BANK SELECTION CRITERIA AMONG UNDERGRADUATE STUDENTS IN ARUSHA REGION: A CASE STUDY OF THE SELECTED HIGHER EDUCATION INSTITUTIONS

BY

ELISHILIA EMIL SIWA

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Certification By Supervisor

I, the undersigned, certify that I have read and hereby recommend for acceptance by Institute of Accountancy the dissertation entitled: "**Bank Selection Criteria Among Undergraduate Students in Arusha Region: A Case Study of the Selected Higher Education Institutions**" in fulfilment of the requirements for the Master of Business Administration offered at the Institute of Accountancy Arusha.

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(Supervisor Signature)

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(Supervisor Name)

Date ………………………………

Dedication

I wholeheartedly dedicate this research work to my parents Mr and Mrs. Nkya, for tirelessly and continuously instilling the value of education in me.

Acknowledgements

Abstract

The purpose of this study was to explore bank selection criteria among undergraduate students in Arusha region. Specific objectives of this study were to find out the level of awareness of students in banks product and services, to find out the preference of students in terms of bank products and service and to verify if technology and bank charges influence bank selection among undergraduate students. As per the knowledge of the researcher, it was hard to find a study that specifically searched for the bank selection criteria among undergraduate students in Arusha region. Therefore, data collected from this study, the conclusion and recommendations sought to cover the gap. Descriptive research design was used in this study. Descriptive research design was used in this study. Quantitative research approach was applied by the researcher to obtain correct and comprehension responses. The target population was undergraduate students at the chosen higher education institutions. Simple random sampling was used to pick 98 samples. Both primary and secondary data were used in this study. Questionnaires were used to collect primary data while secondary data was collected using documentary review Data collected was analysed using Statistical Package for Social Science (SPSS) version 25 for windows and Microsoft excel. Findings unveiled that undergraduate' students at the selected institutions were well aware of product and services offered by banks. The findings reveled that to the large extent respondents agreed with the preference of students in terms products and service offered various bank and to the large extent respondents agreed services technology and bank charges influence bank selection by the undergraduate students. This study concludes that undergraduate students are awareness of students in product and services offered by various banks. Also, study concludes that undergraduate students prefer bank reputation, proximity to home and workplace, bank image and ggood customer services to the large extent in selecting banks. Similarly, the study concludes that low service charges, phone banking facility, availability of ATMs and internet banking facility as well as secured electronic services highly influence bank selection by the undergraduate students. This study recommended that banks should to adopt the electronic banking services that are easily understandable and secured to the customers.

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List of Abbreviations

AFCP	Annual Finance and Credit Plan
EACB	East African Currency Board
FEP	Foreign Exchange Plan
IAA	Institute of Accountancy Arusha
ICT	Information and Communication Technology
SPSS	Statistical Package for Social Science

CHAPTER ONE

PROBLEM SETTING

1.1 Introduction

This chapter highlights the main reasons for the study. It also gives the background to the research problem, statement of the problem, research objectives, research questions, and significance of the study as well as the limitations of the study. The chapter ends by outlining the structure of the rest of the study

1.2 Background to the Problem

A characteristic of the banking industry around the globe is that it is becoming increasingly volatile and competitive, marked by a growing trend towards globalization, mergers, overtaking and banking industry consolidation. In addition, a variety of non-bank firms have joined the banking sector by providing financial products and services (Seetanah 2017). It has provided clients a multitude of choices in choosing banking services. In response, and backed by technological developments, banks all over the world have tried to build customer satisfaction by providing better products and services while reducing operating costs.

The banking sector has gained greater importance in the developing countries like Tanzania Kenya and Uganda in the last decade. The increasing competition in the banking sector and the similarity of services offered by banks in Tanzania make it important for banks to recognize the major determinants of the selection decision of bank customers. It is important to understand the selection criteria for banks on which students choose between financial service providers to shape their service delivery and to build a robust growth strategy that focuses on products and services that are most valued by clients and motivates them to deal with their bank. Understanding students bank's selection criteria have been argued to be helpful to banks in identifying the appropriate marketing strategies needed to attract new customers and retain existing ones (Kaynak 2018).

Banks in Tanzania are crafting and implementing various strategies to attract new customers and also to increase existing customers' use of banking services. Understanding the needs, motivations and priorities of the consumers and analysing how they select suppliers and products as the first crucial steps towards the improvement of consumer satisfaction. (Rojid 2018).

To match with the competition in the banking industry, marketers needed to understand consumer behaviour of both their current and prospective customers. Marketers spent a great deal of time thinking about customers and their buying behaviour. They needed to know who their customers are, what they think and how they feel and why they will choose a particular bank and not just any other. Consumers around the world vary tremendously in age, income, education level, and tastes. They also buy an incredible variety of goods and services. How these diverse consumers connect with each other and with other elements of the world around them impact their choices among various products, services and companies (Gilberto 2016).

Understanding the requirements of customers and striving to achieve their commitment to one's bank is not an end in its self since it is only one side of the coin and working to maintain and retain them is another size. Today's marketing efforts does not end at keeping your customers satisfied but one need to climb more than their satisfaction level to granting them delight (Solvito et al., 2016).

1.3 Statement of the Problem

Studies in developed countries like England, Spain and Italy have made an enormous contribution to the literature on bank selection and consumer perception of innovative banking products, but their results may not directly affect developing countries such as Tanzania, due to differences in the political, economic, social, cultural and legal climate. While the results of such studies have undoubtedly made a significant contribution to the literature on customers ' bank selection criteria, the Western nature of the studies raises critical questions about the transportability of their findings to other countries due to differences in cultural, political, economic and legal environments (Morinho et al., 2017). A set of determinant factors that have a significant role in bank selection in one nation may prove to be insignificant in another. One of the regions which lacks such studies in sub-Saharan

Africa is Tanzania. A few studies such as Almossawi (2014) and Mokhlis *et al*. (2018) have focused on commercial bank selection in developing countries. No known study has established the bank selection criteria among undergraduate students in Higher Education Institutions in Tanzania especially Arusha region. This study sought to fill that gap. Furthermore, the relevant literature indicates that a great deal of research effort has been expended to investigate bank selection criteria for broad categories of customers (Tom 2017). One promising segment, which, arguably, has not been given enough attention, is the younger age group in colleges and universities. Presently, in the banking industry that is very competitive, there is a need to understand factors that influence students in their selection of banks. The variations on the perception of choices with regard to determinants will also provide a useful insight to banks when selecting their marketing strategies. Through this study banks and other financial institutions benefits by being aware of core issues to invest on in order to capture and onboard this group of customers who were left behind.

1.4 Research Objectives

1.4.1 General objective

Generally, this study sought to explore bank selection criteria among undergraduate students in Arusha region: A case study of three Higher Education Institutions in Arusha Region

1.4.2 Specific Objectives

The specific objectives of this study are;
 a) To find out the level of awareness of students in the bank's product and services.
 b) To find out the preference of students in terms of bank products and services.
 c) To verify if technology and bank charges influence bank selection among undergraduate students.

1.5 Research Questions

The specific research questions of this study was as follows;
 a) What is the level of awareness of students in banks product and services?

b) What is the preference of students in terms products and service offered various bank?

c) Do technology and bank charges influence bank selection among undergraduate students?

1.6 Scope of the Study

This study was limited to higher education institutions in Arusha; these institutions include Institute of Accountancy Arusha, Tumaini University Makumira and University of Arusha whereby the investigation focused on the bank selection criteria among undergraduate students. The sample size was 98 students who were selected from the higher education institutions in Arusha. The study was based on primary data collection since they provide a more realistic conclusion to meet the objectives of the study.

1.7 Limitations of the Study

Major limitation which the researcher expected to face was time dimension. The period within which this research work must be completed for submission was less than one academic year. However, proper utilization of that short time made the researcher to complete on time.

1.8 Significance of the Study

The conduct of this research impact differently to different groups of people towards and from its findings as follows:

a) The findings of this study are beneficial to various banks can liaise with the consumers in order to establish their needs, and also look for the best ways of meeting these needs better than their competitors. The consumers have raised awareness in regard to what factors to consider when choosing a bank. The banks' top management use the study findings in decision making to enable them to improve their services and expand their customer base.

b) Through this study, banks are enabled to have an in-depth understanding and knowledge of the bank selection criteria among undergraduate students. This is course of action which helps them improve in their planning processes.

c) This study is expected to help the researcher in the partial fulfilment to the requirements for Master of Business Administration.

d) Also the study findings help to act as a stepping stone to academicians who may wish to carryout research's on related studies and the same study to different case studies.

