Factors Affecting Customer's Bank Selection Decision: A Study on Commercial Bank in Jimma Town Ethiopia

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Article Info

Abstract

The objective of this study was to examine factors affecting customers' bank selection decision. The study employs cross sectional survey design and mainly conducted based on data collected through questionnaires and interviews. The Sample size of the study was 384. The collected data were analyzed through SPSS version (20). The descriptive and inferential statistical tools such as mean, percentage, ANOVA, correlation and multiple linear regressions were used to analyze collected data. The regression model summary shows that the all independent variables explain 53.5 % variability on bank selection decision and model explains significant variability of customer bank selection intention by five decision variables. The Findings revealed that; out of five factors ,four factors such that: technology factors, service quality factors, bank image and reputation factors, and convenience factors have significant and positive relation with bank selection decision while financial factor has insignificant relation with bank selection decision. As customers place more emphasis on factors like convenience, service quality, technology and bank image and reputation, Such factors better to be considered seriously by banks in their marketing strategies which help them to attract new as well as retain the existing customers.

1. Introduction

Banks play a key role in improving economic efficiency by channeling funds from resource surplus unit to those with better productive investment opportunities. It also facilitates trade and payment system by significantly reducing transaction costs and increasing convenience (NCA2006). The banking industry has characterized by increasing competition since the early 1980s (Blankson, Cheng & Spears, 2007). This has been the result of a number of interrelated factors such as competition and deregulation that have revolutionized the distribution of many financial services. In other words, an increased competition resulting from a decade of deregulation of the financial services industry has meant that banks find themselves with the task of differentiating their organizations and their offerings as a means of attracting customers. To enhance the role of banks in an economy, competition is an important driving force; without competition, it is improbable to bring about efficiency and foster financial sector development (Davidson, 2011).

The trend towards globalization has introduced many changes in the economic and business environment all over the world. Almost all industries were including the banking sector, in one way or the other are being affected by this trend (Goitem, 2011). Banks have created diverse products in an attempt to satisfy customers and be highly competitive (Moklish, 2009). The increased competition resulting from a decade of deregulation of the financial services industry has meant that banks faced with the task of differentiating their organizations and their products or services as a means of attracting customers (Blankson, et al 2007). Commercial banks in Ethiopia like banks operating in the developed countries are putting more emphasis on providing more facilities and services to their customers (Goitem, 2011).

As economic environment is rapidly changing and customers are becoming more demanding and sophisticated, it has become important for financial institutions, to determine the factors, which are pertinent to the customer's selection. Therefore, for this sector, the quest lies in determining the basis on which customers, make their selection for a banking service (Aregbeyen, 2011). The banking industry appears as one of the most rapidly emerging sector. So it has become increasingly important that banks identify the factors that determine the basis upon which customers choose between providers of financial services. A set of determinant factors that have significant role in bank selection in one nation may prove to be insignificant in another. Currently, there are 18 banks in Ethiopia, of which 16 are private banks and the rest are government owned banks. Even though sharing strong expansion, there are of course prominent variations along with banks in terms of their aggregate size, revenue sources, customer focus, loan concentration, and operational efficiency. With growing competitiveness in the banking industry (Gerrardand Cunningham, 1997), and similarity of services offered by banks (Holstius and Kaynak, 1995), it has become increasingly important that banks identify the factors that determine the basis upon which customers choose between providers of financial services.

Usually, the marketing plans of organizations do fail at implementation due to improper identification of the factors or determinants that consumers consider in selecting who to deal with (Devilin and Gerrard, 2005). Hence, there is need for banks, like other service organizations, to effectively identify the important parameters that attract customer's attention and help in their choice of banks to do business with. In addition, there is a need for banks to know how customers choose their banks and take measures to attract them before others do. In this regard, the basic aim of the study is to examine the basic motivational factors in customers" bank selection in Jimmazone.

