfinance; and calls for research into a proper understanding of the relationship between customer retention and factors responsible for it as a crucial requirement for microfinance banks to achieve their goal.

Finally, the chapter, based on review of literature revealed a gap on research to understand customer perceptions of service offerings to offer a framework for positive customer experience. This study, which is an empirical study to establish the influence of determinants of customer experience in microfinance institutions, expand knowledge on customer experience generally and provide insight into customer

expectations and perceptions of microfinance experience. This provides marketing scholars and practitioners in the microfinance sector with a framework for a better understanding of the holistic customer experience. The research methodology applied for this research is discussed in chapter four.

CHAPTER FOUR: CONCEPTUAL FRAMEWORK

4.1 Introduction

Chapters 1 to 3 provide context for the study by laying the foundation and background to study, providing theoretical underpinnings for the study, and, reviewing past literature relevant to the study. The current chapter is a critical aspect in helping situate this study in a specific scholarly discourse by leveraging on the gaps identified from previous chapters. The chapter presents the conceptual framework as a map for the current study, describes variables relevant to the study as identified in previous chapters and culminates in the development of the hypotheses to provide the basis for the realisation of the research objectives.

4.2 Conceptual Framework

The conceptual framework for the development of the model is built from identifying, connecting, and comparing previous studies on customer experience, presenting a holistic merger of ideas, and validating identified components relevant to the understanding of microfinance institution customer experience. As described in previous chapters, customer experience according to researchers (Pine and Gilmore, 1998; Schmitt, 2011) evolved from traditional marketing through four stages of commodities, goods, services, and experience. While the authors' opinions differ on whether experience is a new stage of economic value or a new way of marketing products and services, they all agree that experience is a combination of functionality or efficiency and engaging interactions that touches emotions and requires creativity. Oswald et al. (2006), while highlighting the importance of determining value in marketing, posit that traditional marketing attributed success to the physical features of the products and services. The authors note that marketing, which has developed through various stages is becoming increasingly relevant due to the pressures of commoditisation and suggested that customer experience is the new differentiator of value. The current study is based on the premise that customer experience is determined by the customer's assessment of encounters with the service provider. Lemke et al. (2011) support the premise of this study by positing that customer experience quality is based on the customer's evaluation of value-in-use, the organisation's services as well as other service encounters and relationships that directly or indirectly arise from the customer's association with the service provider.

Authors (Schmitt, 2011; Keiningham et al., 2019) describe various dimensions that make up the holistic customer experience. The authors offer cognitive experience as customers' analytical and imaginative thinking, physical/behavioural - how people act or interact, sensorial - what people perceive through the five senses such as aesthetics, affective/emotional- moods and how people feel, and relational/social - how people share or relate to their reference groups. Keiningham et al. (2019) offer sensorial experience as impacted by the service environment, cognitive – meeting of needs, affective – feelings that are generated based on service interaction, behavioural – how the service offering generate positive action, and relational - how customers are motivated to connect with staff, other customers, family, and friends. However, according to Schmitt (2011), a stimulus is not limited to specific experience dimension, a stimulus may thus trigger multiple dimensions. Aesthetics, for instance, according to the author, usually result in sensorial experience but may also result in affective and cognitive experience. In the same way, brand image may result in cognitive experience as well as behavioural experience. Gilboa et al. (2016) in a study of customers' experiences in shopping malls, argue that previous literature has focused on the affective dimension of experience in the retail environment largely neglecting the cognitive and behavioural dimensions. Manthiou et al. (2020) similarly argue that the social environment influences affective experience, noting that customers may experience negative emotions based on perceived negative interaction between an organisation and other customers. The study therefore conceptualises the various dimensions of customer experience as overlapping.

Research (Wenwei & Tongtong, 2010; Ali & Omar, 2014; Cetin et al., 2014; Joshi, 2013; Saba, 2014; Gafar et al., 2017; Mohd-Ramly & Omar, 2017) propose certain factors as responsible for customer experience. Similarly, studies (Verhoef et al., 2009; Jain & Bagdare, 2009; Grewal et al., 2009; Brakus et al., 2009; Saba, 2014) conceptualise customer experience as being triggered by certain variables which may be within or outside the service provider's control. According to Singh and Soch (2015), research into the determinants of customer experience is important because such factors express customers' perception and ultimately affect their choices. The determinants of customer experience has been researched in numerous studies (Wenwei & Tongtong, 2010; Maiyaki & Mokthar, 2011; Ali & Omar, 2013; Joshi, 2013; Sorooshian et al., 2013; Cetin et al., 2014; Gafar et. al., 2017; Mohd-Ramly & Omar,

2017; Shamshudeen, 2017) in different industry and geographical contexts. Such research has covered the factors of customer experience in diverse areas of the service industry such as retail sector, telecommunications sector, hospitality industry as well as the banking sector. From the studies, it is implicit that certain determinants are responsible for customer experience. However, according to Jain et al. (2017), certain determinants that trigger customer experience and their consequences which have not been adequately researched empirically. Such determinants according to Verhoef et al. (2009) may be within or outside the service provider's control. Other studies (Garg et al., 2012; Haery & Farahmand, 2013; Aghaei and Anoushehi; 2016) further posit that such triggers have varying levels of significance to the customers and can thus be prioritised.

Jain and Bagdare (2009) explain customer experience as requiring determining and successfully handling all the clues that work together to generate a customer reaction. Becker and Jaakkola (2020) however contend that customer experience should be distinct from stimuli. Keiningham et al. (2019) elaborate further by conceptualising three principles defining the customer experience as being evoked through interaction with stimuli, the distinctiveness of each experience and the multidimensional nature of experience. Studies (Kranzbuhler et al., 2018; Becker & Jaakkola, 2020) posit that customer experience stimuli are present in a chain of touchpoints and multiple levels of aggregation touchpoints. This study adopts the argument of previous researchers (Meyer & Swaghart, 2007; Verhoef et al. 2009; Saba, 2014; Nasution, 2014) that direct or indirect contact leading to experience may occur during the pre-consumption, consumption, and post consumption encounter. The customer experience journey is therefore conceptualised in three stages of pre-consumption, consumption, and post-consumption (Nasution et al., 2014; Saba, 2014; and Lemon & Verhoef, 2016) provided in other models. The categorisation of stages of consumption is described as making the process more manageable (Lemon & Verhoef, 2016).

This study thus expands the model prescribed by Verhoef et al. (2009) by conceptualising the customer journey in three stages in other models of experience (Nasution et al., 2014; Saba, 2014; Lemon & Verhoef, 2016). For the purpose of this study, the pre-consumption stage is assumed to involve customer activities such as need recognition, searching, imagining, budgeting, and planning before the customer

makes the decision to patronise the microfinance institution. The consumption stage encompasses customer interfaces with the service organisation and service environment during the transaction. It includes touchpoints such as selection of specific product type, account opening, account operations, loans and other products, loan repayment and interaction with group members (also referred to as “Union” or “Association”), daily processing of requests, relationship with employees, information on account and, other requests or perception of customer on service delivery. Finally, the post-consumption stage comprises an evaluation of all customer communications with the microfinance institution as well as perception of memories from previous experiences. Schmidt-Subramanian (2016) describing a framework for key customer experience measurement suggests that improving customer experience requires customer segmentation and determination of experiences to measure. The author suggests that to determine customer experience, the organisation needs to track clients’ perceptions of experiences, touchpoints of experiences, and the business outcomes of the service interaction. Scholars (Verhoef, 2009; Brakus et al., 2009; Garg et al., 2012; Haery & Farahmand, 2013; Saba, 2014) similarly suggest that the customer experience is determined by customers’ independent perception of some aspects of the service interaction at any of the three stages of the customer journey.

To develop an all-inclusive conceptualisation of determinants of customer experience, a review of identified influencing factors of customer experience from past research reveal a rich selection of determinants from different service contexts such as retail, tourism, hospitality and banking. Review of literature however indicates an absence of a unified description of the components and associations between the dimensions of customer experience. This confirms the argument of authors (Schmitt, 2011; Bueno et al., 2019; Becker & Jaakkola, 2020) on the fragmented nature of customer experience. Eight determinants (social environment, service interface, retail atmosphere, product assortment, price, multichannel interactions, brand image and memory) and three moderators of – situation (location) and consumer (goal; involvement) are however extracted from literature as pertinent to the current study context.

Based on the forgoing, this study hypothetically claim that the customer assessment of microfinance institution customer experience is hinged on the degree to which determinants impact customer value-in-use through the five dimensions of customer

experience during service encounters in the consumption journey. Also, the moderating variables are hypothesised to conditionally influence the impact of the determinants (independent variable) on the microfinance institution experience (dependent variable).

4.3 Description of Variables

Table 4.1 summarises the review and categorisation of determinants of customer experience from previous studies several service contexts such as retail, hospitality, banking, tourism, and online websites.

Table 4.1: Outline of Determinants of Customer Experience Gathered From Literature Review

Determinants	Author
Other Customers/ Social Environment/ External Touchpoints/ Customer Interaction / Interpersonal Relationships	Verhoef et al. (2009); Klaus et al. (2012); Garg et al. (2012); Haery and Farahmand (2013); Saba (2014); Hsieh and Chuang (2015); Lemon and Verhoef (2016); Shamsudeen (2017); Kharat et al. (2020)
Product/Assortments/Product Variety	Klaus et al. (2012);Verhoef et al. (2009); Stein & Ramaseshan (2015); Shamsudeen (2017); Kharat et al. (2020)
Service Interface/ Service Process/ Employees/Customization/Speed/Core Service/Online Functional Elements/ Value Addition	Verhoef et al. (2009); Palmer (2010); Klaus et al. (2012); Garg et al. (2012); Haery and Farahmand (2013); Joshi (2014); Saba (2014); Nasution et al. (2014); Hsieh and Chuang (2015); Stein & Ramaseshan (2015); Strandvik (2018)
Marketing Mix/Price/ Promotions	Holbrook and Hirschman (1982); Verhoef et al. (2009); Grewal et al. (2009); Klaus et al. (2012);Nasution et al.(2014); Saba (2014); Joshi (2014) ; Kharat et al. (2020)
Brand image/ Retail Brand/Brand Performance	Saba (2014);Lemon and Verhoef (2016); Palmer (2010); Verhoef et al. (2009)
Customer experiences in other Channels/Partners/ Multichannel Interactions	Grewal et al. (2009); Lemon and Verhoef (2016); Saba (2014);Verhoef et al. (2009); Shamsudeen (2017);
Retail Atmosphere/ Service Environment/ Physical Environment/ Online hedonic elements/ Atmospherics/ Servicescape/ Aesthetics	Grewal et al. (2009); Verhoef et al. (2009) Garg et al. (2012); Haery and Farahmand (2013); Puccinelli et al. (2009; Nasution et al.(2014);Saba (2014); Hsieh and Chuang (2015); Kauppinen-Räsänen and Grönroos (2015); Bustamante and Rubio (2017); Keinginggham et al. (2017) ; Kharat et al. (2020)
Convenience	Klaus et al. (2012);Garg et al. (2012); Haery and Farahmand (2013) ; Kharat et al. (2020)
Past experience/memory	Puccinelli et al. (2009); Verhoef et al. (2009); Mcoilli-Kennedy et al. (2018); Rather (2018)
Attributions	Puccinelli et al. (2009)

The review of literature on the determinants and moderators of customer experience reveal a rich selection of factors noted to be responsible for positive or negative customer experience. The explanation for the wide variety may be attributed to the differences in context such as objective, geographical location and industry being researched, among others. This confirms the opinion of authors (Verhoef et al., 2009; Schmitt, 2011; Lemon and Verhoef, 2016) on the fragmented nature of customer experience.

Table 4.1 gives ten broad classifications determinants of customer experience identified from literature based on comparability of descriptions. The current research however tests only the influence of eight determinants. This is based on first, the frequency of such determinants in the reviewed literature and, the relevance to the context of the present research. Thus the current research tests the influence of determinants of social environment, product assortment, service interface, price, brand image, multichannel interactions, retail atmosphere and memory on microfinance institution customer experience. Moderating variables are broadly categorised as situation moderators, and consumer moderators. The current study tests the moderating role of location, goal and involvement on the influence of determinants on microfinance institution customer experience. The selection was based on the perceived relevance of the moderators to the microfinance institution customer experience. The eight determinants of customer experience as well as the three moderating variables all fall into one or more of the five dimensions of customer experience, namely Sensorial; Affective; Cognitive; Behavioural; and Relational. Literature offer differing opinions on the distinctness or overlap for the categorization of the various determinants to fit specific dimensions. While (Schmitt & Zarantello, 2015) argue that certain dimensions of customer experience overlap and cannot be engaged individually, others (Brakus et al., 2009; Garg et al., 2012) view the various dimensions as distinct offerings varying in significance based on industry context. The current study did not test the assertions but rather assumes that all determinants fall into one or more of the various dimensions and influence the microfinance institution customer experience.

The current study posits the determinants posited above as dependent and moderating variables in the study. According to Feinberg et al. (2013), variables are

quantities that take on different values used to develop a model for clarifying a phenomenon. The variables for statistical research can be independent variables which are also known as predictors or causes or dependent variables which are the effects. Thus, the influence of the variables on the microfinance institution customer experience is empirically tested to develop a model of determinants of microfinance institution customer experience in Osun State, Nigeria.

Individual determinants relevant to the current studies are described from sections 4.3.1 to 4.3.9.

4.3.1 Social Environment

According to studies (Verhoef et al., 2009; Kyguoliene & Makutenas, 2017), the social environment as a determinant refers to how the presence or association with customers impacts the experience of the customer on the attention of the service provider to the customer. Also, the opinion of friends and family members of the customer can influence the customer's perspective of the experience. Garg et al. (2012) and Haery and Farahmand (2013) refer to the social environment factor as the influence of customer activities in a retail space on other customers. There is a need for customer compatibility management of the service environment by the organisation to ensure that the actions of customers do not negatively influence other customers in the service space. Verhoef et al. (2009) explains that the social environment incorporates the presence and effect of other customers on experience. This includes how it affects the customer's view on congestion and length of the waiting lines. Saba (2014) proposes that organisations encourage peer to peer communities because the customer's relationship with the community and peer to peer feedback are major determinants of customer experience. Walter (2011) emphasizes the difference between the social environment's characteristics and how it affects customer experience and not the customer rating of such characteristics. The social environment was classified by Nasution et al. (2014) as a moderating variable. For the purpose of this study, the social environment is assessed based on the influence of families, friends, and other customers on customer experience.

4.3.2 Service Interface

Garg et al. (2012) refer to the service interface as the effect of technology on the customer experience. Verhoef et al. (2009) in a similar vein expand the service interface to include interactions of the customer with the organisation through technology and the employee during or throughout the experience journey. Such interactions include how the employee can give information on the products and services and also offer customisation. Verhoef et al. (2009) further note the importance of technology arising from the increase in the adoption of technology for operations. The service interface was further broken down into three factors by authors (Garg et al., 2012; Haery & Farahmand, 2013) as: – a) customer interaction – defined as the interaction of the customer with all facets of the organisation such as employees, products/services, the physical environment, other customers and so on. b) employees – which refers to employee's capability to resolve issues on time while being helpful, friendly, and polite. Wenwei and Tongtong (2010) refer to it as relationship – and define it as the customer's outlook on the association with the organisation. The authors posit service as encompassing both basic and supplementary service and tied the service experience to organisations' focus on the service process.

The service interface, referred to as moment of truth (Maklan & Klaus, 2011; Choo et al., 2018) is assessed based on flexibility, proactivity, risk perception, interpersonal skill, and service recovery. The author describes flexibility as being ensured based on how well-equipped frontline employees are for customer interactions. Pro-activity refers to employees' ability to proffer a solution and alternative choices where customer's demand cannot be satisfied immediately. Risk perception is the customer's opinion on possibility of repeated experience of organizational challenges that hinder performance. Interpersonal skill is the employee's relationship or people skill, while service recovery is the company's response to service failure. Saba (2014) notes that the failure of service interface can create negative emotions and the perception of the customer of the reason for such service failure determines the customer experience. Saba also suggests that comfort and other aspects of the service process can affect the quality of service which has a major effect on customer perception and attitude. Meyer and Schwager (2007) suggest that the encounters between customers and service activities are a significant determinant of customer experience. Walter (2011)

merges the social environment and service interface as social interaction which he defines as customer to employee and customer to customer relationship.

In the microfinance institution context, Ali et al. (2016) itemises such factors as speed, empathy, employee knowledge level among others as crucial to the service process. The service interface is also referred to as service process and core service has been proposed as a factor for measuring customer experience in many studies (Shamsudeen, 2017; Palmer, 2010; Verhoef et al., 2009). Musoke et al. (2016), while analysing the role of service quality to customer satisfaction, opine that service quality is a key variable in microfinance customer expectation and experience, and hence satisfaction. For the purpose of this study, the service interface is defined as the interaction of the customer with the employees. Friendliness, help, timeliness, knowledge, ease of transaction, correctness and other issues that come up during customer-employee interaction were weighed. Due to the nature of the operations of microfinance institutions in Nigeria, customers' opinion on technology was not assessed as all service interactions with customers were manual.

4.3.3 Retail Atmosphere

The retail atmosphere, also referred to as the service environment, is a contributor to customer experience. According to Puccinelli et al. (2009) it includes accessibility, design, ambience, aesthetics, function, and convenience. It is the service atmosphere which affects the customer's perspective of the experience. It includes the design of the facility, scent, temperature, and music. Saba (2014) suggests that the retail atmosphere encompasses the remarkable, routine, or meaningful. Hsieh and Chuang (2015) describe the retail atmosphere as where customers recognise the service experience and advanced the need for organisations to deliberately build an atmosphere of positive emotions for customers. Kauppinen-Räsänen and Grönroos (2015) refer to the retail atmosphere as the servicescape, a place where service is delivered, disseminated, and consumed. Kauppinen-Räsänen and Grönroos (2015) suggest that the servicescape impacts customer experience and opinions of quality due to the significant effect of the physical environment, which is expected to increase as service becomes more intangible.

According to Singh and Soch (2015), the retail atmosphere captures the attention of the customers. The retail atmosphere is thus guided by the idea that customers' interaction with the physical environment includes enjoyment as well as actual purchase. This is because the servicescape becomes a major means of appraising the service. They classify the servicescape into physical, social, socially symbolic, and natural. The physical aspect encompasses the internal space, design, exhibitions, car parks, accessibility, lighting, sounds, traffic flow, departments, and signage. The social dimensions comprise staff and other customers. The socially symbolic facet comprises cultural aspect while the natural dimension is made up of the components that produce relaxation. Keiningham et al. (2019) offer the retail atmosphere as influencing experience based on its impact on satisfaction, perceptions, and word-of-mouth behaviours. Klink et al. (2019) similarly offer that the retail atmosphere can generate positive experiences during purchase while the service recovery strategy can improve customer experience at the post-purchase phase. Thus, for the purpose of this study, the retail atmosphere incorporates customer's opinion on the significance of comfort, cleanliness, and aesthetics.

4.3.4 Product Assortment

Studies (Choo et al., 2018; Verhoef et al. 2009) refer to product assortment as the experience resulting from availability of variety of items in terms of diversity, value and uniqueness and offered to the consumer by the organisation. Assortment is classified the two factors of customisation and value added by some authors (Garg et al., 2012; Haery & Farahmand, 2013). Customisation is delivering specific products/services to satisfy customer desires, while value added are complementary services provided to create unforgettable feelings for the customers. Wenwei and Tongtong (2010) classifies assortment as product and posit that the key element of the product experience is the variety provided for the customer. According to Aghaei and Anoushehi (2016) aver that the subthemes under product assortment include variety and choice, among others. Choo et al. (2018) similarly offer evaluation of product as based on customer's freedom to choose and compare variety of products. Shamsudeen (2017) offer variety, uniqueness, and quality as means for measuring the product assortment. Keiningham et al. (2019) offer cognitive experience as measured based on comparison of product or service. In contrast, Singh and Soch (2015) observe that product assortment is likely to create affective experience through

feelings such as enthusiasm and happiness in customers and impact their opinion of the organisation. It can thus be concluded that product can be measured both as a cognitive and affective experience. In the context of microfinance institutions and for the purpose of this study, assortments refer to the significance of the influence of having a variety of product options and the customer's ability to choose an experience.

4.3.5 Price

According to Verhoef et al. (2009), the price element encompasses the promotion and loyalty programme activities of the organisation. Wenwei and Tongtong call this the pricing policy, while Saba (2014) suggests that the price and promotion experience factor are motivations to induce customers to adopt the offering. The author posits, on the other hand, that such price and promotions experience may be eroded by other elements like long queues and an inconducive retail atmosphere, thus indicating that the impact of an element of customer experience can affect the experience perceived by customers on other factors. Shamsudeen (2017) conceptualises the determinant of price to the customer experience as dependent on customer perception of loyalty programs and discount policies. Choo et al. (2018) in contrast, suggest that customers evaluate price based on value of service offering to the total experience and as compared with charges from competitors in the same category. Price has been used as a determinant of customer experience in previous studies (Verhoef et al., 2009; Shamsudeen, 2017). In the Microfinance context, the price factor is the cost of financial services in terms of the interest rate charged on loans and its influence on customer experience.

4.3.6 Multichannel Interactions

Verhoef et al. (2009) note that the experience in a channel can be influenced by experiences in other channels. Melero et al. (2016) posit that optimal experience is a business priority which requires the synergy of all customer interaction with the brand through various channels which escalate the intricacy of dealings. Saba (2014) refers to multichannel interactions as including online and offline channels utilised by the organisation to communicate and make products/services available to its clients. Also, Melero et al. (2016) and Bapat (2017) suggest ease and quality as important subthemes of multichannel interaction. The authors describe a successful multi-channel interaction as providing uninterrupted and consistent experience. Similarly,

supporting the growing importance of multichannel interaction in the financial sector, Bapat (2017) classifies different types of bank channels into two categories of face to face or electronic. Face to face channels include branches while electronic channels include automated teller machines (ATMs), computers, point of sales (POS) devices, and mobile banking.

According to Melero et al. (2016), customers view the availability of multichannels as new outlets for business interactions such as purchase, request for information on product or service, advisory services and product or service feedback. Thus, as noted by Saba (2014), the experience in other channels affects customer acquisition and retention. He notes that organisations should carefully address critical areas like data integration, understanding customer behaviour, channel assessment, apportionment of resources to various channels, and management of channel strategies. Due to the low level of online interaction by customers of microfinance institutions in Nigeria, interaction across channels by the majority microfinance institutions in Nigeria are mostly focused on group interaction. As such, for the purpose of this study, customer experiences in other channels encompass customer perception of the influence of group membership (also referred to as “Union” or “Association”) on experience.

4.3.7 Brand Image

The brand image is referred to in literature as the brand experience (Brakus et al., 2009); retail brand (Verhoef et al., 2009) and brand performance (Saba, 2014). Brand image is seen as the customer’s sensorial, affective, intellectual, social, and behavioural response induced by brand-related inducements such as the brand features, communications, and environments. Brakus et al. (2009) further note that brand experiences, which are accumulated in the customer’s memory, may be fleeting, occurring suddenly without much consideration or happen purposefully and last longer. Brand image is the impression the brand leaves on the customer in terms of reputation, social responsibility, quality of product/service among others and the impact of such impression on the customer experience. Saba (2014) identifies the commodity experience as the touchpoint most probable to stimulate the strongest impression. Verhoef et al., (2009) state that the customer’s impression of the brand affects the experience.

Imram and Zillur (2015) note that variables, such as packaging of own label brands, customer billings, order and application forms, point-of-sales (shelf talkers) and recommendation by a salesperson have a significant influence on brand experience and exhibit low dependence. They conclude that retailers need to focus on these variables due to their significance. Brakus et al. (2009) also provide examples of brand stimuli as- colours, shapes, typefaces, designs, slogans, mascots, and brand characters. Studies (Verhoef et al., 2009; Wenwei & Tongtong, 2010; Saba, 2014; Imram & Zillur, 2015) identify brand image as a success factor of customer experience in contexts outside microfinance services. Brand image for this study encompasses customers' opinion of the significance of reputation, reliability, and performance of the organisation on experience.

4.3.8 Memory

Memory is referred to by Puccinelli et al. (2009) as past experience. Rather (2018) similarly describe memory as the intentional remembrance of previous events, actions, and experiences. According to Puccinelli et al. (2009), past experience is retrieved from memory as required and note that memory affects the processing of new experience. Verhoef et al. (2009) suggest that current experience is influenced by past experience. Hwang and Seo (2016) offer that scholars agree on the importance of memorable experiences as critical to the customer experience. The authors offer relevant questions to designing memorable experience as including the experience value being offered, in comparison to what customers require and how such experiences can be co-created to alter customer perception significantly.

According to Puccinelli et al. (2009), past experience is retrieved from memory as required and notes that memory affect the processing of new experience. Studies (Pine & Gilmore 1998; Rather, 2018) similarly argue that memories are improved when customer emotions are triggered through the sensorial experiences. Rather (2018) in a study of association between customer experience and memory, offers aesthetics and information as some of the values needed to heighten customer memory. Shamsudeen (2017) similarly sees previous experience as a determinant of current customer experience expectation as well as future behaviour. In contrast, Schmitt and Zarantello (2015) suggest that during the appraisal of previous experience, customers do not view memory as a continuum but rather in terms of the significant aspects such

as the most intense and/or final moments, perceived progress or declines over time. Such evaluations are beneficial for positive experiences but disadvantageous for negative experiences. The author suggests this as due to customer's preference for building diverse memories of different aspects of service interaction. Memory for this study assesses the value placed on previous encounters by customers of microfinance institutions in establishing customer experience.

4.3.9 Moderators of Customer Experience in Service Context

Verhoef et al. (2009) recognise that the significance of the impact of the factors of experience (either within or outside the organisation's control) may be dependent moderating variables of situation and customer. Namazi and Namazi (2016) note that the introduction of moderating variables offer a true association of the independent and dependent variables. As noted by authors (Namazi and Namazi, 2016; Baron and Kenny, 1986) moderating variables test the impact of the correlation and/or change the direction of the dependent and independent variables. Verhoef et al. (2009) emphasises the need for organisations to factor in moderators when designing customer experience.

Verhoef et al. (2009) in the experience model, highlight situational moderators as type of store, location, culture, economic climate, season, and competition/entrance. Palmer (2010) identifies situational variables of the context within which the information is received as social, cultural, or personal. Studies (Verhoef et al., 2009; Du Plessis & De Vries, 2016) further note that consumer moderators are goals, task orientation, socio-demographics, and consumer attitudes. For the purpose of the study, the role of location as a situation moderator of the relationship between the influence of determinants of customer experience and customer experience is investigated. Also, the influence goal and involvement are evaluated as consumer moderators of the association between the determinants of customer experience and customer experience in microfinance institutions.

4.3.9.1 Location

Grewal et al. (2009) offer location considerations in the retail context as including nearness to customers and other stores. The author offers the need for studies on the influence of location on consumer decision when compared with other variables such

as price and multiple channels. According to Grewal et al. (2009), location is a retailing success factor acknowledged by both practitioners and scholars. The authors suggest that location as a factor incorporates physical site of the organization in terms of proximity to customers which is measured in travel time. It also includes proximity to other stores to avoid multiple shopping trips. Lemke et al. (2011) similarly describe location as geographical availability, as well as the time consumed in getting to the service provider. Du Plessis and Vries (2016) described location as a situation moderator factor that influences the service experience, thereby also impacting the customer's experience.

4.3.9.2 Goal

Verhoef et al. (2009) define goals as the customer's reason for adopting the commodity; such goals determine the customer's perception of experience. Verhoef et al. (2009) suggest that goals impact the customer perception of the determinants of experience. According to Puccinelli et al. (2009), the customer's goal is a determinant of the value attached to a product. Puccinelli et al. (2009) offer that experience can be derived based on customer goals for shopping. Thus, understanding the goal may help service providers in making strategic decisions. Puccinelli et al. (2009) suggest that goal was offered as impacting the three stages of the customer journey during the service process. The author offers that goals influence behaviour and affect various dimensions of customer experience. The cognitive dimension of goal gives a rational illustration of what the goal is and how to realise it. The affective dimension describes how the goal interact with expected features or sequences of actions to achieve it. Thus, the customer's goal impacts the assessment of experience. Keiningham et al. (2019) describe the realization of goals as a cognitive experience offering customers as consciously or unconsciously goal-oriented in behaviour. Thus, the realisation of such goals become the basis for appraising the experience which is a cognitive process. Keiningham et al. (2019) offer customers as also having expectations which are appraised through a cognitive and affective process as either met or unmet. Measurement of the cognitive experience through the level of goal achievement is at the point of consumption or post-consumption.

Verhoef et al. (2009) and Yang and He (2011) posit that the customer's purpose for shopping greatly influence the impact of the experience factors and therefore propose

that enterprises need to categorise their marketing strategies to suit the goals of the customer. According to Lemke et al. (2011), there is a connection between goals and value-in-use in the minds of customers and such value-in-use rely on the customer's perception of experience on the product and service quality, interaction with other customers and consumption. Puccinelli et al. (2009) observe that while some goals are outcome focused (such as eating good food) others are process focused (such as social interaction). Johnston and Kong (2011) suggest that the anticipation of customers based on expected value of service and its ability to meet the shopping goal are affected by past experience, price, and previous product knowledge which they have been provided with through different channels.

4.3.9.3 Involvement

Verhoef et al. (2009) suggest that involvement impacts the customer perception of the determinants of experience. Puccinelli et al. (2009) describes involvement as a driver of customer's motivation to respond to the organisation's offerings. The authors define involvement as the degree of interest of customers on communication from the organisation and their motivation to learn more. Thus, involvement is dependent on the importance of the commodity to the customer and increases with personalization of the service experience. Personalised service stimulates the need for more information to help customers make the right choices. Foroudi et al. (2018) offer customer engagement as the degree of physical and mental involvement required for customer participation in an activity. Involvement, according to Puccinelli et al. (2009) cuts across the three stages of the customer journey in the service. Similarly, Hsieh and Chuang (2015) offers that knowledge improve customer view of experience. Amoah et al. (2016) consider involvement as educating the customer, giving information, and also allowing customers to participate in the service process by having a choice. According to Singh and Soch (2015), involvement impacts the customer experience and creates feelings of happiness, entertainment, and enthusiasm. Puccinelli et al. (2009) suggest the need for more studies on the role of involvement in purchase decisions and post-purchase satisfaction. This study empirically validates the impact of situation and consumer moderators on microfinance institutions customer experience. The selection of the two moderators is based on the suggestions made in previous studies on customer experience (Saba, 2014; Verhoef et al., 2009).

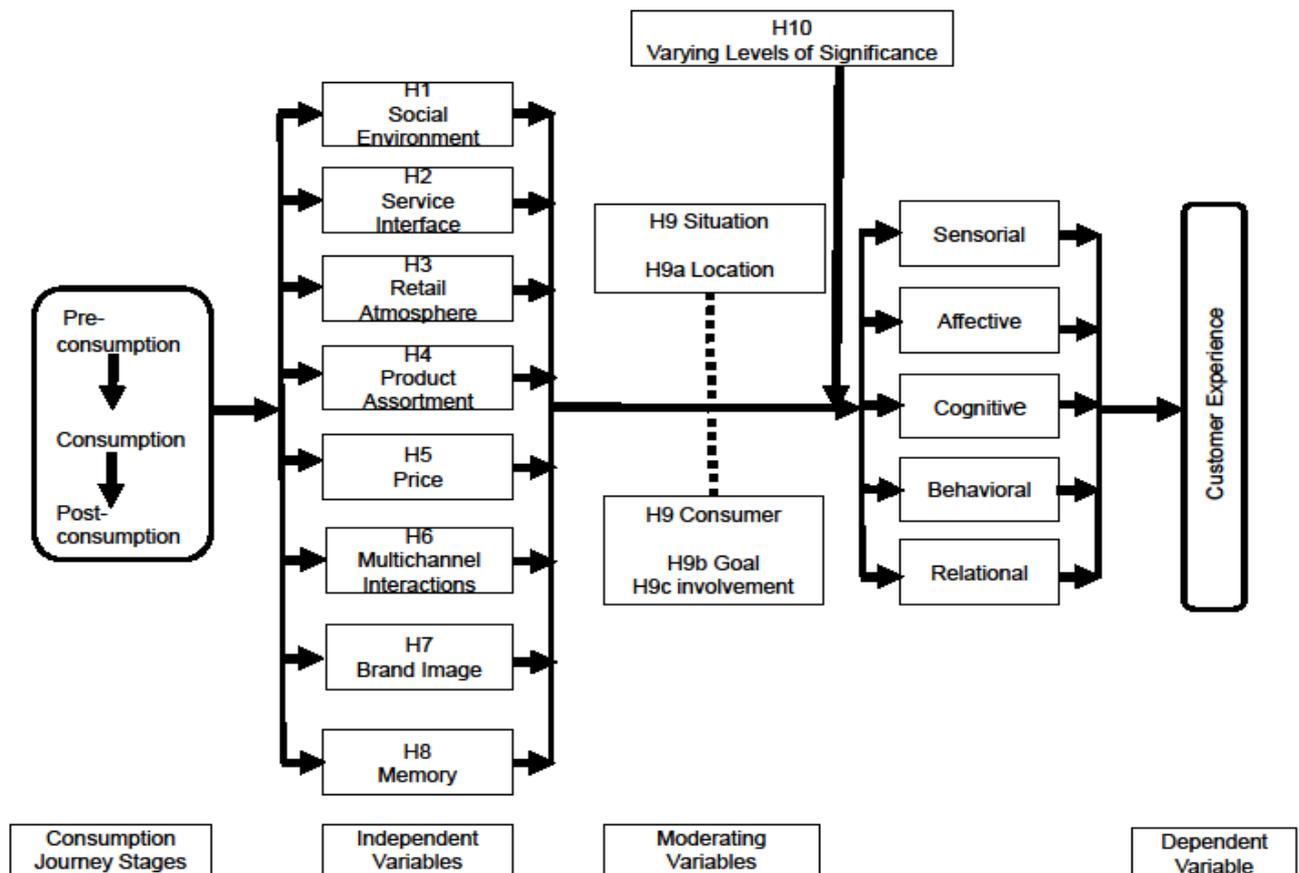
From the foregoing arguments on the variables used for the study, hypotheses are developed in the next section based on assumption assumptions highlighted in this section.

4.4. Development of Hypotheses

This section develops hypotheses for the study which have been formulated based on the evidence and justification provided in the preceding section. For the purpose of this study, eight determinants, described in section 4.3, identified from previous studies in other service sectors are adopted as relevant to microfinance institutions customer experience. The determinants are presented in the study as the independent variables and include social environment, service interface, retail atmosphere, assortments, price, multichannel interactions, brand Image, and memory. As proposed in previous studies (Verhoef et al., 2009; Saba, 2014; Du Plessis & De Vries, 2016) moderating variables of location, goal, and involvement which impact the outcome of the interaction between customers and the determinants are identified and tested. Both the independent and moderating variables were assumed to form the basis for customers' measurement of the customer experience value in microfinance institutions. The holistic customer experience which embraces the three stages of the consumption journey in the five dimensions of sensorial, affective, cognitive, behavioural and relational experience are the dependent variables which are anchored on the customer evaluation of the influence of determinants (Jain et al., 2017).

The hypothesized model presented in figure 4.1 is therefore proposed for empirically validating the determinants of customer experience in the context of microfinance institutions and to confirm the impact and significance of the determinants to the microfinance institution customer experience in Osun State, Nigeria. This study provides a measure for customer experience by assessing the influence of determinants and moderating variables in the creation of customer experience in microfinance institutions in Osun State, Nigeria. It also evaluates the extent the variables impact customer experience. As illustrated in figure 4.1, the following hypotheses were formulated to test the assumptions on the identified variables in the conceptual model to meet the objectives of the research.

Figure 4.1: Hypothesised model for determinants of microfinance institution customer experience in Osun State, Nigeria



Based on the assumption that an excellent social environment would influence the customer experience, the following hypothesis is formulated:

Hypothesis 1: The social environment is an active measure of customer experience in microfinance institutions.

Based on the assumption that the service interface would impact customer experience, the following hypothesis is formulated:

Hypothesis 2: The service interface is an active measure of customer experience in microfinance institutions.

Based on the assumption that the retail atmosphere would impact the customer experience, the following hypothesis is formulated;

Hypothesis 3: The retail atmosphere is an active measure of customer experience in microfinance institutions.

The study, based on the assumption that an assortment of products or services would influence customer experience and the following hypotheses are formulated:

Hypothesis 4: Product assortment is an active measure of customer experience in microfinance institutions.

Based on the assumption that the price would impact the customer experience, the following hypothesis is formulated;

Hypothesis 5: Price is an active measure of customer experience in microfinance institutions.

The study, based on the assumption that customer experiences in other channels would impact customer experience, the following hypothesis is formulated:

Hypothesis 6: Customer experiences in other channels are an active measure of customer experience in microfinance institutions.

Based on the assumption that a brand image influences the customer experience the following hypothesis is formulated:

Hypothesis 7: The brand image is an active measure of customer experience in microfinance institutions.

Based on the premise that memory influences customer experience, the following hypothesis is formulated:

Hypothesis 8: Memory is an active measure of customer experience in microfinance institutions.

To address how location moderates the relationship between customer experience and its determinants, two hypotheses were formulated as follows:

Hypothesis 9a: Location moderates the relationship between determinants of customer experience and customer experience in microfinance institutions.

To address how goal moderates the relationship between customer experience and its determinants, two hypotheses were formulated as follows:

Hypothesis 9b: Goal moderates the relationship between the determinants of customer experience and customer experience in microfinance institutions.

To test the influence of involvement as a moderator of the relationship between customer experience and its determinants, two hypotheses were formulated as follows:

Hypothesis 9c: Customer involvement moderates the relationship between the determinants of customer experience and customer experience in microfinance institutions.

Finally, to address the objective of significance of the determinants on microfinance Institution customer experience. A hypothesis was formulated as follows:

Hypothesis 10: The level of significance of each determinant on microfinance customer experience is not the same.

4.5 Conclusion

Chapter four describes the conceptual framework which guides the study and describes the variables under study. Determinants as well as moderators of customer experience needed for customers to have positive and memorable experience were identified within literature and further categorised based on commonalities and relevance to the current study. Hypotheses were formed to describe determinants, which falls into one or more of five dimensions, influencing the perception of customer experience in Nigerian microfinance institutions. The hypothesised model for determinants of microfinance institution customer experience in Osun State, Nigeria was proposed. The model posits eight determinants and three moderators as significantly influences on the microfinance institution customer experience in Osun State Nigeria. Hypotheses formed in the study will be tested in line with the objectives of the study to establish the influence of determinants on the microfinance institution customer experience in Osun State, Nigeria. The description and justification for the design and methodology adopted for the study is discussed in the next chapter.

CHAPTER FIVE: RESEARCH DESIGN AND METHODOLOGY

5.1 Introduction

Chapter five presents the design and methodology approach to the study. The chapter starts with an introduction of chapter structure. The chapter then reviews and provides justification for paradigm, approach, method, strategy, sampling, and data administration used for the study and its relationship with extant literature. The chapter ends with ethical consideration and the chapter summary.

5.2 Research Paradigm

Paradigm, according to authors (Hewege & Perera, 2013; Johnston, 2014) are the assumptions that represent the worldview of the researcher which forms the interpretation of methodological aspects of research studies. Kivunja and Kuyini (2017) identify three categories of paradigms as positivist, interpretivist, and critical paradigms, suggesting the existence of a fourth paradigm with features derived from the three categories as the pragmatic paradigm. Kaushik and Walsh (2019) offer that the axiology, ontology, epistemology, methodology, and rhetoric of each of the paradigms have divergent viewpoint on research.

Kapoulas and Mitic (2012) describe the interpretivist paradigm, as the “humanistic, subjectivist and qualitative” approach which is based on social interactions and perceives reality as subjective. Kivunja and Kuyini (2017) similarly posit that the interpretivist research paradigm attempts to interpret how the subject views the context by understanding the individual. Thus, development of theory is based on data from the research. The Critical paradigm, according to Kivunja and Kuyini (2017) involves research situated in social and historical knowledge used in transforming politics with the aim of confronting social justice issues. The authors offer that in the critical paradigm, also known as the transformative paradigm, research is based on concern with power accorded to social structures, privileges, cultural norm, and social positioning.

Kivunja and Kuyini (2017) offer the pragmatic paradigm as stemming from the belief that a single scientific method – positivist or interpretative, cannot reflect the reality of the world. These led to a search for practical and pluralistic approaches that favours

a blend of methods to determine behaviour of subjects based on beliefs and the probability of such behaviours. Kaushik and Walsh (2019) offer that the pragmatist philosophy believes human actions are determined by perceived outcome on consequences of past experiences. Morgan (2014) also suggest that actions are linked to specific contexts where they occur and the consequences of actions are not static. The pragmatist approach therefore believes that a situation cannot be replicated in an exact way. A different consequence may thus occur for the same actions and may result in a different outcome in a different situation or context.

The positivist paradigm as explained by Kapoulas and Mitic (2012), is a research approach based on natural laws that formulates and tests hypothesis through empirical research to validate theories independently of the observer. (Kapoulas & Mitic, 2012; Kivunja & Kuyini, 2017) suggest that positivist research accounts for human and social behaviour and is commonly utilised in marketing research. Park et al. (2020) offers the positivism paradigm as a hypothetico-deductive model that develops hypotheses and measures variables to carry out empirical study to advance science by supporting or enhancing established theory. According to Park et al. (2020) the positivist paradigm focuses specifically on description and prediction.

This study, in line with previous studies (Brakus et al., 2009; Shamsudeen, 2017) on customer experience has adopted the positivist research paradigm in carrying out an objective and empirical research to validate the influence of experience determinants.

5.3 Research Approach

The logic of research as noted by Mouton (2003) validates the reasoning and conclusions arrived at in the research. Such findings are founded on the research questions and objectives of the study. Mouton (2003) identifies three main types of logic in dissertations as deductive reasoning, inductive generalisation and retroductive reasoning. Authors (Spens and Kovacs, 2006; Mangal & Mangal, 2013) describe inductive reasoning as research style where theories or generalisations are developed based on examining, observing, or experiencing particular examples on similarities of behaviour. Garima (2017) highlights the argument for inductive reasoning on the assumption that research facts should be pure and not based on preconceived notions

as in deductive reasoning. The author offers inductive reasoning as facts discovered passively by a receptive mind.

Deductive reasoning, described by Mouton (2003) and Mangal and Mangal (2013), is research style whereby research is carried out by applying generalised principles to test particular cases. Spens and Kovacs (2006) sum up the deductive reasoning as used for theory testing. Deductive logic, as described by Spens and Kovacs (2006), starts by scanning theory and thereafter inferring general laws which are tested empirically on specific instances to validate their applicability. Namal et al. (2016) describe the deductive research approach as starting from a known theory to derive conclusions in specific situations. The deductive method is nearer to reality, less costly, more exact, and easy to apply. However, it can sometime be misleading if the assumptions on which it is based are untrue (Namal et al., 2016)

Mouton (2003) describes the retroductive reasoning as reasoning that infers an explanation from perceived patterns and trends in observed events and data. Garima (2017) similarly highlights retroductive reasoning as an approach that reveals the underlying structures which are presumed to cause empirical phenomena. Glynos and Howarth (2018) refers to retroductive reasoning as an improved method of producing hypotheses and constructing theories. The authors offer retroductive reasoning as a more flexible post-positivist perspective that integrates other approaches to research. Glynos and Howarth (2016) describe retroductive reasoning as relevant in critical realism as well as critical social scientific research. The authors posit the argument for retroductive reasoning as a more acceptable justification for scientific discovery.

The current study adopts the deductive research approach. The choice of research approach follows the argument of Spens and Kovacs (2006) that the test to determine research approach is whether the aim of the research was to develop or to test a theory. According to Bhattacharjee (2012), positivist methods utilise the deductive approach in the testing of theories using empirical data. This study follows the deductive research paradigm adopted in previous studies on customer experience. For instance, Chahal and Dutta (2015) measures the impact of customer experience in banking sector adopting the deductive research paradigm. Similarly, Gilboa et al. (2016) and Bhattacharya et al. (2019) respectively adopts the deductive approach in

a study to develop a scale of measurement for the multiple facets of mall experience, and, structural modelling approach to online shopping experience. This study tests the influence of triggers identified by various authors (Verhoef et al., 2009; Wu & Liang, 2009; Narteh, 2013, Gafar et al., 2017) on the customer experience in the context of microfinance institutions in Nigeria. The study investigated customer attitudes toward the determinants and moderators as a basis for experience and co-creation of value in exchanges between microfinance institutions and its customers. The empirical analysis tested the value microfinance institution customers placed on the identified variables and how such values impact experience to validate, modify or reject the hypotheses.

5.4 Research Method

Onuoha (2020) define research method as the procedure for the study to provide answers to the research questions and objectives. According to Mangal and Mangal (2013), studies in the Behavioural and Social Sciences share similarities centred on the study theme which is the conduct of people in the society and the innate characteristics of the society humans identify with. Hair et al. (2009) refer to quantitative research methods as the use of well-ordered survey questions with prearranged response options on many respondents. According to the authors, a successful research is dependent on suitable and accurate planning, distribution, response, and collection of the questionnaire. The qualitative research method as described by Hair et al. (2010) is a research method that provides initial findings for research problems through the collection of data using interviews or open-ended questions. Hair et al. (2009) highlight the purpose of quantitative research as to (1) correctly forecast association between market factors and conduct, (2) increase proper understanding and implications of such associations, (3) authenticate associations, and (4) investigate assumptions. In a similar vein, Hair et al., (2010) highlights the purpose of qualitative research as 1) discovery of new ideas and preliminary understanding of relationships, (2) probing deep by researching in detail from small samples, and (3) providing first hand contextualised experiences with customers.

Almalki (2016) offers quantitative research as a deductive approach of conducting research. The quantitative approach tests hypotheses to confirm theory and make conclusions. It involves empirical research based on analysis of data. Eyisi (2016)

offers quantitative research approach as objectivism in strategy and objectivist and positivist in epistemological orientation. Authors (Eyisi, 2016; Salvador, 2016) posit the merits of quantitative research method as being scientific in nature based on the use of statistical data. The method is also more effective with time, energy, and resource management. Further, according to the author, generalization and replicability is possible with quantitative research. Some disadvantages of quantitative approach include rigidity and difficulty in studying the subject in their natural setting.

