

**Factors Influencing Customers' Choice of Retail Banking Services in Zambia:
A Case of Lusaka**

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Abstract. The main aim of this research was to assess factors influencing customers' choice of retail banking services in Zambia. The study applied descriptive quantitative research design. The population consisted of 2 million people with bank accounts in Zambia. Using Tronchim (2007) formula, a sample of 400 was calculated and further adjusted for 10% non-response rate which then brought it to 440. The data was collected through a questionnaire developed by the researcher and Statistical Package for Social Sciences (SPSS) and Microsoft Excel were used to analyse the data. The research found that personal factors, technological/accessibility, financial factors, bank image and reputation factors and speed and service quality as the main factors influencing customers' choice of retail banking services in Zambia. Furthermore, the correlations analysis found that personal factors ($r = 0.728$ and $p < 0.05$), technological/accessibility ($r = 0.771$ and $p < 0.05$), financial factors ($r = 0.678$ and $p < 0.05$), bank image and reputation factors ($r = 0.824$ and $p < 0.05$) and speed and service quality ($r = 0.715$ and $p < 0.05$) have a significant positive correlation with customer's choice of retail banking services. The research recommends banks to offer customers what they see as value: the same product – but with additional value, track customer interactions; make it easy to report problems and build up a positive corporate branding or image: customers in the banking industry nowadays have several options.

Keywords: Customers' choice, Retail banking, Banks, Tronchim formula, Zambia

Introduction

In banking today, banks are not restricting their works into purchasing and selling cash, however they expect to offer suitable money related types of assistance to clients (Holstius & Kaynak, 2015). As monetary condition and clients decision is quickly transforming, it has gotten basic for banks to decide the variables which are fundamental to the client's bank determination process (Boyd et al., 2014). Dependable and quality items or administrations can infer consumer loyalty. Breaking down client's extensive components during banks determination has been contended to be useful to banks in recognizing the suitable showcasing procedures expected to draw consideration of potential clients and hold existing clients (Kaynak & Kucukemiroglu, 2016). As indicated by Mokhlis (2009) cited in Chigamba (2011) the exceptional rivalry that exists in the market for money related administrations presents a major test to the gainfulness of retail banking foundations all things considered. The opposition and immersion in the financial business expects banks to be more client centred. Clients are presented to broadened decisions and they are abundantly worried about the incentive for cash. This implies there are boundless exchanging decisions. Banks need to recognize factors that impact the decision of business boycott determination and work on improving them.

Literature Review

Retail banking, also known as consumer banking or personal banking, is a type of banking that focuses on individuals rather than businesses. Individual consumers can use retail banking to manage their money, obtain credit, and deposit funds in a secure manner. Many financial services firms want to be their customers' one-stop shop for retail banking services. Checking accounts, savings accounts, personal loans, lines of credit, mortgages, debit cards, credit cards, and CDs are among the essential services that consumers expect from retail banks.

Local branch banking services, which provide onsite customer care for all of a retail client's banking needs, are used by the majority of customers. Financial professionals provide customer service and financial advice through local branch locations.

Global Perspective of Customers' Choice of Retail Banking Services

Customers' bank preference is influenced by a variety of influences, according to Almosawi (2001). Below is a global perspective of customers' choice of retail banking services. The following countries were selected based on the facts that more literature on customers' choice of retail banking services has been.

China

In China, scholars such as Tan and Chua (2016), Yavas (2018), and Denton and Chan (2019), backed up their findings. The key finding of their independent study is that bank customers are strongly influenced by a powerful social factor including personal introductions by friends and family when deciding which bank to deal with. This is most common because people interested with the launch have had positive experiences with the banks they are endorsing. People's recommendations and suggestions, according to Mokhlis (2019), are also significant considerations in choosing a bank for both male and female customers. Despite the fact that young people tend to behave differently, Almosawi (2012) finds that advice from peers and relatives are important. Third-party effects, on the other hand, are considered to have no effect on consumer selection by commercial banks by Gerrard and Cunningham (2012). In today's intensely dynamic business climate, people's buying choices are strongly affected by their standing and popularity.

