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REVIEW OF LITERATURE

NEED/IMPORTANCE OF THE STUDY

STATEMENT OF THE PROBLEM

OBJECTIVES

HYPOTHESIS (ES)

RESEARCH METHODOLOGY

RESULTS & DISCUSSION

FINDINGS

RECOMMENDATIONS/SUGGESTIONS

CONCLUSIONS

LIMITATIONS

SCOPE FOR FURTHER RESEARCH

REFERENCES

APPENDIX/ANNEXURE

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BANK SELECTION CRITERIA EMPLOYED BY CORPORATE CUSTOMERS: A CASE STUDY ON TEN SELECTED COMMERCIAL BANKS IN ADDIS ABABA CITY ETHIOPIA

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ABSTRACT
To plan an appropriate marketing strategy for attracting new customers and retain the existing ones, commercial Banks need to identify the criteria on which potential customers determine their Bank selection decision. The study focuses on examining the criteria being employed by current account holder customers in Addis Ababa city that customer consider important when selecting a bank and how these criteria are prioritized according to their importance in order to better serve the customer needs and enable Banks to plan effective marketing strategies and survive in an intense competition exist in the Bank industry. The study was also designed to examine the impact of demographic disparities on the Bank selection criteria applied by diversified customers. A total of 220 customers were served as a sample for the study using systematic probability sampling technique. 21 Bank selection factors extracted from relevant literature, pretest with managers of Ten Bank Managers and from the researcher's point of view were examined in the study. SPSS version-19 was used to analysis and rate Bank selection criteria's based on the average response (mean) of the respondents. Findings show that the most important and top rated factors determining customers' selection are: Confidence on Bank, Provision of fast and efficient services, Bank reputation, Friendliness of Bank personnel and Private Banks. However, the Bank selection factors vary across customer's demographic differences. Finally, the study recommends that Bank Executives and Officials should focus on these Bank selection criteria's while they are designing their effective marketing strategies to better serve and meet the needs of the customers and be strong survival competitor in the market

KEYWORDS
bank marketing, customer preferences, corporate customers, customer satisfaction.

1. INTRODUCTION
1.1 BACKGROUND OF THE STUDY
For firms to survive in contemporary highly competitive business environment, they should be able to attract new customers and retain the existing ones. (Maiyaki, 2011). In today's economy, the financial services industry is exposed to increasing performance pressures and competitive forces (Goergen, 2001). Service organizations must be able to effectively attract and retain customers by satisfying their needs and/or wants. To meet customers' needs, there is need to understand what is valuable to them and how they make decisions. To be profitable in a competitive industry, companies need to offer customers more value or be able to produce products and/or services more cheaply (Leibert, 2004). Sometimes marketing of organizations do fail due to improperly identifying the factors or determinants that consumer consider in their selection (Khazeh & Decker, 1992). Hence, there is need for service organization to effectively differentiate their offerings from those of competitors in order to attract customers' attention and choice.

With rapid change and more sophisticated customers, it has become very important that financial institutions determine the factors which are pertinent to the customers' selection process. With the advent of interstate and international banking, the trend towards larger bank holding companies, and innovations in the market place, the customers have greater and greater difficulty in determining one institution from another. Therefore, the current problem for the financial services industry is to determine the basis on which customers, both depositors and borrowers, make their selection process for financial services (Boyde et.al 1994) R PREFE.

Understanding customers' banks selection criteria has 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, 1992). Indeed, the growing competitiveness in the Banking industry. (Grady and Spencer, 1990), and similarity of services offered by Banks. (Holstius and Kaynak, 1995), have made it increasingly important that Banks identify the factors that determine the basis upon which customers choose between providers of financial services. Consequently, the issue of "how customers select Banks" has been given considerable attention by researchers (for example: Anderson et al. 1976; Evans 1979; (Kaynack and Yavas,1985); (Ross, 1989); (Kazeh and Decker, 1993); (Denton and Chan, 1991); Hegazi 1995; (Metawa and Almossawi 1998); (Omar, 2007); (Kamakodi and Khan2008); (Rao, 2010). However, literature also indicates that studies related to Bank selection criteria have been mainly conducted in the USA and some European countries. While, such studies have contributed substantially to the literature on bank selection, their findings may not be applicable to other countries, due to differences in cultural, economic and legal environments. A set of determinant factors that have a significant role in bank selection in one nation may prove to be insignificant in another (Rao, et.al 2010).

The various Banking systems have undergone very important changes globally. More specifically, increased competition, technological developments and the growth of the various institutions have significantly altered the environment in which Banks operate. At the same time, many Banking activities are now performed by non-Banking institutions. In reality, banking institutions in developed countries have started to lose their market shares, while technology has minimized transaction costs and the number of competitors is continuously increasing. (John, 2007). Banks are in the process of moving into a more competitive financial atmosphere, with a wide variety of financial products/services. No Bank can offer all products and be the best/ leading Bank for all customers. They are forced to develop a differentiated strategy in order to find a new basis for competition. (Zineldin, 1996)

The intense competition that exists in the market for financial services presents a big challenge to the profitability of retail banking institutions of all sizes. A common suggestion is that retail Banks ought to respond to this challenge by making better use of market segmentation techniques. (Peter and Olson, 2005) argue that the application of more and better segmentation technique is the best strategy to meet the demands of the competitive market environment. Segmentation offers commercial banks a powerful discriminating method of grouping bank customers categorically, so that their needs may be effectively addressed for the purpose of preparing effective marketing strategies. The concept attempts to bridge the gap between diverse customer needs and limited company resources, by encouraging distinct product and marketing offerings to be developed to suit the requirements of different customer segments (Assael & Roscoe, 1976); (Wind, 1978). The choice of segmentation bases is significant because an inappropriate segmentation strategy may lead to missed profit opportunities. The key is to identify bases or variables which will produce substantial, measurable, and accessible segments which are crucial for carrying out right marketing mixes (Sun, 2009). There are several bases on which consumer markets can be segmented, including (but not limited to) geographic; demographic; psychographic to include lifestyles, personality and social class; and behavioral-benefits sought, usage patterns, etc. In particular, demographic variables are the most commonly used base to identify consumer groups mainly because of the ease of access to and the measurement of demographic data (Pol, 1991).

As a result, to meet the changing preferences of customers and to stay ahead of competitors, commercial banks should bound to providing quality and efficient services so as to enhance customer service by leveraging on technology, maintenance of good qualities services and efficient service delivery standards that will best meet customer expectations. Currently Ethiopian government is embarking on measures such as economic reforms, financial liberalization and restructuring of financial institution. All these measures are being made having the aim of promoting a competitive environment and efficient Banking services to users especially, public. Similarly, with the coming into effect of the licensing and super using Banking business proclamation No 88/994 a couples of private commercial

Banks have emerged and joined the market since 1994. As Ethiopian economy continues to grow and develop markets and completive structure customer's needs and expectations evolve and grow over time, resulting in strategies to meet customer expectation and satisfaction. Absolutely the survival of Banks relies or depends on identifying customer's needs and developing new ways of doing business. In line with this, the objective of this paper is to study the Bank selection criteria employed by Corporate customers and selection for the services provided by commercial Banks in Addis Ababa City, how customers know about the availability of Banks and their services, to ascertain and to rate the choice criteria for Bank selection. The study was conducted expecting that it do have a value to those who are practicing (Commercial Banks), and to enhance understanding of customer preferences (selections) of commercial Banks services and customers expectations of commercial Banks in Ethiopia.

1.2   LITERATURE REVIEW
The review of the literature is divided into two parts. The first part discusses the theoretical foundation for the study, while the second part presents a survey of previous studies.

1.2.1 THEORITICAL LITERATURE
The relevant theoretical expositions underpinning the study are the rational choice theory and competition theory. The rational choice theory provides useful insights on the choice or selection behavior of individual customer, while the competition theory explains how firms try to win customers patronage and loyalty through service excellence, meeting customers' needs and providing innovative products. The choice theory otherwise referred to as rational choice theory or rational action theory is a framework for understanding and often formally modeling social and economic behavior. Rationality, which basically expresses the idea of wanting more rather than less of a good, is widely used as an assumption of the behavior of individuals in microeconomic models. The theory, therefore, shows that patterns of behavior in societies reflect the choices made by individuals as they try to maximize their benefits and minimize their costs. In other words, people make decisions about how they should act by comparing the costs and benefits of different courses of action. Consequently, patterns of behavior develop within the societies that result from those choices.

Rational decision making entails choosing an action given one's preferences, the actions one could take, and expectations about the outcomes of those actions. The validity of rational decision making is rooted in two complementary assumptions namely completeness and transitivity. Completeness requires that all actions of the individual can be ranked in an order of preference (indifference between two or more is possible), while transitivity is a condition that if choice *A* is preferred to *B*, and action *B* is preferred to *C*, then *A* is preferred to C. Together these assumptions form the result that given a set of exhaustive and exclusive actions to choose from, an individual can rank them in terms of his/her preferences, and that his/her preferences are consistent. Competition in economics is best described as the existence within a market for some good or service of a sufficient number of buyers and sellers such that no single market participant has enough influence to determine the going price of the good or service. Competition occurs when two or more organizations act independently to supply their products to the same group of consumers. Direct competition exists where organizations produce similar products that appeal to the same group of consumers. Indirect competition exists when different firms make or sell items which although not in head to head competition still compete for the same money in the customers pocket. Both direct and indirect competitions cause commercial firms to develop new products, services and technologies, which would give consumers greater selection and better products. The greater selection typically causes lower prices for the products, compared to what the price would be if there was no competition (monopoly) or little competition. Thus, the competitive strategy of firms is dependent upon consumers' choice characteristics which tend to influence firms productive decision towards the satisfaction of consumers preferences. The relevance of rational choice, where people compare the costs and benefits of certain actions, is easy to see in respect of bank selection behavior of customers. Since people want to get the most useful products/services at the lowest price/convenience, they will judge the benefits/significance of a certain banks services/offers (for example, how useful is it or how attractive is it) compared to similar ones from others banks. Then they will compare prices or costs and benefits. In general, people will choose the bank that they perceive provides the greatest reward or benefits at the lowest cost, given their preferences. According to Kaynak and Kucukemiroglu (1992) and Hull (2002), the banking industry is highly competitive, with banks not only competing among each other, but also with non-banks and other financial institutions. The reason is why because most bank products development is easy to duplicate and when banks provide identical services, they can only distinguish themselves on the basis of price and quality. Consequently, customers' retention is potentially an effective tool that banks can use to gain a strategic advantage and survive in today's ever-increasing banking competitive environment

1.2.2 EMPIRICAL LITERATURE
To analysis and investigate the factors that affect customers Bank selection criteria various empirical studies have been made so far. (Almossawi, 2001) conducted a survey on Bank section criteria employed by college students in Bahrain. The sample for this study was selected from among a population of 10,000 students of the University of Bahrain; representing young people aged 19-24. The required data were collected through a specially designed questionnaire. The questionnaires were passed to and received from the students through their teachers. Therefore, the required number of respondents (1,000 students) was easily achieved. The questionnaire consisted of two sections. The first part elicited demographic information from the respondents that was deemed necessary to achieve the objectives of the study. The second part of the questionnaire asked respondents to rate the relative importance of 30 potential influencing factors, on their selection decision of commercial banks, using a five point Likert type importance scale ranging from "very important'' to "not important at all''. The factors were adapted from the relevant literature, personal experience, interviews with five local bank officials, and 30 students in the University of Bahrain. This attempt resulted in having a list of 37 selection criteria. A questionnaire pretest indicated that students were not familiar with seven of the chosen factors; therefore, the list was reduced to 30 factors, which served as potential bank selection criteria for this study. In answering the questions, respondents were assured of the confidentiality of their responses and their names were not solicited. The questionnaire was originally written in English and then translated into Arabic by an official translator and back-translated by a second official translator to ensure clarity and interpretation of meaning. A certified company in Bahrain called Panorama Media did translation and back-translation.