Almalki (2016) offers qualitative research as an inductive approach to research which explores a problem within a context. The choice of this method, according to Almalki (2016), is based on the premise that variables are complex and require a subjective insider's perception. Eyisi (2016) describes a qualitative data collection instrument as one that uses observation, open-ended question and field notes taken in the natural setting of the respondents. The author offers qualitative research as constructivism in strategy and subjectivists and anti-positivists in epistemological orientation towards research approach. Authors (Eyisi, 2016; Salvador, 2016) highlight the advantages of qualitative research as unique and creating a wider understanding and appropriate for giving accurate and descriptive. The method also gives room for development and reconstruction of theories. The author offers the disadvantages of qualitative approach as cumbersome, being limited to the subject, and not generalizable and non-replicable. Almalki (2016) describe the mixed methods research as blending both the qualitative and quantitative methods in conducting research study to provide a better understanding of complex phenomena alone. The authors suggest that the use of mixed methods in research must be strategic with a view of possible collaboration that can be gained by adopting the method.

There are currently contrasting views on the best choice of research design for studies on customer experience. Bhattacharjee (2012) describes quantitative and qualitative methods as the nature of data being collected and analysed; suggesting that positivist research principally uses quantitative data while interpretive research predominantly utilises qualitative data. There are currently diverse opinions on the research method most suitable for research into the customer experience. Authors (Imram & Zillur, 2015; Becker, 2018) argue that previous research on customer experience was mainly quantitative in nature. Becker (2018), however, proposes the use of qualitative studies

for a more subjective research on customer experience, Imram and Zillur (2015), in contrast, suggest the use of quantitative studies. According to by Imram and Zillur (2015), quantitative research studies form 76 percent of customer experience studies researched, with a remarkable increase. In line with the findings of the research by Imram and Zillur (2015), the methodologies followed in previous studies and the objectives of this research, this study is quantitative in nature.

This study aligns with the deductive reasoning paradigm and is descriptive and quantitative in nature. Adapting previous research on customer experience (Garg et al., 2012; Haery & Farahmand, 2013; Pham, 2015; Gafar et al. 2017), the research design adopts the quantitative method to establish the influence of determinants on microfinance institution customer experience in Nigeria. The study utilised questionnaires for data collection in line with previous studies (Rose et al., 2012; Subhadip, 2018; Bhattacharya et al., 2019). Questionnaires were developed and administered to test and validate the hypotheses guiding the research. The quantitative method gave room for the study to validate or nullify previous research on the determinants of customer experience carried out in a different sector and geographical location. The quantitative approach, according to Hair et al. (2009), ensures that the study involves asking a large number of respondents the same questions and in a well conducted research, the outcome of which is representative of the target population. The quantitative research approach was adopted to achieve a measure of objectivity in determining the association between customer experience and the identified determinants. Also, the administration of data was independent of the researcher and therefore objective, as the researcher was not prejudiced in the process. Finally, a quantitative research methodology ensured that the outcome of the research was empirically validated and is not merely conceptual or theoretical.

5.5 Research Design

Mouton (2003) describes research design as a sketch of the nature of the study to be carried out to give a valid answer to the identified research problem. It also highlights the limitations that may be inherent in the design and how control is exercised to ensure such identified limitations do not affect the validity of the research findings. Beri (2010) highlights the importance of plan, structure, and strategy in the definition of research design. Beri (2010) further explains that the plan gives a sketch of the

research scheme; the structure gives specific outline of the research scheme, and the strategy specifies the methods. According to Hair et al. (2009) the research objectives and the data necessary to meet the objectives determine the appropriate research design to be used. This may sometimes involve a mixture of techniques. The research design is dependent on the type of research being carried out and aimed at addressing the research questions. The research questions in this study are empirical. The main question which this research seeks to answer is “what are the key determinants of customer experience in microfinance institution?” Empirical questions, according to Mouton (2003), resolve real life problems through the collection of new data or analysis of existing data. Mouton (2003) suggests that empirical questions can be exploratory, descriptive, causal, evaluative, predictive, or historical in nature. Venable (2011) itemises the three dimensions of research paradigm that form the framework for a study. First, empirical or non-empirical (or both); second, descriptive, evaluative, or normative, and third, value naïve, value aware, and value critical. According to Beri (2010), a good research design must answer the research questions.

5.5.1 Historical Research Design

Onuoha (2020) defines historical research design as a study that reviews and analyses previous literature to make conclusions which supports or contests an assumption. Historical research design is useful in explaining current or predicting future trends.

5.5.2 Systematic Review Research Design

Onuoha (2020) describes systematic review research design as a design that analyses past studies to increase understanding and draw conclusions on known and unknown aspects of a subject.

5.5.3 Exploratory Research Design

Beri (2010) describes exploratory research as one that is focused on the discovery of ideas. Similarly, Namal et al. (2016) describes exploratory research as preliminary research or formative research to give an overview of research areas with little or no information about why certain phenomenon occurs or to establish areas of concern for future research. Authors (Hair et al., 2009; Askarzai & Unhelkar, 2017) similarly offer exploratory research as research conducted to obtain information in order to gain a

detailed perception of research problems which have not been researched in the past. Namal et al. (2016) posit that exploratory research provides the basis for planning descriptive or explanatory research. Namal et al. (2016) explains that exploratory research is therefore utilised in generating new research ideas, and also provide guidance on future research areas and methodologies. The authors offer approaches to exploratory research can be qualitative or quantitative and include case studies, observation, and historical analysis. According to Hair et al. (2009), exploratory research design is useful for studies that involve the choices and experiences of customers and provide fresh significance and implication. However, Namal et al. (2016) notes that exploratory research is not generalizable, and rarely yields definitive answers. It is also difficult to conduct because of a lack of guiding principles.

5.5.4 Descriptive Research

Venable (2011) describes descriptive research as research that develops a theory that is based on actual and precise narrative of the population being studied. Authors (Namal et al., 2016; Askarzai and Unhelkar 2017) explain descriptive research, also known as statistical research as research that observes, describes, and documents phenomena as they occur. The authors suggest that descriptive research is a well-structured research that answers the question of 'how', 'when' and, 'why' a phenomenon occurs. Onuoha (2020) similarly explains descriptive research as describing attitudes and opinions regarding a circumstance. Data for descriptive research is often quantitative based on research questions to describe the characteristics of a population. Authors (Beri, 2010; Green et al., 2010) posit that descriptive research is applied to research where the characteristics of a group or determining the association between variables are involved. Hair et al. (2009), similarly, conceives descriptive designs as studies that utilise structured questions to determine the customers' experience which is summed up in their thinking, feelings, and action. According to Hair et al. (2009), the descriptive research design is appropriate for the research that describes the precise feature of the study population and spot associations or ascertains whether difference exists among variables. Green et al. (2010) explain descriptive research design as carried out to answer specific research questions framed before the research is carried out. Beri (2010) categorises the descriptive design as cross-sectional studies – samples are taken from a given population through field studies or surveys or longitudinal studies – where the select

respondents are interviewed repeatedly over time to measure the same variable. Mangal and Mangal (2013) note that descriptive research is an extensive research that further breaks down or expatiates on current issues through the use of a survey.

5.5.5 Explanatory Research Design

Saunders et al. (2016), assert explanatory research as studies that investigate contributory variables to cause-effect relationships. According to Saunders et al. (2016), explanatory research answers questions such as 'Why' or 'How' to describe association between variables.

5.5.6 Research Strategy

According to Saunders et al. (2016), research strategies employed for quantitative research is are majorly experimental and survey research strategies. Saunders et al. (2016) describe research strategy as a proposal for answering the research question which connects philosophy and data collection and analysis method. Sections 5.6.1 to

5.5.6.1 Observational Studies

Onuoha (2020) describes observational studies as research based and there is close monitoring of subjects in their natural environment or in the laboratory.

5.5.6.2 Case Study

Mangal and Mangal (2013) define case study research as a thorough description of a single individual or institution involving contact and treatment. Namal et al. (2016) similarly offer case study research as providing understanding of a research problem by analysing a selected organisation in the situation under investigation. Mangal and Manga (2013) opine that data for case studies can be obtained through questionnaires, interviews, observation, surveys, and archival data. The authors further differentiated case study as a technique and as research design, noting that other research designs apply case studies as a technique. Garima (2017) similarly offer that case study in research can be the unit of analysis or research method and here it concerns the use of the case study as research method.

In a study carried out by Montes-Rodríguez et al. (2019), the findings show that a quantitative approach was applied frequently for both the data collection and analysis

methods. Surveys and questionnaires were found to be the most used techniques. Johansson (2003) observes that the case study methodology is applied in the practice-oriented disciplines of the social sciences. According to Johansson (2003), case studies can be generalised based on one or a combination of the three philosophies of reasoning which are deductive, inductive, or abductive reasoning. Specifically, Johansson (2003) states that the process for generalisation can be made through deductive reasoning involving formulation and testing of hypothesis which are derived by deduction; comparison of the results of such deductions from a theory and a case, with the empirical findings, to corroborate or nullify the theory. The author suggests the use of cases that are crucial to the theory selected which can then be tested as generalisations are drawn.

5.5.6.3 Survey

Onuoha (2020) describes the survey method as the use of self-reports by subjects which are usually a subset of the population for the study.

Building on the aforementioned, the choice of research strategy for this research, was in line with the argument of authors (Johansson, 2003; Saunders et al., 2012; Montes-Rodríguez et al., 2019). The research adopted the positivist and deductive worldview. The research involved formulation and testing of hypothesis, while empirical findings compared the results to corroborate or nullify existing theory. The research is a descriptive research which combines the case study and survey methods. The study applies the descriptive research design to determine characteristics of microfinance institution clients and the association between variables that define the customer experience. The study is thus a case study of an institution done through a survey. According to Bansal et al. (2018) the positivist paradigm and utilising the deductive quantitative approach allows for single case studies to be used to empirically validate current based on existing theory. The authors note that the outcome of such studies can further be replicated or measured in different empirical settings. The research strategy therefore combines the case study and survey methods research to validate the influence of identified determinants on microfinance institution customer experience.

5.6 Research Time Horizon

Saunders et al. (2012) offers that the researcher can choose the timeframe for the research based on the questions that the research seeks to answer. According to the authors, the research time frame can be within a specific period also referred to as cross sectional, or a chain covering a longer period also referred to as longitudinal. The current study is a cross-sectional study that investigates the influence of identified determinants on microfinance institution customer experience. Saunders et al. (2012) offer that cross-sectional research are applicable for academic research to combat the challenges of time constraints. This research is therefore a cross-sectional study in a time zone. The study is to determine the influence of specific determinants on microfinance institution customer experience.

5.7 Target Population

Authors (Beri, 2009; Mangal & Mangal, 2013) define population as a gathering of people who share common features and are either limited or unlimited in number. Similarly, Onuoha defines population as the totality of people in a defined group. Bhattacharjee (2012) defines a population as “all people or items (unit of analysis) with the characteristics that one wishes to study”. Hair et al. (2010) describes the population for the study as an identifiable group of elements relevant to the study. The population for this study were therefore microfinance institution customers in Osun State, Nigeria.

The Hair et al. (2010) describes the population to be studied as the “target population”. The authors further describe the population to be studied as the complete set of elements to be studied which is defined in terms of elements, sampling units and time frames. Mangal and Mangal (2013) define target population as a distinct part of the population intentionally chosen with the aim of examining certain characteristics of the population from a sampling frame. Mouton (2003) suggests that choice of target population should be guided by accuracy, precision and practical considerations of time and resources. Based on the definitions in the preceding section, the target population for this study are customers of microfinance institutions in Osun State, Nigeria. Following the data collection methodology adopted by Foroudi et al. (2018), the study selected Grooming Centre customers as a population sample for harvesting customers' opinion.

The unit of analysis, Osun State, which is considered the location of origin of the Yoruba race, is located in Southwest Nigeria, and was created from the old Oyo State on August 27, 1991, was selected. The capital is Osogbo. Osun State covers an area of approximately 14,875 sq. km and lies between latitude 7° 30' 0" N and longitude 4° 30' 0" E. It is bounded by Ogun State to the south, Kwara State to the north, Ekiti and Ondo States to the east, and Oyo State to the west. Adzandeh et al. (2016) describe the administrative structure of Osun State as being divided into the three senatorial districts of Osun I (West), Osun II (Central) and Osun III (East). Each senatorial district is further divided into two zones. The six zones in the state have 30 local government areas in all and over 200 major towns and villages, with about 4 major Yoruba sub-ethnic groups as well as people from other parts of Nigeria. Osun State is selected as the area of study for many reasons. First, Osun State provides a representation of the combination of rural and urban Nigeria. Second, Osun State Government makes available microcredit loans to its citizens through diverse agencies. Third, Grooming Centre partners with the Government of Osun State in the provision of microfinance to its citizens. Finally, the large presence of microfinance institutions within the State gives customers a level of exposure to microfinance schemes. According to Gutierrez-Goiria et al. (2015), Southwest Nigeria has the highest concentration of microfinance institutions (40%) in Nigeria with Osun State having the seventh largest distribution of microfinance institutions (30) out of all the states in Nigeria.

5.7.1 Case Organisation

Grooming People for Better Livelihood (Grooming Centre) is a Non-Governmental Organisation (NGO) founded in November 2006 (Okereke, 2018). The company was established as a model of the Bangladesh model of microfinance in Nigeria (Grooming Centre, 2013). Grooming Centre (2011) describe the establishment of the institution as aimed at bridging the gap of accessing financial services by the poor and thereby empowering the huge population of the enterprising poor people in the Southern and Central States of Nigeria. Grooming Centre operates in 26 States and the Federal Capital Territory of Nigeria and has five hundred and ninety four (594) offices; three thousand, five hundred and fourteen (3,514) employees; and about seven hundred thousand active savers/borrowers. The Centre has catered to over seven million clients since inception in 2006 and has a 98.23% loan recovery.

The choice of Grooming Centre was based on diverse considerations. First, Okereke (2018) describes Grooming Centre services as being comparable with international best practices, while taking cognisance of the local market and cultural practices. Thus, Grooming Centre provides a representation of the microfinance institutions in Osun State and Nigeria. Also, Grooming Centre Microfinance partners with the government of Osun State, Nigeria, in the provision of microcredit (Spring Loan) to the Osun State populace and therefore is a popular microfinance institution in Osun State. Further, Grooming Centre is well established and has been in existence for thirteen years. It has a wide spread network of offices across 26 states and the Federal Capital Territory out of the 36 states in the six geopolitical zones of Nigeria. The organisation is also represented in all the Senatorial districts of Osun State, Nigeria. Finally, the number of customers serviced by the organisation is high with a loan recovery rate of over 98%.

5.7.2 Grooming Centre Services

Grooming Centre patterns its service offerings to that of the ASA Bangladesh which was introduced in Nigeria in 2000 through a collaboration of the Federal Government and the United Nations Development Programme (Grooming Centre, 2013). Grooming Centre adopted and improved on the ASA Bangladesh model by integrating Nigeria's unique cultural traits. Okereke (2018), and, Grooming Centre (2013) describe Grooming Centre as having a global outlook and committed to providing financial services to micro, small and medium scale entrepreneurs that have little or no access to formal financial services. Products and services offered by Grooming Centre include microcredit, micro savings and insurance structured for easy repayment and business viability. Various microcredit facilities which are granted in various loan cycle stages include small loans, festival loans, agricultural loans, asset loans, clean energy financing loans and solar loans. Features of the loan vary depending on the loan type. Loan amount range between N40, 000 and N1, 000,000 with service charge ranging between 7.5% and 15%. Loans are paid over a period of 6 to 12 months with a moratorium of 2 weeks to 1 month granted before commencement of repayment in some instances.

As a membership organisation, Grooming Centre emphasises grouping structure in its services. Groups are set up and members are provided with the guidelines of

Grooming Centre. They are trained on their obligations. The grouping structure also referred to as “Union” or “Association” is basically utilised for easy access, accountability, healthy competition among others. Group membership ranges from 10 to 50 members and this includes a leader and secretary. The groups are identified with specific names, provided with the guidelines of the Centre, and trained on their obligations. Members are trained on the procedures of accessing the various services of the organisation, registered with prescribed fees and handed a passbook. Clients are usually expected to have a minimum savings of between 10-20% of the principal sum as part of the conditions for some of the loan categories. Grooming Centre also promotes a saving culture among its clients. Minimum savings of NGN150 per week is encouraged and such savings enjoy annual interest of 4%. Upon the successful completion of a cycle of weekly loan repayment, in addition to the group loan, members are granted enhanced loan access referred to as “Complimentary” or “Individual” loans.

5.8 Sampling Strategy and Sampling Technique

According to Mangal and Mangal (2013), sampling and administration of the appraisal tools are fundamental to surveys about the actions and reactions of consumer. Ikumsah (2013) posits that data collection and measurement can be achieved using a sample of the target population as a basis for judgment. Saunders et al. (2016) assert two major categories of sampling as probability and non-probability sampling. Saunders et al. (2016) describe non-probability sampling as samples where the likelihood of selection of elements from the target population is unknown. Probability sampling is a sampling method where all the elements in the research population are randomly chosen with each element having non-zero chances of selection (Teddlie & Yu, 2007).

Teddlie and Yu (2007) in a study, describe sampling methods of probability, purposive convenience, and mixed method sampling. Teddlie and Yu (2007) further sub-categorises the probability sampling as including random sampling, stratified sampling, cluster sampling and sampling using multiple probability techniques. Purposive sampling can be sampling to achieve representativeness, sampling special or unique cases, sequential sampling and sampling using multiple purposive techniques. Convenience sampling involves either captive or volunteer samples.

Finally, mixed method sampling can be classified as basic mixed methods sampling, sequential mixed methods sampling, concurrent mixed methods sampling, multilevel mixed methods sampling and a combination of mixed methods sampling strategies.

Teddlie and Yu (2007) indicate probability and purposive sampling methods as basic groupings of sampling techniques in the social and behavioural sciences. This study implemented purposive non-probability sampling method to ensure accurate reflection of the sample population. Teddlie and Yu (2007) describe purposive sampling as a procedure for deliberately choosing the sample population that can be applied to achieve representativeness of a larger population as closely as possible and increase transferability. Following previous research (Banerjee & Chaudhury, 2010; Teddlie & Yu, 2007), the distribution of the target research population into groups is structured in such a way that each element fits into only one category. This process is then followed by choosing elements from the identified subgroups. As suggested by Omair (2014), the sampling was done by group division (also known as association or union).

The sampling method followed in the research involved, first, categorising Grooming Centre branches into three senatorial districts. Each Senatorial district was then distributed by the researcher into rural and urban groups. This was based on the level of urbanisation in the cities/towns within Osun State where Grooming (People for Better Livelihood) Centre Microfinance Institution offices were located. For the purpose of this research, urban offices are defined based on closeness to the state Capital, presence of industries, tertiary institutions, and elites. This is to allow for a richer and more diverse clientele based on such demography as level of exposure, information and education based on size and ambience of cities where respondents are located which can influence perception of experience and expectations.

Grooming Centre has 24 branches spread over the three Senatorial districts of Osun State. For ease of administration, Osun State is categorised as “Osun Division” by Grooming Centre and is managed by a Divisional Manager. The 24 branch offices of Grooming Centre in Osun State are further divided into five areas, with each area supervised by an Area Manager. Each branch is further supervised by a Branch Manager with the support of an Asset and Liability Officer (ALO). For the purpose of this research and based on the definition of urban and rural branches, the 24 branches

were categorised into 14 urban and 10 rural branches. The five areas of Grooming Centre in Osun State are divided into branches with Areas 1, 2, 4 and 5 having five branch offices each while Area 3 has four branch offices. The sample offices were selected based on the above categorisation of senatorial district and area as well as urban/rural offices to allow for representativeness. The sample offices selected from the three senatorial districts covering the rural/urban strata totalled 15. The distribution of Grooming Centre branches into Senatorial Districts and rural/urban branches is as indicated in table 5.1.

Table 5.1: Population sampling (source: researcher’s survey, 2020)

S/N	Senatorial District	Branch	Area	Categorisation Rural/Urban
1	Osun East	Ife 1	2	Urban
		Ife 2	2	Urban
		Ife 3	5	Urban
		Ife City	5	Urban
		Modakeke	2	Rural
		Ifewara	5	Rural
		Ijebu-Jesha	1	Rural
2	Osun Central	Ikirun	3	Rural
		Fakunle 1	4	Urban
		Fakunle 2	1	Urban
3	Osun West	Ejigbo	4	Rural
		Ifon	3	Rural
		Iwo 1	4	Urban
		Iwo 2	4	Urban
		Alpha	1	Urban

Table 5.1 indicates the selection of Grooming Centre branch Offices for the Research. The table shows that seven, four and six branch offices were selected from the East, Central and West Senatorial Districts. This represented 9 urban and six rural branches. Also, based on branch categorisation into Area Offices, three branches were surveyed in areas 1, 2, 4 and 5 while two branches were surveyed in Area 3. Respondents were drawn to take part in the research survey from the identified sample units ensuring that the various groups/unions and individual customers were represented. The respondents were customers of Grooming Centre Microfinance

Institution who were over 18 years of age and have been clients of the organisation for a minimum of six months.

5.9 Sample Size

As recommended by Kent (2007), the sample size should adequately represent the population in terms of variability (such as gender, income level) and distinctive features. Macrum-Gardner (2009) similarly highlights the necessity of factoring in the importance of sample size in terms of significance, power, and magnitude of difference in order to avoid too few or too large participants. Gafar et al. (2017) citing Roscoe (1975), in a study of the determinants of customer experience in retail industry in Malaysia, declare that for an unknown population, a sample size of between 30-500 respondents is adequate to carry out proper research. Following the sample size determination method proposed by Mohammad (2010), the sample size takes into consideration the recommendations of Smith (2013) which specifies adequate regard of the significance, power, and magnitude of difference by avoiding too few or too large respondents as highlighted by Macrum-Gardner (2009) by using 95% confidence level, .5 standard deviation, +/- 5% margin of error and 1.96 using the Kaiser-Meyer-Olkin measure of sampling adequacy explained in chapter 5. The Roscoe's rule of thumb as described by (Hashim, 2010), also allows for a sample size of 384 for a total population of 100,000 for research to be properly carried out.

Similarly, Saunders et al. (2016) assert large sample size as minimising error in generalisation, and argue determination of sample size requires both judgement and calculation. Saunders et al. (2016) offer that while huge sample size may be statistically significant, they provide a minor variance in the result. According to the authors, sample size for all non-probability sampling are ambiguous and require a rational link between the selection technique and research purpose. The sample size table provided by Saunders et al. (2016) offer a sample size of 383 for a target population of 100,000 to achieve a 95 per cent confidence level margin of error.

In accordance with the sample size table provided by Saunders et al. (2016), the likely response rate, the required sample size is calculated following the argument of Saunders et al. (2016) on percentage response of up to 90% for face to face data

collection, the actual sample size required for the study is calculated using the following formula:

$$na = \frac{n \times 100}{re\%}$$

where n is the actual sample size required,

n is the minimum sample size

$re\%$ is the estimated response rate expressed as a percentage

where $n = 383$, and $re = 90\%$, the required sample size for the study is;

$$\frac{383 \times 100}{90} = 425$$

Based on the foregoing, 500 questionnaires were distributed with a response rate of 93% resulting in a sample size of 466 which was found adequate for the study. The survey was therefore carried out on 466 questionnaires were found useable. The choice of sample size was based on the following justification:

- Factor analysis being the statistical method to be used requires a minimum of 300 respondents for validity;
- The sample size adequately represents the population in terms of variability and distinctive features (Kent, 2007);
- A sample size of 500 allows for error in filling survey instruments by respondents which may render them void while still having an adequate size which is valid for the research; and
- In line with previous studies (Saunders et al., 2016; Bhattacharya et al., 2019) to determine the influence of non-response bias on the study, pairwise comparison test for non-response bias was used to ensure there were no problems associated with non-response bias.

5.10 Pilot Study

Prior to the main study, and in line with previous studies (Brakus et al., 2009; Bhattacharya et al., 2019) on measurement of customer experience, pre-tests were carried out to ensure that the viability of the data collection instruments and procedures. Two sets of pilot tests were carried out prior to the final survey to validate the components of the conceptual model. Beri (2008) establishes the need for pre-

testing as a means of detecting and adjusting deficiencies based on feedback from respondents and the observations of the researcher. Pilot tests give room for adjustment of ambiguous words, testing the accuracy of terms and estimating the timing for filling the questionnaire. Questions generated from literature review were reviewed by the researcher who previously worked in the Customer Relationship Management Department of two microfinance institutions. The questionnaires were further reviewed by academic experts and associates who are practitioners or customers of microfinance institutions before being administered to thirty respondents for the first pilot test. The respondents for the first set of pilot test were customers of a microfinance institution that is close to Grooming Centre in terms of presence in various states of Nigeria especially in Osun State. Thirty (30) questionnaires were distributed out of which twenty six questionnaires (26) were found usable. Validity and reliability tests were carried out to determine the accuracy and consistency of the variables and data. An inter-item correlation matrix was used to test the validity while Cronbach's Alpha was used to test the reliability. Adjustments were made to the questionnaires based mainly on the outcome of the analysis, as well as on the feedback received from respondents that participated in the pilot test, staff of the microfinance institution and with the expert advice of a Statistician and a Professor of Marketing

After the initial questionnaire had been adjusted, a second pilot study was carried out. The respondents for the second pilot study were lower cadre staff of a university who operates bank accounts or were deemed to have comparable qualities to the study sample. The researcher distributed the questionnaires to the respondents by hand. Thirty respondents participated voluntarily out of which twenty eight were found valid for the analysis. The questionnaire took the respondents between 10 and 15 minutes to complete. The respondents sought clarifications on questions which were not clear based on technicality or ambiguity. Such questions were carefully noted by the researcher and necessary adjustments were made. Validity and reliability tests were carried out to determine the accuracy and consistency of the variables and the data. Inter-item correlation matrix was used to test the validity while Cronbach's Alpha was used to test the reliability. Table 5.2 indicates the Cronbach's Alpha reliability analysis result for all 12 dimensions in the pilot studies.

Table 5.2: Cronbach's alpha values for pilot studies (source: researcher's field survey 2020)

S/N	Variable Tested	No of Items for Pilot Test	Cronbach's Alpha Value
1	Social Environment	8	0.766
2	Service Interface	6	0.814
3	Retail Atmosphere	6	0.678
4	Product Assortment	5	0.835
5	Price	5	0.860
6	Multichannel Interactions	7	0.393
7	Brand Image	5	0.854
8	Memory	6	0.793
9	Location	5	0.634
10	Goal	6	0.744
11	Involvement	6	0.831
12	Customer Experience	6	0.762

As presented in table 5.2, 9 of the 12 dimensions have between acceptable and high reliability values ranging between 0.744 and 0.860 while 3 dimensions have reliability values lower than 0.70. For dimensions with acceptable reliability values, social environment has a reliability value of 0.766 for all 8 questions; service interface, 0.814 for all 6 questions, product assortment 0.835 for all 5 questions, Price has 0.860 for all 5 questions; brand image 0.854 for all 5 questions; memory 0.793 for all 6 questions; goal 0.744 for all 6 questions; involvement 0.831 for all 6 questions, customer experience 0.762 for all 6 questions and significance of determinants 0.816 for all eight questions. For dimensions with low reliability values, retail atmosphere had 0.678 for all 6 questions; multichannel interactions have 0.393 for all 7 questions while location has 0.634 for all 5 questions. Based on the outcome of the reliability test and the feedback from participants, adjustments were made on the questionnaires as presented in Table 5.3.

Table 5.3 outlines the distribution of questions for the pilot test and subsequent adjustments made based on customer feedback as well as reliability and validity test results. Feedback received from participants included the length of the questionnaire, technicality of some of the questions and the use of a 7 point Likert scale. The statistical results were mainly acceptable for ten out of the thirteen variables. Three variables which include retail atmosphere, multichannel interactions and location were below the acceptable required value of 0.70. The final questionnaire was adjusted to accommodate the statistical results and the respondent's observation from the pilot test by i) reducing the number of items for some of the constructs; ii) improving the internal consistency by excluding items that push the consistency to the required value

of not less than 0.70 which is considered acceptable according to authors (Yang & He, 2011; Vereye, 2015); iii) rephrasing questions under the constructs that were found to be lower than the required value based on reliability analysis; and iv) simplifying questions that were found to be too technical.

Table 5.3: Outline of number of questions for survey (source: researcher’s field survey 2020)

S/N	Variable Tested	No of Items for Pilot Test	Justification for Added/Deleted Items	No of Items for Actual Survey
1	Social Environment	8	1 item deleted to reduce the length of questionnaire	7
2	Service Interface	6	1 item deleted to reduce the length of questionnaire	5
3	Retail Atmosphere	6	1 item deleted to improve internal consistency	5
4	Assortment	5	No item deleted	5
5	Price	5	No item deleted	5
6	Multichannel Interactions	7	2 items deleted and questions rephrased to improve internal consistency	5
7	Brand Image	5	No item deleted	5
8	Memory	6	1 item deleted to reduce the length of questionnaire	5
9	Location	5	Questions rephrased to improve internal consistency	5
10	Goal	6	1 item deleted to reduce the length of questionnaire and questions rephrased to improve clarity	5
11	Involvement	6	1 item deleted to reduce the length of questionnaire	5
12	Customer Experience	6	1 item deleted to reduce the length of questionnaire	5
13	Ranking of Importance	8	1 item added and questions rephrased to improve clarity	9

To address the problem of the length of questionnaire, questions were deleted from 9 out of the 13 dimensions tested. 1 question each was deleted from questions categorised under social environment, service interface, Memory, Goal, Involvement and Customer experience. This was achieved while still maintaining acceptable reliability analysis. Further, to address the problem of increasing reliability to acceptable level, questions that improve the internal consistency to the required value of not less than 0.70 were excluded, while some other questions were rephrased based on the results of the reliability analysis. Specifically, reliability for the retail atmosphere variable which had 6 questions under it was adjusted from the initial result of 0.678 which was lower than the acceptable value to 0.796 which was within the acceptable value by deleting Q22 (I enjoy it when the office smells nice and has enough fresh air/air conditioning) as indicated in table 5.4.

Table 5.4: Reliability statistics analysis result for retail atmosphere (source: researcher's field survey 2020)

S/N	Question	Cronbach's Alpha if Item Deleted
Q17	I enjoy it when the general atmosphere within the office is comfortable	0.608
Q18	I like it when the bank building is modern and attractive	0.499
Q19	It is important that the toilet facilities in the office are clean and comfortable	0.649
Q20	I like it when the office environment is neat and well decorated	0.606
Q21	I enjoy it when the furniture in the bank is comfortable and adequate for customers	0.621
Q22	I enjoy it when the office smells nice and has enough fresh air/air conditioning	0.796

To improve the reliability results as well as reduce the length of the questionnaire for the multichannel interactions construct based on the pilot studies, which was the least at 0.393, two questions were deleted, and others were rephrased as presented in Tables 5.5.

Table 5.5: Reliability statistics analysis result for multichannel interactions (source: researcher's field survey 2020)

S/N	Question	Cronbach's Alpha if Item Deleted
Q33	Relationship with my group members is very important to me	0.287
Q34	Being in a group that gets and give useful information to its members is important to me	0.087
Q35	Knowing that I can enjoy the same services in other branches when I feel like doing so is important to me	0.294
Q36	It is important that I am well-treated at the other branches	0.381
Q37	Being in a fun group where there is cooperation is very important to me	0.337
Q38	It is important that I carry our all transactions the same branch	0.353
Q39	My experience in other branches affect how I rate the bank's services	0.614

As illustrated in table 5.5, 5 questions were used in the final questionnaire to describe the multichannel interaction factor as follows:

- Relationship among the members of a group is very important.
- It is important for customers that the group they belong to represent their interest before the microfinance institution.

- It is important for members to be responsible to the group as regards loan repayment.
- It is important that members are allowed to form groups by themselves.
- It is important that group members cooperate with one another.

Finally for the Location construct with 5 questions which was presented as a moderating variable, questions were adjusted to improve the reliability analysis to the acceptable level of 0.70. Table 5.6 presents the reliability analysis result for pilot studies on location. Based on the Cronbach's Alpha value indicated in Table 5.6, location would have met the acceptable value of 0.70 with the exclusion of Q52 (It is important that the location of my bank favours me e.g. near my home/business/job etc.), however, the researcher chose the alternative of rephrasing the questions to ensure that each of the 13 constructs for the studies do not have less than 5 questions each.

Table 5.6: Reliability statistics analysis result for location (source: researcher's field survey 2020)

S/N	Question	Cronbach's Alpha if Item Deleted
Q51	I enjoy patronising my bank because of the good and convenient location	0.410
Q52	It is important that the location of my bank favours me (e.g. near my home/business/job etc.)	0.717
Q53	It does not matter if my bank is located far from me	0.588
Q54	It is important that my bank is not located too far from my business/home/job	0.609
Q55	I will happily patronise my bank even if it is located far from me	0.500

Questions under the Location construct were therefore adjusted as indicated below for the final questionnaire.

- Location affects customers' view of microfinance institutions.
- A convenient location attracts microfinance customers.
- Location of the microfinance institution close to the customers' home/office/business is not important.
- The microfinance institution's location close to the customers' business/home/job is an important consideration.

- A good location benefits customers.

5.11 Data Administration and Collection

Mouton (2003) highlights the importance of data administration and collection and notes that records of such should be properly documented in detail. The researcher obtained the consent of the organisation to carry out the research. At the due time for data collection, the researcher forwarded a copy of the questionnaire and letter of approval to the Training Officer of Grooming Centre in the South-West, who further introduced the researcher to the Osun Divisional Manager who then introduced the researcher to the Branch Managers. The Training Officer also made available the branch addresses and distribution into areas. To ensure speed in the data collection process, the researcher trained seven field officers and distributed them into the fifteen branches surveyed based on geographical location. The field officers worked obtained details of meeting days and met the respondents independently. Respondents who were willing to participate indicated interest while those who were not willing to do so, were exempted.

The data collection was carried out in January 2020, with respondents belonging to different groups across each of the branches. Most of the customers in Grooming Centre are distributed into groups of between 10 and 30 with meeting days for each of the group scheduled once a week between Monday and Friday.

5.11.1 Nature of Data Collected

The study made use of primary data to meet the objectives of the research which is to establish the determinants of customer experience in Microfinance Institutions. The communication method of data collection was employed in this study. The communication method, according to (Beri, 2010), is the technique that utilises the use of questionnaires for the gathering of necessary information. The communication method of data collection which is the use of structured and non-disguised questionnaires listing questions in pre-arranged order and educating the respondents on the reason for enquiry was employed for the research. According to Hair et al. (2009), questionnaires can be used to establish formerly hidden patterns and can easily be administered; they can also be used to expose the thought process of the customer and determine attitude, feelings, and preferences. Mangal and Mangal

(2013) describe questionnaires as a means of getting information from respondents by way of designed enquiry which they filled on the basis of their understanding to help the researcher get accurate information on the research questions. Mangal and Mangal (2013) also note that questionnaires were connected to the individuality, philosophy, feeling and familiarity of the respondent to the subject matter. The authors opine that structured non-disguised questionnaire is most commonly used in marketing research. The author further highlights the advantages of this method as being logical and not showing any discrepancies as a result of the distinctive nature of the interviewer. It is also easy and uncomplicated and can be pre-tested.

The disadvantages of this method include the challenge of designing suitable questions to precisely evaluate the feelings and conduct of customers, especially when detailed, private or inspirational answers are required from the respondent. Success in data collection depends on properly designing and administering questionnaires. Mouton (2003) opines that survey research method is quantitative in nature and can be used to stand for the interest of a large population and give an all-inclusive summary of the qualities of the population. It is research based and used to answer behavioural descriptive research questions for organisations and communities. Panneerselvam (2013) groups survey research methods as personal, by telephone or through mail. Personal survey method of data collection is utilised for the study. The personal interview method, Panneerselvam (2013) further explains, can come as door-to-door, executive, mall intercept, self-administered or purchase intercepts.

Based on the highlighted advantages and disadvantages, the use of questionnaire was selected for data collection to increase the reliability of information. Questionnaires also help to decrease the disparity in the way questions are asked based on the personality of the interviewer. They make the entire exercise uniform in nature.

5.11.2 Structure and Administration of Questionnaire

Questionnaires are pre-ordered questions in line with the research being undertaken, and offered to respondents to read, interpret and answer based on perception. A good questionnaire must be simple and easy to understand. The limitations of this research

method were identified prior to the development and administration of the questionnaire. A major limitation was the unavailability of valid instruments to measure and confirm the significance of the determinants of customer experience specific to the microfinance sector. The researcher could only find measuring instruments used in other sectors and geographical contexts and thus had to develop a questionnaire relevant to the requirements of the current study by modifying existing questionnaires. As noted by Irani et al. (2009), modified measuring instruments require reliability and validity test to ensure suitability for research. To achieve the modification of questionnaire, a review of literature was carried out by the researcher to generate customer experience factors related to the study context and questions were developed. The study validated the measuring instrument in three aspects of generation of items through literature review, content validation through expert opinion, and, pilot test. The source of the questions generated to measure each of the items are as illustrated in table 5.7.

Table 5.7: Source of measurement for questionnaire

S/N	Determinant	Source
1	Social Environment	Basaran and Askoy (2017); Amoah et al. (2016); Narteh (2013)
2	Service Interface	Basaran and Askoy (2017); Culiberg and Rojsek (2010); Beerli et al. (2004)
3	Retail Atmosphere	Amoah et al. (2016); Ramya (2013); Beerli et al. (2004)
4	Product Assortment	Narteh (2013); Ramathe (2010)
5	Price	Basaran and Askoy (2017); Pham (2015)
6	Multichannel Interactions	Haldar and Stiglitz (2016); Melero et al. (2016)
7	Brand Image	Amoah et al. (2016); Ramathe (2010)
8	Memory	Rather (2018); Amoah et al. (2016); Ramya (2013);
9	Location	Narteh (2013); Culiberg and Rojsek (2010); Pham (2015)
10	Goal	Nasution et al.(2014); Culiberg and Rojsek (2010)
11	Involvement	Amoah et al. (2016); Verleye (2015); Brakus et al. (2009)
12	Customer Experience	Rather (2018); Verleye (2015)

The questions generated were submitted for expert review to maximise the content and face validity by assessing similarity of items and clarity of terms, rate pertinence of items, and suggest dimensions or sub dimensions from the multi-item scale. Six experts consisting of academics in marketing and microfinance practitioners reviewed

the questionnaire for face validity. The questionnaire was pretested, and additional changes were incorporated in the final survey instrument based on feedback from respondents. This approach is supported by the observation of Maklan and Klaus (2011) that customer experience should be represented in the researcher's distinctive circumstance as current models may be too wide to be actionable and applicable in one context.

The questionnaires consisted of close ended questions in four sections. Section A consists of the inclusion criteria for the respondents (age and length of relationship). Section B consists of questions on the independent, dependent, and moderating variables of the experience being measured. Questions were developed to gather respondents' opinion on the independent variables of social environment, service interface, retail atmosphere, assortment, price, customer experience in alternate channels, retail brand and memory. The dependent variable is the customer experience construct. Questions also gather opinion on the moderating variables of location, goal, and involvement. Section C consists of measures to rank the significance of the experience items. Finally, section D consists of demographic information such as gender, level of education, and business sector, among others.

The social environment measures the significance of influence of community, reference groups, family, friends, and other customers. The service interface measures the respondents' evaluation of interaction with employees and its influence on customer experience. The retail atmosphere measures the influence of the environment such as convenience, comfort, aesthetics, facilities, and structure. Assortment is the evaluation of respondents on the availability of variety and uniqueness of products to meet their needs and how this affects their general experience. Pricing is a measure of the total cost of doing business in terms of interest charges and its significance in determining the experience. Customer experience in alternative channels measures comparison of customer experience in group membership and how such experiences affect their assessment. Brand image appraises customer perception of the brand and impact on experience. Memory involves a comparison of the respondents' past experience with the microfinance institution for similar services and its impact on determining the current experience. The moderating variables of location - which is the convenience of access; goal –

which is the objective of the customer in adopting the services of the microfinance institution, and involvement - which is the level of engagement were also measured based on customer perception of the influence of the variables.

Between five and eight questions were developed on each of the variables for respondents' assessment of the initial questionnaire which underwent pilot testing for its effect on customer experience. The questionnaire was administered on 5-scale Likert forms with options ranging from "strongly disagree/not important at all" to "strongly agree/absolutely essential". The choice of 5-scale Likert form which aligns with previous studies (Haery & Farahmand, 2013; Singh & Soch, 2015) on customer experience, was based on ease of selection of preference by respondents to avoid confusion due to similarity of options that may occur if the 7-scale Likert form is utilised. Table 5.8 indicates an illustration of the Likert scale.

Table 5.8: Likert scale

1	2	3	4	5
Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Not Important at All	Of Little Importance	Of Average Importance	Very Important	Absolutely Essential

The questionnaire administered was in English (appendix 1). However, a qualified and experienced translator translated the questionnaire from English to Yoruba. Another translation expert further reviewed the Yoruba translation to ensure that there was no loss of meaning. Based on the outcome of the evaluation, the questions were modified and adjusted accordingly. The Yoruba version was available with the Field Officers for use in situations where the respondents do not understand the English language. The step was taken to ensure that there was objectivity, uniformity, and no loss of meaning which may occur if the Field Officers were left to interpret based on their subjective understanding of the questions. The questionnaires were administered to customers of Grooming Centre in Osun State. To overcome the disadvantages of the survey method such as poor response, busy schedule of respondents and cost as highlighted by Beri (2010) and Panneerselvam (2013), the researcher and field officers gave an overview of the purpose of the research and highlighted the importance. Also, the researcher and field officers were available to clarify questions raised by the respondents regarding the questionnaire. The administration and collection of the

questionnaire mainly took place during group meetings which were perceived as a high point of interaction with the organisation. The group meeting was also selected because it included most customers of Grooming Centre. As highlighted in chapter 3, Grooming Centre, as is typical of microfinance institutions, also operates the group method where customers belong to groups of between 10 and 30 members. Each group meet on a specific day once a week between Monday and Friday. The questionnaire was in English with Yoruba translation available to ensure there was no subjectivity arising from interpretation to customers who were not English speaking. To avoid subjectivity in translation, the translator, a language expert, translated the questionnaire into Yoruba and copies of the Yoruba version of the questionnaires were made available to the Field Officers for use where needed. The researcher obtained written consent from the Management of Grooming Centre to carry out the research. Grooming (People for Better Livelihood) Centre Microfinance Institution has offices spread across the country, specifically, the organisation has 24 offices in different cities and towns in Osun State, Nigeria where the study took place. The respondents were selected based on the following criteria:

- i. Respondents must have a minimum of 6 months banking relationship.
- ii. Respondents must be above 18 and below 65 years of age.
- iii. Respondents' must agree to take part in the survey.

The above criteria was used to ensure that the respondents have had the opportunity to relate with the organisation and gain adequate knowledge of the organisation which qualifies them to reflect on the pre, current and post consumption experience interaction required for the research. It is also to ensure that the respondents are within the active age bracket and are willing to take part in the survey.

5.12 Data Analysis and Presentation

Sharma (2018) defines data analysis as the procedure of investigation and assessment of data and evaluating it to find appropriate answers to questions of interest after a review of extant literature on statistical methodologies for research into customer experience. Table 5.9 presents a review of previous studies carried out in various contexts on identifying factors that influence constructs such as customer experience, customer satisfaction and service quality. This was to serve as a guide on the best statistical approach as well as a justification for the method selected in this

research. The method selected for this study was based on a careful review of past studies. According to studies (Hair et al., 2009; Sorooshian et al., 2012; Rahman et al., 2014), factor analysis can be used to appraise the inconsistency that occur due to causal elements for the purpose of forecasting important predictors of resultant behaviour while multiple regression analysis evaluate information about connected variables to forecast, assess and prioritise the identified influencing factors for customer attraction and retention.

Table 5.9: Literature Review on Approaches to Statistical Analysis to identifying determinants

S/N		Methodology	Author
1	Influencing factors of customer experience in retail industry	Cronbach Alpha SPSS 13 Factor analysis (Principal Component Analysis and varimax orthogonal rotation) Bartlett Test of Sphericity Correlation analysis (Pearson Correlation Analysis)	Wenwei and Tongtong (2010)
2	Experience Quality Dimensions in Guest Houses	Cronbach Alpha Exploratory Factor Analysis Principal component analysis (varimax rotation) Structural equation modelling Confirmatory factor analysis Chi-square	Amoah et al. (2016)
3	Parameters affecting customer experience in telecom	Cronbach Alpha Exploratory Factor Analysis Varimax rotation	Joshi (2013)
4	Factors Influencing Customer Experience Management	Cronbach Alpha Structural Equation Modelling	Eiamkanchanalai (2010)
5	Determinants of Customer Experience Creation in Retail Industry	Cronbach Alpha SPSS 21 Frequency distribution Pearson Correlation	Gafar et al. (2017)
6	Customer Experience in Indian Hospitality Sector: Empirical Study And Customer Experience, Memories and Loyalty in Indian Hospitality Sector	Cronbach Alpha Bartlett's test Chi-square Pearson Correlation Regression Analysis	Rather (2018)
7	Examining Mediating Effects of Customer Shopping Experience	Cronbach's Alpha Exploratory Factor Analysis	Singh and Soch (2015)
8	Customer to customer Interaction in Tourism Experience	Cronbach's Alpha Exploratory Factor Analysis MANOVA (to test moderator)	Zgolli and Zaiem (2017)
9	Determinants of Students' Loyalty in the Ghanaian Banking Industry	Exploratory Factor Analysis Bartlett's test of sphericity Varimax rotation Multiple Regression Analysis	Narteh (2013)

10	Service Quality Dimensions as Antecedents to Customer Satisfaction in Retail Banking	Cronbach's Alpha Keiser-Meyer-Olkin measure Factor Analysis Bartlett's test of sphericity Principle Axis Factoring Multiple Regression Analysis	Culiberg and Rojsek (2010)
11	Success Factors of Customer Experience in Iranian Banks	Analytic Hierarchical Process	Haery and Farahmand (2013)
12	EXQ: A Multiple-Item Scale for Assessing Service Experience	Cronbach's Alpha Bartlett's test of sphericity Keiser-Meyer-Olkin measure (for sampling adequacy) Exploratory Factor Analysis SPSS16 AMOS 16 Cattel screen plot (for factor extraction)	Klaus and Maklan (2011)
13	Relationship Between Service Encounter and Retail Experience	SPSS Karl Pearson's Correlation Coefficients Cronbach's Alpha Multiple Regression Analysis (to test hypothesis) KMO and Bartlett (for sample adequacy) Factor Analysis Varimax rotation Rotated Component Matrix Levene test of equality/Independent sample T test (to test impact of moderators)	Srivastava (2018)
14	Determinants Influencing Customer Satisfaction	Cronbach's Alpha Factor Analysis KMO and Bartlett Test Multiple Regression Analysis Multiple Regression Analysis ANOVA Hierarchical multiple Linear Regression (to test effect of moderating variable)	Pham (2015)
15	Goal, Customer Experience and Purchase Intention in Retail Context in China	Cronbach's Alpha Confirmatory Factor Analysis (LISREL 8.70) Fit and Alternative Indices Structural Equation Model	Yang and He (2011)
16	Determinants of Customer Experience Among Saudi Arabia Supermarket Shoppers	Cronbach's Alpha One way ANOVA (to test characteristics of customers) Linear Regression (Significant Tests and Beta Estimates to evaluate magnitude and direction of the impact of each influencing factor) Multiple Regressions (to test the relationship between dependent and independent variables)	Shamsudeen (2017)
17	Influence of Store Attributes on Customer Experience and Customer Engagement in Malaysian Department Store Customers	Cronbach's Alpha Composite Reliability AVE PLS-SEM (to test latent variables and relationships) Fornell-Larcker criterion (to test discriminant validity) Structural Model Path Co-efficients	Mohd-Ramly and Omar (2017)

18	Factors Affecting Customer Experience in Telecommunications	Cronbach's Alpha Regression Analysis	Islam and Rima (2013)
19	Identifying and Ranking Critical Success Factors of Customer Experience in Banks	Analytical Hierarchy Process	Garg et al. (2012)

Following the methodology adopted in previous studies (Pham, 2015; Shamsudeen 2017; Srivastava, 2018), the study adopts hierarchical linear and multiple regression analysis to test the association between the independent and moderating variables and the customer experience. Pham (2015) applied the hierarchical linear and multiple regression analysis to test the association between the variables to determine factors influencing customer satisfaction in medical tourism in Singapore. Several studies have also investigated determinants of constructs through the application of multiple regressions. For instance, Culiberg and Rojsek (2010) applying the analysis established the precursors to customer satisfaction in retail banking. Narteh (2013) tested the determinants of student loyalty in the Ghanaian Banking Industry. Similarly, studies (Islam & Rima, 2013; Shamsudeen, 2017; Rather, 2018) variously investigated the determinants of customer experience respectively in telecommunications, supermarkets in Saudi Arabia and hospitality sector in India using the multiple regression analysis. Shamsudeen (2017) offers regression analysis as a useful analytical tool for testing the association between dependent and independent variables and to evaluate determinants that exhibit greater impact on dependent variables.