Since bank is a financial institution that manages money and helps in developing the country's economy, it is important for the bank to understand the customer behavior and demands towards

the bank products and services. Customers are exposed to diversified choices and they are much concerned about the value for money. This means that there are unlimited switching choices (Blankson et al, 2007). With growing competitiveness in the banking industry and similarity of services offered by banks (Zineldin, 1996), it has become increasingly important that banks identify the factors that determine the basis upon which customers choose between providers of financial service. Exploring such information will assist banks to recognize the appropriate marketing strategies needed to attract new customers and retain existing ones (Aregbeyen, 2011).

A number of studies have been undertaken on the issue of bank selection criteria in line with customers' preference, why and how they select a particular bank to be served there. A review of literature indicates that; the issue of bank selection process attracted considerable attention in the bank marketing literature, mainly in the USA and some in Europe and other regions (Christos,et al, 2012; Almossawi, 2001; Gerrard and Cunnigham, 2001; Ta and Har, 2000; Denton and Chan, 1991; Fragos et al, 2012; Wei and Lu, 2012;Chigamba, 2011).The literature has shown that studies made in the countries other than the USA and Europe are quite rare (Gerrard and Cunningham, 2001). Such studies have contributed substantially to the literature on bank selection. Their findings may not be applicable to other countries, like Ethiopia due to differences in cultural, economic and legal environments. Thus, it is better to consider the subject in the context of Ethiopia.

Nowadays the Banking industries have been growing rapidly in Ethiopia. Hence in such growing industry where stiff competition exists knowing the major factors that customers value to select financial service providers is worth studying. But as per the knowledge of the researcher there were only few counted researches done regarding, customer's bank selection decision in Ethiopia. Goiteom (2011) and Dawit (2013) examined the factors that influence customers banking choices in Addis Ababa city. Goitem (2011) tries to identify the factors that affect customer's bank selection relative to the gender of the customer's. Dawit (2013) also try to identify bank selection criteria relative to other demographic like age, income, marital status rather than gender. Both of them employed simple descriptive analysis in their studies.

First of all, this study attempts to full fill literature gaps within the context of Ethiopia. Secondly, what makes the current study unique is that it has used multiple linear regressions models. In addition to on some variable, there were the inconsistencies of the findings between the previous studies. According to Renman and Ahmed (2008), Moklish (2009), Sharma and Rao (2010) and Aregbeyen (2011) convenience is the most important factor that influence customer bank selection decision. However, some researchers found that there were insignificant relationship between convenience factors and customers bank selection decision (Ta & Har, 2000; Wei and Lu, 2014; Msweli; Naude, 2015 and Agarwal,2017).Therefore, by taking these in to consideration the aim of this paper examines the basic factors considered by customers when select bank in Ethiopia with the particular reference Jimma zone and as much as possible try to improve the inconsistence of the previous findings and support one of them. The aims of this study was to examine factors that affect customers' bank selection decision in banking service in Jimma zone.

2. Literature Review

2.1 Literature Review

In rational choice theory, individuals are seen as motivated by the wants or goals that express their 'preferences'. They act within specific, given constraints and based on the information that they have about the conditions under which they are acting. At its simplest, the relationship between preferences and constraints has been seeing in the purely technical terms of the relationship of a means to an end. As it is not possible for individuals to achieve all of the various things that they

want, they must also make choices in relation to both their goals and the means for attaining these goals.

Convenience means a product, process or services with easy accessibility, save resources and reduced frustration. A numbers of investigations have been carried out to determine the relationship between convenience and bank selection. Renman and Ahmed (2008) concluded that the most important bank selection criteria are convenience, bank reputations, quality of a product and others factors. Their respondents showed that bank selection criteria like location convenience seem to be influencing the bank selection mostly. Convenience is one of the most important variable influencing customer choices among other factors namely customer services, online banking facilities and overall bank environment (Moklish, 2009)

A study conducted by (Rao & Sharma, 2010) on bank selection criteria concludes that convenience is an important determinant. Factors such as parking facility, free delivery of demand, phone banking, and free home cash delivery suggest that consumers want convenience in banking and they want to save time. Convenience is one of the factors that will affect the decision of selecting a bank by customers (Aregbeyen, 2011).