By conducting the study, the researcher found that convenient of ATM locations, availability of ATM in several locations, Bank's reputation, 24 hours' availability of ATM services and availability of parking space nearby as the five most influential factors for bank selection. (Eshgi and Hedayatnia,2011) found that quality of services, innovation in Banking services, staff behavior and attitude and price are factors that customers most importantly look for before they select or prefer Bank by the study made in Iranian Retail Banking Industry. The study was conducted in the city of Tehran (the largest city of Iran and its capital) since all Iranian banks have many branch offices in the city. The data for the research was gathered from 798 customers of banks through a structured questionnaire covering the different attributes that customers perceive as important when selecting which banks to support. Given the nature of the study, a non-probability (convenience) sampling was chosen. The questionnaire was consisted of two sections. In first part of questionnaire, respondents were asked to rate the relative importance of 38 influencing factors on their selection decision of commercial retail banks, using a five-point Likert type importance scale ranging from ''very important'' to ''not important at all''. The factors were extracted based on relevant literature and interviews with five bank officials and adopted to the Iranian banking system.

 (Phuong and Har, 2000) under Bank selection decisions in Singapore using the analytical hierarchy process made a survey. The study was made to determine the product/service characteristics that undergraduate students consider important when selecting a bank and how these characteristics are prioritized according to their importance, to determine undergraduates students relative preferences of post office bank (POSB) and the others big four banks in Singapore; development Bank of Singapore (DBS),Overseas Union Bank (OUB),overseas Chinese Banking Corporation (OCBC)with respect to each characteristics considered in decision process and finally to determine the undergraduate students over all preferences of the banks and the managerial implication of the finding results bank decision making. Accordingly, the finding of the study depicts that that high interest rate on accounts of customers, commitment, and location of Bank branch, quality of services, self Banking facilities, low charges, low loan rates, long operating hours, and recommendation as the most crucial factors for selection of banks. Similarly, (Boyd.et.al, 1994) made an analysis on customer preferences for financial service using a telephone survey, ten selection criteria provided relative to various demographic characteristics of 188 randomly selected households in south eastern city of USA taking ten (10) selection criteria. With the need to differentiate in mind, the research was undertaken to: determine the relative strengths of factors used in the selection process, and identify the orientation of potential customers relative to those factors and corresponding behavioral and demographic characteristics. Accordingly, they found that reputation, Interests on savings accounts,

interest charged on loans, Quick services, location in the city, hours of operation, availability of current accounts, friendliness of employees, modern facility, Drive-in service and other factors affect Bank section criteria in decreasing relative importance.

(Edris and Almahmeed, 1997) regarding services considered important to business customers and determinants of Bank selection in Kuwait made survey on factors used by business firms in making Bank selection decisions. A systematic sample of 500 cases was selected from the entire population of business firms in the commercial, industrial and services sectors in the state of Kuwait. Business directory was used to identify the population under investigation, as well as to select the sampling units in a random manner. Out of the total number of the sample, 60 firms were classed as large, 180 were medium, and 260 were small. Size of business firms was identified on the basis of both the owned total assets and number of employees. Owners of small firms, and financial managers in medium and large firms were identified as the target respondents of the survey. Data required for this study were gathered via the drop-off method (i.e. hand delivery of self-administered questionnaires, followed by personal collection. A structured-direct questionnaire was developed to collect the needed data on several variables. Dealing with behavior of banks in Kuwait, the perceived relative importance of 21 services offered by Kuwait banks to their business customers and determinants of bank selection decisions, using 27 bank attributes of a 5-point rating scale ranging from 1 (not important at all) to 5 (very important) to determine the perceived relative importance of the services provided by Kuwaiti banks, as well as to evaluate the relative importance of the attributes commonly used in selecting a bank was undertaken. Accordingly, their finding showed that size of Bank assets, efficiency of personnel, help in financial emergency, Bank expertise, friendliness of staff, bank reputation, communication with staff, knowledge of firm's business, prompt provision of services and availability of branch abroad as the most important factors for business customers in Kuwait to select particular bank from the total 27 bank selection factors used and included in the study by the researchers.

(Okumus,2005) found and suggest that customers select Banks based on religion affairs, staff friendliness, efficiency and speed in completing a transaction, financial counseling provided efficiency and speed in inter-branch transactions, the wide range of facilities provided (offered), location of bank branch, customer confidentiality and low service charges from the most important to least important respectively by the study made in Turkey on customer satisfaction and Bank selection criteria in case of interest free Banking by the study made on interest free banking in Turkey: A study of customer satisfaction and bank selection criteria. The study aims to reveal the level of customer awareness, customer use of interest free products and services and customer satisfaction with the practice of Special Finance Houses (SFHs). To collect the customers perception a five point likert scale of 1 (strongly agree/ Very satisfied to 5 (strongly disagree/not satisfied at all). The questionnaire was randomly hand distributed to account holders in the branches of five Special Finance Houses

(Haron, et.al1994) made a survey on Bank patronage factors of Muslim and non-Muslim customers taking 26 Bank selection factors in Malaysia. Accordingly, their finding indicated that Muslim customers give more attention for fast and efficient services, speed of transactions, friendliness of Bank personals (employees), low interest charges on loan and deposit while non-Muslims give more wTen for processing friendliness of Bank personal,fast and efficient services, reputation ad image Banks in the society, speed of transactions and reception received at the Bank in decreasing order which slightly shows the difference among Muslims and non-Muslims customers in ranking factors important for Bank selections.

(Kennington, et.al, 1996) conducted a survey on Consumer selection criteria for banks in Poland in the medium-sized city in south eastern Poland. The researcher attempts, among other things, to quantify the selection criteria used by Polish consumers in choosing banks. The sample was selected to be representative of the working proportion of Polish consumers. Questionnaires were completed at home or at work and responses were collected by Polish researchers who waited while the questionnaires were completed. The study was made by extending previous research conducted. At a time, respondents were asked which service they used, at which Bank and why they had chosen that Bank. Accordingly, reputation, rates (price/cost), convenience, service, the only Bank, family and friend influence were the most influential factors for consumers in Poland to select one Bank from another. Although both men and women agree on top four criteria, reputation, rates, convenience and services there are significant differences on how they view the remaining Bank selection criteria's.

In Bahrain, (Metawa and Almossawi,1998) conducted a survey on Bank behavior of Islamic Bank customers focusing more on its perspectives and implications. The data required for conducting the study were collected using self-administered questionnaires, specially designed to achieve the study goals. A total of 14 questions covering 14 key attributes of the customers' banking behavior were prepared by reviewing the relevant literature on the subject, and also by consulting key officials in the two selected banks in the country. Thirteen of the 14 questions were closed-ended questions to encourage easy response from the customers and to allow the researchers to use statistical tests in evaluating the empirical findings of the study. A pilot study of 15 questionnaires (which was about five per cent of the total sample size) was conducted to check the validity and logic of the questions included in the questionnaire.

After reviewing the feedback from the pilot study, several key amendments were made before the distribution of the questionnaire. The questionnaires were hand distributed to the account holders in the two selected banks. The questionnaires were distributed during various working hours of the same day (mornings and evenings), as well as various days of the week and the month, to avoid any potential bias owing to high concentration of bank customers during certain hours of the day, or certain days of the week or month. Doing this, their study reveals that that Islamic principle, rate of return, family and friend's recommendation and convenience plays a great role in affecting decision of customer choice among commercial Islamic Banks. Zineldin (1996) conducted a study on Bank strategic positioning and some determinants of Bank selection factors in Sweden. The main purpose of the study was to investigate and define the competitive position for each Swedish commercial bank in the competitive marketplace and to identify the major attributes which bankers and customers use in determining the overall perception of a given bank and its services offered. Only adult persons primarily were involved in decisions concerning financial services were asked to respond to research questions. A total of 268 questionnaires were distributed and only 250 were received. Finally, they identified that trust and confidence, price competitiveness on loans and other services, flexibility in tailoring services (adaptations), contact with Bank decision made and speed of decision and processing of transactions as the most determinants factors of customers in relation to the choice of particular commercial Bank in Sweden in just decreasing order respectively.

Similar studies on customer preference were conducted in USA, Germany and Russia to investigate customer preference for financial services, Schmidt et.al (2006). The study was made to investigate the differences in customer preferences across the US, Germany and Russia within the financial services industry. Its purpose was to help financial services firms functioning in the international economy to design marketing strategies and day-to-day operations based on cross-cultural differences and similarities in socio-economic, political and cultural factors. The study used data obtained from a survey of a total of 600 respondents

Accordingly, trust plays an important role in affecting customer preference of financial services in the three countries followed by stability of financial condition, convenience to access online Banking performance, competence and friendliness of employees respectively in three countries. Lastly their conclusion reveals that an important differences and similarities exist in preferences across the respondents of the three countries.

(Maiyaki, 2011) made a study that investigates the relative importance of the factors determining the selection and preferences of Banks by retail customers in Nigeria. The study was made to investigate the relative importance of the factors determining the selection and preference of banks by Nigerian retail customers. Using multi-stage sampling procedure, a total of 417 retail bank customers were selected and subsequently participated in the survey. Descriptive survey design was adopted with a view to provide explanations with regard to the factors influencing the choice and preference of retail banks in Nigeria. The study was conducted in Kano metropolitan city because of the concentration of commercial activities,

The population of the survey comprises all the retail bank customers that are resident in Kano metropolitan city. The respondents were selected using convenience Sampling. However, Multi-stage sampling procedure was employed to make sampling technique to be systematic as much as possible and subsequently, 500 participants were selected across 33 both private and public banks. A Likert-type instrument with 5-point rating scale was used to measure the respondents' perception with regards to the variable under investigation. Accordingly, the researcher found that Bank total asset, availability of large branch net work, attractiveness of Bank branches was rated as the most influential factors among the determinants of Bank selection. Similarly, by the study conducted in Malaysia, (Haque, et.al 2009) regarding Malaysian customer preference for Banks. The purpose of the study was to investigate major factors that are reflecting to customers' perception and satisfaction on Islamic banking and it hoped to analyze and determine the perception, quality of services, availability of services, confidence in bank and social and religious perspective about Islamic banking system. A Logit model was employed to anticipate the effects of the explanatory variables. Accordingly, they found that quality of service, availability of services, confidence on Bank, social and religious perspectives affect the customer selection and preference for Banks significantly. Additionally, their study depicts that customers can drive a better understanding of the activities that are undertaken by Bank and how these activities are being dealt with. Similarly, their study indicated that customer perception can be mediated the effects of Bank service quality performance and the analysis confirms the significant positive relationship of quality of services, availability of services, social and religious perspective and confidence in bank

with customers' perception about Islamic bank. Hence, customer perception and satisfaction can be considered as the key contrast to Bank for overall perfor-mance. (Mokhlis,2009) conducted a study in Malaysia. The study was conducted to analysis Gender based choice decisions regarding determinants of choice criteria in Malaysia's retail Banking. The sample for the study was selected from among undergraduate students of University Malaysia Terengganu, who were registered on a range of degree courses. Given the nature of the study, a non- probability (convenience) sampling was chosen and a total of 400 sets of question-naires were distributed during regular class session. Students were assured of the confidentiality of their responses and they had been told not to write their names. Students were given approximately 20 minutes to complete the questionnaire and also prevented from communicating with each other while the survey was in progress to avoid any bias of information. From a total of 400 questionnaires distributed, 390 were returned Accordingly, the researcher found that male respondents decision of choosing Bank was highly affected by security feeling, ATM services, financial benefits, service promotion, branch location, proximity, marketing promotion, Attractiveness of branch buildings and people influences while female respondents rated ATM service as first criteria followed by security feeling, services promotion, proximity, financial benefits, branch location, attractiveness of bank branch building,marketing promotion and lastly by people influ-ences.

