

Market Entry Strategies and Internationalization Performance of Selected Deposit Money Banks in Nigeria.

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ABSTRACT

This study examined the relationship between market entry strategies and internationalization performance of selected deposit money banks operating within the Federal Capital Territory (FCT) of Abuja, Nigeria. Specifically, the study investigated how entry mode selection, digital adaptation level, and regulatory compliance efficiency influence foreign market penetration rate, cross-border transaction growth, and brand recognition index. A structured questionnaire was administered to 102 respondents, with 94 valid responses retrieved and analysed. Employing Pearson Product-Moment Correlation, the study found that all independent variables had statistically significant positive relationships with the respective dimensions of internationalization performance. Entry mode selection had a strong correlation with foreign market penetration rate, digital adaptation level was significantly related to cross-border transaction growth, and regulatory compliance efficiency was positively associated with brand recognition. These findings are consistent with extant literature, including the works of Aversa et al. (2021) and Watson et al. (2018), which highlight the critical role of strategic categorization and digitalization in successful market entry. The study concludes that adopting appropriate entry strategies, embracing digital transformation, and ensuring regulatory compliance are pivotal for enhancing the global competitiveness of Nigerian banks. It recommends that bank managers develop integrative internationalization frameworks that are adaptive, digitally-driven, and regulatory-compliant to navigate the complexities of foreign markets effectively.

Keywords: Market entry strategies, internationalization performance, entry mode selection, digital adaptation, regulatory compliance, foreign market penetration, deposit money banks, Nigeria.

INTRODUCTION

Market entry strategies have long been a cornerstone of global business expansion, serving as frameworks that guide firms in navigating the complexities of foreign markets. From a broad perspective, these strategies encompass a range of decisions and actions aimed at establishing a firm's presence in new markets while mitigating risks and optimizing resources. Globally, firms seeking to expand their operations abroad face multifaceted challenges, including cultural differences, regulatory hurdles, technological disparities, and competitive landscapes. These challenges necessitate well-thought-out market entry strategies to ensure sustainable growth and profitability. Scholars have identified three critical dimensions of market entry strategies: entry mode selection, digital adaptation level, and regulatory compliance efficiency (Smith & Lee, 2019).

Entry mode selection refers to the choice of how a firm enters a foreign market, whether through direct investment, joint ventures, franchising, or exporting. This dimension is pivotal as it determines the level of control, risk exposure, and resource commitment required. Digital adaptation level pertains to the extent to which firms leverage digital technologies to align with local market conditions, customer preferences, and operational requirements. In an increasingly digitalized world, this dimension has become indispensable for enhancing competitiveness. Regulatory compliance efficiency involves adhering to local laws, regulations, and industry standards in foreign markets. Firms that excel in this dimension are better positioned to avoid legal penalties, reputational damage, and operational disruptions.

Internationalization performance, on the other hand, measures the success of a firm's efforts to expand its operations across borders. For deposit money banks in Nigeria, internationalization performance is particularly

significant given the country's strategic position as Africa's largest economy. Scholars have identified three key dimensions of internationalization performance: foreign market penetration rate, cross-border transaction growth, and brand recognition index (Adeyemi & Ogunleye, 2021). Foreign market penetration rate reflects the extent to which a bank has successfully entered and established itself in foreign markets. Cross-border transaction growth measures the increase in the volume and value of transactions conducted across national borders, indicating the bank's ability to facilitate international trade and finance. Brand recognition index gauges the level of awareness and trust that a bank enjoys among foreign customers and stakeholders. For Nigerian deposit money banks, achieving high performance in these dimensions is crucial for competing effectively in the global financial services sector.

The interplay between market entry strategies and internationalization performance is both intricate and dynamic. For deposit money banks in the Federal Capital Territory (FCT) of Abuja, the adoption of appropriate market entry strategies could significantly influence their internationalization outcomes. For instance, selecting the right entry mode might enhance a bank's ability to penetrate foreign markets, while digital adaptation could drive cross-border transaction growth by improving service delivery and customer experience. Similarly, regulatory compliance efficiency might bolster brand recognition by fostering trust and credibility among international stakeholders. However, the exact nature of this relationship remains suggestive rather than conclusive, warranting further investigation into how these variables interact in practice.

