

## **ASSESSMENT OF PATRONAGE OF DEPOSIT MONEY BANKING SERVICES BY FARMERS IN DUTSIN-MA, NIGERIA**

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## Abstract

*This study assessed the patronage of banking services by farmers in Dutsin-ma. A structured questionnaire was administered to a sample of 400 farmers in the 16 villages of Dutsin-ma. Averages, percentages and multiple regressions were used in data analysis. The finding of the study was that the degree of association between “Awareness” and “Patronage”, “Interest” and “Patronage” and “Desire and “Patronage”, is very low. The study discovered a moderate relationship between “Action” and “Patronage”. The study recommended among others that awareness campaigns, radio adverts of banking services and formation of farmers’ cooperative societies to facilitate securing of agricultural bank loans.*

*Keywords: Assessment, Banking Services, Deposit Money, Dutsin-Ma, Farmers, Patronage*

## INTRODUCTION

In view of the role of agriculture in economic growth and development, successive government regimes in Nigeria (at federal, state and local levels) have initiated a number of measures to overcome the numerous challenges facing the sector. The measures were mainly in the area of providing more funding for agricultural activities through monetary policies of the Central Bank of Nigeria (CBN). Examples of such policies include Agricultural Credit Guarantee Scheme, Agricultural Credit Support Scheme, Commercial Agriculture Credit Scheme of 2009 and the rest of them. These and similar measures have not yielded desired results (Eze, Lemchi, Awulonu & Okon, 2010). The failure can be attributed to many factors among which is imposition of policies that do not allow existence of normal relationships ( as may be determined by the markets forces of demand and supply) between the funding institutions, especially deposit money banks and farmers. In most of the policies, government, through the CBN, gives directives to commercial banks to dedicate certain percentage of their loans to financing of agricultural activities. Since the banks are profit oriented and in some cases loans to agriculture may be less profitable, the banks prefer to advance loans to more profitable ventures in industries, oil and gas and importation (Badiru, 2010). For instance in the way back 1978 and 1989 when the government stipulated lending quotas for banks under the “Agricultural Credit Guarantee Scheme Fund” (ACGSF), there was increase in the lending portfolios of banks to agriculture, but after the deregulation of the financial system, banks started shying away by reducing their loans to the sector due to the perceived risk (CBN, 2007).

From the foregoing, one can understand that the regulated and controlled relationship between farmers and deposit money banks in Nigeria has failed to yield desired results. The alternative to regulated regime is allowing and encouraging market oriented relationships as

may be determined by demand on the side of farmers and supply on the side of deposit money banks. This informed the main objective of the study: to assess the extent of patronage of banking services by farmers in Dutsin-ma local government area, as may be independently determined by the market forces of demand and supply.

### **Statement of the Problem**

A policy shift from regulated and controlled relationship between farmers and commercial banks to market driven one, is a relatively new advocacy and approach to agricultural development (Eze et al, 2010). This kind of policy shift needs to be experimented at the grass root and at the hub of agriculture in Nigeria i.e. the North.

Dutsin-ma is one of the 34 local governments of Katsina State. The Local Government area with 16 districts has an area of 527 km<sup>2</sup> and a population of 169,671 at the 2006 census (NPC, 2006). Dutsin-ma now hosts the first Federal University in the State and this has boosted the socio-economic activities of the town in particular and the local government in general.

To the best of the knowledge of the researchers', no study had been carried out on the patronage of banking services by farmers' in Dutsin-Ma, Katsina state; this study on the other hand, is an attempt to fill this gap in knowledge. Patronage of any kind (that of banking services inclusive), is not an instantaneous act, but a process with some stages involved (Nana, 1999). In assessing the patronage of banking services by farmers in Dutsin-ma Local Government area, the study adopts the process that involve Awareness, Interest, Desire and Action, often referred to as the "AIDA Model". Based on the model the independent variables of the study are; Awareness, Interest, Desire and Action, and the dependent variable is "Patronage".

