

EFFECTS OF ORGANISATIONAL COMPETENCE AND TRUST ON CUSTOMER RETENTION OF DEPOSIT MONEY BANKS IN MAKURDI, BENUE STATE, NIGERIA

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ABSTRACT

The study empirically examined the effect of organizational competence and trust as components of relationship marketing on customer retention of two selected deposit money banks in Benue State, Nigeria. Survey research was designed where data were collected from 249 respondents consisting of 126 FBN and 123 UBA staff through structured questionnaire. The KMO instrument as a measure of sampling adequacy gave a test statistic value of 0.768 ($p < 0.05$). All items were consistent and reliable having recorded Cronbach's alphas value above 0.70 threshold (Competence = 0.884; Trust = 0.892). Organizational competence was positively perceived in modern technology and staff training (72.4%), staff competence (81.4%) and professionalism (76.9%). Respondents displayed high level of organizational trust based on all indices including policy framework (76.9%), clarity of information (81.5%) and ethical standards. Both competence ($\beta = 0.220$, $t = 4.462$, $P < 0.05$) and trust ($\beta = 0.274$, $t = 4.608$, $P < 0.05$) had significant effect on customer retention of the two Deposit money banks studied. Therefore, efforts should be made to improve on these variables as vital components of relationship marketing to enhance customer loyalty, customer commitment or dedication and service repurchase leading to customer retention.

Key words: Relationship marketing, competence, trust, customer retention, deposit money banks

INTRODUCTION

Relationship marketing has attracted significant attention from both researchers and practitioners in recent years because of its growing importance in modern business. The concept was first introduced by Leonard Berry in 1983, who distinguished relationship marketing from traditional transaction marketing. According to Berry, transaction marketing primarily emphasizes product quality and individual sales, whereas relationship marketing focuses on building and maintaining long-term customer relationships. This shift has been driven by changes in consumer preferences, increasing globalization, and the need for organizations to remain competitive in a dynamic business environment (Kehinde *et al.*, 2025). Despite the widespread adoption of relationship marketing strategies, achieving effective customer retention continues to be a major challenge for many organizations.

In today's highly competitive business environment, the adoption of relationship marketing has become an essential strategy for improving the performance of deposit money banks and sustaining a competitive advantage. As service-oriented institutions, banks rely heavily on maintaining strong interactions with customers to deliver quality services and foster long-term relationships. Consequently, recognizing and implementing relationship marketing practices has become

increasingly important for enhancing customer satisfaction and ensuring continued patronage.

Customer retention refers to the strategies and activities organizations implement to maintain their existing customers and encourage them to continue purchasing their products or services over time. It involves developing and sustaining long-term relationships with both current and prospective customers, thereby strengthening the bond between buyers and sellers. By focusing on customer retention, businesses seek to increase repeat patronage and enhance long-term profitability. According to Musyoka (2016), customer retention serves as a key indicator of the effectiveness of an organization's relationship with its customers and its ability to improve business performance. When customers develop confidence and trust in a brand, they are more likely to remain loyal and continue doing business with the organization. Retaining customers has become a strategic priority for many organizations operating in highly competitive markets. Consequently, firms invest substantial financial and human resources in building long-term, mutually beneficial relationships with their customers to improve organizational performance (Trenggana and Cahyani, 2019). This underscores the importance of relationship marketing, which emphasizes identifying, developing, and sustaining strong customer relationships through continuous and mutually

rewarding interactions. Empirical evidence suggests that relationship marketing positively influences customer satisfaction, trust, commitment, and effective communication, all of which are essential drivers of customer retention and increase the likelihood of repeat patronage (Sheth *et al.*, 2012).