When a bank location is nearby customer it will be easy for a customer to do their transaction and a bank has convenience location will have an advantage compare to its competitors who do not have convenience location to its clients (William, et al, 2012). Convenience is an important factor that will influence bank selection by customers because not every customer might have the same view of convenience (Ojan, et al, 2012; Robert, et al, 2013).When the location of a bank is nearby with customers home or working place, the customers will more prefer have transaction with a bank. Some researchers stated that the citizen would select a bank with more branch offices in the country the more likely. When the number of branch office is more it is more convenience for a customer do their transaction or deal with a bank(Hinson, et al,2013). However, some researchers found that there are insignificant relationship between convenience and bank selection decision (Ta &Har, 2000;Wei and Lu,2013,Agsrwal,2017).When the location of a bank is nearby with customers home or working place will not influence the decision of a customer choosing a bank (Wei and Lu, 2013).

2.2   Service quality factors

Ta and Har (2000) stated that, delivering quality services and products to customers had significant positive influence for success and survival of today's competitive banking environment. Gerrard and Cunningham (2001) identify the factors that determine the consumer decisions on choosing their providers of financial services by the similarity of services which offered by bank has become important. According to Newman et al (2001) service quality came second in terms of relative importance considered by female customers than a male customer when selecting their banks. Those banks, which with more extra services provided were more favorably (Cicic, et al, 2004)

Arsil, et al (2005) also found out that banks which with more extra services provided were more favorably. The results suggest safety of fund; efficient service quality and speed of transactions have significant positive influence on customers' bank selection decision in order to fulfill satisfaction of customer it is very important to know the customer character and it can be classified into five categories which are intangibility, inseparability, heterogeneity, perish ability and ownership. This is because the view of the service quality from each of the category from different with each other and it will indirectly influence a customer selecting bank (Lymperopoulos, 2006).

A study which is presented by (Safakli, 2007) in Bangladesh where there's a six full-fledged Islamic banks found corporal efficiency, confidence, core banking services, and others. The non Islamic elements were set as higher priority weights by majority of the respondents. The main

factors determining consumers' bank selection are: Service Quality and Efficiency Service quality is the most important criteria will influence the result of selecting a bank by customer (Moklish, 2009; Katircioglu, et al, 2011). When the transaction speed is fast or efficient will reduce the degree of intention switching to others bank. Decision of selecting a bank by customers also can be explain by range and quality of services provided by bank. When the services offer by bank is wide will attract attention from customers in decision of selecting a bank (Parvin, et al, 2012).

2.3   Financial factors

Findings of Safiek et al (2009) reveal that interest paid on savings accounts, interest charged on loans, quick service, reputation and hours of operation are viewed as having more importance than other criteria such as friendliness of employees, modern facilities, and drive-in-service. Schmidt et al. (2009) in his study conducted in New York State found that the three most important factors in selecting a bank business customers were lending rates, accessibility of borrowing, and the number of services offered. (2009) found out that the emergence of new technology created a situation where consumers are more aware of market conditions and cause more sensitive towards price and service in their financial services choices. They would compare prices, cost or benefits from the banks that offers the similar products and services and select the bank that they perceive and provides the highest benefits to them with the lowest cost given for their preference (Kausar et al, 2009).

