

## ABSTRACT

Access to financial services has significant effects to the lives of people ranging from enhanced financial health, social health and physical/emotional health though some of these effects may be indirect. This study assesses factors influencing financial inclusion in Tanzania with focus to customers of commercial banks in Arusha city. The study intended to achieve three objectives including to: examine the influence of bank products and services on financial inclusion, explore role of affordability of banking services on financial inclusion, and determine the link between accessibility of bank services and financial inclusion. The study involved a total of 107 respondents. Data were collected by using a questionnaire. The study used descriptions (frequencies, percentages, means, and standard deviations) and inferences (Pearson's correlation) to analyze the findings. SPSS was used to process the results and present it in summarized formats. Tables and charts have been used to present the results. Majority of respondents indicated that they were attracted to services and products at high extent. Generally, the findings showed that respondents were attracted by design and package of bank products. Lower charges or services influenced financial inclusion among customers of commercial banks. Accessibility to financial services offered by banks was still a problem given long physical distances from residences. The study concluded that accessibility to bank services was impaired by long distances between residences and service points. Commercial banks should always innovate new products and services which are customized to the needs of the time. Also, those banks should establish more service points closer to residences.