The banking industry plays a vital role in the economy by providing essential financial services that support the operations and growth of businesses and other sectors. As a result, developments within the banking sector have significant implications for overall economic performance. However, the industry operates in an increasingly dynamic and competitive environment, exposing financial institutions to intense competition at both domestic and international levels. In Nigeria, this rapidly changing business landscape has compelled banks to adopt effective strategies that strengthen interactions between customers and bank personnel. Consequently, bank managers are placing greater emphasis on developing and sustaining close relationships with customers as a means of enhancing service delivery, improving customer satisfaction, and achieving long-term organizational success. Customers represent the most valuable assets of every bank, and the manner in which they are managed significantly influences the institution's operational efficiency, effectiveness, and overall performance. In recent years, however, many Nigerian banks have struggled to meet customers' expectations regarding service delivery. Customers frequently encounter challenges such as delays in service, unavailability of banking personnel at service points, discourteous or unprofessional staff behavior, poor record management, inadequate communication, and failure to fulfill service commitments.

Ogbari *et al.* (2018) observed that customer service within the Nigerian banking industry is often characterized by delays and frustration rather than efficiency and convenience. According to the authors, many banks in Nigeria experience similar difficulties in satisfying customers' service expectations and achieving high levels of customer satisfaction. One of the recurring issues is the delay associated with electronic funds transfers, where customers often do not receive transferred funds into their accounts promptly. In addition, overcrowded banking halls and prolonged waiting times remain common challenges, particularly during peak periods such as weekends. These long queues are frequently caused by factors including system failures, such as malfunctioning computer networks, as well as operational inefficiencies arising from inadequate staff coordination and delays in attending to customers. Such service shortcomings negatively affect customer experience and may weaken customers' confidence and loyalty toward their banks.

The banking industry operates in an increasingly competitive environment where financial institutions compete intensely for a largely saturated customer base. Under such conditions, understanding and responding effectively to customers' needs has become essential for strengthening customer relationships,

enhancing profitability, and sustaining a competitive advantage. Consequently, banks must prioritize strategies that improve customer satisfaction and encourage long-term customer retention. One of the most effective approaches to achieving these objectives is the adoption of relationship marketing, which emphasizes building and maintaining strong, mutually beneficial relationships with customers. Against this background, the present study empirically examines the effect of competence and trust as components of relationship marketing on customer retention among deposit money banks in Makurdi Metropolis, Benue State, Nigeria.

Research Questions

The researcher advanced the following questions to guide the achievement of the above stated objectives:

- i. To what extent does competence affect customer retention of Deposit Money Banks in Benue State-Nigeria?
- ii. What is the effect of trust on customer retention of Deposit Money Banks in Deposit Money Banks in Makurdi Metropolis of Benue State-Nigeria

Hypotheses

The researcher tests the following hypotheses;

H0₁: Competence has no significant effect on customer retention of Deposit Money Banks in Makurdi, Benue State-Nigeria.

H0₂: Trust has no significant effect on customer retention of Deposit Money Banks in Deposit Money Banks in Makurdi Metropolis of Benue State-Nigeria.

Conceptual Framework

Concept of Relationship Marketing

The concept of relationship marketing gained prominence during the 1980s as marketing scholars and practitioners shifted their attention from acquiring new customers to retaining existing ones (Grönroos, 2004). Throughout the final decade of the twentieth century, relationship marketing became a dominant approach in the development of marketing strategies across both industrial and consumer markets (Tseng, 2017; Sheth and Parvatiyar, 2002). This shift reflected the growing recognition that establishing long-term relationships with customers could generate greater value than focusing solely on individual transactions.

Morgan and Hunt (2014) defined relationship marketing as the collection of marketing activities aimed at initiating, developing, and sustaining successful long-term relationships with customers and other exchange partners. Similarly, Hougaard and Bjerre (2019) described relationship marketing as an organizational approach directed toward creating, maintaining, and strengthening profitable and competitive relationships that deliver mutual benefits to both the organization and its customers. Furthermore, Wulf *et al.* (2018) argued that the length and quality of customer

relationships influence customers' experiences, satisfaction, and loyalty, with different relationship marketing strategies producing varying outcomes depending on the duration of the relationship. Unlike traditional marketing, which primarily emphasizes attracting customers and completing individual sales transactions, relationship marketing focuses on developing enduring relationships that create long-term value for both businesses and customers. Through continuous interaction, trust building, and mutual commitment, organizations can enhance customer satisfaction, strengthen loyalty, and improve customer retention, ultimately contributing to sustained organizational performance. Relationship marketing is a strategic approach aimed at fostering long-term relationships with customers by encouraging continuous interaction, customer engagement, and retention. This strategy focuses on meeting customers' specific needs through personalized communication, timely information, and responsive service delivery while promoting open and effective communication between organizations and their customers (Annie, 2013).