### **Objectives of the Study**

The general objective of the study is to assess the patronage of banking services by farmers in Dutsin-ma Local Government Area. The specific objectives of the study are as follows:

- i. To examine extent of causal relationship between awareness and patronage of banking services.
- ii. To assess extent of causal relationship between interest and patronage of banking services.
- iii. To evaluate extent causal relationship between desire and patronage of banking services.
- iv. To investigate extent of causal relationship between action and patronage of banking services.

## **Hypotheses**

Based on the foregoing objectives, the following hypotheses were tested:

H<sub>0</sub>1: There is no significant relationship between awareness and patronage of banking services.

H<sub>0</sub>2: There is no significant relationship between interest and patronage of banking services.

H<sub>0</sub>3: There is no significant relationship between desire and patronage of banking services.

H<sub>0</sub>4: There is no significant relationship between action and patronage of banking services.

## **LITERATURE REVIEW**

### **Conceptual Issues**

#### ***Patronage***

Patronage is the support, encouragement, privilege or financial aid that an organization or individual bestows to another ([www.businessdictionary.com](http://www.businessdictionary.com)). For the purpose of this study, patronage can be said to mean the extent to which farmers in Dutsin-ma LGA avail themselves with the services provided by money deposit banks operating in the local government area to support or finance their farming activities.

#### ***Farmers***

Farmers are those who engage in land cultivation for agricultural production. They engage in the production of one or more of crop, Livestock/Animal, forestry and fishing. This involves small, medium and large scale farmers. Small and medium farmers are those that produce for the purpose of their families' sustenance (i.e. domestic use) while large scale farmers are commercial farmers that produce agricultural products for export (Oni, 2013). Meanwhile, the study will focus on small scale farmers.

#### ***Banking Services***

Banking services in this study comprise the services being provided by deposit money banks operating in Dutsin-ma Local Government Area. Among these services are Agricultural Credit Support Scheme, Food Security Support, Agricultural Finance, Agricultural Loan, Financial Loan Facilities, Consumer Banking, Investment Banking, Corporate Banking, Money Transfer, loans-overdraft, School Solution, Collections, Bills and Utilities Payment Savings Accounts, Current Accounts, Domiciliary Accounts and Automated Teller Machine (First Bank of Nigeria, 2014; United Bank for Africa, 2014; Unity Bank of Nigeria, 2014)

### **Importance of Agriculture in Economic Development**

Although, there are several sectors as manufacturing, oil/petroleum and services that contribute to the total outputs of the economy, the agricultural sector used to contribute majorly to the economy during colonial era. According to Ekpo and Egwaikhide (1994), Nigeria's Agricultural export commodities contributed over 75 percent of the total annual merchandise exports. During this period Agricultural export commodities such as cotton, groundnut, cocoa, rubber etc. played a prominent role in economic development by providing the needed foreign exchange for capital development projects. Agriculture is considered to be the key to economic development. Agricultural products have been recognized to have domestic food and industrial value and great export potential because they can provide food for the entire population and income to farmers as well as many economic agents involved in marketing of agricultural products. The agricultural sector serves as the major source of raw materials for industry as well as major source of non-oil foreign exchange earnings for the nation. Similarly, high growth potentials in agricultural products can be exploited. Such potentials include generating growth export earnings through increased cultivation of crops, generating increase in income for labour and entrepreneur who are engaged in small scale industries as well as large scale agro-based industries that make use of agricultural products as raw materials (Oni, 2013).

### **Empirical Literature**

This aspect deals with empirical studies conducted on the impact of banking services on farmers' output and agricultural development. As earlier described, banking services in this study include credit facilities and agricultural financing policies, schemes and programmes rendered through financial institutions. According to CBN (2007) a study by Agricultural Credit Guarantee Scheme Fund (ACGSF) shows that agricultural finance impacted positively on farmers' income. Total average farm income generated by ACGSF beneficiaries is larger than that generated by non-beneficiaries. The availability of bank credit facilities enables farmers to switch quickly to new technologies which in turn increase productivity and growth. Credit reactivates, expands or modernizes all types of agricultural enterprises which are considered economically feasible and desirable to the achievement of stated economic goals of self-sufficiency in agricultural production (Nzotta, 1999).

