

**INFLUENCES OF RETAIL CUSTOMERS' CHOICE OF A BANK IN
KENYA.
(A Case of Kerugoya Town, Kirinyaga County)**

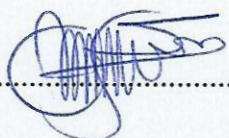
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**A Thesis Submitted to the School of Business Management and
Economics in Partial Fulfilment of the Award of Degree in Master of
Business Administration of Dedan Kimathi University of Technology**

April, 2016

DECLARATION

This proposal is my original work and has not been previously presented for any examination in this or any other University.

Signature.......... Date.....13/2/2016.....

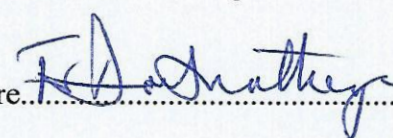
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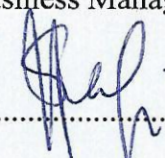
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ABSTRACT

The purpose of this study was to provide a better understanding of how consumers choose their financial institution and how banks are faring in this milieu. This study therefore sought to investigate the influences of retail customers' choice of a bank in Kenya, a Case of Kerugoya town, Kirinyaga County. The study was guided by the following objectives; to evaluate the extent to which bank charges influence customers choice of a bank; to determine the extent to which speed of service influence customers choice of a bank; to find out how the use of technology influence customers choice of bank and to analyse the extent to which personalised service influence customers choice of a bank. This study targeted the adults who own bank accounts in the six Kerugoya town based banks. A sample of 141 respondents which consisted 71 men and 70 women was selected through stratified random sampling. Data was collected through questionnaires and was analysed using Excel and Statistical Package for Social Science computer programs. The study finds that majority of bank clients prefer a bank which offers its customers faster service, has affordable products, offers personalised service and it's also worth noting that customers attach a lot of emphasis on the use of technology such as mobile banking, ATMs, internet banking and also agency banking for convenience. The study concludes that the variability of choice of bank could be attributed to differences in bank charges, speed of service, personalized service and the use of technology. The researcher recommends that commercial banks need to review the fees charged to customers in terms of cost of service and interest rates because high charges discourage some potential customers. The bank can do this by creating target groups and charging them differently. The researcher also recommends that banks should also invest in cutting edge technology increase the uptake and usage technology of social media to help solve customer queries and meet customers' demands.