Organizational Competence (CPT)

Organizational competence is widely regarded as one of the most valuable resources that enables an organization to achieve superior performance and maintain a competitive advantage. It encompasses the knowledge, skills, expertise, and capabilities that employees and the organization possess to effectively satisfy customer needs and establish successful long-term relationships. Through competence, organizations are better positioned to understand customer expectations, deliver quality services, and implement effective relationship marketing strategies. Ameri and Dutta (2005) defined competence as the ability to acquire, evaluate, organize, and apply relevant information through skilled professionals in order to meet customers' needs and strengthen their loyalty. Similarly, Nur-Haryani (2011) described competence as the observable knowledge, skills, and behaviors that enable employees to perform their job responsibilities effectively according to established standards. Within the context of relationship marketing, organizational competence reflects the collective expertise of employees and management in creating value for customers and sustaining profitable customer relationships. Organizations with highly competent personnel are more capable of providing reliable services, addressing customer concerns effectively, and delivering superior customer experiences, all of which contribute to increased customer satisfaction and retention. Consequently, organizations should continuously invest in recruiting qualified professionals, developing employees' skills through training, and enhancing organizational capabilities to improve service quality, strengthen customer relationships, and achieve long-term profitability.

Organizational competencies refer to the distinctive capabilities, knowledge, and skills that enable an organization to perform effectively and maintain a competitive position within its industry. These competencies represent unique organizational strengths that differentiate a business from its

competitors and contribute significantly to its overall performance, growth, and long-term success (Kazimi, 2004). By leveraging these capabilities, organizations are better equipped to respond to competitive pressures and deliver superior value to their customers. According to Kazimi (2004), organizational competencies are developed through the identification and effective management of Critical Success Factors (CSFs). These factors represent the essential activities and capabilities that are fundamental to achieving organizational objectives and sustaining business success. As such, focusing on critical success factors enables organizations to strengthen their competencies, enhance operational efficiency, and promote long-term growth and stability. Within the context of relationship marketing, strong organizational competencies support the delivery of quality services, improve customer satisfaction, and facilitate the development of enduring customer relationships.

Crosby *et al.* (1990), as cited in Bataineh, Al-Abdallah, Salhab and Shoter (2015), described seller expertise as the knowledge, skills, and competencies possessed by a service provider in delivering quality services to customers. Seller expertise is considered an important component of relationship marketing because it enhances customers' confidence in the organization's ability to meet their expectations effectively.

According to Bataineh *et al.* (2015), the competence and professionalism of service providers help minimize customers' perceived risks, uncertainty, and feelings of vulnerability that may arise during the purchasing process. When customers perceive that employees possess the necessary knowledge and expertise to address their needs, they are more likely to develop trust and confidence in the organization. Consequently, the professional competence, technical skills, and experience of service providers become important factors influencing customers' choice of one organization over competing alternatives. In the banking sector, competent employees contribute to improved service quality, stronger customer relationships, and enhanced customer retention by consistently delivering reliable and customer-oriented services.

Organizational Trust (TRT)

Organizational trust refers to the confidence that customers and employees have in an organization's integrity, reliability, and ability to consistently fulfil its promises. In the context of relationship marketing, trust is regarded as a fundamental element for establishing and sustaining long-term relationships between organizations and their customers. It reflects the extent to which customers believe that an organization will act honestly, reliably, and in their best interests during every interaction. According to Chakiso (2015), organizations seeking to retain existing customers and strengthen long-term relationships must first earn and maintain customers' trust, as trust is a critical determinant of customer retention. From a relationship marketing