United States of America and United Kingdom

Shevlin and Graeber (2014) explored the various factors that influence a customer in choosing a particular bank in Texas, USA. They pointed out that ATM (Automatic Teller Machine) was the primary reason for a customer choice for a bank and further branch visit and referral from friends and relatives are most prevalent sources of influence. Devlin (2012) analysed the customer choice criteria in retail banking market in the UK on the potential variations in the importance of various choice criteria, which were classified as either intrinsic or extrinsic, with respect to customer financial knowledge. Intrinsic attributes were defined as those specific to a particular service rather than generalizable across services like price and service specific features. Extrinsic attributes were those factors that are not specific to a particular service and can be generalized across offerings like service quality factors, corporate brand and relationship factors. It was found that lower knowledgeable groups were particularly influenced by extrinsic criteria of location of the branch and recommendations that they receive.

The value of bank allocation factors in terms of the age of the household's head of household was studied by Boyd, Leonard, and White (2014). They discovered that for those under the age of 21, a bank's prestige is a big factor in deciding which bank to use. The friendliness of bank workers and the current quality of their facilities were considered to be the least significant influences for this age group. In addition, a study by Patterson (2013) found that despite tough economic conditions, investors prefer to offer extremely reputable companies the "benefit of the doubt." Consumers have difficulty making sound bank decisions due to the heterogeneity and inseparability of services. As a result, previous experiences and the bank's perceived credibility are given more weight (McKechnie, 1992). Customers' preference criteria for banks in Poland were explored by Kennington et al. (2016). The results of their survey revealed that, as in other countries, credibility is the most influential factor affecting consumer preference. In addition, Almosawi (2012) conducted research in Bahrain on the bank selection criterion used by college students. He used 1,000 University of Bahrain students as a study. His results show that the bank's credibility is the most important factor in

college students' bank preference. Finally, Kazeh and Decker (2013) investigated the views of 209 university students in Maryland, USA, in order to learn more about the factors that influence customer bank selection. Overall, prestige was the second most important factor.

Singapore

In a study conducted in Singapore by Phuong and Har (2000), respondents rated overall service efficiency more than twice as significant as recommendations from parents/friends. According to Ulengin (1998), a Turkish consumer is more concerned with the practical nature of financial services than with the technological quality dimension. Cost is a significant determinant of commercial bank selection, according to Cicic, Brkic, and Agic (2004), particularly for university students. Since university students do not make a living, their main goal is to reduce the costs of financial purchases. This means the service costs would be the most important consideration for student customers. According to Cicic et al. (2004), the most significant bank selection determinant for Bosnia and Herzegovina students is financial incentives, which include, first and foremost, service costs, taking into account Bosnia and Herzegovina's poor living standard and average wages.

Africa Perspective of Customers' Choice of Retail Banking Services

The banking sector in Africa is a refreshing change of pace. Its economies are thriving, and they're almost twice as profitable as the rest of the world. Despite increased consolidation and tighter regulation, there is still potential for expansion. The following countries were selected based on the facts that more literature on customers' choice of retail banking services has been written on them as per Laroche (2016) compared to other countries.

Nigeria

Africa's retail banking penetration is just 38 percent of GDP, less than half the global average for emerging markets. Omar (2017) had previously conducted a gender-based analysis in Nigeria on retail bank preference decisions. The aim of this research was to look at gender gaps in retail bank patronage by looking at how male and female consumers used retail bank services. As a result, the research looked at how men and women bank consumers use retail banking and what aspects impact their choices. Savings accounts, current accounts, fixed deposits, remittance, personal loans, overdrafts, foreign exchange, corporate loans, housing loans, travellers checks, safe deposit boxes, and other financial services were all checked (but not indicated). The effects of a series of thirteen variables on bank selection were investigated. Protection of funds, reliable operation, speed of processing, helpful personnel, overdraft rights, bank recommended, bank credibility, credit access, low service fee, choice of facilities, convenient location, bank size, and bank ownership are some of the considerations to consider.

South Africa

According to Chigamba and Fatoki (2011), in South Africa, the convenience of opening a bank account, the bank's financial security, and ATM locations have the greatest impact. According to Parvin and Perveen (2012), the most crucial aspect affecting a customer's decision is openness, which is followed by friendliness, charisma, counseling, and international service. The study also revealed that variables such as ease, reliability, assurance, and protection affect a customer's decision to select a bank. Joseph and Mung'atu (2018) South Africa based their research on 40 different variables, with twelve of them being the most significant in influencing customers. Customers are influenced by twelve factors: the appearance of the building, social factors, financial incentives, bank availability, customer service, delivery time, services, accessibility, bank position, protection, product selection, experience, brand name, and employer recommendation. Low interest rates on loans, speed of operation, and ease of accessing loans are all considerations that consumers weigh when choosing a bank, according to Aliero, Aliero, and Zakariyya'u (2018).