1.9 Organization of the Dissertation

This study comprises of five chapters. Chapter one unveils the problem which informs the study and its context. This contains the background to the study, statement of the problem, objectives of the study, research questions, and significance of the study and organization of the study. Chapter Two contains description of the theoretical framework and empirical literature. Chapter three describes the research methodology and procedures of data collection and analysis. Chapter four entails data presentation, analysis and discussions, while chapter five provides the summary, conclusions and recommendations of the study. References and appendices cover the last part of the study.

1.10 Conclusion

The chapter has given an introduction to the dissertation, background of the study and statement of the problem. It also states what the researcher aims to achieve with this study. It has also explained the reasons that have informed the researcher decision to carry out the research, the scope to be covered and the persons who will benefit from this research and the findings.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

Literature review surveys books, academic articles, and any other sources appropriate to a specific issue, study area, or theory, and thus gives a description, summary, and critical assessment of these works in relation to the research issue being investigated. Literature reviews are intended to provide an overview of the sources consulted while researching a specific subject and to show the readers how the research fits into a wider field of study (Fink, 2014). Reviews of literature not only assist to prevent reinventing the wheel (Zorn and Campbell 2006) and thus marginalize their own job, but also to improve the body of information through an accumulation method.

2.2 Definition of Concepts

(a) **Bank** is an organization, usually a corporation that accepts deposits, makes (grants) loans, issues credit and debit cards, pays, cheques, and performs some other services. A bank acts as an intermediary between suppliers of funds (depositors) and users of funds (borrowers) (Whiteley 1999). Banks take over the major risks related to monetary transactions and provide the main element of security for both depositors and borrowers.

(b) **Banking** is an activity which involves acceptance of deposits for the purpose of lending or investing. In addition to accepting deposits and lending funds, banking also involves providing various other services along with its main banking activity. These are mainly agency services, but include several general services as well (Hart 1931)

(c) **Commercial bank:** Heffernan (2005) defined commercial bank as a financial institution that provides services, such as accepting deposits, giving business loans and auto loans, mortgage lending, and basic investment products like savings accounts and certificates of deposit.

(d) **Bank Products:** Bank Products means any service or facility extended to the Borrower or any Subsidiary by the Bank or any Affiliate of the Bank, including: credit cards, credit card processing services, debit cards, (d) purchase cards, ACH transactions, cash management, including controlled disbursement and accounts Heffernan (2005).

(e) **Bank services:** Banking Services means each and any of the following bank services provided to the Borrower or any Subsidiary by any Lender or any of its Affiliates: credit cards for commercial customers (including, without limitation, commercial credit cards and purchasing cards), stored value cards and treasury management services including, without limitation, controlled disbursement, automated clearinghouse transactions, return items, overdrafts and interstate depository network services (Heffernan (2005).

2.3 Theoretical Literature Review

Theoretical literature review provides an in-depth understanding on the major concepts describing the phenomenon being studied. It concentrates on what reputable authors have written in term of this study.

2.3.1 Level of Awareness in the Bank's Product and Services

Before critically evaluating the bank selection criteria of retail customers, it is useful to have an understanding of the key fundamentals of consumer awareness as marketing literatures suggest that the key concept of marketing is 'customer' and thereby understanding customer awareness is an indispensable part of marketing research and marketing decision-making (Peter & Olson, 2018; Baines & Fill, 2017). This section of level of customers' awareness focuses on defining how well Bank's Product and Services are known to the customer. Thus, it appears that when customers are highly aware of the Bank's Product and Services they tend to select, purchase, use, evaluate and utilize banks' products and services to satisfy their unmet desires and needs.

2.3.2 Preference of in Terms of Bank Products and Services

The rising competition in the banking sector and the similarity of services offered by banks in Sudan makes it critical for the banks to pinpoint the important determinants of bank customers' selection decision. It is important to understand bank selection criteria upon which customers choose between providers of financial services in order to shape their services delivery and to build a robust growth strategy that focuses on products and services valued the most by customers and motivate them to deal with their bank. Understanding customers' bank's selection criteria have been argued to be helpful to banks in identifying the appropriate marketing strategies needed to attract new customers and retain existing ones (Kaynak and Kucukemiroglu, 2017). Among others the products and

services that gives customer higher economic benefit have been identified as a key bank attribute customers consider in their bank selection (Hedayatnia & Eshghi, 2015; Salehi & Rajabi, 2018). However, there is considerable divergence of opinions about its relative importance in explaining customers' bank selection.

2.3.3 Technology and Bank Charges

Customers looking for a financial product require them to select a bank indicating that the principal reason for bank selection is buying a product or services that meets their financial needs. So, if a product is designed poorly it will not result in meaningful value for the customer even if the other elements of value creation are well executed. The bank offering consists of some core products (e.g. saving, investment, security) that responds to customers' primary needs and arrangement of supplementary service elements that enable customers to use the core products that adds customer value. According to Siddique (2019), among others features of products and services, the pricing of products and services plays a key role in influencing customers' bank selection which is also important for the bank. This is important for the bank because pricing is the central mechanism through which banks generate income (Lovelock & Writz, 2016). In addition, for customers it is seen as a cost (i.e. interest rate on loan or service charge) and benefit (interest on deposit). The rapid advancement in information and communication technology (ICT) has significantly affected the banking industry, as Zaman and Chowdhury (2016) point out "technology-driven product and services are not 'nice to have' but an 'impossible to survive without''.

2.4 Empirical Literature Review

The study of the bank selection criteria was pioneered by Anderson et al. (2016) who used "determinant attribute analysis" in a survey in the USA and stratified their samples according to convenience and services. Based on 15 selection criteria convenience customers selected "recommendation by friends" as the most important factor, followed by "location", "reputation", "service charges" and "friendliness of bank staff". Whereas, service customers ranked "availability of credit" as the most important factor, followed by "reputation", "recommendation by friends", "friendliness of the staff" and "interest charged on loans". These accords with the findings of Yavas (2013) in Turkey, who found that frequent banking customers preferred friendly bank employees,

convenient location of bank branches, fast and efficient service, availability of credit and financial services advice.

Mokhlis et al, (2018) analysed the factors considered important by undergraduates in Malaysia in selecting a bank and to examine whether undergraduates constitute a homogeneous group in relation to the way they select a bank. Results of the factor analysis for the total sample indicated that the bank selection decision is based primarily on nine selection criteria. 'Secure feelings' was the most important factor in influencing the students in selecting a bank. 'ATM service' was the second prioritized factor followed by 'financial benefits'. The next three criteria, ranked fourth, fifth and sixth, respectively, were 'service provision', 'proximity' and 'branch location' that can be grouped as moderate factors. By contrast, the students considered 'non-people influential', 'attractiveness' and 'people influences' which were ranked seventh, eighth and ninth, respectively, did not play significant roles in influencing their decision in selecting the bank. It is interesting to note that the responses did not constitute a homogenous group since gender, stream of study, ethnicity and number of saving accounts held produced different prioritized factors in bank selection.

Anayo (2017) on study entitled "Determinants of bank selection by university undergrads in south east Nigeria". 300 undergrads were sampled from two universities. Five-point Likert-type question containing 49 bank selection items was designed to collect primary data. Cronbach's was used to test the reliability of the instrument while factor analysis with principal component extraction was used to identify the underlying factors. Six principal factors were identified and ranked in order of importance. These factors are: bank's financial stability, available and functional ATMs, professional bank staff, family and friends influence, proximity of bank branch to university campus, and internal and external aesthetics of bank. This study provided insight on the factors that influence the selection of a bank in the emerging and growing undergrads segment of bank market in Nigeria, which has obvious management and theory implications.

Mwange (2017) attempted to investigate the determinants of commercial banks selection by students at the University of Zambia. The specific objectives of the study included the following: to

determine the criteria which university students use in selecting commercial bank; to establish the rank of importance of determinants of the choice of commercial banks by university students in Zambia; and to recommend marketing strategies for commercial banks based on the needs and wants of university students. Data were collected through a self-administered questionnaire, and convenience sampling was used. A sample of 100 respondents was used and 60 questionnaires were received back, but only 55 were suitable for analysis. The sample area was University of Zambia. Descriptive and inferential data analysis was conducted. According to the findings, out of forty determinants of student bank selection criteria, the top ten in ascending order included the following: bank proximity to the university; recommendation by a friend; many tellers in bank; bank has a branch on campus; university uses the same bank; convenient location; reputation of the bank; staff courtesy; proximity to student's home, and innovative e-banking services.