The data collected was thus analysed and presented in six steps as presented in figure 5.1. First, the research presented the demographic characteristics of the population sample. The demographic profile provides an understanding of the characteristics of the respondents as well as a data pattern. The data collected was analysed using frequency count and percentage to describe categories of variables. Next, the study applied descriptive analysis to determine the data distribution. Descriptive analysis assists in spotting data collection errors as well as detecting associations among the determinants of microfinance institution customer experience. Further, factor analysis was applied to distinguish, categorise, and confirm the significance of relationships of selected variables on the microfinance customer experience from a group of observed

variables. After the factor analysis, the fourth step was to test the extracted factors for reliability. The Cronbach Alpha's test was applied in validating the internal consistency of the constructs being measured.

Following the reliability analysis, the fifth step was carried out to address the third objective of this research which is to establish the influence of moderating variables on the identified determinants of customer experience of microfinance institutions in Nigeria. This was achieved with standardised coefficients obtained through hierarchical linear regression of the determinants. Finally, the sixth step of the empirical study addressed the fourth and last objective of the study which is to develop a model of determinants of microfinance institution customer experience in Osun State, Nigeria using multiple regression. Inferential statistics was carried out to establish and test the significance of the determinants and moderators of microfinance institution customer experience. The importance of the analysed data to the research questions, the research objectives, and the research hypotheses, was interpreted based on the analyses. The influence of determinants and moderators of microfinance institution customer experience were established, and the hypotheses were also validated or nullified using the statistical analytical model highlighted in figure 5.1.

Figure 5.1: Steps taken in analysis of research. (source: developed by the researcher, 2020)



The analytical model shown in figure 5.1 was confined solely to presenting what was found in the data collected for the study. The data were presented in terms of significance to the research questions, the research objectives, and the research hypotheses. Five hundred (500) copies of questionnaires were administered by the researcher and seven field officers to the targeted respondents in January 2020 with 466 questionnaires found usable.

5.13 Reliability and Validity of Research

According to Mangal and Mangal (2013), reliability is the accuracy of the result of a study such that the results can be verified by repeating the research on a similar population sample and getting the same outcome. Validity of a study, according to

Hair et al. (2009), is the degree to which the findings of research are true. Validity can be categorised as external and internal validity. The internal validity considers other variables which may not be related to customer experience. Beri (2010) notes the need for flexibility of making required adjustment in the pre-determined model during the course of the research where necessary to improve the validity of tabulation and analysis. Hair et al. (2009) further describe external validity as looking at whether the outcome of the research is representative of the target population while internal validity determines the degree to which the research design accurately identify underlying relationship. As proposed by Beri (2010), proper measurement and scaling is needed to ensure that the outcome of the research is reliable and valid.

Following the suggestion of Panneersevam (2013), a reliability and validity test was carried out in the current study as presented in table 5.10 to ensure that the outcome of the research is credible and to avoid the errors of measurement such as error based on bias of the respondent due to exposure or emotion; error of situation; error due to negligence of the measurer; and malfunctioning instrument error. Mohajan (2017) proffers appropriate time scale, methodology, sample method, independence of respondents in answering questions, clearly defined objectives, and comparison of measure with other measures or theoretical evidence as some of the means of ensuring validity of research. The internal and external validity of the research design was ensured through proper measurement and scaling to safeguard a valid outcome. This was achieved by developing the questionnaire after a review of previous literature, review of the developed questionnaires by experts and practitioners, and two pilot tests. The reliability and degree of consistency was tested using the Cronbach's alpha coefficient. Also, Cronbach's coefficient alpha was used to measure the reliability of data gathering instrument in investigating the relationship among variables. Table 5.10 indicates the Cronbach's alpha reliability analysis result for all 12 dimensions in the study.

Table 5.10: Summary of reliability coefficients of the factors (source: researcher's field survey, 2020)

Factors	Cronbach's Alpha (α)	No of Items
Memory	0.798	5
Social Environment	0.777	6
Retail Atmosphere	0.871	7
Service Interface	0.815	6
Goal	0.829	5
Customer Experience	0.849	7
Product Assortment	0.751	3
Multichannel Interactions	0.788	4
Location	0.788	5
Brand Image	0.864	8

As presented in table 5.10, all items have between acceptable and high reliability values ranging between 0.751 (product assortment) and 0.871 (retail atmosphere). Based on the outcome of Cronbach's alpha reliability test, all items are internally consistent and related as a set of items in the group.

5.14 Ethical Consideration

In 2016, the researcher requested and obtained the consent of the organisation to carry out the research. The agreement of participants was sought prior to their participating in the research. The participants were informed about the purpose of the research. The participants were told that participation was voluntary and that they had the right to withdraw at any point during the data collection. Further, the participants were informed about the confidentiality of information received. Thereafter, consent forms were given to respondents before they answered the questions.

5.15 Conclusion

The chapter provided a review and justification for the research design and methodology adopted for the study. The study was carried out from the positivist research paradigm, utilizing deductive reasoning approach through quantitative method. The research strategy which was descriptive in nature applied a combination of the case study and survey technique. The target population for the research was specified as microfinance institution customers in Osun State, Nigeria. The sample size for the research was quantified as 466 customers selected from branches of

Grooming Centre in Osun State. Data was collected utilising a structured, non-disguised questionnaire on a five-point Likert scale. Also, a description of the pilot test carried out as well as adjustments made to ensure accuracy, clarity, reliability, and validity of the questionnaire were properly described in the chapter. Finally, the choice of statistical methods for data management and analysis was identified as factor analysis, regression analysis, descriptive and correlation analysis among others. The chapter ended with ethical considerations which were followed in carrying out the study and a conclusion. Results and interpretation of the empirical studies are presented in the next chapter.

CHAPTER SIX: PRESENTATION AND INTERPRETATION OF FINDINGS

6.1 Introduction

The preceding chapter presents the research methodology and design for the study. As stated in the foregoing chapter, the study was premised on the use of primary data collected through the use of questionnaires administered on customers of microfinance institutions in Osun State, Nigeria. Chapter six, in line with the objectives of the research, presents the analyses and interpretation of the findings on data collected.

The responses from the questionnaire were analysed within the context of the existing literature relevant to the topic. The questionnaire was designed to correlate with the objectives of the research as well as the research questions. This chapter presents the findings of the research in line with the research objectives and research questions. The research objectives were discussed as follows:

- 1) To establish the determinants that influence microfinance institution customer experience in Osun State, Nigeria.
- 2) To evaluate the significance of influence of the determinants on microfinance institution customer experience in Osun State, Nigeria.
- 3) To assess the effects of location, goal, and involvement as moderators of the relationship between the determinants of customer experience in microfinance institutions in Osun State, Nigeria.
- 4) To develop a model of determinants for improving customer experience in microfinance institutions in Osun State, Nigeria.

The result and findings of the research are presented next.

6.2 Socio-demographic characteristics of respondents

This section covered the demographic variables such as age range, gender, level of education, average monthly income, length of relationship with the microfinance institution, frequency of visits to the microfinance institution, occupation and how they got to know about the microfinance institution. The demographic profiles provide an understanding of the characteristics of the respondents as well as a data pattern. The

data collected was analysed using frequency count and percentage to describe categories of variables. The socio-demographics of respondents are presented in Table 6.1.

Table 6.1: Socio-demographic characteristics of respondents (researcher’s field survey, 2020)

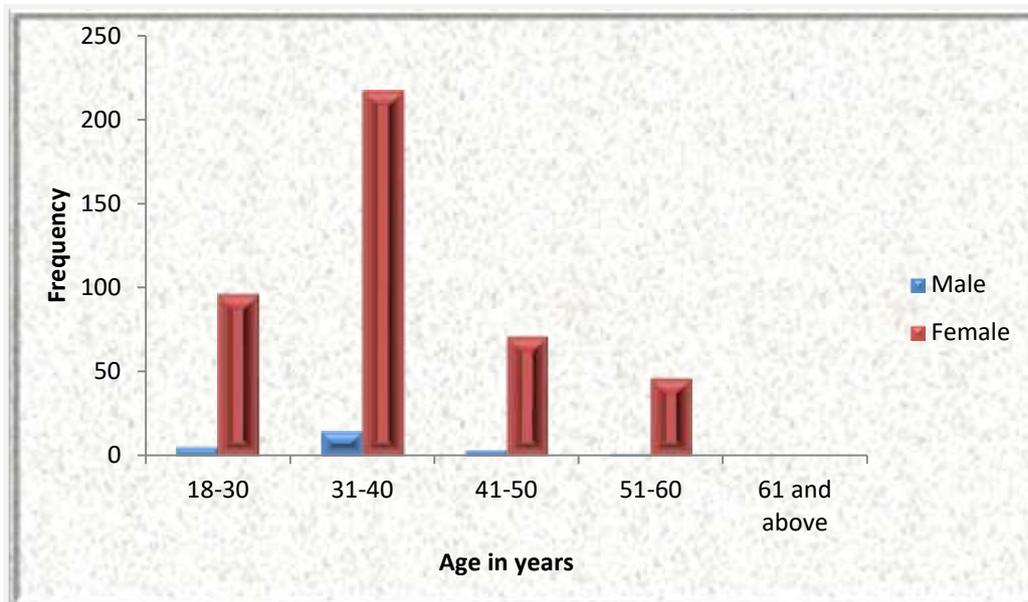
CHARACTERISTIC	Category	N	%
AGE IN YEARS	18-30	101	21.8
	31-40	231	49.8
	41-50	74	15.9
	51-60	47	10.1
	61 years and above	11	2.4
	Total	464	100.0
GENDER	Male	23	5.0
	Female	440	95.0
	Total	463	100.0
LEVEL OF EDUCATION	Primary education	74	16.0
	Secondary education	259	55.9
	University/tertiary education	126	27.2
	Postgraduate Degree	3	0.6
	Others	1	0.2
	Total	463	100.0
AVERAGE MONTHLY INCOME	Less than N10,000	39	8.5
	N11,000 – N49,000	215	46.6
	N50,000 – N99,000	168	36.4
	N100,000 – N500,000	37	8.0
	N500,000 and above	2	0.4
	Total	461	100.0
LENGTH OF TIME OF BEING THE BANK CUSTOMER	6months – 2 years	137	29.7
	3 – 5 years	201	43.5
	6 – 10 years	79	17.1
	More than 10 years	45	9.7
	Total	462	100.0
FREQUENCY OF CONTACTS WITH THE BANK	Once or more a week	345	74.7
	Once or more a month	89	19.3
	Others: please specify	28	6.1
	Total	462	100.0
OCCUPATION	Business owner	375	81.2
	Civil servant	52	11.3
	Private sector employee	28	6.1
	Others	7	1.5
	Total	462	100.0
SOURCE OF KNOWLEDGE ABOUT THE BANK	From a family member/friend	296	64.1
	I saw the office and walked in by myself	93	20.1
	Through a staff of The bank	70	15.2
	Others: Please Specify	3	0.6
	Total	462	100.0

The socio-demographic profiles of the respondents presented in Table 6.1 are discussed in subsections 6.2.1 through 6.2.8.

6.2.1 Age distribution of respondents

As could be observed in Table 6.1, the distribution of respondents in terms of age indicated that majority of the respondents were between the ages 31 -40 years as 231 of the respondents representing 49.8% fall in this category. On the other hand, the least number of respondents were aged 61 years and above with only 11 respondents (2.4%) of the total number of respondents in this category. It could be noted that the average age of the respondents was 36.2 years. This shows that most of the customers of microfinance institutions in Osun State, Nigeria were young or specifically in their late thirties. This is also illustrated in Figure 6.1.

Fig. 6.1: Age and gender distribution of respondents (Researcher's field survey, 2020)



6.2.2 Gender distribution of respondents

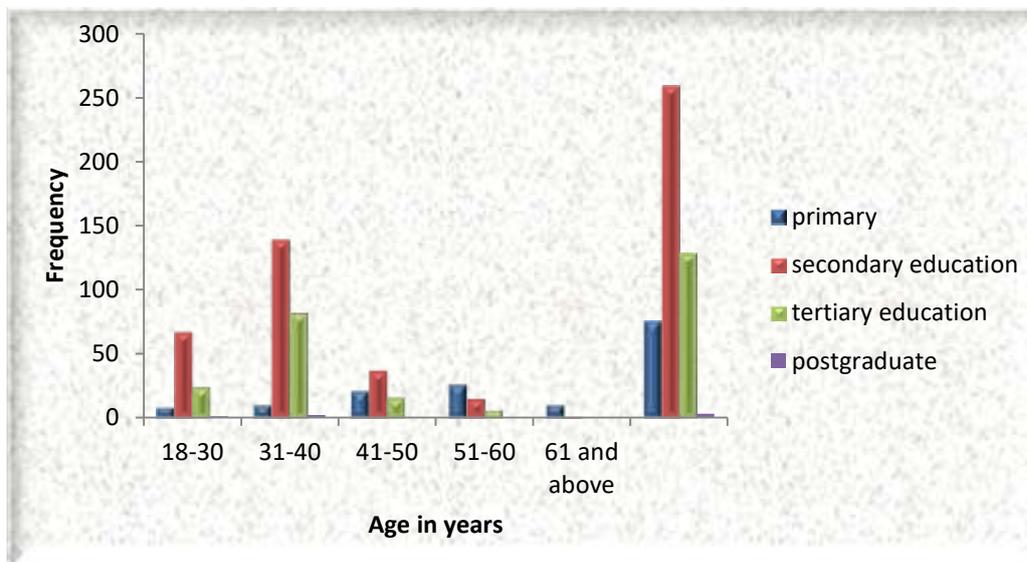
The distribution according to gender shows that 440 (95.0%) of the respondents were females while 23 (5.0%) were males. A further illustration of gender distribution is shown in Figure 5.1. It could be inferred from figure 6.1 that most of the customers of micro finance institutions in Osun State, Nigeria, are female and that there was a wide gap in the gender distribution of respondents. The gender demography outcome aligns with previous research (Rashem & Yousif., 2018; Alimukhamedova, 2013; Akingunola et al., 2013; Sengupta & Aubuchon, 2008) which promotes microfinance as a means of economic empowerment for women. Scholars (Mall & Mishra, 2013; Akingunola et al., 2013) also describe the Banco model and the SHG model of microfinance which

was patterned after the Grameen model that focuses on poor women and group formation as discussed in chapter 3.

6.2.3 Distribution of respondents by educational level

As regards level of education of the respondents, the results showed that 259 (55.9%) of the respondents, which constituted the majority, had secondary education. This was followed by those with university/ tertiary education (126, 27.2%). It was discovered that only 3(0.6%) of the respondents claimed to have postgraduate degrees. Also, from table 6.1, majority of the respondents between age 18 and 50 which formed a sizeable proportion of the participants (404 respondents representing 87.5%), obtained secondary education as the highest level of education while the majority of respondents between age 51 and above, which formed a small proportion of the participants (58 respondents representing 12.5%), had primary education as the highest level of education. The result is further depicted in Figure 6.2.

Figure 6.2: Distribution of respondents by age and educational level (researcher’s field survey, 2020)

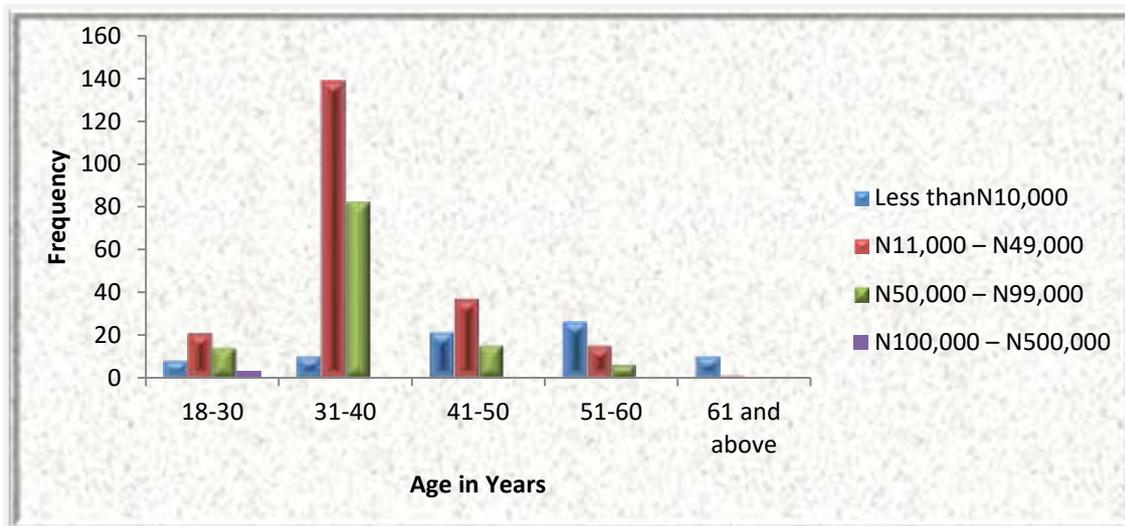


The data presented in figure 6.2 implies that most of the customers of the microfinance institution under study had at least secondary education so they could read the terms and conditions associated with their financial interactions or engagements.

6.2.4 Distribution of respondents by average monthly income

The average monthly income of respondents as shown in Table 6.1 revealed that 39(8.5%) of the respondents earned less than N10, 000 a month. Also, 46.6% of the respondents had an income ranging between N11, 000 – N49, 000. This category of respondents formed the majority in terms of average monthly income. This was followed by respondents whose monthly income was between 50,000 – N99, 000 and 36.4% of them were in this category. Only 2(0.4%) of the respondents earned N500, 000 and above as their average monthly income. The mean of monthly income of the respondents is N44, 447. A pictorial representation of this can be found in Figure 6.3.

Figure 6.3: Distribution of respondents by age and average monthly income (researcher’s field survey, 2020)



From figure 6.3, it can be seen that majority of the respondents in all the age groups earn less than N50, 000 per month. It can therefore be inferred from the analysis that most of the customers of microfinance institutions in Osun State, Nigeria, are low income earners who require credit facilities to support their businesses. The structure of the income level of the respondents supports the objective of microfinance as noted by authors (Jegade et al., 2011; Rahman et al., 2014; Tripathi & Tripathi, 2015) in chapter 3 of this study as a tool for the alleviation of poverty and catering for underprivileged families and businesses.

6.2.5 Distribution of respondents according to length of time of patronage

Respondents were asked to indicate for how long they had been banking with the microfinance institution. Table 5.1 revealed that 201(43.5%) of the respondents, which constituted the majority, had been doing business with the bank for three to five years. Also, 137 (29.7%) of the respondents indicated they had been banking with the institution for between 6 months and two years. Figure 6.4 gives a further illustration on the length of banking with the microfinance institution.

Fig 6.4: Distribution of respondents according to age and length of time of patronage (researcher's field survey, 2020)

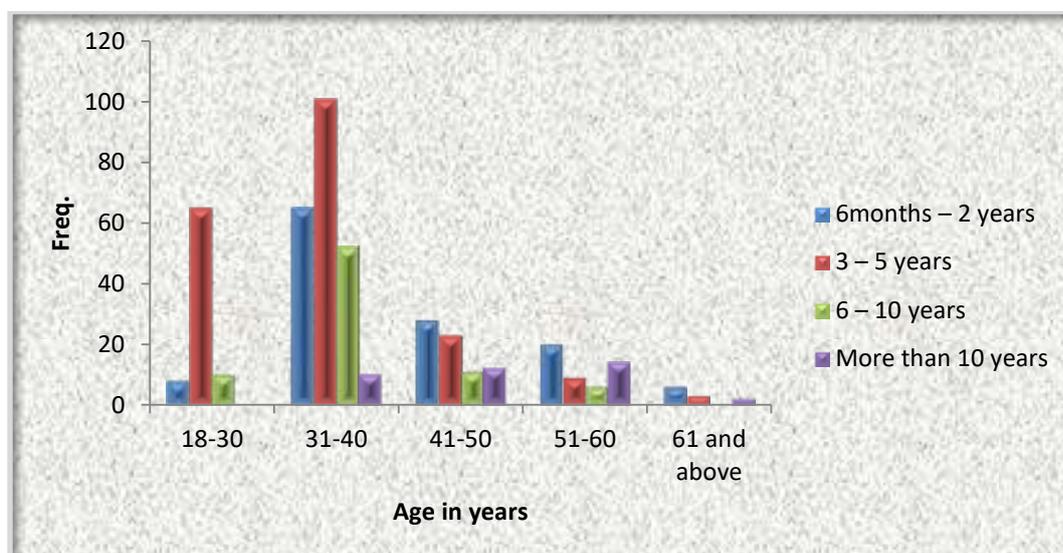


Figure 6.4 shows that majority of the respondents within the age group of 18-40 who represent a large share of the participants (332 respondents representing 71.6% of participants) have patronised the microfinance institution for more than 3 years. It could be deduced from the figure that most of the bank's customers have been patronising the microfinance institution under investigation for at least 3 years.

6.2.6 Frequency of visits to grooming centre

Table 6.1 shows the frequency of respondents' visits to Grooming Centre. As regards how often the respondents visit the bank, hold group meetings, or are visited by staff of the bank, 345 respondents representing 74.7% indicated they had contacts with the bank at least once in a week. Also, 89 respondents representing 19.3 percent visit the microfinance institution at least once a month.

Figure 6.5 gives a pictorial representation of the age distribution and frequency of visits to Grooming Centre. From figure 5.5, a higher number of respondents across all the age groups indicate that they visit or are in contact with representatives of Grooming Centre at least once a week.

Fig 6.5: Distribution of respondents according to age and frequency of visits (researcher’s field survey, 2020)

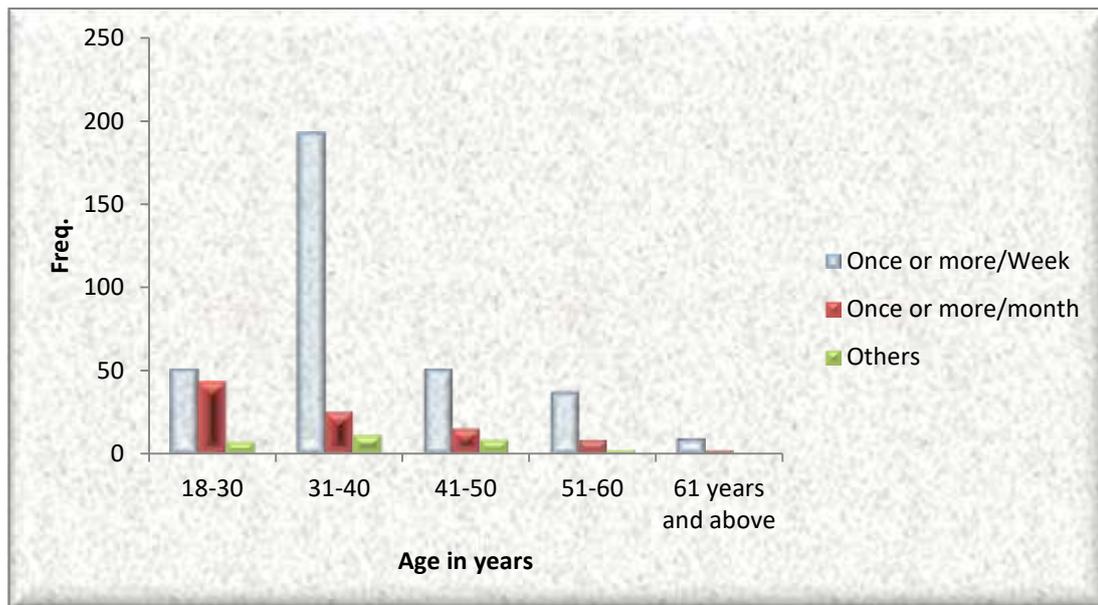


Figure 6.5 shows that customers interface with the microfinance institution or its representatives frequently enough for the respondents to give their opinions on the determinants of experience.

6.2.7 Occupational distribution of respondents

The occupational distribution of the respondents as indicated in Table 6.1 shows that business owners constituted 81.2% of the respondents; 11.3% were made up of civil servants while 6.1% were private sector employees. This indicates that most customers of microfinance institutions in Osun State, Nigeria, are individuals who own and run their private businesses and are employers of labour in their own capacity. Figure 6.6 illustrates occupational distribution of respondents by age to further corroborate this result.

Fig. 6.6: Occupational Distribution of Respondents (Researcher’s field survey, 2020)

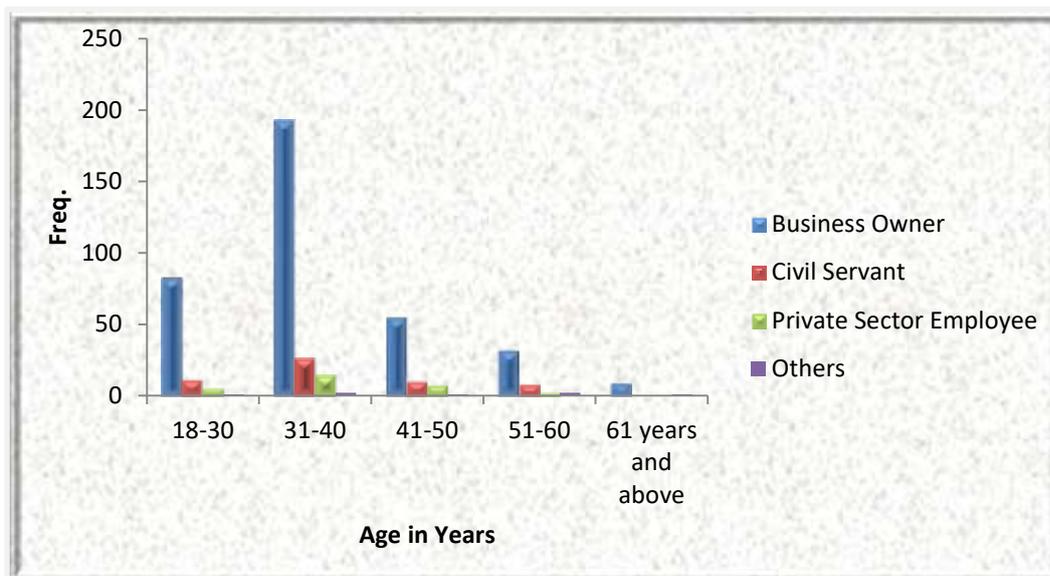


Figure 6.6 further reflects the fact that nearly all the customers of microfinance institutions are business owners while a significant few of the respondents are civil servants. From figure 6.6, a higher number of respondents across all the age groups indicate their occupation as business owners. The notion of microfinance targeting the enterprising poor in Osun State, Nigeria, as a means of financial empowerment was supported in the literature chapter by Jegede et al. (2011) and Babangana (2010).

6.2.8 Mode of awareness distribution of respondents

Table 6.1 gives a summary of the means through which respondents gained awareness of the existence of Grooming Centre as a microfinance institution. From the results regarding the source through which respondents got to know about the microfinance institution, 296(64.1%) claimed that they got to know “From a family member/friend”, 93(20.1%) indicated that “I saw the office and walked in by myself”. Also 70(15.2%) got the information through a staff of the bank while only 3(0.6%) got to know this from other sources. It could be stated that most of the customers of microfinance institutions came to know about the bank from a family member or friend. Figure 6.7 illustrates the source of information of how respondents gain awareness of the existence of Grooming Centre by age to further corroborate this result.

Figure: 6.7: Mode of awareness and age distribution respondents (researcher's field survey, 2020)

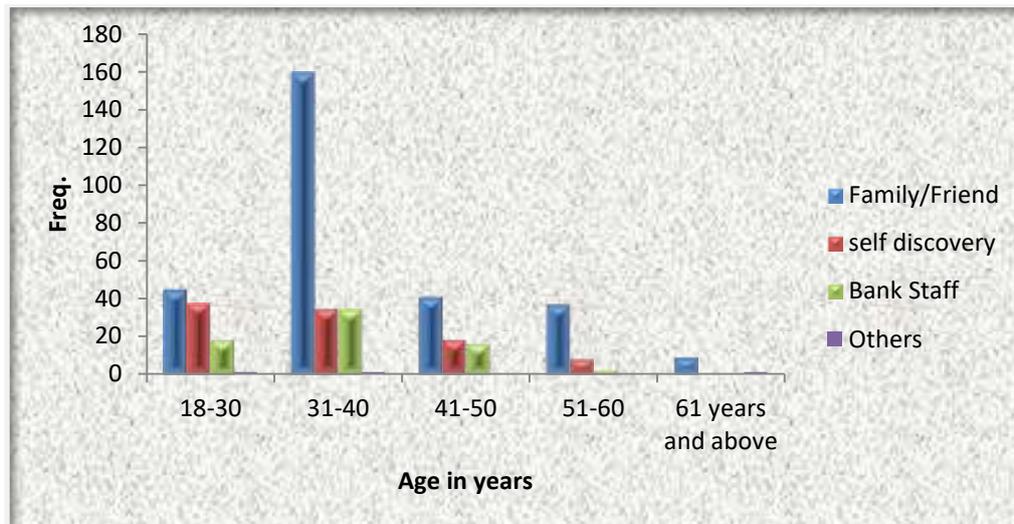


Figure 6.7 shows that a higher number of respondents across all the age groups became aware of the microfinance institution through their family or friends. From the result, it can be inferred that family and friends are critical to creating awareness and expanding the outreach of microfinance institutions in Nigeria.

In summary, from the analysis of the demographic variables, the data pattern established reveals that majority of the respondents (332 respondents representing 70%) were in the young and economically active age range (18-40years). In addition, 440 respondents representing 95% were of the female gender. Most of the respondents were fairly well educated, and only 74 respondents representing 16% had primary education and below. It was also found that 39 people representing 8.4% of the respondents had a monthly income of more than N99, 000, with 254 respondents representing 55.1% earning less than N50, 000 per month. From the analyses presented in Figure 6.7, the majority of the economically active group (18-40 years) are fairly well educated and earn a monthly income of less than N50, 000. The demographic profiles provide an understanding of the characteristics of the respondents as well as a data pattern.

The frequency distribution of respondents' opinion of microfinance institution customer experience is discussed next.

6.3. Descriptive analysis of determinants of microfinance institution customer experience

The descriptive statistics for all the variables under investigation is discussed in this section. The descriptive statistics gives an understanding of the data by summarising the gathered data in a way that represents the sample population's opinion. To achieve the first objective of the study, which was to establish the determinants of microfinance institution customer experience in Nigeria, determinants of customer experience of microfinance institutions in Nigeria were investigated. The data obtained were analysed using descriptive statistics of frequency counts, percentages, mean and standard deviation for all the variables of interest, which have been split by the independent variable. For the purpose of this study, the descriptive statistics gives a summary of the identified factors as well as the moderating and dependent variables that define the microfinance institution customer experience in Nigeria.

The frequency counts and percentages is presented in section 6.3.1, while the mean and standard deviation of the determinants of microfinance institution customer experience in Nigeria is presented in section 6.3.2.

6.3.1 Determinants of microfinance institutions customer experience in Nigeria

In order to achieve the first objective of the study, which is to establish the determinants of microfinance institution customer experience in Nigeria, the determinants of microfinance institutions customer experience in Nigeria were investigated and the data obtained were analysed using descriptive statistics of frequency counts and percentages. The result is presented in this section. The frequency distribution of the participants' response to questions on the factors of customer experience raised in the questionnaire (appendix 1) are presented in the section. Questions were raised on a total of twelve factors established from the review of extant literature on customer experience to empirically validate whether such factors were perceived as determinants of experience by microfinance customers in Osun State, Nigeria. The results of frequency tables regarding respondents' views on all the determinants identified regarding microfinance institutions under study are discussed from sections 6.3.1.1. to 6.3.1.12, while the frequency counts and percentages of the significance of the determinants is presented in section 6.3.1.13.

6.3.1.1 Social environment

Respondents were asked to indicate their level of agreement with statements having to do with the influence of social environment on customers' experience of microfinance institutions in Osun State, Nigeria. The result is presented in Table 6.2. In understanding the determinants of customer experience of microfinance institutions, social environment as indicated by respondents in their responses, the data in Table 6.2 shows that 81.6% (385) of the respondents agree (at varying extents) that "being a customer makes me enjoy and feel connected with other customers".

Table 6.2: Frequency distribution of responses on social environment (source: researcher's field survey 2020)

SN	Factor 1	SD		D		U		A		SA	
		N	%	N	%	N	%	N	%	N	%
3	I am a customer because my family and/or friends are customers	77	16.5	69	14.8	20	4.3	198	42.5	100	21.5
4	Being a customer of a microfinance institution increases my friends/family's respect for me	14	3.0	45	9.7	49	10.5	229	49.1	127	27.3
5	I feel comfortable and connected when there are other customers around	12	2.6	25	5.4	49	10.5	256	54.9	121	26.0
6	My decision to be a customer was influenced by my family/ friends	27	5.8	50	10.7	24	5.2	222	47.6	140	30.0
7	I feel crowded when there are many other customers in the banking hall	22	4.7	44	9.4	47	10.1	233	50.0	117	25.1
8	Being a customer makes me enjoy and feel connected with other customers	6	1.3	23	4.9	48	10.3	225	48.3	160	34.3
9	Family/friends say/think influence my opinion of the microfinance institution	17	3.6	38	8.2	44	9.4	206	44.2	157	33.7

KEY: SA=strongly agree, A=Agree, U=Undecided, D= Disagree, SD= Strongly Disagree

From the results presented in table 6.6, 377 (80.9%) of the respondents agreed to varying extents that they felt comfortable and connected when there are other customers around. Another element in the social environment which was unanimously

agreed upon by a majority of the respondents was the statement “Family/friends say/think influence my opinion of the microfinance institution”. This is represented in a response continuum of Strongly disagree: 17 (3.6%); Disagree: 38 (8.2%); Undecided: 44 (9.4%); Agree: 206 (44.2%); Strongly Agree: 157 (33.7%).

The implication of this result is that social environment is a strong determinant of the customer experience of microfinance institution with particular emphasis on the interaction and connection with other customers as well as what family and friends think or say about the microfinance institution. In other words, experience of other customers of the microfinance bank is a determinant of customer experience of another customer. This aligns with the position of authors (Garg et al., 2012; Haery & Farahmand, 2013) that customer activities in a retail space influence other customers. Similarly, Saba (2014) posits that organisations encourage peer to peer communities because the customer relationship with the community and peer to peer feedbacks are major determinants of customer experience.

6.3.1.2 Service interface

The service interface as a determinant of customer experience in other service and geographical contexts was established from the literature review in chapter two. In this study, the service interface was therefore proposed as a determinant of customer experience in microfinance institutions in Osun State of Nigeria. Five questions (Q10 to Q14) were raised to investigate the respondents’ perspective of the influence of service interface on the total customer experience. Respondents were asked to indicate their extent of agreement as regards statements relating to a service interface factor. The result is presented in Table 6.3.

It could be observed from the results of this research as indicated in Table 6.3 that service interface is a strong determinant of customer experience of microfinance institutions in Osun State, Nigeria. For instance, taking time to listen to customers’ complaints by bank employees was regarded as important by 90.6% (422) of the respondents who agreed to varying extents with the statement that “It is important that the employees take time to listen to customers’ complaints”. Secondly, that the transaction process is made easy and free of error was agreed to (at various degrees)

by most of the respondents as indicated in the responses given by 88.6% of the respondents.

Table 6.3: Frequency distribution of responses on service interface (source: researcher’s field survey 2020)

SN	Factor 2	SD		D		U		A		SA	
		N	%	N	%	N	%	N	%	N	%
10	It is important that employees are friendly and helpful	2	0.4	14	3.0	45	9.7	188	40.3	213	45.7
11	It is important that employees attend to customers on time	3	0.6	12	2.6	29	6.2	198	42.5	221	47.4
12	It is important that employees are knowledgeable and give answers to customers’ questions	2	0.4	10	2.1	34	7.3	216	46.4	201	43.1
13	It is important that the transaction process is easy and error free	6	1.3	17	3.6	27	5.8	226	48.5	187	40.1
14	It is important that the employees take time to listen to customers’ complaints	6	1.3	10	2.1	25	5.4	199	42.7	223	47.9

KEY: SA=strongly agree, A=Agree, U=Undecided, D= Disagree, SD= Strongly Disagree

Also, 201(43.1%) of the respondents strongly agreed with the statement that “It is important that employees are knowledgeable and give answers to customers’ questions”. 216(46.4%) agreed with this statement, 34(7.3%) were undecided, 10(2.1%) disagreed and only 2(0.4%) strongly disagreed with the statement. This implies that service interface is a determinant of customer experience at microfinance institutions in Osun State, Nigeria. This is supported by studies carried out by Meyer and Schwager (2007); and Saba (2014) which hold that the comfort, quality of service as well as failure of service interface can create emotions and affects the perception of the customer which determines the customer experience, thus concluding that the encounter between customers and service activities is a significant determinant of customer experience.

6.3.1.3 Retail atmosphere

In line with the objective of the research, which is to establish the determinants of customer experience, five questions (Q15-Q19) were raised to establish respondents’ extent of agreement on statements relating to retail atmosphere. Retail atmosphere has been established in literature as a determinant of customer experience in other

countries and in retail and service contexts such as supermarkets, telecommunications, hospitality, and tourism. The study therefore empirically validates or nullifies the influence of retail atmosphere as a contributing factor on microfinance customer experience in Osun State, Nigeria. The result is presented in Table 6.4.

Table 6.4: Frequency distribution of responses on retail atmosphere (source: researcher's field survey 2020)

SN	Factor 3	SD		D		U		A		SA	
		N	%	N	%	N	%	N	%	N	%
15	The atmosphere within the office should make customers comfortable	5	1.1	14	3.0	43	9.2	230	49.4	174	37.3
16	Customers like it when the office is modern and attractive	3	0.6	8	1.7	40	8.6	203	43.6	211	45.3
17	It is important that the toilet facilities in the office are clean	3	0.6	8	1.7	31	6.7	206	44.2	218	46.8
18	Customers like the office environment to be neat and well decorated	4	0.9	6	1.3	25	5.4	210	45.1	219	47.0
19	Customers enjoy having adequate seats to sit in the office	1	0.2	10	2.1	36	7.7	221	47.4	197	42.3

KEY: SA=strongly agree, A=Agree, U=Undecided, D= Disagree, SD= Strongly Disagree

As regards retail atmosphere, Table 6.4 revealed that most of the respondents agree with the fact that atmosphere within the microfinance banking hall should make customers comfortable (404, 86.7%), 'Customers like it when the office is modern and attractive' (414, 89.1%), 'It is important that the toilet facilities in the office are clean' (424, 91.0%), 'Customers like the office environment to be neat and well decorated' (429, 92.1%) and 'Customers enjoy having adequate seats to sit in the office' (418, 89.7%). It can be deduced from the foregoing that retail atmosphere has a potent influence on customers' experience in microfinance institutions in Osun State, Nigeria. This aligns with research (Kauppinen-Räsänen and Grönroos, 2015) which declares that the physical environment impacts customer experience and opinions of quality.

6.3.1.4 Product assortment

Product assortment is another customer experience determinant established in literature in service contexts. Thus, in line with the objective of this study, which is to establish the determinants of customer experience, the influence of product assortment as a factor of microfinance customer experience in Osun State, Nigeria, was examined. Respondents were asked to indicate their level of agreement with five

items (Q20 to Q24) relating to product assortment as it affects their microfinance customer experience. The result is presented in Table 6.5.

Table 6.5: Frequency distribution of responses on product assortment (source: researcher's field survey 2020)

	Factor 4	SD		D		U		A		SA	
		N	%	N	%	N	%	N	%	N	%
20	Customers enjoy having a variety of products to choose from	2	0.4	13	2.8	23	4.9	225	48.3	202	43.3
21	It is important that promises to customers on products/services are fulfilled	2	0.4	16	3.4	15	3.2	214	45.9	218	46.8
22	Having many options of products to choose from affect customers' choice of microfinance institution	10	2.1	31	6.7	42	9.0	184	39.5	198	42.5
23	Customers determine the best option of products when there is a variety to choose from	6	1.3	13	2.8	33	7.1	245	52.6	168	36.1
24	Customers like having a choice of different products to decide which best meets their needs	2	0.4	11	2.4	33	7.1	222	47.6	197	42.3

KEY: SA=strongly agree, A=Agree, U=Undecided, D= Disagree, SD= Strongly Disagree

In describing the determinants of respondents' experience of microfinance institutions in Osun State, Nigeria, under product assortment, the statement "Customers enjoy having a variety of products to choose from" appears to have the strongest positive responses as follows: Strongly disagree: 2 (0.4%); Disagree: 13 (2.8%), Undecided 23 (4.9%), Agree: 225 (48.3%); Strongly Agree: 202 (43.3%). This means that an agreement score of 88.6% was recorded, which shows that customers enjoy having a variety of products to choose from. In the same vein, most of the respondents agreed that "It is important that promises to customers on products/services are fulfilled" as can be seen by the 432(92.7%) agreement score. In fact, all the items under assortment factor had strong agreement scores which points to the fact that giving customers various options in terms of products and services of microfinance institutions goes a long way in determining the customer experience of such microfinance institutions. Wenwei and Tongtong (2010) support this claim in their study which classifies the key element of the product experience as the variety provided for the customer. The analyses and findings on customers' perception on the

influence of price as a determinant of customer experience is presented in the next section.

6.3.1.5 Price

The role of price as a factor of customer experience as established in chapter 2 was also tested in the context of microfinance institutions in Osun State, Nigeria. Price has been established in literature as a determinant of customer experience in other countries and in retail and service contexts such as supermarkets, telecommunications, hospitality, and tourism. In line with the objective of this research, which is to establish the determinants of customer experience, five questions (Q25-Q29) were raised to establish respondents' extent of agreement on statements relating to the price factor. Thus this study empirically validates or nullify the influence of price as a contributory factor to microfinance customer experience in Osun State, Nigeria.

Table 6.6: Frequency distribution of responses on price (source: researcher's field survey 2020)

Factor 5	SD		D		U		A		SA	
	N	%	N	%	N	%	N	%	N	%
25 It is important that customers are informed about changes in interest charges on time	5	1.1	11	2.4	29	6.2	198	42.5	221	47.5
26 It is important that interest charges are reasonable	5	1.1	4	0.9	32	6.9	208	44.6	215	46.1
27 It is important that promises regarding interest charges are kept	3	0.6	10	2.1	30	6.4	205	44.0	215	46.1
28 Interest charges is important in customers' choice of microfinance institution	6	1.3	7	1.5	42	9.0	230	49.4	180	38.6
29 Customers enjoy the services when the interest charges are fair	6	1.3	10	2.1	35	7.5	215	46.1	200	42.9

KEY: SA=strongly agree, A=Agree, U=Undecided, D= Disagree, SD= Strongly Disagree

In Table 6.6, it could be noted that 5 (1.1%) of the respondents strongly disagreed with the statement "It is important that interest charges are reasonable". 4 (0.9%) of the respondents disagreed with the statement, 32 (6.9%) were undecided while 208 (44.6%) agreed and 215 (46.1%) strongly agreed with the fact that reasonable interest charges is an important determinant of customer experience of microfinance institutions. A total of 420 (90.1%) of the respondents also agreed to varying extents that it is important that promises regarding interest charges are kept. In addition,

majority of respondents (415 representing 89.0%) were unanimous in their agreement that “Customers enjoy the services when the interest charges are fair”. It could be deduced from the foregoing that price has a strong influence in determining customers’ experience of microfinance institutions in Osun State, Nigeria.

6.3.1.6 Customer experience in multichannel interactions

The role of multichannel interaction as a determinant of customer experience extracted from extant literature in chapter 2 was verified in the context of microfinance institutions in Osun State, Nigeria. Past research promote the experience in a channel as being influenced by experiences in other channels. In line with the objective of the research, which is to establish the determinants of customer experience, five questions (Q30-Q34) were raised to establish respondents’ extent of agreement on statements relating to the influence of customer experience in alternative channels. This study verifies the influence of multichannel interaction as a contributing factor to microfinance customer experience in Osun State, Nigeria. The result is presented in Table 6.7.

Table 6.7: Frequency distribution of responses on customer experience in multichannel interactions (source: researcher’s field survey 2020)

Factor 6	SD		D		U		A		SA	
	N	%	N	%	N	%	N	%	N	%
30 Relationship among members of a group is very important	3	0.6	11	2.4	33	7.1	221	47.4	196	42.1
31 It is important for customers that the group they belong represents their interest before the microfinance institution	3	0.6	8	1.7	34	7.3	249	53.4	171	36.7
32 It is important for members to be responsible to the group for loan repayment	4	0.9	10	2.1	33	7.1	258	55.4	161	34.5
33 It is important that members are allowed to form groups by themselves	7	1.5	15	3.2	32	6.9	198	42.5	214	45.9
34 It is important that the group members cooperate with each other	6	1.3	6	1.3	23	4.9	210	45.1	221	47.4

KEY: SA=strongly agree, A=Agree, U=Undecided, D= Disagree, SD= Strongly Disagree

The results presented in table 6.7 indicate that most of the respondents agreed; ‘It is important that the group members cooperate with each other’ (431, 92.5%), ‘It is important for customers that the group they belong represents their interest before the

microfinance institution' (420, 90.1%), 'It is important for members to be responsible to the group for loan repayment' (419, 88.9%) and 'It is important that members are allowed to form groups by themselves' (412, 88.4%).