perspective, trust represents the willingness of both parties to rely on each other based on confidence in the credibility, honesty, and dependability of the relationship. A high level of trust between buyers and sellers increases the likelihood of continued patronage and long-lasting business relationships. Several studies have emphasized the importance of trust in successful relationship marketing (Narteh *et al.*, 2013; Mahmoud *et al.*, 2018). Trust is developed when organizations consistently honor their commitments, ensure secure and transparent transactions, provide high-quality services, demonstrate genuine concern for customers' welfare, and create an environment in which customers feel valued and protected. Ndubisi *et al.* (2013) further noted that customers' trust in an organization can be reflected through their confidence in the quality and consistency of its services, the professionalism and respect shown by employees, the organization's ability to fulfill its promises, and its overall reliability. Consequently, organizational trust serves as a key driver of customer satisfaction, loyalty, and long-term customer retention.

Trust in a relationship is built on the ability of one party to understand and predict the intentions, actions, and behavior of the other. This understanding is often developed through shared experiences, repeated interactions, and commonly accepted norms of behavior acquired through socialization. According to Geiger *et al.* (2015), cultural values, beliefs, and past experiences shape how individuals perceive, interpret, and respond to others, thereby influencing the level of trust established within business relationships. Consequently, culture plays an important role in determining how trust is formed and maintained between organizations and their customers. Mahmoud *et al.* (2018) argued that an organization's credibility and trustworthiness are strengthened by its professional competence and the ability to perform assigned tasks effectively. Their findings indicate that several factors contribute to the development of trust, many of which are closely associated with service quality. These factors include the organization's reputation, employees' professional competence, reliability in service delivery, and consistency in meeting customer expectations.

A positive organizational reputation enhances customers' confidence in the firm's integrity, while competent employees reinforce customers' perceptions of service excellence. Similarly, Narteh *et al.* (2013) emphasized that the absence of opportunistic behavior and the consistent fulfilment of promises are key indicators of organizational reliability, which is an essential dimension of service quality. Collectively, these studies suggest that the sustainability of customer relationships largely depends on an organization's ability to provide reliable, high-quality services that consistently satisfy customers' needs and expectations. When customers perceive that an organization is dependable, competent, and committed to delivering value, they are more likely to maintain long-term relationships with the organization.

Ruyter *et al.* (2001) examined the influence of service quality dimensions on the development of trust between suppliers and buyers in the high-technology industry. Their study was founded on the theoretical and empirical view that trust is largely determined by product reliability and service quality. The authors concluded that in high-technology markets, where products are often complex, technological changes occur rapidly, and service failures are relatively common, the consistent delivery of high-quality products and services strengthens customers' trust in suppliers. High service quality increases customers' confidence that pre-sale commitments will be fulfilled, thereby enhancing the supplier's credibility and reliability. However, because services are intangible and their outcomes may vary across different encounters, customers may experience uncertainty regarding whether the promised service quality will be achieved after the purchase.

METHODOLOGY

Research Design The Study Area

The study on the effect of relationship marketing on customer retention of deposit money banks is domiciled in Makurdi metropolis of Benue State-Nigeria. Makurdi is the capital of Benue State, North-Central Nigeria. It lies on the south bank of the River Benue. Founded about 1927 when the railroad from Port Harcourt (279 miles) and (449 km) South-Southwest was extended to Jos and Kaduna, Makurdi rapidly developed into a transportation and market centre. In 1976, following the division of Benue-Plateau State into two States, Makurdi was selected as the capital of Benue State. The study area was arrived at considering the fact that; the area has become the hive of increasing business activities and equally increasing population due to rural-urban drift. Makurdi Metropolis has many deposit money banks operating therein.

Population of the Study

This study carried out a cross-sectional survey on the staff of First Bank of Nigeria and United Bank for Africa in Makurdi metropolis which totals up to 249 (FBN = 126; UBA = 123) on the effect of competence and trust on customer retention. The two banks were selected as two leading old generation banks with over 15 years of existence in Makurdi and a large customer base. Table 1 below shows a breakdown of the staff as sourced from the two banks.