Omo (2011) research on the determination of bank selection concluded that young generations have high expectation on the pricing and product diversity of the bank services, while third party influence have the least votes. Roman and Anca (2012) studies on the heterogeneity of bank pricing supported this. The result shows that there is heterogeneity in bank pricing in the short run however not in the long run. In the short-run, mortgage rates and firm rates follow the money market however; it may changes in the long run. Consumer rates desired a price mark-up and do not exhibit high sensitive towards the money markets rate in the long run. Thus product pricing correlation with bank selection may produce difference correlation depends on the time (Ksenija and Biruta, 2012),

(Rashid,2012) found out that more than half of the customers prefer better price perceptions and switched their bank selection choices because of that, showing that unfavorable price perceptions create an effect on customer intention to switch. Customers would usually demand to have the best product and services at the lowest price from the banks. Price of financial institution products and services serve from a customer's perspective that it must be sacrificed to obtain the banks products or services (Robert eta, 2013).Saleh et al (2013) also found out that the emergence of new technology created a situation where consumers are more aware of market conditions and cause more sensitive towards price and service in their financial services choices. They would compare prices, cost or benefits from the banks that offers the similar products and services and select the bank that they perceive and provides the highest benefits to them with the lowest cost given for their preference, (Turinawe, et al, 2013).

This is why price of products and service is found to be an important factor for customer in their bank selections, as customers expect and willing to pay the price for the better product and services quality for it (Rob, 2014).

2.4   Bank image and reputation

There are some common thing that customers will consider when select a bank such as an overall image of bank, goodwill of bank among customers/ Reputation, advertisement in mass Medias, Modern looking / External appearance of the bank, Employee dress, transaction security and financial performance (Boston, 2001).

Rehman and Ahmed (2008) conducted a survey and show that the most important criteria identified by respondents are bank reputation. Robert, Aihie, and Abednego, (2013) Found that financial factors, like safekeeping of funds are quite important in the customers mind. The reason for this is that customers want to be assured that whether their deposit is secure or not in the bank and that, they can trust and stay loyal to the bank that they have selected (Wei, and Lu, 2013).

Hinson et al (2013), researches show that security issues are related with the reputation of the bank through the survey from respondents. Some respondents said, **"Through the bank reputation then customers know which bank can be trusted and they personally would not go out for just any bank but has proved overtime"**. Some of the respondents explained that the prestigious bank is trustable, and conducts any transactions with the reputable bank make them feel safe while compare to the others bank (Hinson et al, 2013).

2.5 Technology factors

Technology refers to the modern life information technology that characterized by ever changing evolution to assists and develops a better financial activity in banking industry. Poturak (2003) revealed that the opportunity of telephone banking rank is quite low which are forty-seven. Lichtenstein and Williamson (2006) found out that banks will be better on managing consumer experiences and satisfaction by moving to internet banking if consumers understand such experience involve a process of adjustment and learning and not only with the adoption of new technology. For financial institutions such as banks technology reduced the trouble on manual input on registers and ledgers with customers that were served through checks, pay orders, with the introduction of Automatic Teller Machines (ATMs) for interacting with consumers, and provide better services (Kan and Afaki, 2007).

Banking industry is largely adopted of technology and automation technology in order to improve their competitive advantage in the bank market. Staff of banks should discover that the new generations of people enjoy using the advanced technology devices such as ATMs. This shows that the new generations of customers are preferable to cooperated with the bank which could provide them the more fast, more convenience and easier process to conduct with the bank services rather than the factors which are hospitality, bank premises condition and bank location (Kausar, 2009).

Schmidt, et al (2009) found out that customers are becoming harder to be please this is because they are getting smarter, more sensitive to price, less forgiving, more demanding from bank, and many of the bank competitors provide equal or better offers to them(Al-Amaj, 2009). Technology has a major influence in how banking and financial services are delivered, creating wide range of alternative mechanism such as online banking and ATM and reducing the dependence on the branch network as core delivery mechanism (Dangolani, 2011**)**.

Hence, the challenge is not limit to the bank to pleasing and makes the customers satisfied as competitors do the same; the challenge is to produce delighted and customers that would stay loyal. This challenge is the bank needs to increase the financial sophistication of customers now, in order to do that the bank need to use more efficient of information technology and the entry of new aggressive competitor (Ksenija and Birut, 2012, Saleh, et al, 2013). The developments of information technology and communication technology have enabled banks to build large customer database and analyzing data on consumer preferences in a more efficient way. These significant changes, together with technological improvements, could reflects in the fast growing of the banking system, creating high competitiveness and concentration in the banking industry (Verhoef and Lemon, 2013).