Another study made in Malaysia was by (Safiek et.al, 2008) has conducted survey on the case of under graduate students regarding commercial Bank selection and found that security is the most determinate factor effecting student Bank selection decision followed by ATM services, financial services, service provision, and proximity and branch location. However, their finding's response did not constitute homogenous group since gender stream of study, ethnicity and number of saving accounts held produced different prioritized factors in Bank selection. Similarly, (Jantan, et.al, 1998) conducted a survey on relationship between Bank attributes and demographic factors that determine customer choice of retail banking in Malaysia. Taking both local as well as foreign Banks they found that credibility is of highest importance followed by range of services terms of payments, physical facilities and media and social influence in influencing the bank choice decision among any of the demographic characteristics of respondents.

In India, (Komal,2009) made a survey on 3 selected commercial Banks of India to analysis the impact of ATM on customer satisfaction and found that bank with less branches are more satisfying their ATM card users than old banks with highest branch networks even if they do have less material coverage of ATM network sites.

In Bangladesh (Rashid and Hassan, 2009) conducted survey on customer demographics affecting banks selection criteria and market segmentation by taking domestic Islamic Banks of Bangladesh and found that female respondents gave highest wTen for core Banking services like availability of basic Banking facility along with marketing programmers and uniformity of services while male respondents gave more attention to corporal efficiency like faster transaction and document processing, efficient managers, and knowledge of customer business. Regarding their marital status married respondents give highest importance for core Banking, corporal efficiency and compliances while unmarried respondents gave due consideration for corporal efficiency core Banking and compliances. As far as educational level is considered they found that undergraduate education level respondents are highly affected by corporal efficiency while respondents with educational level of post graduate level is more affected by corporal efficiency showing no significant differences from undergraduates. A comparative analysis among three Generation Banks in Bangladesh was made regarding promotional activity involvement of commercial Banks, (Samina and Alam 2011). The study was made to analyze the promotion activities of some selected private commercial Banks in Bangladesh. Accordingly, promotional tools applied by private commercial Banks were analyzed. Similarly, the difference in promotion mix of three generation Banks as well as the relationship between promotional activities of Banks and their deposit collection was analyzed. By analyzing the promotional activities of three Generation Banks, the researchers found that the application of promotion tools varies and there is significant difference in the involvement of promotion tools among the three generation Banks in Bangladesh. Finally, they concluded that promotional activities have immense significances for the Banking industry in Bangladesh and Banks for all generations are driving to adopt new dimensions of promotion to utilize the tool effectively and efficiently.

(Frimpong, 1999) made survey on patronage behavior for Ghanaian the characteristics looked for when Ghanaian Bank customers open a Bank account. The results of the study were based on 225 multiple choice questionnaires filled in during customer's interviews inside 50 bank branches. As a result, they found that Ghanaian Bank customers choose a bank based on understanding and rates of interests. However, Ghanaian Bank customers are resistant to long term investment, and the most effective media that best inform customers of bank services were word of mouth radio and Television.

In Singapore (Tan and Chua, 1986) made a survey under the study on oriental culture taking "Intention, Attitude and social influence in bank selection into consid-eration. A mail questionnaire survey of 87 subjects reveal that social factors are a stronger influence than other variables, probably due to the fact that social and other family ties are closer in oriental culture and that consumers are more vulnerable to advice from friends, neighbors and family members. According to the researches' finding traditional bank selection criteria considered important by many bankers may be less important factors in the oriental cultures. Similarly, the researchers' finding dictates that friendly service is important when social factors are not taken into account. But location is found to be not dominant factor since Singapore (the city on which the survey has made) is small city and most banks are conveniently located.

Another study made on bank selection criteria in the banking industry is one made by (katircioglul et.al, 2011). The study was made empirically to investigate customers of Romania. From Romania two cities were selected (i.e. Bucharest and Constanta). Taking 248 students as respondents from the two cities, the follow-ing factors have found significantly affecting Bank selection preferences of the customer. These are the number of ATM booth, availability of telephone and internet banking, giving personal attention to customer, reputation and image of banks, confidentiality of bank for customer records, appearance of staff to be presentable and the number of branch offices around the country. The study also investigated that bank selection factors do not largely differ from one another with some exceptions covering the least important ones for the customer living in Romania.

A quantitative methodology that used 7033 customers was employed to analysis trends of the relative importance of choice criteria in respect of selecting retail Banks by (Devlin and Garrard 2004). Their study isolates those criteria which have become significantly more important in motivating choice overtime and those which have significantly less important. Accordingly, their finding showed that the influence of recommendation has increased significantly and is now most important choice criteria. Other factors which have also increased in importance are offering of incentives, having a wide product range and economic factors such as interest rate to be paid and fees and charges levied. Location factors such as choosing a bank close to home or work place have decreased significantly in importance in motivating choice. Certain criteria have decreased significantly in importance in motivating choice. Certain criteria have remained broadly constant through time, amongst them, and perhaps surprisingly, are choosing on the basic of bank image and reputation as well as expectation about the level of services.

(Martenson, 1985) in Sweden made an investigation regarding consumer choice criteria in retail bank selection. The study focused more on whether consumers select their banks in conscious fashion or not. Accordingly, survey results made on 558 Swedish bank customers by the researcher including 53 bank branch managers indicated that the choices of respondents are random. However, bank locations, availability of loans, payment of salary through certain banks are reasons for choice as it is the influence of parents' choices. Hence, choice is most probably a result of match between bank image and consumer interests.

Viewing customers on the basis of age grouping is valuable in terms of product development, promotion and evaluation delivery system. Research into the users of 31 retail banks in mid-western United States of America indicates that there is greater chance of success in promoting certain products to particular age group, and that product usage tends to support the assumption that user age is a primary factor in bank product selection. Accordingly, the close association between customer age and product usage suggests a life cycle rather than a strict segmentation approach to marketing, (Stanley, 1985).

In Hong Kong (Denton and Chan, 1991) made a survey under bank selection criteria of multiple bank users in Hong Kong in retail sectors. The research used survey questionnaire and their survey includes analyses of the number of banks used by each person, the types of service used at each bank and the factors that influence this type of consumer behavior. Accordingly, their study reveals that risk reduction, convenience in terms of number of branches and Automatic Teller Machine, relative advantage of selected banks prestige, need for credit and credit cards and other special circumstance heavily influenced the customers' bank selection decision. Similarly, statistically significant differences were found in the evaluation of the relative importance of these factors on the multiple banking behaviors based on sex, age, marital status, and income and education discriminators.

(Devlin and Gerard, 2005) made a qualitative methodology incorporating 495 respondents is employed so as to study customer choice criteria to multiple bank users. The study presents an analysis of the relative importance of various choice criteria for main and secondary banks. Accordingly, their study finding showed that there are significant differences' between selecting a first and secondary bank. Hence, recondition from others and offering an incentive are influential and

significantly more important in promoting choice of secondary bank but less it is less influential in terms of overall ranking of importance. Similarly, the study finding reveal that service expectation and low fees (over draft charges) are less significant in promoting secondary bank choice.

In UK an analysis of customer choice criteria in retail banking market was made by (Devlin, 2002). Specifically, the study intended to investigate the potential variation in the importance of various choice criteria which they classified as either intrinsic or extrinsic in order to aid analysis with respect to customer financial knowledge. Under the title customer knowledge and choice criteria in retail banking taking a data base of 6700 respondents collected by a commercial origination was used in the analysis. Accordingly, the study finding suggests that all customers relay primarily up on extrinsic choice criteria when choosing a retail banking services. In addition, low financial knowledge is associated with a propensity to choose a bank purely on location or by recommendation and while such factors are also important to higher financial knowledge groups even if higher knowledge groups are more likely to take account of intrinsic attribute such as service features, rate of return and low fees in their choice.

Similarly, in New Zealand customer satisfaction: a study of bank customer retention was made by (David, et.al, 2006). Their paper examines the impact of several retention- relevant constructs that influence customers' decision to stay with or leave their banks in the New Zealand. The constructs were rated by customers as having strong effects on loyalty to their banks. Demographic characteristics such as age, gender, educational level and income were also assessed for their contribution to intentions of staying with or finding alternative banks. Accordingly, the study results suggest that the most important constructs were customer satisfaction focused by corporate image and switching barriers. Their study was also evidence that customers' age group and level of education contributed to explaining respondents' propensity to stay with their current banks.

In South Africa (Bick et.al, 2004) made a survey on customer perception. The main purpose of the study was to examine the perception and expectations of banking customers regarding the value being delivered to them in South Africa. To achieve the objective of the study, the study involved 150 managers and accordingly their result of the study indicated that customers were not satisfied with the service, products and level of customer intimacy delivered to them by their banks. Thus they did not believe that they were getting the value they expect.

In highly competitive sectors like banking, corporate image represents an asset which allows firms do differentiate and increase their success chance. The role of bank for customers and non-customers were studied by (Bravo, et.al, 2009) in Spain.

The purpose of the study was to analyze the corporate image of financial institution and its impact on customer behavior. More specifically it aims to focus on the differences between customer and non- customers of banking institution. Data for the study was collected using five questionnaires involving five major Spanish commercial banks. The questionnaires were answered by 450 individuals and SEM methodology was used to test the hypothesis of the study. Accordingly, the researchers found that corporate image of commercial bank includes dimensions related to the service offered accessibility, corporate social responsibility, global impression, location and personnel. For this, the researchers applied two alternative models validated for customers and non- customers to explain how corporate association influence intention to use the banks' service. For the case of current customers, satisfaction was a key mediating variable. The research paper was done by extending previous research showing the specific effect of corporate associations on intention to use the bank's services.

(Curran and Meuter, 2005) made a survey in USA California related to self- service technology adoption comparing three technologies. The main purpose of the study was to focus on the examination of factors that influence consumer attitudes toward and adoption of self- service technology (SST). As a methodology a conceptual model of the adoption process for SSTs was developed and tested across three different technologies used in USA banking industry. The three technologies include ATM, Mobile banking and Online (internet) banking. Data were collected using a random telephone survey of banking customers in three state area of north east USA and analyzed using structural equation model (SEM). Accordingly, from the total 2352 called only 654 agreed to participate in the survey and even from this figure the responses of 28 respondents deemed to be unusable for analysis. From the study, the researchers found that a comparison of the results of the model tests on the three technologies provides evidence that different factors influence attitudes toward each of these technologies and offers an explanation of the varying degrees of acceptance found among consumers. Similarly, the researchers demonstrated that multiple factors need to be considered while introducing technologies in to the service encounter and that the salient factors may vary among technologies and their stages in the adoption process.