Despite the potential benefits of effective market entry strategies, deposit money banks in Nigeria face numerous challenges in achieving optimal internationalization performance. These challenges include limited access to foreign capital, inadequate technological infrastructure, stringent regulatory requirements in host countries, and intense competition from established global players (Okafor et al., 2022). Additionally, geopolitical instability, currency fluctuations, and economic uncertainties in Nigeria often hinder the ability of banks to execute their internationalization plans successfully. Given these constraints, understanding the factors that drive internationalization performance becomes imperative for policymakers, practitioners, and researchers alike. This study seeks to address this gap by examining the relationship between market entry strategies and internationalization performance among selected deposit money banks in FCT-Abuja, Nigeria.

Statement of the Problem

In an ideal scenario, deposit money banks in Nigeria would exhibit robust internationalization performance characterized by high foreign market penetration rates, sustained cross-border transaction growth, and strong brand recognition indices. Such performance would not only enhance their competitiveness but also contribute to the overall development of the Nigerian economy. However, the reality paints a different picture. According to data from the Central Bank of Nigeria (CBN, 2021), less than 30% of Nigerian banks have successfully penetrated foreign markets, with most of their operations concentrated in neighboring African countries. Furthermore, cross-border transaction volumes remain relatively low, accounting for only 15% of total banking transactions in 2020. This underperformance underscores the practical challenges that Nigerian banks face in their internationalization efforts.

Empirically, there exists a paucity of research exploring the specific role of market entry strategies in driving internationalization performance among Nigerian deposit money banks. While some studies have examined general aspects of internationalization, few have delved into the nuanced dimensions of entry mode selection, digital adaptation, and regulatory compliance efficiency (Ibrahim & Adekunle, 2020). This gap in the literature highlights the need for a comprehensive investigation into how these dimensions influence internationalization outcomes. Moreover, existing studies often focus on larger cities like Lagos, leaving the unique context of FCT-Abuja largely unexplored. Addressing these gaps is essential for developing actionable insights that can inform policy and practice in the Nigerian banking sector. Therefore, this study set to:

1. To examine the relationship between entry mode selection and foreign market penetration rate among selected deposit money banks in FCT-Abuja.
2. To determine the influence of digital adaptation level on cross-border transaction growth of the selected banks.

3. To assess the effect of regulatory compliance efficiency on the brand recognition index of selected deposit money banks operating in international markets.

LITERATURE REVIEW

Conceptual Review

Market Entry Strategies

Market entry strategies refer to the structured approaches firms adopt to begin operations in a new, especially foreign, market. According to Root (1994), market entry strategies include exporting, licensing, joint ventures, franchising, strategic alliances, and wholly owned subsidiaries. These strategies are influenced by factors such as market potential, competitive intensity, cultural distance, and regulatory environments. The primary goal is to maximize long-term profitability while minimizing risk exposure. Companies evaluate entry strategies based on control needs, resource commitment, and flexibility.

Furthermore, Anderson and Gatignon (1986) posited that firms' choice of entry strategies is a trade-off between control and resource commitment. For instance, direct investment offers high control but requires significant capital, while licensing offers low control with minimal resource commitment. Choosing the right market entry strategy enables firms to adapt to local market conditions, navigate institutional voids, and effectively position themselves against competitors. Hence, market entry strategy is a critical determinant of a firm's success in foreign operations.

Internationalization Performance

Internationalization performance encompasses a firm's ability to successfully expand and operate across national borders while achieving desired strategic outcomes. It is measured in terms of profitability, market share, customer base expansion, and long-term sustainability in international markets. According to Zahra and George (2002), internationalization performance is a reflection of how well a firm leverages resources, capabilities, and market insights to gain competitive advantages globally.

Lu and Beamish (2004) emphasized that firm size, experiential knowledge, and strategic agility are key drivers of internationalization performance. High-performing international firms often demonstrate adaptability, strong local market understanding, and integration capabilities. Thus, internationalization performance not only assesses current operational success but also signals a firm's potential to sustain growth in complex global environments.

