Assessment of the Banking Behaviour of Generation Y University Students and the Future of Retail Banking in North Central Nigeria

by

Okeke Augustine
Department of Banking & Finance, University of JOS, JOS, Plateau State – Nigeria
Email: okekeau@unijos.edu.ng

Nwachukwu Kene Kingsley
Department of Banking & Finance, University of JOS, JOS, Plateau State – Nigeria.

Abstract

Over the past decade banks in Nigeria have been forced to look for new revenue streams as new business models, technological innovations and non-traditional competition have transformed the banking landscape. Amidst all this change, a new generation has come knocking on their doors. They are in the age group of 18 to 30 years and often called Generation Y (Gen Y for short). This study therefore, assessed the banking behaviour of Generation Y students and its effect on the future of retail banking in Nigeria. The data for the study were collected using questionnaire administered to 500 university students in the four (4) major higher institutions in Plateau State (UniJos, Plateau State University, Pla-Poly and College of Education Pankshin). The data was analysed using descriptive statistics while structural equation model was used to test the hypotheses. The result indicates that retail bank fees/price integrity, unique and Innovative products, ease of use and system quality influences Gen Y banking behaviour and that this banking behaviour have a significant effect on the future of retail banking in Nigeria. Based on these findings, it was recommended that retail banks should refocus their attention their attention on the banking needs of this generation of customers to gain a better understanding of what influences their behaviours. This will compel retail banks to take a closer look at their procedures and strategies in order to manage the fast-evolving needs and expectations of this generation.

Key Words: Banking, Nigeria, Behaviour, Generation Y, Retail, Students

Introduction:

Retail banking in Nigeria is experiencing a significant shift in consumer behaviour due to the digital revolution that continues to influence the fundamental manner in which businesses and individuals transact (Standard Bank, 2015). New technologies, banking innovations and changing consumer behaviour mean that there are widening gaps between the banking processes of the past and the expectations of the new. As a result, these changes motivate the contemplation of a more innovative approach to delivering banking services in order to stay current, significantly innovate and transform for the future (PwC, 2014).

In the search for a sustainable competitive advantage, retail banks have recognised the significance of differentiating themselves from other financial institutions through distribution channels, which include, amongst others, branch networks, automated teller machines (ATMs), call centres, mobile and Internet banking and mobile banking branches. Consequently, retail banks are constantly developing and using new alternative distribution channels to reach their consumers.

Clearly, there is a growing popularity of delivering banking services through multiple distribution channels, particularly electronic or digital banking distribution channels as opposed to only over-the-counter banking or branch networks.

Increasing competitive banking environment, shorter product life cycles, and continuous changes in technology have forced retail banks to adjust their strategic plans to combat the adverse impacts of these challenging contexts. In addition, it is imperative that financial institutions' strategic plans account for changing consumer behaviours, needs and lifestyles, including those of Generation Y. Generation Y and are demarcated by Markert (2004) as those individuals born between 1986 and 2005, which, in 2017, puts them at 12 to 31 years of age. Studies (Cui *et al.,* 2003; Kumar & Lim, 2008) focusing on higher education institution students, generally define them as those individuals between the ages of 16 and 28years.

Members of the Generation Y cohort are known to be confident, passionate, strong-willed, optimistic, adaptable to change, demanding, team players, independent, diverse and tend to voice opinions and set high levels of expectations (Pew Research Center, 2010). In addition, members of this cohort are perceived as technologically astute (Van Deventer *et al.,* 2014), inferring that they are likely to lead the way forward in new technology adoption and establish brand loyalty. Being the first generation to have grown up in a period where computers, mobile devices, electronic devices and the Internet have been integral elements of everyday life has led to Generation Y members thriving on technology and its innovations. Moreover, by employing laptops, mobile phones and an array of other technological gadgets, these individuals can be plugged in 24 hours a day, seven days a week, allowing them to learn, acquire information at exceptionally rapid speeds, excel in their jobs, and lead intense social lives (Kane, 2012). Universally, nine out of ten individuals in the Generation Y cohort have a computer, while 82 percent are in possession of a mobile phone (Ferguson, 2008). The Nigerian population totalled roughly 184,234,796 in June 2017, of which an approximated 38 (70,009,222) percent form part of the Generation Y cohort (National Population Commission, 2017). Gen Y have developed a reputation for having elevated expectations and getting what they want with ease (ease of use). They have grown up interacting with technology that evolves very quickly (relative advantage). This fact has fuelled their expectation of having all types of reliable information at their fingertips (integrity) and accessing it quickly and conveniently (systems quality). This generation is perceived to be salient to the retail banking industry and their innovative developments, including mobile banking, given its significant size and its member's tendency to utilise technology to satisfy banking needs.

Therefore, it is essential that retail banks continuously engage in the process of strategic management and planning concerning innovation as well as influence banking behaviour of this market segment to ensure future success. Several researchers (Constantine, 2010; Cox *et al.,* 2008) uncovered that technologically advanced retail banks that take advantage of technology and that interact with these individuals in ways with which these individuals are accustomed to, such as online messaging, social networking and targeted offerings to mobile phones, will be prosperous in their dealings. Robson (2012) concurs, stating that technology will act as a catalyst in creating a distinguishing experience for Generation Y in satisfying their banking needs.