Table 1: Breakdown staff of the selected Deposit Money Banks in Makurdi Metropolis

S/N	Name of Bank	Number of Staff
1	First Bank of Nigeria	126
2	United Bank for Africa	123
Total		249

Source: FBN, UBA, 2026

Sample and Sampling Techniques

Determination of sample size for each of the selected banks using Bourley's (1964) population allocation formula:

$$nh = \frac{n \times Nh}{N} \quad - \quad (2)$$

Where nh = the number of units allocated to each category of respondent; Nh = the number of populations in each category of respondents; n = the total sample size; N = the total population of the study

$$\text{First Bank of Nigeria: } \frac{221 \times 126}{493} = 56$$

$$\text{United Bank for Africa: } \frac{221 \times 123}{493} = 55$$

Table 2: Summary of Sample Size

Groups	Sample
First Bank of Nigeria (FBN)	56
United Bank for Africa (UBA)	55
Total	111

Source: Author's Computation, 2024

Instrument for Data Collection

The data for this study was collected through the administration of questionnaire to the respondents. This was done to get their views as regards the study variables. The questionnaire was adopted for this study since it is the most suitable tool for a survey design adopted by the study. The questionnaire was distributed only to those staff in marketing department, cashiers, customer care staff, supervisors and operational managers.

Validation of the Instrument

Face, content and construct validity of the instrument were used in the study. In carrying out face validity, the questionnaire was designed and reviewed by the supervisors and other experts in the field of Marketing who read and amended it accordingly. Also, two tests; namely Kaiser-Meyer-Olkin measures of sampling adequacy (KMO) and Bartlett's test of sphericity were applied to check for construct validity of the instrument, and whether the correlation between the study variables exist as shown in Table 3. The Kaiser-Meyer-Olkin measures of sampling adequacy showed that the value of test statistic as 0.768 and p-value of 0.000.

Table 3: Kaiser-Meyer Olkin (KMO) and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.	768
Approx. Chi-Square	237.681
Bartlett's Test of Sphericity Df	10
Sig.	.000

Source: Researcher's Computation from SPSS Version 25 Output (2026).

Reliability of the Instrument

Before the reliability test was conducted, a pilot test was carried out to assess the clarity, relevance, and comprehensiveness of the research instrument. This involved administering the questionnaire to 74 respondents ($0.333 \times 221 = 74$) drawn from employees within selected deposit money banks who were not included in the final data collection. The pilot test helped identify ambiguous or confusing items, allowed for minor adjustments in wording, and ensured that the instrument captured the variables accurately. Cronbach's alpha was used to determine the internal consistency of the items measuring the constructs. Only items with acceptable reliability levels (typically $\alpha \geq 0.70$) were retained for the main study. The result of the reliability test is presented in table 4:

Table 4: Reliability Test Result

Variable	Items	Cronbach Alpha
Organisational Competence	5	.884
Organisational Trust	5	.892
Average Result		.861

Source: Researcher's Computation from SPSS Version 25 Output (2026).

The result of the reliability test for the dimensions of relationship marketing and customer retention as presented in Table 4 shows that all the items were consistent since their Cronbach's alphas were above 0.70 as follows: organisational competence = 0.884; organisational trust = 0.892. The result clearly indicated that the two constructs were above the threshold of 0.7, meaning the items used to measure relationship marketing and customer retention were adequate and strong hence reliable for the study.

Method of Data Collection

Primary data from questionnaire administration were used for this study. The questionnaire is carefully developed by taking into consideration the various key variables and or items necessary for analysis. The wording and sequence of the items is carefully designed to ensure that the questions are respondent friendly.

The study used a structured questionnaire consisting of part A and part B. The first part gathered general information about respondents' demographic characteristics such as gender, age, marital status, educational qualification and working experience. The second part of the questionnaire required the respondents to answer questions based on measures of Relationship Marketing and Customer Retention. To do this, the basic features and definitions of these dimensions from literature were constructed into questions. These questions were designed using a five-point Likert (1961) scale for measurements ranging from strongly disagree to strongly agree. The questionnaire was distributed only to those staff in marketing department, cashiers, customer care staff, supervisors and operational managers.