Ethiopia

In Ethiopia, Khaitbaeva, Enyinda, and Al-Subaiey (2015) found that the most important feature for customers when selecting a bank is the service charge, followed by location, ATM facilities, comfort, and credibility. According to Mansour (2019), the most significant aspect affecting the consumer is corporal performance. Trust and responsibilities, secrecy and confidentiality, transaction quality, and a polite and attentive attitude are all examples of corporate efficiency. The customer's decision is based on the bank's image and credibility. Clients would partake in any company deal, according to LeBlanc and Nguyen (1988), if the company has a good reputation, generates high confidence, and creates trust and faith in its customers. In today's setting, service efficiency is critical because consumers want their job to be completed on schedule. Daily bank statements, professionalism and friendliness of employees, fast and efficient service provision, shorter customer waiting times, availability of ATM facilities in several locations, combined with 24-hour uninterrupted system service delivery, and efficiency in a wide variety of services rendered were described by Mokhlis (2009) as essential factors for customers to select the bank.

Zambia Perspective of Customers' Choice of Retail Banking Services

The Bank of Zambia fills in as the national financial controller in the republic. Zambia's national bank was built up in 1964, assuming control over the elements of the Bank of Northern Rhodesia. BoZ directs banks in Zambia, just as detailing and executing financial strategy in the nation. The business banking segment in Zambia contains 19 international and local banks. As per PwC's (2017) Zambia Banking Industry Survey, local banks in Zambia communicated to diminished hopefulness in the short to medium term, because of worries about the soundness of money related policy, desires for GDP development, monetary control, and vulnerability encompassing the IMF's financial program.

Regarding resources, Zambia National Commercial Bank (Zanaco) is the biggest money related administrations supplier in Zambia. It was formed in the year 1969 and the Bank serves more than a million customers in the individual, government, corporate, SME, and farming divisions. It right now utilizes 1,228 people, making it the greatest boss of all banks in Zambia. Standard Chartered Bank Zambia opened its first branch in Zambia in 1906. The bank offers a wide scope of banking items and administrations to upscale retail clients, SMEs, and huge corporate customers in the nation. With more than 700 representatives, it works a system of 25 outlets and 47 ATMs situated in six of Zambia's 10 areas. Barclays Zambia began its tasks as one of the banks in Zambia in 1918. The bank is an individual from Absa Group, previously Barclays Africa Group. It as of now utilizes around 1,204 staff and keeps up 70 workplaces, which comprise of full branches and deals focuses situated the nation over. Established in 1956, Stanbic Bank (Zambia) is an individual from the Standard Bank Group, which is available in 20 African nations. The bank offers an extensive scope of customer, corporate, business, and speculation banking administrations in the nation. Headquartered in Lusaka, it as of now oversees 13 branches.

Cavmont Bank (CBL) was the result of the merger between New Capital Bank and Cavmont Merchant Bank in 2004. CBL is completely possessed by money related administrations supplier Cavmont Capital Holdings Zambia. The bank serves more than 50,000 customers, offering retail banking, network banking, speculation administrations, and corporate financial administrations and items. Situated in Lusaka, it presently utilizes 240 staff and manages 19 parts of banks in Zambia. Ecobank Zambia, or Ecobank Transnational Inc., initiated banking tasks in the nation in 2009. The bank offers money related answers for singular clients, organizations, and governments. It works as an auxiliary of Ecobank Group, a main skillet African financial aggregate with 36 branches in Africa and multiple branches outside of the district. Formed in 1984 as one of the Banks in Zambia, Indo-Zambia Bank gives

retail and corporate financial items and administrations the nation over. The Bank is a joined venture between the Government of India and the Government of the Republic of Zambia. It as of now manages 32 outlets, involving 28 branches and four offices.