Statement of the Problem:

Without question, the Generation Y market is vast. Estimates of its size vary depending on the birth years used, but regardless, banks are dealing with an immense number – as many as 70

million in Nigeria. This represents an enormous market to retail banks as much of it is still untapped. In order to capture a share of the Gen Y customers, retail banks need to get a handle on the technology they demand or risk losing this generation (not to mention subsequent generations) to other financial services providers. Similarly, Gen Y have developed a reputation for having elevated expectations and getting what they want with ease (ease of use). They have grown up interacting with technology that evolves very quickly in a unique and innovative way. This fact has fuelled their expectation of having all types of reliable information at their fingertips with ease (accessibility) and accessing it quickly and conveniently (systems quality). Furthermore, Gen Y represents the future of financial services consumption, yet, this group won't be visiting the branches often and they are proving to be elusive to traditional financial services providers.
Retail banks that ignore Gen Y will face a struggle for future success as the average age of their customers increases and those customers aggregate profitability declines. As such, it is imperative that a research be conducted to investigate and understand the factors that influence Gen Y banking behaviour in order to ensuring greater usage of banking channels and retail banking success.

The number of studies pertaining to Generation Y banking behaviour are limited, with studies uncovering Generation Y mobile banking adoption (Ismail & Masinge, 2012; Nel *et al.,* 2012), Gen Y attitudes towards mobile banking (Nel & Raleting, 2012) and the influence of the perceived utility/risk trade-off in mobile banking of Gen Y (Njenga & Ndlovu, 2013). However, none of these studies in the literature reviewed examined the factors that influence the banking behaviour of Generation Y. Furthermore, none of these studies conducted research on the significantly sized Generation Y cohort in general, and Generation Y Nigerian students in particular as the target population.

Research Questions:

    i.   Does the ease of use, fees/prices, unique and innovative products and quality of banking services of a retail bank influence Gen Y behaviour?

    ii.   Does the behaviour of Gen Y students have a direct effect on the future of retail banking in Nigeria?

Objectives of The Study:

    i.   To determine whether or not the ease of use, fees/prices, unique and innovative products and quality of banking services of a retail bank influence Gen Y behaviour.

    ii.   To ascertain if the banking behaviour of Generation Y students have a direct effect on the future of retail banking in Nigeria.

Statement of Hypothesis:

H_{O1}: The ease of use, fees/prices, unique and innovative products and quality of banking services of a retail bank does not influence Gen Y behaviour.

H_{O1}: The banking behaviour of Gen Y students does not have a significant effect on the future of retail banking in Nigeria.

Literature Review:

Conceptual Framework:

An individual's behaviour is described as the degree of an individual's readiness or willingness to perform a particular task in a particular way (Niaura, 2013). It is suggested that behaviour is a function of intention, which, in turn, is a function of several other factors (Chan & Bishop, 2013), such as attitudes (Nor & Pearson, 2008), subjective norms, perceived behavioural control and trust (Nor & Pearson, 2008). Although several scholars have aimed at determining the factors that constitute banking behaviour, four key influential factors always prevail, namely ease of use, fees/prices, unique and innovative products and quality of banking services (Al-Debei *et al.,* 2013; Fielding *et al.,* 2008).

Davis (1989) stated that, ease of use, a construct that is analogous to the complexity construct of using a banking product, although in an opposite direction, refers to the extent to which an individual believes that utilising a specific banking service would be free of physical and mental effort. Nor and Pearson (2008) asserted that a banking service that is perceived to be easy to use would possibly reassure individuals to use the service by developing a positive attitude towards it. Maduku and Mpinganjira (2012) concurred and further stated that a banking product or system that necessitates little technical skills and operational efforts is more likely to be adopted, which, in turn, generates better performance. A consumer's perception of ease of use pertaining to retail banking channels, whether it is, amongst others, Internet banking or mobile banking, may be predicted by several factors. For example, numerous studies (Al-Somali *et al.,* 2009; Pikkarainen *et al.,* 2004; Sathye, 1999) uncovered a significant positive relationship between the quality of Internet connectivity and ease of use of retail banking channels. Research done by Nel *et al.* (2012) and Nel and Raleting (2012) found that ease of use of retail banking products is influenced by self-efficacy, which refers to an individual's belief whether he or she is capable of undertaking a course of action to perform a particular behaviour, which, in turn, influences ease of use. Therefore, in line with these studies and for the purpose of this study, it is theorised that Gen Y individuals who see retail banking products/services as easy to use will display a positive behaviour towards using the bank.

Similarly, according to Nor and Pearson (2008), unique and innovative products refers to the extent to which an innovation is perceived as being more effective and superior than its precursor. Frangos (2009) pointed out that consumers use retail banking channels, because they find the systems useful for conducting banking transactions. Ndubisi (2006) added that consumers anchor their behavioural intention to use electronic banking channels to the possible advantages the systems may be able to provide. Theoretically, it is expected that individuals see retail banking products as an innovation that could provide relative advantages and uses, would display a positive behaviour towards using the bank's product.