Entry Mode Selection

Entry mode selection refers to the strategic decision firms make when choosing how to enter a foreign market. It determines the level of investment, control, and risk the firm is willing to undertake. As Hill, Hwang, and Kim (1990) noted, entry modes can be broadly classified into equity (e.g., joint ventures, wholly owned subsidiaries) and non-equity modes (e.g., exporting, licensing). The selection is often influenced by transaction cost considerations, resource availability, market conditions, and cultural distance.

Pan and Tse (2000) argued that entry mode selection is a dynamic process shaped by institutional factors and firm-specific characteristics such as international experience, technological intensity, and strategic objectives. The correct entry mode enhances market responsiveness, mitigates liability of foreignness, and increases the chances of international success. Therefore, selecting the optimal entry mode is critical to minimizing risk and maximizing strategic gains.

Digital Adaptation Level

Digital adaptation level refers to the extent to which a firm adopts and integrates digital technologies into its international operations. As emphasized by Bharadwaj et al. (2013), digital adaptation includes the use of digital platforms, automation, data analytics, and customer relationship management tools to enhance competitiveness. Firms with high digital adaptation levels often exhibit agility, innovation, and responsiveness in international markets.

Liu and Liang (2021) further highlighted that digital adaptation supports scalability, customer engagement, and real-time decision-making, which are vital for international operations. In today's globalized economy, digital transformation is not optional; it is essential for survival and growth. Firms that lag in digital adoption often struggle with inefficiencies and fail to meet the expectations of tech-savvy international customers.

Regulatory Compliance Efficiency

Regulatory compliance efficiency measures how effectively a firm aligns with the legal and institutional frameworks in foreign markets. According to Scott (2008), regulatory institutions shape the rules of engagement for market actors, influencing entry success and operational stability. Firms with strong compliance mechanisms tend to avoid legal sanctions, build legitimacy, and gain stakeholder trust in foreign markets.

Ahsan and Musteen (2011) suggested that compliance efficiency is linked to institutional theory, where firms that align with local norms and regulations are more likely to achieve favorable outcomes. Efficient regulatory compliance not only reduces operational risks but also enhances reputational capital and facilitates smoother market entry. For internationalizing firms, especially SMEs, building regulatory expertise is vital for overcoming entry barriers.

Foreign Market Penetration Rate

Foreign market penetration rate refers to the degree to which a firm succeeds in establishing its presence and capturing market share in a foreign environment. This is typically assessed through sales volumes, market share growth, customer base size, and distribution reach. Cavusgil and Zou (1994) noted that a high penetration rate indicates successful localization and market acceptance of the firm's products or services.

Penetration success depends on several factors, including marketing adaptation, competitive pricing, brand positioning, and local partnerships. As Douglas and Craig (2011) emphasized, the ability to penetrate a foreign market is a direct reflection of a firm's strategic acumen and operational efficiency. It also affects long-term profitability and international sustainability.

Cross-Border Transaction Growth

Cross-border transaction growth pertains to the increase in the volume and value of business transactions between a firm and its international partners or customers. It includes trade in goods, services, intellectual property, and capital. According to Ghemawat (2001), firms that succeed in increasing cross-border transactions demonstrate robust international engagement and supply chain efficiency.

Chen, Sousa, and He (2016) emphasized that digital technologies, trade agreements, and logistical capabilities play crucial roles in driving transaction growth. As international transactions become smoother and more predictable, firms are better positioned to scale operations and deepen market integration. Cross-border transaction growth is thus both a metric of operational success and a driver of international expansion.

Brand Recognition Index

Brand recognition index measures the extent to which a brand is identifiable and distinguishable in foreign markets. Keller (2003) defined brand recognition as the ability of consumers to identify a brand as belonging to a particular category. This index reflects consumer awareness, recall rates, and brand association strength in target markets.

High brand recognition is a strategic asset that enhances market penetration, customer loyalty, and pricing power. As Kapferer (2008) argued, international firms must invest in consistent brand messaging, cultural relevance, and quality assurance to boost recognition. Strong branding can offset disadvantages like lack of local roots or limited distribution channels, especially during early market entry stages.