Similarly, Ijaya and Abdulraheem (2000) reported significant correlation between credit and agricultural output. A study by Madugu and Bzugu (2012) in Adamawa State revealed that the majority of farmers that benefited from the standard microfinance bank appropriately used the credit collected and they did not encounter any problem during the loan application and disbursement, thus this had increased their farm output. However, some of the farmers who did

not use the loan for the purpose for which it was applied for did not repay back the loan. Similarly, studies by Feijo (2001), Oyeyinka and Bolarinwa (2009), indicated positive inputs on farmers' beneficiaries of different banking credits, facilities/services.

There is dearth of literature on patronage of banking services by farmers, hence the need for this study on patronage of banking services by farmers in Katsina State and Dutsin-ma, to cover the said gap.

### **Theoretical Framework**

The broad objective of the study is to assess the patronage of banking services by farmers in Dutsin-ma Local Area. The study is in the purview of consumer behavior which deals with the consumer decision making process indicating how and why individuals behave as they do. There are four broad views explaining the consumer decision making process: the economic view, the passive view, the emotional view and the cognitive view. The economic view considers the consumer as rational being trying to maximize satisfaction from the available scarce resources. The passive view depicts the consumer as basically submissive to the self-serving interests and promotional efforts of marketers (Schiffman & Kanuk, 2000). The emotional view considers the consumer as emotional being and his actions or inactions are guided by emotions such as joy, fear, love, hope, fantasy etc. The cognitive view depicts the consumer as thinking problem solver searching for products and services that fulfill their needs and enrich their lives (Schiffman & Kanuk, 2000). This study subscribes to this view as it considers the farmers in Dutsin-ma Local Government Area as individuals searching for banking services that fulfill their needs.

Under the cognitive view, a number of theories have been advanced on the consumer decision making process. The study will adopt as its theoretical guide the one propounded by Elmo Lewis often referred to as "The AIDA Model" (A= Awareness, I= Interest, D=Desire and A=Action). According to the model the consumer decision making process involves the four stages of Awareness, Interest, Desire and Action. These stages are equally characterized by certain stages which will be examined separately.

Awareness in the context of this study means knowledge or perception of farmers of services being provided by deposit money banks. The process of awareness entails the following stages: a) dawning awareness; beginning to understand the phenomena in question, situation or problem; b) sense of urgency; rushing to solve the problem right now!; c) wishful thinking; thinking of all the options available; d) discovery of choices; narrowing the options to what is possible; e) weighing choices; finding the need to make trade-offs and to balance interests; f) practical resolve; evaluating and weighing the alternatives for the best workable

solutions; g) responsible judgment; deciding on solution; and finally h) implementing solutions; actually solving the problem ([www.usbr.gov](http://www.usbr.gov))

Interest in the context of the study means concern or attention of farmers on services being provided by the money deposit banks. According to Hidi and Renninger (2006) the process of development of an interest involves the following stages: a) triggered situational interest; this refers to the stimuli that triggered the interest like environmental influences, surprise information, advertisement etc.; b) maintained situational interest; this involves focused attention and persistence over extended period of time; c) emerging individual interest; this stage is characterized by positive feelings and stored knowledge of the phenomena in question; and finally d) well-developed interest; this is the higher stage of the emerging interest involving higher positive feelings about the phenomena and storing of knowledge or experience.

Desire in the context of the study refers to farmers' longing for services being provided by deposit money banks. Human desire for anything is subject to the natural desire pyramid. Human beings tend to desire things that are perceived to assist the movement from the bottom of the pyramid to the top. The pyramid comprises the following stages: a) desire for survival involving satisfaction of basic needs comprising food, clothing and shelter; b) aspiration for wealth; c) aspiration for honour and power; d) desire for knowledge; and finally e) desire for spirituality ([www.kabalahlog.info](http://www.kabalahlog.info)).