Furthermore, the mobile banking environment is to some extent greatly grounded on technology, security, authentication and trust principles. Trust, in the form of integrity, is increasingly playing an important role in influencing consumers' behaviour or perceptions of retail banking. Integrity is essential for building consumer relationships, given that consumers deposit their hard-earned money in the bank, and consequently, allowing retail banks control over their assets. A relationship between the retail bank and the consumer is not likely to exist if consumers did not trust the undertakings of their retail bank. Virkkunen (2004) asserted that integrity is a fundamental source of trust in retail banking services and noted that integrity on the part of retail

banks is expected to foster trust in new banking channels as well as generate a positive behaviour from the customers. In this study, however, it is theorised that perceived integrity positively influences behaviour towards retail banking.

In the same vein, system quality which reflects the speed of access, ease of use, navigation and visual appeal of retail banking products and services can influence customer behaviour (Gu *et al.,* 2009). If retail banking systems are difficult to use and have poor interface design, users may be of opinion that the retail bank lacks the ability and integrity necessary to provide quality services. In addition, users may feel that retail banks have not invested enough time and effort into the retail banking system. This, in turn, will influence user trust in mobile banking (Zhou, 2013). This study therefore asserts that perceived system quality has a positive influence on behaviour towards retail banking. In line with this, the proposed model for this study is illustrated below.
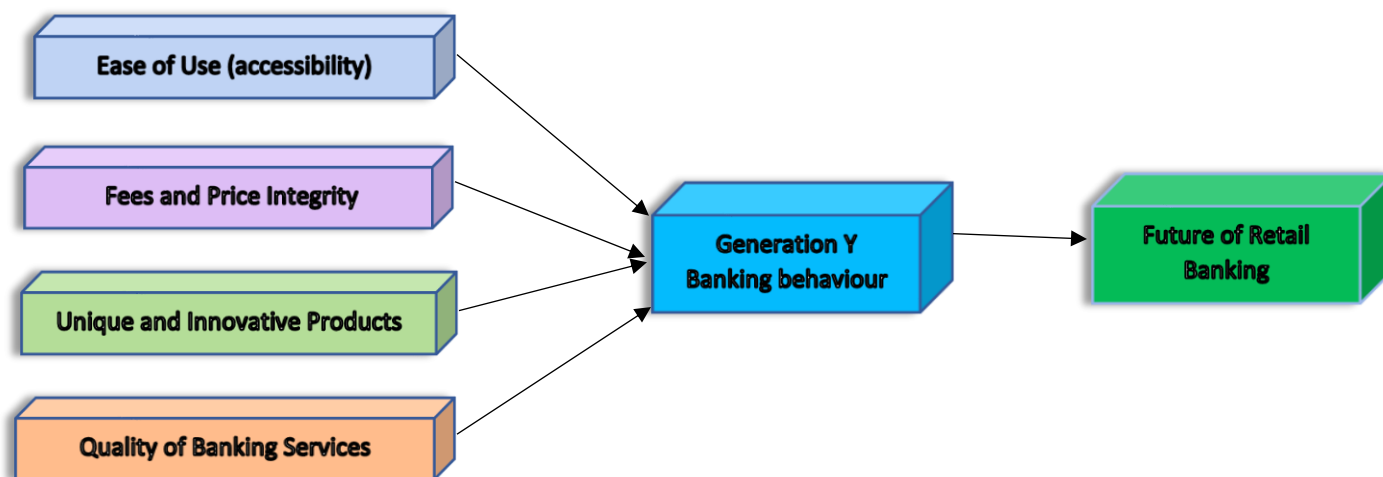

Figure 1 The Conceptual Model of The Behaviour of Gen Y Students & Its Effect on The Future of Retail Banking.

The proposed model seeks to investigate whether perceived ease of use, fees/prices, unique and innovative products and quality of banking services are significant predictors of banking behaviours of Gen Y and what effect this behaviour has on the future of retail bank.

Empirical Framework:

Several studies (Aboelmaged & Gebba, 2013; Akturan & Tezcan, 2012; Shanmugam *et al.,* 2014) found ease of use to have no significant influence on behaviour. In addition, Legris *et al.* (2003) performed a comprehensive review of the literature and identified three more studies indicating a non-significant relation between ease of use and attitudes. However, the influence of ease of use on banking behaviour has been tested and validated by most studies (Daneshgadeh & Yildirim, 2014; Akturan & Tezcan, 2012; Olatokun & Owoeye, 2012).

Similarly, various studies (Chau & Hu, 2001; Olatokun & Owoeye, 2012 and Shanmugam *et al.,* 2014) have tested and validated the influence of unique and innovative products on behaviour in the banking domain. These studies have uncovered that the development of unique

and innovative banking products have a significant positive influence on behaviours towards using a retail bank.

Additionally, A review of the literature revealed a number of studies (Cheung & Lee, 2006; Nor & Pearson, 2008; Ya'gobi & Rad, 2015) that included fees/price integrity as an antecedent of overall behaviour, advocating that behaviour is likely to be a function of integrity. In like manner, Flavian *et al.,* 2005 support the association between fees/ price integrity and banking behaviour. Evidently, the literature reveals that in most studies, system quality, together with the information quality of the system and structural assurances, influences customer behaviour. However, DeLone & McLean (2003) study suggested that retail customer behaviour is a function of banking services quality. In addition, an extensive review of the literature revealed two studies (Kleijnen *et al.,* 2004; Olatokun & Owoeye, 2012) with empirical support that banking services quality positively influences behaviour.