THEORETICAL FRAMEWORK

This study was benchmarked on the Uppsala Internationalization Model, proposed by Johanson and Vahlne in 1977. The theory assumed that firms internationalize incrementally, gaining experiential knowledge and reducing uncertainty through gradual expansion into culturally and geographically proximate markets. The

model emphasized that firms initially enter foreign markets via low-commitment modes (e.g., exporting), followed by higher commitment modes (e.g., subsidiaries) as knowledge and market confidence grow.

The application of this theory in the study supported the understanding of how firms choose entry strategies, adapt digitally, comply with regulations, and grow cross-border transactions over time. It provided a framework for examining how learning, market experience, and institutional engagement influenced entry mode selection and internationalization performance. The Uppsala model also justified the importance of gradual digital adaptation and brand development as firms progress in foreign markets.

Empirical Reviews

Guercini and Milanesi (2022) provided a broad overview of how heuristics are used in international decisionmaking, particularly regarding foreign market entry. They employed a systematic literature review methodology, analysing 32 peer-reviewed articles published between 1997 and 2021 within the international business and marketing fields. Their findings revealed that although the concept of heuristics—rooted in cognitive science and psychology—has begun to influence marketing and management literature, there remains a lack of a structured and comprehensive body of research specifically focusing on heuristic-based decisions in foreign market entry. They emphasized that uncertainty significantly shapes such decisions and that certain heuristic approaches are indeed effective in dealing with this ambiguity. The authors recommended that future research should work toward building a more integrated and theoretical foundation for understanding heuristics in international business decisions. The gap identified in this study lay in the absence of a cohesive theoretical and empirical framework for understanding how heuristics impact foreign market entry decisions, which this current research seeks to explore and address by integrating heuristic factors with structured entry strategy frameworks.

Wu and Wang (2021) examined sustainable market entry strategies within the context of a supply chain environment, particularly focusing on how firms—both local and international—can effectively enter new markets. Using a game-theoretic modeling approach, they analyzed a supply chain composed of a manufacturer and a retailer, drawing inspiration from case examples such as Tesla and Topshop entering the Chinese market, and Chinese appliance firms expanding from urban to rural areas. Their model produced equilibrium outcomes that revealed two key insights: firstly, that manufacturers favour an exclusive “market development” entry strategy, and secondly, that joint entry modes between manufacturers and retailers tend to be more sustainable and mutually beneficial, often resulting in the only Nash equilibrium. They recommended that firms consider collaborative entry approaches to maximize profits and sustainability rather than opting for monopolistic strategies, as competition—if properly managed—can lead to win-win outcomes.

Smith et al. (2021) examined the effects of foreign market entry strategies on the financial performance of listed multinational firms in Kenya. Anchored on the Internationalization Theory, the study applied a cross-sectional descriptive research design using secondary data extracted from financial statements and annual reports of 62 listed multinational firms over a four-year period (2014–2017). Entry strategies such as franchising, exporting, wholly owned subsidiaries, and acquisitions were evaluated, while financial performance was measured using indicators like Sales Growth, Return on Assets, Return on Equity, and Return on Capital Employed. The findings revealed that firms entering foreign markets through exporting performed financially better than those that used franchising, acquisitions, or wholly owned subsidiaries. The study concluded that the choice of entry strategy significantly influenced the financial outcomes of multinational firms and emphasized the need for firms to develop rigorously evaluated long-term strategies when expanding globally. The authors recommended a thorough market analysis before internationalization, training for involved employees, and streamlined registration policies to enhance the attractiveness of foreign markets. The study addressed the relationship between entry mode and financial outcomes but left a gap by not exploring non-financial performance indicators or the role of digital adaptation, which this present study aims to cover.

Watson et al. (2018) examined how relational, digital, and hybrid international market entry (IME) strategies have evolved in response to the widespread adoption of digital communications and the changing global business environment. The study employed a literature review methodology, analyzing 25 years of peer-reviewed research on IME to explore the extent to which digital contexts have been integrated into international marketing strategy discussions. Through a comprehensive review and synthesis, the authors identified key themes and proposed a

taxonomy of IME strategies, categorizing them as relational, digital, or hybrid. The findings showed that, although businesses heavily invest in combining relational and digital strategies, less than 3% of peer-reviewed research in international marketing explicitly addresses digital contexts. The authors concluded that academic research had not kept pace with practice, leaving a significant gap in understanding digital and hybrid IME models. They recommended future studies to expand the theoretical and empirical base surrounding digital and hybrid entry strategies, especially given the rise of digitally native firms entering international markets.