Some researchers are made to address the several limitations done by previous researches, (Aregbeyea, 2011). The study was made in Nigeria to analyze the determinations of bank selection choices by customers taking recent and extensive evidence from Nigeria. The survey targeted on banking and business customers. The main purpose of the study was to better inform bank executives and authorities with insights into the kinds of service customer find most important and appropriate for their banking needs. A total of 1750 respondents from six most metropolitan cities across the six geo- political zones was sampled in the study. Their responses on the importance of 25 different factors while choosing a deposit bank were sought and analyzed. Accordingly, the findings of the study reveal that the safety of funds and the availability of technology based services were the major reasons for customers' choice of Banks.

1.3 RATIONALITY (JUSTIFICATION) OF THE RESEARCH

Studies on retail Bank marketing are not a new research paradigm. (Edris and Almahmmed, 1997**).** In fact, much has been written since late 1960s on the theme of retail Bank marketing with the majority of the literature relating to Banking behavior of retail customers (alternatively called individual customers). A wide variety of marketing constructs related to retail customers has been investigated, including market segmentation, attitudes, intention, preferences, Bank loyalty, Bank selection decisions, Bank image, bank service quality, satisfaction and multiple bank users. (Mokhlis et. al, 2007)

The commercial Banks have begun to meet the needs of their customers more effectively, in recent years. Banking policies and services have been changed gradually to meet the competitive demand of modern Banking practices. Commercial Banks are now begun to offer new financial services, expanded their branches to widen their scope of consumer businesses in order to attract and maintained their customers and businesses. However various studies made ever focus on only limited demographic features of the society, limited sample size and class of the society, taking very few customers from very few types of banks, giving less consideration for corporate customers like corporate customers. As a result, this study was conducted taking the above previous researches limitations. Lastly the researcher has best motivated to undertake this study due to the fact that there is no study made on bank selection criteria in Ethiopia on retail customers as well as corporate customers. Therefore, the researcher believes that the study fill the literature and knowledge gap observed in the area in Ethiopia as well as other countries especially developing countries due to the fact that study undertaken was in developing country that shares varieties of similar socio-economic features to the minimum.

1.4 STATEMENTS OF THE PROBLEM

Customer is a person or organization that a seller believes will benefit from the goods and services offered by the organization. Customer may fall into existing, former customer and the potential customer. For most organization customer is the key to success while not understanding them is a recipe for failure. So it is so important that the constant drive to satisfy customer is not only a concern for those carrying out selling tasks but satisfying customer is a concern of everyone in the organization. For sellers (providers) simply finding customers who are willing to purchase their goods and services is not enough to build a successful marketing strategy. Instead the sellers should look to manage customers in a way that it will identify, create and maintain satisfying relationship with customers. In turn satisfied customers are more likely to become a good customer; the one who holds the potential to undertake activities that offer long-term value to sellers. While on the surface the process of managing customers may seen to be the intuitive and straight forward, in reality banks struggle to accomplish it. One reason for struggle is that no two customers are the same means; what is appeal to one customer may not necessary work for others. Another problem is that customer may interact with Banks at different contact point which is a method customer uses to communicate with it. So to overcome this problem Banks should establish customer management relationship i.e. a strategic approach whose goal is to get everyone in the organization. In response to customers demand for responsible and reliable services, Banks are investing heavily on innovative methods and process to strength the service level. In line with this, financial service customers continue to grow more mistrustful of firms, more insecure and more hands on. To combat these changes most financial services firms especially banks have focused on raising customer's expectation and satisfaction. (Doyle 2005)

INTERNATIONAL JOURNAL OF RESEARCH IN COMPUTER APPLICATION & MANAGEMENT   72

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1.5 RESEARCH OBJECTIVES

1.5.1 GENERAL OBJECTIVE

The general objective of the study is:

1. To examine the criteria that customer consider important when selecting a Bank and how these criteria are prioritized according to their importance in order to better serve the customer needs.

1.5.2 THE SPECIFIC OBJECTIVES OF THE STUDY ARE AS PER FOLLOWING:

1. To examine the dynamics between customer Bank selection criteria and demographic characteristics,
2. To examine the media that best informs customers about the availability of Banks and its services
3. To examine whether or not customers have a plan to switch off their current Bank account
4. To investigate factors that lead customers to switch off their accounts

1.6. RESEARCH DESIGN AND METHODOLOGY

In this section, the researcher concentrated on the method adopted throughout the study. First, the study area, target population, survey design, types and nature of data, method and instrument of data collection, sampling technique, sample size determination, choice of research method for the study was accounted for, research strategy, case study design and data discussions as well as presentations

1.6.1 STUDY AREA

The study under Bank selection criteria employed by corporate customers was undertaken in, Addis Ababa City. Addis Ababa city was selected because it is the capital city of Africa and Ethiopia as well in which the headquarters (head offices) of all banks in Ethiopia are located. This study was conducted from November 2014 to June 2015

1.6.2 TARGET POPULATION

1.6.2.1 SOURCE OF POPULATION

To undertake the study, customers of Ten commercial Banks were selected from Addis Ababa city. Even if the study initially attempted to include all Bank customers who have an account, later the researcher has reduced to corporate customers due to the fact that all customers of the selected commercial Banks are too large (above 78,000) and this would be unmanageable to the researcher. Therefore, the study was limited to only corporate customers so as to make size of the sample manageable since the total Corporate customers were only 5000.Corporate customers are active customers since they are mostly business customers and therefore can be accessed easily during data collection period and meet Banks frequently than any other customers. The exact figure of corporate customers of the Banks was taken from the respective Banks account list record by the willingness and efforts of branches managers. In this case the willingness made by almost all selected respective banks managers was interesting and appreciable.

1.6.2.2 STUDY POPULATION

For the accomplishment of the study the population that were directly included under the study were current account holder customers of commercial Banks selected using systematic sampling from the total 5000 Corporate customers. By the time the study was undertaken, ten commercial Banks were selected in Addis Ababa City (nine private and one public). Therefore, to investigate and analyze the factors affecting customers selections and preferences among commercial Banks in Addis Ababa City, the researcher collected data only from the customers of selected Ten commercial Banks (OIB, AIB, UB, CBO, DB, NIB, WB and CBE, BOA, ZB) these banks are selected because of their popularity and age of existence in the market. Here in this study the term customer refers to any individual that has an account (Corporate account or current account) from the selected Banks.

1.6.3 SURVEY DESIGN

The nature and type of study undertaken here is descriptive since the focus of this study is on contemporary phenomena using systematic interviewing. As a result the case study method is the preferred choice in this study. Case study research design has multiple meanings in the study of social sciences. It can be used to describe a unit of analysis (a study of a particular organization) or to describe a research method. (Yin, 2002) defines case study as an empirical enquiry that looks into contemporary phenomenon within its real-life situation, more so when the boundaries between phenomenon and context are not clearly stated. Through in-depth case study of Ethiopia, how customers' bank selection and preference is affected in the specified city were investigated and analyzed. This study bases on both primary and secondary data.

This research work involves the use of survey interviews questionnaire or schedule of the banks customers under study. Those involved include bank customers who are corporate customers. On the other hand, questionnaires were sent to bank managers for pre-testing purpose. From the commercial Banks, the researcher has selected ten commercial Banks found in the city. The selection of the Bank's customers was based on a random selection of Bank customers at the various Banks premises during the normal Banking hours and represented a wide diversity in terms of years of age, educational background, and religion. The survey questionnaires to the bank customers was focused on the different bank selection criteria, demographic features of the respondents, media used by respondents and customers account switching plan as well as its cases. Apart from the primary data, the researcher has also collected secondary data from books, the Internet and trade journals. The secondary data were based on the various criteria used by bank users and studied previously done by various researchers being made available online at different websites. The study employs 21-item instrument of Bank selection criteria to see how Bank Customers perceive about Bank selection criteria. Survey questions of the questionnaire form was revised and adopted to the Ethiopian banking system and contexts from various studies (Mokhlis, Mat and Salleh (2008) Almossawi (2001), Hedayatnia (2011), Boyd, Leonard and White (1994), Almahmeed (1997), Kenning ton, Senior and Rakowska (1996), Zineldin (1996), Maiyaki (2011), Mokhlis (2009)). Some questions were also added from the researcher's point of view and managers of respective commercial banks. The questionnaire has four main parts: Demographic profile, media used by customers, Bank Selection Criteria's and customers plan to switch off their account. A five-point Likert Scale ranging from "Unimportant = 1" to Very Important = 5" were used to measure Bank selection criteria in the Instrument of the study.

1.6.4 TYPES AND NATURE OF DATA

In this survey research the researcher used both primary and secondary data which were more qualitative in nature. The primary data was collected through interview questionnaire from Customers of selected commercial Banks with the presence of principal researchers and effectively trained data collectors. The secondary data were collected from the previously done empirical researchers. Here the nature of data collected is more or less qualitative in nature

1.6.5 METHOD AND INSTRUMENTS OF DATA COLLECTION

Basically in any field of research data collection method depends on the nature and type of research to be conducted as well as data to be collected. Accordingly, primary data was collected using structured interview questionnaire (schedule) from customers. The researcher selected this mode of primary data collection method since customers (target population) that visit the Bank do not have sufficient time to take questionnaire and fill out by themselves. Additionally, the researcher also believes that getting the location of customers was difficult to collect if the questionnaire is distributed. Therefore, schedule questionnaire is the best primary data collection method since it provides no chance of missing responses under the existing nature of the study. Secondary data were collected by just surveying already available materials done on the same and related topics from online available journals.

1.6.6 SAMPLING TECHNIQUE AND SAMPLE SIZE

1.6.6.1 SAMPLING TECHNIQUE USED

Obviously incase if population to be studied is large and infinite, it is very difficult for the researcher to collect data from the whole. Therefore, taking sample (sampling) is necessary. In this study the researcher used systematic probability sampling technique. The researcher believes that this method is appropriate since it gives equal chance for whole population to be included in the study even if the study was conducted on few of the population and inference for the remaining target population.

1.6.6.2 SAMPLE SIZE DETERMINATION

Using the systemic probability sampling technique from the total corporate customers which were 5000, 356 customers were systematically selected (determined) using the following systematic scientific formula.

$$No = \frac{(z)^2 *(p)(q)}{(d)^2}$$

$$= \frac{(1.96)(.5)(.5)}{(.05)}$$

N = 384

Where z = value for selected alpha level of 0.025 in each tail (for 95% degree of confidence) =1.96

(p)(q) = estimate of variance = 0.25

D = acceptable margin of error for proportion being estimated 5% = 0.05

Therefore, since the initial sample size is greater than 5% of the total population (5% *5000=250), Cochran's (1977) correction formula was used to calculate the final sample size.

These calculations is as follows

$$N1 = \frac{No}{1 + No / population}$$

384/1+384/5000

N1 = 356

Where; population size = 5000

No= required return sample size according to Cochran's formula (1977)

Ni= required return sample size because sample > 5% of population.

$$K = \frac{n}{N}$$

= 5000/356

= 14

Accordingly, in each branch; a person that completes 14th transaction was approached and interviewed. This was done to include variety of respondents in the study systematically and proportionally.