Action in the context of the study means acceptance or rejection of services being provided by money deposit banks by farmers. The action process involves the following stages: a) forming the goal; b) execution which entails doing something to ensure achievement of the goal; c) evaluation which involves self-searching to find out whether or not the pre-determined goal is achieved

## METHODOLOGY

The descriptive survey design was adopted for this study. The population of the study consists of all small scale farmers in Dutsin-ma Local Government Area of Katsina State, Nigeria.

Stratified Sampling Technique was used to divide the sixteen (16) villages of Dutsin-ma local government area into three groups or strata, based on their level of developments. In this study, the strata or groups are urban, semi-urban and rural group. The urban group is Dutsin-ma, Kuki, Shema, Katanga and Karofi. The semi-urban group is Bagagadi, Nasarawa, Mahuta, Wangarawa, Makera and Dabawa. The rural group is Dagelawal, Kutawa, Rayi, Sanawa and Yanshantuna.

In estimating the sample size for the study, the formula for determining sample size given by Krejcie & Morgan, (1970) is used. The formula is thus given below

$$s = \sqrt{\frac{X^2 NP(1-P)}{d^2(N-1) + X^2 P(1-P)}} \quad (1)$$

s = required sample size.

X<sup>2</sup> = the table value of chi-square for 1 degree of freedom at the desired confidence level (3.841).

N= the population size (169,671).

P= the population proportion (assumed to be .50 since this would provide the maximum sample size).

d= the degree of accuracy expressed as a proportion (.05).

$$s = \frac{3.841(169,671)(0.50)(0.50)}{0.05^2(169,670) + 3.841(0.50)(0.50)}$$

s = 383 persons

A sample size of 400 which is above the 383 suggested by the formula was chosen. A total of 400 questionnaires were administered on small scale farmers in the urban, semi-urban and rural villages of the study area in the ratio of 3:2:1 respectively.

The 400 sample size is made up of 200 questionnaires to farmers in the urban area, 133 questionnaires to farmers in the semi-urban area and 67 questionnaires to farmers in the rural areas of the study area. The above figures were chosen to allow for objective, unbiased and equitable responses from the sample subject across the three strata of the Local Government Area.

Data was collected from primary source. Primary data was generated by means of a questionnaire administered on 400 sampled small scale farmers in the study area. Descriptive as well as inferential statistics were used in analyzing the data collected. Descriptive statistics in the form of means (averages), percentage, minimum and maximum values were used to find out the level of awareness, interest, desire and action with respect to patronage of banking services in Dutsin-ma local government area. Inferential statistics in the form of multiple regressions was used to investigate the effects of awareness, desire, interest and action on patronage of banking services by farmers. The analysis was done using the statistical package for social sciences (SPSS).

The main variables of the study are awareness; interest; desire; action and patronage. Awareness, Interest, Desire and Action constitute the independent variables while Patronage is the dependent variable. Hence, the functional relationship between the dependent and independent variables is expressed as follows:

$$PAT = f(AWA, INT, DES, ACT, e) \quad (2)$$

Where:

PAT = Patronage

AWA = Awareness

INT = Interest

DES = Desire

ACT = Action

e = Error Term

Patronage (PAT) was regressed on awareness (AWA), interest (INT), desire (DES) and action (ACT) using the multiple regression model below:

$$PAT = b_0 + b_1AWA + b_2INT + b_3DES + b_4ACT + e \quad (3)$$

Where:

$b_0$  = intercept

$b_1, b_2, b_3, b_4$  = parameters of regression model

## EMPIRICAL RESULTS AND DISCUSSIONS

### Descriptive Statistics

Table 1 shows that the minimum level of awareness is 11.08 signifying that the respondent with the least level of awareness about banking services offered by deposit money banks in the study area has only 18% awareness rate. The maximum level of awareness is 52.42 implying that the respondent with the highest level of awareness has about 87% awareness rate. The mean level of awareness stood at 32.66. This result suggests that on average, respondents are only aware about the existence of 54% of banking services offered by deposit money banks in Dutsin-ma local government area.