Aversa et al. (2021) aimed how digital firms entering new markets strategically use categorization to shape stakeholder perceptions and influence market entry outcomes. The study employed a longitudinal comparative case study approach, focusing on Uber and BlaBlaCar as iconic digital entrants in the sharing economy. By examining these firms' distinct categorization strategies—Uber's incumbent-focused, economic framing versus BlaBlaCar's emergent, non-economic positioning—the study unpacked how each firm influenced the reactions of non-market stakeholders, such as media and regulators. The findings emphasized the importance of early strategic positioning in digital market entries and provided a novel theoretical contribution to the literature on market entry, stakeholder management, and digital business models. The authors recommended that digital firms should carefully manage their early market framing to align stakeholder support and reduce regulatory friction. The study exposed a gap in existing literature related to non-economic and symbolic dimensions of market entry strategy, which this current research extends by incorporating brand recognition and regulatory compliance efficiency into its framework.

METHODOLOGY

This study employed a cross-sectional survey research design to examine the relationship between market entry strategies and internationalization performance among selected deposit money banks in FCT-Abuja, Nigeria. The cross-sectional design was chosen because it allows for the collection of data at a single point in time, providing a snapshot of the phenomena under investigation. This approach is particularly suitable for exploring relationships between variables without manipulating them.

The population of the study comprised employees of selected deposit money banks in FCT-Abuja. However, the accessible population was limited to managerial employees from six deposit money banks operating in the region. The selection of these banks was based on three criteria: (1) they must have a physical presence in FCT-Abuja, (2) they must be actively involved in international banking activities, and (3) they must have a minimum of five years of operation in the Nigerian banking sector. These criteria ensured that the selected banks had sufficient experience and relevance to the study's objectives. Information obtained from the six banks revealed a total of 102 managerial employees.

The unit of analysis for this study was the managerial employees of the selected banks. This choice was justified by the fact that managers are directly involved in decision-making processes related to market entry strategies and internationalization performance. Their insights and experiences provided valuable data for addressing the research questions.

Given the small size of the accessible population (102 individuals), the sample size for this study was equal to the population. This decision was made to ensure maximum representation and minimize sampling error. A census sampling technique was used, which involves including every member of the population in the sample. This approach was deemed appropriate given the manageable size of the population and the importance of capturing diverse perspectives within the managerial cadre.

Primary data were collected using a structured questionnaire designed to measure the constructs of interest. Reliability was assessed using Cronbach's alpha, yielding coefficients of 0.85 for entry mode selection, 0.87 for digital adaptation level, 0.84 for regulatory compliance efficiency, and 0.89 for internationalization performance. These values indicate high internal consistency. Content validity was determined through expert reviews, ensuring that the questionnaire items accurately reflected the theoretical constructs. Data analysis was performed using Pearson product-moment correlation with the aid of SPSS version 27 to examine the relationships between the variables.

RESULTS AND DISCUSSION

Although the total sample size for the study was 102, all 102 questionnaires were deliberately distributed to maximize participation and account for possible non-responses. This approach is supported by the

recommendation of Dillman et al. (2014), who suggested that over-sampling is a strategic measure to increase the likelihood of achieving a sufficient response rate, particularly in survey-based research where return rates can vary due to respondent availability, interest, or other unforeseen constraints.

Out of the 102 questionnaires administered, only 94 were duly retrieved, resulting in a response rate of approximately 92.2%. Preliminary screening of the returned questionnaires was conducted to assess completeness, consistency, and usability. This initial analysis revealed that the 94 returned questionnaires were accurately completed and deemed suitable for further statistical analysis.

The demographic characteristics of the 94 respondents are presented in Table 1. This includes a breakdown by age group, gender, and educational level. The analysis revealed that a significant proportion of the respondents were within the 31–40 age bracket, with males slightly outnumbering females. Furthermore, the majority of participants had attained at least a bachelor's degree, indicating a relatively well-educated respondent pool.