1.7 DATA PROCESSING, ANALYSIS, PRESENTATION AND INTERPRETATION

The study was conducted on Bank selection criteria employed by corporate customers in Addis Ababa City by taking customers of selected nine private and One Public commercial Banks. The collected data from each selected ten commercial banks found in Addis Ababa city was filtered, categorized and proceeded using descriptive statistics like frequency, mean, standard deviation, by employing SPSS (Statistical Package for the Social Science) Version 19.0 Software. From the total 356 questionnaires intended to be collected, only 220 questionnaires were effectively collected and analyzed. Therefore, the overall analysis and conclusion of the study depends on finding from 220 respondents' that represent 62% of the total sample size. 1.7.1 **Clients Demographic Characteristics**

TABLE 1.7.1.2: PRESENTATION OF AGE OF RESPONDENTS

Particulars Age interval (In years)	Frequency	Percentage	Valid Percentage	Cumulative Percentage
21-35	75	34.09	34.09	34.09
36-50	95	43.18	43.18	77.27
51-64	42	19.09	19.09	96.36
>65	8	3.64	3.64	100
Total	220	100	100	

Source: *Field survey, 2015*

Table **1.7.1.2** above depicts the distribution of respondents' age. Accordingly, 95(43.18%) of the respondents found in age interval of 36-50 while 75(34.09%) of them were between age interval of 21-35. Similarly, the above table reveals that 42(19.09%) of respondents age lies between 51 and 64 while only 8(3.64%) of the respondents were above age of 65years.

Therefore, one can infer from the above table that the majority of the respondents were in the age interval of 36-50 years, which represents 43.18% of the respondents followed by those within age interval of 21-35, which accounts 34.09%. The least proportion of respondent's age interval was those who were above age of 65 years, which represented 3.64% of the respondents.

TABLE 1.7.1.3: PRESENTATION OF RESPONDENTS BY LEVEL OF EDUCATION

Particulars Level of education	Frequency	Percentage	Valid Percentage	Cumulative Percentage
Primary school	92	41.82	41.82	41.82
Secondary school	108	49.09	49.09	90.91
Diploma	16	7.27	7.27	98.18
Graduate	4	1.82	1.82	100
Post graduate	0	0	0	100
Other	0	0	0	100
Total	220	100	100	

Source: *Field survey, 2015*

Based on the survey study, the above table **1.7.1.3** reveals the demographic characteristics of respondents related to educational level. Accordingly, 108(49.09%) respondents were at secondary school level of education while 92(41.82%) of respondents completed primary school. Similarly, 16(7.27%) respondents have diploma, while only 4 (1.82%) respondents were at graduate educational level. Surprisingly, no 0(0%) respondents found to be post graduate level and other educational level. Thus, from the information displayed in the table 4.2 above, one can conclude that the majority of the respondents are secondary school complete, 49.09% followed by primary school educational level, 41.82% while the least portion of the respondents (1.82%) were at graduate educational level.

TABLE 1.7.1.4: PRESENTATION OF RESPONDENTS BY RELIGION (N= 220)

Particulars Religion type	Frequency	Percentage	Valid Percentage	Cumulative Percentage
Christians	181	82.27	82.27	82.27
Muslims	39	17.73	17.73	100
Other	0	0	0	100
Total	220	100	100	

Source: *Field survey, 2015.*

INTERNATIONAL JOURNAL OF RESEARCH IN COMPUTER APPLICATION & MANAGEMENT 74

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The study also included religion in to the demographic elements of the respondents. Accordingly, the above table **1.7.1.4:** depicts that 181(82.27%) of the respondents were Christians and the remaining 39 (17.73%) respondents were Muslims and the researcher found no respondents 0(0%) under religion of option "other". Therefore, the above table 4.3 depicts that majority of the respondents were Christians, 82.27% followed by Muslims, 17.73%.

TABLE 1.7.1.5: PRESENTATION OF MEDIA THAT BEST INFORMS CUSTOMERS ABOUT THE AVAILABILITY AND SERVICE OF COMMERCIAL BANKS

Particulars Type of Media	Frequency	Percentage	Valid Percentage	Cumulative Percentage
TV	17	7.73	7.74	**7.73**
Radio	13	5.91	5.91	**13.64**
News paper	0	0	0	**13.64**
Recommendation by Friends	36	16.36	16.36	**30**
by Relatives	22	10	10	**40**
by Family	54	24.55	24.56	**64.55**
Others	78	35.45	35.45	**100**
Total	**220**	**100**	**100**	

Source: *Field survey, 2015*

The above table **1.7.1.5** reveals the media that best informs the respondents about the availability and services of the bank they select. Accordingly, 112 (50.91%) respondents replied that recommendation helped them to select (prefer) their bank. Explicitly 54 (24.56%), 36 (16.36%) and 22 (10%) of the respondents were recommended by their family, friends and relatives respectively. Similarly, 78(35.45%) of the respondents replied that they have used other option which means no media to decide their choice. Here the option "others" reflects "selection by themselves independently". On the other hand, 17(7.73%) of the respondents used TV as a means of getting bank information while only 13 (5.91%) of the respondents used Radio as means of communication media. Surprisingly, no respondents 0(0%) found to use newspaper. Hence, from the above table 4.4 one can conclude that the majority of the respondents were using recommendation, which accounted 50.91% of the respondents, followed by other option "selecting by themselves", which represents 35.45%,.This is confirmed by Phuong Ta and Yin Har (2000), and Kenington (1996) who made survey in Singapore and Spain and found that recommendation from friends and relatives was highly used by respondents the above explained countries respectively,while the least used media was radio, 0%.

TABLE 1.7.1.6: PRESENTATION OF MEDIA USED BY AGE AND EDUCATIONAL LEVEL

Which media best inform you about your bank and its service?								
Particulars		TV	Radio	News paper	Recommendation	Others	Total	Percentage
Age (Item I)	21-35	10(13.33)	7(9.33)	0(0)	9(12)	49(65.33)	75(100)	**34.09**
	36-50	4 (4.21)	5(5.26)	0(0)	63(66.34)	23(24.21)	95(100)	**43.18**
	51-65	3(7.14)	1(2.38)	0(0)	32(76.19)	6(14.29)	42(100)	**19.09**
	>65	0(0)	0(0)	0(0)	8 (100)	0(0)	8(100)	**3.64**
	Total	17(24.68)	13(16.97)	0(0)	112(254.53)	78(103.83)	220	**100**
Educational level (Item II)	Primary school	7(7.61)	8(8.70)	0(0)	51(55.43)	26(28.26)	92(100)	**41.81**
	Secondary school	9(8.33)	3(2.78)	0(0)	57(52.78)	39(36.11)	108(100)	**49.09**
	Diploma	1(6.25)	2(12.5)	0(0)	3(18.75)	10(62.5)	16(100)	**7.27**
	Graduate	-	-	0	1(25)	3(75)	4(100)	**1.82**
	Post graduate	-	-	0	-	-	0	**0**
	Others	-	-	0	-	-	-	**0**
	Total	17(22.19)	13(23.98)	0(0)	112(151.96)	78(201.87)	220	**100**

Source: *Field survey, 2015*

Note *the above parentheses show the percent of level of education and age interval of respondents relative to each media used*

In table **1.7.1.6** above, items I and II presents the comparisons of media used by respondents against their age and level of education. Accordingly, most of the respondents 49(65.33%) at age level of 21-35 used "other option" which means they select their banks by themselves and least number of them 7(9.33%) replied that they used radio as a means of communication and none of them used newspaper. Recommendation from others was highly used by respondents at age of 36-50 which was 63(66.34%) and very limited number of them 4 (4.21%) used TV as media of communication. Again none of them 0(0%) used Newspaper. Similarly, respondents with age interval of 51-64 and above 64 mostly rely on recommendation from others 32(76.19%) and 8 (100), respectively and give less attention for modern means of communication media like TV, radio and newspaper which was 3 (7.14%), 1(2.38%), 0(0%) and 0(0%), 0(0%), 0(0%), respectively. On the other hand, the above table **1.7.1.6** also compared Medias used by respondent's level of education. Accordingly, respondents whose education was at primary and secondary school levels highly relies on recommendation from others 51(55.43%) and 57(52.78%) by giving very less attention for modern medias like TV, Radio and News paper. Similarly, respondents that had diploma and above educational level highly depends on "other options" which means they prefer their respective banks without depending on any media, that is 10(62.5%) and 3(75%) respectively.

From the above table **1.7.1.6** items I and II, recommendation plays great role on transmitting information among old individuals and educationally less advanced individuals. But, less effective for young individuals and educationally advanced people. Similarly, young people and educationally advanced individuals less depends on media rather they select banks based their self interest but younger relatively use modern media more than educationally advanced individuals based on the finding of study undertaken. Here, no previously done empirical study confirm this finding.

TABLE1.7.1.7: PRESENTATION OF WHETHER CUSTOMERS HAVE A PLAN OR NOT TO SWITCH OFF THEIR BANKS ACCOUNTS WITH THEIR RESPECTIVE

Particulars Responses	Frequency	Percentage	Valid percentage	Cumulative percentage
Yes	163	74.09	74.09	74.09
No	57	25.91	25.91	100
Total	**220**	**100**	**100**	

Source: *Field survey, 2015.*

The above table **1.7.1.7**presents the responses of respondents related to whether they have a plan to switch off their account or not. Accordingly, 163 (74.09%) of the respondents replied that they have a plan to switch off their account and only 57 (25.91%) of the respondents replied that they have no plan to switch off their account and wants to continue with their current banks. Therefore, from the information presented in table 4.6, one can conclude that the majority of the respondents have a plan to switch off their bank account 74.09%, while only few of them gave a feedback of "no plan" to switch off their bank account 27.91%.

TABLE1.7.8: PRESENTATIONS OF REASONS WHY CUSTOMERS HAD A PLAN FOR SWITCHING THEIR BANK ACCOUNT (N=163)

Particulars	Frequency	Percentages	Valid percentage	Cumulative ercentage
Area transfers	9	5.52	5.52	5.52
Just simply to try other bank	29	17.79	17.79	23.31
Decrease in service quality	81	47.70	49.70	73.01
Difficulty in getting loan	40	24.54	24.54	97.55
High interest rate on loan	4	2.45	2.45	100
Total	163	100	100	

Source: *Field survey, 2015*

The respondents were asked to list the reasons that led them to plan for switching off their bank account and this was presented in the above **Table1.7.8**. Accordingly, 81(47.70%) of the respondents replied decrease in service quality while 40 respondents (24.54%) replied due to difficulty in getting loan. 29(17.79%) of the respondents had planned to switch off their account simply to see other banks and 9(5.52%) of the respondents was due to area transfer (leaving) and only 4 (2.45%) of the respondents were because of the high interest rate on loan. From the above **Table1.7.8** it is concluded that the majority of the respondents were forced to plan for switching off their current bank account due to the decrease (deterioration) in quality of service, 47.70%, followed by difficulty in getting loan which is, 24.54%. The least powerful factor for respondents to switch off their bank account was high interest rate charged on money borrowed, which represented 2.45% of the respondents.