Retail Banking Services offered by Commercial Banks

Financial organizations that offer business bank accounts may also offer a business loan, credit loan, or credit cards to its customers. These sorts of business credit may be able to assist consumers in managing their company's finances. When borrowing money, though, you should always be cautious (Decker, 2012). Before you agree to take out a loan, have a strategy for how you will successfully use the money and how you will return the debt. According to Mokhlis, (2019), Zineldin (2015), Elliot and Shatto (2016) and Decker (2012), Banks deliver a range of services such as Issuing of loans, Bills of Exchange Discounting, Overdraft, Payment by cheque, Credit Instruments Collection and Payment, Exchange of global currencies, Advisory services, Credit cards are accepted, Products offered by ATMs, Banking through the internet, Banking on the go, Deposit Acceptance, Banking services for the wealthy and Debit cards. These have been explained detail below:

Issuing of loans

A loan is a type of debt that an individual or other entity takes on. The borrower receives a sum of money from the lender, which is frequently a corporate, financial organization, or government. In exchange, the borrower agrees to a set of terms, which may include financing charges, interest, a repayment schedule, and other stipulations (Zineldin, 2015). The lender may need collateral to secure the loan and assure repayment in particular instances. Bonds and certificates of deposit can also be used as collateral for loans (CDs). Banks are profit-driven corporate enterprises. As a result, they would make a public loan and benefit from interest payments (Decker, 2012). Banks offer short-term, medium-term, and long-term loans to needy customers after maintaining some cash reserves.

Bills of Exchange Discounting

Modern banks use this method of lending as well. A holder of a bill of exchange may have it discounted by the bank using this form. In a bill of exchange, the debtor accepts the bill drawn on him by the borrower (i.e., the bill's holder) and offers to pay the sum specified on maturity (Rexha et al., 2013). The bank pays the bill's value to the holder after making certain marginal deductions (in the form of commission). The bank receives money from the party that approved the bill of exchange as it matures.

Overdraft

Jay and Barry (2014) states that an overdraft is a credit line provided by a lender when a customer's account balance falls below zero. The overdraft allows the account holder to withdraw money even if there are no funds in the account or insufficient cash to pay the withdrawal amount. An overdraft is a loan from a bank that allows consumers to borrow a certain amount of money. There is interest on the loan, as well as a charge for each overdraft. Sometimes, the bank will supply its clients with overdraft services, allowing them to borrow more than their deposits (Zineldin, 2015).

Payment by cheque

A check is a written instrument in which a person (the drawer) having funds in a bank (the drawee bank) instructs the latter to pay a certain quantity to a certain individual (the payee). The drawer himself or a third party might be the payee (Rexha et al., 2013). A check, like cash or a wire transfer, is a form of payment used by a company. Regardless of the underlying business consideration, checks are used to settle all forms of purchases and pay bills or contracts (purchase of movable or immovable assets, delivery of goods, tools, machinery, services, etc.). Cheque pads are issued by banks to account holders. Account holders can pay

money by drawing a check on the bank. Khazeh and Decker (2012) state that customers' checks are paid by banks after systematic verification and official procedures.

Credit Instruments Collection and Payment

Credit instruments are goods that may be used instead of money. On a daily basis, almost everyone, including people and organizations, uses some form of credit (Georgiadis, 2019). The capacity to utilize such an instrument instead of cash is contingent on the debtor and recipient agreeing to use it and having a reasonable expectation that the other form of payment would be fulfilled. Different types of payment instruments, such as bills of exchange, promissory notes, and cheques, are used in modern industry. These instruments are dealt with by banks. As the customer's agent, contemporary banks collect and pay numerous forms of credit instruments (Mokhlis, 2019).

Exchange of global currencies

A global currency is one that may be used for international trade. Most international transactions accept some of the world's currencies. The most common currencies are the US dollar, euro, and yen. The reserve currency is another term for a global currency. International currencies are dealt with by banks. Banks swap foreign currency for local currencies in response to customer demands, which is important to settle international trade debts (Elliot & Shatto, 2016).

Advisory services

Advisory services are those in which a practitioner "develops findings, conclusions, and suggestions for client consideration and decision making," according to the Mason and Mayer, (2014). Mason and Mayer, (2014) also lists "an operational evaluation and improvement study, analysis of an accounting system, aid with strategic planning, and development of needs for an information system" as examples of advisory services. This is good, however it feels more formal and limited than how practitioners in their businesses characterize advising services. Commercial banks today are big businesses. They might turn their work into a consulting company. Banks employ business, legal, and business professionals to advise customers on matters such as finance, manufacturing, commerce, revenue, and taxation (Zineldin, 2015).

Products offered by ATMs

Human bank tellers are supplemented by ATMs in conducting banking roles such as deposits, transfers, and account inquiries (Khazeh & Decker, 2012). ATMs have a range of benefits, including: Available at all times of the day and night.