Table 1: Demographic Characteristics of Respondents (N = 94)

Demographic Variable	Category	Frequency	Percentage (%)
Gender	Male	52	55.3%
	Female	42	44.7%
Age	20–30 years	18	19.1%
	31–40 years	47	50.0%
	41–50 years	20	21.3%
	Above 50 years	9	9.6%
Demographic Variable	Category	Frequency	Percentage (%)
Educational Level	Diploma/ND/NCE	12	12.8%
	Bachelor’s Degree	48	51.1%
	Master’s Degree	29	30.9%
	PhD or equivalent	5	5.3%

Prior to conducting inferential analysis, the assumptions underlying the use of Pearson Product Moment Correlation were tested. Specifically, the assumptions of linearity, normality, and homoscedasticity were examined through scatterplots and Shapiro-Wilk tests. The results confirmed that all key assumptions were adequately met, thereby justifying the use of Pearson correlation as an appropriate statistical technique for further data analysis (Pallant, 2020).

Correlations							
		Entry Mode Selection	Digital Adaptation Level	Regulatory Compliance Efficiency	Foreign Market Penetration Rate	Cross-Border Transaction Growth	Brand Recognition Index
Entry Mode Selection	Pearson Correlation	1	.502**	.633**	.703**	.671**	.760**
	Sig. (2tailed)		.000	.000	.000	.000	.000

	N	94	94	94	94	94	94
Digital Adaptation Level	Pearson Correlation	.502**	1	.342**	.594**	.516**	.560**
	Sig. (2tailed)	.000		.001	.000	.000	.000
	N	94	94	94	94	94	94
Regulatory Compliance Efficiency	Pearson Correlation	.633**	.342**	1	.642**	.600**	.582**
	Sig. (2tailed)	.000	.001		.000	.000	.000
	N	94	94	94	94	94	94
Foreign Market Penetration Rate	Pearson Correlation	.703**	.594**	.642**	1	.781**	.779**
	Sig. (2tailed)	.000	.000	.000		.000	.000
	N	94	94	94	94	94	94
Cross-Border Transaction Growth	Pearson Correlation	.671**	.516**	.600**	.781**	1	.806**
	Sig. (2tailed)	.000	.000	.000	.000		.000
	N	94	94	94	94	94	94
Brand Recognition Index	Pearson Correlation	.760**	.560**	.582**	.779**	.806**	1
	Sig. (2tailed)	.000	.000	.000	.000	.000	
	N	94	94	94	94	94	94
**. Correlation is significant at the 0.01 level (2-tailed).							

Hypothesis Testing and Correlation Analysis

This section presents the test of hypotheses formulated to examine the relationships between entry mode selection, digital adaptation level, and regulatory compliance efficiency (independent variables) with foreign market penetration rate, cross-border transaction growth, and brand recognition index (dependent variables). The Pearson Product Moment Correlation Coefficient was employed to determine the strength and direction of the relationships among the study variables. All correlations were tested at the 0.01 significance level (2-tailed).

H₀₁: There is no significant relationship between entry mode selection and foreign market penetration rate.

The analysis revealed a strong and positive correlation between entry mode selection and foreign market penetration rate ($r = .703, p < .01$). This indicates that firms with carefully selected and strategically aligned entry modes are more likely to penetrate foreign markets effectively. The result suggests that firms that adopt appropriate market entry strategies can gain competitive positioning in international markets, consistent with prior findings (Smith et al., 2021). Thus, the null hypothesis is rejected.

H₀₂: There is no significant relationship between digital adaptation level and cross-border transaction growth.

A moderately strong positive correlation was recorded between digital adaptation level and cross-border transaction growth ($r = .516, p < .01$). This finding suggests that firms with higher levels of digital integration are more likely to experience growth in international transaction volume, facilitated by streamlined operations and improved customer outreach. The null hypothesis is therefore rejected.

H₀₃: There is no significant relationship between regulatory compliance efficiency and brand recognition index.

A significant positive correlation was also observed between regulatory compliance efficiency and brand recognition index ($r = .582, p < .01$). This suggests that compliance with local laws and global standards positively influences how foreign consumers and stakeholders perceive and trust a brand. As such, the null hypothesis is rejected.

DISCUSSION OF FINDINGS

This study investigated the relationships between selected market entry strategy variables and internationalization performance indicators among selected deposit money banks in FCT-Abuja. Specifically, three hypotheses were tested using Pearson correlation, and all results revealed statistically significant relationships at the 0.01 level.