TABLE 1.7.1.9: BANK SELECTION CRITERIA BY RESPONDENTS IRRESPECTIVE OF DEMOGRAPHIC DIFFERENCES (N=220)

Bank selection criteria	N	Mean	Std. Deviation	Ranks
Confidence on bank	220	4.54	.615	1
Provision of fast and efficient services	220	4.47	.730	2
Bank reputation(good will and image of the bank in the society)	220	4.44	.794	3
Friendliness of bank personnel (such as good reception)	220	4.41	.792	4
Private banks	220	4.37	.858	5
Knowledgeable and competent staff	220	4.30	.946	6
Proximity to work place	220	4.28	.860	7
Availability of core banking services like computerized services	220	4.15	.817	8
Several branches	220	4.14	.979	9
Hours of operation	220	4.03	1.062	10
Availability of Technology like ATM card	220	3.98	1.116	11
Lending policy like easiness of obtaining loan	220	3.94	1.060	12
Attractiveness of the branch building (physical appearance)	220	3.05	1.519	13
Proximity to home	220	2.23	1.184	14
Ease of opening current account	220	2.03	1.060	15
Low interest on loan	220	1.98	1.102	16
Promotional activity	220	1.97	1.344	17
Government banks	220	1.74	1.115	18
Class of people that patronize the Bank (ethnic and social class)	220	1.63	.920	19
low commission rate of transferring and receiving cash	220	1.60	.862	20
Newness of the bank	220	1.50	.718	21
Valid N (list wise)	220			

Source: *Field survey 2015*

Table 1.7.1.9 above presents the rating of bank selection criteria by respondents irrespective of their demographic differences. The bank selection criteria were rated and ranked based on the average responses (mean) calculated using SPSS Version 19.0 Software from response given by respondents using likert scale. The likert scale varies from unimportant, of little important, moderately important, important and very important having numeric value of 1, 2, 3, 4 and 5, respectively. The researcher has also included the standard deviation to see how responses deviate among individual respondents from the central value calculated for each response. Accordingly, the above table **1.7.1.9** reveals that confidence on bank is the most important factor (4.54) for customers to choose a given bank followed by provision of fast and efficient services (4.47), Bank reputation (goodwill and image of the bank in the society) (4.44), Friendliness of bank personnel (such as good reception) (4.41), Private Banks (4.37) and Knowledgeable and competent staff (4.30). This finding is supported by (Almossawi 2001), (Boyd 1994), (Edris and Almahmed 1997) (Zineldin 1996), (Kenington 1996) and (David 2006). But Newness of the bank is rated as the least and unimportant bank selection criteria (1.50) followed by low commission rate of transferring and receiving cash (1.60), Class of people that patronize the Bank (ethnic and social class) (1.63), Government **B**anks (1.74) and Promotional activity (1.97).

TABLE 1.7.1.10: BANK SELECTION AS IT IS RATED BY RESPONDENTS WHOSE AGE IS WITHIN INTERVAL OF 2135 (N=75)

Bank selection criteria	N	Mean	Std. Deviation	Ranks
Provision of fast and efficient services	75	4.97	.162	1
Availability of Technology like ATM card	75	4.93	.342	2
Newness of the bank	75	4.89	.481	3
Several branches	75	4.89	.452	4
Hours of operation	75	4.83	.476	5
low commission rate of transferring and receiving cash	75	4.81	.630	6
Attractiveness of the branch building (physical appearance)	75	4.76	.836	7
Private banks	75	4.69	.930	8
Bank reputation(good will and image of the bank in the society)	75	4.65	1.007	9
Confidence on bank	75	4.59	1.054	10
Friendliness of bank personnel (such as good reception)	75	4.55	1.094	11
Government banks	75	4.41	.988	12
Promotional activity	75	4.40	1.185	13
Proximity to work place	75	4.40	1.040	14
Low interest on loan	75	4.32	1.406	15
Availability of core banking services like computerized	75	4.15	1.312	16
Proximity to home	75	4.07	.991	17
Lending policy like easiness of obtaining loan	75	4.07	1.501	18
Ease of opening current account	75	3.99	1.247	19
Knowledgeable and competent staff	75	3.97	1.498	20
Class of people that patronize the Bank(ethnic and social)	75	3.64	1.706	21
Valid N (list wise)	75			

Source: *Field survey, 2015*

The above table **1.7.1.10** presents the bank selection criteria rated by respondents whose age interval is from 21 to 35. Accordingly, for those respondents who are within the above specified age interval provision of fast and efficient services was the very important factor (4.97) to select a given commercial bank followed by availability of technology like ATM card (4.93), Newness of the bank (4.89), Several branches (4.89), and Hours of operation (4.83). Here Class of people that patronize the Bank (ethnic and social) (3.64), Knowledgeable and competent staff (3.97) and Ease of opening current account (3.99) has given relatively less consideration by the respondents who were in age interval of 21-35. Here no study was found supporting this finding.

TABLE 1.7.11: BANK SELECTION CRITERIA RATED BY RESPONDENTS WITHIN AGE INTERVAL OF 36-50 (N=95)

Bank selection criteria	N	Mean	Std. Deviation	Ranks
Government banks	95	4.9368	.38066	1
Confidence on bank	95	4.9158	.42933	2
Proximity to work place	95	4.8842	.52315	3
Low interest on loan	95	4.8737	.46682	4
Bank reputation(good will and image of the bank in the society)	95	4.8316	.70940	5
Low commission rate of transferring and receiving cash	95	4.8105	.74797	6
Friendliness of bank personnel (such as good reception)	95	4.7684	.69117	7
Several branches	95	4.6211	1.05366	8
Proximity to home	95	4.5368	1.17429	9
Lending policy like easiness of obtaining loan	95	4.5158	.86126	10
Provision of fast and efficient services	95	4.3684	1.35311	11
Knowledgeable and competent staff	95	4.3158	1.36259	12
Ease of opening current account	95	4.2842	1.44887	13
Attractiveness of the branch building (physical appearance)	95	4.1684	1.15457	14
Availability of Technology like ATM card	95	4.0526	1.40189	15
Promotional activity	95	3.9158	1.52750	16
Hours of operation	95	3.8000	1.74795	17
Private banks	95	3.6737	1.59415	18
Availability of core banking services like computerized services	95	3.0000	1.61772	19
Newness of the bank	95	2.2211	1.57223	20
Class of people that patronize the Bank (ethnic and social)	95	1.9368	1.08971	21
Valid N (list wise)	95			

Source: *Field survey, 2015*

Table **1.7.11** above presents bank selection criteria rated by respondents in age interval of 36-50. Accordingly, for those found in the above age interval more consideration for government banks (4.94), Confidence on bank (4.92), Proximity to work place (4.88), Low interest on loan (4.87) and Bank reputation (goodwill and image of the bank in the society) (4.83) giving less consideration for Class of people that patronize the Bank (ethnic and social) new bank, availability of core banking services like computerized services, private banks, and hours of operation with average response (mean) value of (1.93), (2.22), (3.00), (3.67) and (3.80), respectively. Regarding the above finding no previously made study confirm.

TABLE 1.7.12: BANK SELECTION CRITERIA AS IT WAS RATED BY RESPONDENTS WHOSE AGE IS ABOVE 50 (N=50)

Bank selection criteria	N	Mean	Std. Deviation	Ranks
Bank reputation(good will and image of the bank in the society)	50	5.0000	.00000	1
Government banks	50	4.9000	.41650	2
Proximity to work place	50	4.9000	.41650	3
Confidence on bank	50	4.8400	.58414	4
Lending policy like easiness of obtaining loan	50	4.6800	.65278	5
Low interest on loan	50	4.5600	1.05289	6
low commission rate of transferring and receiving cash	50	4.4600	.99406	7
Proximity to home	50	4.1400	.85738	8
Several branches	50	3.9400	1.15016	9
Availability of core banking services like computerized services	50	3.9200	1.39737	10
Knowledgeable and competent staff	50	3.6800	1.28476	11
Ease of opening current account	50	3.6600	1.54669	12
Attractiveness of the branch building (physical appearance)	50	3.3200	1.28476	13
Hours of operation	50	3.1800	1.15511	14
Promotional activity	50	3.1200	1.13641	15
Class of people that patronize the Bank (ethnic and social class)	50	3.0200	1.44970	16
Friendliness of bank personnel (such as good reception)	50	2.9800	1.59706	17
Provision of fast and efficient services	50	2.9000	1.16496	18
Availability of Technology like ATM card	50	2.5400	.83812	19
Newness of the bank	50	2.4400	.90711	20
Private banks	50	2.3600	1.12050	21
Valid N (list wise)	50			

Source: *Field survey, 2015*

The above table **1.7.12** reveals Bank selection criteria as it was rated by respondents whose age was above 50 years. Accordingly, based on the age interval the most important and top ranked factors for customers to select bank were Bank reputation (goodwill and image of the bank in the society) (5.00), Government banks (4.90), Proximity to work place (4.90), Confidence on bank(4.84) and Lending policy like easiness of obtaining loan(4.68). However, private banks, Newness of the bank, Availability of Technology like ATM Service, Provision of fast and efficient services and Friendliness of bank personnel (such as good reception) was rated as the least important factors with mean values of (2.36), (2.44), (2.54), (2.90) and (2.98), respectively. This is confirmed by (Eshgi 2011), (Martenson 1995), (Haron 1994), (Moklis 2008), (Haque 2009)

TABLE 1.7.13: BANK SELECTION CRITERIA RATED BY RESPONDENTS AT PRIMARY EDUCATIONAL LEVEL (N=92)

Bank selection criteria	N	Mean	Std. Deviation	Ranks
Bank reputation(good will and image of the bank in the society)	92	4.8261	.45954	1
Friendliness of bank personnel (such as good reception)	92	4.8152	.57282	2
Confidence on bank	92	4.8043	.57873	3
Government banks	92	4.7391	.64398	4
low commission rate of transferring and receiving cash	92	4.6630	.84225	5
Attractiveness of the branch building (physical appearance)	92	4.6522	.77651	6
Proximity to work place	92	4.6304	.83492	7
Proximity to home	92	4.5435	.83090	8
Low interest on loan	92	4.5326	.79076	9
Provision of fast and efficient services	92	4.0978	1.29292	10
Lending policy like easiness of obtaining loan	92	4.0326	1.39427	11
Ease of opening current account	92	3.5543	1.73752	12
Several branches	92	3.4565	1.76295	13
Private banks	92	3.4457	1.69267	14
Knowledgeable and competent staff	92	3.3804	1.75313	15
Class of people that patronize the Bank (ethnic and social class)	92	3.0326	1.81841	16
Newness of the bank	92	2.7283	1.77964	17
Promotional activity	92	2.7065	1.81288	18
Hours of operation	92	1.8804	1.15637	19
Availability of core banking services like computerized services)	92	1.7253	.97827	20
Availability of Technology like ATM card	92	1.3261	.59501	21
Valid N (list wise)	91			

Source: *Field survey, 2015*

The above table **1.7.13** reveals the rank of bank selection criteria ranked by respondents based on their level of education, which is primary school complete. Accordingly, the top most important bank selection criteria used by above level of education's respondents are Bank reputation or goodwill and image of the bank in the society (4.82), Friendliness of bank personnel such as good reception (4.81), Confidence on bank (4.80), Government banks (4.74), and low commission rate of transferring and receiving cash (4.66). In contrast, availability of Technology like ATM Service, Availability of core banking services like computerized banking services, Hours of operation, Promotional activity and Newness of the bank were rated as they unimportant bank selection criteria used and to be used by them having the average response value of (1.32), (1.73), (1.88), (2.71) and (2.73), respectively. Since there were no bank selection criteria made so far related age, no literature is found confirming this finding.