In summary, the number of studies pertaining to Generation Y banking behaviour are limited, with studies uncovering Generation Y mobile banking adoption (Ismail & Masinge, 2012; Nel *et al.,* 2012), Gen Y attitudes towards mobile banking (Nel & Raleting, 2012) and the influence of the perceived utility/risk trade-off in mobile banking of Gen Y (Njenga & Ndlovu, 2013). However, none of these studies examined the factors that influence the banking behaviour of Generation Y. Furthermore, none of these studies conducted research on the significantly sized Generation Y cohort in general, and Generation Y Nigerian students in particular as the target population.

Theoretical Framework:

This study is anchored on the theory of reasoned action (TRA) (Fishbein & Ajzen, 1975). TRA embodies a widespread integration of behavioural components into a structure that is designed to lead to both improved clarification and predictions of behaviour (Schiffman *et al.,* 2010). According to Gu *et al.* (2009), as reported in Fishbein and Ajzen (1975), the TRA examine the beliefs within the individual in order to explicate the adoption behaviour and theorises that a behaviour is predicted by an individual's intention and perception of certain constructs which leads to his engagement in a given behaviour. In other words, as highlighted by Taylor and Todd (1995), behaviour is a direct function of behavioural characteristics. Fishbein and Ajzen (1975:302) explain that these behavioural characteristics, in turn, is predicted by two prominent factors, namely the individual's attitude towards the behaviour and subjective norms, which is described as social pressures to perform the behaviour. Fishbein and Ajzen (1975:302) define subjective norms as an individual's perception that the majority of people who are important to him or her think he or she should or should not undertake the behaviour in question.

Fishbein and Ajzen (1975) postulate that the TRA is widely considered to have a noteworthy theoretical and practical approach and argues that this theory is designed to explain virtually any human behaviour. As such, this theory has been employed in this research to explain the influences on the behaviour of Gen Y students.

Methodology:

The study focused on comprehending and predicting consumer behaviour, and as such, a positivist approach was adopted for the study. Quantitative research, using the survey method, was

applied for the empirical portion of the study. A descriptive research design with a single cross-sectional sample was followed.

The target population, relevant to this study were full-time Generation Y students, aged between 18 and 24, registered at the four (4) major higher education institutions in Plateau State, North Central Nigeria in 2017. The target population was defined as follows: Element: Full-time Generation Y students aged between 18 and 24 years. Sampling unit: Higher Education Institutions. Extent: Plateau State, North Central Nigeria Time: 2017.
The sampling frame comprised public higher education institutions in Plateau state. From this sampling frame, a non-probability judgement sample of four higher education campuses, a federal university (UNIJOS), a state university (PLASU), a Polytechnic (PLAPOLY) and a college of education (Pankshin), located in Plateau State, was selected. The reason the four schools were selected was due to their close geographic proximity, which reduces cost and time and made the research more manageable.

From the final sampling frame, a non-probability convenience sample of full-time Generation Y students, between the ages of 18 and 24, was selected. Demographic questions relating to, gender, year of study, and age were included in the questionnaire in an attempt to overcome the limitations of convenience sampling. This also assisted in determining the degree to which the sample is representative of the target population and, accordingly, the extent to which the findings of this study may be generalised to that population.

A sample size of 500 full-time Generation Y students was selected for this study. This sample size is in the range of other studies of a similar nature, such as those conducted by Akturan and Tezcan (2012) (sample size of 435), Hanafizadeh *et al.* (2014) (sample size of 403), Kesharwani and Radhakrishna (2013) (sample size of 410), and Lee (2009) (sample size of 446) and, as such, was considered sufficiently large. The sample size of 500 full-time students was split evenly between the three selected HEI campuses, thereby allowing a sample size of 125 full-time students per campus.

A structured self-administered questionnaire was utilised to gather the required data for this study. The students were requested to complete a questionnaire consisting of three sections. The first section (Section A) was designed to gather demographical data. The second section (Section B) was designed to gather background information, the factors that influence Gen Y students' behaviour. The third section (Section C) of the questionnaire measured the extent to which Generation Y students' behaviour directly affect the future of retail banks in Nigeria. All scaled responses were measured on a six-point Likert scale, ranging from strongly disagree (1) to strongly agree (6). In addition, the questionnaire was accompanied by a cover letter requesting participation from the students as well as explaining the purpose of the study and assuring the confidentiality of the participant's information together with the relevant contact details. The questionnaire was piloted on a convenience sample of 33 students of federal college of Forestry, a higher institution campus that did not form part of the sampling frame, in order to ascertain its reliability. Subsequently, the results of the pilot test were coded and tabulated, and the results were considered before the final questionnaire was adopted.
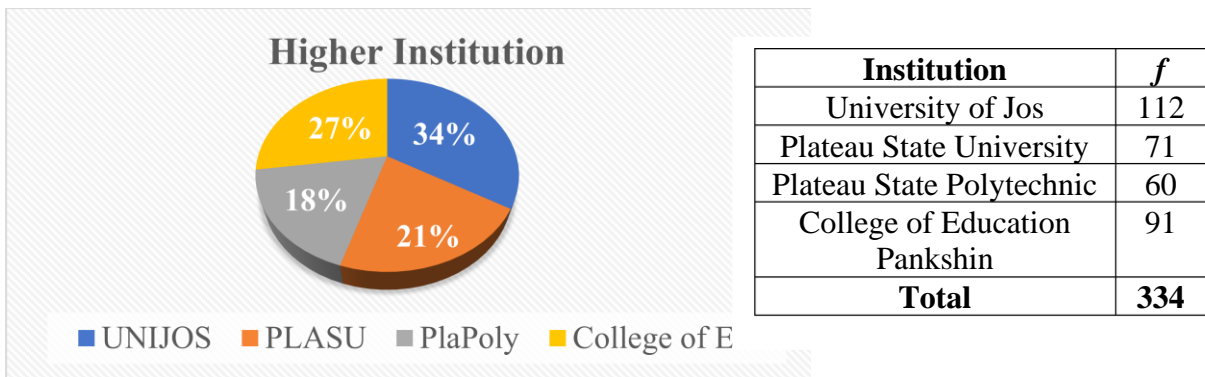
To conduct this study, a structured format applied, where questionnaires were distributed to students at the various campuses that formed part of the sampling frame. Lecturers at each of the four campuses were contacted telephonically and asked whether they would allow the questionnaire to be distributed to their students during class time. The questionnaires were hand-delivered to the participating academic staff members to be distributed to the students for voluntary completion. Prior to questionnaire distribution, the participating lecturers were shown the