This study showed that the bank that can offer fast, technology related services such as ATMs, which is supported by effective staff training, could have the competitive position in the bank market. This shows that the new generations of customers are preferable to cooperated with the bank which could provide them the more fast, more convenience and easier process to conduct with the bank services rather than the factors which are hospitality, bank premises condition and bank location(Rob, 2014).
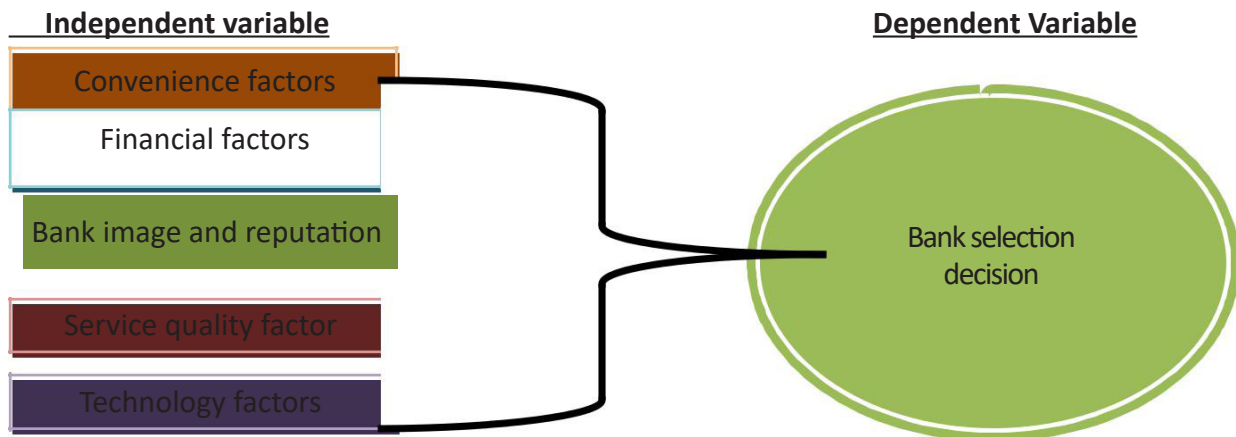
3. Method

3.1 Conceptual Frame work of the study

Independent variable   **Dependent Variable**

Figure1. Conceptual Framework Model
Source: Own survey, 2018

The study was designed to employ cross-sectional studies which had been taking a study within a particular timeframe. The design of the thesis was both descriptive and explanatory research design. Both descriptive and explanatory research design was used to achieve the objectives of the research, because descriptive research design was more suitable to detail description of the findings showed in tables and percentages as well as, explanatory research design to help develop insinuations on the relationship between factors affecting customer's bank selection and bank selection decision.

That means association between independent and dependent variables. Also both qualitative and quantitative method was used to analyze the data collected from customers and managers. The investigation conducted by both descriptive and inferential research methods. Descriptive approaches were employed for the data that the researcher collects from respondents through questionnaire. Detail descriptions of the findings were displayed in table's in terms of frequency, percentage, mean and standard deviation. Although, inferential method was used to determine the impact of each bank selection factors on bank selection decision. Primary data of the study was information gathered from customers and managers of bank that involved in the study. Secondary sources of data were collected from different books, journals, articles and previous researches that related to bank selection decision.

The target populations for this study were customers and managers of the selected bank in Jimma zone such as, Awash International Bank, Bank of Abyssinia, Berhan International Bank, Bunna International Bank, Cooperative Bank of Oromia (s.c.), Dashen Bank, Nib International Bank, Oromia International Bank, Wagagen and Commercial Bank of Ethiopia customers. The sampling units were 384 customers from 11 Banks in Jimma zone. To analyze the data, different kinds of statistical methods including descriptive statistics and inferential statistics (multiple linear regressions) were used. In this study multiple linear regression model were used to achieve research

objectives. The basic objective of using multiple linear regression analysis in this study was to make the research more effective in analyzing impacts of independent variables (financial factors, convenience factors, technology factors, service quality factors and bank image and reputation factors) on the dependent variable (bank selection decision). The method is used to study the relation between bank selection factors (independent variables) and the overall customers Bank selection decision (dependent variable). Gujarati (1995) defines a regression function as follows:

Regress customer's Bank selection decision on Bank selection factors

$$Y = \alpha + \beta 1X1 + \beta 2X2 + \ldots\ldots + \beta n Xn + \text{£}i \ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\text{Eq. (1)}$$

Where:

Y - is the dependent variable (customer's Bank selection decision)

Bn-is the coefficient of independent variables, α- is a intercept, where the regression line crosses the y axis

Xn- is independent variables (financial, convenience, technology, service quality and bank image and reputation factors,)

£i- is error term. These describe as:

$$CBSD = \alpha + B1X_1 + \beta 2X_2 + \beta 3X_3 + \beta 4X_4 + \beta 5X_5 + \varepsilon i \ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\text{Eq. (2)}$$

Where, $\beta 1$ is the partial slope for x1 on y x1 ……. B5.

CBSD--customer's bank selection decision (dependent variable)

X_1 = convenience factors

X_2 = financial factors

X_3 = service quality factors

X_4 = technology factors

X_5 = bank image and reputation factors

εi - Error term

Multiple linear regression model assumptions was conducted based on a (Gujarati, 1995) and (Fidell, 2001). Checking goodness-of-fit carry significant benefits for the research; because once the model is fitted, it is effective in describing the outcome of variables.

4.   Results And Discussions

The returned questionnaires have 100 response rates and sufficient to analyze the data with it. This indicates that;-the bank customers under study were committed to give relevant information to the researcher. Summary of findings on respondents profile along five variables: age, Sex, marital status, level of education and type of occupation has been presented in the above table. As revealed in the above table, 228 are males and 156 are females which comprise 59.4 percent and 40.6 percent of the customers respectively. The results for respondents age as depicted in the above Table specifies that the majority of the vigorous customers (about 36.2 percent) range between 21-35 years of age, while 34.1 percent fall below the age of 20. 20.3 percent are placed between 36-50years and 9.1 percent fall above 50 years. This might be related to the reality that, the age brackets structure the young and dynamic population of Ethiopia who are in vital services and can hold bank account. It also shows that the youth populations are superior users of the various banking services than the aged population. In terms of their education 4.5 percent of the customers were under grade 8, 10.9 percent completed grade 9-12, 35.2 percent have a diploma, and the rest 49 percent have degree and above. This education level result indicates that the

majority customers of the bank have degree and above. So, in order to fill this gap Banks should be advertise their product , service and benefit of using bank through mass media and give short term orientation and training to increase the awareness of the people about bank advantage in order to retain the existing and attract new customers.

In terms of customers marital status, the results of this study showed that, the majority of respondents (about 50.8 percent) are single, 28.1 percent are married 10.9percent are widowed and the rest 10.2 percent are divorced. On the other hand the occupation of the customer's shows that most of them are public organization workers which is 36.5 percent, 26.3 percent are private organization workers, where as 9.1 percent are retired and the rest 28.1 percent are include in others group. This shows that the public worker have highly committed to have a bank account than other customers.

4.1 Association between independent and dependent variables

According to Wajahat (2010) before the start of regression analysis it is important to check the correlation test between dependent variable and independent variables. The Pearson correlation scale ranges from -1 to +1, any value greater than zero indicates a positive direct relationship between the two variables, which implies that every increase in the independent variable will lead to the increase in dependent variable, while any value less than zero indicates a negative indirect relationship between two variables, that means that every increase in the independent variable will lead to the decrease on the dependent variable (Hafiz, 2007).