TABLE 1.7.14: BANK SELECTION CRITERIA RATED BY CUSTOMERS WHOSE EDUCATIONAL LEVEL IS AT SECONDARY SCHOOL (N=108)

Bank selection criteria	N	Mean	Std. Deviation	Ranks
Bank reputation(good will and image of the bank in the society)	108	4.8241	.50841	1
Provision of fast and efficient services	108	4.7593	.75962	2
Confidence on bank	108	4.7500	.68529	3
Government banks	108	4.4907	1.09796	4
low commission rate of transferring and receiving cash	108	4.4815	1.02749	5
Friendliness of bank personnel (such as good reception)	108	4.4352	1.19401	6
Proximity to work place	108	4.3056	1.27857	7
Low interest on loan	108	4.2037	1.39263	8
Lending policy like easiness of obtaining loan	108	4.1389	1.22633	9
Attractiveness of the branch building (physical appearance)	108	4.1111	1.52446	10
Ease of opening current account	108	3.9815	1.40081	11
Proximity to home	108	3.8519	1.67898	12
Several branches	108	3.6852	1.63289	13
Private banks	108	3.6296	1.50757	14
Knowledgeable and competent staff	108	3.6204	1.53901	15
Class of people that patronize the Bank (ethnic and social class)	108	3.3704	1.66095	16
Promotional activity	108	3.2130	1.78808	17
Newness of the bank	108	3.1759	1.73382	18
Hours of operation	108	2.8333	1.93105	19
Availability of core banking services like computerized services	108	2.2593	1.51238	20
Availability of Technology like ATM card	108	1.1481	.63856	21
Valid N (list wise)	108			

Source: *Field survey, 2015*

The above table **1.7.14** presents the bank selection criteria rated by respondents who had educational level of secondary school complete. Based on this the top five very important criteria for respondents to select or choose a given bank were Bank reputation (goodwill and image of the bank in the society) (4.82), Provision of fast and efficient services (4.76), Confidence on bank (4.75), Government banks (4.49), and low commission rate of transferring and receiving cash (4.48). Similarly, like respondents with educational level of primary school those who have completed secondary school give very less attention for bank selection criteria such as Availability of Technology like ATM Service, Availability of core banking services like computerized banking services, Hours of operation, Promotional activity and Newness of the bank that hold mean response of (1.14), (2.26), (2.83), (3.18) and (3.21), respectively.

Similarly, this finding is not confirmed by any previously made empirical studies. So, it is found to be original finding.

Table **1.7.15** below displays the bank selection criteria in relation to respondents' educational level that have at least diploma and above. Accordingly, the top most important bank selection criteria rated by respondents under the above educational level were Provision of fast and efficient services (5.00), Bank reputation (goodwill and image of the bank in the society) (5.00), Confidence on bank (5.00), Availability of core banking services like computerized services (4.95), and Low interest on loan (4.95). On the contrary, the least important factors rated by the above educational level respondents were Class of people that patronize the Bank (ethnic and social class) (1.00), Newness of the bank (1.20), low commission rate of transferring and receiving cash (1.55), Ease of opening current account (2.15) and Attractiveness of the branch building (physical appearance) (2.25). Within the study time undertaken no previously made survey confirms the above findings

TABLE 1.7.15: BANK SELECTION CRITERIA AS RATED BY RESPONDENTS WHOSE EDUCATIONAL LEVEL IS DIPLOMA AND ABOVE (N=20)

Bank selection criteria	N	Mean	Std. Deviation	Ranks
Provision of fast and efficient services	20	5.0000	.00000	1
Bank reputation(good will and image of the bank in the society)	20	5.0000	.00000	2
Confidence on bank	20	5.0000	.00000	3
Availability of core banking services like computerized services	20	4.95	.224	4
Low interest on loan	20	4.9500	.22361	5
Private banks	20	4.9000	.44721	6
Hours of operation	20	4.8500	.48936	7
Several branches	20	4.8500	.48936	8
Lending policy like easiness of obtaining loan	20	4.800	.8944	9
Availability of Technology like ATM card	20	4.8000	.52315	10
Knowledgeable and competent staff	20	4.6500	.81273	11
Promotional activity	20	4.5500	.68633	12
Proximity to work place	20	4.5500	.99868	13
Friendliness of bank personnel (such as good reception)	20	4.4000	1.18766	14
Proximity to home	20	4.4000	1.35336	15
Government banks	20	2.3000	.80131	16
Attractiveness of the branch building (physical appearance)	20	2.2500	.78640	17
Ease of opening current account	20	2.1500	.36635	18
low commission rate of transferring and receiving cash	20	1.5500	1.14593	19
Newness of the bank	20	1.2000	.52315	20
Class of people that patronize the Bank (ethnic and social class)	20	1.0000	.00000	21
Valid N (list wise)	20			

Field survey, 2015

TABLE 1.7.16: BANK SELECTION CRITERIA AS RATED BY RESPONDENTS WHOSE RELIGION IS CHRISTIANS (N=181)

Bank selection criteria	N	Mean	Std. Deviation	Ranks
Bank reputation(good will and image of the bank in the society)	181	4.9282	.31681	1
Confidence on bank	181	4.8950	.42821	2
Several branches	181	4.8398	.60715	3
Availability of Technology like ATM card	181	4.8398	.49640	4
Availability of core banking services like computerized services	181	4.8287	.66538	5
Friendliness of bank personnel (such as good reception)	181	4.8177	.69516	6
Provision of fast and efficient services	181	4.8066	.76096	7
Knowledgeable and competent staff	181	4.7790	.82043	8
Hours of operation	181	4.7680	.77551	9
Proximity to work place	181	4.6685	1.00031	10
Lending policy like easiness of obtaining loan	181	4.6133	.95140	11
Low interest on loan	181	4.5635	.97900	12
Government banks	181	4.5580	.90873	13
Ease of opening current account	181	4.5249	1.10840	14
Private banks	181	4.3923	.88553	15
Promotional activity	181	4.3646	1.30795	16
low commission rate of transferring and receiving cash	181	4.1602	1.38715	17
Newness of the bank	181	3.7403	1.76509	18
Proximity to home	181	3.1989	.85258	19
Class of people that patronize the Bank (ethnic and social class)	181	2.3646	1.44517	20
Attractiveness of the branch building (physical appearance)	181	1.9834	1.16655	21
Valid N (list wise)	181			

Source: *Field survey, 2015*

The above table **1.7.16** presents the rank of bank selection criteria as rated by respondents that follows Christianity. Accordingly, Christians give more consideration for bank selection criteria's such as Bank reputation (goodwill and image of the bank in the society) (4.93), Confidence on bank (4.90), Several branches (4.84), Availability of Technology like ATM Service (4.83), Availability of core banking services like computerized banking services (4.82), and Friendliness of bank personnel (such as good reception) (4.82). Similarly, Attractiveness of the branch building (physical appearance), Class of people that patronize the Bank (ethnic and social class), Proximity to home and Newness of the bank having average response of (1.98), (2.36), (3.190 and (3.74) were rated as the least important criteria for a given bank selection by Christian customers. This is confirmed by Safiek and Jantan (1998)

TABLE 1.7.17: BANK SELECTION CRITERIA AS IT WAS RATED BY RESPONDENTS WHOSE RELIGION WAS MUSLIMS (N=39)

Bank selection criteria	N	Mean	Std. Deviation	Ranks
Confidence on bank	39	4.7436	.49831	1
Bank reputation(good will and image of the bank in the society)	39	4.6667	.70088	2
Provision of fast and efficient services	39	4.5385	.85367	3
Availability of core banking services like computerized services	39	4.4615	1.02202	4
Friendliness of bank personnel (such as good reception	39	4.4359	1.02070	5
Proximity to work place	39	4.4103	.78532	6
Knowledgeable and competent staff	39	4.3590	1.03840	7
Several branches	39	4.3077	1.00404	8
Hours of operation	39	4.1538	1.40560	9
Availability of Technology like ATM card	39	4.1538	1.22557	10
Lending policy like easiness of obtaining loan	39	4.0000	1.14708	11
Government banks	39	3.9231	1.15587	12
Ease of opening current account	39	3.6923	1.65679	13
low commission rate of transferring and receiving cash	39	3.5641	1.18754	14
Low interest on loan	39	3.5128	1.66815	15
Class of people that patronize the Bank (ethnic and social class)	39	3.1026	1.58604	16
Private banks	39	2.7692	1.87029	17
Promotional activity	39	2.7692	1.88431	18
Newness of the bank	39	2.4872	1.35475	19
Attractiveness of the branch building (physical appearance	39	2.2821	1.46806	20
Proximity to home	39	1.8718	1.05580	21
Valid N (list wise)	39			

Source: *Field survey, 2015*

The above table **1.7.17** presents the rank of bank selection criteria as they were rated by respondents in relation to their religion. Accordingly, Confidence on Bank, Bank reputation (goodwill and image of the bank in the society, Provision of fast and efficient services, Availability of core Banking services like computerized services, and Friendliness of Bank personnel (such as good reception were rated as the most important criteria of Bank selection by Muslim respondents having average response of (4.74), (4.67), (4.54), (4.46) and (4.44), respectively. Here, the least important Bank selection criteria rated are Proximity to home (1.87), Attractiveness of the branch building (physical appearance) (2.28), Newness of the Bank (2.49), Promotional activity (2.76) and Private banks (2.77). This is con-firmed and supported by (Haron S. 1994) who compared Muslims and non-Muslim customers and found that Fast and efficient services, Speed of transactions, Friendliness of bank personnel and Confidentiality of bank were rated as the top rated Bank selection factor by Muslim customers.

1.8 SUMMARY OF MAJOR FINDINGS, CONCLUSIONS AND RECOMMENDATIONS
1.8.1 SUMMARY OF MAJOR FINDINGS
The study made on Bank selection criteria employed by corporate customers' of Bank customers on ten selected commercial Banks in Addis Ababa city. The main purpose of the study was to examine the criteria that customer consider important when selecting a Bank and how these criteria are prioritized according to their importance in order to better serve the customer needs. By collecting both primary data and adopting descriptive survey design, the overall analysis was made using SPSS-19 software and the overall data analysis and finding from the study is summarized as follows.

43.18% of the respondents found in age interval of 36-50 while 34.09% of them were between age intervals of 21-35. Similarly, the study revealed that 19.09% of the respondents' age lies between 51 and 64 while only 3.64% of the respondents were above age of 65 years (refer table **1.7.1.2**).

49.09% of the respondents were at secondary school level of education while 41.82% of them completed primary school. Similarly, 7.27% of the respondents have diploma, and the remaining 1.82% of the respondents were at graduate educational level. Surprisingly, no 0% respondent was found to be at post graduate level and other educational level (Refer to table **1.7.1.3**).

82.27% of the respondents were Christians and the remaining 17.73% of them were followers of Muslim religion and it was found that no respondent was found who follows other religion (Refer to table **1.7.1.4**).

50.91% of the respondents confirmed that recommendation helped them to select (prefer) their bank. Explicitly, 24.56%, 16.36% and 10% of the respondents were recommended by their family, friends and relatives, respectively. Similarity, 35.45% of the respondents replied that they have used other option which means no media to decide their choice. Here the option **"other"** reflects **"selection by themselves independently"**. 7.73% of the respondents used TV as a means of getting bank information while only 5.91% of them used Radio as a means of communication media. Surprisingly, it was found that no respondent used newspaper as medium of information (Refer table **1.7.1.5**).