questionnaire. Subsequently, questionnaires were distributed to the students for completion during class time. All participants were informed that the questionnaire is to be completed on a voluntary basis only and that no one was to be forced into completing the questionnaire. The captured data were analysed using the Statistical Package for the Social Studies (SPSS), Version 22 while descriptive statistical analysis method was applied on the empirical data sets with structural equation model used to test the hypothesis.

Results and Discussion:

Out of the 500 questionnaires distributed, 334 complete and usable ones were returned, resulting in a response rate of 67 percent. A description of the sample's demographic characteristics pertaining to their higher institution, current year of study, gender and age follows below.

Table 1: Higher Institutions[1]

Institution	f
University of Jos	112
Plateau State University	71
Plateau State Polytechnic	60
College of Education Pankshin	91
Total	**334**

As shown in table 1, 34% of the research participants are from University of Jos, 27% from college of Education, 21% from Plateau State University and 18% from Plateau State Polytechnic. Note that the percentages in the table have been rounded off.

Table 2: Participants' Current Year of Study

Current Year of Study	f
1st Year	90
2nd Year	85
3rd Year	128
4th Year	20
5th Year	11
Total	**334**

---
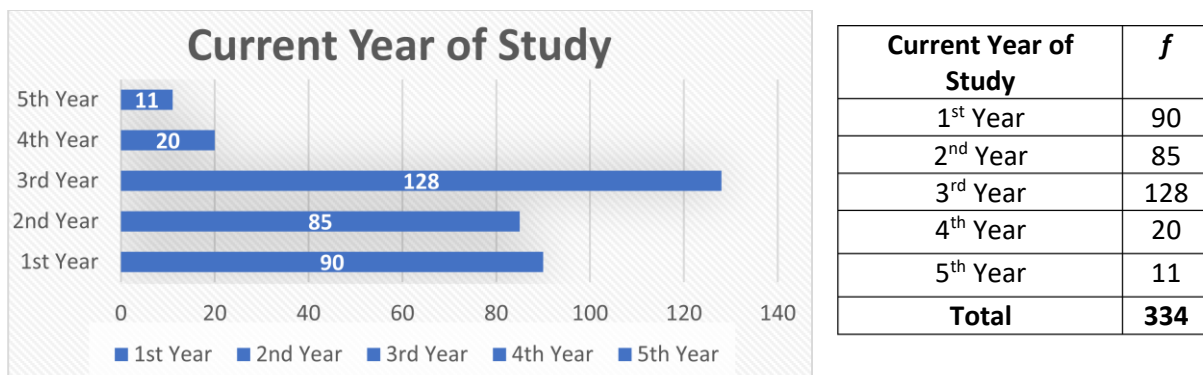
[1] Source: Author (2017)