Factors Customers Consider Significant in Choosing Retail Banking Services

Jay and Barry (2014), Kaynak (2019), Stiakakis and Georgiadis (2019), Yang and Fang (2014), Frei et al. (2019), Rexha et al. (2013), and Collier and Bienstock (2016) all stated that Reliability Convenience and Assurance are among the top factors which customers consider significant in choosing retail banking services. Furthermore, Beckett and Hower (2016), Almosawi (2011), Zineldin (2015), Mokhlis (2019), Shariq and Tondon (2012), Mobarek (2007), Reeves and Bednar (2016), Khazeh and Decker (2012), and Zineldin (2016) allude that customers consider Accessibility, Responsiveness and Value Added Services as significant in choosing retail banking services. Below are the factors customers consider significant in choosing retail banking services not only in Zambia but everywhere in the world as discussed in full detail.

Reliability

Reliability is characterized as the likelihood that an item, framework, or administration will play out its proposed work satisfactorily for a predefined timeframe, or will work in a characterized situation without disappointment. In view of the investigation of Kaynak (2019) in Turkey, inviting workers, branch areas near their homes, quick and effective assistance, accessibility of credit and money related administrations directing are especially significant in

banking determination. The willingness to deliver expected standards at all times, how the company handles customer service problems, performing the best services the first time, offering services on time, and keeping an error-free record are all examples of reliability. Jay and Barry (2014) noted that the durability of machine parts or component parts is regarded as reliably decent in quality or efficiency that can be handled at any time when it comes to ATM services. This ensures that the consistency is consistent, that tasks are handled in the same manner, and that the same expectations are followed.

Convenience

An investigation of Renman and Ahmed (2018) uncover that comfort is one of the most significant variable impacting client decisions among different factors in particular client administrations, web based financial offices and bank condition. Clients commit a lot of accentuation on electronic administrations (ATM) which gives them fast and helpful access to the bank administration (Mokhlis, 2019). An investigation led by Sharma and Rao (2010) on bank determination models utilized by MBA understudies in India infers that comfort is a significant determinant. Factors, for example, stopping office, free conveyance of interest, telephone banking, and free home money conveyance recommend that customers need accommodation in banking and they need to spare time.

Assurance

Another examination found that client determination of retail banking administrations was for the most part decide by trustworthiness of establishments, openness, "ease" of procedures for exchanges, assortment of administrations offered and accessibility of credits at serious financing costs. In view of the investigation of Beckett and Hower (2016) he called attention to that shoppers are slanted to lean toward the possibility of dependable connections as a choice measure due to them dodging interruption and exchanging costs. They likewise affirm that the expense and kind of bank item is significant in the buying conduct of customers and that a relationship dependent on trust is significant, particularly those of expert affiliations that "shield purchasers from outsiders acting craftily". Combined with the relationship with a bank, saw administration quality was likewise observed to be a significant bank choice measure used to choose a bank (Aregbeyen, 2011). Without a doubt, parts of the administration conveyance process, for example, simplicity of taking care of questions, conveying on administrations as guaranteed, and the length of holding up time, are focal precepts of the administration related rule.

Accessibility

As per Almosawi (2011) calls attention that closeness and administration quality are significant components for business banks. This proposes college understudies will like to the business manages an account with workplaces or ATM offices that are near their grounds. In light of the investigation of Almosawi (2011) he includes that despite the fact that there are plans, which empower ATM cardholders to utilize ATMs of any bank, they despite everything need to visit the bank when important to play out certain administrations, which is impossible through ATMs. As indicated by Zineldin (2015) deduces in his examination that useful quality in bank choice to be a higher priority than customary promoting exercises. All the more explicitly, the investigation discovered considers, for example, precision account the executives, effective mix-up revision, and fast help and dynamic more significant than the comfort of area, promoting, and cost.

Responsiveness

A determination standard is one of the variables that impact of choosing the budgetary organization among the clients. As indicated by Mokhlis (2019) the quick and proficient assistance, neighborly and supportive staff and notoriety of the bank are significant factors in the choice of a bank. Some client were seen as touchy profoundly benefits offered, some were aware of each part of their banks and some others would look around for the best arrangement.

Aside from a couple of contrasts in the choice measures, both Muslim and non-Muslim have a similar worth characteristic in choosing the money related foundation. Customers choose ATM services over e-banking services, according to Shariq and Tondon (2012), because of the adaptation of emerging technologies that customers need in terms of protection. As a consequence, timeliness is characterized as the consistency or habit of being on time or being punctual. Timeliness occurs when it is appropriate, seasonable, opportune, and well-timed. The establishment of operating speed that decreases waiting time is a significant factor in the efficiency of ATM services (Mobarek, 2007).