Hinson (2013) conducted study on Determinants of Bank Selection: A Study of Undergraduate Students in the University of Ghana. The aim of this study was twofold: first, to investigate bank selection criteria among undergraduate students in the University of Ghana, and second, to relate this study with previous findings on the same phenomenon. Extant studies have adopted mainly quantitative approach. In order to bridge this gap and contribute to existing knowledge, qualitatively inspired research design was adopted, thus facilitating in-depth understanding of the determinants of bank selection. Findings showed that convenience, bank staff-customer relations and banking services/financial benefits are the first three most important determining factors. Furthermore, happiness, joyfulness, cheerfulness and delight are feelings derived after a banking service; whiles sadness, anger and deceit are avoided. Studies on the bank selection criteria employed by undergraduates are scanty in West Africa, and this study makes a contribution in that direction. Future studies will continue from this one.

2.5 Knowledge Gap

Extant literature is replete with studies on bank selection criteria employed by bank customers including the undergrads (Mwange, 2017; Hinson, 2013 and Mokhlis et al., 2018). Arguably, these studies have provided penetrating insights on the initial factors that attract customers to banks,

thereby providing bank management with invaluable information for optimising marketing efficiencies in terms of customer attraction. Despite of the efforts made by these researchers in researching bank selection criteria in developed and developing nations, as per the knowledge of the researcher, no study that specifically searched for the bank selection criteria among undergraduate students in Arusha region. Therefore, data collected from this study, the conclusion and recommendations sought to cover the gap. This study on the bank selection criteria among undergraduate students to find out the level of awareness of students in banks product and services and to find out the preference of students in terms of bank products and service and to verify if technology and bank charges influence bank selection among undergraduate students.

2.6 Research Model

In this study, Decision hierarchy model for the selection of banks developed by Ta & Har (2000) will be adopted. Decision hierarchy model for the selection of banks was developed by Ta & Har (2000). The decision hierarchy for the selection of bank is based on nine criteria for deciding on a bank. The model presents three elements; respondents to make a decision, the nine criteria that influence decision and the decision alternatives (i.e. banks in Arusha - Tanzania). The first component of the model requires respondents to make a decision to select a bank. The second element presents the nine criteria with which respondents use in selecting a bank, in other words the determinants of bank selection. The final component is the banks in Arusha - Tanzania which the respondents are to choose influenced by the nine criteria. The goal is to find out whether these criteria are the same used by undergraduate students in Arusha - Tanzania or otherwise. The model gives us a framework why undergraduates select a bank. Thus served as the basis for analysing the reasons why undergraduates select a particular bank over the other. This is illustrated in Figure 2.1

Figure 2.1: Decision hierarchy model
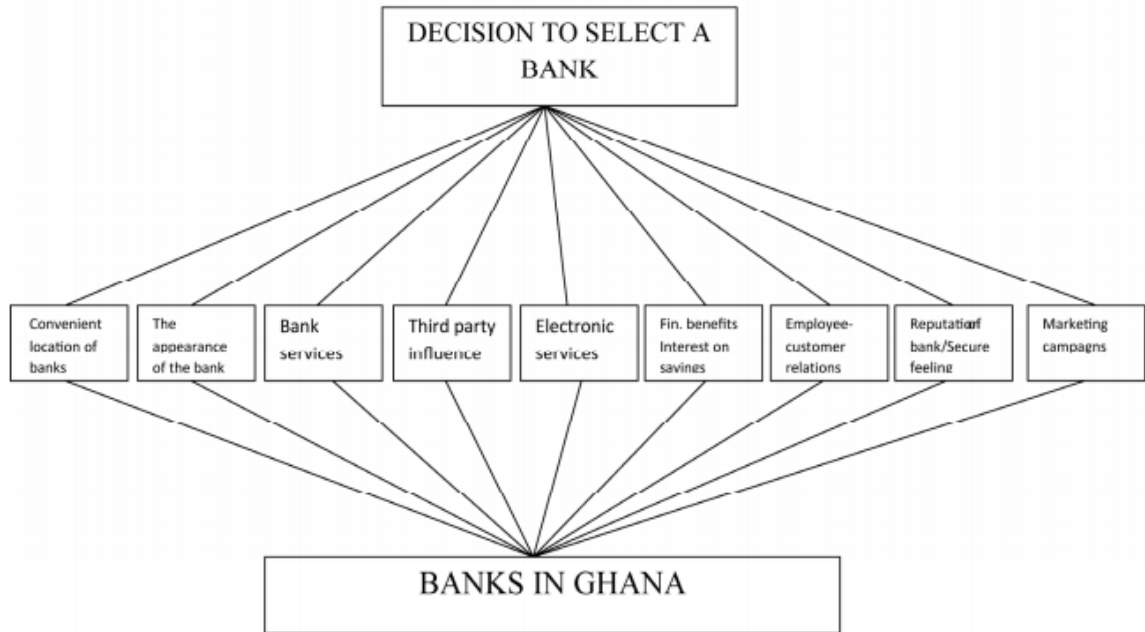
Source: Ta and Har (2000).

2.7 Conceptual Framework

According to Sinclair, M (2007), conceptual framework can be referred to as a visualisation of theoretical threads leading to the diagrammatic representation of inter-relatedness. A conceptual framework therefore, entails the relationship between the independent variables and dependents variables. Under this study, the dependent variable is bank selection while independent variables are level of awareness, quality services and technology and bank charges. The variables under the figure imply that level of awareness, quality services and technology and bank charges influence selection of bank by undergraduate students. Below is the conceptual frame work of the current study as developed from literature review;

Figure 2.2: Conceptual Framework
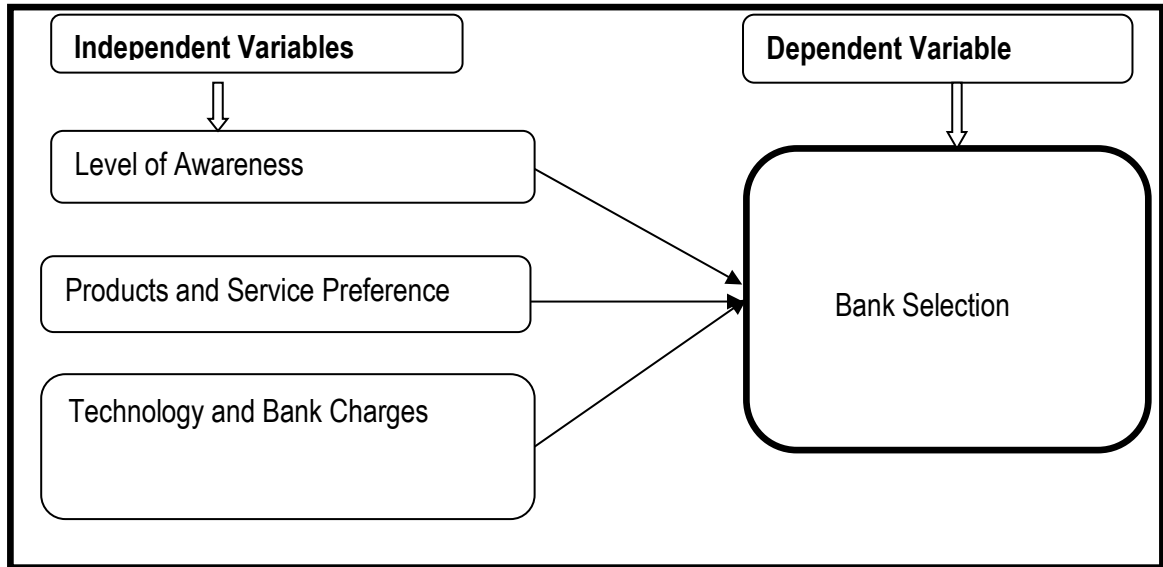
Source: Researcher (2020)

2.8 Conclusion

This chapter has reviewed literature on the topic of bank selection criteria among undergraduate students. It identified a research model guiding the study. The empirical literature review focused on research conducted on the research questions. The Knowledge gap state that despite of the efforts made by these researchers in researching bank selection criteria in developed and developing nations, as per the knowledge of the researcher, no study that specifically searched for the bank selection criteria among undergraduate students in Arusha region. The conceptual framework was formulated to include bank selection as dependent variables and level of awareness, quality services and technology and bank charges as independent variables.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

Research methodology refers to the way in which data was collected during a study (Hennink 2011). This chapter focuses on the research methodology and design that was used in the study.