Table 2 presents the participants' current year of study and shows that 27 percent of the participants were first year students, 26 percent second year students, 38 percent third year students, 3 percent fourth year students and 6 percent were fifth year students.
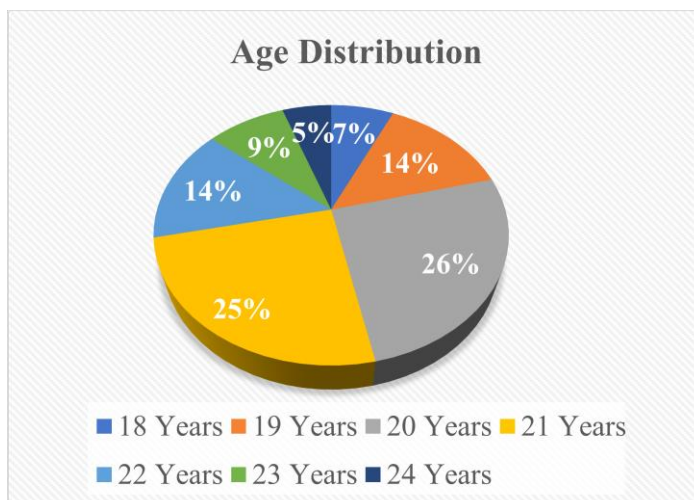
Table 3 Participants Gender profile[2]
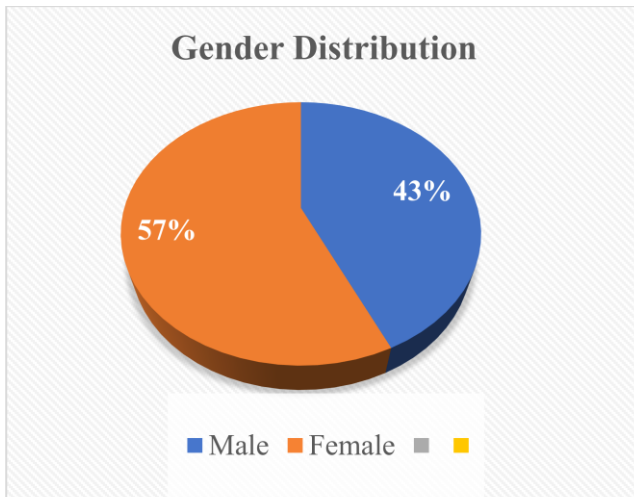
Gender	f
Male	144
Female	190
Total	**334**

As depicted in Table 3, there were less male participants (41.9%) than female participants (58.1%) in the research.

Table 4: Age Distribution of Participants[3]

Age (Years)	f
18	23
19	47
20	86
21	83
22	48
23	29
24	18
Total	**334**

---

[2] Source: Author (2017)
[3] Source: Author (2017)

Table 4 presents the age spread of the participants and indicates that 7 percent were 18 years old, 14 percent 19 years old, 26 percent 20 years old, 25 percent 21 years old, 14 percent 22 years old, 9 percent 23 years old and 5 percent 24 years old. Therefore, all age groups specified in the target population were represented in the sample.

Table 5: Descriptive Statistics Per Factor[4]

Factors	Valid N	Mean	SD	Skewness	Kurtosis
Overall scale	334	4.396	0.750	-0.542	0.536
Unique and Innovative Products	334	4.926	0.907	-1.418	3.082
Ease of use	334	4.705	1.069	-1.064	1.194
Service Quality	334	4.101	1.317	-0.581	-0.377
Fees/Price	334	4.714	1.144	-1.205	1.555

As reflected in table 5, the highest mean was recorded on unique and innovative products (Mean = 4.989), followed by ease of use (Mean = 4.705) and banking services quality (Mean = 4.490). The lowest mean was recorded for fees/price integrity (Mean =3.949). This infers that Generation Y students trust that their retail banks are likely to be honest, keep promises and act ethically in providing banking services. Furthermore, this proposes that Gen Y students trust that the retail banking system likely has adequate structural assurances, can provide quality and relevant information and that the system is likely to be user friendly in terms of navigation.

Whilst the highest means were computed on unique and innovative products and ease of use, it is important to note that all means computed were significantly high. This accentuates the importance of ease of use, fees/price integrity, unique and innovative products and system quality and their likely positive influence on the banking behaviour of Generation Y students. Similarly, table 5 shows that the highest standard deviation occurred on fees/price integrity (Std. Dev. = 1.104), suggesting a greater dispersion in responses to the items in this factor. Banking Services quality recorded the lowest standard deviation (Std. Dev. = 0.927), indicating less dispersion in responses to the items in this factor. In addition, the data set may be classified as normally distributed since table 5 indicates that none of the skewness values fall outside the -2 to 2 range. Similarly, the Kurtosis values suggest that the data set is relatively peaked than normal as the majority of the variables differed from zero.

Hypotheses Testing:

In accordance with the model proposed in the conceptual framework, the measurement model to be tested for the stated hypothesis is a six-factor structure that includes four latent or unobserved factors namely; ease of use (F1), fees/price integrity (F2), unique and innovative products (F3) and banking services quality (F4), banking behaviour (F5) and the future of retail banks (F6).
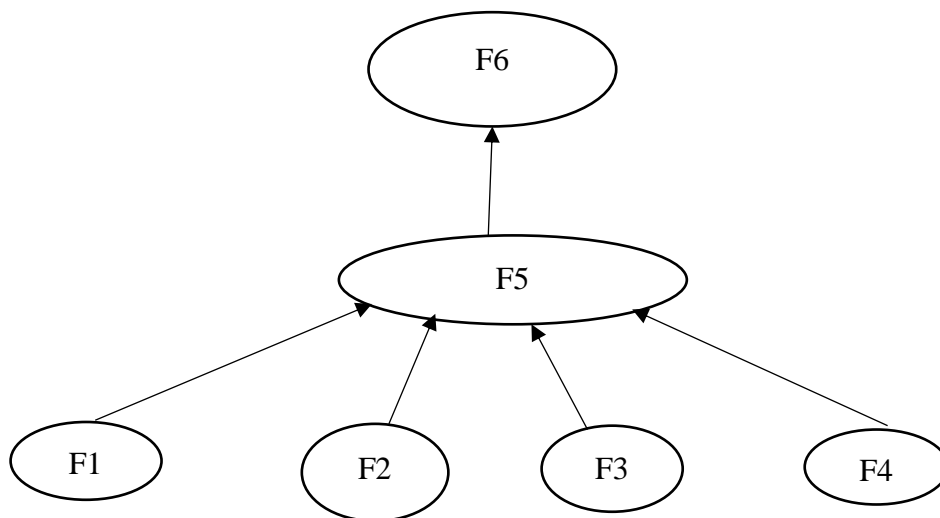
---