The table also shows that the minimum and maximum value for interest is 12.08 and 51.33 respectively. This means that the respondent with the least level of interest for banking services is interested in only about 20% while the respondent the highest level of interest is interested in about 86% of banking services offered by deposit money banks in the study area. The mean level of interest is 32.2028 which represent about 54% level of interest. This result provide evidence that support the notion that on average, there is no significant difference between the respondents' level of awareness, as well as their level of interest.

Similarly, the mean level of desire stood at about 55% (32.8605 divided by 60). This implies that on the average, the level of desire is marginally above the level of awareness and interest by 1%. This result confirms that the respondents only desire about 55% of the banking services offered by deposit money banks in the study area. This should not come as a surprised, considering the fact the respondents are only aware and interested in about 54% of the services offered. The slight difference of 1% may be due to round-off error, as one can only desire what exist in terms of awareness and what he has interest for.

Additionally, the mean levels for action and patronage are about 65% and 51% respectively. It can be observed that the action rate is higher than the other variables because some of the items tested under 'action variable' do not necessarily required a respondent to operate a bank account. For example, "I do money transfer", and "I pay utility bills in the banks" which form part of the questions in 'Section F' of the questionnaire administered is designed to find out the level of action by farmers with regards to patronage of banking services. Moreover, the mean patronage rate of 51% shows that only 51% of the respondents patronize the banks for banking services in the study area.

Table 1: Descriptive Statistics

	N	Minimum	Maximum	Sum	Mean	Std. Deviation
Awareness	346	11.08	52.42	11299.33	32.6570	7.07160
Interest	346	12.08	51.33	11142.17	32.2028	6.49944
Desire	346	11.08	55.42	11369.75	32.8605	6.59549
Action	345	11.08	22.08	5369.25	15.5630	2.48068
Patronage	346	4.20	21.00	4451.40	12.8653	3.83376
Valid N (listwise)	345					

### Inferential Statistics (Regression Results)

This section deals with inferential analysis using regression technique.

Table 2 shows that the  $R^2$  is 0.33, signifying that 33 per cent of variation in patronage of banking services by farmers in Dutsin-ma is explained by their level of awareness, interest, desire and action. Table 2 also shows that the F-statistic of 41.315 has a P-value of 0.000 which is statistically significant at 1 per cent level of significance. This is a confirmation of joint significant of estimated coefficient of awareness, interest, desire and action.

In addition, Table 2 shows that the Durbin-Watson Statistics is 1.639, which confirms non-autocorrelation of errors. The DW statistics can vary from 0 to 4 with a value of 2 or close to 2 meaning that the residuals are not correlated (Field, 2009; Swain, 2008).

The VIF in Table 3 are 2.185, 2.513, 2.384 and 1.097 for awareness, interest, desire and action, while their associated tolerance statistics are 0.458, 0.398, 0.419 and 0.912 respectively. The VIF values are well below 10 and the tolerance statistics are below 0.2, meaning that we can safely conclude that collinearity is not a problem for this model. According to Bowerman and O'Connell (1990) and Myers (1990) if the largest VIF is greater than 10, then there is cause for concern. Menard (1995) assert that tolerance level below 0.2 indicates a potential problem.