3.2 Area of the Study

This study was conducted in Arusha region in Tanzania, selected universities being Institute of Accountancy Arusha, University of Arusha and Tumaini University Makumira. The researcher selected the three different universities so as to establish bank selection criteria among undergraduate students, bearing in mind that Institute of Accountancy Arusha is a pubic learning institution, University of Arusha is a private faith-based organization and Tumaini University Makumira which is a private faith-based organization owned by Evangelical Lutheran Church in Tanzania.

3.3 Research Design

Aaker et al. (2002) describe a research design as the comprehensive blue print used to direct a survey towards its goals. According to this definition, the comprehensive job plan for achieving the study goals is a research design. It is also a conceptual framework within which study is carried out; it is the blueprint for information collection, measurement and evaluation (Kothari 2001). Descriptive research design was used in this study. Researcher is only interested in describing the condition or case under his / her research study in a descriptive research design (Mollur, 2004).

3.4 Research Approach

There are two basic approaches in conducting research; According to Saunders et al, (2016), these are quantitative and qualitative approaches. This study employed quantitative approach. Researcher employed quantitative approach because it allowed him to reach a higher sample size.

3.5 Target Population, Sample Size and Sampling Techniques

a) Target Population

Population or universe implies the whole mass of observations, the parent group from which to form a sample (Singh, 2006). Under this research, the target population is undergraduate students at the chosen universities as summarized in Table 3.1.

b) Sample Size

The size of the sample relies on the size of the ready to accept margin of mistake under the research and the size of the population from which the sample is taken. The sample size must be optimal, with effectiveness, representativeness, reliability and flexibility criteria included and met. (Kothari, 2004). The three universities under the study comprise a total of 5000 undergraduate students (IAA 2020; UoA 202; TUMA 2020). Fisher (2010) indicated that the rationale for taking a sample is to achieve an outcome that is representative of the entire population being sampled without asking anybody. Sample size was determined through the following formula adopted from Kothari (2004)

$$n = \frac{N}{1+N.e^2} \ (1)$$

$$n = \frac{7000}{1+7000.e^2} = 98$$

n= 98

Where n = number of samples, N = total population=7000; e = standard error of sampling (10%) is tolerated. By entering each value of the variable into the formula (1) above, obtained large sample size of 98 respondents. The sample size is in line with argument of Hair *et al* (2006) who state that a research study designed to reveal factor structures should have more observations than variables, and that the minimum absolute sample size should be 50 observations.

Table 3.1: The targeted population under the study

No		Population	Sample
1.	IAA	4300	38
2.	UOA	1350	30
3.	TUMA	1350	30
	Total	**7000**	**98**

Source: Researcher, (2020)

c) Sampling Techniques and Procedures

There are two methods for sampling, namely probability and non-probability sampling methods. In probability sampling method, all population members have equal opportunities to be chosen for the research where easy random sampling, stratified random sampling, clustered sampling and purposeful or judgment sampling are included (Orodho & Kombo, 2002). Simple random sampling was used to pick samples from this research. Mlyuka (2011) describes simple random sampling as a form of sampling that offers equal opportunities to be included in the research for each member in the population. Every undergraduate student among the selected universities had an equal chance to be included in this study.

3.6 Data Collection Methods

Data collection methods are means to secure information from individual for survey research purpose. This study used both primary and secondary data.

3.6.1 Primary data

Primary data are fresh data and collected for the first time, and thus happens to be original in character (Kothari 2004). Primary data are data that has not been subjected to processing or any other manipulation. The data were collected using questionnaires. For the purpose of collecting information from respondents, Gault (1907) defined the questionnaires as a research tool consisting of a series of questions and other prompts, although they are often designed for statistical analysis of the responses. It is a question and declaration timetable for self-administering. Questionnaires

method is easy compared to other methods, it is bias-free, less costly and does not exert a great deal of pressure on the respondent, making them more comfortable. Researcher distributed closed ended questionnaires to the undergraduate students for this research. All questionnaires were successful filled by selected undergraduate students and returned. The method assisted the researcher acquire data from various sample units.

3.6.2 Secondary data

Secondary data was gathered from various sources include both published and unpublished sources such as books, journal articles (printed and electronic) research reports, dissertations, seminar and conference proceedings

3.7 Pilot Study

The pilot study was conducted to the students of Institute of Accountancy Arusha whereby 10 students were asked to fill in the questionnaires in order to determine whether the questions are understood or not so as to minimize errors, time to be consumed when filling the questionnaires, and to check whether the constructs are effectively covered. The researcher accommodated the comments of those informers who were involved in pre-testing so as to modify the instruments.

3.8 Data Analysis Methods

Cooper, Schneider (2010) defined data analysis as a research technique which portrays an objective, systematic and qualitative description of the contents of a given communication. It involves bringing out ordered and meaningful information from the mass of data collected. As for this study, quantitative procedure was used in data analysis. Descriptive and Inferential statistical methods were adopted for quantitative data, in which raw data is transformed into tables and charts with frequency distribution and percentages aligned together (Babbie and Mouton, 2010). The data was coded into Statistical Package for Social Sciences (SPSS) version 25.0, as well as Microsoft Excel for additional analysis.

3.11 Reliability and Validity of Data

The concepts of reliability and validity are core issues in determining the quality of a study. In order for a study to provide sufficiently sound, consistent, and relevant evidence, the information provided must be both reliable and valid (Joppe, 2000).

a) Reliability of Data

Reliability requires the use of standardized information collection instruments and survey procedures that are designed to enhance consistency. Researcher used Cronbach's alpha method to test reliability of the data in order to measure internal consistency. According to George and Mallery (2003) when Cronbach' alpha is greater than 0.9 (>0.9) it means that the internal consistency reliability is excellent. When it is greater than 0.8 (>0.8) the reliability is good; while greater than 0.7 is acceptable and greater than 0.6 is still acceptable. When it is 0.5 to 0.58 is poor and when it is less than 0.5, internal consistency is unacceptable. Table 3.2 show that the Cronbach alpha for each individual variable was above 0.6 which indicate that the reliability of data instruments was acceptable.

Table 3.2: Reliability Statistics

Variables	Cronbach Alpha	No. of Items	Internal Consistency
Level of Awareness	0.713	6	Acceptable
Products and Service Preference	0.632	8	Acceptable
Service technology and cost charges	0.784	6	Acceptable

Source: Field Data (2020)

b) Validity of Data

Validity is the extent to which the survey information is relevant to the conclusion being drawn and is sufficiently accurate and complete to support the conclusion, Validity determines whether the research truly measures that which it was intended to measure or how truthful the research results are (Joppe, 2000). To measure the validity of the instruments, the Kaiser Meyer Olkin, (KMO)

method was used. According to Cerny (1977), if the test is 0.0 to 0.45 the internal adequacy is explanatory factor is unacceptable. When it is 0.50 to 0.59 is poor; 0.60 to 0.79 is acceptable; when 0.8 to 0.89 is good and 0.9 to 0.99 is excellent. The result of the test indicated that KMO had a value of .653 which is Acceptable. On the other hand Bartlett test in this study yield p-value =0.00 which signify that the variables are correlated highly enough to provide a reasonable basis for factor analysis as suggested by (Hooper 2012) that the value for Bartlett test should be significance value of less than .05 as describe above in KMO and Bartlett test table 3.3.

Table 3.3: KMO and Bartlett's Test

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.653
Bartlett's Test of Sphericity	Approx. Chi-Square	113.203
	df	6
	Sig.	.000

Source: Field Data (2020)

3.10 Ethical Considerations

Tromp, (2006) described ethics as "the general implementation of moral principles schemes." When study is performed, they are connected to what is good and bad, correct and incorrect. Throughout the entire study phase, the code of ethics and acceptable conduct will be undertaken. The following were ensured;

a) The researcher requested approval from Institute of Accountancy Arusha, Arusha University and Tumaini University Makumira to obtain the information.

b) Anonymity was guaranteed to the respondents.

c) Considerations were applied to information collection techniques, results presentation and interpretation, and quotes and references.