65.33% of the respondents who belong to the age level of 21-35 used other option which means they select their banks by themselves and 9.33% replied that they used radio as a means of communication and none of them used newspaper. Recommendations from others were used by 66.34% of the respondents at age of 36-50 and only 4.21% used TV as medium of communication. Again none of them were used Newspaper. Similarly, respondents with age interval of 51-64 and above 64 mostly rely on recommendations from others 76.19% and 100%, respectively and give less attention for modern means of communication media like TV, radio and newspaper which was 7.14%, 2.38%, 0% and 0%, 0%, 0% respectively. On the other hand, the study also compared Medias used by respondents' level of education. Accordingly, respondents whose educational level is primary and secondary school level highly relies on recommendation from others 55.43% and 52.78%, respectively by giving very less attention for modern medias like TV, Radio and Newspaper. Similarly, respondents that had diploma and above educational level highly depends on other options which means they prefer their respective banks without depending on any media. This is 62.5% and 75% respectively. (Refer **Table 1.7.1.6** items I &II).

74.09% of the respondents replied that they have a plan to switch off their account shift to other Banks and only 25.91% the respondents replied that they have no plan to switch off their account and wants to continue with their current banks (Refer **1.7.1.7**).

Based on the question asked to list the reasons that lead the respondents for planning to switch off their bank account 47.70% of the respondents replied due to the decrease in service quality while 24.54% of the respondents replied due to difficulty in getting loan. 17.79% of the respondents had planned to switch off their account simply to see other bank and 5.52% of the respondents was due to area transfer (leaving) and only 2.45% of the respondents were because of the high interest rate on loan (Refer **Table 1.7.8**).

The study presented the rating of bank selection criteria by respondents irrespective of their demographic differences. Accordingly, confidence on bank is the most important factor for customers to choose a given bank followed by Provision of fast and efficient services, Bank reputation (good will and image of the bank in the society), Friendliness of bank personnel (such as good reception), Private Banks and Knowledgeable and competent staff. But factors rated as least important are Newness of the bank is rated as the least and unimportant bank selection criteria followed by low commission rate of transferring and receiving cash, Class of people that patronize the Bank (ethnic and social class), Government banks and Promotional activity (Refer table **1.7.1.9**).

The most important factor (bank selection criteria) for respondents with age interval of 21-35 are provision of fast and efficient services followed by availability of Technology like ATM card, Newness of the bank, Several branches and Hours of operation. But give very less consideration for Class of people that patronize the Bank (ethnic and social class), Knowledgeable and competent staff and Ease of opening current account (Refer table **1.7.1.10**.)

The top bank selection criteria rated by respondents in age interval of 36-50 were government bank, Confidence on bank, Proximity to work place, Low interest on loan and Bank reputation (goodwill and image of the bank in the society) giving less consideration for Class of people that patronize the Bank (ethnic and social class), new bank, availability of core banking services like computerized services, private banks, and hours of operation (Refer table **1.7.11**).

Bank reputation (goodwill and image of the bank in the society), Government banks, Proximity to work place, Confidence on bank and Lending policy like easiness of obtaining loan were rated as top very important factors of bank selection criteria by respondents whose ages were above 51 years old. However, private banks, Newness of the bank, Availability of Technology like ATM Service, Provision of fast and efficient services and Friendliness of bank personnel (such as good reception) was rated as the least important bank selection criteria (factors) (See table 1.7.12).

The top most important bank selection criteria used by respondents having primary school level of education are Bank reputation or goodwill and image of the bank in the society, Friendliness of bank personnel such as good reception, Confidence on bank, Government banks and low commission rate of transferring and receiving cash. In contrast, Availability of Technology like ATM Service, Availability of core banking services like computerized services, Hours of operation, Promotional activity and Newness of the bank was rated as unimportant bank selection criteria (Refer table 1.7.13).

Respondents who have completed secondary school rated Bank reputation (goodwill and image of the bank in the society), Provision of fast and efficient services, Confidence on bank, Government banks and low commission rate of transferring and receiving cash as they are top important bank selection criteria. Similarly, like respondents with educational level of primary school those who have completed secondary school give very less attention for bank selection criteria such as Availability of Technology like ATM Service, Availability of core banking services like computerized services, Hours of operation, Promotional activity and Newness of the bank (Refer table 1.7.14).

Respondents with educational level of diploma and above rated Provision of fast and efficient services, Bank reputation (goodwill and image of the bank in the society), Confidence on bank, Availability of core banking services like computerized services and Low interest on loan as the top extreme important factors or bank selection criteria, considering Class of people that patronize the Bank (ethnic and social class), Newness of the bank, low commission rate of transferring and receiving cash, Ease of opening current account and Attractiveness of the branch building (physical appearance) as they are unimportant factors for choosing a given bank (Refer table 1.7.15).

Christians give more consideration for bank selection criteria such as Bank reputation (good will and image of the bank in the society), Confidence on bank, Several branches, Availability of Technology like ATM Service, Availability of core banking services like computerized services, and Friendliness of bank personnel (such as good reception). But, Attractiveness of the branch building (physical appearance), Class of people that patronize the Bank (ethnic and social class), Proximity to home and Newness of the bank were rated as the least important criteria for a given bank selection by Christian customers (Refer table 1.7.16).

Confidence on bank, Bank reputation (goodwill and image of the bank in the society, Provision of fast and efficient services, Availability of core banking services like computerized services, and Friendliness of bank personnel (such as good reception) were rated as the top very important criteria of bank selection by Muslim respondents. Here, the least important bank selection criteria rated were Proximity to home, Attractiveness of the branch building (physical appearance), Newness of the bank, Promotional activity and Private banks (Refer table 1.7.17).

1.8.2 CONCLUSIONS

The main purpose of the study is to determine the factors being used by customers in their decision to select a bank, and to determine whether or not there is a significant difference among the criteria being used in customer bank selection (preference) decision. The importance of this study can be viewed from two dimensions: theoretical contributions and practical implications. Theoretically, the study fills an important gap in the literature that is, exploring bank selection criteria for potential corporate customers' customers in Ethiopia. Therefore, the findings of this study can add to the existing body of the literature and can serve as a starting point on which future studies can be built. On the practical side, this study can help bank decision makers to identify the major factors that may determine bank selection decisions among customers with a variety of demographic characters. Such information should help the management and executives of commercial banks in devising appropriate marketing strategies for reaching and attracting customers having different financial needs based on their demographic characters.

The findings from this study revealed that the majority of the respondents were in the age interval of 36- 50 and majority of the respondents were secondary school complete. As far as religion is concerned the study reveals that majority of the respondents were Christians. The study also reveals that traditional median

like recommendation from others was used highly by majority of the respondents. However, the media used by respondents differ across age and educational levels. Accordingly, recommendation plays a great role in transmitting information among old individuals and educationally less advanced individuals while young customers and educationally advanced customers less depends on media rather they select banks based by their self interest but younger relatively use modern media such as TV and radio more than educationally advanced individuals based on the findings of study undertaken.

The findings of the study also indicated that majority of the respondents have a plan to switch off their bank account primarily because of deterioration in service quality and difficulty in getting loan.

Finally, this study examined the relative importance of bank selection criteria used by customers to select a given commercial bank. Confidence on bank was found being the most important factor for customers to choose a given bank followed by Provision of fast and efficient services, Bank reputation (goodwill and image of the bank in the society), Friendliness of bank personnel (such as good reception), Private Banks and Knowledgeable and competent staff. However, rating of bank selection criteria differ across customers' demographic differences. Accordingly, young customers (21-35years) give more consideration for factors such as provision of fast and efficient services, availability of Technology like ATM Service, Newness of the bank, several branches and Hours of operation while customers at medium and relatively old age give great focus for factors like government bank, Confidence on bank, Proximity to work place, and Bank reputation (goodwill and image of the bank in the society). Similarly, educationally less advanced people give more focus for bank selection criteria such as Bank reputation or goodwill and image of the bank in the society, Friendliness of bank personnel such as good reception, Confidence on bank, Government banks and low commission rate of transferring and receiving cash. But relatively educationally advanced customers give more consideration for factors like Provision of fast and efficient services, Bank reputation (goodwill and image of the bank in the society), Confidence on bank, Availability of core banking services like computerized services. Lastly, the finding from the study reveals that Christians give more value for bank selection factors such as Bank reputation (goodwill and image of the bank in the society), Confidence on bank, several branches, Availability of Technology like ATM Service, Availability of core banking services like computerized services, and Friendliness of bank personnel (such as good reception which has no difference among Muslim customers.

1.8.3 RECOMMENDATIONS

The study made on the Bank selection criteria has intended to rate Bank selection criteria by current account holder customers in Ten selected commercial banks in Addis Ababa city in relation to their demographic differences, Media best used by customers in relation to customers age differences and education, and finally analyzed why customers plan to switch off their Bank accounts. Based on conclusion drawn from the finding of the study, the following recommendations were forwarded expecting it significantly helps commercial Banks executives. The forwarded recommendation were not only for commercial Banks found in Addis Ababa city, but also recommended to be useful for commercial Banks operating in other cities of Ethiopia even if there is slight difference among respondents' demographics and other aspects in other Ethiopian cities since there are variety of aspects that respondents share in common

- ❖ For commercial Banks, it is recommended that customers' Bank selection criteria should be highly considered whenever the marketing strategy is designed by understanding the needs of customers with different demographic needs since there is need difference among customers of different demographic elements.
- ❖ It is advisable for commercial Banks to keep service quality up always to avoid and reduce customers shifting from one Bank to other by switching off their account.
- ❖ Commercial Banks should highly focus on building confidence and good reputation in the society
- ❖ Since recommendation plays a great role among customers of commercial banks under the study conducted and promotion is less important for customers, Commercial banks should not invest highly on media promotion, rather give high attention for service quality because they do have recommendation which is cost free promotion. But the researcher believes that promotion may be necessary occasionally for commercial Banks such as when they come up with new and innovative technology and products
- ❖ Lastly, the researcher recommend that commercial Banks should focus on service quality and cost reducing innovative technologies than costly tasks like branch expansion and costly technologies since services, products and technologies in Banks can be easily duplicated.

1.9 LIMITATIONS OF THE STUDY

Even if the researcher believes that study conducted on Bank selection criteria employed by Corporate customers among Ten selected commercial Banks benefit various stakeholders, this benefit may not be as maximum as the researcher believed due to the following hindrances:

- ❖ Limited number of sample size taken and included in the study.
- ❖ Limited types of customers included in the study
- ❖ Limited area covered by the researcher in the study
- ❖ Limited applicability of finding from the study for other commercial Banks in other cities.
- ❖ No well developed theory on customer Bank selection criteria
- ❖ Bank selection criteria variation across respondent's demographic feature was not statistically tested

1.10 FUTURE RESEARCH DIRECTIONS

This study was conducted under Bank selection criteria used and to be employed by corporate customers was conducted only by assessing the preference of corporate customers, only in Addis Ababa city, with no scientific model by taking very limited number of customers in size and types. So it is recommended that further research on the area shall be conducted at least by considering the limitations observed and indicated in this study.

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II