Table 1
Pearson's correlation coefficient matrix

Bank Selection	Pearson Correlation	1					
Decision	Sig. (1-tailed)	.000					
	N	384					
Convenience	Pearson Correlation	.528*	1				
Factors	Sig. (1-tailed)	.000					
	N	384	384				
Financial	Pearson Correlation	.067*	-.079*	1			
factors	Sig. (1-tailed)	.000	.000	.000			
	N	384	384	384			
Technology	Pearson Correlation	.341*	256*	.-047*	1		
factors	Sig. (1-tailed)	.000	.000	.000			
	N	384	384	384	384		
Service quality	Pearson Correlation	.258*	.299*	-.181*	.448*	1	
factors	Sig. (1-tailed)	.000	.000	.000	.000	.000	
	N	384	384	384	384	384	
Bank image &	Pearson Correlation	.651*	.355*	-.029*	.414*	.212*	1
reputation	Sig. (1-tailed)	.000	.000	.000	.000	.000	.000
	N	384	384	384	384	384	384

*. Correlation is significant at the 0.01 level (1-tailed) N =384
Source: Survey result, 2018

Correlation is an effect size and so we can verbally describe the strength of the correlation using the guide that (Evans 1996) suggests for the absolute value of r: From the above table 10

result, it can perceived that Bank image & Reputation factors, is the most correlated variable with customers bank selection decision (with the r value of 0.651) and it was followed by Convenience Factors (with the r value of 0.528), 3rdTechnology factors (with the r value of 0.341), 4th Service quality factors (with the r value of 0.258) and Financial factors (with the r value of 0.067) respectively.

Table 2
Strength of independent variable and dependent variable correlation

0 .00-.19	"very weak"
0.20-.39	"weak"
0 .40-.59	"moderate"
0.60-.79	"strong"
0 .80-1.0	"very strong"

Source: (EndaleMamo, 2017) effect of management controlling system practice components on OP (the case of Hadiya zone CBE)

4.2 Multiple linear regression assumptions

4.2.1 Factors affecting customers bank selection decision analysis result

Regression analysis allows the prediction or estimation of the value of one variable (the criterion, dependent, or predicted variable; called as Y) from one or more predictor variables (called X) (Keith, 2006). Researchers (Boru, (2015); karshie et al (2015); Agarwal (2017) employed multiple linear regression models to determine factors influencing customers bank selection decision. Also, the researcher adopted multiple linear regression models to identify effects of five bank selection factors on customer's bank selection decision.

Table 3
Model Summary

Model	R	R.squer	Adjusted R Square	Std. Error of the Estimate
1	.736a	.541	.535	.58126

a. Predictors :(Constant), bank image and reputation factors, financial factors, service quality, convenience factors, technology factors

b. dependent variable: bank selection decision

Source: Survey result, 2018

From table 14, it can be The Adjusted R-square value in the model summary tells the goal of fit of the model. Adjusted R-square value for this model is 0.535, which means five Bank selection factors are able to measure customer bank selection decision at 53.55% percent. However; the remaining 0.465 percent could be some other variables which had not been considered in this study.

Table 4
ANOVA

Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	150.528	5	30.106	89.107	.000b
Residual	127.710	378	.338		
Total	278.238	383			

a. dependent variable: bank selection decision

b. predictors: (constant), bank image and reputation factors, financial factors, service quality, convenience factors, technology factors

F statistics (89.107) which is used to measure the overall test of significance of the model was presented, since the p-value is 0.00 which is sufficiently and the model is well fitted at 1 percent level of significance, which means p-value (< 0.05).

Table 5
Coefficient of factors affecting customer's bank selection decision

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
	B	Std. Error	Beta			Lower Bound	Upper Bound
1 (constant)	1.846	.206		8.966	.000	1.441	2.251
convenience	.143	.036	.204	3.991	.000	.073	.214
financial	.043	.045	.045	.961	.337	-.045	.131
technology	.070	.028	.118	2.495	.013	.015	.125
Service quality	.096	.038	.114	2.512	.012	.021	.171
Image&reputation	.177	.030	.313	5.895	.000	.118	.236

Dependent Variable: bank selection decision
Source: Survey result, 2018

4.3 Hypothesis test result

The Five hypotheses have been tested to answer the research questions based on the research problem and objectives. The hypotheses address each bank selection factors such as; convenience factors, financial factors, technology factors, service quality factors, bank image and reputation factors and its impact on customers bank selection decision. The hypothesis test results were presented as bellows.