3.12 Conclusion

This chapter describes the research methodology which was used in this study. Specifically, this chapter constitutes components of research methodology such as research design, population and sampling design, data collection, research procedures, data analysis methods. Descriptive design research design was used in collecting data, measuring and analysing. Data was collected by using of questionnaires. The data was coded into Statistical Package for Social Sciences (SPSS) version 25.0, as well as Microsoft Excel for additional analysis.

CHAPTER FOUR

PRESENTATION AND DISCUSSION OF FINDINGS

4.1 Introduction

The aim of this study was to explore bank selection criteria among undergraduate students in Arusha region. This chapter presents and discusses the findings to answer the research questions raised in chapter one and achieve the objectives of the study.

4.2 Characteristics of the Respondents

a) Response rate

From a total of 98 questionnaires distributed, 98 questionnaires were returned making a response rate of 100%. The response rate was made possible as the researcher administered the questionnaires in person and waited for them to be filled in. in few cases, respondents who were not willing to fill, a replacement was made.

b) Demographic Information

In this study a set of personal characteristics namely, gender, age, marital status and education respondents have been examined and presented in this section;

Table 4.1: Demographic Information

Details		Frequency	Percent
Gender	Male	43	43.9
	Female	55	56.1
Age Distribution	18-24 Years	63	64.3
	25-34 Years	33	33.7
	35-44 Years	2	2.0
	45 Years and above	0	0.0
Marital Status	Single	74	75.5
	Married	20	20.4
	Window	3	3.1
	Divorced	1	1.0
Education Level	Certificate	15	15.3
	Diploma	38	38.8
	Bachelor Degree	45	45.9

Source: Field data (2020)

a) Gender

Among respondents (43.9%) were males and (56.1%) were females. The sample does not equate to an equal distribution between males and females. The findings are presented in figure 4.1

Figure 4.1: Gender
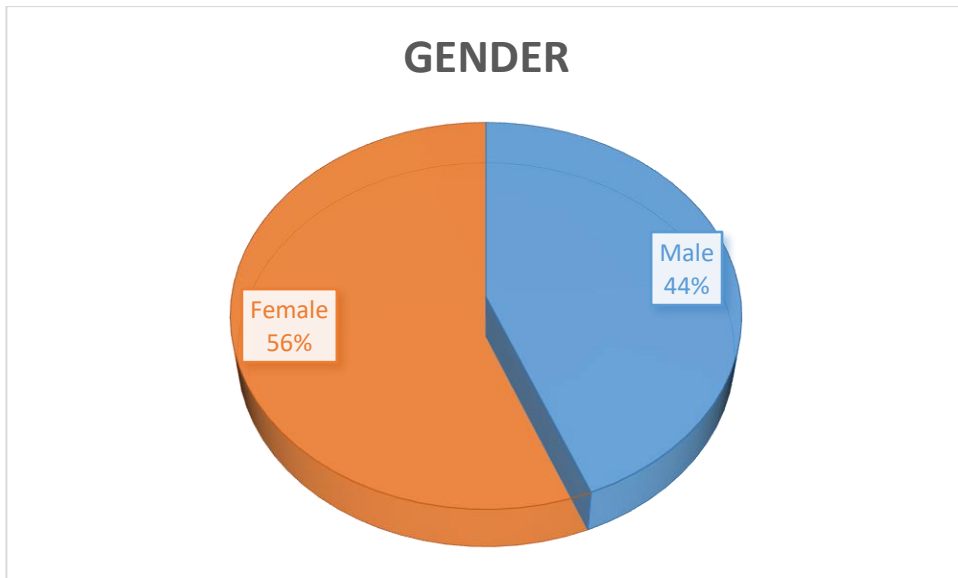
Source: Field data (2020)

b) Age Distribution

The figure 4.2 shows that majority of the respondents (64.3%) were between 18 - 24 years, 25 – 34 were 33.7%, 35 – 44 years were 2.0 and there were no respondents with 45 years and above. This implies that most respondents were youths.

Figure 4.2: Age Distribution
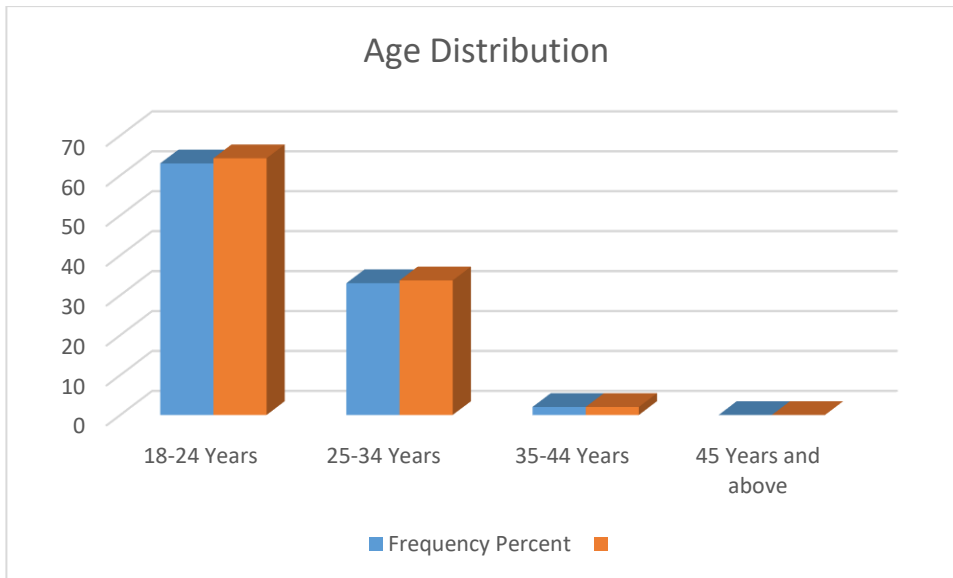
Source: Field data (2020)

c) Marital Status

Figure 4.3 indicates that 75.5% of the entire respondents were single, 20.4% of the entire respondents were married, 3.1% of the entire respondents were widowed, and only respondent was divorced. This can be concluded that most of the respondents were single compared to the married, divorced and others.

Figure 4.3: Marital Status
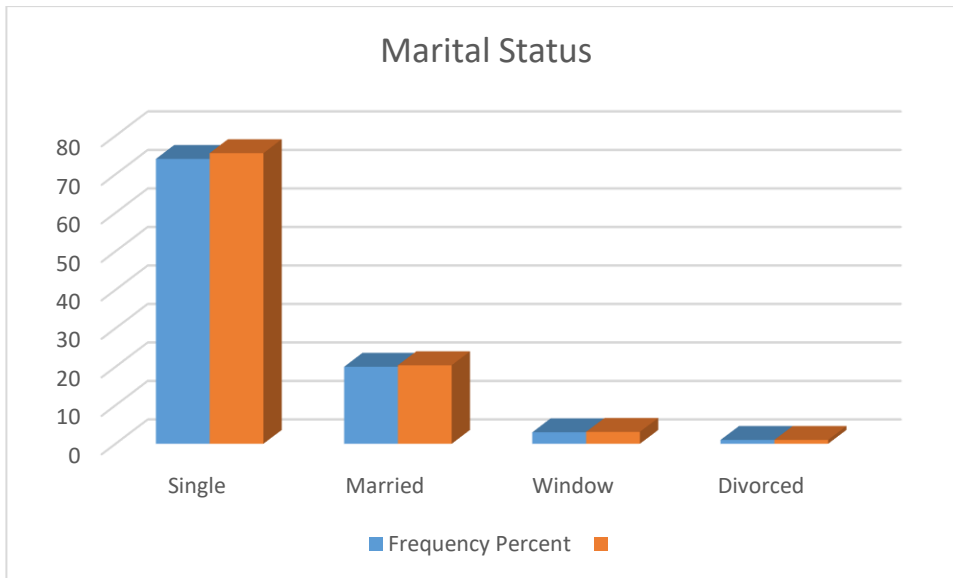
Source: Field data (2020)

d) Education Level

Majority of the respondents (45%) had bachelor degree while 38.8% had diploma, while only 15.3% had certificate. This shows that the respondents had knowledge about the subject. Findings are presented in table 4.11

Table 4.11: Education Level

	Frequency	Percent
Certificate	15	15.3
Diploma	38	38.8
Bachelor Degree	45	45.9

Source: Field data (2020)