Table 2: Model Summary (b)

Model 1	R	R <sup>2</sup>	Adjusted R <sup>2</sup>	Std Error of Estimate	F	Sig.	Durbin Watson
1	.527 (a)	.327	.319	3.16677	41.315	.000 (a)	1.639

a. Predictors: (Constant), action, desire, awareness, interest

b. Dependent Variable: patronage

Table 3: Coefficients (a)

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	-2.258	1.267		-1.783	.076		
	awareness	.055	.036	.101	1.532	.126	.458	2.185
	interest	-.065	.042	-.111	-1.575	.116	.398	2.513
	desire	.098	.040	.169	2.462	.014	.419	2.384
	action	.785	.072	.507	10.888	.000	.912	1.097

a. Dependent Variable: patronage

### Test of Hypotheses

Hypotheses were tested using regression model generated through SPSS. The hypotheses are re-stated below:

H<sub>0</sub>1: There is no significant relationship between awareness and patronage of banking services.

H<sub>0</sub>2: There is no significant relationship between interest and patronage of banking services.

H<sub>0</sub>3: There is no significant relationship between desire and patronage of banking services.

H<sub>0</sub>4: There is no significant relationship between action and patronage of banking services.

### Hypothesis One

Table 3 shows that there is no significant relationship between awareness and patronage of deposit money banking services by farmers in Dutsin-ma Local Government Area, as it is confirmed by regression coefficient of .055. The t-statistic of 1.532 is not significant as shown by P-value of 0.126, which is greater than 5 per cent level of significance. The study therefore, fails to reject the null hypothesis and concludes that there is no significant relationship between awareness and patronage of deposit money banking services in Dutsin-ma Local Government Area of Katsina State.

### Hypothesis Two

Table 3 also revealed that there is no significant relationship between interest and patronage of deposit money banking services by farmers in Dutsin-ma Local Government. This is validated

by the regression coefficient of  $-.065$  and t-value of  $-1.575$  which is not significant, as indicated by the P-value of  $0.116$  which is greater than 5 per cent level of significance. The study therefore, fails to reject the null hypothesis and concludes that there is no significant relationship between interest and patronage of deposit money banking services in Dutsin-ma Local Government Area of Katsina State.

### ***Hypothesis Three***

Table 3 shows that there is a very weak positive significant relationship between desire and patronage of deposit money banking services by farmers in Dutsin-ma Local Government as it is confirmed by the regression coefficient of  $.098$ . The t-statistics of  $2.462$  is significant at 5% level of significance. Since the P-value of  $0.014$  is less than 5 per cent level of significance, the study therefore, rejects the null hypothesis and concludes that there is significant positive relationship between desire and patronage of deposit money banking services by farmers in Dutsin-ma Local Government.

### ***Hypothesis Four***

Table 3 shows that a strong positive relationship exists between action and patronage of deposit money banking services by farmers in Dutsin-ma Local Government as it is confirmed by regression coefficient of  $.785$ . The t-statistics of  $10.888$  is highly significant at 1% level of significance. Since the P-value of  $0.000$  is less than 5 per cent level of significance, we therefore, reject the null hypothesis and conclude that there is significant positive relationship between action and patronage of deposit money banking services by farmers in Dutsin-ma Local Government.

## **DISCUSSION OF FINDINGS**

The research findings are based on the responses of the questionnaire that were administered on farmers in 16 villages that make up Dutsin-ma Local Government, and analyzed through the Statistical Package for Social Sciences (SPSS) and the four hypotheses that were tested. The findings are presented below:

The descriptive analysis of the SPSS output in Table 1 revealed that there is moderate level of awareness, interest, desire, action and patronage of deposit money banking services by farmers in the study area. It is moderate because the level is slightly above 50%, with the exception of the level of action which stood at about 65%. The difference in the level of action may be due to the fact that two (2) items in the 'action variable' does not necessarily required a farmer to operate an account before those actions can be carried out. This may bias the result.

In addition, the results also provided evidence that suggests that awareness, interest, desire and action jointly accounted for the variation in patronage of deposit money banking services by farmers in the study area. This is confirmed by the coefficient of 33 per cent and authenticated by F-statistics at 1 per cent (0.01) level of significance. This suggests that about 33 per cent of the variation in patronage of deposit money banking services by farmers can be attributed to awareness, interest, desire and action, while 67 per cent of the variation is due to chance and other factors.