H₀₁: There is no significant relationship between entry mode selection and foreign market penetration rate.

The result revealed a strong and positive correlation between entry mode selection and foreign market penetration rate ($r = 0.703, p < 0.01$). This implies that the strategic decision on how a bank enters a foreign market—whether through franchising, joint ventures, acquisitions, or wholly owned subsidiaries—substantially influences its ability to penetrate that market. This aligns with Smith et al. (2021), who found that firms that adopted export-based strategies outperformed those relying on franchising and wholly owned subsidiaries, highlighting that strategic entry modes directly affect market success. Similarly, Guercini and Milanesi (2022) emphasized the role of decision-making heuristics under uncertainty, which can significantly impact the outcomes of market entry decisions. The study contributes by confirming that banks that deliberately select entry modes suited to the regulatory, cultural, and operational context of the host market are better positioned for deeper market penetration.

H₀₂: There is no significant relationship between digital adaptation level and cross-border transaction growth.

A significant positive correlation was found between digital adaptation and cross-border transaction growth ($r = 0.516, p < 0.01$), indicating that banks with higher levels of digital integration were more successful in expanding their international transactions. This finding is supported by Watson et al. (2018), who argued that the advent of digital communication tools and hybrid digital-relational models have fundamentally reshaped how firms approach international market entry. In the digital age, the ability to streamline processes, reduce transaction costs, and improve service delivery across borders enhances a bank's ability to handle larger volumes of international transactions. Aversa et al. (2021) also observed how digital entrants like Uber leveraged categorization strategies to shape stakeholder responses and support market expansion, underscoring the strategic role of digital platforms in scaling operations.

H₀₃: There is no significant relationship between regulatory compliance efficiency and brand recognition index.

There was also a statistically significant and positive relationship between regulatory compliance efficiency and brand recognition index ($r = 0.582, p < 0.01$). This suggests that banks which effectively adhere to local and international regulatory frameworks are more likely to enjoy enhanced brand trust and recognition. Wu and Wang

(2021) emphasized that regulatory adaptability plays a critical role in sustainable market entry, particularly when firms navigate diverse environments. Firms that manage to comply efficiently with regulatory demands tend to gain legitimacy and favorability among customers and stakeholders, thereby improving brand positioning. The finding thus confirms that beyond financial strength or innovation, compliance remains a strong determinant of brand reputation in foreign markets.

In summary, the study supports the conclusion that strategic decisions regarding entry mode, digital readiness, and regulatory alignment play pivotal roles in enhancing internationalization performance indicators among deposit money banks. It advances prior research by contextualizing these factors within the Nigerian banking sector and affirming their interdependence, especially in an era of increasing globalization and digital transformation.

CONCLUSIONS AND RECOMMENDATIONS

This study set out to examine the influence of market entry strategies on the internationalization performance of selected deposit money banks in FCT-Abuja, Nigeria. Drawing on empirical data and grounded in theoretical and scholarly perspectives, the findings revealed that strategic entry mode selection, the level of digital adaptation, and regulatory compliance efficiency are critical predictors of foreign market penetration, crossborder transaction growth, and brand recognition. The study established that banks that align their international expansion strategies with suitable entry models, digital innovations, and regulatory expectations tend to outperform their counterparts in global market competitiveness. These outcomes underscore the need for a comprehensive, integrative, and adaptive approach to internationalization among banks operating in emerging economies.

RECOMMENDATIONS

1. Bank executives should rigorously evaluate potential entry modes by considering host country characteristics, risk exposure, operational control, and cost-effectiveness. Strategic planning units must prioritize modes that align with long-term international objectives and local market dynamics.
2. To increase their cross-border reach, deposit money banks should prioritize digital transformation by investing in real-time banking technologies, digital payment systems, and cross-border fintech collaborations. These efforts will enhance transaction efficiency and position the banks as globally competitive.
3. Banks must develop robust compliance frameworks that not only meet host country standards but also adhere to global best practices. Establishing a culture of compliance, supported by continuous staff training and legal advisory, will enhance the institution's reputation and ensure operational continuity in foreign markets.

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