This findings are graphically presented in the figure 4.4

Figure 4.4: Education Level

EducationLevel
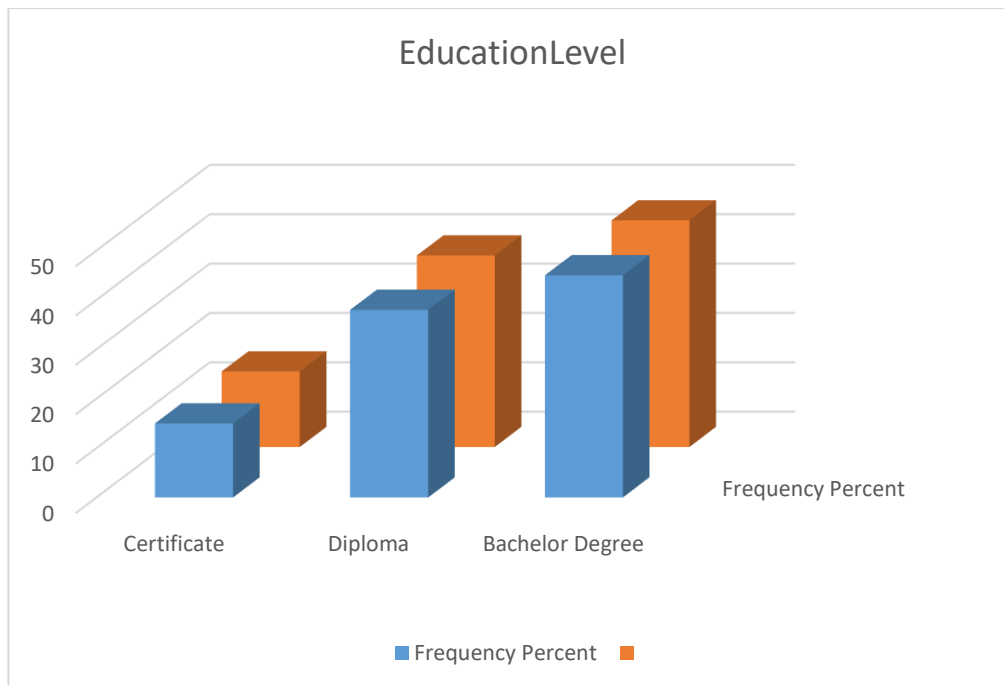
Source: Field data (2020)

4.3 Presentation of Findings

This section tries to scrutinize the data into a critical analysis in order to obtain information that can provide answer to the questions which developed by researcher. Quantitative data were analysed using SPSS v.22 and Microsoft Excel Spread Sheet. Tables and figures were used to present major findings of the study.

4.3.1 Level of Awareness in Bank Products and Services

The first objective was to find out the level of awareness of students in product and services offered by various banks. Based on the mean values, the five-point scale ranges are as follows: mean scores of less than 1.5 represents no extent; mean scores of 1.5 but less than 2.5 represents little extent; mean scores of 2.5 but less than 3.5 represents moderate extent; mean scores of 3.5 but less than 4.5 represents large extent; mean scores of 4.5 to 5 represents very large extent. Table

4.1 shows the findings with respect to the level of awareness of students in product and services offered by various banks.

Table 4.2: Level of Awareness

Descriptive Statistics	N	Mean	Std. Deviation
Students are well aware of the electronic products offered by banks	98	4.3	0.5
Banks' electronic services are well known to the students	98	3.4	0.5
Students are aware of the banks' service charges	98	4.3	0.5
Students are aware of the banks' products benefits	98	4.3	0.8
Students are aware of the security offered by banks over its electronic services	98	3.5	0.7
Students are aware of the banks operations and existence purpose	98	4.1	0.6
Valid N (listwise)	98		

Source: Field data (2020)

Respondents gave their views and opinions as to level of awareness of students in products and services offered by various banks. Majority of the respondents to the large extent indicated that students are well aware of the electronic products offered by banks (Mean = 4.3 and Standard deviation 0.5). To the moderate extent, majority of the respondents unveiled that banks' electronic services are well known to the students (Mean = 3.4 and Standard deviation 0.5). Majority respondents asserted that, to the large extent students were aware of the banks' service charges

(Mean = 4.3, Standard Deviation =0.5). Respondents posited that, to the large extent that students are aware of the banks' products benefits (Mean = 4.3, Standard Deviation = 0.8). To the large extent, respondents revealed that students are aware of the security offered by banks over its electronic services (Mean = 3.5, Standard Deviation = 0.8). Study findings unveiled that, to the large extent students are aware of the banks operations and existence purpose (Mean = 4.1, Standard Deviation = 0.6).

4.3.3 Preference in terms of Bank Products and Services

The second objective was to find out the preference of students in terms products and service offered various bank. Based on the mean values, the five-point scale ranges are as follows: mean scores of less than 1.5 represents no extent; mean scores of 1.5 but less than 2.5 represents little extent; mean scores of 2.5 but less than 3.5 represents moderate extent; mean scores of 3.5 but less than 4.5 represents large extent; mean scores of 4.5 to 5 represents very large extent. Table 4.3 shows the findings with regard to the preference of students in terms products and service offered various bank.

Table 4.3: Products and Service Preference

Descriptive Statistics			
	N	Mean	Std. Deviation
Availability of several branches	98	4.3	0.5
Bank Reputation	98	3.7	0.6
Proximity to home and/ or workplace	98	4.2	1.0
Bank Image	98	4.2	0.8
Establishment time of the bank (oldest)	98	3.7	0.6
Extended operation hours	98	4.3	0.5
Good customer services	98	4.2	0.8
Easy Account opening procedures	98	3.7	0.7
Valid N (listwise)	98		

Source: Field data (2020)

Findings regarding to preference of students in terms products and service offered various bank were follows; Availability of several branches (Mean = 4.3 and Standard deviation 0.5); Bank Reputation (Mean = 3.7 and Standard deviation 0.6); Proximity to home and/ or workplace (Mean = 4.2, Standard Deviation = 1.0); Bank Image (Mean = 4.2, Standard Deviation = 0.8); Establishment time of the bank (oldest) (Mean = 3.7, Standard Deviation = 0.6). Extended operation hours (Mean = 4.3, Standard Deviation = 0.5); Good customer services (Mean = 4.2, Standard Deviation = 0.8); Easy Account opening procedures (Mean = 3.7, Standard Deviation = 0.7). The weighted mean of over 3.5 in Table 4.3 indicates that to the large extent respondents agreed with the preference of students in terms products and service offered various bank.

4.3.4 Influence of Technology and Bank Charges on Bank Selection

The third objective aimed at verifying if services technology and bank charges influence bank selection by the undergraduate students. Based on the mean values, the five-point scale ranges are as follows: mean scores of less than 1.5 represents no extent; mean scores of 1.5 but less than 2.5 represents little extent; mean scores of 2.5 but less than 3.5 represents moderate extent; mean scores of 3.5 but less than 4.5 represents large extent; mean scores of 4.5 to 5 represents very large extent. Table 4.4 shows the findings with respect to the services technology and bank charges and bank selection.

Table 4.4: Services Technology and bank charges

Descriptive Statistics			
	N	Mean	Std. Deviation
Low service charges influence bank selection among undergraduate students	98	4.2	0.6
Phone banking facility influence bank selection among undergraduate students	98	4.4	1.0
Availability of ATMs influence bank selection among undergraduate students	98	4.1	0.8
Low interest rate on savings influence bank selection among undergraduate students	98	3.7	0.5
Internet banking facility influence bank selection among undergraduate students	98	3.9	0.3
Secured electronic services influence bank selection among undergraduate students	98	3.6	0.6
Valid N (listwise)	98		

Source: Field data (2020)

Results shows that services technology and bank charges influence bank selection by the undergraduate students were as follows; Low service charges influence bank selection among

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undergraduate students (Mean = 4.2 and Standard deviation 0.6); Phone banking facility influence bank selection among undergraduate students (Mean = 4.4 and Standard deviation 1.0); Availability of ATMs influence bank selection among undergraduate students (Mean = 4.1, Standard Deviation = 0.8); Low interest rate on savings influence bank selection among undergraduate students (Mean = 3.7, Standard Deviation = 0.5); Internet banking facility influence bank selection among undergraduate students (Mean = 3.9, Standard Deviation = 0.3). Extended operation hours (Mean = 4.3, Standard Deviation = 0.5); Secured electronic services influence bank selection among undergraduate students (Mean = 3.6, Standard Deviation = 0.6). The weighted mean of over 3.5 in Table 4.4 indicates that to the large extent respondents agreed services technology and bank charges influence bank selection by the undergraduate students.