Value Added Services

In view of the examination Elliot and Shatto (2016) explored bank clients in the USA and found that value, speed, and access are especially significant. As indicated by their exploration discoveries, most clients place a higher incentive on lower costs and higher exchange speeds than they do on customized administration, and they are eager to acknowledge lower administration levels in return for value breaks (Elliot and Shatto, 2016). Then again, as per Reeves and Bednar (2016), they recommended that client assistance might be a higher priority than cost and that clients may utilize extra rules priceless, speed and access while picking between banks, as per where they live (enormous urban areas or open country) and other economic situations. As indicated by Khazeh and Decker (2012), they researched bank clients' choice models and found that administration charge strategy, notoriety, intensity of advance rates, time required for advance endorsement and agreeableness of tellers, are the most significant factors in clarifying how clients pick banks.

Methodology

Research Design

This research is quantitative in nature because of the type of data that is available. The study is a descriptive one that use a survey approach to determine the factors that influence consumer bank choice. The research was conducted using a descriptive case study research methodology that included quantitative method. According to Yin (2003), descriptive case studies are used to describe an event/process in its natural setting, with the primary goal of answering the questions of how, who, and what. As a result, the design is appropriate for this study, which aims to determine what factors influence consumer bank choice. The research also used cross-sectional because it aims to investigate a specific phenomenon, in this case, consumer choice of retail banking services in Zambia. Cross-sectional research does not require control over the investigated behavioral element and instead seeks interpretations from those who are most knowledgeable, in this case, consumers or users of these banks' accounts.

Research Instruments

Easterby-Smith, Thorpe and Lowe (2004:85) point out that Research Instruments are simply devices whereby the researcher, once close to organisational members, can gain the sorts of insights into people and situations he requires. A self-developed questionnaire by the researcher was used to gather data from the respondents. The questionnaire contained closed-ended questions. They were structured in such a way as to encourage the assortment of quantitative information. The Questionnaire was answered by the Bank clients.

Target Population

According to the Bank of Zambia report (2020), there are over 2 million people with bank accounts in Zambia. The research population comprised of Bank customers which can be students or workers from different organizations happens to be in possession of bank accounts as cited in Guruswamy (2017).

Sampling and Sample Size

The sample targets are assumed to use bank services frequently to save, receive, and transfer money to and from various parts of the country (Graziano and Raulin, 2017). Probability sampling was chosen due to the nature of the study. There are over 2 million people holding accounts with Banks in Zambia from which the sample size was derived using the formula Tronchim (2007) as follows;

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

Where n = sample size,

N = Population, in this case 2,000,000.

e = margin of error, in this case 5%.

$$n = \frac{2,000,000}{1 + 2,000,000(0.05^2)}$$

$$n = \frac{2,000,000}{5001}$$

$$n = 400$$

Allowing for 10% of non-response (40), the final sample shall be 440.

Data Analysis

The data was analyzed based on the purpose of the study, research objectives and the research problem at hand. Statistical Package for Social Sciences (SPSS).

Results

The Retail Banking Services Offered by Commercial Banks in Zambia

Table 1 below illustrates the percentage of respondents who use various bank products or services that are available in Zambia. Clients with a high level of customer awareness and a tradition of saving accounts and Mobile banking services have been identified as the most common sorts of banking customers. The majority of the respondents use several services, such as savings deposits and money transfer services. Furthermore, they are aware of and use additional bank services such as current accounts, Internet banking, and ATM services.

Table 1. The results of the analysis of Retail Banking Services offered by Commercial Banks in Zambia

Services	Frequency	Percentage
Current account	20	5.2
Savings account	18	4.6
Loan facilities	25	6.5
Money and transfer services	50	13.0
ATM services	60	16.0
Mobile banking services	91	24.0
Overdraft facilities	21	6.0
Internet services	65	17.0
Speedy 24/7 customer services	35	9.1

As per results in Table 1, customers do not have a strong preference for any of the many credit facilities now available in banks with flexible borrowing alternatives. The following are some plausible explanations. First, clients' borrowing requirements vary, thus different services are provided to satisfy their demands. As a result, no one borrowing product has a significant

utilization rate. Second, clients may require a low-interest loan from a bank, but banks may refuse to do so. Third, the majority of the lending solutions are especially suited to business clients. Individual customers were studied rather than corporate treasuries. As a result, individuals may not need to borrow money for their purchasing needs. Bank services such as taking various forms of deposits, giving various credit facilities, foreign banking services, and providing local and international money transfer services are all relatively similar in most banks (excluding ATM services, mobile banking, and internet banking facilities, service charges and implications of interest).

