

THE EFFECT OF GLOBAL FINANCIAL CRISIS ON CONSUMPTION BEHAVIOUR OF HOUSEHOLDS IN KOGI STATE, NIGERIA

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ABSTRACT

The study was designed to find out the effect of global financial crisis on consumption behaviour of households in Kogi State. Three research hypotheses guided the study. Data for the study was generated by the use of structured questionnaire administered and retrieved from 600 households in the State. Likert scale method with mean point and cut-off point was used to justify if the hypothesis was to be rejected or accepted. From the analyses the mean point of hypotheses one and two were 3.2 and 2.74 as against 2.55 respectively. So we agreed that global financial crisis has great effect on income and consumption pattern of poor households in the State. Also, paired sample t-test was used to test hypothesis three and the result of t-statistics of 3.4 obtained against t-critical of 1.96 shows that financial crisis has great impact of both the poor and non-poor households in the State with greater impact on the poor than the non-poor. Based on these results, recommendations such as Governmental and Non-Governmental Organizations should collaborate among themselves to make sure that income generation is enhanced in the State, Also, Governmental and Non-Governmental Organizations in the country and Kogi State in particular should try to restore confidence of consumers by expanding marketing channels and providing Value added to the marketing of goods and services available and using reliable monitoring agencies to ensure transparency and fair trading transactions in the State among others were made.

Keywords: Global financial crisis, consumer behaviour, households, and poverty.