It can be deduced from the foregoing that cooperation among group members, good representation of the group in the scheme of things and group monitoring of loan repayment topped the list of customer experience in alternate channels as a determinant of customer experience of microfinance institutions in Osun State, Nigeria.

6.3.1.7 Brand image

The brand image factor, which encompasses the impression the brand leaves on the customer and the influence of such impression on the customer experience, was verified in this study. Brand image was promoted in previous research as a determinant of customer experience. In line with the objective of the research, which is to establish the determinants of customer experience, five questions (Q35-Q39) were raised to establish the respondents' extent of agreement or disagreement on statements relating to the influence of brand image as a contributing factor to microfinance customer experience in Osun State, Nigeria. The result is presented in Table 6.8.

Table 6.8: Frequency distribution of responses on brand image (source: researcher's field survey 2020)

	Factor 7	SD		D		U		A		SA	
		N	%	N	%	N	%	N	%	N	%
35	It is important to customers that the microfinance institution has a good reputation	8	1.7	11	2.4	28	6.0	198	42.5	221	47.4
36	The way other people see the microfinance institution is important to customers	2	0.4	18	3.9	28	6.0	234	50.2	182	39.1
37	Customers are happy to know that the microfinance institution is reliable	5	1.1	9	1.9	27	5.8	220	47.2	202	43.3
38	It is important for customers to feel good about banking with the microfinance institution	4	0.9	4	0.9	29	6.2	252	54.1	176	37.8
39	It is important that customers have positive feelings about the microfinance institution	8	1.7	9	1.9	23	4.9	241	51.7	185	39.7

KEY: SA=strongly agree, A=Agree, U=Undecided, D= Disagree, SD= Strongly Disagree

Furthermore, an understanding of the respondents' perception of brand image as a determinant of customer experience is reflected in responses as recorded in Table 6.8. As could be seen from the table, 176(37.8%) indicated that they strongly agreed with the statement "It is important for customers to feel good about banking with the microfinance institution", 252(54.1%) agreed with this statement, 29(6.2%) were undecided, 4(0.9%) disagreed and 4(0.9%) strongly disagreed with this statement. The implication of these data is that 91.9% of the respondents agreed (to varying extents) that it is important for customers to feel good about banking with the microfinance institution. Similarly, 185(39.7%) strongly agreed with the statement that 'It is important that customers have positive feelings about the microfinance institution'; 185(39.7%) agreed with this statement, 23(4.9%) were undecided, 9(1.9%) disagreed and 8(1.7%) strongly disagreed with this statement. The import of this is that 90.4% of the respondents unanimously affirmed that it is important that customers have positive feelings about the microfinance institution.

6.3.1.8 Memory

Memory is another determinant investigated in the study with respect to customer experience of microfinance institutions in Osun State, Nigeria. Studies on customer experience project memory. Also referred to as past experience, it is significant to how new experiences are interpreted by customers. This study examines the influence of the memory factor on microfinance institution customer experience in Osun State, Nigeria, in line with the major objective of the research which is to establish the determinants of customer experience. Five questions (Q40 to Q44) were raised in the questionnaire to specifically investigate respondents' perception of the influence of memory on the microfinance institution customer experience. The result which is presented in Table 6.9 revealed that memory is a strong determinant of customer experience of microfinance institution in Osun State, Nigeria. For instance, most of the respondents agreed with the statement that "Customers remember the feelings experienced with the microfinance institution" as indicated by 420 (90.1%) of the respondents who agreed to varying extents with the statement. Similarly, 185 (39.7%) strongly agreed that 'Customers enjoy having good memories of experiences with the microfinance institution'. 234 (52.1%) agreed with this fact, 32 (6.9%) remained undecided while 12 (2.6%) and 2(0.4%) disagreed and strongly disagreed respectively with the statement.

Table 6.9: Frequency distribution of responses on memory (source: researcher’s field survey 2020)

Factor 8	SD		D		U		A		SA	
	N	%	N	%	N	%	N	%	N	%
40 Customers remember the feelings experienced with the microfinance institution	2	0.9	8	1.7	33	7.1	240	51.5	180	38.6
41 Customers recall experiences with the microfinance institution	3	0.6	16	3.4	37	7.9	238	51.1	171	36.7
42 Customers enjoy having good memories of experiences with the microfinance institution	2	0.4	12	2.6	32	6.9	234	50.2	185	39.7
43 Customers remember the setting of the microfinance institution	1	0.2	16	3.4	35	7.5	234	52.1	168	36.1
44 Customers remember experiences with the employees of the microfinance institution	3	0.6	9	1.9	33	7.1	222	47.6	196	42.1

KEY: SA=strongly agree, A=Agree, U=Undecided, D= Disagree, SD= Strongly Disagree

The inference from the result is that customers who recall the good times and treatment they had previously with their microfinance bank, and this is a factor which determines their experience of microfinance institutions. The findings of memory as a determinant of customer experience are supported in literature (Puccinelli et al., 2009; Verhoef et al., 2009) which posits that past experience is retrieved from memory and affects the processing of new experience.

6.3.1.9 Location

Another factor examined in the present study is location which also serves as a moderating variable in determining customer experience of microfinance institutions. The result is shown in Table 6.10. In understanding the determinants of customer experience of microfinance institutions, location of microfinance institutions as regards customers as indicated by respondents in their responses had prominent influence in customer experience of such microfinance institutions.

Table 6.10 shows that 90.2% (425) of the respondents agreed (at varying extents) that a good location benefits customers. Similarly, 405(86.9%) of the respondents agreed to varying extents that the microfinance location to customers’ business/home/job is an important consideration.

Table 6.10: Frequency distribution of responses on location (source: researcher's field survey 2020)

SN	Factor 9	SD		D		U		A		SA	
		N	%	N	%	N	%	N	%	N	%
45	Location affects customer's view of microfinance institutions	12	2.6	50	10.7	61	13.1	201	43.1	142	30.5
46	A convenient location attracts microfinance customers	4	0.9	18	3.9	43	9.2	227	48.7	172	36.9
47	Location of the microfinance institution to customers' home/office/business is not important	41	8.8	71	15.2	40	8.6	170	36.5	142	30.5
48	The microfinance location to customers' business/home/job is an important consideration	3	0.6	30	6.4	26	5.6	206	44.2	199	42.7
49	A good location benefits customers	2	0.4	14	3.0	25	5.4	239	51.3	186	39.9

KEY: SA=strongly agree, A=Agree, U=Undecided, D= Disagree, SD= Strongly Disagree

Also, from the table, most of the respondents agreed with the statement that the microfinance location to customers' business/home/job is an important consideration. This is represented in a response continuum of Strongly disagree: 41(8.8%); Disagree: 71(15.2%); Undecided: 40(8.6%); Agree: 170(36.5%); Strongly Agree: 142(30.5%). The implication of this result is that location is a strong factor in determining customer experience of microfinance institution.

6.3.1.10 Goal

Goal is another factor investigated as a moderator of customer experience of microfinance institutions in Osun State, Nigeria. For the purpose of the study, goals as moderating variables are described as the influence of the customer's reason for patronising the microfinance institution on the customer's perception of experience. Five questions (Q50 to Q54) were raised to seek the perception of the respondents on the influence of goals on the microfinance customer experience. The percentage of respondents and their responses were presented in the form of frequency counts and percentages for ease of reference as presented in Table 6.11.

Results in Table 6.11 revealed that 207(44.4%) strongly agreed with the statement that "Customers always keep their goal in mind during all contacts with the microfinance institution", 219(47.0%) agreed with the statement, 24(2.6%) of indicated

they were undecided while 12(2.6%) and 1(0.2%) disagreed and strongly disagreed with the statement. Another statement, next in ranking in terms of wide acceptance by respondents as indicated in the agreement scores recorded, was “It is important that microfinance institutions find out customers’ goal for patronising them”.

Table 6.11: Frequency distribution of responses on goal (source: researcher’s field survey 2020)

SN	Factor 10	SD		D		U		A		SA	
		N	%	N	%	N	%	N	%	N	%
50	Goal is important to customers’ choice to patronise the microfinance institution	6	1.3	13	2.8	31	6.7	211	45.3	203	43.6
51	Customers are happy when their goal for choosing the microfinance is met	5	1.1	15	3.2	25	5.4	218	46.8	201	43.1
52	It is important that microfinance institutions find out customers’ goal for patronising them	3	0.6	12	2.6	26	5.6	216	46.8	207	44.4
53	Customers always keep their goal in mind during all contacts with the microfinance institution	1	0.2	12	2.6	24	5.2	219	47.0	207	44.4
54	It is important for microfinance institutions to know that customers have different goals	3	0.6	11	2.4	30	6.4	226	48.5	194	41.6

KEY: SA=strongly agree, A=Agree, U=Undecided, D= Disagree, SD= Strongly Disagree

As observed from Table 6.11, 207(44.4%) of the respondents strongly agreed that “It is important that microfinance institutions find out customers’ goal for patronising them”. 216(46.8%) agreed with this statement, 26(5.6%) were undecided while 12(2.6%) disagreed and 3(0.6%) of the respondents strongly disagreed with the statement. The implication of this result is that customer goal is a strong factor in determining customer experience of microfinance institution in Osun State, Nigeria. The outcome aligns with the argument in past research (Verhoef et al., 2009; Yang & He, 2011) that the customer’s goal influences the impact of the experience factors and is a determinant of the value attached to a product.

6.3.1.11 Involvement

Involvement is another factor examined in the present study which also serves as a moderating variable in determining customer experience of microfinance institutions. The frequency distribution of respondent’s views on customer’s involvement in microfinance banks activities is presented in Table 6.12:

Table 6.12: Frequency distribution of responses on involvement (source: researcher’s field survey 2020)

Factor 11	SD		D		U		A		SA	
	N	%	N	%	N	%	N	%	N	%
55 It is important that customers actively participate in services the microfinance bank offers	3	0.6	10	2.1	30	6.4	237	50.9	185	39.7
56 It is important that customers are allowed to learn about available options and decide which services to enjoy	7	1.5	10	2.1	28	6.0	218	46.8	202	43.3
57 It is important that customers are informed on the services available	4	0.9	8	1.7	29	6.2	242	51.9	182	39.1
58 It is important that the products stimulate customers curiosity to be informed	6	1.3	12	2.6	35	7.5	232	49.8	180	38.6
59 Customers should learn new things when they come in contact with the microfinance bank	6	1.3	12	2.6	28	6.0	242	51.9	178	38.2

KEY: SA=strongly agree, A=Agree, U=Undecided, D= Disagree, SD= Strongly Disagree

Results in Table 6.12 revealed that 202(43.3%) strongly agreed with the statement that “It is important that customers are allowed to learn about available options and decide which services to enjoy”. 218(46.8%) agreed with the statement, 28(6.0%) of respondents were undecided while 10(2.1%) and 7(1.5%) disagreed and strongly disagreed with the statement. Another statement next in ranking in terms of the agreement scores recorded was “It is important that customers actively participate in the services the microfinance bank offers”. As observed from Table 6.12, 185(39.7%) of the respondents strongly agreed that It is important that customers actively participate in the services the microfinance bank offers, 237(50.9%) agreed with this statement, 30(6.4%) undecided while 10(2.1%) disagreed and 3(0.6%) of the respondents strongly disagreed with the statement accordingly. It could be inferred from the foregoing that customer’s involvement in the products offered by microfinance institutions is an important precursor of customers’ experience of microfinance institutions. The inference is consistent with the contention in literature Verleye (2015) that involvement moderates customer experience. From the analyses, it can be concluded that involvement impacts customer experience in microfinance institutions as it does in service organisations globally.

6.3.1.12 Customer experience

The customer experience factor was investigated as a dependent variable in the study. The percentage of respondents and their responses were presented in frequency and percentages for ease of reference as presented in Table 6.13. Reports of responses gathered on customers experience are presented in Table 6.13. From Table 6.13, it is apparent that majority of the respondents asserted that 'Customers has a good experience if they are treated the way they expect' (93.6%, 436). In addition, 192(41.2%) of the respondents strongly agreed that 'Customer experience depends on how customers are treated'. 244(52.4%) also agreed while 6(1.3%) disagreed and 2(0.4%) strongly disagreed with the fact that 'Customer experience depends on how customers are treated'.

In addition, it is the general view of majority of the respondents (421, 90.4%) that 'Customer response to the microfinance institution depends on their feelings about it'. It is therefore concluded that a good experience of microfinance institutions on the part of the customers motivates them to do business with such microfinance institutions and the contrary is also true.

Table 6.13: Frequency distribution of responses on customer experience (source: researcher's field survey 2020)

SN	Factor 12	SD		D		U		A		SA	
		N	%	N	%	N	%	N	%	N	%
60	Customers should have a good experience with the microfinance institution	5	1.1	6	1.3	30	6.4	211	45.3	214	45.9
61	Customer response to the microfinance institution depends on their feelings about it	5	1.1	9	1.9	30	6.4	237	50.9	184	39.5
62	Customer experience depends on how customers are treated	2	0.4	5	1.1	23	4.9	244	52.4	192	41.2
63	Customers has a good experience if they are treated the way they expect	2	0.4	6	1.3	21	4.5	233	50.0	203	43.6
64	Customers respond positively to good interactions with the bank	4	0.9	18	3.9	31	6.7	215	46.1	196	42.1

KEY: SA=strongly agree, A=Agree, U=Undecided, D= Disagree, SD= Strongly Disagree

6.3.1.13 Importance of the determinants to customers experience of microfinance institutions

Nine questions (Q65 to Q73) were raised in the questionnaire on respondents' perspectives on the order of ranking each of the determinants in the context of

microfinance institution customer experience in Osun State, Nigeria. Q65 and Q66 depict the social environment. Q67 depict the service interface. Q68 depicts the retail atmosphere. Q69 describe assortment. Q70 represents the price. Q71 portrays customer experience in alternate channels. Q72 depicts the brand image, and finally, Q73 represents memory. The questions and the results are as presented in Table 6.14.

The frequency distribution result shown in Table 6.14 reveal that price, in terms of, for example, interest charges, special discounts, competitive pricing, relationship with group members which describes multichannel interactions, and reputation of the bank which represents the brand image respectively had the three highest frequency counts by based on responses from the participants.

Table 6.14: Frequency of responses showing importance of determinant components (source: researcher's field survey 2020)

SN	Variable	Not important at all		Of little importance		Of average importance		Very important		Absolutely essential	
		N	%	N	%	N	%	N	%	N	%
65	Opinion of friends/family members	44	9.4	50	10.7	78	16.7	189	40.6	102	21.9
66	Interaction/relationship with other customers	8	1.7	32	6.9	111	23.8	210	45.1	98	21.0
67	Interaction with employees	2	0.4	20	4.3	75	16.1	216	46.4	153	32.8
68	Physical environment of the microfinance institution e.g. design and how comfortable	1	0.2	17	3.6	50	10.7	234	50.2	162	34.8
69	Having different products to choose from	5	1.1	11	2.4	51	10.9	234	50.2	161	34.5
70	Price e.g. interest charges, special discounts, competitive pricing	3	0.6	14	3.0	46	9.9	228	48.9	170	36.5
71	Relationship with group members	3	0.6	11	2.4	53	11.4	218	46.8	179	38.4
72	Reputation of the bank	15	3.2	13	2.8	39	8.4	216	46.4	180	38.6
73	Memory of past transactions	17	3.6	31	6.7	55	11.8	177	38.0	184	39.5

Source: Field Survey 2020

Specifically, for price, 170 (36.5%) of the respondents indicated that this was absolutely essential, 228 (48.9%) posited that price was very important, 46 (9.9%) indicated that it was of average importance, 14 (3.0%) believed that price in the form of interest charges, special discounts, and competitive pricing for example, is of little

importance while only 3 (0.6%) of the respondents were of the opinion that Price like interest charges, special discounts, competitive pricing is of no importance at all. This result avers that price is a very important indicator of customers' experience of microfinance institutions. Similarly, 3 (0.6%) of the respondents asserted that Relationship with group members was not important at all, 11 (2.4%) claimed that Relationship with group members on customers' experience of microfinance banks is of little importance, 53 (11.4%) believed it was of average importance, 218 (46.8%) of the respondents asserted that Relationship with group members was very important and 179 (21.9%) of the respondents posited that Relationship with group members was absolutely essential in determining customers' experience of microfinance institutions. In essence, this result points to the fact that having a good relationship with group members would create an avenue for microfinance institutions to impress a lasting experience on customers in that group. In addition, the reputation of the bank was considered by the respondents as a very significant factor that determines customers' experience of microfinance institutions in Osun State, Nigeria. As could be noted from Table 6.14, 180 (38.6%) of the respondents affirmed that the reputation of the bank was absolutely essential, 216 (46.4%) and asserted that the reputation of the bank was very important, while 39 (8.4%) believed that this was of average importance. Only 15 (3.2%) claimed that the reputation of the bank was of no importance at all.

6.3.2 Descriptive statistics of mean and standard deviation scores of the determinants of microfinance institution customer experience in Nigeria

The descriptive statistics of the mean and standard deviation for all the variables under investigation is presented in Table 6.15. The descriptive statistics table is very useful in providing the mean and standard deviation for all the variables of interest, which have been split by the independent variable. In addition, the table provides total rows, which allows means and standard deviations for groups only split by the dependent variable to be known. For the purpose of this study, the descriptive statistics gives a summary of the identified factors, as well as the moderating and dependent variable that define the microfinance institution customer experience in Nigeria.

Table 6.15: Mean and standard deviation scores of the variables (source: field survey, 2020))

	N	Mean	Std. Deviation	Minimum	Maximum
Memory	465	4.25	0.551	2	5
Social Environment	464	3.82	0.761	2	5
Retail Atmosphere	466	4.31	0.558	2	5
Service Interface	463	4.27	0.574	2	5
Goal	466	4.30	0.578	2	5
Customer Experience	466	4.28	0.541	2	5
Product Assortment	466	4.27	0.631	2	5
Multichannel Interactions	466	4.25	0.596	2	5
Location	466	4.17	0.631	2	5
Brand Image	466	4.28	0.550	1	5
Microfinance customer Experience	466	4.03	0.579	2	5

Table 6.15 shows the summary of the descriptive statistics indicating the means and standard deviations of the variables. From the mean and standard deviation scores, it could be noted that retail atmosphere is the most important variable that determines customer experience in microfinance institutions. This is because retail atmosphere has the highest mean score of 4.31. This was followed by another variable namely goal with the second highest mean score of 4.30. Also, customer experience and brand image are next with each having a mean score of 4.28. On the other hand, social environment had the least mean score of 3.82 which means that social environment was the least important factor determining customers' experience of microfinance institutions in Osun State, Nigeria based on the mean and standard deviation scores.

6.4 Quantitative analysis of the determinants of microfinance institution customer experience in Nigeria

In Section 6.3, the outcome of the descriptive analysis of the proposed determinants of microfinance institution customer experience in Nigeria is discussed. The factors associated with customer experience of microfinance institutions in Nigeria were investigated and the data obtained were analysed using descriptive statistics of frequency counts, percentages, means and standard deviations. In this section, quantitative analysis was carried out to meet the four main objectives that guided the

conduct of the research through a series of stages as detailed in sections 6.4.1 to 6.4.4.

First, in section 6.4.1, factor analysis was carried out to achieve the first objective of the study. For the measurement of the determinants of microfinance institution customer experience, factor analysis was carried out in line with the objectives of this research to establish the determinants as well as to confirm the significance of influence of the determinants on microfinance institution customer experience in Nigeria. At the end of the factor analysis, determinants of customer experience were established based on factor loadings on items which measure the identified constructs. In the second stage, the internal consistency of all the variables to be measured were analysed using the Cronbach's Alpha test to ensure reliability. Next, the third stage was carried out in line with the third objective of this research which is to establish the influence of moderating variables on the identified determinants of customer experience of microfinance institutions in Nigeria with the use of standardised coefficients obtained through hierarchical regression. Hierarchical linear regression was run on customer experience of microfinance institutions using the proposed factors as determinants. Finally, the fourth stage of the empirical studies addressed the fourth and last objective of the study which is to develop a model of determinants of microfinance institution customer experience in Osun State, Nigeria using multiple regression.

The result of factor analysis is presented and discussed in the next section.

6.4.1 Factor analysis

Factor analysis was carried out in line with the objectives of this research to establish the determinants as well as to confirm the significance of influence of the determinants on microfinance institutions customer experience in Nigeria. Factor analysis is a method of data reduction which is achieved by seeking underlying latent variables that are reflected in the observed variables (manifest variables). Wright (2017) describes factor analysis as a procedure which identifies and clarifies patterns of covariation among variable latent constructs. Williams et al. (2010) similarly defines factor analysis as a statistical method generally utilised for analysing questionnaires which group a large set of variables into fewer factors and identifies associations between such

variables and latent constructs for the purpose of developing or modifying theories. Third, it provides construct validity evidence of self-reporting scales. There are several methods that can be used to conduct a factor analysis. This could be principal axis factor, maximum likelihood, generalised least squares and unweighted least squares. There are also many different types of rotations that can be done after the initial extraction of factors, including orthogonal rotations, such as varimax and equimax, which impose the restriction that bars correlation of the factors, and oblique rotations, such as promax, which allow the factors to be correlated with one another.

In this study, principal axis factoring was adopted because the study assumes that total variance can be partitioned into common and unique variance and that there are some latent constructs that define the interrelationship among items listed in the factors (Kaiser 1981). This section explains the outcome of the factor analysis carried out in line with the first and second objectives of this research which is to establish the influencing determinants of customer experience in microfinance institutions in Osun State, Nigeria, as well as confirm the significance of influence. Specifically, this study seeks to validate an adopted conceptual model of customer experience developed by Verhoef et al. (2009). The adopted model proposes eight determinants of microfinance institutions customer experience as social environment, service interface, retail atmosphere, product assortment, price, multichannel interactions, brand image and memory as independent variables. Three moderating variables of location, customer goal and involvement are also proposed for the study. The identified determinants are then empirically validated in the context of microfinance institutions in Nigeria to confirm their impact and significance as regards customer experience.

Factor analysis was carried out in this study to establish the number of factors that best describe the items listed and also categorise the items listed in the questionnaire. Section 6.4.1.1 explains the result of the KMO, and Bartlett's Test. Section 6.4.1.2 describes the outcome of the communalities which was carried out using the Principal Axis Factoring Extraction Method. Section 6.4.1.3 explains the Eigenvalue and Scree plots using the Principal Axis Factoring Extraction Method. Section 6.4.1.4 describes the total variance while section 6.4.1.5 explain results on pattern mix as well as the significant factors extracted from the factor analysis.

The identified variables which are based on extant literature were subjected to factor analysis to extract and classify influencing determinants of customer experience as well as to establish the level of significance of each determinant. The first step adopted in the process of factor analysis was to examine the factorability of the thirteen variables using correlation matrix. This is presented in Table 6.16.

An observation of the correlation matrix table reveals that the off diagonal elements were greater than 0.5. The diagonals of the anti-image correlation matrix were all over 0.5. Hence, the determinant is greater than zero. Finally, the communalities were all above 0.3, further confirming that each item shared some common variance with other items. Given these overall indicators, factor analysis was deemed to be suitable with all the items grouped under each of the extracted factors from the questionnaire.

Table 6.16: Correlation matrix showing relationship between variables (source: researcher’s field survey 2020)

		Memory	Social Environment	Retail Atmosphere	Service Interface	Goal	Customer Experience	Product Assortment	Multichannel Interactions	Location	Brand Image
Memory	Pearson Correlation	1	.301**	.463**	.519**	.565**	.547**	.546**	.596**	.520**	.656**
	Sig. (2-tailed)		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
	N	465	463	465	462	465	465	465	465	465	465
Social Environment	Pearson Correlation	.301**	1	.113*	.363**	.306**	.262**	.188**	.234**	.379**	.249**
	Sig. (2-tailed)	0.000		0.015	0.000	0.000	0.000	0.000	0.000	0.000	0.000
	N	463	464	464	463	464	464	464	464	464	464
Retail Atmosphere	Pearson Correlation	.463**	.113*	1	.491**	.420**	.549**	.348**	.474**	.404**	.545**
	Sig. (2-tailed)	0.000	0.015		0.000	0.000	0.000	0.000	0.000	0.000	0.000
	N	465	464	466	463	466	466	466	466	466	466
Service Interface	Pearson Correlation	.519**	.363**	.491**	1	.477**	.527**	.466**	.484**	.365**	.571**
	Sig. (2-tailed)	0.000	0.000	0.000		0.000	0.000	0.000	0.000	0.000	0.000
	N	462	463	463	463	463	463	463	463	463	463
Goal	Pearson Correlation	.565**	.306**	.420**	.477**	1	.591**	.468**	.539**	.630**	.562**
	Sig. (2-tailed)	0.000	0.000	0.000	0.000		0.000	0.000	0.000	0.000	0.000
	N	465	464	466	463	466	466	466	466	466	466
Customer Experience	Pearson Correlation	.547**	.262**	.549**	.527**	.591**	1	.447**	.567**	.521**	.600**
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000		0.000	0.000	0.000	0.000
	N	465	464	466	463	466	466	466	466	466	466

Product Assortment	Pearson Correlation	.546**	.188**	.348**	.466**	.468**	.447**	1	.519**	.408**	.559**
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000	0.000		0.000	0.000	0.000
	N	465	464	466	463	466	466	466	466	466	466
Multichannel Interactions	Pearson Correlation	.596**	.234**	.474**	.484**	.539**	.567**	.519**	1	.427**	.679**
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000	0.000	0.000		0.000	0.000
	N	465	464	466	463	466	466	466	466	466	466
Location	Pearson Correlation	.520**	.379**	.404**	.365**	.630**	.521**	.408**	.427**	1	.480**
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000		0.000
	N	465	464	466	463	466	466	466	466	466	466
Brand Image	Pearson Correlation	.656**	.249**	.545**	.571**	.562**	.600**	.559**	.679**	.480**	1
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
	N	465	464	466	463	466	466	466	466	466	466

** . Correlation is significant at the 0.01 level (2-tailed).

* . Correlation is significant at the 0.05 level (2-tailed).

Source: *Researcher's field survey, 2020*

6.4.1.1. The Bartlett's test of sphericity and Kaiser-Meyer-Olkin measure of sampling adequacy

In addition to examining sampling adequacy and the presence of correlation among variables (items) for factor analysis to work, the Kaiser-Meyer-Olkin (KMO) which measures the sampling adequacy was used to determine if the responses given by the sampled were adequate. Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy and Bartlett's test of sphericity were used to ensure appropriateness of data for factor analysis. Tabachnick and Fidell (2007) noted that these two tests examine correlations among variables (items or statements) to indicate whether factor analysis is appropriate.

The Bartlett's Test of Sphericity measures the significance of the factors analysed, and considers values below 0.5 ($p < .05$) as significant. According to Sigmund and Carlson (2010), the Bartlett's test of sphericity should precede factor analysis as a means of discovering coincidental outcomes.

Kaiser-Meyer-Olkin measure of sampling adequacy and Bartlett's test of sphericity were conducted. The results are presented in Table 6.17.

Table 6.17: KMO and Bartlett's tests (Source: researcher's field survey, 2020)

Kaiser-Meyer-Olkin Measure of Sampling Adequacy. = 0.922			The KMO is < 0.05 which implies that sampling adequacy is achieved to do factor analysis
Bartlett's Test of Sphericity	Approx. Chi-Square	14433.917	
	Df	1891	
	Sig.	0.000	The test of Sphericity is significant which significant P is > 0.05 , the null hypothesis that there is no correlation between the items is rejected.

Table 6.17 revealed that the KMO measure of sampling adequacy yielded a value of 0.922 which was close to 1.0. This is an excellent and acceptable result (Kaiser 1981; Field 2009). This suggests that the sampling was adequate for running factor analysis. In addition, there is the need to find out adequate common or homogeneous variance (correlation) between the variables (statements or items) in the collected data set to proceed with exploratory factor analysis. As such, Bartlett's Test of Sphericity was conducted as shown in Table 6.17. It could be deduced from the table that the Bartlett's test of sphericity was significant ($\chi^2 = 14433.917$, degree of freedom

df=1891, $p < 0.05$) thus rejecting the null hypothesis. This shows that the data were not homogenous. It indicated the correlation presence among variables and confirmed the suitability of these data for factor analysis. These measures fulfilled the assumptions of factor analysis such as sampling adequacy and homogeneous variance.

6.4.1.2 Communalities

The communality is each variable's proportion of variability that is explained by the factors. The communality value is the same regardless of whether unrotated factor loadings or rotated factor loadings were used for the analysis. In this case, Table 6.18 presents the communalities using principal axis factoring as the method of extraction.

Table 6.18: Communalities (source: researcher's field survey 2020)

Item No.	Statement	Communalities	
		Initial	Extraction
Q3	I am a customer because my family and/or friends are customers	0.413	0.421
Q4	Being a customer of a microfinance institution increases my friends/family's respect for me	0.484	0.495
Q5	I feel comfortable and connected when there are other customers around	0.412	0.398
Q6	My decision to be a customer was influenced by my family/friends	0.529	0.541
Q7	I feel crowded when there are many other customers in the banking hall	0.511	0.536
Q8	Being a customer makes me enjoy and feel connected with other customers	0.433	0.347
Q9	What family/friends say/think influence my opinion of the microfinance institution	0.479	0.418
Q10	It is important that employees are friendly and helpful	0.613	0.575
Q11	It is important that employees attend to customers on time	0.594	0.565
Q12	It is important that employees are knowledgeable and give answers to customers' questions	0.630	0.638
Q13	It is important that the transaction process is easy and error free	0.567	0.540
Q14	It is important that the employees take time to listen to customers' complaints	0.606	0.589
Q15	The atmosphere within the office should make customers comfortable	0.625	0.595
Q16	Customers like it when the office is modern and attractive	0.659	0.688
Q17	It is important that the toilet facilities in the office is clean	0.592	0.545
Q18	Customers like the office environment to be neat and well decorated	0.628	0.556
Q19	Customers enjoy having adequate seats to sit in the office	0.676	0.658
Q20	Customers enjoy having a variety of products to choose from	0.637	0.631
Q21	It is important that promises to customers on products/services are fulfilled	0.498	0.440
Q22	Having many option of products to choose from affect customers' choice of microfinance institution	0.466	0.489
Q23	Customers determine the best option of products when there is a variety to choose from	0.538	0.604

Q24	Customers like having a choice of different products to decide which best meets their needs	0.533	0.532
Q25	It is important that customers are informed about changes in interest charges on time	0.612	0.653
Q26	It is important that interest charges are reasonable	0.494	0.437
Q27	It is important that promises regarding interest charges are kept	0.509	0.414
Q28	Interest charges is important in customers' choice of microfinance institution	0.542	0.524
Q29	Customers enjoy the services when the interest charges are fair	0.629	0.558
Q30	Relationship among members of a group members is very important	0.580	0.658
Q31	It is important for customers that the group they belong represents their interest before the microfinance institution	0.621	0.565
Q32	It is important for members to be responsible to the group for loan repayment	0.564	0.434
Q33	It is important that members are allowed to form groups by themselves	0.578	0.509
Q34	It is important that the group members cooperate with each other	0.603	0.492
Q35	It is important to customers that the microfinance institution has a good reputation	0.648	0.612
Q36	The way other people see the microfinance institution is important to customers	0.511	0.458
Q37	Customers are happy knowing that the microfinance institution is reliable	0.604	0.570
Q38	It is important for customers to feel good about banking with the microfinance institution	0.625	0.541
Q39	It is important that customers have positive feelings about the microfinance institution	0.678	0.650
Q40	Customers remember the feelings experienced with the microfinance institution	0.505	0.501
Q41	Customers recall experiences with the microfinance institution	0.549	0.517
Q42	Customers enjoy having good memories of experiences with the microfinance institution	0.529	0.527
Q43	Customers remember the setting of the microfinance institution	0.504	0.435
Q44	Customers remember experiences with the employees of the microfinance institution	0.567	0.553
Q45	Location affects customer's view of microfinance institutions	0.518	0.495
Q46	A convenient location attracts microfinance customers	0.522	0.552
Q47	Location of the microfinance institution to customers' home/office/business is not important	0.383	0.406
Q48	The microfinance location to customers' business/home/job is an important consideration	0.468	0.401
Q49	A good location benefits customers	0.621	0.615
Q50	Goal is important to customers' choice to patronise the microfinance institution	0.633	0.566
Q51	Customers are happy when their goal for choosing the microfinance is met	0.655	0.644
Q52	It is important that microfinance institutions find out customers' goal for patronising them	0.673	0.600
Q53	Customers always keep their goal in mind during all contacts with the microfinance institution	0.550	0.494
Q54	It is important for microfinance institutions to know that customers have different goals	0.564	0.515
Q55	It is important that customers actively participate in services the microfinance bank offers	0.610	0.530

Q56	It is important that customers are allowed to learn about available options and decide which services to enjoy	0.531	0.468
Q57	It is important that customers are informed on services available	0.471	0.382
Q58	It is important that the products stimulates customers curiosity to be informed	0.596	0.591
Q59	Customers should learn new things when they come in contact with the microfinance bank	0.502	0.478
Q60	Customers should have a good experience with the microfinance institution	0.563	0.562
Q61	Customer response to the microfinance institution depends on their feelings about it	0.559	0.490
Q62	Customer experience depends on how customers are treated	0.634	0.653
Q63	Customers has a good experience if they are treated the way they expect	0.561	0.497
Q64	Customers respond positively to good interactions with the bank	0.581	0.584

Table 6.18 shows the initial communalities before rotation. These initial communalities represent the relation between the variable and all other variables. In essence, the squared multiple correlation between the item and all other items were indicated before rotation. It could be observed from the table that all the initial communalities are above 0.30. Accordingly, the values in the extraction column indicate the proportion of variance of each variable explainable by the reserved factors. Variables with high values are well represented in the common factor space; these are the factors' reproduced variances from the factors that have been extracted. Specifically, the result in Table 6.18 shows that 68.8% of the variance in "Customers like it when the office is modern and attractive" is accounted for, and 65.8% of the variance in "Relationship among members of group members is very important" is also accounted for. These were the two factors with highest communalities extractions.

6.4.1.3 Eigenvalues

Eigenvalues describe the weight, which is termed "factor loadings" of the variance in variables which can be ascribed to the latent variable. This is achieved by summing up the squared factor loading for each factor identified. Factors with eigenvalues which are greater than one, are generally acceptable as factors to be retained. The scree factor is considered as an applicable alternative of determining the number of factors to retain. This is achieved by weighing the eigenvalues comparatively.

6.4.1.4 Total Variance Explained

The Total Variance Explained table shows how the variance is divided among the 13 possible factors. Note that thirteen factors have eigenvalues (a measure of explained

variance) greater than 1.0, which is a common criterion for a factor to be useful. When the eigenvalue is less than 1.0 the factor explains less information than a single item would have explained.

Table 6.19 is a presentation of the results containing Total Variable Explained

Table 6.19: Total variance explained (source: researcher's field survey 2020)

Factor	Initial Eigenvalues	% of Variance	Cumulative %	Extraction Sums of Squared Loadings	% of Variance	Cumulative %	Rotation Sums of Squared Loadings ^a
	Total			Total			Total
1	18.377	29.640	29.640	17.922	28.906	28.906	5.684
2	3.528	5.690	35.330	3.047	4.914	33.821	3.936
3	2.411	3.888	39.218	1.963	3.166	36.987	8.066
4	2.305	3.718	42.936	1.839	2.967	39.954	7.055
5	1.832	2.955	45.892	1.386	2.235	42.189	7.145
6	1.699	2.740	48.631	1.231	1.985	44.174	8.965
7	1.523	2.457	51.088	1.072	1.729	45.903	7.067
8	1.374	2.215	53.304	0.899	1.450	47.353	5.401
9	1.302	2.101	55.405	0.818	1.319	48.671	1.418
10	1.262	2.036	57.441	0.790	1.274	49.945	6.726
11	1.173	1.892	59.332	0.707	1.140	51.086	2.066
12	1.106	1.783	61.116	0.662	1.068	52.154	8.205
13	1.074	1.733	62.848	0.595	0.960	53.114	2.530
14	0.962	1.552	64.400				
15	0.956	1.542	65.942				
16	0.930	1.501	67.443				
17	0.852	1.374	68.817				
18	0.835	1.348	70.164				
19	0.791	1.275	71.439				
20	0.764	1.233	72.672				
21	0.737	1.189	73.861				
22	0.714	1.152	75.013				
23	0.699	1.128	76.141				
24	0.687	1.107	77.248				
25	0.660	1.064	78.313				
26	0.637	1.028	79.340				
27	0.618	0.996	80.337				

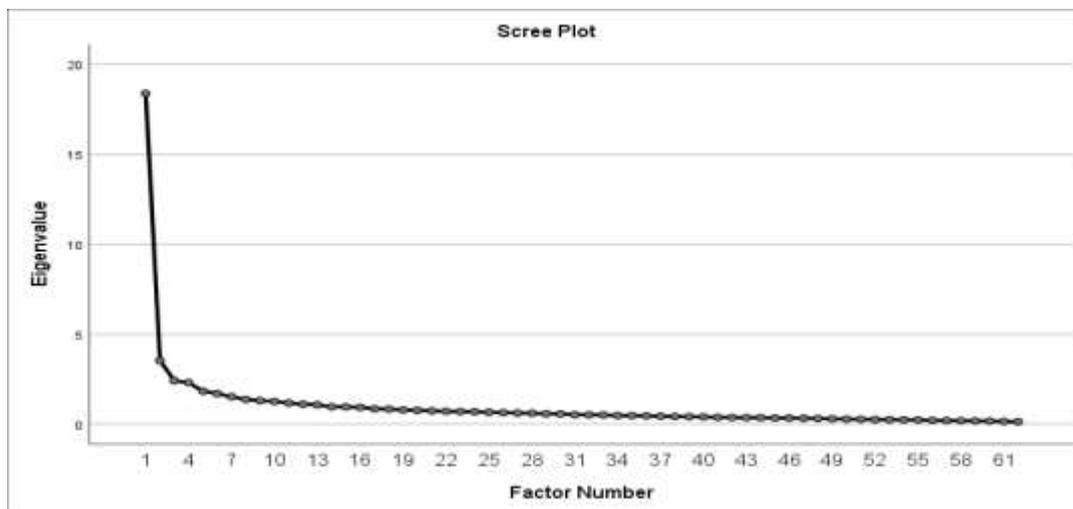
28		0.606	0.978	81.315				
29		0.575	0.927	82.242				
30		0.571	0.921	83.162				
31		0.523	0.844	84.006				
32		0.515	0.831	84.837				
33		0.508	0.820	85.656				
34		0.476	0.768	86.425				
35		0.474	0.764	87.188				
36		0.457	0.737	87.925				
37		0.436	0.703	88.629				
38		0.418	0.674	89.303				
39		0.414	0.668	89.971				
40		0.400	0.644	90.615				
41		0.379	0.612	91.227				
42		0.370	0.596	91.823				
43		0.360	0.581	92.404				
44		0.356	0.574	92.978				
45		0.342	0.551	93.530				
46		0.341	0.549	94.079				
47		0.321	0.518	94.597				
48		0.310	0.500	95.097				
49		0.290	0.467	95.564				
50		0.279	0.451	96.015				
51		0.268	0.432	96.447				
52		0.257	0.415	96.862				
53		0.249	0.402	97.264				
54		0.242	0.391	97.655				
55		0.236	0.381	98.035				
56		0.206	0.332	98.368				
57		0.196	0.316	98.684				
58		0.187	0.301	98.985				
59		0.178	0.288	99.273				
60		0.170	0.274	99.547				
61		0.149	0.240	99.787				
62		0.132	0.213	100.000				

Extraction method: principal axis factoring.

The Total Variance Explained in table 6.19 shows how the variance is divided among the 62 possible factors. It can be observed that only thirteen factors have Eigenvalues

greater than 1.0. This is a common criterion for a factor to be useful. Other factors with Eigenvalue less than 1.0 explains less information than a single item would have explained. Principal axis factor analysis with varimax rotation was conducted to assess the underlying structure for the 62 items of the main instrument. Thirteen factors were requested based on the fact that the items were designed to index thirteen variables of customer experience of microfinance institutions. These results revealed that among several factors that could determine customers experience of microfinance institutions, thirteen factors contributed about half of the total variance. The scree plot of this result is presented in Figure 6.8

Figure 6.8: Scree Plot showing factor numbers and eigenvalues (source: researcher’s field survey, 2020)



The scree plot is a graph of the eigenvalues against all the factors. The graph is useful to determine the number of factors to retain. The scree plot in Figure 6.8 indicates a graph of the eigenvalue against the factor number. The graph shows an elbow curve at exactly the 13th factor where the curve begins to flatten. As such, these values in the first thirteen columns of table 6.19. From the thirteenth factor on, it was observed that the line is almost flat, meaning that each successive factor accounts for smaller and smaller amounts of the total variance. The point of interest is where the curve starts to flatten. Figure 6.8 shows that the curve begins to flatten between factors 10 and 13. However, all the factors after 13 have Eigenvalues of less than 1; and the factors with an Eigenvalue above 1 were considered appropriate (Tabachnick and

Fidell, 2007). It is on this premise that only twelve factors were retained. Table 6.20 presents the pattern matrix after rotation.

6.4.1.5 Pattern matrix

This section focuses on the pattern matrix which was carried out through the principal axis factoring extraction method to show the strength of the association between the items and the factors. Unlike the factor matrix, the pattern matrix demonstrates the factor loading for the rotated solution to enable the proper explanation of the structure. The rotation method applied in this analysis was the Oblimin with Kaiser Normalisation. Table 6.20 presents a summary of the items identified to be strongly associated with each factor. Variables that have high factor loadings were selected as variables that measure the constructs.

From the factor analysis presented in Table 6.20, twelve factors which had Eigenvalues above 1 loaded on the 62 items are shown in the pattern matrix above. Of the twelve factors, factor 11 loaded negatively on two items namely items Q22 and Q47 which did not have a common theme. For instance Q22 stated that “Having many options of products to choose from affect customers’ choice of microfinance institution” while Q47 stated that “Location of the microfinance institution to customers’ home/office/business is not important”. For this reason, factor 11 is dropped. Similarly, Factor 9 loaded only on one item namely item Q26 which was also loaded on another factor (Factor 7). Therefore, factor 9 was expunged based on this fact and item Q26 was retained with factor 7. From the foregoing, only ten factors were retained and can therefore be used as the base constructs for the study. The rationalisation for this decision are first that one of the factors (Factor 11) has only two items (Q22 and Q47) loading on it. Second, another factor (factor 13) has no item loading on it. Lastly, 11 Factors had more than 3 items loading on them, however, factor 11 has an item/question that's loading high on factor 3 as a result, and only 10 factors can be used in this study. Thus, the factors that loaded with three or more items were named in terms of the constructs being measured. This was achieved by reviewing all the items that loaded in each of the factors to establish the common theme measured by these items.

Also, a total of three items were eliminated because they did not load on any of the factors; their loadings were less than 0.30 as such they were not shown. These items were Q56, Q57 and Q27. The three items did not contribute to a simple factor structure and failed to meet the minimum criteria of having a primary factor loading of 0.3 or above. The item “It is important that customers are allowed to learn about available options and decide which services to enjoy” did not load above 0.3 on any factor. Also the item “It is important that customers are informed on services available” had factor loadings below 0.3 and “It is important that promises regarding interest charges are kept” had similar factor loadings of less than 0.3. It is worthy of note to state that two of the eliminated items were under ‘involvement’ while the last one was under “price”.

As for the factors with acceptable loadings, Table 6.20 shows the loadings (extracted values of each item under ten variables on the factors extracted). The higher the absolute value of the loading, the more the factor contributes to the variable. Finally, it should be noted that price and customer involvement did not load significantly on acceptable number of items hence price and involvement were expunged as determinants of customers ‘experience of microfinance institutions in Osun State, Nigeria.

In conclusion, what can be understood from the foregoing factor analysis and other information provided in Table 6.20 is that out of all the factors investigated after rotation in 43 iterations, only ten factors contribute significantly to the variance in customers’ experience of microfinance institutions in Osun State, Nigeria. All these factors contributed about 53% to the variance of customers’ experience of microfinance institution in Osun State, Nigeria. One factor was expunged because only a single item which cross-loaded on another factor loaded on it. Thus, it was deleted as a determinant of customer’s experience of microfinance institutions in Osun State, Nigeria. Further, 2 out of 3 items which loaded on the other factor did not load significantly, as it loaded negatively. The factor was therefore deleted as a determinant of customer experience of microfinance institutions in Osun State, Nigeria.

Section 6.4.1.6 presents a summary of determinants of microfinance institutions’ customer experience based on the common themes identified from the factor analysis groupings.

Table 6.20: Pattern matrix of customer experience components (source: researcher’s field survey 2020)

	1	2	3	4	5	6	7	8	9	10	11	12
	Memory	Social environment	Retail Atmosphere	Service interface	Goal	Customer Experience	Product Assortment	Multichannel Interactions	Price	Location	Involvement	Brand Image
Q42	0.522											
Q44	0.449											
Q40	0.405											
Q43	0.365											
Q41	0.334											
Q6		0.653										
Q4		0.635										
Q3		0.623										
Q7		0.551										
Q5		0.516										
Q9		0.353										
Q16			0.786									
Q19			0.689									
Q18			0.671									
Q15			0.654									
Q17			0.619									
Q20			0.443								-0.373	
Q21			0.414									
Q13				0.650								
Q12				0.622								

Q10				0.563								
Q14				0.560								
Q11				0.522								
Q8				0.314								
Q53					-0.629							
Q52					-0.543							
Q54					-0.507							
Q51					-0.497					0.336		
Q55					-0.464							
Q62						-0.647						
Q60						-0.601						
Q64						-0.585						
Q63						-0.568						
Q61						-0.497						
Q58						-0.460						
Q59						-0.437						
Q23								0.688				
Q25								0.613				
Q24								0.535				
Q30									0.735			
Q28									0.418			
Q31									0.401			0.302
Q29									0.361			
Q26								0.337		0.360		
Q46											0.647	

Q45										0.600		
Q49										0.565		
Q50					-0.323					0.386		
Q48										0.375		
Q22											-0.532	
Q47											-0.325	
Q37												0.562
Q39												0.540
Q38												0.488
Q35												0.487
Q34												0.454
Q36												0.433
Q33												0.386
Q32								0.313				0.348

*Extraction method: principal axis factoring.
a. rotation converged in 43 iterations.*

6.4.1.6 Summary of determinants of microfinance institution customer experience from factor analysis

This section presents the outcome of the factor analysis in line with the first and third objectives of the study which is to establish the determinants and moderators of microfinance institution customer experience in Nigeria. The section identifies determinants of microfinance institution customer experience based on factor and items loading. As emphasised in section 6.4.1.5, ten out of the thirteen variables investigated after rotation in 43 iterations were found to contribute significantly to the variance in customers' experience of microfinance institutions in Osun State, Nigeria. The ten variables contributed about 53% to the variance of customers' experience of microfinance institution in Osun State, Nigeria. The variables were thus retained from factor analysis as the base constructs for the study. In this section, the variables with their item loadings are named based on commonalities.