[4] Source: Author (2017)

Figure 2: Structural Model

The significance level for the hypotheses testing undertaken was set at the conventional 5 percent level; that is, $\alpha = 0.05$. In keeping with the objective of the study, the following hypotheses were formulated:

H$_{O1}$: The ease of use, fees/prices, unique and innovative products and quality of banking services of a retail bank does not influence Gen Y behaviour.

H$_{O1}$: The banking behaviour of Gen Y students does not have a significant effect on the future of retail banking in Nigeria.

The model fit, reliability and validity of the measurement model was calculated and subsequently assessed. To measure the model, the absolute fit indices of the Chi Square was used. A significant Chi Square value of 9.76 was calculated with 11 degrees of freedom. This shows an acceptable degree of fit between the measurement model and the data. Similarly, the Composite Reliability (CR), Average Variance Extracted (AVE) and Correlation Coefficients were calculated to evaluate the reliability and construct validity of the scale.

Table 6: Measurement Model: Construct Reliability, Average Variance Extracted and Correlation Matrix[5]

		CR	AVE	$\sqrt{AVE}$ 1	2	3	4
Ease of Use		0.86	0.67	0.82 1			
Integrity	0.88	0.71	0.84	0.51 1			
Relative Advantage		0.93	0.81	0.90 0.58	0.55	1	
System Quality		0.92	0.58	0.76 0.57	0.49	0.47	1

---

[5] Source: Author (2017)

Table 6 shows that the CR values exceed the recommended level of 0.70 thus suggesting the reliability of the factors. The AVE computed exceeded the recommended 0.50 and above level, thereby denoting convergent validity. As such it may be concluded that overall, the measurement is not only reliable but also exhibits acceptable fit to the model thereby making it appropriate structural model for testing.

Table 7: Path Coefficients for Hypothesis one[6]

	Coef.	Std. Error	Sig.	95% Confidence Interval	
				Lower Bound	Upper Bound
Structural					
F1 (ease of use)		.227532	0.029	-1.12863	.22145
F2 (fees/price Integrity)		.209897	0.017	-1.25164	-.00620
F3 (Unique and innovative products)		.210696	0.000	-1.23309	.01710
F4 (System Quality)		.249658	0.046	-1.48462	.13917
var(e.pp)|		.281383		-1.61661	.05300

The path between ease of use (P = 0.029 < 0.05) is significant. Similarly, fees/price integrity (P = 0.017 < 0.05), unique and innovative products (P = 0.000 < 0.05) and banking services quality (P = 0.046 < 0.05) all have a positive significant influence on Gen Y banking behaviours. This suggests that there is a sufficient evidence to reject the null hypothesis and conclude that ease of use, fees/prices, unique and innovative products and quality of banking services of a retail bank influences Gen Y banking behaviour.

Table 8: Path Coefficients for Hypothesis two[7]

	Coef.	Std. Error	Sig.	95% Confidence Interval	
				Lower Bound	Upper Bound
Structural					
F5 (Banking behaviour)		.278314	0.043	-1.21680	.24214
F6 (Future of retail bank)		.229789		-1.25164	-.01206
var(e.pp)|		.218386		1.17616.03508	

The result in table 8 indicates that the effect of the banking behaviour of Gen Y students on the future of retail banking is significant at P = 0.043< 0.05. It is therefore reasonable to assert that the banking behaviour of Gen Y students may have a direct effect on the future of retail banking in North central Nigeria.

---

[6] Source: Author(2017)
[7] Source: Author (2017)

Conclusion and Recommendations:

The primary objective of this study was to assess the banking behaviour of Gen Y students and the future of retail banking in North central Nigeria. The research findings indicate that the influence and effect of ease of use, fees/prices, unique and innovative products and quality of banking services have on Generation Y behaviour should not be underestimated. So also, should the effect of Generation Y banking behaviour on the future of retail banking. This is more so, since Gen Y creates an opportunity to exploit possible new income generating market segment of the Nigerian financial landscape that have not yet been fully exploited. The sheer size of the Nigerian Gen Y cohort, the high future earning potential and influential role associated with the student portion of this cohort as well as the fact that they are leading the way towards technology adoption makes them a lucrative market segment for retail banks and their future existence. Understanding the influence on Gen y students banking behaviour is likely to make a valuable contribution in and adopting marketing and strategic plans, business models, processes, awareness programmes and pilot projects aimed at positively influencing their behaviour.

It is therefore recommended that retail banks in Nigeria should refocus their attention on Gen Y and gain a better understanding of what their needs and wants are from a financial perspective. This will compel retail banks to take a closer look at their internal procedures and strategies in order to manage the fast-evolving needs and expectations of this customer segment including amongst others fee free customised products and services as well as more personalised attention. Similarly, retail banks can consider incorporating hands free voice command capabilities into their current banking systems, allowing customers to make use of their voice to control their banking transactions thereby making it easier to use.