Data Analysis Techniques

The study used descriptive statistics and inferential statistics with the aid of Statistical Package for Social Sciences (SPSS 21) for data presentation and analysis.

Decision Rule

Standard error test was used in testing the hypotheses and acceptance or rejection of a hypothesis was based on the decision rule which holds that: If the p-value is greater than 0.5 accept null hypotheses and reject alternative hypotheses but if it is less than 0.5 then reject null hypotheses and accept alternative hypotheses.

RESULTS AND DISCUSSION

Data Presentation and Analysis

The results collected from the respondents were analysed and presented in the tables below:

Table 5: Demographics Characteristics of Respondents

Item	Frequency	Percentage (%)
Gender		
Male	120	54.3
Female	101	45.7
Age		
18-27	50	22.6
28-37	80	36.2
38-47	55	24.9
48-57	25	11.3
58 and above	11	5.0
Marital Status		
Married	130	58.8
Single	91	41.2
Education		
SSCE/GCE	20	9.0
OND/NCE	40	18.1
HND	50	22.6
B.Sc	70	31.7
M.Sc/MBA/MPA	35	15.8
Ph.D	6	2.7
Experience		
1-3 years	45	20.4
4-6 years	60	27.1
7-9 years	65	29.4
10 years and above	51	23.1
Total	221	100

Source: Field Survey, 2024.

The result in Table 5 shows that there are more male respondents, indicating that men dominate the banking space in Makurdi and are more responsive to banking surveys. However, the gap is not wide, suggesting that relationship marketing strategies should be gender-sensitive, considering both male and female preferences in service delivery and retention efforts. The age group 28–37 represents the largest segment (36.2%), followed by 38–47. These are likely active professionals with stable incomes. Relationship marketing should target these segments through personalized banking

services, loyalty programs, digital engagement, and financial planning services.

Also, the result indicated that majority of the respondents (58.8%) are married. This has implications for customer retention strategies such as family savings accounts, mortgage services, insurance packages, and joint accounts. Banks can tailor relationship offers around life stages and household needs. Most respondents have a tertiary education (over 70%), which suggests higher financial literacy. Banks can leverage this by offering digital banking tools, investment services, and educational webinars to retain this knowledgeable clientele through value-based relationship marketing. Most respondents have moderate to high work experience (over 50% have 7+ years), indicating financial stability and long-term engagement with banks. Relationship marketing efforts should target loyalty, reward programs, and consultative financial services to retain this segment.

Table 6: Responses on Competence

Statement	SA	A	N	D	SD
Up-to-date technology	90 (40.7%)	70 (31.7%)	25 (11.3%)	20 (9.0%)	16 (7.2%)
Staff trained on products and services	100 (45.2%)	80 (36.2%)	20 (9.0%)	12 (5.4%)	9 (4.1%)
Services modified	85 (38.5%)	76 (34.4%)	25 (11.3%)	20 (9.0%)	15 (6.8%)
Policy adjustment	60 (27.1%)	70 (31.7%)	40 (18.1%)	30 (13.6%)	21 (9.5%)
Qualified staff to handle complaints	95 (43.0%)	75 (33.9%)	25 (11.3%)	15 (6.8%)	11 (5.0%)

Source: Field Survey, 2026.

The result in table 6 shows that a total of 72.4% agree the banks use modern technology, a total of 72.4% agree the bank uses modern technology, 81.4% agreement reflects a strong perception of staff competence, 58.8% agreement shows moderate satisfaction with policy flexibility, and 76.9% agree that staff can handle complaints professionally. This shows that organizational competence is positively perceived, especially in staff training and use of modern technology. However, some uncertainty exists around policy responsiveness to economic trends.