Factors that Influence the Customer Choice of Retail Banking Services

Table 2. Results on Factors that influence the customer choice of retail banking services

Factors	N	Mean	Std. Deviation
Low interest rate on loans	385	3.920	0.644
Convenience	385	4.23	0.781
Reliability	385	4.41	0.557
Responsiveness/Good customer services	385	4.32	0.717
Technology/Accessibility	385	3.96	0.657
Value Added Services/Variety of services are offered	385	3.74	0.792
Extended operation hours	385	3.58	0.661
Banks Image and reputation	385	3.01	1.241
Assurance	385	3.45	0.957

The results in Table 2 demonstrates that reliability of the bank is the most important factor customers look when selecting a bank as shown by mean value of 4.41 with a standard deviation of 0.557. Respondents further strongly agreed that Responsiveness/Good customer services is an important factor customers look at when selecting a bank. This was shown by average value of 4.32 and a standard deviation of 0.717. Additionally, participants were of the opinion that Convenience of the bank has an influence on customer's choice of retail banking. This was displayed a mean value of 4.23 and a standard deviation of 0.781. Technology/Accessibility was equally another important factor which had an influence on customer's choice of retail banking in Zambia. This factor was shown by mean value of 3.96 and standard deviation of 0.657. Furthermore, customers stated that Low interest rate on loans influenced their choice of retail banking as shown by mean value of 3.92 and a standard deviation of 0.644. Customers further stated that Value Added Services/Variety of services are offered is another major factor considered when choosing a bank as indicated by mean value of 3.74 and a standard deviation of 0.792. Other factors which influenced customer's choice of retail banking included extended operation hours (mean 3.58; standard deviation 0.661); assurance (mean 3.45; standard deviation 0.957) and Banks image and reputation (mean 3.01; standard deviation 1.241).

Inferential Statistics

This section of the study aimed at the correlation and regression analysis in order to assess the relationship between the independent and dependent variables.

Correlation analysis

Pearson correlation analysis was used to investigate or assess the pattern and degree of correlations between all parameters. Each independent and dependent variable's responses to the statements were averaged into their own statistics. Using the computed cumulative values, the co-integrating set of variables was determined. The findings are described in the table

below. A p-value (sig) of 0.05 or 0.01 indicates a substantial relationship, according to Kotler (2013).

Table 3. The results from Correlation analysis

	Variables	Pearson Correlation	Mean	Std. Deviation	N	1	2	3	4	5	6	7
1	Personal	0.000	4.723	0.502	385	-						
2	Convenience	0.002	4.521	0.871	385	.511	-					
3	Technological accessibility	0.000	3.743	0.991	385	.688	.712**	-				
4	Financial	0.003	4.128	0.635	385	.532	.627**	.796**	-			
5	Bank Image and reputation	0.001	3.821	0.778	385	.772	.529	.821**	.643	-		
6	Speed and service quality	0.004	3.67	0.916	385	.681	.789	.761**	.589	.814	-	
7	Choice of retail banking services	0.000	4.827	0.920	385	.728	.749**	.771**	.678**	.824**	.715**	**

The results in Table 3 shows that personal factors have a significant positive correlation with the choice of retail banking services as indicated $r = 0.728$ and $p < 0.05$. The results indicate that personal factors of customers can explain 72.8% of customer's choice of retail banking services. Furthermore, Convenience factors have a significant positive correlation with the choice of retail banking services as indicated $r = 0.749$ and $p < 0.05$. The results indicate that Convenience factors can explain 74.9% of customer's choice of retail banking services. Likewise, Technological/accessibility have a significant positive correlation with the choice of retail banking services as indicated $r = 0.771$ and $p < 0.05$. The results indicate that Technological/accessibility factors can explain 77.1% of customer's choice of retail banking services. Similarly, Financial factors have a significant positive correlation with the choice of retail banking services as indicated $r = 0.678$ and $p < 0.05$. The results indicate that financial factors can explain 67.8% of customer's choice of retail banking services. Correspondingly, Bank Image and reputation factors have a significant positive correlation with the choice of retail banking services as indicated $r = 0.824$ and $p < 0.05$. The results indicate that Bank Image and reputation factors can explain 82.4% of customer's choice of retail banking services. Lastly, Speed and service quality factors have a significant positive correlation with the choice of retail banking services as indicated $r = 0.715$ and $p < 0.05$. The results indicate that Speed and service quality factors can explain 71.5% of customer's choice of retail banking services.