The first factor with acceptable loadings is measured by five items (Q42, Q44, Q40, Q43 and Q41) which loaded significantly. The item "Customers enjoy having good memories of experiences with the microfinance institution" had the highest loading magnitude of 0.52 while the item "Customers recall experiences with the microfinance institution" had a loading of 0.33 on memory. The five items relate to memory of past experiences as a determinant of customer experience. Factor 1 is therefore be categorised as "Memory".

Memory which is the influence of customer's perception of past experience as a determinant of current experience has been found as significant to the customer experience in the service industry. The initial submission of the study as derived from extant literature and adapted to the context of this study proposed 5 subthemes of memory: customers' recollection of mood, recollection of experiences, positive memories, recollection of office setting and recollection of customer interaction with employees. Recollection of mood describes the significance of the influence of customer's remembrance of feelings (such as happiness, frustration, sadness) generated during previous encounters with the microfinance institution. Recollection of experiences refers to the customer's perception of past memories of previous experiences and its perceived significance on the current experience. The third

subtheme measures the opinion of respondents on the influence of recall of positive memories on the current experience. The fourth subcategory of the memory is customer's recollection of the office setting and how such recollection is perceived to affect the current experience. Finally, recollection of employee interaction refers to how significant the recall of past encounters of customers with employees affects the current microfinance institution customer experience in Nigeria. From the outcome of the factor analysis, all 5 subcategories were found to significantly affect memory as a determinant of microfinance institution customer experience in Nigeria. Specifically, positive memories were found to be the most important measure of memory in microfinance institution customer experience, followed by recollection of experiences. Recollection of interaction with employee's subtheme was the least significant.

The second factor with acceptable loadings is measured by six items (Q6, Q4, Q3, Q7, Q5, Q9). Q6, Q4 and Q 3 loaded substantially on social environment with 0.65, 0.64 and 0.62, respectively. This means that the items "My decision to be a customer was influenced by my family/ friends", "Being a customer of a microfinance institution increases my friends/family's respect for me" and "I am a customer because my family and/or friends are customers" were strong determinants of customers' experience of microfinance institutions. It is apparent that only the item "What Family/friends say/think influences my opinion of the microfinance institution" had a factor loading of 0.35 which was less than 0.5. All the statements categorised under factor 2 relate to how the perception of close family or friends impacts customer experience. It also captures the impact of contact with other customers. Factor 2 is thus interpreted as a "Social Environment" determinant of customer experience.

Social environment is widely acknowledged in literature as an important determinant of customer experience. The social environment encompasses the effect of reference groups such as family, friends, and other customers on the customer experience. In the context of this study, 7 subthemes of the social environment were proposed. First, there is the behaviour of the reference group which involves the influence the actions of family/friends have on the action of the customer. The second subtheme is the perception of the importance that the approval of reference group such as increased respect, have on the customer. The third subtheme shows the customer's perceived value of the role of connectedness with other customers on the overall experience.

The fourth subtheme measures the influence of a reference group such as family and friends on the customer's decision to become a customer of the microfinance institution. The fifth subtheme is the customer's perception of crowding which is the effect of the presence of many customers transacting at the same time in the banking hall. Next is the sixth subcategory which is the effect of the presence of other customers on the mood such as enjoyment of the customer. Finally, the last subtheme of social environment measures the value placed on the opinion of reference group (family/friends) on the customer's perception of the microfinance institution experience. The empirical study confirms the social environment as significantly influencing microfinance institution customer experience.

The third factor with acceptable loadings comprises seven items (Q16, Q19, Q18, Q15, Q17, Q20 and Q21). Most of the statements categorised under factor 3 relate to the opinion of customers regarding the service environment such as design, ambience, aesthetics, function, and convenience. Factor 3 is thus interpreted as the "Retail Atmosphere" determinant of customer experience. Six items -Q16 (0.79), Q19 (0.69), Q18 (0.67), Q15 (0.65), Q17 (0.62), Q20 (0.44) - all loaded positively while the seventh item (Q21) which also loaded positively (0.41) was originally categorised under product assortment. The items "Customers like it when the office is modern and attractive" (Q16), "Customers enjoy having adequate seats to sit in the office" (Q19), and "Customers like the office environment to be neat and well decorated" (Q18), had very strong loadings on atmosphere which shows that atmosphere is a very strong determinant of customer experience of microfinance institutions in Osun State, Nigeria.

The initial subthemes proposed for measurement of the retail atmosphere were comfort, design, cleanliness, aesthetics, and furniture. The two subthemes added were initially categorised under the product assortment subtheme, the items however had the least factor loading in the measure of retail atmosphere. Comfort refers to the customer's perception of the general atmosphere of the banking hall. Design refers to how modern and attractive customers find the layout of the microfinance institution and their opinion of how this impacts experience. Cleanliness involves the customer's perception of the toilet facilities. The toilet facility was specified as it is generally perceived as the most difficult facility to keep clean in a public space such as a financial

institution which is accessed by many people. Next, aesthetics in the context of this study refers to customer perception of the value of the decoration, and neatness of the microfinance institution to the overall experience. Finally, the furniture subtheme is measured by the availability and adequacy of seat in the banking hall.

The fourth factor which had positive loadings is measured by six items (Q13, Q12, Q10, Q14, Q11 and Q8). All the statements categorised under factor 4 relate to the customer's interaction with the microfinance institution during the service process such as dealings with employees. It also involves how customers perceive the operation process. This supports extant literature (Musoke et al. 2016; Shamsudeen, 2017) which promotes service quality as a key variable in microfinance customers' expectations and experience. Factor 4 is thus identified as the "Service Interface" determinant of customer experience. Further, the result showed that service interface explains the loadings of factors whose loadings range between 0.314 and 0.650. In particular, the strength of the loading of the item (Q13) "It is important that the transaction process is easy and error free" was strongest on service interface while the loading of item (Q8) "Being a customer makes me enjoy and feel connected with other customers" had the least influence even though the item was originally categorised under social environment.

5 subthemes of service interface were adopted to the microfinance context for the purpose of this study based on the review of extant literature. For the purpose of this study, service interface is observed as an intangible value revealed through subcategories of courteousness, respect for customer's time, professionalism, seamless transaction, and responsiveness from microfinance institution employees. From the empirical studies, all the subcategories were found to be important to the service interface as a determinant of microfinance institution customer experience. All 5 subthemes were confirmed through factor analysis with an addition of "mood" (previously categorised under social environment) which had the least significant loading.

The fifth factor consists of five items (Q53, Q52, Q54, Q51 and Q55). A further observation of the results in the table shows that five items loaded on the fifth factor.

Although all the loadings were negative, it is the absolute values of the loading factor that determines the strength of the association with the components. Four (Q53, Q52, Q54 and Q51) out of the five items which loaded under factor 5 relate to the reason of the customer's decision to patronise the microfinance institution as it impacts the customer experience. The fifth item (Q55) was originally categorised under "involvement". Also, Q53, which has the strongest loading on goal, states that "Customers always keep their goal in mind during all contacts with the microfinance institution" and has a loading of 0.63 while the item (Q55) "It is important that customers actively participate in services the microfinance bank offers" which was originally under "involvement" had an Eigenvalue of 0.464 which though acceptable occupies the least space in the scheme. Factor 5 is thus interpreted as "Goal". The goal variable is proposed as a moderating variable of customer experience in this study.

Goal as a moderator is measured using the 5 subthemes presented. The subthemes are outcome focus, task orientation, need recognition of goal, satisfaction based on activity and recognition of uniqueness of customer goals. The empirical studies confirmed goal as a significant moderator of determinants of microfinance institution customer experience in Nigeria.

Seven items (Q62, Q60, Q64, Q63, Q61, Q58 and Q59) loaded under the sixth factor. Statements categorised under factor 6 relate to customers' expectations, interpretation, and response to interactions with the microfinance institution. Literature describes customer experience as a combination of functionality and engaging interactions that touch emotions and require creativity. Factor 6 is thus interpreted as "Customer Experience". Based on extant literature and for the purpose of the study, customer experience is proposed as the dependent variable which is influenced by some stimuli. Customer experience which represents the dependent variable in the study is a factor on which seven items were significantly loaded out of which the four items loaded above 56%. These were Q62 (65%), Q60 (60%), Q64 (59%) and Q63 (57%). The other three items loaded 50% (Q61), 46% (Q58) and 44% (Q59). This means that the item (Q62) "Customers respond positively to good interactions with the bank" had a substantial influence on Customer Experience as a dependent variable in

microfinance institution. Another factor that loaded highly on this variable was (Q60) “Customers should have a good experience with the microfinance institution”.

The seventh factor extracted from the pattern matrix has three items (Q23, Q25 and Q24). Though the factor had strong loadings on the three items, two of the items namely Q23 “Customers determine the best option of products when there is a variety to choose from” and Q24 “Customers like having a choice of different products to decide which best meets their needs” indexed high and had positive loadings of 68% and 53% respectively. The third high index loading (61%) was on item (Q25) “It is important that customers are informed about changes in interest charges on time”. Items Q23 and Q24 have common themes relating to product assortment while Q25 was originally categorised under the factor of “Price”. Arising from a higher number of items describing product assortment which loaded under factor 7, the seventh factor is identified as “Product Assortment” determinant of customer experience in the microfinance institutions in Osun State, Nigeria. Product assortment was extracted from literature (Verhoef et al., 2009; Garg et al., 2012; Haery & Farahmand, 2013) and proposed as an independent variable whose impact on microfinance institution customer experience is empirically validated. Based on past research, product assortment is adopted for this study as an intangible service with 5 subthemes of variety, product expectation, innovation, choice, and uniqueness. However, from the factor analysis, three subthemes loaded on product assortment with only two (choice and uniqueness) loading from the originally proposed subthemes. The third subtheme originally loaded under the factor of price.

The eighth factor was labelled multichannel interactions and is loaded on four items (Q30, Q28, Q31 and Q29). Three out of the four loadings had a common theme of relationship and interaction with group members. Thus, the factor would be labelled “multichannel interactions” based on the common theme. It could be observed that multichannel interactions loaded highly to the tune of 73.5% on item Q30 which is stated as “Relationship among members of a group is very important” and the lowest loading was on item Q29 with factor loading of 36.1%. It should be emphasised that all the four loadings were positive. Thus, multichannel interaction was found to be a determinant of customer experience of microfinance institutions in Osun State, Nigeria.

The ninth factor loaded five items (Q46, Q45, Q49, Q50 and Q48). Based on the overwhelming number of items with common themes measured under factor 9, the factor was interpreted as “Location”. Location was extracted from extant literature and proposed as a moderator of customer experience for this study. Location as a moderator of determinants of microfinance institution customer experience is measured using 5 the subthemes of attractiveness, convenience, strategic value, value placed on accessibility and perceived benefits of a good location for customers as moderators of determinants of microfinance institution customer experience.

Finally, factor 10 is measured by eight items (Q37, Q39, Q38, Q35, Q34, Q36, Q33 and Q32). Based on the overwhelming number of items with common themes measured under factor 10, the factor is interpreted as “Brand image”. Brand image loaded on eight items with the highest loading of 56.2% on Q37 and the lowest loading of 34.8% on item Q32. All the eight items were loaded positively on brand image. It is therefore submitted that brand image identified as a factor is a determinant of microfinance institution customer experience in Osun State Nigeria.

The brand image, based on the adaptation of literature to the context of this study, is measured by the 5 sub categories of reputation, perception, reliability, like and attachment. Reputation refers to the value placed on the standing of the microfinance institution. Perception is described by the value placed on the opinion of other people regarding the microfinance institution. Reliability is described as the value placed on the trustworthiness of the microfinance institution. Like refers to the value placed by customers on their feelings about the microfinance institution. Finally, attachment is the value placed by customers on having affection towards the microfinance institution as a subtheme of brand image. All five subthemes were retained in the factor analysis loading with three additional subcategories loading under the brand image factor.

This section grouped the results of factor analysis based on item under each construct. Nine variables were found to have contributed significantly to the variance in customers’ experience of microfinance institutions in Osun State, Nigeria and were retained as the base constructs for the study. The factors were memory (5 items), social environment (6 items), retail atmosphere (7 items), service interface (6 items), goal (5 items), product assortment (3 items), multichannel interactions (4 items),

location (5 items) and brand image (8 items). The variables contributed about 53% to the variance of customers' experience of microfinance institutions in Osun State, Nigeria. Two variables, namely involvement and price, which were initially identified from the literature review were expunged at the end of the factor analysis. Price was expunged because it only loaded on a single item which was already loaded on another factor. Price was therefore expunged as a determinant that influence of customer experience of microfinance institutions in Osun State, Nigeria. Similarly, customer involvement did not load significantly on 3 items, and it loaded negatively on two items. As such involvement was dropped as a determinant factor of customers 'experience of microfinance institutions in Osun State Nigeria.

It can be inferred from the above therefore that based on factor analysis, 7 determinants (independent variables) of microfinance institutions customer experience in Nigeria are identified as memory, social environment, retail atmosphere, service interface, product assortment, multichannel interactions, and brand image. Similarly, 2 moderating variables of microfinance institution customer experience in Nigeria were identified as goal and location, with customer experience as the dependent variable.

6.4.2 Reliability analysis of determinants of microfinance institution customer experience

This section presents the reliability test of the ten factors returned in the preceding section to achieve the first and second objective of the study which is to establish and confirm the significance of determinants of microfinance institution customer experience in Nigeria. Reliability is used to measure the internal consistency of the items in a construct. In this study, Cronbach's Alpha (α), which is mostly considered as the statistical choice for measuring the psychometric property of an instrument, was adopted. This is because Cronbach's alpha increases as the inter-correlations among test items increase, and this is known as an internal consistency estimate of reliability of test scores. It reflects the mean of the correlations between all of the different possible splits of the scale into two halves. Cronbach alpha reliability test of the instrument was based on factor-by-factor analysis. Tabachnick and Fidell (2007) suggested a reliability value of 0.60 or higher as the widely-accepted cut-off for a set of items to be considered a scale. Cronbach's alpha was considered appropriate for

the study because of the several advantages it has over other tests of internal consistency such as test-retest and split half, among others. The summary of reliability coefficients was highlighted in the methodology chapter (section 5.13) and illustrated on table 5.10. The result showed that overall, 56 remaining items belonged to the determinants of customer's experience of microfinance institutions in Osun State, Nigeria. Table 5.10 presents the factor with the least Cronbach's Alpha value as social environment ($\alpha=0.78$) and the factor with the highest factor as Brand Image ($\alpha=0.86$). The Cronbach's Alpha for all the factors was high and above 0.70. This indicates a very good reliability of scale measurement attesting that the scale actually measured what it was supposed to measure, namely the microfinance institution customers' experience in Nigeria.

On the whole, having regrouped the items in line with the factor loadings and the reliability testing, it could be stated that objective two of the study was achieved. In other words, the significance of the influence of the determinants of Microfinance Institutions' customer experience in Nigeria was confirmed from memory factor to brand image factor. This means that there are nine determinants of customer's experience of microfinance institutions identified from the study: they are memory, social environment, retail atmosphere, service interface, goal, product assortment, multichannel interactions, location, and brand image respectively as well as customer experience (dependent variable).

From the analyses in the previous sections as presented in Table 6.20, a number of factors from the original model had disappeared (through validation) and corresponding items had been integrated into other factors and tested for reliability. The model proposed eight determinants of customer experience which were represented as the independent variables. Findings from empirical research on microfinance institutions customers in Osun State, Nigeria, however presented seven factors, namely memory, social environment, retail atmosphere, service interface, product assortment, multichannel interaction, and brand image. These factors were retained based on factor analysis while one factor (price) was rejected. The model also proposed three moderating variables. However, only two variables –goal and location, were accepted based on the empirical analysis on microfinance institutions in Osun State, Nigeria. The items under the third moderator – involvement - did not

load significantly on acceptable number of items (it loaded negatively on two items only) and the two items were removed during reliability test. Hence, the involvement moderator was dropped in the new model. The dependent variable (customer experience) also had strong factor loadings and a high reliability value ($\alpha=0.85$).

6.4.3 Hierarchical linear regression of moderating variables of microfinance institutions' customer experience

The third objective of the study was to establish the effect of moderating variables (location, goal, and involvement) on microfinance institutions customer experience in Nigeria. The essence of a moderating variable, as a third explanatory variable, is to identify and explain the observed relationship between an independent variable and dependent measure. It could be observed from sections 6.4.1 and 6.4.2 that involvement was expunged as a result of factor analysis. Therefore, only two moderating variables of location and goal were tested. To establish the effect of moderating variables (location and goal) on customer's experience of microfinance institutions, the use of the standardised coefficients obtained through hierarchical regression was used to analyse the effects. This is discussed in the following paragraphs. As the first step, hierarchical linear regression was run on customer experience of microfinance institutions using eight factors as determinants namely memory, social environment, retail atmosphere, product assortment, multichannel interactions, service interface and customer experience. This result is presented in sections 6.4.3.1 and 6.4.3.2.

6.4.3.1 Effect of location on determinants of microfinance institution customer experience

The role of location as a moderating and third explanatory variable was tested in the study to ascertain the association between the identified determinants and microfinance institutions customer experience in Nigeria. Standardised coefficients obtained through hierarchical regression were used to analyse the effect of location on customer experience of microfinance institutions. Hierarchical linear regression was run on customer experience of microfinance institutions using eight factors namely goal, memory, social environment, retail atmosphere, service interface,

multichannel interactions, brand image, product assortment, and customer experience. The result is presented in Table 6.21 and 6.22.

Table 6.21 shows the outcome of the analysis when location was run to moderate the customer experience of microfinance institutions. There was a significant increase in relative contribution to the total variance in the determinants of customer experience. It could be observed from the table that brand image had the highest significant contribution of 43.5% which was as a result of location while social environment had the least with 28.3%. Thus, location has positive effects as a moderator of customer experience of microfinance institutions in Osun State, Nigeria.

Table 6.21: Summary of effects of location on determinants of customer experience in microfinance institutions (source: researcher's field survey, 2020)

Model	Df	F	Sig P.	R	R ²
1 (Goal)	462.0000 46.0000	100.4038	.0101	0.6282	0.3947
2 (Memory)	3.0000 461.0000	94.1064	.0000	0.6163	0.3798
3(Social Environment)	3.0000 460.0000	1.5585	.0000	0.5304	0.2813
4(Retail Atmosphere)	3.0000 462.0000	106.4518	.0000	0.6393	0.4087
5(Service Interface)	3.0000 459.0000	104.2894	0.001	0.6367	0.4053
6(Multichannel Interactions)	3.0000 462.0000	110.6270	.0000	0.6466	0.4180
7(Brand Image)	3.0000 462.0000	118.3230	.0000	0.6592	0.4345
8 (Product Assortment)	3.0000 462.0000	81.5707	.0000	0.5884	0.3463

Table 6.22 is the summary of the conditional effect of location on customer experience model. It should be noted from Table 6.22 that the p values were below the reference value of 0.05. Hence the effects of location as a moderator of determinants of customer experience is significant at p=0.003.

Table 6.22: Conditional effects of location on customer experience model (source: researcher's field survey, 2020)

Location	Effect	SE	T	p	LLCI	ULCI
-0.6315	0.4390	0.0453	90.6934	0.0000	0.3500	0.5280
0.0000	0.3699	0.0460	80.0352	0.0000	0.2794	0.4603
0.6315	0.3008	0.0602	40.9988	0.0032	0.1825	0.4190

6.4.3.2 Effect of goal on determinants of microfinance institution customer experience

Goal was tested as a moderator for the relationship between microfinance institutions customer experience and its determinants. A standardised coefficient obtained through hierarchical regression was used to analyse the effect of goal on customer experience of microfinance institutions. Hierarchical linear regression was run on customer experience of microfinance institutions using eight factors namely location, memory, social environment, retail atmosphere, service interface, multichannel interactions, brand image, product assortment, and customer experience. The result is presented in Table 6.23.

From the analyses in the previous sections as presented in Table 6.20, a number of factors from the original model had disappeared and corresponding items had been integrated in other factors and tested for reliability.

Table 6.23: Summary of effects of goal on determinants of customer experience of microfinance institutions (source: researcher's field survey, 2020)

Model	Df	F	Sig P.	R	R ²
1 (Location)	3.0000	100.4038	0.000	0.6282	0.3947
	462.0000				
2 (Memory)	3.0000	.4173	.0000	0.6460	0.4173
	461.0000				
3 (Social Environment)	3.0000	83.6635	.0000	0.5942	0.3530
	460.0000		.0000		
4 (Retail Atmosphere)	3.0000	130.9497	.0000	0.6779	0.4596
	462.0000				
5 (Service Interface)	3.0000	112.5196	.0000	0.6510	0.4238
	459.0000				
6 (Multichannel Interactions)	3.0000	119.7059	.0000	0.6613	0.4374
	462.0000				
7 (Brand Image)	3.0000	129.8806	.0000	0.6764	0.4575
	462.0000				
8 (Product Assortment)	3.0000	99.2866	.0000	0.6261	0.3920
	462.0000				

Table 6.23 presents the result of the investigation of the significance of goal as a moderator of microfinance institutions customer experience. From table 6.23, goal had a loading of 19.6% which indicated that it is an effective determinant of customers' experience of microfinance institutions in Osun State, Nigeria. As a moderator, goal was regressed on all the other factors. It was found that it had a significant effect on retail atmosphere, brand image and multichannel interactions. It could also be

observed that when goal was used as moderator, retail atmosphere had the highest value of R^2 of .4596 which implies that 46.0% of that variance was accounted for by the moderating variable. The least in this category was social environment with 35.3%. The import of this is that goal as a moderator had significant effect on microfinance institutions customer experience in Nigeria but it goes further to indicate that goal had more significant impact of other factors at determining customer experience and the impact was most significant on retail atmosphere and least on social environment.

Table 6.24: Conditional effects of goal on customer experience model (source: researcher's field survey, 2020)

Goal	Effect	SE	T	p	LLCI	ULCI
-0.5784	0.3730	0.0414	90.0179	0.0000	0.2917	0.4543
0.0000	0.4095	0.0432	90.4697	0.0000	0.3245	0.4945
0.5784	0.4459	0.0544	80.1964	0.0000	0.3390	0.5529

It could be noted from Table 6.24 that the p values were below the reference value of 0.05. Hence the effect of goal as a moderator of determinants of customer experience is significant at $p=0.000$. It is worthy of note to state that the strength of significance of goal is higher than that of location as moderator of consumer experience of microfinance institution

6.4.4 Multiple regression model of microfinance institution customer experience

Multiple regression was carried out to meet the fourth and last objective of the study which is to develop a model of determinants of microfinance institutions customer experience in Nigeria. The model of determinants of customer's experience of microfinance institutions is computed using multiple regressions. The result is presented in Tables 6.25 and 6.26.

Table 6.25: Regression model of customer experience of microfinance institutions (source: researcher's field survey, 2020)

R	R Square	Adjusted R Square	Std. Error of the Estimate			
.733 ^a	0.537	0.528	0.372			
ANOVA ^a						
Model	Sum of Squares	Df	Mean Square	F	Sig.	
1 Regression	72.566	9	8.063	58.245	.000 ^b	
Residual	62.571	452	0.138			
Total	135.137	461				

a. predictors: (constant), brand image, social environment, retail atmosphere, product assortment, service interface, multichannel interactions, goal, and memory

The result of the regression analysis as reported in Table 6.25 while Table 6.26 reports the F-value and its level of significance. As indicated, the dependent variable is the customer experience. Table 6.25 presented the result of the combined influence of determinants of customer experience of microfinance institutions in Osun State, Nigeria. The result revealed that all the factors (memory, social environment, retail atmosphere, service interface, goal, product assortment, multichannel interaction, location, and brand image) have a significant combined influence on customer experience of microfinance institutions. The result also shows a coefficient of multiple regressions (R) of 0.733 and a multiple R square of 0.537 and Adjusted R² of 0.528. This implies that 53.7% of the total variance in customer experience of microfinance institutions is accounted for by all the listed factors namely memory, social environment, retail atmosphere, service interface, goal, brand image, product assortment, location, and multichannel interactions. The significance of the combined influence was tested at $p < 0.05$ using the F- ratio as the degree of freedom (df = 461). The table also showed that the analysis of variance for the regression yielded an F- ratio of 58.245.

Table 6.26 presented the unstandardised regression weight (β), the standardised error of estimate (SEE), the standardised coefficient, the t-ratio, and the level at which the t-ratio is significant. As indicated in the table, It could be observed that Memory ($\beta = .199$, $t = 4.83$, $p < 0.05$), Goal ($\beta = .188$, $t = 4.014$, $p < 0.05$) Retail atmosphere ($\beta = .134$, $t = 2.853$, $p < 0.05$), Location ($\beta = .130$, $t = 2.895$, $p < 0.05$), Brand image ($\beta = .123$, $t = 2.347$, $p < 0.05$), Service Interface ($\beta = .121$, $t = 2.771$, $p < 0.05$), social environment ($\beta = .046$, $t =$

0.949, $p < 0.05$), product assortment ($\beta = 0.019$, $t = 0.459$, $p < 0.05$) and multichannel interactions ($\beta = 0.009$, $t = 0.245$, $p < 0.05$) have significant relative contributions to customer experience of microfinance institutions in Osun State, Nigeria.

Memory was found to have the highest contribution while multichannel interactions had the least relative contribution even though it was found to be significant as well. This implies that all the determinants had significant relative contribution to the customer experience of microfinance institutions in Osun State, Nigeria. Specifically, it can be inferred, based on the significance of relative contribution that the order of the significance of the determinants to microfinance institution customer experience in Osun State, Nigeria is as follows: Memory, Goal, Retail atmosphere, Location, Brand image, Service Interface, Social environment, Product assortment and Multichannel interactions.

Table 6.26 presents the coefficients of multiple regression. The general linear regression coefficients is given as:

$$y = c + \beta_1 + \beta_2 + \beta_3 + \beta_4 + \beta_5 + \beta_6 + \beta_7 + \beta_8 + \dots \quad (1)$$

Where β = regression coefficient representing the amount that the dependent variable y changes when the corresponding independent variable changes by 1 unit. In this case, β_1 represents the coefficient of factor 1 (memory)

$c = \text{constant which is the intercept on the } y\text{-axis}$

The value of c represents the value of the dependent y when all of the independent variables are zero. The ratio of the β coefficient is the ratio of the relative predictive power of the independent variables.

It could be observed from Table 6.26 that the values of β for each of the factors are as follows: Memory = 0.193, social environment = 0.045, retail atmosphere = 0.122, service interface = 0.114, goal = 0.178, product assortment = 0.016, multichannel interactions = 0.006, location = 0.111 and brand image = 0.121 and the value of the constant c is 0.413 (see Table 6.21). The model equation for this study is therefore:

$$\begin{aligned}
\text{Customer Experience} = & 0.413 + 0.193\text{Memory} + 0.045\text{Social environment} + \\
& 0.122\text{Retail Atmosphere} + 0.114\text{Service interface} + 0.178\text{Goal} + \\
& 0.016\text{product assortment} + 0.006\text{multichannel interactions} + 0.111\text{location} + \\
& 0.121\text{Brand image} \qquad \qquad \qquad (2)
\end{aligned}$$

From the results of the multiple regressions, it is obvious that memory had the most significant impact on the model, and this was followed by goal, while multichannel interactions had the least impact and is barely significant as a determinant of customer experience of microfinance institutions in Osun State, Nigeria. The order of the significance is as follows Memory, Goal, Retail atmosphere, Location, Brand image, Service Interface, Social environment, Product assortment and Multichannel interactions.

Table 6.26: Coefficients of multiple regression (source: researcher's field survey, 2020)

Model	Unstandardised Coefficients		Standardised Coefficients	T	Sig.	95,0% Confidence Interval for B		Correlations			Collinearity Statistics		
	B	Std. Error	Beta			Lower Bound	Upper Bound	Zero-order	Partial	Part	Tolerance	VIF	
1	(Constant)	0.413	0.176		2.352	0.019	0.068	0.759					
	Memory	0.193	0.040	0.199	4.833	0.000	0.114	0.271	0.547	0.222	0.155	0.607	1.647
	Social Environment	0.045	0.048	0.046	0.949	0.043	-0.049	0.139	0.552	0.045	0.030	0.440	2.271
	Retail Atmosphere	0.122	0.043	0.134	2.853	0.005	0.038	0.206	0.564	0.133	0.091	0.465	1.309
	Service Interface	0.114	0.041	0.121	2.771	0.006	0.033	0.195	0.527	0.129	0.089	0.534	1.874
	Goal	0.178	0.044	0.188	4.014	0.000	0.091	0.265	0.588	0.186	0.128	0.466	2.146
	Product Assortment	0.016	0.036	0.019	0.459	0.047	-0.054	0.087	0.452	0.022	0.015	0.591	1.693
	Multichannel Interactions	0.006	0.026	0.009	0.245	0.048	-0.045	0.058	0.262	0.012	0.008	0.764	2.152
	Location	0.111	0.038	0.130	2.895	0.004	0.036	0.187	0.525	0.135	0.093	0.509	1.963
	Brand Image	0.121	0.052	0.123	2.347	0.019	0.020	0.222	0.601	0.110	0.075	0.374	2.673

C= 0.413, Memory 0.193, social environment 0.045, retail atmosphere 0.122, service interface =0.114, goal =0.178, product assortment=0.016, multichannel interactions 0.006, location =0.111 and brand image 0.121

Section 6.4.4 (Table 6.26) presents the unstandardised regression weight (β), the standardised error of estimate (SEE); the standardised coefficient, the t-ratio, and the level at which the t-ratio is significant. Values for each of the factors which contribute significantly to customer experience of microfinance institutions in Osun State, Nigeria were presented in table 6.26. Memory was found to have the highest contribution while multichannel interactions had the least relative contribution even though it was found to be significant as well. The determinants can therefore be ranked in order of their level of relative contribution to the customer experience as Memory, Goal, Retail atmosphere, Location, Brand image, Service Interface, social environment, product assortment and multichannel interactions, respectively. Hence hypothesis H10 was accepted.

6.5 Conclusion

To achieve the research objective of establishing the influence of customer experience determinants on microfinance customers in Osun State, Nigeria, the chapter is a presentation of interpreted analysed data obtained from the field. First the socio-demographic analysis revealed the characteristics of customers as majorly female, within the age range of 18 and 40 years with low level of education and income. Descriptive analysis revealed that majority of the respondents identified all variables proposed as relevant to the customer experience of microfinance institutions in Osun State, Nigeria. However, the result of factor analysis revealed two variables (price and involvement) as not factorable. The influence of moderating variables on the identified determinants tested with standardised coefficients obtained through hierarchical regression revealed that location and goal significantly moderated the determinants of customer experience of microfinance institutions in Osun State, Nigeria. Finally, multiple regression to develop a model of the determinants of microfinance institution customer experience using inferential analysis confirmed the determinants and moderators based on significance of influence as memory, goal, retail atmosphere, location, brand image, service interface, social environment, product assortment and multichannel interactions.

The discussion of findings based on the data analysis and results are presented in chapter seven

CHAPTER SEVEN: DISCUSSION OF FINDINGS

7.1 Introduction

As highlighted in previous chapters, the key objective of the research was to identify and evaluate the influence of the determinants of customer experience in microfinance institutions in Osun State, Nigeria. A comparison of findings from empirical studies as presented in the previous chapter and, information derived from review of literature in chapters 1-4 form the basis of discussion in the current chapter. The discussion is targeted at addressing the research objectives and hypotheses. Section 7.1 is an outline of the chapter. In section 7.2 findings on determinants of microfinance institution customer experience in Osun State, Nigeria is discussed. In section 7.3, findings on the effect of moderators on the association between determinants of customer experience and customer experience in microfinance institutions in Osun State, Nigeria is discussed. In section 7.4, the findings of the research on the significance of influence of the determinants on microfinance institution customer experience in Nigeria is discussed. In section 7.5, the model of customer experience in microfinance institutions in Osun State, Nigeria is developed based on the literature and empirical findings. Finally, implications of the findings on the hypotheses formed for the study is discussed in section 7.6 and the chapter concludes with a brief summary in section 7.7.

7.2 Findings on determinants of microfinance institution customer experience

The results and findings of the empirical studies in line with the objective of the research to establish the determinants of microfinance institution customer experience are discussed.

7.2.1 Socio-economic characteristics of customers of microfinance institutions

The study found out that most of the customers of microfinance Institutions in Osun State, Nigeria, are young people who are in their prime ages. They are entrepreneur-customers in their prime age of life which falls within the economically active group. It was also found that most of the customers were women, which validates the general belief that there are more women engaged in microfinance activities in Osun State, Nigeria, than men. The study confirmed that most of the micro-entrepreneur-customers

have only primary and secondary education with only few having post-secondary education. This confirms that most of the microfinance banks in Osun State, Nigeria, are tailored in such a way that they focus on the poor and people with basic education. It was also discovered that majority of customers of microfinance are low income earners. This confirms that microfinance customers are those with low earnings.

7.2.2 Social environment as a determinant of customer experience of microfinance institutions

The analysis revealed that social environment is an active measure of customer experience in Microfinance Institutions. It was found that the decision to be a customer of a microfinance bank is influenced by family and friends. Others believed that being a customer of a microfinance institution increases the respect family and friends have for them. Most of the customers declared that they were microfinance institutions customers because either their family members or friends were customers. It is therefore submitted that social environment is a main determinant of customer experience of microfinance institutions in Osun State, Nigeria. This finding is in line with Verhoef et al. (2009), Garg et al., (2012), Haery & Farahmand, (2013) who hold that the opinion of friends and family members of the customer can influence the customer's perspective of the experience. Social environment indeed indicates how the activities of a customer in a retail space influence other customers. It is the effect of the presence of other customers on experience especially as it affects the customer's view on how crowded or how long the waiting lines are. Saba (2014) proposes that organisations encourage peer to peer communities because the customer relationship with the community and peer to peer feedback are major determinants of customer experience.

7.2.3 Service interface as a determinant of customer experience of microfinance institutions

The descriptive statistics revealed that service interface is a strong factor which determines customer experience of microfinance institutions in Osun State, Nigeria. Similarly, the result of the factor analysis showed that service interface significantly contributed to the total variance explained. In addition, the result of the regression analysis also affirms that service interface had significant relative contribution to the

determinants of customer experience of microfinance institutions in Osun State, Nigeria. It was therefore submitted that service interface is a determinant of customer experience of microfinance institutions in Osun State, Nigeria. This finding corroborates previous studies carried out by Meyer and Schwager (2007) and Saba (2014) who aver that the comfort, quality of service as well as failure of service interface tend to create emotions which in turn affect the perception of the customer and ultimately determine the customer experience. The finding also lends credence to Sundbo (2015)'s submission that increasing focus on the emotional aspect of customer service experience is dependent on service quality. In other words, service interface such as quality of service, comfort, efficiency of service delivery are strong determinants of the customer service experience of microfinance institutions.

7.2.4 Retail atmosphere as a determinant of customer experience of microfinance institutions

Retail atmosphere is an indicator with substantial loading, and it accounts for about 11.4% of the total variance explained. In fact, retail atmosphere appears to be the strongest determinant of customer experience of microfinance institutions going by the result. The findings revealed that items such as "Customers like it when the office is modern and attractive" and "Customers enjoy having adequate seats to sit in the office" loaded highly with retail atmosphere. This result affirms hypothesis H3 which states that the retail atmosphere is an active measure of customer experience in microfinance institutions. This means that retail atmosphere is an active measure of customer experience in Microfinance Institutions. Previous findings by Puccinelli et al. (2009), Saba (2014), Heish and Chuang (2015) and Kauppinen-Räsänen and Grönroos (2015) have stressed that retail atmosphere is a contributor to customer experience.

The retail atmosphere which includes accessibility, design, ambience, aesthetics, function, and convenience are indices through which customer experience of microfinance institutions is enhanced. It is the service atmosphere which affects the customer's perspective of the experience. It includes the design of the facility, scent, temperature, and music. Saba (2014) suggests that the retail atmosphere encompasses the remarkable, routine, or meaningful. Heish and Chuang (2015) describe the retail

atmosphere as where customers recognise the service experience, and they advanced the need for organisations to deliberately build an atmosphere of positive emotions for customers. Kauppinen-Räsänen and Grönroos (2015) refer to the retail atmosphere as the servicescape, a place where service is delivered, disseminated, and consumed. Kauppinen-Räsänen and Grönroos (2015) suggest that the servicescape impact customer experience and opinions of quality due to the significant effect of the physical environment which is expected to increase as service becomes more intangible. This is because the servicescape becomes the customers' only means of appraising the service. They classify the servicescape into physical, social, socially symbolic, and natural. The physical aspect encompasses the internal space, design, exhibitions, car parks, accessibility, lighting, sounds, traffic flow, departments, and signage. The social dimensions comprises staff and other customers. The socially symbolic facet comprises the cultural aspect while the natural dimension are the components that produce relaxation.

7.2.5 Product assortment as a determinant of customer experience of microfinance institutions

Product assortment was found as an active measure of customer experience in microfinance institutions. The finding is in line with earlier studies that customer experience of quality is measured based on its effect on value-in-use, thus suggesting that value-in-use is a measure of relationship outcomes (Wenwei & Tongtong 2010; Ali et al. 2013; Schmitt & Zarantonello 2015). It is further asserted that the retail industry portrays customers as more interested in value than the product and asserts that the customer experience is a response to shared dealings between the organisation and the customers. The value is derived from a combination of the product/service and its functionality, the hedonic and the experience surrounding purchase and consumption. Similarly, the finding corroborates the opinion of Johnston and Kong (2011) that customers' interactions with an organisation results in customer experience which may be positive, negative, or unremarkable and organisations need to consider the experience they provide. They recommend creating a good customer experience to increase customer loyalty which enables organisations to retain their customers. Verhoef et al. (2009) claim that customer experience is subjective with multiple elements

which may be controllable or uncontrollable by the service-provider (Verhoef et al. 2009; Kranzbuhler et al., 2018). Kranzbuhler et al. (2018) propose that both the organisational and customer perspectives of experience deal with customer experience; the organisational perspective dealing with the formation of customer experience; and the customer perspective dealing with the customer's view of experience. They therefore justify the need to design customer experience from both the organisation and customer perspectives, suggesting that customer experience may not be viewed by consumers as planned by the organisation; and a positive customer experience may not be advantageous to the firm's outcome.

7.2.6 Price as a determinant of customer experience of microfinance institutions

Price has been established in literature as a determinant of customer experience in other countries and in retail and service contexts such as supermarkets, telecommunications, hospitality, and tourism. In line with the objective of the research which is to establish the determinants of microfinance institution customer experience in Nigeria, the study therefore measures the impact of price on the overall microfinance institution customer experience. This study empirically validates or nullifies the influence of price as a contributing factor to microfinance customer experience in Osun State, Nigeria. Five subthemes of price were gathered and adapted from extant literature to measure its significance on the microfinance institution customer experience in Nigeria. The subthemes are timely information, fairness, reliability, importance, and competitiveness. In the context of this study, price refers mainly to the interest charged on credit advances. All five subthemes were supported in the reliability analysis carried out on the pilot studies as described in Chapter 5. The reliability value for price in the pilot test was 0.86 for all 5 questions under the construct. This was well above the acceptable reliability value of 0.70. Also, the preliminary findings ((frequency distribution and descriptive statistics) from the main study on price as a determinant of customer experience of microfinance institutions revealed that price influences customer experience.

However, the empirical results indicated that price was not a determinant factor of customer experience of microfinance institutions in Osun State, Nigeria. This was based

on the fact that during factor analysis, the price factor loaded negatively on only one item which was not even a measure of price. Based on the factor analysis carried out in the main study and presented in Chapter 6 (Section 6.4), price loaded on five items and contributed 0.91% of the total variance which is not so significant. Items previously categorised under price, and which loaded elsewhere, were renamed based on the common themes of the group where it loaded. For instance, Q25 loaded under product assortment while Q28 and Q29 loaded under multichannel interactions. Also, Q26 has a factor loading of 0.36 which is acceptable but since it has a factor loading of 0.37 on another factor, it was dropped while Q27 did not load under any factor. Thus, it can be concluded from the empirical studies that though price measures the microfinance institution customer experience, the effect of price is not significant in measuring customer experience in microfinance institutions in Osun State, Nigeria. As a result, price was excluded as a factor in the determinant of customer experience of microfinance institutions in Osun State.

This means that price was not a significant determinant of customer experience of microfinance institutions. This could be attributed to the fact that every customer of microfinance institutions is aware of the interest rates which are usually specified during interactions, and as such, price is not a determinant of customer experience of microfinance institutions in Osun State. This finding does not support the earlier findings by Verhoef et al. (2009) and Haery and Farahmand (2013) who identified price among other factors as factors responsible for the creation of customer experience. On the other hand, Saba (2014) suggests that price and promotion experience factor are motivations to induce customers to adopt the offering so as to impact the customer experience of microfinance institutions.

7.2.7 Multichannel interactions as a determinant of customer experience of microfinance institutions

The result of the findings on multichannel interactions as an active measure of customer experience of microfinance institutions in Osun State, Nigeria revealed that from the descriptive statistics, cooperation among group members, good representation of the group in the scheme of things and group monitoring of loan repayment topped the list of

customer experience in alternate channel as a determinant of customer experience of microfinance institutions in Osun State, Nigeria. Also, the result of the factor analysis indicated that the multichannel interactions factor loaded significantly on four items with one of the items loading as high as 73.5%. In fact, multichannel interaction accounted for about 21.7% of the total variance explained. The result of the regression analysis also confirmed that multichannel interaction is a significant determinant of customer experience of microfinance institutions in Osun State, Nigeria. This result lends credence to the earlier studies by Verhoef et al. (2009) and Saba (2014) that the experience in a channel can be influenced by experiences in other channels. The experience in other channels namely multichannel interactions, according to Saba (2014), affects customer acquisition and retention and by extension, customer experience of microfinance institutions.

7.2.8 Brand Image as a determinant of customer experience of microfinance institutions

The result of the findings of brand image as a determinant of customer experience of microfinance institutions in Nigeria revealed that most of the participants (according to descriptive statistics) believed that brand image had a strong influence on customer experience. The implication of these data is that 91.9% of the respondents agree (at varying extents) that it is important for customers to feel good about banking with microfinance institutions. This is in indication that brand image is a determinant of customer experience. In addition, the result of the factor analysis confirms the finding from descriptive statistics that brand image is a determinant of customer experience. To cap it all, the result of multiple regression indicated that brand image made a significant relative contribution to the overall determinants of customer experience of microfinance institutions in Osun State, Nigeria.

This study agrees with that of Brakus et al. (2009) who describe the brand experience as retail brand which has an impact on customer experience. The study also supports Verhoef et al., (2009), Saba (2014) and, Wenwei and Tongtong, (2010) who note that brand image is the customer's sensorial, affective, intellectual, social, and behavioural response induced by brand-related inducements such as the brand features,

communications and environments which contribute to what makes up the determinants of customer's experience. The present finding also corroborates Verhoef et al., (2009) who state that the customer's impression of the brand affects the experience. In addition, the finding is in tune with Imram and Zillur (2015) who found that variables such as packaging of own label brands, customer billings, order and application forms, point-of-sales (shelf talkers) and recommendations by a salesperson have a significant influence on brand experience and exhibit low dependence. They assert that retailers need to focus on these variables due to their significance.

7.2.9 Memory as a determinant of microfinance institution customer experience

Findings indicated that memory is one of the major determinants of customer experience of microfinance institutions. Customers were found to enjoy having good memories of experience with the microfinance institution they were dealing with. Customers remember experiences with the employees of the microfinance institution if such employees maintain good rapport with the customer during contact. This creates a lasting impression in the memory of the customer thereby having influence on the microfinance experience. This finding corroborates previous research by Schmitt and Zarantonello (2015) and Du Plessis and De Vries (2016) that customer experience in terms of services rendered it an essential aspect of marketing. The present finding also affirms that of Du Plessis and De Vries (2016) which says that customer experience is a response to increased customer expectations of organisational offerings in terms of products and services. As such, the delivery of a positive customer experience creates an enduring memory on the mind of customers of microfinance institutions in Osun State, Nigeria. This finding agrees with other studies (Meyer & Schwager, 2007; Verhoef et al., 2009; Sundbo, 2015; Schmitt & Zarantonello, 2015) positing the creation of a memorable experience as more significant than the positive or negative emotion generated during the service interaction. In contrast, Ali et al. (2016) posit that customer experience is an engagement with the service provider that results in satisfaction and positive behavioural intentions. They identify emotional bond as a critical outcome of positive customer experience. Schmitt and Zarantonello (2015) classify the definition of experience into two diverse but connected groups. The first is that experience is a continuing view, an emotion and direct estimation of customer involvement with an

organisation, while the second classification defines experience as knowledge gathered from past interactions.

7.3 The effect of moderators on determinants of customer experience in microfinance institutions

The implication of the results of the research on the influence of moderating variables of location, goal, and involvement on the microfinance institution customer experience in Nigeria is discussed in this section.

7.3.1 Location of microfinance institutions as a moderator of determinants of microfinance institution customer experience

Finding on the effects of location as a moderator of determinants of customer experience of microfinance institutions in Osun State, Nigeria was investigated using descriptive statistics, factor analysis and regression analysis. The result of the descriptive statistics revealed that location is a strong factor in determining customer experience of microfinance institution. Location was also found to have a strong significant influence on all the variables, but the level of significance was highest in brand image with a significant contribution of 43.5%, which was a result of location, while social environment had the least with 28.3%.

It could be noted from Table 6.22 that the p values were below the reference value of 0.05. Hence the effects of location as a moderator of determinants of customer experience is significant $p=0.000$. It is worthy of note to state that the strength of significance of goal is higher than that of location as a moderator of consumer experience of microfinance institutions. When location was regressed as a moderator on each of the variables, it was discovered that the regression coefficients multiple regression R^2 was highest for brand image than the other factors. This means that brand image moderated by location of a microfinance institution has higher determinants on customer experience than any of the other factors, while social environment has the least of such. The outcome of this study is supported by previous studies (Grewal et al., 2009; Lemke et al., 2011; Du Plessis & Vries, 2016) which describe location as a situation moderator factor that influence experience.

7.3.2 Goal of customer as a moderator of determinant of microfinance institution customer experience

Findings on the effects of goal as a moderator of the determinants of customer experience of microfinance institutions in Osun State Nigeria was investigated using descriptive statistics, factor analysis and regression analysis. The result of the descriptive statistics revealed that goal is a strong factor in determining customer experience of microfinance institutions. Goal was also found to have a strong significant influence on all the variables, but the level of significance was highest in retail atmosphere (45.7%) and least in social environment (35.30%). This means that the retail atmosphere moderated by the goal of the microfinance institution customer has higher determinants on customer experience than any of the other factors, while social environment has the least of such.