Table 7: Responses on Trust

Statement	SA	A	N	D	SD
Trustworthy policies	90 (40.7%)	80 (36.2%)	25 (11.3%)	15 (6.8%)	11 (5.0%)
No corruption cases	100 (45.2%)	70 (31.7%)	25 (11.3%)	15 (6.8%)	11 (5.0%)
Professional standards	95 (43.0%)	80 (36.2%)	20 (9.0%)	15 (6.8%)	11 (5.0%)
Clear transaction information	110 (49.8%)	70 (31.7%)	20 (9.0%)	12 (5.4%)	9 (4.1%)
Insurance for savings	90 (40.7%)	75 (33.9%)	30 (13.6%)	16 (7.2%)	10 (4.5%)

Source: Field Survey, 2026.

The result in Table 7 shows that majority of the respondents (76.9 %) trust the banks' policy frameworks, 76.9% perceive the banks as free from corruption, 79.2% are satisfied with professionalism, 81.5% agree that information is clearly communicated and 74.6% believe savings are insured. High trust levels with emphasis on professionalism, clarity, and ethical standards. Slight doubt on insurance coverage and policy strength noted among a minority.

Test of Hypotheses

This section presents the hypotheses testing based on the multiple regression analysis conducted to examine the effects of competence, trust, communication, and commitment on customer retention among Deposit Money Banks in Makurdi, Benue State-Nigeria. The four hypotheses formulated have been tested and the outcomes are presented below:

Test of hypothesis one

H₀₁: Competence has no significant effect on customer retention of Deposit Money Banks in Makurdi, Benue State-Nigeria.

To test hypothesis one, the effect is statistically significant because the associated P-Value (0.000) is less than 0.05 level of significance ($p = 0.000 < 0.05$). This was supported by a calculated t-statistic of 4.462 which is larger than the critical t-statistic of 1.96. The null hypothesis is rejected; hence it implies that competence significantly and positively affects customer retention of Deposit Money Banks in Makurdi, Benue State-Nigeria.

Test of hypothesis two

H₀₂: Trust has no significant effect on customer retention of Deposit Money Banks in Deposit Money Banks in Makurdi Metropolis of Benue State-Nigeria.

To test hypothesis two, the effect is statistically significant because the associated P-Value (0.000) is less than 0.05 level of significance ($p = 0.000 < 0.05$). This was supported by a calculated t-statistic of 4.608 which is larger than the critical t-statistic of 1.96. The null hypothesis is rejected; hence it implies that trust significantly and positively affects customer retention of Deposit Money Banks in Makurdi, Benue State-Nigeria. Trust in the bank's policies, transparency, and professionalism contributes significantly to customer loyalty.

DISCUSSION OF FINDINGS

The findings of the study established that competence has significant effect on customer retention of Deposit Money Banks in Makurdi, Benue State-Nigeria. Regression was used to test the hypothesis at 5% level of significance and the p-value (0.000) was lower than the significant level. This is statistically given as $p = 0.000 < 0.05$. This is supported by studies from Olayiwole *et al.* (2018) whose study found that organizational competence have positive effect on customers' satisfaction and Owich (2011) whose findings also showed

that banks competence has significant effect on retention of customers in banks in Kenya.

The study also found that trust has significant effect on customer retention of Deposit Money Banks in Makurdi, Benue State-Nigeria. Regression was used to test the hypothesis at 5% level of significance and the p-value (0.000) was lower than the significant level. This is supported by studies from Negassa (2023) whose also findings revealed that both the dimensions of relationship marketing (trust and commitment) and the retention of customers were closely related to one another and had a significant bearing on this metric; Simeon and Hamilton-Ibama (2022) also found that trust has positive effect on customer satisfaction. Taiye *et al.* (2022) showed that trust has positive effect on customer loyalty in the telecommunication service delivery sector in Nigeria. Etim *et al.* (2021) whose findings of the study revealed that communication, trust building had significant positive effects on customer retention of telecommunication firms in Calabar; among others.

CONCLUSION

Based on the results from data analysis and findings of this study, it can be concluded that the use of competence and trust have positive and significant effect on customer retention of deposit money banks in Benue state, Nigeria. Managers of Deposit Money Banks in Nigeria should always improve on their competence by acquiring latest technologies and also improve on building trust in the minds of their customers, employees as these will enhance customer loyalty, customer commitment or dedication and service repurchase leading to customer retention.

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