Moreover, the study fails to reject the null hypothesis one, and concludes that there is no significant relationship between awareness and patronage of deposit money banking services. The study also fails to reject the null hypothesis two, and concludes that there is no significant relationship between interest and patronage of banking services. The implication of this finding is that both awareness and interest are not the determinants of patronage of deposit money banking services by farmers in the study area. This implies that a farmer may be aware and interested in a banking service, and yet may not approach the bank for such services. This should not be surprising considering the fact that it is one thing to be interested in a service, and it is another to have the means of actualizing that interest.

Furthermore, the study rejects the null hypothesis three, and concludes that a very weak positive relationship exists between desire and patronage of banking services by farmers in Dutsin-ma Local Government. The very weak significant regression coefficient of 0.098 confirmed that desire has a very low positive relationship with patronage of banking services in the study area.

The study also discovers that a strong positive relationship exists between action and patronage of deposit money banking services by farmers in the study area. This is confirmed by the regression coefficient of 0.785. The implication of this result is that action has a stronger influence on patronage of banking services compared to awareness, interest and desire.

## CONCLUSION

The AIDA model of consumer behaviour generally suggests that the consumer decision making process involves the four stages of Awareness, Interest, Desire and Action. The application of the model in the study of patronage of deposit money banking services in Dutsin-ma Local Government has confirmed that the association between “Action” (the last stage of the process) and “Patronage” is stronger than the association between the preceding stages of “Awareness” “Interest” and “Desire” and “Patronage”. This means that the three stages of “Awareness” “Interest” and “Desire” are not enough to make farmers patronize the deposit money banking services; the process has to reach the final stage of “Desire”. In addition to the stages in the

model, the patronage level of banking services in the Local Government is largely determine by other factors that may include religion, culture etc.

The patronage of deposit money banking services by farmers will be of great economic benefit to the banks and boost agricultural activities in the Local Government Area. The patronage level can be raised by means of conscious efforts to be made by either the banks and/or government (state and local) to carry along the farmers through the process from the first stage of “Awareness” to the last stage of “Action” which finally culminates into “Patronage”.

## **RECOMMENDATIONS**

From the foregoing conclusion, the following are recommended:

- i. The banks and government in liaison with District and Village Heads should embark on awareness campaigns on the importance and benefits of patronizing banking services such as safety of funds, securing of loans etc.
- ii. In addition to the awareness campaigns, the banks should sustain the farmers interest on banking services by means of continuous information dissemination through advertisement on radio and visiting them at their homes and farms
- iii. The banks should raise the farmers’ interest to desire to patronize their services by explaining and demonstrating how the patronage will practically improve their income and wealth. This can be achieved by means of promotional activities such as sponsoring agricultural shows/exhibitions, award of prizes of say the best farmer of the year in the Local Government etc.
- iv. The banks should raise the farmers’ desire to the final action of patronizing their services by means of providing technical assistance in the form of consultancy services on special agricultural activities like fishing, poultry etc.
- v. The banks should encourage formation farmers’ cooperative societies to exchange ideas, share experiences and even stand as guarantors in securing of agricultural loans.
- vi. Since the level of patronage of banking services in the Local Government is largely determined by factors outside the AIDA model, banks and government should address all issues affecting farmers’ relationship with banks such as religion, culture etc. using opinion leaders like District/Village heads, Imams, Politicians etc.

## **LIMITATIONS AND SCOPE FOR FURTHER STUDIES**

This study assessed the patronage of banking services by farmers’ in Dutsin-Ma local government area of Katsina state, Nigeria using small scale farmers and the AIDA model of

organizational behaviour. The AIDA model account for 33 per cent of the variation in patronage of banking services by small scale farmers in the study area, meaning that other factors are responsible for about 67 per cent of the variation in the patronage level. Further research should be conducted in a view to discovering these other factors that account for the 67 per cent of patronage of banking services in Dutsin- Ma. Additionally, this study focused on only small scale farmers; the same study can be replicated using large scale farmers.

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