It could be noted from Table 6.22 that the p values were below the reference value of 0.05. Hence the effects of goal as a moderator of determinants of customer experience is significant $p=0.000$. It is worthy of note to state that the strength of significance of goal is higher than that of location as moderator of consumer experience of microfinance institution. Previous studies (Verhoef et al., 2009; Puccinelli et al., 2009; Yang & He, 2011; Keiningham et al., 2019) support the role of goal as a moderating variable of the customer experience

7.3.3 Customer involvement as a moderator of determinant of microfinance institutions customer experience

Subthemes of involvement were gathered and adapted from extant literature to measure its significance on the microfinance institutions customer experience in Nigeria. The subthemes were active participation, engagement of customers, opportunity to gain information, information on available services, stimulation of customer curiosity and new knowledge. All five subthemes were supported in the reliability analysis carried out in the pilot studies as described in Section 5.8 in Chapter 5. The reliability value for involvement in the pilot test was 0.831 for all 5 questions under the construct. This was well above the acceptable reliability value of 0.70. The reliability value of the pilot study as well as conclusions of previous studies which presented involvement as a moderator

of determinants of customer experience formed the basis of using it as a construct in the framework. Also, the preliminary findings of the main study based on the result of descriptive statistics on the moderating effect of customer involvement on the determinants of customer experience in microfinance institutions revealed that majority of the respondents believed if microfinance customers were involved in microfinance activities such as policy making, price determination, criteria for loan disbursement and repayment, it has a lasting influence on the customer experience of such microfinance institutions. Thus, the frequency distribution result in Chapter 5 supports the position of previous research which project involvement as a moderator of the determinants of customer experience.

However, the factor analysis carried out and presented in Section 6.4 indicated that relevant items did not load under involvement. Involvement loaded negatively on two items with factor loadings of -0.532 and -0.325 on items Q22 and Q47, respectively. Involvement factor contributed 1.068% to the total variance explained. Items previously categorised under involvement, and which loaded elsewhere, were renamed based on the common themes of the group where it loaded. Thus, it can be concluded from the empirical studies that though involvement moderate the determinants of microfinance institutions customer experience, the effect of involvement is not significant in moderating customer experience in microfinance institutions in Nigeria. The outcome is in contrast with previous studies by Chuang (2015), Singh and Soch (2015), Amoah et al. (2016), Foroudi et al. (2018) which established involvement as a moderator of experience thus aligning with the argument of Palmer (2010) of experience as unique and specific to sector context.

7.4 Significance of influence of the determinants on microfinance institutions customer experience

The result of the findings on significance of influence of the determinants of microfinance institutions customer experience revealed that at the end of the modelling and diagnosis of collinearity, seven independent factors and two moderating factors were regressed, and the order of significance was based on beta contributions (regression coefficients). These are Memory (0.193), goal (0.178), retail atmosphere (0.122), brand image

(0.121), service interface (0.114), location (0.111), social environment (0.045) and product assortment (0.016). It was submitted that memory, goal, and retail atmosphere were the three most significant factors, while social environment and product assortment were least significant.

7.5 Model of determinants for improving customer experience in microfinance institutions in Osun State, Nigeria.

In line with the fourth and final objective of the research, based on findings from empirical research and previous studies, a model to improve customer experience in microfinance institutions in Osun State, Nigeria is developed. The model proposed and validated in this study is an attempt to contribute to academic and practical knowledge on the measurement of customer experience, specifically in the microfinance sector and Nigerian context which has hitherto been scarce. The model breaks down the holistic customer experience to specific motivations in the decisions of microfinance customers.

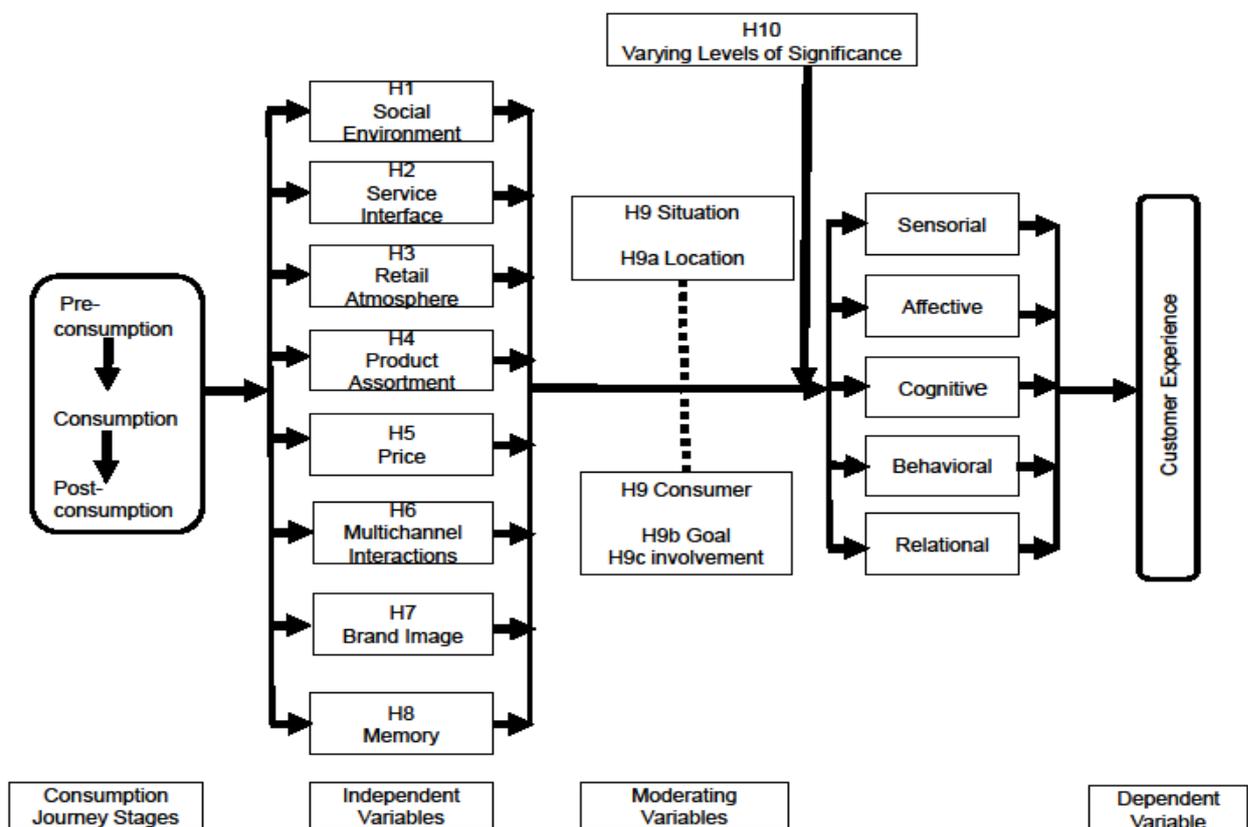
7.5.1 Hypothesized Model

The hypothesised model for the study which was developed in chapter 4 through identification of determinants of customer experience from literature. The determinants were modified to fit the microfinance context through an expert panel and pilot studies. Figure 7.1 presents the hypothesised model of relationships between determinants of microfinance institution customer experience in Osun State, Nigeria. The hypothesised model comprises the consumer journey, determinants of microfinance experience, the mediators of determinants of microfinance institution customer experience, and the dimensions of microfinance institution customer experience. Assumptions in the hypothesised model include;

1. Touchpoints of interaction where experience occurs between microfinance institutions and customers are in three stages of pre-consumption, consumption and post-consumption journey.
2. Experience is assumed to occur during interaction with certain determinant at any of the stages of the consumption journey. Eight determinants, social environment, service interface, retail atmosphere, product assortment, price, multichannel interactions, brand image and memory gathered from previous studies (Verhoef et

al., 2009; Brakus et al., 2009; Garg et al., 2012; Saba, 2014; Hsieh & Chuang, 2015; Du Plessis & De Vries, 2016; Shamsudeen, 2017; Strandvik, 2018) in other service contexts were proposed and tested in the current study as responsible for the creation of microfinance institution customer experience in Osun State, Nigeria. Gathering of determinants from other service contexts resulted from by lack of available scholarly studies on customer experience in the microfinance context which is a major motivation for the current study.

Figure 7.1: Hypothesised model for determinants of microfinance institution customer experience in Osun State, Nigeria (source: adapted by the researcher from previous studies)



3. Three variables of location, goal and involvement offered in previous studies (Verhoef et al., 2009; Du Plessis & De Vries, 2016) moderate the relationship between the determinants of customer experience and customer experience in microfinance institutions in Osun State, Nigeria.
4. The holistic customer experience results from multifaceted dimensions based on encounters with the microfinance institution. Five dimensions of sensorial, affective,

cognitive, behavioural and relational customer experience are adopted for this study based on previous research (Schmitt, 2011, Garg et al., 2012; Haery and Farahmand, 2013) as dimensions of the holistic microfinance institution customer experience.

The foregoing assumptions was arrived at based on review of literature in chapters 1 to 4, and validated in the empirical studies presented in chapter 6. Singh and Soch (2015) support studies about customer experience and describe research into the determinants of customer experience as important to expressing customers' perception and ultimately affect their choices. For the purpose of the study, as specified by Bitner (1990) and Du Plessis and De Vries (2016), customer experience is measured as the customer perception of value in use of service offering at every point of contact during the service interaction. Microfinance institution customers deal with the identified determinants at one or multiple times during the service journey, thereby making the investigation of the influence of determinants vital to the experience.

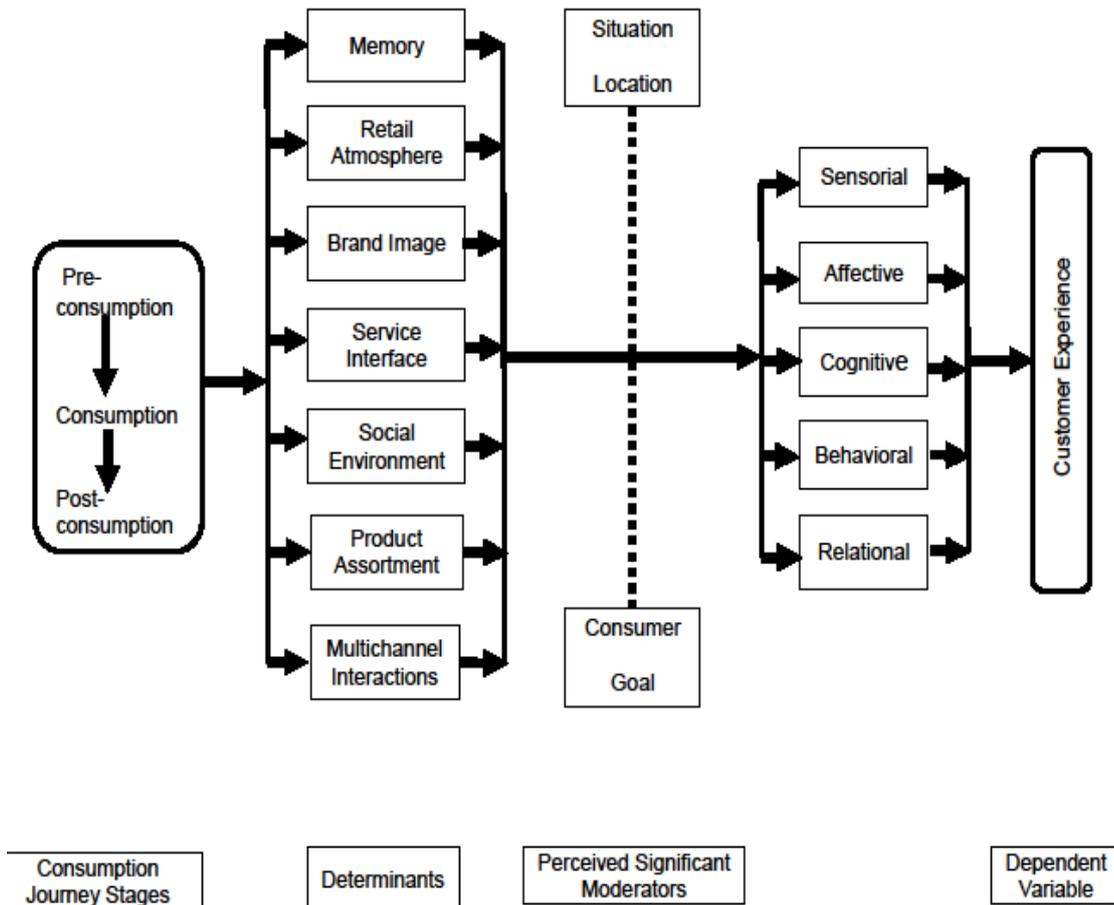
7.5.2 Developed Model

From the comparison and analysis of the different methodologies adopted in arriving at existing models of customer experience, a methodology is adopted to empirically validate the influence of determinants proposed in the hypothesised model from customer perspective as presented in chapter six. From the empirical studies, the correlation analysis (table 6.16) established a linear relationship among the variables. The standardised coefficients obtained through multiple regression established the significance of location and goal as moderating third explanatory variables of the association between the identified determinants and microfinance institutions customer experience in Osun State, Nigeria. Finally, a hierarchical linear regression shows the level of effects and relative contribution of each of the variables as determinants of the customer experience.

The developed model presented as figure 7.2, summarises the validated relationship between the independent variables, moderating variables and the dependent variable is developed based on the empirical analysis. Figure 7.2 is the developed model of

determinants of microfinance institution customer experience in Osun State, Nigeria empirically validated in this study.

Figure 7.2: Developed Model for determinants of microfinance institution customer experience in Osun State, Nigeria (source: researcher’s survey, 2020).



The developed model presented in figure 7.2 is an empirical validation of aspects of the hypothesised model such as:

1. the determinants that influence microfinance institution customer experience value in Osun State, Nigeria. The developed model based on the empirical validation of the hypotheses reveal seven determinants of the eight proposed in the hypothesised model as significant to the microfinance institution customer experience in Osun State, Nigeria.
2. the moderators that mediate the influence of determinants customer experience specific to the microfinance institution context in Osun state, Nigeria. Two of the

three moderating variables proposed in the hypothesised model were validated as having a mediating influence on the determinants of microfinance institution customer experience in Osun State, Nigeria. Specifically, location and goal were found to significantly increase the relative contribution of the determinants. From the result, the effect of goal as a moderator of determinants of customer experience is higher than location.

3. the varying significance of each of the determinants on customer experience specific to the microfinance institution context in Osun State, Nigeria based on customer perception of experience value. Specifically, in order of significance, memory, retail atmosphere, brand image, service interface, social environment, product assortment and multichannel interactions are determinants critical to microfinance institution customer experience in Osun State, Nigeria. Memory has the most significant influence while multichannel interactions have the least influence. Microfinance institutions are therefore required to strategically design the variables to ensure positive customer experience

From the foregoing, two variables, price (determinant) and involvement (moderator) proposed in the hypothesised model, as significant to the microfinance institution customer experience in Osun State, Nigeria were not validated as significant influences of the microfinance institution customer experience in the empirical analysis. The influence of the determinants on specific stages of the customer journey, as well as the influence of the determinants specific to each of the dimensions to microfinance institution customer experience in Osun State, Nigeria were not tested in the study. The study is focused on the influence of the determinants on the holistic customer experience in microfinance institution customer experience in Osun State, Nigeria. The developed model thus posit that; (1) the microfinance institution customer experience as created from customer interaction with the validated determinants and mediators to form the holistic experience, (2) the seven determinants impact all five (sensorial, affective, cognitive, behavioural and relational) dimensions of customer experience and results in assessment of customer experience value by customers to form a holistic customer experience.

The variation in influencing determinants of microfinance institution customer experience confirms the argument from previous studies (Palmer, 2010 Bueno et al. 2019; Heshmati et al., 2019) that customer experience determinants are context specific. As described in previous chapters, the challenge of developing a holistic measurement for customer experience is still an ongoing discussion among scholars and practitioners. The model therefore attempts to contribute to the discussion through a presentation of the determinants and moderators of microfinance institution customer experience through the consumption journey, from the customer perspective. Interactions throughout the consumption journey is assessed by the customer and results in an overall positive or negative experience. The model offer scholars and practitioners a framework to deepen understanding of the customer experience by providing empirically validated indicators for establishing the basis of either a positive or negative customer experience.

7.6 Discussion of findings and hypotheses result

In line with the nature of the study, twelve hypotheses were proposed in chapter 4 for deductive testing through quantitative analysis. A deductive research method usually starts with the formulation of hypotheses while the data to test the hypotheses is collected at a later point in the research. In this study, a literature review was first carried out after which hypotheses were proposed. Data was collected and then analysed to verify or nullify the hypotheses proposed. From the theoretical framework and review of literature in chapters 2 to 4, eight determinants (social environment, service interface, retail atmosphere, product assortment, price, multichannel interactions, brand image and memory); and three moderating variable (location, goal, and involvement) of customer experience were extracted for validation in the Nigerian microfinance institutions context after which twelve hypotheses were formulated in the study.

Hypothesis 1 (H1): The first hypothesis states that “social environment is an active measure of customer experience in Microfinance Institutions”.

The result revealed that the decision to be a customer of a microfinance bank is usually influenced by family and friends. Others believed that being a customer of a microfinance institution increases the respect family and friends have for such a

customer. Most of the customers affirmed that they were microfinance institutions customers because either a member of their family or their friends were customers. These were the three items that loaded highly onto the main factor of social environment with communalities ranging from 0.67 to 0.77. It is therefore submitted that social environment is a main determinant of customer experience of microfinance institutions in Osun State, Nigeria. Hence hypothesis H1 is confirmed. In other words, the social environment is an active measure of customer experience in Microfinance Institutions.

Hypothesis 2 (H2): The second hypothesis states that “service interface is an active measure of customer experience in Microfinance Institutions”.

From the result, service interface was found to be a significant contributor to the variance explained in customer experience of microfinance institutions in Osun State, Nigeria. It accounted for about 14.9% of the variance. Hence, it could be concluded that service interface is an active measure of customer experience in Microfinance Institutions. Hence, hypothesis H2 is affirmed.

Hypothesis 3 (H3): The third hypothesis states that “retail atmosphere is an active measure of customer experience in Microfinance Institutions”.

Retail atmosphere is an indicator with substantial loading, and it accounts for 11.4% of the total variance explained. In fact, retail atmosphere appears to be the strongest determinant of customer experience of microfinance institutions going by this result. The findings revealed that items such as “customers like it when the office is modern and attractive” and “customers enjoy having adequate seats to sit in the office” loaded highly with “retail atmosphere”. This result affirms hypothesis H3 which states that the retail atmosphere is an active measure of customer experience in Microfinance Institutions. This means that retail atmosphere is an active measure of customer experience in Microfinance Institutions.

Hypothesis 4 (H4): The fourth hypothesis states that “product assortment is an active measure of customer experience in microfinance institutions”.

The confirmatory test conducted on hypothesis 4 revealed that product assortment is an active measure of customer experience in Microfinance Institutions. This was

confirmed as product assortment contributed 10.3% of the total variance and thus it is of significance effect. Therefore, product assortment is an active measure of customer experience in microfinance institutions in Osun State, Nigeria.

Hypothesis 5 (H5): The statement of hypothesis H5 reads that “price is an active measure of customer experience in microfinance institutions”.

From the results of the tests conducted, items which loaded under-price were renamed after factor analysis. Price loaded highly on five items and contributed 0.91% of the total variance which is not so significant. This means that the effect of price is significant in measuring customer experience in microfinance institutions in Osun State, Nigeria. By implication, the prices of microfinance institutions such as interest rates and bank charges are significant to the customer experience. However, the hypothesis is not accepted that price is an active measure of customer experience in Microfinance Institutions. This is because, although price is a factor, its effect on customer experience of microfinance institutions is not significant.

Hypothesis 6 (H6): The sixth hypothesis states that “customer experience in other channels” is an active measure of customer experience in Microfinance Institutions.

The result of hypothesis H6 revealed that multichannel interaction is a weak determinant of customer experience in microfinance institutions. Hence, the hypothesis is affirmed although the contribution to the total variance was the least.

Hypothesis 7 (H7): The seventh hypothesis states that “brand image is an active measure of customer experience in Microfinance Institutions”.

The result of hypothesis seven showed that brand image is a strong determinant of customer experience since brand image has 18.6% contribution to the variance and that it is highly correlated with customer experience at microfinance institutions. Hence, the brand image is an active measure of customer experience in Microfinance Institutions. As such, hypothesis seven is affirmed as the brand image factor was found to be an active measure of customer experience in microfinance institutions in Osun State, Nigeria.

Hypothesis 8 (H8): the eighth hypothesis states that “memory is an active measure of customer experience in Microfinance Institutions”.

The result of hypothesis 8 revealed that memory is an active measure of customer experience in microfinance institutions in Nigeria as memory contributed 29.3% to the total variance. This showed a significant contribution to the total variance explained. It is therefore submitted that memory is active measure of customer experience of microfinance institutions in Osun State, Nigeria.

Moderators of customer experience investigated in the study were location, goal, and involvement. Involvement was expunged after the factor analysis as it did not load on more than two items after varimax rotations. The following hypotheses were tested on the remaining two using hierarchical regressions as presented in section 6.4.3.

Hypothesis 9a (H9a): H9a states that “location moderates the relationship between determinants of customer experience and customer experience in microfinance institutions”.

Location was tested as a moderator for the relationship between microfinance institution customer experience and its determinants. Location had 13.0% contribution to the variance explained in customer experience. This means that the location of microfinance institutions close to, or far from, customers would impact on customer experience of microfinance institutions. When location was regressed as moderator on each of the variables, it was discovered that the regression coefficients multiple regression R^2 was highest for brand image than the other factors. This means that the brand image moderated by location of a microfinance institution has higher determinants on customer experience than any of the other factors, while social environment has the least of such. Thus, Hypothesis 9a is confirmed.

Hypothesis 9b (H9b): H9b states that “goal moderates the relationship between determinants of customer experience and customer experience in microfinance institutions”.

Goal was tested as a moderator for the relationship between microfinance institutions customer experience and its determinants. Table 6.23 presents the result of the

investigation of the significance of goal as a moderator of microfinance institutions customer experience. From Table 6.23, goal had a loading of 19.6% which indicated that it is an effective determinant of microfinance institution customer experience in Osun State, Nigeria. As a moderator, goal was regressed on all the other factors, and it was found that it had a significant effect on brand image, product assortment and customer involvement. Hypothesis 9b is therefore also accepted.

Hypothesis 9c (H9c): H9c states that “customer involvement moderates the relationship between determinants of customer experience and customer experience in microfinance institutions”.

H9c was rejected based on the result of factor analysis where customer involvement was expunged as a factor of customer experience of microfinance institutions. Hence, the hypothesis which stated that customer involvement moderates the relationship between determinants of customer experience and customer experience in microfinance institutions was not confirmed. In other words, involvement does not moderate the relationship between determinants of customer experience and customer experience in microfinance institutions in Osun State, Nigeria.

The tenth hypothesis for this study which assumes a ranking order based on varying levels of significance is stated below.

Hypothesis 10 (H10): The level of significance of each determinant on microfinance customer experience is not the same.

H10 was accepted based on the result of multiple regression analysis using inferential analysis to confirm the significance of the determinants. Hence, the hypothesis which stated that the level of significance of each determinant on microfinance customer experience is not the same was confirmed. As shown in tables 6.25 and 6.26, memory was found to have the most significant influence on microfinance institution customer experience in Osun State, Nigeria while multichannel interactions had the least influence.

As described in previous chapters, the challenge of developing a holistic measurement for customer experience is still as subject of ongoing discussions among scholars and practitioners. The model therefore attempts to contribute to the issue by reviewing the influence of experience determinants and the role of moderating variables from the customer perspective through the consumption journey. These interactions eventually bring about a positive or negative behavioural change, which in the context of this study is the overall experience. The model therefore attempts to offer scholars and practitioners a framework to deepen understanding on the customer experience by providing empirically validated indicators for establishing the basis of either a positive or negative customer experience. The model is useful in many ways. First, it provides the determinants of experience specific to microfinance institutions. Second, it indicates the procedure for designing the customer experience. Third, it reflects the moderating variables that affect the influence of determinants and finally, it is based on the level of significance of each determinant to the microfinance institution customer experience.

7.7 Conclusion

Chapter 7 is an integration of the literature chapters and the empirical study. Drawing from the empirical findings of this study, discussion on the objectives and hypotheses of the study were discussed in chapter 7. The seven influencing determinants of the microfinance institution customer experience in Osun State, Nigeria were highlighted in the chapter. From the findings, two significant moderators mediating the effect of identified determinants on the microfinance institution customer experience in Osun State, Nigeria were discussed. Further, from the findings, the significance of each of the determinants on the holistic microfinance institution customer experience in Osun State, Nigeria was highlighted. Finally, a model of microfinance institution customer experience in Osun State Nigeria was developed through an aggregation of the literature review and empirical findings from the current study.

Based on the data analysis and description of results described in this chapter, the next chapter, which is the concluding chapter of the thesis, offer the contributions of the study and makes recommendations.

CHAPTER EIGHT: CONCLUSIONS, RECOMMENDATIONS, AND IMPLICATIONS OF STUDY

8.1 Introduction

Chapter eight ends the study with conclusions and recommendations based on the research findings and discussions from previous chapters. The chapter also highlights the contribution of the research to theoretical knowledge as well as practice and proposes a conceptual model of the determinants of microfinance institutions customer experience. The determinants of microfinance customer experience, viewed from the customer perspective, were established and the weight of the determining factors was validated with a view to contributing to academic and management knowledge of first, customer experience and second, microfinance services. Recommendations are made on experience items that most impact customers. The recommendation is expected to assist organisations to create strategies that improve financial access to the enterprising poor and ultimately contribute to economic development.

Chapter eight begins with the introductory section. Next, an overview of the literature review as well as the analyses were made, followed by the final conclusions and a discussion on the recommendations for the study. Next the contributions to both theoretical and practical knowledge were highlighted. The limitations and ethical considerations to the study were also presented. Finally, the chapter ended with a reflection section on the research journey and a chapter summary.

8.2 Summary of Research Results

This presents conclusions of the study. The conclusions result from the information derived from literature review in Chapters 1, to 4, as well as empirical findings. The data in this study focused on meeting the research objectives and answering the research questions. The overall findings derived from the literature review and the empirical studies are summarised. Next, each secondary objective of this study is addressed based on the findings and discussions from Chapters 5 and 6. The secondary objectives helped in deriving conclusions about the primary objective of the study.

8.2.1 An Overview of Research Findings

This research was conducted with the primary aim of establishing the influencing determinants of microfinance institutions' customer experience in Osun State, Nigeria as a means of deepening the understanding of the customer experience construct. Research into the influence of determinants of microfinance institutions customer experience is critical as predictors of customer experience. The importance of microfinance institutions to individual and national development, and, an apparent lack of scholarly studies on customer experience in the microfinance institution context and a lack of customer experience studies specific to Nigeria motivated the study. A comprehensive review in the literature domain was carried out to establish the major determinants of customer experience in other service contexts such as tourism, telecommunication, hospitality, banking and retail. A thorough evaluation and comparative analyses of content of the literature as carried out to eliminate duplication, and ensure good quality research on customer experience.

Extant literature suggested several value propositions that trigger the customer experience. These antecedents had been supported and been the focus of many studies in different geographical and service contexts outside microfinance and Nigeria. For the purpose of this study, eight determinants and three moderators of customer experience eventually formed the hypothesized model for the research. The extracted determinants and moderators of customer experience underwent a process of grouping, integration, and replacement. Social environment, service interface, retail atmosphere, product assortment, price, multichannel interactions, brand image and memory were proposed as the determinants of microfinance customer experience in Osun State, Nigeria. Further, customer goal, involvement and location were proposed as moderators of the impact of the determinants of microfinance institution customers in Osun State, Nigeria.

The hypothesized model resulted in the development of 57 items as subcategories that describe the 8 determinants and 3 moderators. Twelve hypotheses were developed to empirically validate the influence and the significance of relationships between the identified determinants on microfinance institution customer experience, as well as to establish the effect of moderating variables on the influence of the determinants of

microfinance experience. Eight hypotheses were accepted while two were nullified. In order of significance of influence, H1 (social environment), H2 (service interface), H3 (retail atmosphere), H4 (product assortment), H6 (multichannel interactions), H7 (brand image), and H8 (memory), were supported as active measures of microfinance institution customer experience. Also, H9a (location) and H9b (goal) were supported as active moderators of the influence of determinants of microfinance institution customer experience. Finally, H10 supported the assumption that there were varying degrees of the influence of determinants in order of significance, namely H8 (memory), H3 (retail atmosphere), H7 (brand image), H2 (service interface), H1 (social environment), H4 (product assortment) and H6 (multichannel interactions). However, Hypothesis 5 (Price) and H9c (Involvement) were not supported because the factor loadings for both variables were not significant.

From a review of the data derived from both the literature review and empirical study, it is evident that the specific antecedents that trigger the customer experience are industry related. Also, the antecedents have varying levels of significance of impact on the overall customer experience. Specifically, in the microfinance institutions context, it was evident that though 7 out of the proposed 8 determinants were found to have significant relative contributions to customer experience, the weight of significance varied. Besides this, 4 determinants, namely memory, retail atmosphere, brand image and service interface were found to have a great impact on the microfinance institutions customer experience. On the other hand, multichannel interactions, product assortment and social environment respectively were found to have minimal significance on the microfinance customer experience in Nigeria relative to the impact of influence of memory, retail atmosphere, brand image and service interface. In addition, 2 of the 3 moderators proposed were found to significantly influence the determinants of microfinance institutions' customer experience with varying levels of significance as moderators. For instance, goal had more significant impact as a moderating influence on the microfinance institutions customer experience. However, though goal had a significant moderating effect on all 7 determinants, it had a larger significant effect on retail atmosphere, brand image and multichannel interactions and less of an effect on social environment.

The next section presents a summary of the conclusions of the research based on the research result.

8.2.2 Conclusions on Secondary Objective 1 from Study Results

The first secondary objective of the study was to “establish the influence of determinants of microfinance institutions customer experience in Osun State, Nigeria”. The first secondary objective posited also posited as a research question “what are the key determinants of customer experience in microfinance institutions in Osun State, Nigeria?” was addressed through a series of steps. First, an exhaustive review of extant literature on the determinants of customer experience was carried out. Second, an empirical study was conducted to verify or nullify the determinants of customer experience themes derived from literature. The review of literature provided an all-inclusive conceptualisation of the determinants of customer experience. From the review of literature, 8 variables were extracted consisting of social environment, service interface, retail atmosphere, product assortment, price, multichannel interactions, brand image and memory. The 8 variables identified from literature review were measured with 42 items refined by academic experts, microfinance/marketing practitioners and pre-tests. The content analysis was carried out to review, integrate, and properly classify the identified influencing determinants of customer experience gathered from literature in the context of Nigerian microfinance institutions without duplication. The constructs and subcategories identified from the review of literature and refined for content were proposed as the hypothesised model in the main study.

The hypothesised model was further subjected to quantitative analysis to provide a validated influence of determinants in the context of microfinance institutions’ customer experience in Osun State, Nigeria. An analysis of the main survey carried out on the customers of Grooming Centre in Osun State, Nigeria, resulted in a framework consisting of seven determinants that influence microfinance customer experience. The determinants are memory, social environment, retail atmosphere, service interface, product assortment, multichannel interactions, and brand image. One determinant (price), initially proposed in the conceptual framework, was expunged as a determinant that significantly influences the microfinance institutions’ customer experience.

The hypothesised determinants of microfinance institutions customer experience in Nigeria and the outcome of empirical findings, as well as literature support for the findings, are described next.

Social Environment: The social environment is widely posited in literature as an important determinant of customer experience. As indicated in the results of the findings from factor analysis and multiple regressions described in Chapter 5, social environment was found to have the fifth contribution, in order of ranking, to the determinants of microfinance institutions customer experience in Nigeria. The social environment encompasses the effect of reference groups such as family, friends, and other customers on the customer experience. The empirical studies confirm the social environment as significantly influencing microfinance institution customer experience. Specifically, from the factor analysis, the influence of reference group such as family and friends on the customer's decision to become a customer of the microfinance institution and the perception of the importance of the approval of reference group such as increased respect, have on the customer, were found to be the most significant subthemes of social environment as a factor of customer experience. Also, the result of the regression analysis showed that social environment had significant contribution in determining customer experience of microfinance institutions. In view of this, it can be concluded from the results that customers feel the social environment is significant. The outcome of this study is supported by previous studies that emphasised the importance of social environment as a determinant of the banking, retail, and hospitality sector. Garg et al. (2012) and Verhoef (2009) observe the need for customer compatibility management of the social environment by the organisation to ensure that the actions of customers do not negatively influence other customers in the service space, for example through crowding and waiting lines. Saba (2014) similarly emphasises the importance of positive peer to peer communities to encourage a positive customer relationship with the community and peer to peer feedback as major determinants of customer experience.

Service Interface: Based on past research which have offered service interface as an important determinant of customer experience, service interface was proposed as a determinant of microfinance institutions customer experience. As indicated in the

empirical findings described in Chapter 6, service interface was fourth in order of contribution as a determinant of customer experience of microfinance institutions in Nigeria, based on extant literature which was adapted to the microfinance context for the purpose of this study. From the empirical studies, it was established that microfinance institutions' customers recognised the significance of the service interface on the total experience. The subcategories of "seamless transaction" and "professionalism" respectively were found to be significant measurements of the factor of service interface. It can be concluded from the results that customers place more significance on "seamless transaction" and "professionalism" in the service interface. Thus, it can be concluded that the service interface is recognised as an important driver of the microfinance institutions customer experience in Nigeria. Wenwei and Tongtong (2010) support the influence of the service interface, describing it as a relationship that defines the customer outlook on the association with the organisation. Saba (2014) similarly notes that the failure of service interface can create negative emotions and the perception of the customer of the reason for such service failure determines the customer experience.

Retail Atmosphere: The retail atmosphere also referred to as the physical environment in other literature has been identified as critical to customer experience in the service industry. The survey results established the significance of retail atmosphere as a determinant of microfinance institutions customer experience in Nigeria. As indicated in the results of the empirical findings described in Chapter 6, retail atmosphere was found to have the second highest contribution as a determinant of customer experience of microfinance institutions in Nigeria. The empirical studies, specifically, factor analysis placed design as the most significant subtheme followed by the furniture subtheme. It can be concluded from the analysis that design and furniture are very significant to the measurement of the retail atmosphere.

The results of this study established the importance of the retail atmosphere as a determinant of microfinance institutions customer experience. The outcome of the retail atmosphere as a determinant of customer experience is supported in literature. Heish and Chuang (2015) advanced the need for organisations to deliberately build an

atmosphere of positive emotions for customers. Kauppinen-Räsänen and Grönroos (2015) similarly suggest that the retail atmosphere influence the customers' perception of quality, due to the significant effect of the retail atmosphere as a major means of appraising service, which is expected to increase as service becomes more intangible.

Product Assortment: Previous studies from retail and banking contexts posited product assortment as an important determinant of customer experience. As indicated in the empirical findings described in Chapter 6, product assortment, though found to be a determinant of microfinance institutions customer experience in Nigeria, was sixth in order of ranking of contribution to the customer experience of microfinance institutions in Nigeria. Product assortment is an intangible element that encompasses variety, product expectation, innovation, choice, and uniqueness. This outcome is supported in past literature (Wenwei & Tongtong, 2010; Garg et al., 2012; Haery & Farahmand, 2013) which highlighted product assortment as a key element of customer experience; and that delivering specific products/services not only satisfy customer's desires but also act as value added services which create unforgettable feelings for the customers.

Price: As indicated in the empirical findings described in Chapter 6, price was expunged as a determinant of customer experience in Nigerian microfinance institutions. Price was proposed as a determinant of customer experience in previous studies. The role of price as a factor of customer experience as established in Chapter 2 was also tested in the context of microfinance institutions in Osun State, Nigeria. Price has been established in literature as a determinant of customer experience in other countries and in retail and service contexts, including supermarkets, telecommunications, hospitality, and tourism. In line with the objective of the research which is to establish the determinants of microfinance institution customer experience in Nigeria, the study therefore measures the impact of price on the overall microfinance institutions customer experience.

The reliability value for price in the pilot test in chapter 4 was 0.86. This was well above the acceptable reliability value of 0.70. The reliability value of the pilot study as well as conclusions of previous studies which presented price as a determinant of customer experience formed the basis of using it as a construct in the framework. Also, the result

of the frequency distribution in Chapter 6 supports the position of previous research which highlight price as a factor of customer experience. However, the price factor was expunged as a determinant factor of the customer experience of microfinance institutions in Nigeria during factor analysis because price factor only loaded negatively on one item which was not even a measure of price. Thus, it can be concluded from the empirical studies that though price measures the microfinance institution customer experience, the effect of price is not significant in measuring customer experience in microfinance institutions in Nigeria.

Multichannel Interactions: The empirical findings of this study, presented in Chapters 5 and 6, posited multichannel interactions as a determinant of customer experience through factor analysis. The result of the correlation found a positive significant association between multichannel interaction and customer experience of microfinance institutions. Multichannel interaction had significant relative contribution to the determinants of customer experience of microfinance institutions as indicated in the regression result. However, based on the order of significance, it was found to be the least significant contributor to the customer experience of microfinance institutions in Nigeria. It can be concluded from the empirical findings that multichannel interaction is recognised as a driver of the microfinance institutions customer experience in Nigeria. Verhoef et al. (2009) support the influence of multichannel interactions on customer experience. Due to its effect on the overall experience, Saba (2014) refers to the need to carefully address or ensure data integration and understand customer behaviour, channel assessment, apportionment of resources to various channels, and management of channel strategies.

Brand Image: As indicated in the empirical findings described in Chapters 5 and 6, brand image was found to be the fourth factor in the order of ranking of contribution to the customer experience of microfinance institutions in Nigeria. Brand image is widely acknowledged in literature as an important determinant of customer experience. It refers to customers' perception of the service organisation.

The empirical studies confirm brand image as significantly influencing microfinance institutions customer experience in Nigeria. Specifically, from the factor analysis, reliability of the organisation was found to be the most significant subtheme, followed by attachment and like, respectively. The result of the regression analysis also showed that brand image makes a significant contribution to customer experience at microfinance institutions. It can be concluded from the results that customers place significance on the brand image. The outcome of brand image as a determinants of customer experience is supported by previous studies that emphasised the importance of brand image to customer experience. Brakus et al. (2009) observe that brand image leaves an impression on the customer in terms of reputation, social responsibility, and quality of product/service, among others, and impacts customer experience. Similarly, Saba (2014) identifies what he terms commodity experience as the touchpoint that is most likely to stimulate the strongest impression.

Memory: The survey results established the significance of memory as a determinant of microfinance institutions customer experience. As indicated in the results of the findings from factor analysis and multiple regressions described in Chapter 5 and 6, memory had the highest significant contribution to the microfinance institution customer experience in Osun State, Nigeria. The influence of memory on customer experience is supported in previous studies (Puccinelli et al., 2009; McColl-Kennedy et al., 2018) who assert that past experience is retrieved from memory as required and affect the processing of new experience.

Microfinance institutions provide an opportunity for economic development through empowerment and poverty alleviation, especially for developing countries like Nigeria. The first secondary objective of the study was realised through a review of extant literature and empirical studies. From the outcome of the study, it is evident that memory, social environment, retail atmosphere, service interface, product assortment multichannel interactions and brand image are vital determinants for creating positive customer experiences to attract and retain microfinance customers in Nigeria. In addition to this research, price was not accepted as a determinant of the microfinance institution customer experience in Nigeria. This may likely be because customers of

microfinance institutions in Nigeria recognise and are willing to absorb the cost of empowerment and poverty alleviation where other factors are in place. The position that certain determinants which are interdependent contribute to the creation of customer experience has been confirmed in previous studies (Verhoef et al., 2009; Cetin et al., 2014; Mohd-Ramly and Omar, 2017; Bueno et al., 2019).

8.2.3 Conclusions on Secondary Objective 2 from Study Results

The second secondary objective of the study, also posited as the second research question, was to “evaluate the significance of influence of the determinants on microfinance institutions customer experience in Osun State, Nigeria”.

The second objective for this study was addressed in three phases. First, an exhaustive review of extant literature on the determinants of customer experience was carried out. Eight determinants of customer experience were gathered from literature after content analysis was carried out to review, integrate, and classify the identified determinants. In the second phase, an empirical study was conducted to verify or nullify the determinants of customer experience themes derived from the literature. Prior to the empirical studies, a review of the 8 determinants was carried out by experts and then presented to customers of microfinance institutions as well as other financial organisations through two sets of pilot surveys to provide a reliable framework for the empirical studies. After the pilot studies, the customers of Grooming Centre in Osun State, Nigeria, were subjected to a main survey to establish the opinion of microfinance customers on the framework that was developed through literature and verified through pilot studies. The outcome of the main survey was statistically analysed using factor analysis and this resulted in a framework consisting of seven determinants and two moderators of microfinance institution customer experience in Osun State, Nigeria. In the third phase, the variation in the significance of the influence of the identified determinants and the significance of impact was investigated through multiple regression analysis. From the analysis, it was established that there were variations in the significance of influence of the determinants of microfinance institutions customer experience in Nigeria. The outcome of the empirical study implies that all the proposed determinants were

significant in their relative contribution to the determinants of customer experience of microfinance institutions in Nigeria.

From the outcome and in addressing the second objective of this study, it can be concluded that varying levels of significance of the determinants of customer experience exist in microfinance institutions in Osun State, Nigeria. Specifically, the order of the significance of the factors as from the most to the least significant is as follows: memory, retail atmosphere, brand image, service interface, social environment, product assortment and multichannel interactions. Memory was confirmed as having the most significant relative contribution to the microfinance institution customer experience in Osun State, Nigeria. Multichannel interactions was revealed as having the least relative contribution even though it was found to be significant as well. Microfinance institutions in Nigeria thus have to strive to create a positive customer experience by focusing on making more resources available to the significant determinants of experience in order to fulfil the purpose of their existence. The varying levels of significance of impact of influencing determinants of customer experience is supported by previous research (Garg et al., 2012; Haery & Farahmand, 2013).

8.2.4 Conclusions on Secondary Objective 3 from Study Results

The third objective as outlined of the study, also posited as the third research question was to “assess the effects of location, goal and involvement as moderators of the influence of determinants on customer experience in microfinance institutions in Osun State, Nigeria”.

The third secondary objective was addressed through a series of steps. First, a review of extant literature on the moderators of customer experience was carried out. Content analysis was carried out to review, integrate, and properly classify the identified moderators of customer experience gathered from literature in the context of microfinance institutions in Osun State, Nigeria. The conceptualisation of the moderators of customer experience was used as a framework for the empirical studies. Second, an empirical study was conducted to verify or nullify the moderators of customer experience themes derived from the literature. The refined hypothesised framework

derived through the literature review and pilot studies was further subjected to quantitative analysis to provide a validated set of determinants in the context of microfinance institutions customer experience in Nigeria. The effect of moderating variables was tested from the empirical studies using hierarchical regression analysis. From the results derived from this study, goal was found to have a greater impact on the determinants of microfinance institutions customer experience in Osun State, Nigeria than location. A detailed explanation of the influence of the moderating variables on the determinants of microfinance institutions customer experience is provided in Chapter 7. The third proposed moderating variable (involvement), initially proposed in the conceptual framework was expunged as a moderator of microfinance institutions customer experience in Nigeria. The proposed moderators of microfinance institutions customer experience in Nigeria and the outcome of empirical findings as well as literature support for the findings are further described below.

Location: Location is proposed as a moderator of the determinants of customer experience and was adapted in the framework for this study. Location as a moderator is measured using 5 subthemes: they are attractiveness of location to customers as a moderator of determinants of microfinance institutions customer experience, convenience of location to customers as a moderator of determinants of microfinance institutions customer experience, strategic value of location to customers as a moderator of determinants of microfinance institutions customer experience, value placed on accessibility of location to customers as a moderator of determinants of microfinance institutions customer experience, and perceived benefits of a good location to customers as a moderator of determinants of microfinance institutions customer experience.

The empirical studies confirm location as a significantly moderating determinants of microfinance institutions customer experience in Nigeria. Specifically, from the factor analysis, convenience of location had the highest factor loadings while accessibility had the least loading. It can be concluded, therefore, that microfinance institutions customers in Nigeria place significance on location as a moderator of determinants of customer experience. The outcome of location as a moderator of determinants of

customer experience is supported in the model proposed in previous studies (Verhoef et al., 2009; Du Plessis & De Vries, 2016).

Goal: Goal is acclaimed as a moderator of determinants of customer experience in literature and was adapted as a framework for this study. Goal as a moderator was measured using 5 subthemes of outcome focus, task orientation, need recognition of goal, satisfaction based on activity, and recognition of uniqueness of customer goals. The empirical studies confirm goal as a significant moderator of determinants of microfinance institutions' customer experience in Nigeria. Specifically, from the factor analysis, satisfaction based on activity and need recognition of customer goal had the highest factor loadings, while fulfilment based on task orientation had the lowest loading. It can be concluded therefore that microfinance institutions customers in Nigeria place significance on goal as a moderator of determinants of experience. The outcome of this study is supported by previous studies that emphasised the importance of goal as a moderator. Authors (Puccinelli et al., 2009; Yang & He, 2011; Lemke et al., 2011; Keiningham et al., 2017) indicate the existence of an association between goals and customer perception of the impact of the experience determinants and proposed the need for organisations to categorise their marketing strategies to suit the goals of the customer.

Involvement: Involvement is proposed as a moderator of the determinants of customer experience in previous studies. Thus, involvement was also tested in the context of microfinance institutions in Nigeria in line with the objective of the research which is to establish the determinants of microfinance institutions customer experience in Nigeria. The study therefore measured the impact of involvement as a moderator of the overall microfinance institution customer experience. Five subthemes of involvement were gathered and adopted from extant literature to measure its significance on the microfinance institution customer experience in Nigeria. The subthemes were active participation, engagement of customers, opportunity to gain information, information on available services, stimulation of customer curiosity, and new knowledge.

All five subthemes were supported in the pilot study reliability analysis described in Section 4.8 and Table 4.4 of Chapter 4. The reliability value for involvement in the pilot test was 0.831 for all 5 questions under the construct. This was well above the acceptable reliability value of 0.70. Also, the result of the frequency distribution in Chapter 5 supports the position of previous research which posits involvement as a moderator of determinants of customer experience.