4.3.5 Correlation Analysis

Correlation is a statistical measurement of the relationship between two variables. Possible correlations range from +1 to –1. A zero correlation indicates that there is no relationship between the variables. A correlation of –1 indicates a perfect negative correlation, meaning that as one variable goes up, the other goes down. A correlation of +1 indicates a perfect positive correlation, meaning that both variables move in the same direction together. Table below shows the relationship between variables;

Table 4.7: Correlations

Correlations					
		X1	X2	X3	Y
Y	Pearson Correlation	**.384**[**]	**.659**[**]	**.200**[*]	**1**
	Sig. (2-tailed)	.000	.000	.049	
	N	98	98	98	98
**. Correlation is significant at the 0.01 level (2-tailed).					
*. Correlation is significant at the 0.05 level (2-tailed).					

Source: Field data (2020)

Pearson correlation was used given a two tail test (2-tailed). The results summarized in a Pearson correlation matrix indicate that the correlation coefficient between Level of Awareness (X1) and Bank Selection (Y) is positive 0.384, Service technology and Costs Charges (X2) and Bank Selection (Y) is positive 0.659 hence Products and Service Preference (X3) and Bank Selection (Y) is positive 0.200. The probability Value (P-value) is 0.000, 0.000 and 0.049 respectively. Based on study findings, the researcher found the relationship between variables to be statistically significant at 0.05.

4.3.5 Regression Analysis

4.3.5.1 Multicollinearity Test on Independent Variables

Before running regression, the test of multi-collinearity between independent variables was done. Presence of multicollinearity inflates the variance of the parameter estimates making them individually statistically insignificant even though the overall model may be significant. In addition, multi-collinearity causes problems in estimation of the coefficients of independent variables and their interpretation. The tolerance rate and Variance Inflating Factors (VIF) were used to detect multi-collinearity between explanatory. Table 4.6 below indicated that the tolerance value is greater than 0.1 (10%) and the Variance Inflating Factor (VIF) does not exceed 5 to 10. Upon the above results, it was found to be no problem of multi-collinearity among explanatory variables. Therefore, the associated regression coefficients are clearly estimated and reliable

Table 4.8: Multicollinearity

Coefficients[a]			
Model		**Collinearity Statistics**	
		Tolerance	VIF
1	X1	.571	1.751
	X2	.587	1.703
	X3	.759	1.317
a. Dependent Variable: Y			

Source: Field data (2020)

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4.3.5.2 Regression of Independent Variables against Dependent Variable

The study conducted a multiple linear regression analysis to determine the relationship between independent variables and dependent variable. Coefficient of determination (r^2) in the model summary explains 44.5% of the independent variables. This implies that independent variables under Level of Awareness (X1), Service technology and Costs Charges (X2), Products and Service Preference (X3), explain only 44.5% of the bank selection criteria among undergraduate students (Y). The coefficient of determination is not very significant because 55.5% of variations are brought about by characteristics not captured in the independent variables.

Table 4.9: Model Summary

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.667[a]	.445	.427	1.58550
a. Predictors: (Constant), X3, X2, X1				

Source: Field data (2020)

Given 5% level of significance, the numerator df =3 and denominator df =97, table 4.8 shows computed F value as 25.096. The P value from the model summary is 0.000 which is less than 0.05. This confirms that overall multiple regression model is statistically significant, in that it is a suitable prediction model for explaining how the selected independent variables affects bank selection criteria among undergraduate students.

Table 4.10: ANOVA

ANOVA[a]						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	189.263	3	63.088	25.096	.000[b]
	Residual	236.298	94	2.514		
	Total	425.561	97			
a. Dependent Variable: Y						
b. Predictors: (Constant), X3, X2, X1						

Source: Field data (2020)

The study conducted a multiple regression analysis so as to determine the association between all the three categories of (level of awareness, preference, technology and bank charges) on the dependent variable (Bank Selection). The multiple linear regression model was of the form:

$(Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \alpha)$

$Y = -7.020 + 0.161 X_1 + 0.583 X_2 + 0.130 X_3 + \alpha$

Whereby Y = Bank Selection

X_1 = Level of Awareness

X_2 = Preference

X_3 = Technology and bank charges

According to the regression equation established, taking all factors into account with constant at zero, outcomes will be 7.020. Taking all other independent variables at zero, Level of Awareness Increase Bank Selection by 0.161. While Service technology and Costs Charges will result in 0.583 increase in Bank Selection and Products and Service Preference will result in a 0.130 increase in Bank Selection. The probability Value (P-value) is 0.021, 0.000 and 0.042 respectively. Based on study findings, the researcher found the regression model to be statistically significant at 0.05.

Table 4.11: Coefficients

Coefficients[a]						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	7.020	4.349		-1.614	.010
	X1	.161	.161	.102	.998	.021
	X2	.583	.100	.584	5.821	.000
	X3	.130	.111	.104	1.178	.042
a. Dependent Variable: Y						

Source: Field data 2020

4.4 Discussion of Findings

4.4.1 Level of Awareness in Bank Products and Services

Improvement in services offered by the organizations not only increases the convenience of clients but also increases the pleasure of the clients. Electronic services in the banking sector have facilitated clients by saving their time, cost. Study findings indicated that students are well aware of the electronic products and services and banks' service charges. This is attributed to the fact that nowadays banks employ different mediums for awareness of services, features, programs to facilitate their clients (Martha 2019). Banks are conducting seminars, introducing new services, promoting their features through media by using TV, newspaper, radio, banners and bill boards for increasing awareness among general public. Findings of this study revealed that students are aware of the banks' products benefits, security offered by banks over its electronic services as well as banks operations and existence purpose. Back in days, people of developing countries hesitated to visit banks because majority of them were illiterate therefore facilities of electronic banking system has also increased their confidence to get benefits from banking services. Today almost all banks are providing electronic services to improve their profits and client satisfaction in this competitive

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environment. Commercial banks in Tanzania have raised university students' consciousness by providing advanced services (Lyimo 2018).

4.4.2 Products Preference in terms of Bank Products and Services

Given the competitive nature of banking industry, and existence of dual banking system in Tanzania, it is even more important for banks to gain knowledge of the most important customers factors that determine bank selection. Findings regarding to preference of students in terms products and service offered by various bank indicated that bank reputation, bank image and establishment time of the bank (oldest) influence bank selection by the undergraduate students. These findings are in line with findings of Edris (2013) in selecting banks, customer consider financial stability of bank, efficiency, and helpfulness of bank personnel, help in financial emergencies, and reputation of bank as the most important factors.

Study findings unveiled that that availability of several branches, extended operation hours, good customer services and easy account opening as well as proximity to home and/ or workplace influence bank selection by the undergraduate students. These accords with the findings of Yavas (2013) in Turkey, who found that frequent banking customers preferred friendly bank employees, convenient location of bank branches, fast and efficient service, availability of credit and financial services advice. Also correlate with findings of Mwange (2017) that major determinants of student bank selection criteria are: bank proximity to the university; recommendation by a friend; many tellers in bank; bank has a branch on campus; university uses the same bank; convenient location; reputation of the bank; staff courtesy; proximity to student's home, and innovative e-banking services.

4.4.3 Influence of Technology and Bank Charges on Bank Selection

The growing competition in the banking sector makes it crucial for the banks to identify determinants of bank selection among customers. This knowledge allows banks to focus on products and services that are valued the most by consumers and enhance customers' satisfaction. Findings of this study unveiled that to the large extent respondents agreed that availability of ATMs influence bank

selection by the undergraduate students. This correspond with Msangi (2015) that the ATM efficiency/technology also has high effects on consumer choice of a bank.