Hypothesis 1

There is significant relationship between convenience and bank selection. As the result

Hypothesis 2

There is a significant relationship between financial factors and bank selection.

Hypothesis 3

There is a significant relationship between technology factors and bank selection.

Hypothesis 4

There is a significant relationship between service quality factors and bank selection.

Hypothesis 5

There is a significant relationship between bank image and reputation factorsand bank selection.

4.4 Interview results

The purpose of conducting interview in this study is to get additional information about the main factors banks detected by themselves from customers and the responses given by them for those variety factors. In addition to the previous analysis, interviewing the bank manager has also makes the researcher to collect significant information for the study to have such kind of analysis. This interview has been conducted through face to face interview. The interview result has shown that the bank have tried to collect information from customers about the services, facilities and provisions to be improved and all were detected the determining bank variety criteria taken by customers. Accordingly, the main types of services, facilities and provisions mostly requested to be improved by the customers were overall speed of service provisions and provision of modern banking services such as ATM and card services.

In relation with the overall speed of service provisions, manger have believed that the only solution would be introducing modern paying or teller machines, interconnected banking systems and computerized service provisions. According to some managers ATM can be used to enhance customer service delivery, which could also pave the way for the reduction of the workload on tellers in banking halls. Such workload reduction could provide the tellers with opportunities for adequate interaction with customer and also help improve their functional efficiencies and effectiveness in customer service delivery.

Introducing modern banking technologies and modern visa cards, launching fast broadband internet connections among all branches and having adequately skilled manpower, working with foreign agents, providing all service items for customers, speed, giving satisfactory response for customers, paying interest for fixed deposit accounts monthly and paying interest for chequeaccounts, were some of the main feature manager have forwarded that makes banks competent and preferable than others.

5.   Conclusions

Based on the findings of this study there are significant relationship between convenience and bank selection. Therefore, a better satisfaction in providing convenience to customers towards accessing their banking needs. Customers would sacrifice money in order to save time. Agarwal (2017) claims that the convenient location of bank might not have much influence much on decision of choosing a bank by customers. However the result of this study is consistent with the findings of Goitem (2011), Dawit (2013), Aimero (2015) and Tesfaye (2017) .They shows that a convenient service and location that meets the needs of the customers will have better edge against other competitors in the market.

As a result of this paper, service quality and bank selection has a significant relationship towards customer's preference on their bank selection. Therefore, a better and higher quality of service provided from the bank will gives positive influences and satisfaction to their customers as well as increase the customer loyalty because products and services provided are almost identical and quality of service will gain competitive advantage over others. The findings of this research are consistent with Dawit (2013), Aimero (2015), Agarwal (2017) and Tesfaye (2017) where service quality is one of the increasing important factors for success and survival in the banking industry. As the result of this study indicates there were a significant relation between technology factors and bank selection. Nowadays technology brings wide range of alternative delivery mechanism such as Internet banking, mobile banking and ATM which creates a better competitive scene in the economy and ease of access of bank information. This changes the customer's perspective on how to search and access to banking service more nowadays, and they are more relied on using various technologies that brings them convenience in their daily life often. The result is consistent with Aimero (2015) and Agarwal (2017).

The results of this study show that external appearance and sitting arrangement of the ank has significant effect on customers' bank selection decision. This contrasts with findings of (Rehman&Saima, 2008) that external appearances of bank were found to be less significant factors in bank selection decision. It also inconsistent with previous results of Aregbeyen (2011) that sitting arrangements of the bank were found to be insignificant factors. Therefore based on this finding we can understand that external appearance of the bank and sitting arrangement has a positive effect for choosing one bank than others.

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