However, the factor analysis carried out and presented in Chapter 5 indicates that involvement loaded negatively on two items with factor loadings of -0.532 and -0.325 respectively. The total variance explained on involvement was therefore insignificant. Items previously categorised under involvement, and which loaded elsewhere, were renamed based on the common themes of the group where it loaded. Thus, it can be concluded from the empirical studies that though involvement moderates the microfinance institutions' customer experience, the effect of involvement is not significant in moderating customer experience in microfinance institutions in Osun State, Nigeria.

In conclusion, based on the findings derived from this study on the effects of the moderating variables, it can be concluded that the microfinance institutions customers in Nigeria consider location and goal as critical mediators of the determinants of microfinance institution customer experience in Osun State, Nigeria. The findings of this study are supported in literature (Verhoef et al., 2009; Du Plessis & De Vries, 2016,) which suggest that the influence of an assortment of independent and mediating variables is shaped by the interactive process on the overall customer experience.

8.2.5 Conclusions on Secondary Objective 4 from Study Results

The fourth and last objective of the study which also addressed the fourth research question was to “develop a model of determinants for improving customer experience in microfinance institutions in Osun State, Nigeria”.

The objective was addressed in four phases. First, an exhaustive review of extant literature on models of customer experience in other contexts. Content analysis was

carried out to review, integrate, and properly classify the identified determinants and moderators. Eight determinants of social environment, service interface, retail atmosphere, product assortment, price, multichannel interactions, brand image and memory gathered from previous studies. Three variables of location, goal and involvement offered in previous studies were also proposed as moderators of the relationship between the determinants of customer experience and customer experience in microfinance institutions in Osun State, Nigeria. This formed the basis of the hypothesised model proposed for the study. Second, various assumptions of the hypothesised model were formed based on previous studies. The assumptions include three stages of consumption journey posited as providing opportunities for touchpoints of interaction with determinants that trigger five dimensions of sensorial, affective, cognitive, behavioural and relational customer experience which form the holistic microfinance institution customer experience.

Third, an empirical study to verify or nullify the hypothesised determinants and moderators was carried out with multiple regressions analysis. Multiple regression analysis, as reported in Chapter 6, tested the combined influence of the determinants of customer experience of microfinance institutions in Osun State, Nigeria. The result indicates all the factors (memory, social environment, retail atmosphere, service interface, goal, product assortment, multichannel interaction, location, and brand image) as having significant combined influence on customer experience of microfinance institutions. The developed model summarises the relationship between the independent variables, moderating variables and the dependent variables. Correlation analysis established a significant linear relationship among the variables. The result of the factor analysis revealed ten variables as useable in the model. Price and involvement did not load significantly after varimax rotations. Analysis of the role of location and goal as moderating the third explanatory variable of the association between the identified determinants and microfinance institutions customer experience in Osun State, Nigeria was conducted using standardised coefficients obtained through hierarchical regression. Hierarchical linear regression analysis on the seven determinants and two moderators confirm the relative contribution of each of the

determinants of the customer experience of microfinance institutions in Osun State, Nigeria.

The final model of determinants of microfinance institution customer experience in Osun State, Nigeria comprises the validated relationship between the determinants and moderators of customer experience based on empirical analysis. Seven determinants and two moderating variables proposed in the hypothesised model were validated as having influence on the determinants of microfinance institution customer experience in Osun State, Nigeria. The developed model thus posit the microfinance institution customer experience as created from customer interaction with the validated determinants and mediators to form the holistic experience. The model provides an aggregate measure of the microfinance institution customer experience through the customer journey of pre-consumption, consumption, and post consumption. From the model, seven determinants majorly motivate the microfinance institution of customer experience. The determinants arranged in order of significance to the customer experience in microfinance institutions are memory, retail atmosphere, brand image, service interface, social environment, product assortment and multichannel interactions. Further, the significance of impact of the determinants are moderated by two variables of goal and location. The developed model deepens the understanding of both practitioners and scholars on variables that influence positive customer experience, which in turn improves microfinance business and modern literature.

8.3 Contribution of the Study

The study offers a number of significant contributions to both academic and practical knowledge.

8.3.1 Contribution to Theoretical Knowledge

The key objective of this is to identify and evaluate the influence of determinants of customer experience in microfinance institutions in Osun State, Nigeria. The results of the study, makes a noteworthy contribution to the body of knowledge on customer experience generally and microfinance institution customer experience specifically.

First, this study establishes and assesses determinants and moderators significant to customer experience in the microfinance service sector. The variables tested in the study, extracted from previous studies (Verhoef et al., 2009; Grewal et al., 2009; Klaus et al., 2012; Nasution et al., 2014; Saba, 2014; Joshi, 2014; Shamsudeen, 2017) in contexts such as retail, tourism, hospitality, banking among others, were offered as determinants of customer experience. However, not all the determinants posited were accepted as having significant impact on the microfinance customer experience. The inferential analysis conducted in this study confirmed the significance of the determinants and moderators as memory, goal, retail atmosphere, location, brand image, service interface, social environment, product assortment and multichannel interactions. Price and involvement were discarded as significant measures of microfinance customer experience based on the empirical findings of the study. The research confirms the argument in previous studies (Garg et al., 2012; Haery & Farahmand, 2013; Bueno et al. 2019; Heshmati et al., 2019) that determinants of customer experience is specific to service contexts. The study thus contributes to knowledge by validating the context specific nature of determinants of customer experience as well as validating specific determinants and moderators of microfinance institution customer experience in Osun State, Nigeria. Despite the widely accepted significance of the microfinance service sector to individual and national development, and the huge unserved market, there is little or no academic studies available to deepen understanding on customer experience in the context. The study is therefore critical as foundation for advancing future research on customer experience in microfinance services context.

Second, this study reviewed different approaches of measuring customer experience in different service contexts and proposes a measure specific to the microfinance institution customer experience. The study provides a scale comprising seven factors and two moderators with 56 items for measuring the determinants and moderators of customer experience and this was validated with sound reliability results. To the best knowledge of the researcher, this represents the first measurement instrument designed specifically to evaluate the microfinance institution customer experience. The study

therefore provides a holistic measure of customer experience in microfinance setting which affords scholars a design to further research the antecedents of customer experience in microfinance institutions.

Third, despite several research carried out on the antecedents of customer experience, only a few empirical studies had been carried out with the objective of investigating the influence of the determinants on customer experience. This study tested the significance of the impact of the various variables that influence customer experience. A major finding of the study is the moderating influence of goal and location to the microfinance customer experience. The outcome of the study implies that goal has a higher significance on the microfinance institutions customer experience than location. Thus, the study contributes to academic knowledge on the customer experience construct by providing empirical evidence on the role of location and goal in moderating the determinants of customer experience specific to the context of microfinance institutions. The study also indicated varying levels of significance of the impact of the moderators on each of the determinants.

The study also reviews previous studies to identify and empirically validate the determinants of customer experience of microfinance institutions in Nigeria. Findings indicate that the determinants of customer experience in previous studies were measured based on their impact on outcomes such as loyalty, satisfaction, and recommendation. This study contributes differently from previous studies by measuring the determinants of customer experience as it affects the holistic experience. Thus, the outcome of the study and developed model provides understanding of the impact of individual determinants to the holistic experience as an outcome rather than in comparison to other marketing outcomes as applicable in previous studies (Saba, 2014; Nasution et al., 2014; Rather, 2018; Heshmati et al., 2019). The study also suggest determinants for measuring microfinance institution customer experience based on the influence of the determinants on the total service experience, from the customer's perspective. Previous studies on the service- dominant logic have been carried out based on the organisational perception. Specifically, the study by Verhoef et al. (2009), which formed part of the framework of the current study, presented customer experience from the microfinance institution perspective. The models form other service contexts

which formed the basis of the study were very much conceptual, and this study thus deepens understanding of customer experience construct by validating the microfinance institution customer experience through empirical analysis.

Finally, this study develops a model of influence of determinants on the microfinance customer experience based on relative significance through the pre-consumption, consumption, and post-consumptions journey stages. The model also integrates the mediators of the influence of determinants. Aside from providing a deeper understanding of the microfinance experience, based on the observed similarities in determinants of customer experience in different service contexts, the model can contribute to theoretical knowledge as a basis of other studies in microfinance and other service contexts, to determine the influence of the determinants on experience. The model will be a foundation for future qualitative or quantitative scholarly research on measures of customer experience, or more specifically, the influence of measures on customer experience. The study deviates from the usual approach to studies of customer experience which as Subhadip (2018) offers has hitherto focused on organisational perspective, and adopts a customer-focused outlook to deliver a model of customer experience which will guide future research on influence of determinants of customer experience.

8.3.2 Contribution to Practice

As regards practical knowledge, first, the study provides microfinance stakeholders such as government and practitioners with a deeper understanding of the perception of microfinance institutions customers and the factors that influence the microfinance customer experience. This leads stakeholders to being more informed when developing policies or strategies to improve microfinance access. This is aligned with the argument of studies (Ibok & Udofot, 2012; Ikumsah, 2013; Muhammad et al., 2015) suggesting that developing effective microfinance strategies involve; first, analysing the factors that customers consider before adopting microfinance services, second, proper understanding to bridge the disconnect between the organisations and the customers' expectations; and third, discovering the neglected areas customers value most.

Second, the study based on the modified scale from the outcome of empirical develops an all-inclusive conceptualisation of determinants of customer experience a model of determinants of customer experience in microfinance institutions in Osun State, Nigeria. The model reveals the level of significance of the various determinants. The model is expected to provide understanding to microfinance institution managers on distribution of resources to creating the customer experience, from customers' perspective that meet the expectation on experience during service encounters. The model confirmed the significance of determinants of customer experience therefore contributes to knowledge so that regulators and practitioners can be better informed and equipped to develop marketing strategies through a better understanding of the determinants that are significant to the microfinance customer experience. This is expected to lead to increased access and better marketing outcome for microfinance institutions in Nigeria.

Finally, the study provides measures the customers' subjective evaluations and provides numerical results which provides managers with the weight of each determinant that constitutes the customer experience. Managers are therefore able to compete effectively by recognising the essential competencies for achieving and sustaining competitive advantage.

8.4 Limitations to Study

The findings of this study are noteworthy and contribute to knowledge on measuring the customer experience, but they are not without limitations. First, the convenience sampling method which is limited in generalisability was used for the study, and generalisation of the outcome of the study is therefore limited. Random sampling would provide a higher external validity. A second limitation of this study was the use of self-administered questionnaires for the collection of data which may have resulted in an exaggerated response from respondents. Third, there is a limitation on the scope of the research which covered a sample size of 466 customers of Grooming Centre in Osun State, Nigeria. A bigger sample might have yielded a different result. Therefore, future research may be carried out on a larger sample to evaluate the variance in the outcomes, if any. Finally, the main limitation of the study was that the scope of the study was restricted to only one microfinance institution as a case study. Therefore, variations

in practices and experiences based on microfinance institution practices and geographical location may have impacted the outcome of this study. As such, the generalisation of the results to other contexts requires further verification. The model should therefore be tested on other microfinance institutions throughout Nigeria to increase the generalizability of the results.

Regardless of the highlighted limitations, it may be concluded that the study confirms the influence of the tested variables on microfinance institution customer experiences in Osun State, Nigeria.

8.5 Recommendations

The study has been able to establish that certain factors were substantive determinants of customer experience at microfinance institutions in Nigeria. This includes memory, retail atmosphere, brand image, service interface, social environment, product assortment and multichannel interactions. Also, the influence of the various determinants of microfinance institution customer experience in Nigeria was found to be moderated by goal and location. It has been demonstrated that when these factors and moderators are properly channelled, positive customer experiences are created in Nigerian microfinance institutions. This improves the microfinance institutions beyond the micro-level as a sustainable part of the process of economic empowerment of their customers. From the research results presented in Chapter 5 and the conclusions drawn from the findings as described in Chapters 6 and 7, the following recommendations are made:

- Customers' value and opinion are major marketing realities that should be given adequate attention. A major responsibility for managers of microfinance institutions is to train the staff interfacing with customers such as credit and relationship officers to discover the reasons for patronage and ensure that advice and services rendered is tailored towards the customer's objective.
- As customer satisfaction varies with time, managers would periodically assess the current satisfaction level and define the modifications to be done to services so that

the microfinance institutions can fulfil the customer's needs. Employees could also be trained to meet customer's needs by providing courteous and professional services. Microfinance institutions should build the capacity of their personnel to the extent that they would be able to create a good customer relationship between the banks and their customers.

- Capacity building of microfinance institutions in Nigeria should be mandatory to develop appropriate policies that enhances sustainability and stability. Microfinance institutions that utilise correspondence banks should also ensure that ease and rapport of services provided to customers in the banks are aligned with the experiences designed in the microfinance institution.
- It is evident that the customer's perception of employee interaction strongly influence microfinance experience. Microfinance institutions should set up feedback systems with attending rewards or sanctions where employees are made accountable for interactions with customers for enquiries, loan processing, or savings, or during group meetings to ensure that the accumulated experiences are positive.
- From the study, it is evident that customers remember the feelings (such as happiness, frustration, and sadness) generated during previous encounters with the microfinance institutions. Thus, microfinance institutions should therefore strive to create positive customer experiences at every point of contact with the customers. This can be achieved through the deliberate creation of remarkable events that engage the customers in a personal way. For example, promotions can be organized where customers win special gifts. Also, festivals peculiar to the location or culture of the locality of the microfinance institutions can be celebrated with the customers. Such events act as motivation for customers to influence the social environment by sharing such experiences with families and friends as well as other customers.
- Surprisingly, it was found that many of the customers would prefer to have the microfinance located not too close to their business in order to have some privacy. Thus, assumptions should be avoided and some form of investigation conducted to

determine customer preference regarding location decisions about the location of microfinance institutions are taken.

- The customers' first impression of the microfinance institutions is partly determined by the perception of the physical environment. Based on the outcome of this research, the retail atmosphere is a major determinant of microfinance experience. The retail atmosphere thus contributes highly to patronage and the overall satisfaction of customers. Microfinance institutions should therefore focus on all facets of the physical environment. Comfortability of customers as being comfortable, while being attended to fosters a good mood and promotes an overall good experience. Thus, though microfinance institution customers are categorized as micro entrepreneurs, and low income earners, microfinance institutions should try to ensure relative comfort during group meetings and other service interactions. The smell, cleanliness, aesthetics, arrangement, decoration, and general feeling of the service environment should be given adequate attention as major attractions or deterrents of positive customer experience. The general service environment should be designed to be comfortable and appealing to the customers. The retail atmosphere for customers should be created in such a way that any time customers have contact with the bank, it is in an enabling environment for customers to have positive experiences.
- The research reveals that customers are particular about the reputation of the microfinance institutions. It is therefore recommended that microfinance institutions strategically brand themselves and maintain a good reputation in the eyes of both the customers and the community by engaging in corporate social responsibility and fulfilling promises to the customers. Also a method of feedback, such as meetings or questionnaires to keep microfinance institutions abreast of customer perceptions regarding the brand. For example, microfinance institutions can organize community relevant projects such as cleaning or provision of waste bins in the local community. Microfinance institutions can also partner with other organisations to raise awareness about issues relevant to the community through campaigns. Customized gifts can be distributed to customers periodically. By using the communication

strategies available to them, microfinance institutions could deliberately create an image of a group of strong and reliable organisations focused on meeting customer needs.

- Microfinance institutions should identify and provide products and services required by the customers. The presence of unique products that appeal to customers contributes to positive experiences. Microfinance institutions in Nigeria should ensure, and strive to put in place, a variety of products that enhance the experience of customers as regards their unique needs and preferences.
- Groups or associations designed within microfinance institutions should be made up of members who have issues in common. The members of each group, especially the group leaders who are treated as partial employees, should enjoy benefits that motivates them to ensure togetherness and pass on useful information to the microfinance institutions. Also, the role of families and friends as motivators and influencers of customer's opinion should not be overlooked by microfinance institutions. Customer groups or associations should be designed in such a way that they provide relevant information, help, collaboration, and support that engenders customer satisfaction. Zgolli and Zaiem (2017) highlight the need for friendship and connection between group members as well as the need for microfinance institutions to meet group needs and expectations in addition to individual needs.
- Finally, Government should provide incentives to sustain microfinance institutions in Nigeria, especially in the rural areas. This should be done bearing in mind that location as a moderator was found to have increased the level at which other factors determine customer's experience of microfinance institutions in Nigeria.

8.6 Suggestions for Further Research

This study has revealed several research opportunities in the field of customer experience with particular reference to microfinance institutions in Nigeria. To further validate the research and deepen understanding of the customer experience construct

in the Nigerian context, other areas that could be of researchers' interest includes but are not limited to the following:

- i) The current research may be extended to include both qualitative and quantitative studies to investigate the determinants of microfinance institutions customer experience. These may further reveal aspects of microfinance institutions customer experience not revealed in this study; this is because a qualitative study gives respondents the opportunity to provide further clarification on their perception. Also, the validity of customer responses would be better determined based on the outcome of interviews in the qualitative studies.
- ii) To further deepen the understanding of the customer experience construct, the study could be conducted in other states in Nigeria and or other microfinance institutions in Osun State, Nigeria. This makes the study reflect varying perceptions and provide a basis for comparison on the similarities or differences observed based on organisational or geographical differences.
- iii) Arising from the conclusions in literature that customer experience could be viewed from both organisational and customer perspective, a further study could be carried out to investigate the perception of the organisation (Grooming Centre) used for this study, to determine whether there were variances in the organisational and customer perception of the determinants of microfinance institution customer experience, and to merge such variances with a view to creating a holistic experience.
- iv) Based on the relative newness of the study of customer experience in the Nigerian context, each of the determinants identified from this study may be investigated separately to expand information and deepen the understanding of the constructs as well as allow comparative studies between the determinants derived from specific sectors in Nigeria and other countries.
- v) A comparative study could be conducted on determinants of customer experience of selected financial institutions as well as microfinance institutions in

Nigeria to establish whether there were variations in the determinants of customer experience of financial institutions by types such as commercial banks, insurance firms, and mortgage institutions, for example. This further expands knowledge on the subjective nature of customer experience.

- vi) The constructs in the study could be extended to microfinance institutions in selected West African countries. The findings obtained could therefore be juxtaposed with the findings of this present study to identify similarities and differences and thus deepen our understanding.

The last two sections provide a reflection on the researcher's PhD journey and a final summary. A reflection of the PhD journey is relevant for the researcher to understand the journey and guide future attempts and scholarly ventures, as well as to provide academic institutions and students embarking on doctoral studies with insight on areas that could be strengthened or reviewed to attain better outcomes.

8.7 Ethnographic Reflection

Looking back on the doctoral journey provides a better view of the academic rigour and expectations that surrounds a PhD programme. It also highlights areas where adjustments could be made especially for prospective doctoral students. My venture into the doctoral study was motivated by a desire based on my academic qualification and work experience in the financial sector of Nigeria, including microfinance institutions. This created a natural interest in any study that would deepen my understanding of the customer. The journey was very challenging. My family and friends who had successfully gone through doctoral studies prepared me for the challenges of the process. Thus, I had constant reminders that the doctoral degree was more a test of resilience than of intelligence. Despite my "preparedness", I still went through the full gamut of emotions such as excitement about each milestone achieved, frustration for difficulties encountered (this especially occurred during the ethics approval stage which took two years because the University made changes in the process). I also experienced anxiety waiting for comments from my supervisors on submitted chapters.

I write this last section on my experiences with mixed feelings. I feel a deep sense of gratitude, happiness, and pride at this great achievement. I feel relief that I was resilient and able to conclude the doctoral journey; disbelief that the long journey is at an end; and anxiety to conclude the evaluation process by external examiners.

I learned the following lessons during the process:

- The doctoral journey is an intense and challenging journey that should not be embarked on without the support and encouragement of significant “others” due to the concentration it requires, which may mean having to neglect other aspects of life.
- Until you are through, thoughts on your study will never be far from your mind. Such thoughts include those highlighted at the introduction to reflection as well as guilt when you are not working on your research and guilt that you are neglecting other areas of your life.
- You have to be strategic in the allocation of time to your studies and struggle to follow through even when you do not feel like it. Creating blocks of time for the study enables other areas of life not to be as neglected as would be if specific times are not allocated.
- It is better to study fulltime where possible to enable total focus on the study. Combining studying and working unnecessarily extends the time of the study.
- Your supervisors are critical to your success; they have gone through the journey personally and have helped others before you. Pay attention to what they say.
- Different scholars have different perspectives. Stick with your supervisors for guidance; any opinion that contradicts your supervisors’ should be discarded immediately to avoid confusion and lack of progress.
- When you take a break during the research, you seem to forget a lot of things and it takes a while to get your flow back.
- You may not know initially, but everything you do during the process –proposal, article review, ethics application, pilot studies all make sense to your work in the end. The proposal helps your chapter 1. Article review helps your literature review chapter. Ethics application helps your methodology chapter. So do not fret that you are wasting time because you are actually saving time.

- Interpreting quantitative data requires more studying and learning from experts.
- Nothing is more important than the sense of achievement derived from successfully completing the journey. However, like a very wise woman said, it is important to “enjoy where you are on the way to where you want to be”.

In conclusion, I feel that the doctoral journey has deepened my understanding of the process of academic research and the customer experience construct. Thus, in my opinion, I am a better practitioner and scholar. There is also a sense of fulfilment in contributing to academic knowledge which makes the whole journey worthwhile.

The next section concludes the study with a summary of chapter 6 as well as a final conclusion of the study.

8.8 Final Conclusion

Chapter eight, the last chapter of this study, contains conclusions grounded on the research objectives and findings that are in line with the main objective of the research, which was to establish the determinants of microfinance institution customer experience. It provided recommendations for microfinance institution customer experience specifically, and customer experience generally. The chapter also highlighted areas for future research opportunities. Next, limitations experienced during the study were assessed and the contribution to knowledge explained. Finally, the chapter ended with an ethnographic reflection of the researcher’s PhD journey.

This study was carried out as a contribution to the ongoing discussion on developing a holistic overview of the customer experience construct which is considered the new differentiator of services. The major goal of the study was to establish customer perception of determinants of microfinance institution customer experience in Nigeria. The perception of customers is critical as it is the basis on which they evaluate services. Understanding the factors that influence customer experience therefore enable microfinance institutions as well as other service organisations to decide how resources are expended to maximise performance.

In line with the objective of the research, the study concludes seven factors that act as stimulus of the overall customer experience in microfinance institutions. The study revealed that the impact of each of the factors on the customer experience differ. Further, the study showed a positive significant but varying impact of moderating influences of goal and location on the determinants of microfinance institutions in Nigeria. Finally, a significant difference was also found in the effect of the moderator on each of the determinants.

Theoretically, an important outcome of this study is support and knowledge provided by the developed model, to the ongoing academic discussion on customer experience. The model fills the gap in literature on the customer experience construct by presenting an integrated view of the determinants significant to the microfinance institution customer experience in Osun State, Nigeria. Practically, the study provides a blueprint for customer evaluation of service encounters. This affords microfinance stakeholders such as government and practitioners in the field of marketing with better understanding of the customer experience. It is believed that the study will enhance informed and effective formulation of policies and marketing strategies which will lead to improved outreach and better marketing outcomes for microfinance institutions in Nigeria.

REFERENCES

- Abdusalam, D.O and Tukur, M.N. 2014. 'Access to Microfinance and Small Enterprise Growth in Sokoto State, Nigeria'. *World Review of Business Research*, 4(1):62-75. Available from ([http:// www. Wrbrpapers .com /static /documents /March/2014/5.Dauda_new.pdf](http://www.Wrbrpapers.com/static/documents/March/2014/5.Dauda_new.pdf)) [Accessed 19 April 2017].
- Abiola, B. 2011. 'Impact Analysis of Microfinance in Nigeria'. *International Journal of Economics and Finance*, 3(4):217-225.
- Abraham, H and Balogun, I.O. 2012. 'Contribution of Microfinance to GDP in Nigeria: is there any?' *International Journal of Business and Social Science*, 3(17):167-176.
- Acha, I. A. 2012. 'Microfinance Banking In Nigeria: Problems and Prospect'. *International Journal of Finance and Accounting*, 1(5):106-111. Available from: (doi: 10.5923/jijfa2012.01.0504). [Accessed 12 May 2017].
- Achmad R., Erna and M., Arianis C. 2017. 'Comparisons of Factors that Influence Male Consumer Behavior in Purchasing Skin Care Products (Case Study: Men from Suwon City, South Korea and Bandung, Indonesia)'. *Review of Integrative Business and Economics Research*, 6(S1):176 -183.
- Adeola, O., and Evans, O. 2017. The Impact of Microfinance on Financial Inclusion in Nigeria. *Journal of Developing Areas*, 51(4):193–206. Available from ([https://doi.org /10.1353/jda.2017.0097](https://doi.org/10.1353/jda.2017.0097)).). [Accessed October 28 2019]
- Aghaei, M and Anoushehi, R. 2016. 'Identifying and Evaluating the Criteria's Affecting of Customer Experience Using Fuzzy Dematel Approach (Case Study: Branches of Bank Melli in Tehran)'. *Journal of Modern Applied Science*, 10(9):153-160. Available from (<http://dx.doi.org/10.5539/mas.v10n9p15>). [Accessed October 28 2019]
- Ajzen, I. 1991. 'The Theory of Planned Behavior'. *Journal of Organizational Behavior and Human Decision Processes*, 50(2):179-211.
- Akande, O.O. 2012. 'Performance Analysis of Micro-Finance Banks on Women Entrepreneurs in Oyo State, Nigeria'. *Research Journal in Organisational Psychology and Educational Studies*, 1(3):168-173.

- Akingunola, R.O, Adekunle, O.A, and Adegbesan, K. J and Aninkan, O.O. 2013. 'Microfinance Banks and Entrepreneurship Development in Nigeria: A Case of Ogun State'. *European Journal of Business and Management*, 5(28):100-110.
- Alharbi, A., Heavin, C., and Carton, F. 2016. "Improving customer oriented decision making through the customer interaction approach". *Journal of Decision Systems*, 25(1):50-63, DOI: 10.1080/12460125.2016.1187417. Available from (<http://dx.doi.org/10.1080/12460125.2016.1187417>). [Accessed 20 May 2021].
- Ali, F, Amin, M and Cobanoglu, C. 2016. 'An Integrated Model of Service Experience, Emotions, Satisfaction, and Price Acceptance: An Empirical Analysis in the Chinese Hospitality Industry'. *Journal of Hospitality Marketing and Management*, 25(4): 449-475. Available from (DOI: 10.1080/19368623.2015.1019172). [Accessed 12 August 2018]
- Ali, F, Omar, R, and Amin, M. 2013. 'An Examination of the Relationships Between Physical Environment, Perceived Value, Image and Behavioural Intentions A SEM Approach Towards Malaysian Resort Hotels'. *Journal of Hotel and Tourism Management*. 27(2):9-26. Available from (<https://www.researchgate.net/publication>). [Accessed Apr 11 2019].
- Alimukhamedova, N. 2013. 'Contribution of Microfinance to Economic Growth: Transmission Channel and the Ways to Test it'. *Business and Economic Horizons*, 9(4):27-43. Available from (<http://dx.doi.org/10.15208/beh.2013.20>). [Accessed 5 February 2017].
- Almalki, Sami. 2016. "Integrating Quantitative and Qualitative Data in Mixed Methods Research—Challenges and Benefits". *Journal of Education and Learning*, 5(3):288-296. doi288.10.5539/jel.v5n3p288. Available from: https://www.researchgate.net/publication/30527639_Integrating_Quantitative_and_Qualitative_Data_in_Mixed_Methods_Research-Challenges_and_Benefits [Accessed Feb 01 2021].
- Amoah, F., Radder, L., and Van Eyk, M. 2016. 'Experience quality dimensions and customer perceptions: A case study of guesthouses in Ghana'. *African Journal of Hospitality, Tourism and Leisure*, 5(4) Open Access- Online. Available from (<http://www.ajhtl.com>). [Accessed 18 November 2019]

- Annim, S.K. 2018. 'Outreach and the poverty-reducing effect of microfinance in Ghana'. *Practical Action Publishing*, 29(2). Available from (DOI: 10.3362/1755-1986.17-00020). [Accessed 4 October 2019]
- Ansari, S., Ansari, G., Ghori, M. U. and Kazi, A. G. 2019. "Impact of Brand Awareness and Social Media Content Marketing on Consumer Purchase Decision". *Journal of Public Value and Administrative Insight*, 2(2):5-10. Available from (<https://doi.org/10.31580/jpvai.v2i2.896>). [Accessed 19 October 2020].
- Apere, T.O 2016. 'The Impact of Microfinance Banks on Economic Growth in Nigeria' *International Journal of Academic Research in Economics and Management Science*, 5:4(2226-3624). Doi:10.6007/IJAREMS/v5-i4/2290 Available: <http://dx.doi.org/10.6007/IJAREMS/v5-i4/2290>. Accessed [6 April 2020]
- Asare M. 2015. 'Using the theory of planned behavior to determine the condom use behavior among college students'. *American Journal of Health Studies*, 30(1):43-50.
- Askarzai, W. and Unhelkar, B. 2017. Research Methodologies: An Extensive Overview *International Journal of Science and Research Methodology, Human*, 2017; Vol. 6 (4): 21-42. [Accessed 4 February 2021]
- Babajide, Abiola A., Taiwo, Joseph Niyan, and Adetiloye, Kehinde Adekunle. 2016. "A comparative analysis of the practice and performance of microfinance institutions in Nigeria", *International Journal of Social Economics*. Available: <https://doi.org/10.1108/IJSE-01-2016-0007>. [Accessed 10 January 2021]
- Babangana, S.A. 2010. 'Impact Assessment of the Role of Microfinance Banks in Promoting Small and Medium Enterprises Growth in Nigeria', *International Journal of Economic Development Research and Investment*, 1(1):42-53.
- Bagdare, S. 2016. 'Retail Customer Experience: A Research Agenda'. *International Journal of Research in Commerce & Management*, 7(4), 55–58.
- Banerjee, A, Chaudhury, S. 2010. 'Statistics Without Tears: Populations and Samples'. *Industrial Psychiatry Journal*, 19(1):60-65. Available from: (<http://www.ncbi.nlm.nih.gov/pmc/articles/Pmc3105563/#ref4>). [Accessed 26 September 2017]
- Bansal, P. T, Smith, W. K., and Vaara, E. 2018. 'New Ways of Seeing through

- Qualitative Research'. *Academy of Management Journal*, 61(4):1189–1195. Available from: <https://doi.org/10.5465/amj.2018.4004>. [Accessed 12 February 2021]
- Bapat, D. 2017. 'Exploring the Antecedents of Loyalty in the Context of Multi-Channel Banking'. *International Journal of Bank Marketing*. 35 (2):174-186. Available from (www.emeraldinsight.com Doi:0.1108/IJBM-10-2015-0155). [Accessed 18 November 2019].
- Basaran, U, and Aksoy, R. 2017. 'The Effect of Perceived Value on Behavioural Intentions'. *Journal of management, marketing and logistics*, 4(1):1-16. Available from (<http://doi.org/10.17261/Pressacademia.2017.375>). [Accessed 5 November 2019].
- Becker, L. 2018. 'Methodological proposals for the study of consumer experience'. *Qualitative Market Research*. 21(4):465-490. Available from (<https://doi.org/10.1108/QMR-01-2017-0036>). [Accessed 22 July 2016].
- Becker, L.; Jaakkola, E. 2020 'Customer experience: fundamental premises and implications for research'. *Journal of the Academy of Marketing Science*, [s. l.], 48(4):630–648. DOI10.1007/s11747-019-00718-x. Disponívelem: <http://search.ebscohost.com/login.aspx?direct=true&db=bth&AN=143892345&site=ehost-live>. [Accessed 27 January 2021].
- Beerli, A., Martin, J.D. and Quintana, A. 2004. 'A model of customer loyalty in the retail banking market'. *European Journal of Marketing*, 38(1):253-275. Available from (<https://0-search-proquest-com.oasis.unisa.ac.za/docview/237026612/fulltext/1E62E360791C4CF0PQ/4?accountid=14648>). [Accessed 18 November 2019].
- Beri, G.C. 2010. *Marketing Research* (4th ed.). New Delhi. Tata Mcgraw Hill Education Private Limited.
- Bhattacharjee, A. 2012. 'Social Science Research: Principles, Methods, and Practices' Textbooks Collection 3. Available from (<http://scholarcommons.usf.edu/oatextbooks/3>). [Accessed 10 November 2019].
- Bhuiya, M., Khanam, R, Rahman, M, and Nghiem, S. 2016. 'Impact of microfinance

- on household income and consumption in Bangladesh: Empirical evidence from a quasi-experimental survey'. *The Journal of Developing Areas*, 50:305-318. Available from (10.1353/jda.2016.0111). [Accessed 3 September 2018].
- Blackwell, R.D., Miniard, P.W and Engel, F.J. 2001. *Consumer Behaviour*. Orlando: Harcourt College Publishers.
- Bihari, S. C., Roy, S. K., and Bhattacharya, K. 2009. 'Customer Satisfaction Survey In Selected Micro Finance Institution', 474-518.
- Bitner, M. J. 1990. 'Evaluating Service Encounters: The Effects of Physical Surroundings and Employee Responses'. *Journal of Marketing*, 54(2):69-82. Available from (<https://www.jstor.org/stable/1251871>. Doi 10.2307/125187 1). [Accessed 10 February 2019].
- Bonney, Leff, Hochstein, Bryan, Christenson, Brett, and Chefor, Ellis. 2019. "Incumbent and non-incumbent salesperson consultation in the pre-decision stage of organizational purchasing". *Journal of Industrial Marketing Management*. Available: (<https://doi.org/10.1016/j.indmarman.2019.09.012>). [Accessed 19 January 2021]
- Brakus, J.J., Schmitt, B. H. and Zarantonello, L. 2009. 'Brand Experience: What is it? How is it Measured? Does it Affect Loyalty?' *Journal of Marketing*, 73(3): 52-68. Available from ([scholar.google.com doi:10.1.1.605.3526.pdf](https://scholar.google.com/doi/10.1.1.605.3526.pdf)). [Accessed 10 November 2018].
- Bray, J. P. 2008. *Consumer Behaviour Theory: Approaches and Models*'. *Discussion Paper*. Available from (<http://eprints.bournemouth.ac.uk/10107/>). [Accessed 10 January 2019].
- Bueno, E. V., Weber, T. B. B., Bomfim, E. L and Kato, H. T. 2019. 'Measuring customer experience in service: A systematic review'. *Service Industries Journal*, 39(11/12), 779–798. <https://doi.org/10.1080/02642069.2018.1561873> [Accessed 10 April 2018].
- Bustamante, J. C., and Rubio, R. 2017. 'Measuring customer experience in physical retail environments'. *Journal of Service Management*, 1757-5818. Available from (<https://doi.org/10.1108/JOSM-06-2016-0142>). [Accessed 20 May 2021].
- Caru, A, and Cova, B. 2003. 'A Critical Approach to Experiential Consumption: Fighting Against The Disappearance of the Contemplative Time'. *CMS conference*

- proceedings Stream 23: Critical Marketing: Visibility, Inclusivity, Captivity*. Available from (www.mngt.waikato.ac.nz/ejrot/cmsconference/2003/proceedings/criticalmarketing/Caru.pdf). [Accessed 15 March 2015].
- Central Bank of Nigeria. 2005. 'Micro Finance Policy, Regulatory and Supervisory Framework for Nigeria'. Abuja. CBN.
- Central Bank of Nigeria. 2017. 'Central Bank of Nigeria Annual Report—2017'. Abuja. CBN.
- Cetin, G, Akova, O, and Kaya, F. 2014. 'Component Of Experiential Value: Case of Hospitality Industry'. *Procedia- social and behavioural science*, 150:1040-1049. Doi:10.1016/j.sbspro.2014.09.116. Available from (www.science-direct.com). [Accessed 20 July 2017].
- Chuang, Y., and Hsieh, Y. 2015. 'The Key Successful Factors of Customer Service Experience'. *Twenty-first Americas conference on information systems, Puerto Rico*. Available from: (<http://pdfs.semanticscholars.org>). [Accessed 13 February 2018]
- Choo, P.W., Tan, C. L. and Yeo, S.F. 2018. 'A Review of Customer Experience Quality Measurement in Malaysian Heritage Hotels'. *Global Business and Management Research: An International Journal*, 10(1):379-394.
- Culiberg, B and Rojsek, I. 2010, 'Identifying Service Quality Dimensions as Antecedents to Customer Satisfaction in Retail Banking'. *Economic and Business Review for Central and South - Eastern Europe*, 12(3):151-166. Available from (<https://0-search-proquest-com.oasis.unisa.ac.za/docview/875892182/fulltextPDF/1E62E360>) [Accessed 18 November 2019]
- Dumitrescu, L, Stanciu, O, Tichindelean, M. and Vinerean, S, 2012. 'The Importance of Establishing Customer Experiences'. *Studies in Business and Economics, Lucian Blaga University of Sibiu, Faculty of Economic Sciences*, 7(1):56-61. Available from (RePEc:blg:journl:v:7:y:2012:i:1:p:56-61.<https://ideas.repec.org/a/blg/journl/v7y2012i1p56-61.html>). [Accessed 10 May 2018].
- Du Plessis, L. and De Vries, M. 2016. 'Towards A Holistic Customer Experience Management Framework for Enterprises South African'. *Journal of Industrial Engineering*, 27(3):23-36. Available from (Doi: <http://dx.doi.org/10.7166/27-3-1624>). [Accessed 10 February 2019].

- Eiamkanchanalai, S. 2010. 'Factors Influencing Customer Experience Management and Customer Experience Value'. *Global business and economics anthology*. Available from (<https://www.researchgate.net/publication/271700039>) [Accessed 19 December 2019]
- Eigbiremolen, G.O. and Anaduaka, US 2014. 'The Place of Microfinance in Today's Economy: Further Evidence from Nigeria'. *International Journal of Academic Research in Economic and Management Science*, 3(1):12-22.
- Eyisi, Daniel. 2016. 'The Usefulness of Qualitative and Quantitative Approaches and Methods in Researching Problem-Solving Ability in Science Education Curriculum'. *Journal of education and practice*, 7(5):91-100.
- Fadun, S. O. 2014. 'Financial Inclusion, Tool for Poverty Alleviation and Income Redistribution in Developing Countries: Evidences from Nigeria'. *Academic Research International*, 5(3):137-146. Available from (<http://www.journals.savap.org.pk>). [Accessed 26 March 2015].
- Feinberg, M. E., Sakuma, K. K., Hostetier, M. L., and Mchale, S. M.. 2013. 'Enhancing Sibling Relationships to Prevent Adolescent Problem Behaviors: Theory, Design and Feasibility of Siblings'. *Journal of Evaluation and Program Planning*, 36(1):97–106. Available from: (doi 10.1016/j.evalprogplan.2012.08.003). [Accessed 12 February 2021]
- Field, A. 2009. *Discovering statistics using SPSS*. 3rd ed. London: SAGE.
- Foroudi, P., Jin, Z., Gupta, S., Melewar, T. and Foroudi, M. 2018. 'Influence Of Innovation Capability and Customer Experience on Reputation and Loyalty'. *Journal of computers in human behaviour*, 69(11):4882-4889. Available from (doi:Doi.org/10.1016/j.jbusres.2016.o4. www.sciencedirect.com). [Accessed 18 May 2019].
- Gabbott, M, and Gillian, H. 1994. 'Consumer Behaviour and Service : A Review'. *Journal of Marketing Management*. Vol. 10 (4):311-324. Available from (DOI: 10.1080/0267257X.1994.9964277). [Accessed 15 March 2015].
- Gafar, M.H.A, Ali, N.A.M and Abdullah, F.N. 2017. 'Determinants of Customer Experience Creation in Retail Industry'. *International Journal of Business, Economics and Law*, 13(2):11-16. Available from (ijbel.com). [Accessed 20 January 2020]

- García-Pérez, I., Fernández-Izquierdo, M. Á., and Muñoz-Torres, M.J. 2020. 'Microfinance Institutions Fostering Sustainable Development by Region'. *Journal of Sustainability*, 12, 2682-2705. Available from: (www.mdpi.com/journal/sustainability doi:10.3390/su12072682)
- Garg, R, Rahman, Z, Qureshi, M and Kumar, I. 2012. 'Identifying and ranking critical success factors of customer experience in banks, An analytic hierarchy process (AHP) approach'. *Journal of Modeling in Management*, 7(2):201-220.
- Garima M. 2017. 'Strategies in Research'. *International Journal of Advance Research, Ideas and Innovations in Technology*, 2(5):172-180. Available from: (www.IJARnD.com). [Accessed 18 February 2021].
- Gilal, R.G; Gilal, F.G and Bhutto, N.A. 2012. 'Exploratory Research on Geographical Differences among Dropout Customers Intent to Rejoin the Microfinance Program'. *Asian Journal of Business and Management Sciences*, 1(12): 113-120.
- Gilboa, S., Seger-Guttman, T., and Mimran, O. 2019. 'The unique role of relationship marketing in small businesses' customer experience'. *Journal of Retailing and Consumer Services*, 51:152-164.
- Gilboa, S, Vilnai-Yavetz, I. and Chebat, J. C. 2016. Capturing the multiple facets of mall experience: developing and validating a scale. *Journal of Consumer Behaviour*, 5:48–59
- Glynos, J., and Howarth, D. 2018. 'The Retroductive Cycle: The Research Process in Poststructuralist Discourse Analysis'. *Strategies in Research*, 2(5). Available from: (https://www.researchgate.net/publication/327833657_The_Retroductive_Cycle_The_Research_Process_in_Poststructuralist_Discourse_Analysis). [Accessed Jan 29 2021].
- Green, P.E. Tull, D. S., and Albaum, G. 2010. Research for Marketing Decisions. Fifth Edition. Published by Asoke K. Ghosh, PHI Learning Private Limited. New Delhi.
- Grewal, D, Levy, M and Kumar, V. 2009. 'Customer Experience Management in Retailing: An Organizing Framework'. *Journal of Retailing*, 85(1):1-14. Available from (Doi: 10.1016/j.retail.2009.01.001) [Accessed 20 May 2015].
- Grönroos, C. Gummerus, J. 2014. 'The service revolution and its marketing

- implications: service logic vs service-dominant logic'. *Managing Service Quality: An International Journal*, 24(3):206-229. Available from (<https://doi.org/10.1108/MSQ-03-2014-0042>). [Accessed 23 March 2019].
- Grooming Centre Website. 2014. Available from: <http://groomingcentre.org>. Accessed [18 September 2014].
- Grooming Newsletter. 2011. Impact Assessment of Grooming People for Better Livelihood Centre's Microfinance Programme. March. Lagos: *Lagos: Grooming Centre Publication*.
- Grooming Newsletter 2013. Newsletter of Grooming People for Better Livelihood Centre. Fifth Edition. October. *Lagos: Grooming Centre Publication*.
- Gutierrez-Goiria, J., San-Jose, L., and Retolaza, J. L. 2016. 'Social Efficiency in Microfinance Institutions: Identifying How to Improve It'. *Journal of International Development*. Available from (doi: 10.1002/jid.3239). [Assessed 12 May 2019].
- Haery, F.A and Farahmad, A.A. 2013. 'Critical Success Factors of Customers Experience in Iranian Banks and their Ranking by Using Analytic Hierarchy Process Model'. *International Journal of Academic Research in Business and Social Sciences*, 3(9):753-765. Available from (citeseerx.ist.psu.edu) [Accessed 20 July 2018].
- Hair, J.F, Bush, R.P and Ortinau, D.J. 2009. '*Marketing Research in a Digital Information Environment* (4th ed.)'. Singapore: Mcgraw-Hill/Irwin.
- Haldar, A and Stiglitz, J. E. 2016. 'Group Lending, Joint Liability, and Social Capital: Insights from the Indian Microfinance Crisis'. *Politics and Society Sage Journals*, 44(4):459-497. Available (<https://doi.org/10.1177/0032329216674001>). [Accessed 18 July 2019].
- Hashim, Y. 2010. Determining Sufficiency of Sample Size in Management Survey Research Activities. *International Journal of Organisational Management and Entrepreneurship Development*, 6(1):119-130. Available from (https://www.researchgate.net/publication/259822166_determining_sufficiency_of_sample_size_in_management_survey_research_activities) [Accessed 18 July 2017]
- Havíř, D. 2017. 'A Comparison of the Approaches to Customer Experience Analysis'. *Journal of Economics and Business*, 31(1):82-93.
- Helkkula, A. 2011. 'Characterising the Concept of Service Experience'. *Journal of*

- Service Management*, 22(3):367-389. Available from (doi:http://0-doi-org.oasis.unisa.ac.za/10.1108/JBIM-11-2017-0259). [Accessed 15 March 2015].
- Hellén, K. and Gummerus, J. 2013. 'Re-investigating the nature of tangibility/intangibility and its influence on consumer experiences'. *Journal of Service Management*, 24(2):130-150. Available from (https://doi.org/10.1108/0956423_131_1323935). [Accessed 10 November 2018].
- Hewege, C.R and Perera, L.C.R. 2013. 'In Search of Alternative Research Methods in Marketing: Insights from Layder's Adaptive Theory Methodology', *Contemporary Management Research*, 9:3(343-360). Accessed [5 December 2019]. Available from (<https://0-search-proquest-com.oasis.unisa.ac.za/businesspremium/docview/1470087397/FA25918A5BE448EPQ/3?accountid=14648>). [Accessed 15 March 2015].
- Holbrook, M.B. and Hirschman E.C. 1982. 'The Experiential Aspects of Consumption: Consumer Fantasies, Feelings, and Fun'. *Journal of Consumer Research*, 9:132-140.
- Homburg, C. Jozic, D and Kuehnl, C. 2017. 'Customer Experience Management: Toward Implementing an Evolving Marketing Concept'. *Journal of Academy of Marketing Science*, 45:(377-401). Available from (link.springer.com). [Accessed 10 July 2019].
- Hsieh, Y, Chuang, Y. 2015. 'The Key Successful Factors of Customer Service Experience'. *Emergent Research Forum Papers. Twenty-first Americas Conference on Information Systems*. Puerto Rico.
- Hwang, J.H, and Seo, B.S. 2016. 'A critical review of research on customer experience management theoretical, methodological and cultural perspectives'. *International Journal of Contemporary Hospitality Management*, .28 (10):2218-2246. Available from (cabdirect.org doi:10.1108/IJCHM-04-2015-0192). [Accessed 15 February 2018].
- Homburg, C., Jozić, D. and Kuehnl, C. 2017. 'Customer experience management: toward implementing an evolving marketing concept' *Journal of the Academy of Marketing Science*, 45(3):377-401. Available from:(*RePEc:spr:joamsc:v:45:y:2017:i:3:d:10.1007_s11747-015-0460-7*)
- Hu, Y., Pratt, C. B; Adamolekun, W, and Ogedengbe, A. R. 2016. 'Communicating

- development – a cultural shift: emerging discourses on entrepreneurial development and poverty reduction by Nigeria's banking and microfinance sectors' *critical arts*, 30(5):709-727. Online. Available from:(doi:10.1080/02560046.2016.1262439). [Accessed 10 February 2021]
- Ibok, N.I, and Etuk, S.G. 2013. 'Assessing the Marketing Orientation of Microfinance Banks in Akwa Ibom State'. *European Journal of Business and Innovation Research*, 1(2): 57-69.
- Ibok, N.I., Udofot, P.O. 2012. 'Customers' Retention in Micro Finance Banks: An Analysis of Drivers and Inhibitors'. *International Journal of Marketing Studies*, 4(5), 74-80.
- Idewe, I. E. O. and Murad, A. B. 2017. "The Impact of Microfinance Institution in Economic Growth of A Country". *International Journal of Development and Management Review (INJODEMAR)*, 12(1).
- Idolor, E.J and Imhanlahimi, J.E. 2011. 'Access and Impact Assessment of Microfinance Banks on Rural Poor in Nigeria: A Case Study of Edo State'. *Indian Journal of Economics and Business*, 10(2-3). Available from (<http://www.freepatents.com/article/Indian-Journal-Economics-Business/267808357>). [Accessed 20 March 2015].
- Ikpefan, O. A. 2013. 'The Impact of Marketing of Financial Services in the Nigerian Banking Industry'. *Journal of Business Administration and Management Sciences Research*, 2(6):148-162.
- Ikpefan, O. A., Taiwo J.N., and Isibor, A. 2016. 'Microfinance and Poverty Alleviation In Southwest Nigeria: Empirical Evidence'. *Journal of South African Business Research*. 2016. 1-19, Article ID 137638, DOI: 10.5171/2016.137638.
- Ikumsah, W.A. 2013. 'Factors That Impacted Customer Retention of Banks. A Study of Recently Acquired Banks in UPSA Area of Madina, Accra (Specifically Access Bank)'. *Journal of Marketing and Consumer Research*, 1:88-103. Available from (<https://www.iiste.org/Journals/index.php/JMCR/article/view/9229>). [Accessed 20 March 2015].
- Ilori, A.A. and Tajudeen J.A. 2017. 'The Role of Microfinance Banks on Growth and Sustenance of SMEs in Nigeria'. *Journal of economics and sustainable development*, 8(2017):95-103.