Competition of providing new services has been increased because of internet services involvement in the banking system. These ways provide convenience to the people to operate their account. Banks have provided customer convenient facilities like ATM, Debit Card, Credit Card, Virtual Banking, Virtual Cash to attract and retain their customers. One of the major reasons to prefer electronic banking services is security issues in Tanzania. People are fearful and they do not feel free while keeping money with them. Electronic banking services are providing them comfort and mental relaxation. They can shop using their debit and credit cards without keeping cash with them. Findings of this study unveiled that to the large extent respondents agreed that phone banking facility and internet banking facility as well as secured electronic services influence bank selection by the undergraduate students. These findings correlate with findings of Anayo (2017) who indicated that bank's financial stability, available and functional ATMs, professional bank staff, family and friends influence, proximity of bank branch to university campus, and internal and external aesthetics of bank influence bank selection by university undergraduates in south east Nigeria. Also, Cunningham (2016) who surveyed Singaporean undergraduate students to rank the importance of various factors in banks selection for them and found that feeling of security, availability of electronic services, quality of service, convenience, and promotional activities were the top five determinants of bank selection in Singaporean undergraduate students. Correspondingly, Al-Mossawi (2018) studied the banking preferences of university students in Bahrain. and found reputation, friendliness of staff, and some factors related to convenience to be significant factors in bank selection among Bahraini students.

Findings of this study unveiled that to the large extent respondents agreed low service charges, low interest rate and extended operation hours' influence bank selection by the undergraduate students. This supports findings of Ta and Har (2017) that the principal decision factors used and their relative determinant in bank section decisions are high interest rate, convenient location, and quality of

service, self-banking facilities, low charges, low-loan rates, long operating hours, undergraduate privileges and recommendations.

4.5 Conclusion

This chapter has presented and explained data obtained during the study based on research objectives. Tables were used to present findings. The data were analysed using descriptive analysis and inferential. Findings indicate that Level of Awareness, Service technology and Costs Charges, Products and Service Preference, explain only 44.5% of the bank selection criteria among undergraduate students. The chapter finally ends by making discussion of the findings whereby finding of various previous researchers were compared to the findings of this study.

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CHAPTER FIVE

CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter presents the summary of the key findings, conclusions and recommendations of the study on the bank selection criteria among undergraduate students in Arusha region. Section one of the chapter provides a summary of the major findings of the study, Section two presents the conclusions and section three provide implication of the study. Lastly, recommendations of the study as well as the recommendation for further studies.

5.2 Summary of Key Findings

The first objective was to find out the level of awareness of students in product and services offered by various banks. Findings revealed that mmajority of the respondents to the large extent indicated that students are well aware of the electronic products offered by banks. To the moderate extent, majority of the respondents unveiled that banks' electronic services are well known to the students. Majority respondents asserted that, to the large extent students were aware of the banks' service charges. Respondents explained that, to the large extent that students are aware of the banks' products benefits. To the large extent, respondents indicated that students are aware of the security offered by banks over its electronic services. Study findings showed that, to the large extent students are aware of the banks operations and existence purpose.

The second objective was to find out the preference of students in terms products and service offered various bank. Findings depicted; availability of several branches, bank reputation proximity to home and/ or workplace, bank, establishment time of the bank and extended operation hours are preference of students in terms of bank products and service. The findings of this study showed that good customer services and easy account opening procedures are preference of students in terms of bank products and service

The third objective was to verify if services technology and bank charges influence bank selection by the undergraduate students. Results unveiled that low service charges, phone banking facility, availability of ATMs and Low interest rate on savings influence bank selection among undergraduate students. The study showed that Internet banking facility, extended operation hours and ecured electronic services influence bank selection among undergraduate students

5.3 Conclusions

This study concludes that undergraduate students are awareness of students in product and services offered by various banks. Bank marketers need to strike to craft evidence-based strategy for attracting the undergraduate students in Arusha region. Emphasis on services technology and service costs of banks would help in attracting the emerging undergrads segment. This study concludes that undergraduate students prefer bank reputation, proximity to home and workplace, bank image and good customer services to the large extent in selecting banks. Management of banks in Tanzania should continue to emphasise training of staff with emphasis on customer care. Also, the study concludes that low service charges, phone banking facility, availability of ATMs and internet banking facility as well as secured electronic services highly influence bank selection by the undergraduate students. Banks should focus on the aforementioned factors as they have become a new frontier to compete in this emerging segment in Tanzania.

5.4 Recommendations and Policy Implications

Based on the data analysis and findings of the study, the following recommendations were given;

a) Customers place more emphasis on factors like convenience, provision, employers" influence and bank image. Therefore, such factors should be considered seriously by the commercial banks in designing their marketing strategies by widening their branches and providing good customers services to customers.

b) Banks should focus on well integrated application of technology and staff through operations that respond to customer needs and encourage them to use a whole range of banking services rather than just a few.

c) The bank management should consider university students' lifestyles and design electronic banking services that are amenable with students' lifestyles

d) Moreover, banks are recommended to adopt the electronic banking services that are easily understandable and secured to the customers.

5.5 Areas for Future Research

Future researchers should dedicate their efforts to explore the bank image dimensions which customers perceived as applicable to their selection decision, giving emphasis to the choice between private and public banks in patronage situation.

5.6 Critical Evaluation of the Study

This study been successfully and timely completed regardless the challenges faced by researcher. Study findings was able to unveil level of awareness of students in product and services offered by various banks, preference of students in terms products and service offered various bank and influence bank of services technology and bank charges in selection by the undergraduate students. If I had to do the same task, I would conduct research on the customers' perception on the security of the electronic banking services.

5.7 Conclusion

This chapter has presented the summary of findings, conclusions and recommendations of the study on the bank selection criteria among undergraduate students in Arusha region: A case study of three Higher Education Institutions in Arusha Region.

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Appendices

Appendix I: Questionnaires for ELISHILIA E. SIWA

RESEARCH TITLE: BANK SELECTION CRITERIA AMONG UNDERGRADUATE STUDENTS IN ARUSHA REGION: A CASE STUDY OF THE SELECTED HIGHER EDUCATION INSTITUTIONS

I am interested in exploring bank selection criteria among undergraduate students in Arusha region. A case study of the selected higher education institutions.

A researcher is a student of Masters of Business Administration at the Institute of Accountancy Arusha.

So, a study is carried as a partial fulfilment of the requirements of the degree mentioned above. Findings of this study will lead to clear understanding of the Bank selection criteria among undergraduate students in Arusha Region.

Please assist by answering the following questions as honesty as possible. The information given will be treated confidentially and used sorely for the purpose of this study. There is no need for you to disclose your name other wise you specifically wish to do so.

Part One: Demographic Information

(tick the appropriate answer)

1	**Gender**	1. Male ☐ 2. Female ☐
2	**Specify your age**	1. 18-24 ☐ 2. 25-34 ☐ 3. 35-44 ☐ 4. 45 and above ☐
3	**Marital status**	1. Single ☐ 2. Married ☐ 3. Window ☐ 4. Divorced ☐
4	**Education**	1. Certificate ☐ 2. Diploma ☐ 3. Degree ☐

Section B: Specific Questions

Please, tick the number which best describes how you agree or disagree.

1. **Strongly disagree, 2. disagree, 3. Neutral, 4. Agree, 5. Strongly Agree.**

	Level of Awareness in Bank Product and Services	Options				
M1	Students are well aware of the electronic products offered by banks	1	2	3	4	5
M2	Banks' electronic services are well known to the students	1	2	3	4	5
M3	Students are aware of the banks' service charges	1	2	3	4	5
M4	Students are aware of the banks' products benefits	1	2	3	4	5
M5	Students are aware of the security offered by banks over its electronic services	1	2	3	4	5
M6	Students are aware of the banks operations and existence purpose	1	2	3	4	5
Preference of Students is Bank Products and Services						
C1	Availability of several branches	1	2	3	4	5
C2	Bank Reputation	1	2	3	4	5
C3	Proximity to home and/ or workplace	1	2	3	4	5
C4	Bank Image	1	2	3	4	5
C5	Establishment time of the bank (oldest)	1	2	3	4	5
C6	Extended operation hours	1	2	3	4	5
C7	Good customer services	1	2	3	4	5
C8	Easy Account opening procedures	1	2	3	4	5
Influence Technology and bank charges on Bank Selection						
E1	Low service charges influence bank selection among undergraduate students	1	2	3	4	5
E2	Phone banking facility influence bank selection among undergraduate students	1	2	3	4	5
E3	Availability of ATMs influence bank selection among undergraduate students	1	2	3	4	5
E4	Low interest rate on savings influence bank selection among undergraduate students	1	2	3	4	5

E5	Internet banking facility influence bank selection among undergraduate students	1	2	3	4	5
E6	Secured electronic services influence bank selection among undergraduate students	1	2	3	4	5

THANK YOU VERY MUCH FOR YOUR TIME AND CO-OPERATION! GREATLY APPRECIATE YOUR CONTRIBUTION TO THIS STUDY