Conclusively, it is recommended that retail banks understand and undertake programmes that will influence Gen Y banking behaviour, this will give the banks a better chance to remain competitive, relevant and financially successful. Constant enhancement and adjustments are the only means to ensure that retail banks are not left behind as the competitive landscape and in particular, the banking needs and behaviour of Gen Y cohorts continues to shift.

References

Aboelmaged, M.G. & Gebba, T.R. (2013). Mobile banking adoption: an examination of technology acceptance model and theory of planned behavior. *International Journal of Business Research and Development*, 2(1):35-50.

Akturan, U. & Tezcan, N. (2012). Mobile banking adoption of the youth market: perceptions and intentions. *Marketing Intelligence & Planning*, 30(4):444-459.

Al-Somali, A., Gholami, R. & Clegg, B. (2009). An investigation into the acceptance of online banking in Saudi-Arabia. *Technovation*, 29(2):130-144.

Chan, L. & Bishop, B. (2013). A moral basis for recycling: extending the theory of planned behaviour. *Journal of Environmental Psychology*, 36(1):96-102.

Chau, P.Y.K. & Hu, P.J. (2001). Information technology acceptance by individual professionals: a model comparison approach. *Decision Sciences*, 32(4):699-719.

Cheung, C.M.K. & Lee, M.K.O. (2006). Understanding consumer trust in Internet shopping: a multidisciplinary approach. *Journal of the American Society for Information Science and Technology*, 57(4):479-492.

Constantine, G. (2010). Tapping into Generation Y: nine ways community financial institutions can use technology to capture young customers. http://www.firstdata.com/downloads/thought-leadership/geny_wp.pdf Date of access: 25 Jan. 2014.

Cox, D., Kilgore, T.L., Purdy, T. & Sampath, R. (2008). Catalysts for change: the implications of Gen Y consumers for banks. http://www.deloitte.com/assets/Dcom Shared%20Assets/Documents/us_fsi_GenY_Consumers_april08.pdf Date of access: 25 Jan. 2018.

Cui, Y., Trent, E.S., Sullivan, P.M. & Matiru, G.N. (2003). Cause-related marketing: how Generation Y responds. *International Journal of Retail and Distribution Management*, 31(6):310-320.

Ferguson, T. (2008). Gen Y is setting the tech agenda. http://www.bloomberg.com/bw/stories/2008-07-30/gen-y-is-setting-the-tech-agendabusinessweek-business-news-stock-market-and-financial-advice Date of access: 15 Mar. 2017.

Kane, S. (2012). Generation Y. http://legalcareers.about.com/od/practicetips/ a/GenerationY.htm Date of access: 23 Aug. 2017.

Kumar, A. & Lim, H. (2008). Age differences in mobile service perceptions: comparison of Generation Y and baby boomers. *Journal of Services Marketing*, 22(7):568-577.

Markert, J. (2004). Demographics of age: generational and cohort confusion. *Journal of Current Issues and Research in Advertising*, 26(2):11-25.

Ndubisi, N.O. (2006). Marketplace behaviour of Malaysian consumers. Kuala Lumpur: Emerald Group.

Nel, J., Boshoff, C. & Raleting, T. (2012). Exploiting the technology cluster effect to enhance the adoption of WIG mobile banking among low-income earners. *Management Dynamics*, 21(1):30-44.

Niaura, A. (2013). Using the theory of planned behavior to investigate the determinants of environmental behavior among youth. *Environmental Research, Engineering and Management*, 1(63):74-81.

Njenga, K. & Ndlovu, S. (2013). On rational choice, risk and utility in mobile banking. *The African Journal of Information and Communication*, 13:42-61.

Olatokun, W. & Owoeye, O.J. (2012). Influence of individual, organizational and system factors on attitude of online banking users. *Proceedings of Informing Science & IT Education Conference*: 389-403.

Pew Research Center. (2010). Millennials: a portrait of generation next: confident, connected, open to change. http://www.pewsocialtrends.org/2010/02/24/millennials-confident-connected-open-to-change/ Date of access: 14 Feb. 2017.

PwC (PricewaterhouseCoopers) (2014). Retail banking 2020 – evolution or revolution? http://www.pwc.com/et_EE/EE/publications/assets/pub/pwc-retail-banking-2020-evolution-or-revolution.pdf Date of access: 14 Aug. 2017.

Robson, S. (2012). Generation Y: the (modern) world of personal finance. http://static1.squarespace.com/static/54d620fce4b049bf4cd5be9b/t/551e6622e4b0751e1a30c7fe/1428055586012/Generation+Y...by+Sophie+Robson+PDF.pdf Date of access: 25 Jan. 2018.

Standard Bank (2015). Future of banking in Africa is mobile. http://community.standardbank.co.za/t5/Blog/Future-of-banking-in-Africa-is-mobile/ba-p/921 Date of access: 14 Aug. 2017.

Van Deventer, M., De Klerk, N. & Bevan-Dye, A.L. (2014). African Generation Y students' attitudes towards personal financial planning. *Mediterranean Journal of Social Sciences*, 5(21):111-120.

Zhou, T. (2013). An empirical examination of continuance intention of mobile payment services. *Decision Support Services*, 54(2):1085-1091.