- Imoisi, A. I., and Godstime, I. O. 2014. 'Microfinance and Its Impact on Poverty Alleviation: A Case Study of Some Microfinance Banks In Edo State, Nigeria'. *American Journal of Humanities and Social Sciences*, 2(1):27-41.
- Imram, K and Zillur, R. 2015. 'Brand experience anatomy in retailing: An interpretive structural modeling approach'. *Journal of Retailing and Consumer Services*, 24:60-69 – available from (<https://doi.org/10.1016/j.jretconser.2015.02.003>). [Accessed 10 November 2018].
- Irani, Z Dwivedi, YK, and Williams, M D. 2009. 'Understanding Consumer Adoption of Broadband: An Extension of the Technology Acceptance Mode'. *The Journal of Operational Research Society*, 60(10):1322-1334. Available from (<http://www.jstor.org/stable/40295693>). [Accessed 7 May 2015].
- Islam, M. B, and Rima, A. R. 2013. 'Factors affecting customer experience in telecommunication services and its importance on brand equity: A study on telecommunication companies in Bangladesh'. *Interdisciplinary Journal of Contemporary Research in Business*, 5(8):254-262. Available from [[p\[\[p\(ijcrb.webs.com\)](http://ijcrb.webs.com)] [accessed 1 July 2019].
- Jain, R., Aagja, J., and Bagdare, S. (2017) "Customer Experience – A Review and Research Agenda", *Journal of Service Theory and Practice*, 27(3), 642-662, <https://doi.org/10.1108/JSTP-03-2015-0064>. Accessed 03 February 2019
- Jain, R., and Bagdare, S. 2009. "Determinants of Customer Experience in New Format Retail Stores", *Journal of Marketing and Communication* 2(35):34-44
- Jegade, C.A, Kehinde, J.A and Babatunde, H. 2011. 'Impact of Microfinance on Poverty Alleviation in Nigeria: An Empirical Investigation'. *European Journal of Humanities and Social Sciences*. 2(1):97-111.
- Johansson, R. 2003. 'Case Study Methodology'. *A key note speech at the International Conference "Methodologies in Housing Research" Organised by the Royal Institute of Technology in cooperation with the International Association of People–Environment Studies*. Stockholm. P. 22–24.
- Johnston, A. 2014. 'Rigour in research: theory in the research approach'. *European Business Review*, 26(3):206-217. Available: <https://0-search-proquest-com.oasis.unisa.ac.za/business-premium/docview/1519207769/>). Accessed [5 December 2019].

- Johnston, R, and Kong, X. 2011. 'The Customer Experience: A Road Map for Improvement'. *Journal of Service Theory and Practice*, 21(1):5. Available from (proquest.com). [Accessed 10 May 2018].
- Jolaoso, E, and Asirvatham, J. 2018. 'Impact of Microfinance on Poverty and Household Income in Rural Areas in Nigeria' Conference Paper 2018 Southern Agricultural Economics Association Annual Meeting February 2-6, 2018, Jacksonville, Florida. doi 10.22004/ag.econ.266705 Available: <http://ageconsearch.umn.edu/record/266705> Accessed [6 April 2021].
- Joshi, S. 2013. 'Customer Experience Management: An Exploratory Study on the Parameters Affecting Customer Experience for Cellular Mobile Services of a Telecom Company'. *Procedia social and behavioural sciences*. Available from: (www.Sciencedirect.com) [Accessed 20 March 2018].
- Kaiser, H. F. 1981. A revised measure of sampling adequacy for factor-analytic data matrices. *Educational and Psychological Measurement*, 41(2): 379–381.
- Kanyurhi, E. B. 2013. 'Evaluation of Customer Satisfaction with Services of a Micro-Finance Institution: Empirical Evidence from Women Association for Social and Economic Gain Customers in Togo'. *African Journal of Marketing Management*, 5(2):26-37. Available from (<http://www.academicjournals.org/AJMM> DOI: 10.5897/AJMM11.128 ISSN 2141-2421). [Accessed 10 May 2019].
- Kanyurhi, E. B. 2017. Customer satisfaction with the services of microfinance institutions: Scale development and validation. *Strategic Change*, 26(6), n/a-N.PAG. <https://doi.org/10.1002/jsc.2168>). [Accessed 10 February 2021].
- Kasali, T., Ahmad, S. A., and Eam, L. H. The Role of Microfinance in Poverty Alleviation: Empirical Evidence from South-West Nigeria July 2015 *Asian Social Science* 11(21) DOI: 10.5539/ass.v11n21p183
- Kapoulas, A. and Mitic, M. 2012. 'Understanding Challenges of Qualitative Research: Rhetorical Issues and Reality Traps'. *Qualitative Market Research*, 15 (4):354-368. Available from (Doi:10.1108/13522751211257051). Accessed [5 December 2019].
- Kauppinen-Raisanen, H, and Gronroos, C. 2015. 'Are Service Marketing Models

- Really Used In Modern Practice'. *Journal Of Service Management*, 26(3), 346-371. Available from (doi:<https://0-doi-org.oasis.unisa.ac.za/10.1108/JOSM-06-2014-0164>). [Accessed 10 November 2019].
- Kaushik, V, and Walsh, C. A. 2019. 'Pragmatism as a research paradigm and its implications for socialwork research'. *Journal of Social Sciences*, 8(255):2-17 Available from: (https://www.google.com/search?client=firefox-b-d&q=The+Pragmatic+Paradigm+article*pdf)
- Keiningham, T., Aksoy, L., Bruce, H. L., Cadet, F., Clennell, N., Hodgkinson, I. R., and Kearney, T. 2019. 'Customer experience driven business model innovation'. *Journal of Business Research*, (116):431-440
- Keiningham, T., Ball, J., Benoit, S., Helen L., Alexander, B., Julija, B., Dzenkovska., L., Yi-Chun, N., Mohamed, Z . 2017. " The interplay of customer experience and commitment ", *Journal of Services Marketing*, 31(2): 1-32.
- Kent, 2007. '*Marketing Research Approach Methods and Application in Europe*'. London: Thomson Learning.
- Kharat, M. G., Chikhalkar, R. D., Jha, M. K. and Kharat, M. G. 2020. 'Identification and ranking the significant factors influencing customer experience for shopping malls in the Indian context'. *International Journal of Indian Culture and Business Management*, 21(3):340-368
- Kivunja,C., and Kuyini, A. B. 2017. 'Understanding and Applying Research Paradigms in Educational Contexts'. *International Journal of Higher Education*, 6(5):26-41. Available from: (<https://doi.org/10.5430/ijhe.v6n5p26>). [Accessed 20 December 2020].
- Klaus, P Edvardsson, B and Maklan, S 2012. 'Developing a Typology of Customer Experience Management Practice – From Preservers to Vanguard's'. *The 12th International Research Conference in Service Management*. Available from: <http://opendepot.org/id/eprint/1524>. [Accessed 20 March 2015].
- Klaus, P., and Maklan, S 2011. 'EXQ: A Multiple-Item Scale for Assessing Service Experience'. *Journal of Service Management*, 23(1):5-33. Available from (emerald.com). [Accessed 10 May 2018].
- Klink, R. R. Zhang, J. Q., and Athaide, G. A. 2019. "Measuring customer experience

- management and its impact on financial performance". *European Journal of Marketing*, 0309-0566. DOI 10.1108/EJM-07-2019-0592, Available from (<https://www.emerald.com/insight/0309-0566.htm>). [Accessed 20 May 2021].
- Kranzbuhler, A.M., Kleijnen, M. H., Morgan, R. E., and Teerling, M. 2018. 'The Multilevel Nature of Customer Experience Research: An Integrative Review And Research Agenda'. *International Journal of Management Reviews*, 20:433-456. Available from (doi:10.1111/ijmr.12140). [Accessed 11 July 2019].
- Krause, A. E., and North, A. C. 2017. 'How location and control over music influence listeners' response'. *Scandinavian Journal of Psychology*, 58:114-122
- Kyguoliene, A, and Makutenas, N. 2017. 'Measuring Gen-Y Customer Experience in the Banking Sector'. *Organizacija Vadyba: Sisteminiai Tyrimai*. 2017(78):77-93. Available from (<https://dx.doi.org/10.1515/mosr-2017-0017>). [Accessed 23 January 2021].
- Lal, R. and Lobb, A. 2016. '*BancoSol and Microfinance in Bolivia*'. Harvard Business School Publishing. Boston. 516005.
- Ledgerwood, J. 2012. '*Measuring Financial Inclusion and Assessing Impact*'. In Ledgerwood, E, Earne, J and Nelson, C. (Eds.). *The New Microfinance Handbook. A Financial Market System Perspective*. The World Bank. Washington D.C. Pp. 113-146.
- Ledgerwood, J. and Earne, J. 2012. '*Credit*'. In Ledgerwood, E, Earne, J and Nelson, C. (Eds.). *The New Microfinance Handbook. A Financial Market System Perspective*. The World Bank. Washington D.C. Pp. 213-230.
- Lemke, F, Clark, M and Wilson, H. 2011. 'Customer Experience Quality: an Exploration in Business and Consumer Contexts Using Repertory Grid Technique'. *Journal of the Academy of Marketing Science*, 39:846-869. Available from ([Ischolar.google.com](https://scholar.google.com)).
- Lemon, K.N., and Verhoef P.C . 2016. 'Understanding Customer Experience Throughout the Journey'. *Journal of Marketing*, 80(6):69-96. Available from (journals.sagepub.com). [Accessed 15 March 2018].
- Liao, W., and Fang, C. 2019. 'Applying an Extended Theory of Planned Behavior for Sustaining a Landscape Restaurant'. *Journal of Sustainability*, 11:1-13. Available from:(doi:10.3390/su11185100www.mdpi.com/journal/sustainability)

- Lodorfos, G. N., Mulvana, L. K., and Temperley, J. 2006. 'Consumer behaviour: experience, price, trust and subjective norms in the OTC pharmaceutical market'. *Journal of Innovative Marketing*, 2(3):40-66
- Lovelock, C, Wirtz, J. 2011. '*Services Marketing People, Technology, Strategy*'. Seventh Edition. Available from (http://scholar.google.com/scholarurl?url=https://www.researchgate.net/profile/Jochen_Wirtz/publication/26352344_Services_Marketing_People_TechnologyStrategy_7th). [Accessed 5 May 2016].
- Macrum-Gardner, E. 2010. 'Sample Size and Power Calculations Made Simple'. *International Journal of Therapy and Rehabilitation*, 17(1):10-14. Available (from: University of South Africa Repository). [Accessed 10 March 2015].
- Maklan, S., and Klaus, P.H. 2011. 'Customer Experience: Are We Measuring the Right Things'. *International Journal of Market Research*, 53(6):771-792. Available from (journals.sagepub.com). [Accessed 20 May 2015].
- Maiyaki, A.A., and Mokhtar, S.S.M. 2011. 'Determinants of Behavioural Intention in Nigerian Retail Banks'. *International Business Research*, 4(1):193-197. Available from (www.ccsenet.org/ibr). [Accessed 13 May 2019].
- Mall, S.O., and Mishra, P.K. 2013. 'Central Micro Credit for Sustainable Development: Role of NGOs'. *International Journal of Management and Social Sciences*. 2(4):70-73. Available from (www.irjournals.org). [Accessed 12 May 2018].
- Manthiou, A., Hickman, E., and Klaus, P. 2020. Beyond good and bad: Challenging the suggested role of emotions in customer experience (CX) research. *Journal of Retailing and Consumer Services*, 57, 102218.
- Mangal, S.K., and Mangal, S. 2013. '*Research Methodology in Behavioural Sciences*'. New Delhi: PHI Learning Private Limited.
- McColl-Kennedy, J. R, Zaki, M., Lemon, K. N., Lemon, Urmetzer, F., and Neely, A. 2018. 'Gaining customer experience insights that matter'. *Journal of Service Research*, 1-19. Available from: (sagepub.com/journals-permission doi:10.1177/1094670518812182journals.sagepub.com/home/jsr)
- Mejeha, R.O., and Nwachukwu, I.N. 2008. 'Microfinance Institutions in Nigeria'. *Munich Personal RePEc Archive*. Available from (<https://mpa.ub.uni-muenchen.de/13711/MPRAPaperNo.13711>) [Accessed 15 March 2015].
- Melero, I., Sese, F. J., and Verhoef, P. C. 2016. 'Recasting the customer experience

- in today's Omnichannel environment'. *Universia Business Review*, 50:18-37. Available from (Doi: 10.3232/UBR.2016.V13.N2.01). Accessed [13 December 2019].
- Messomo Elle, S. 2017. 'Understanding microfinance institutions and commercial banks' relationships and innovations in the Cameroon financial environment'. *Strategic Change*, 26(6):585–597. <https://doi.org/10.1002/jsc.2170>
- Meyer, C., Schwager, A. 2007. 'Understanding Customer Experience'. *Harvard Business Review*, 85(2):116-126 Available from (scholar.google.com). [Accessed 15 March 2015].
- Microfinanza Rating. 2014. The Microfinance Sector in Nigeria. Insight. September. Available from (www.mf-rating.com) [Accessed august 21 2019].
- Mohajan, Haradhan. 2017. "Two Criteria for Good Measurements in Research: Validity and Reliability", *Annals of Spiru Haret University* MPRA Paper No. 83458, 17(3):58-82. Available online from: (<https://mpra.ub.uni-muenchen.de/83458/>). Accessed [20 February 2021].
- Mohammad, F.B. 2010. *Practices in Sample Size Determination and Variance Estimation Implications on Data Analysis. Regional Conference on Statistical Science* (RCSS'10). Malaysia. 147-162.
- Mohd-Ramly, S., and Omar, N. A. 2017. 'Exploring the Influence of Store Attributes on Customer Experience and Customer Engagement'. *International Journal of Retail and Distribution Management*. 45(11):1138-1158. Available from (<https://0-doi-org.oasis.unisa.ac.za/10.1108/IJRDM-04-2016-0049>). [Accessed 10 May 2019].
- Monguno, A.K., Abdullahi, M. K., and Sambo, G.H. 2015. 'Spatial relationships between location of microfinance banks and poverty in Nigeria'. *Journal of Resources Development and Management*, 14(2015).
- Montes-Rodríguez, R, Martínez-Rodríguez, J.B., and Ocaña-Fernández, A. 2019. 'Case Study as research Method for Analyzing MOOCs Presence and Characteristics of those Case Studies in the Main Scientific Databases'. 20(3):59-79. Available from (<https://doi.org/10.19173/irrodl.v20i4.4299>). [Accessed 14 January 2020].
- Mouton, J. 2003. 'How to Succeed in your Master's and Doctoral Studies: a South African Guide and Resource Book'. Pretoria: Van Schaik Publishers.

- Muhammad, I.S, Turab, A.S., and Syed, H.A. 2015. 'Factors Considered by Rural Customers while Adopting New Microfinance Banking Services: A Case Study of Upper Sindh'. *Impact Factor 3.582 Case Studies Journal*. 3(6):19-24. Available from (<http://www.casestudiesjournal.com>). [Accessed 10 May 2019].
- Murray, K. 1991. 'A Test of Services Marketing Theory: Consumer Information Acquisition Activities'. *Journal of Marketing*. 55(1):0–25. Available from (<https://doi.org/10.2307/1252200>), [Accessed 15 March 2015].
- Musoke, H.B, Kakundwa, N., and Nyonyintono, R.M. 2016. 'Evaluating the Relationship Between Service Quality and Customer Satisfaction in Microfinance Institutions in Wakiso District, Uganda'. *International Journal of Community and Cooperative Studies*, 4(2):14-22. Available from (www.eajournals.org). [Accessed 12 May 2019].
- Narteh, B. 2013. 'Determinants of Students' Loyalty in the Ghanaian Banking Industry'. *Total Quality Management Journal*, 25(2):153-169. Available from (www.emeraldinsight.com DOI 10.1108 /1754273131 1299591). [Accessed 10 March 2015].
- Nasution, R.A, Sembada, A.Y. Miliani, L, Resti N.D and Prawono. D.A. 2014. 'The Customer Experience Framework as Baseline for Strategy and Implementation in Services Marketing'. *Procedia Social and Behavioural Sciences*, 148:254-261. Available from (www.sciencedirect.com). [Accessed 18 March 2015].
- Navin, N, Sinha, P, and Sriram, M S. 2019. *Vikalpa: The Journal for Decision Makers*, 44(4):167-181. DOI: 10.1177/0256090919896641.
- Norwood, C. 2005. 'Macro Promises of Microcredit: A Case of a Local Esusu in Rural Ghana'. *Journal of International Women's Studies*, 7(1):1-7. Available from (<https://vc.bridgew.edu/jiws/vol7/iss1/1>). [Accessed 15 March 2015].
- Nwanyanwu, O.J. 2011. 'Micro Finance in Nigeria: Problems and Prospects'. *An International Multi-Disciplinary Journal, Ethiopia*, 5(2): 87-103.
- Nwite, S.C and Ogiji, F.O. 2012. 'Analysis of the Effects of Microfinance Banks on Poverty Reduction and Economic Growth in Nigerian Economy'. Available from (<http://www.slideshare.net/anglo99/analysis-of-effects-of-micro-finance-banks-on-poverty-re>). [Accessed 26 March 2015].
- Nyampund, K., Mwegoha, W. J. S. and Millanzi, W.C. 2020. 'Sustainable solid waste

- management Measures in Tanzania: an exploratory descriptive case study among vendors at Majengo market in Dodoma City'. *BMC Public Health Journal*, 20:1075. Available: (<https://doi.org/10.1186/s12889-020-08670-0>). [Accessed February 2]
- Obokoh, L. O., Monday, J. U. and Ojiako, U. 2016. 'Microfinance Banks and Small And Medium Sized Enterprises Access To Finance: The Nigerian Experience'. *Banks and Bank Systems*, 11(4):111-120. Available from ([Available doi:10.21511/bbs.11\(4-1\).2016.01](https://doi.org/10.21511/bbs.11(4-1).2016.01)). [Accessed 19 September 2019].
- Odetayo, T. A. 2016. Significance of Microfinance Banks in Financing Small Scale Enterprises in Selected Local Government Areas of Osun State Nigeria. *International Institute of Academic Research and Development Journal of Accounting and Financial Management*. 2(3):12-21.
- Oke, A. O., Kamolshotiros, P., Popoola, O. Y., Ajagbe, M. A., and Olujobi, O. J. 2016. "Consumer Behavior towards Decision Making and Loyalty to Particular Brands". *International Review of Management and Marketing*, 6(S4):43-52.
- Okereke, N. 2018. 'Microfinance: A Practicable Antidote to Poverty Reduction in Nigeria Journal of Economics and Sustainable Development'. *Journal of Economics and Sustainable Development*, 9(8):23-36.
- Okoh, J. I., Ojo, J. O., Aransiola, I. J., Onyohu, H. C., and Ayomitunde, A. T. 2021. Do Microfinance Institutions Play Sufficient Roles in Entrepreneurship Development in Ogun State? Empirical Evidence from Sango Ota Industrial Area. *Journal of Academic Research in Economics*, 13(1), 57–71.
- Omair, A. 2014. 'Sample size estimation and sampling techniques for selecting a representative sample' *Journal of Health Specialties*, 2 (4):142-147. Available from (Doi: 10.4103/1658-600X.142783). [Accessed 17 October 2019].
- Onuoha, U. D. 2020. Research Companion. Lagos. Jamiro Press Link.
- Onyele, K.O., and Onyekachi-Onyele, C. 2020. 'The Effect of Microfinance Banks on Poverty Reduction in Nigeria'. *Management Dynamics in the Knowledge Economy*, 8(3): 257–275. Available from: <https://doi.org/10.2478/mdke-2020-0017>. [Accessed 10 March 2021]
- Oswald, A. Mascarenhas, R and Kesavan, M. B. 2006. 'Lasting Customer Loyalty: a

- Total Customer Experience Approach'. *Journal of Consumer Marketing*, 23 (7): 397-405. Available from (<http://dx.doi.org/10.1108/0736376061071293>). [Accessed 15 March 2015].
- Palmer, A. 2010. 'Customer Experience Management: A Critical Review of an Emerging Idea'. *Journal of Services Marketing*, 24(3):196-208. Available from (emerald.com). [Accessed 10 November 2018].
- Panneerselvam, R. 2013. *Research Methodology*. (11th Printing). PHI Learning Private Limited. New Delhi.
- Parasuraman, A. P, Zeithaml, V and Berry, L. 1988. 'SERVQUAL: A multiple- Item Scale for measuring consumer perceptions of service quality'. *Journal of retailing*, 64(1):12-40.
- Park, Y. S., Konge, L., and Artino, A. R. 2020. 'The Positivism Paradigm of Research, Academic Medicine'. *Journal of academic medicine*, 95(5):690-694. Available: (https://journals.lww.com/academicmedicine/fulltext/2020/05000/the_positivism_paradigm_of_research.16.aspx10.1097/ACM.0000000000003093). [Accessed April 19 2021]
- Pham, T. 2015. 'A study of determinants influencing customer satisfaction in medical tourism in Singapore'. *PHD Thesis. Southern Cross University*. Available from (<https://epubs.scu.edu.au/theses/436/>). [Accessed 15 March 2018]
- Piason, V, Donnelie, M. Tough, C. Everisto, M and Tichaona, M. 2013. 'Significance of Service Quality and Customer Satisfaction in Zimbabwe's Banking Sector'. *European Journal of Business and Management*. Vol. 5(15):253-260. Available from: (www.liste.org/journal/index.php/EJBM/article/viewfile/5810/5877). [Accessed 18 March 2015].
- Pine II, B.P and Gimore, J.H. 1998. 'Welcome to the Experience Economy'. *July-August. Harvard Business Review*. Reprint 98407.
- Puccinelli, N.M, Goodstein, R.C, Grewal, D, Price, R, Raghubir, P and Stewart, D. 2009. 'Customer experience management in retailing: understanding the buying process', *Journal of Retailing*, 85(1):15-30. Available from (<https://doi.org/10.1016/j.jretai.2008.11.003>). [Accessed 18 March 2015].
- Rahman, M, Rahman, M, and Jalil, M. 2014. 'Factor Analysis of Drop out Clients In

- Microfinance Institutions (MFIs) in Satkhira District in Bangladesh'. *Review of European Studies*, 6(2):31 Available from (doi:10.5539/res.v6n2p31; URL: <http://dx.doi.org/10.5539/res.v6n2p31>) [Accessed 2 June 2018].
- Ramathe J. 2010. The antecedents of customer experience in retail banking. Master of Business Administration *Thesis*. Gordon Institute of Business Science, University of Pretoria.
- Ramya, J. 2013. Determinants of customer experience in the various retail formats. A comparative study. PhD thesis. Anna University Chennai. Available from (<https://shodhganga.inflibnet.ac.in>). (Accessed 26 November 2019).
- Rashem, M.H, and Yousif, A.A. 2018. 'Factors Influence the Growth and Penetration of Microfinance Institutions: A Case of Egypt.' *Academy of Accounting and Financial Studies Journal*, 22:(1-7).
- Rather, R.A. 2018. 'Customer experience in Indian hospital sector: an empirical study'. *International journal on customer relations*, 6(2):14-26.
- Rather, R.A. 2018. 'Customer experience, memories and loyalty in Indian hospital sector'. *International journal of marketing and business communication*, 7(3):36-48.
- Rose, S., Clark, M., Samuel, P. and Hair, N. 2012. 'Online Customer Experience in e-Retailing: An empirical model of Antecedents and Outcomes'. *Journal of Retailing*, 88 (2):308-322. Available from: (<https://doi.org/10.1016/j.jretai.2012.03.001>)
- Rutherford, S, Collins, D and Johnson, S. 2012. '*Clients*'. In Ledgerwood, E, Earne, J and Nelson, C. (Eds.). *The New Microfinance Handbook. A Financial Market System Perspective*. The World Bank. Washington D.C. Pp. 49-70.
- Saba, F. 2014. 'Antecedents and Consequences of Customer Experience Management. – A Literature Review and Research Agenda'. *International Journal of Business and Commerce*, 3(6):32-49. Available from (www.researchgate.net) [Accessed 18 February 2018].
- Salvador, J. T. 2016. 'Exploring Quantitative and Qualitative Methodologies: A Guide to Novice Nursing Researchers'. *European Scientific Journal*, 12(18):107-122. Available from (<https://doi.org/10.19044/esj.2016.v12n18p107>) [Accessed February 18, 2021]

- Saunders, M., Lewis, P., and Thornhill, A. 2012. *Research Methods for Business Students* (6 ed.): Pearson.
- Saunders, M. N. K., Lewis, P. & Thornhill, A. 2016. *Research Methods for Business Students* (7 ed.). Pearson.
- Sayed, G., and Trivedi, P. 2016. 'Study of Satisfaction Level of MSMEs due to Microfinance using Discriminant Analysis - An Empirical Study' *BVIMSR's Journal of Management Research, Supplementary Special Issue*, 8: 21-30. Available from (Unisa Database). [Accessed 9 May 2018].
- Schicks, J. 2013. 'The Definition and Causes of Microfinance Over-Indebtedness: A Customer Protection Point of View'. *Oxford Development Studies*, 41 (Sup 1): S95-S116, Available from (Doi: 10.1080/13600818.2013.778237). [Accessed 12 September 2018].
- Schmidt-Subramanian, M. 2016. 'Seven Steps to Successful Customer Experience Measurement Programs: How to Define the Right CX Metrics and Use Them to Improve CX'. For Customer Experience Professionals Forrester.Com. Forrester Research, Inc., Cambridge, USA.
- Schmitt, B. 1999. 'Experiential Marketing'. *Journal of Marketing Management*. Vol. 15(1-3):53-67. Available from (Doi: 10.1362/026725799784870496). [Accessed 15 March 2015].
- Schmitt, B. 2011. 'Experience Marketing: Concepts, Frameworks and Consumer Insights' *Foundations and Trends in Marketing*, 5(2): 55–112 Available from Available from (ebSCOhost.com Doi: 10.1561/17000000027). [Accessed 10 May 2018].
- Schmitt, B and Zarantello, L. 2015. 'Consumer Experience and Experiential Marketing: A Critical Review'. In Malhotra, N. K. (ed.). *Review of Marketing Research*. Vol. 10:25-61. Available from (<https://doi.org/10.1108/S1548-6435%282013%290000010006>). [Accessed 10 November 2018].
- Sengupta, R., and Aubuchon, C. P. 2008. 'The Microfinance Revolution: An Overview'. *Federal Reserve Bank of St. Louis Review*, 90:9-30.
- Shamsudeen, S. 2017. 'A Study on the Determinant of Customer Experience Among

- Supermarket Shoppers in Saudi Arabia'. *Pyrex Journal of Business and Finance Management Research*, 3(1):23-33. Available: from (<http://www.pyrexjournals.org/pjbfmr>). [Accessed 12 October 2019]
- Sharma, B. 2018. 'Processing of data and analysis'. *Biostatistics Epidemiol International Journal*, 1(1):3-5. DOI: 10.30881/beij.00003
- Sigmund, T. and Carlson, J. E. 2010. 'Brief Report: Bartlett's Test of Sphericity and Chance Findings in Factor Analysis'. *Multivariate Behavioural Research Journal*. Vol. 4(3):375-377. Available from (https://doi.org/10.1207/s15327906mbr0403_8). Accessed [27 February 2020].
- Singh, P and Soch, H. 2015. 'Examining Mediating Effects of Customer Shopping Experience on the Relationship between Antecedents of In-Store Experience and Impulse Buying – A Theoretical Framework'. *International Proceedings of Economics Development and Research*, 85:39-48. Available from (www.ipedr.com). [Accessed 15 October 2019].
- Smith, S. 2013. 'Determining Sample Size: How to Ensure You Get the Correct Sample Size'. Available: <https://www.qualtrics.com/blog/determining-sample-size> [Accessed 1 February, 2015].
- Sorooshian, S, Salimi, M, Salehi, M, Nia, N.B, and Asfaranjan, Y.S. 2013. 'Customer Experience about Service Quality in Online Environment: A Case of Iran'. *Procedia Social and Behavioural Sciences*, 93:1681-1695. Available from: (<https://www.sciencedirect.com>). [Accessed 20 March 2015].
- Spens, K.M., and Kovács, G. 2006. 'A Content Analysis of Research Approaches in Logistics Research'. *International Journal of Physical Distribution and Logistics Management*, 36(5):374-390. Available from (<https://0-search-proquest-com.oasis.unisa.ac.za/businesspremium/docview/232593105/fulltext/>). [Accessed 5 December 2019].
- Srivastava, M. 2018. 'To Study the Relationship between Service Encounter and Retail Experience on Customer Satisfaction and Customer Loyalty with Impact of Loyalty Program Membership'. *Indian journal of commerce and management studies*, 9(3): 65-74. Available from (www.indianjournalofmarketing.com Doi 10.18843/ijcms/v9i3/07.) [Accessed 24 December 2019].
- Steward, M.D, Narus, J. A, Roehm, M. L, and Ritz, W. 2019. "From transactions to

- journeys and beyond: The evolution of B2B buying process modeling”, *Journal of Industrial Marketing Management*. Available: (<https://doi.org/10.1016/j.indmarman.2019.05.002>) [Accessed 19 January 2021].
- Strandvik, T, Heinonen, K., and Vollmer, S. 2018. ‘Revealing Business Customer's Hidden Value Formation in Service’. *Journal of Business and Industrial Marketing*, 34(6):1145-1159. Available from (<https://0-doi-org.oasis.unisa.ac.za/10.1108/JIM-11-2017-0259>). [Accessed 10 November 2019].
- Sundbo, J. 2015. ‘From service quality to experience – and back again?’. *International Journal of Quality and Service Sciences*. Vol. 7 (1):107-119. Available from (<https://www.emeraldinsight.com/doi/abs/10.1108/IJQSS-01-2015-0009>). Suter [Accessed 10 October 2018].
- Surkamta, M., and Santosa, E., 2016. “Compromise effect on consumers’ behavior”. *Journal of Indonesian Economy and Business*, 31(3):325 – 344
- Tabachnick, B. G., and Fidell, L. S. 2007. ‘*Using multivariate statistics*’. (5th Ed.). Boston: Pearson Education.
- Taiwo, J.N., Agwu, E., Aregan, A.I., and Ochei, I. 2016. ‘Microfinance and Poverty Alleviation in Southwest Nigeria: Empirical Evidence’. *International Journal of Social Sciences and Management*, 3(4):256-266. Available from (Doi.org/256.10.3126/ijssm.v3i4.15960). [Accessed 25 February 2020].
- Teddlie, C., and Yu, F. 2007. Mixed Methods Sampling-A Typology With Examples. *Journal of Mixed Methods Research*, 1(1):77-100. Available from (DOI 10.1177/1558689806292430). [Accessed 2 August 2017].
- Tetteh, E., and Antwi, K. 2013. ‘Expanding Rural Economies Through Microfinance: Chronicling the Experience of Microcredit Client of the Upper Manya Krobo Rural Bank of the Eastern Region of Ghana’. *Journal of Economics and Sustainable Development*, 4(19). Available from (<https://www.semantic scholar.org/paper/Expanding-Rural-Economies-through-Microfinance%3A-the-Tetteh-Antwi/7a6697cda8bc72139cd231977acb930c41a6e5c5>). [Accessed 23 March 2017].

- Tommasetti, A., Singer, P., Troisi, o., and Maione, G. 2018. "Extended Theory of Planned Behavior (ETPB): Investigating Customers' Perception of Restaurants' Sustainability by Testing a Structural Equation Model" *Journal of Sustainability*, 10(2580):1-21. doi:10.3390/su10072580
- Tripathi, V. K. 2015. Micro Finance in India- Growth, and Evolution in India. *International Journal of Information, Business and Management*. 7(3), 291-318. Available: <https://search.proquest.com/docview/1687396048?accountid=14648>. [Accessed 5 April 2019].
- Tripathi, V.K., and Tripathi, V.K. 2015. 'The Systematic Literature Review and Research on Development of Microfinance Industry in India'. *International Journal of Interdisciplinary Research Method*, 2(1):13-24
- Tsiotsou, R.H. and Wirtz, J. 2012. 'Consumer Behaviour in a Service Context'. In *Handbook of New Developments in Wells, V and Foxall, G (Eds.) Consumer Behaviour*. Edward Elgar Publishing Ltd, UK. 147-201. Available ([www, sciencedirect.com](http://www.sciencedirect.com)). [Accessed 12 May 2018].
- Tynan, C., and McKechnie, S. 2009. 'Experience Marketing: A Review And Reassessment'. *Journal of Marketing Management*, 25(5-6):501-517. Available from (DOI: 10.1362/026725709X461821). [Accessed 15 March 2016].
- Vargas-Hernandez, J. G., Cárdenas-Dávila, C. F., Orozco-Quijano, E. P., and Cenicerros-Angulo, J. C. 2017. 'Consumer behavior segmentation criteria prices vs. product differentiation'. *Delhi Business Review*, 18(2):17-31
- Vargo, S. L., and Lusch, R. F. "Evolving to a New Dominant Logic for Marketing ". 2004. *Journal of Marketing*, 68(1):1-17.
- Vargo, S. L., and Lusch, R. F. 2016 "Institutions and axioms: an extension and update of service-dominant logic" *Journal of the Academy of Marketing Science*. 44, 5-23. Doi 10.1007/s11747-015-0456-3
- Venable, J. 2011. 'Incorporating Design Science Research and Critical Research Into an Introductory Business Research Methods Course: EJBRM'. *Electronic Journal of Business Research Methods*, 9(2):119-129. Available from (<https://0-search-proquest-com.oasis.unisa.ac.za/businesspremium/docview/897650629>) [Accessed 5 December 2019].
- Verhoef, P.C, Lemon, K.N, Parasuraman, A, Roggeveen, A, Tsiros, M., and

- Schlesinger, A.L. 2009. 'Customer Experience Creation: Determinants, Dynamics and Management Strategies'. *Journal of Retailing*. 85(1): 31-41. Available from (scholar.google.com). [Accessed 15 March 2015].
- Verleye, K. 2015. 'The Co-Creation Experience from the Customer Perspective: Its Measurement and Determinants'. *Journal of Service Management*. 26(2):321 – 342. Available from (emerald insight doi: <http://dx.doi.org/10.1108/JOSM-09-2014-0254>). [Accessed 06 July 2016] .
- Walter, U. 2011. 'Drivers of customer service experiences: a customer perspective on co-creation of restaurant services, focusing on interactions, processes and activities'. Available from (<http://urn.kb.se/resolve?urn=urn:nbn:se:oru:diva-14826>). [Accessed 10 July 2019].
- Wenwei, T., and Tongtong, Z. 2010. 'An Empirical Research on Influencing Factors of Customer Experience of Retail Industry Aiming to Improve Customer Satisfaction: Taking Supermarket as an Example'. *Proceedings at the 7th International Conference on Innovation and Management*, 846-850. Available from (http://www.pucsp.br/downloads/papers_2010/part_5/3). [Accessed 5 May 2015].
- Williams, B, Onsmann, A., and Brown, T. 2010. 'Exploratory factor analysis: A Five-Step Guide for Novices'. *Journal of Emergency Primary Health Care*, 8(3):1-13.
- Woller, G. 2002. 'The Promise and Peril of Microfinance Commercialization. Small Enterprise Development'. *Practical Action Publishing*, 13(4):12-21. Available from (10.3362/0957-1329.2002.042).
- Wu, C., and Liang, A. 2009. 'Effect of Experiential Value on Customer Satisfaction with Service Encounters in Luxury-Hotel Restaurants'. *International Journal of Hospitality Management*, 28:586-593. Available from (doi:10.1016/j.ijhm.2009.03.008). [Accessed 10 March 2015].
- Yahaya, K.A., Osemene, O.F., and Abdulraheem, A. 2011. 'Effectiveness of Microfinance Banks in Alleviating Poverty in Kwara State Nigeria'. *Global Journal of Management and Business Research*, 11(4): 46-50.
- Yakasaia A. B. M., Jusoh, W. J. W. 2015. "Testing the Theory of Planned Behavior in

Determining Intention to Use Digital Coupon among University Students”
Procedia Economics and Finance 31(2015):186 – 193. doi: 10.1016/S2212-5671(15)01145-4

- Yang, Z.Y., and He, L. 2011. ‘Goal, Customer Experience and Purchase Intention in a Retail Context in China: An Empirical Study’. *African Journal of Business Management*, 5(16): 6738-6746. Available from (researchgate.net). [Accessed 10 November 2018].
- Zeynep E. I., Muammer Z. V., and Sabeeha A. H . 2017. ‘Consumer behavior-mobile marketing relationship: a research on supermarkets’ 21st International Scientific Conference on Economic and Social Development, Belgrade, Serbia.
- Zgolli, S., Zaiem, I. 2017. Customer-to-customer interaction in tourism experience: Moderating role of nationality. *Arab Economic and Business Journal*. ISSN 2214-4625. 12(1):44-56. Available from (<http://dx.doi.org/10.1016/j.aebj.2017.03.001>). [Accessed 20 January 2020].
- Zuru, N., Hashim, M., Arshad, D. 2016. ‘Microfinance Institution in Nigeria: Issues and Research Areas’. *Mediterranean Journal of Social Sciences*. 7(2):455-460. Available from (doi:Doi:10.5901/mjss.2016.v7n2s1p455). [Accessed 9 May 2018].

Appendix 1 – Research Questionnaire

Respondent number

Dear Respondent,

Thank you for your willingness to complete the survey. **The purpose of the study is to establish the factors that determine customer experience in microfinance institutions.** The survey will take approximately 15 minutes to complete. Kindly give your opinion on the questions provided. This is an anonymous and confidential survey. You cannot be identified and the answers you provide is used for academic research purposes only. There is no right or wrong answer.

Please answer all the questions by marking the appropriate block.

SECTION A: QUALIFYING QUESTIONS

1. Please indicate your age range

18 years or older	1
Younger than 18 years	2

Please continue with the survey.

Unfortunately, you do not qualify to participate in this survey.

2. Please indicate how long you have been a customer of Grooming Centre?

More than 6months	1
Less than 6months	2

Please continue with the survey.

Unfortunately, you do not qualify to participate in this survey.

SECTION B: Please indicate your level of agreement to the following statements regarding microfinance customer experience		Strongly Disagree	Disagree	Undecided	Agree	Strongly Agree
3	I am a customer because my family and/or friends are customers	1	2	3	4	5
4	Being a customer of a microfinance institution increases my friends/family's respect for me	1	2	3	4	5
5	I feel comfortable and connected when there are other customers around	1	2	3	4	5
6	My decision to be a customer was influenced by my family/ friends	1	2	3	4	5
7	I feel crowded when there are many other customers in the banking hall	1	2	3	4	5
8	Being a customer makes me enjoy and feel connected with other customers	1	2	3	4	5
9	Family/friends say/think influence my opinion of the microfinance institution	1	2	3	4	5
10	It is important that employees are friendly and helpful	1	2	3	4	5
11	It is important that employees attend to customers on time	1	2	3	4	5
12	It is important that employees are knowledgeable and give answers to customers' questions	1	2	3	4	5
13	It is important that the transaction process is easy and error free	1	2	3	4	5
14	It is important that the employees take time to listen to customers' complaints	1	2	3	4	5
15	The atmosphere within the office should make customers comfortable	1	2	3	4	5
16	Customers like it when the e office is modern and attractive	1	2	3	4	5
17	It is important that the toilet facilities in the office is clean	1	2	3	4	5
18	Customers like the office environment to be neat and well decorated	1	2	3	4	5
19	Customers enjoy having adequate seats to sit in the office	1	2	3	4	5
20	Customers enjoy having a variety of products to choose from	1	2	3	4	5

21	It is important that promises to customers on products/services are fulfilled	1	2	3	4	5
22	Having many option of products to choose from affect customers' choice of microfinance institution	1	2	3	4	5
23	Customers determine the best option of products when there is a variety to choose from	1	2	3	4	5
24	Customers like having a choice of different products to decide which best meets their needs	1	2	3	4	5
25	It is important that customers are informed about changes in interest charges on time	1	2	3	4	5
26	It is important that interest charges are reasonable	1	2	3	4	5
27	It is important that promises regarding interest charges are kept	1	2	3	4	5
28	Interest charges is important in customers' choice of microfinance institution	1	2	3	4	5
29	Customers enjoy the services when the interest charges are fair	1	2	3	4	5
30	Relationship among members of a group members is very important	1	2	3	4	5
31	It is important for customers that the group they belong represents their interest to the microfinance institution	1	2	3	4	5
32	It is important for members to be responsible to the group for loan repayment	1	2	3	4	5
33	It is important that members are allowed to form groups by themselves	1	2	3	4	5
34	It is important that the group members cooperate with each other	1	2	3	4	5
35	It is important to customers that the microfinance institution has a good reputation	1	2	3	4	5
36	The way other people see the microfinance institution is important to customers	1	2	3	4	5
37	Customers are happy knowing that the microfinance institution is reliable	1	2	3	4	5
38	It is important for customers to feel good about banking with the microfinance institution	1	2	3	4	5
39	It is important that customers have positive feelings about the microfinance institution	1	2	3	4	5
40	Customers remember the feelings experienced with the microfinance institution	1	2	3	4	5
41	Customers recall experiences with the microfinance institution	1	2	3	4	5
42	Customers enjoy having good memories of experiences with the microfinance institution	1	2	3	4	5
43	Customers remember the setting of the microfinance institution	1	2	3	4	5
44	Customers remember experiences with the employees of the microfinance institution	1	2	3	4	5
45	Location affects customer view of microfinance institutions	1	2	3	4	5
46	A convenient location attracts microfinance customers	1	2	3	4	5
47	Location of the microfinance institution to customers' home/office/business is not important	1	2	3	4	5
48	The microfinance location to customers' business/home/job is an important consideration	1	2	3	4	5
49	A good location benefits customers	1	2	3	4	5
50	Goal is important to customers' choice to patronise the microfinance institution	1	2	3	4	5
51	Customers are happy when their goal for choosing the microfinance is met	1	2	3	4	5
52	It is important that microfinance institutions find out customers' goal for patronising them	1	2	3	4	5
53	Customers always keep their goal in mind during all contacts with the microfinance institution	1	2	3	4	5
54	It is important for microfinance institutions to know that customers have different goals	1	2	3	4	5
55	It is important that customers actively participate in services the microfinance bank offers	1	2	3	4	5
56	It is important that customers are allowed to learn about available options and decide which services to enjoy	1	2	3	4	5
57	It is important that customers are informed on services available	1	2	3	4	5
58	It is important that the products stimulates customers curiosity to be informed	1	2	3	4	5
59	Customers should learn new things when they come in contact with the microfinance bank	1	2	3	4	5
60	Customers should have a good experience with the microfinance institution	1	2	3	4	5
61	Customer response to the microfinance institution depends on their feelings about it	1	2	3	4	5

62	Customer experience depends on how customers are treated	1	2	3	4	5
63	Customers have a good experience if they are treated the way they expect	1	2	3	4	5
64	Customers respond positively to good interactions with the bank	1	2	3	4	5

SECTION C:

Kindly rate the importance of the following factors to microfinance customer experience		Not Important	Little Of	Average Of	Very Important	Absolutely
65	Opinion of friends/family members	1	2	3	4	5
66	Interaction/relationship with other customers	1	2	3	4	5
67	Interaction with employees	1	2	3	4	5
68	Physical environment of the microfinance institution e.g. design and how comfortable	1	2	3	4	5
69	Having different products to choose from	1	2	3	4	5
70	Pricing e.g. interest charges, special discounts, competitive pricing	1	2	3	4	5
71	Relationship with group members	1	2	3	4	5
72	Reputation of the bank	1	2	3	4	5
73	Memory of past transactions	1	2	3	4	5

SECTION D: Please mark one option only for each question.

74. Please indicate your age:

18 – 30 years	1
31 – 40 years	2
41 – 50 years	3
51 – 60 years	4
61 years and above	5

75. Please indicate your gender

1	2
Male	Female

76. Please indicate your level of education, by selecting the most appropriate option.

1	2	3	4	5
Primary Education	Secondary Education	University /Tertiary Education	Postgraduate Degree	Others

77. Please indicate your average monthly income

1	2	3	4	5
Less than N10,000	N11,000- N49,0000	N50, 000–N99,000	N100,000 –*	N500,000 and above

78. Please indicate the length of time you have been a customer of the bank

6months – 2years	1
3-5years	2
5-10years	3
More than 10years	4

79. Please indicate how often you visit the bank, hold group meetings or are visited by staff of the Bank

Once or more a week	1
Once or more a month	2
Others: Please Specify	3

80. Please indicate your occupation

1	2	3	4
Business Owner	Civil Servant	Private Employee	Sector Others

81. Please indicate how you knew about the bank

From a family member/friend	1
I saw the office and walked in by myself	2
Through a staff of The bank	3
Others: Please Specify	4

Thank you for your cooperation in completing the survey.