Regression analysis

The dependent variable was submitted to regression analysis in order to build a model depicting the relationship between the variables. The purpose of this section was to present the findings of the regression analysis output.

Table 4. The results from ANOVA

Model	Sum of Squares	df	Mean square	F	p-value
Regression	421.045	5	421.40	776.01	0.001 ^b
Residual	261.401	380	0.940		
Total	782.446	385			

Note: ANOVA = Analysis of Variance

Source: Author (2022)

The results in the ANOVA Table 4 above shows the F-value calculated to be 776.01. This means that the overall regression model was significant and therefore a reliable indicator of the results. In terms of p-values, the research indicated 0.001 which actually less than 0.05 and therefore statistically significant.

Table 5. Regression Coefficients

Model	Unstandardised Coefficients		Standardised Coefficients	T	Sig
	B	Std Error	Beta		
Constant	5.40	0.640		8.01	0.000
Personal factors	0.955	0.003	0.711	4.43	0.003
Convenience factors	0.986	0.015	0.813	4.12	0.000
Technological/accessibility	0.912	0.029	0.120	3.89	0.000
Financial factors	0.874	0.018	0.145	11.04	0.001
Bank Image and reputation	0.660	0.031	0.274	4.34	0.000
Speed and service quality factors	0.714	0.041	0.566	14.16	0.000

Source: Author (2022)

$$Y = \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \beta_6 X_6 + c$$

$$Y = 0.955X_1 + 0.986X_2 + 0.912X_3 + 0.874X_4 + 0.660X_5 + 0.714X_6 + 5.40$$

From the results in Table 5 above, it can deduced that a unit increase in personal factors will lead to 0.955 increase in customer's choice of retail banking services, a unit increase in Convenience factors will lead to 0.986 increase in customer's choice of retail banking services, a unit increase in Technological/accessibility factors will lead to 0.912 increase in customer's choice of retail banking services and a unit increase in Financial factors will lead to 0.874 increase in customer's choice of retail banking services. Similarly, a unit increase in Bank Image and reputation factors will lead to 0.660 increase in customer's choice of retail banking services and a unit increase in Speed and service quality factors will lead to 0.714 increase in customer's choice of retail banking services taking into account positive constant number of 5.40.

Table 6. Model Summary

Model	R	R Square	Adjusted Square	Std. error of estimate
1	.831	.784	.817	.307

The model in Table 6 above has an adjusted R square of 0.817 implying that the independent variables can explain 81.7% of the dependent variable. As a result, the six independent variables account for only 81.7% of customer's choice of retail banking in Zambia while other factors not included in this research can explain 18.3% of customer's choice of retail banking in Zambia.

Conclusion

The main aim of this research was to assess factors influencing customers' choice of retail banking services in Zambia. Clients with a high level of customer awareness and a tradition of saving accounts and Mobile banking services have been identified as the most common sorts of banking customers. The majority of the respondents use several services, such

as savings deposits and money transfer services. Furthermore, they are aware of and use additional bank services such as current accounts, Internet banking, and ATM services. The study found that personal factors have a significant positive correlation with the choice of retail banking services as indicated $r = 0.728$ and $p < 0.05$. The results indicate that personal factors of customers can explain 72.8% of customer's choice of retail banking services. Furthermore, Convenience factors have a significant positive correlation with the choice of retail banking services as indicated $r = 0.749$ and $p < 0.05$. The results indicate that Convenience factors can explain 74.9% of customer's choice of retail banking services. Likewise, Technological/accessibility have a significant positive correlation with the choice of retail banking services as indicated $r = 0.771$ and $p < 0.05$. The result indicates that Technological/accessibility factors can explain 77.1% of customer's choice of retail banking services. Similarly, Financial factors have a significant positive correlation with the choice of retail banking services as indicated $r = 0.678$ and $p < 0.05$. The results indicate that financial factors can explain 67.8% of customer's choice of retail banking services. Correspondingly, Bank Image and reputation factors have a significant positive correlation with the choice of retail banking services as indicated $r = 0.824$ and $p < 0.05$. The results indicate that Bank Image and reputation factors can explain 82.4% of customer's choice of retail banking services. Lastly, Speed and service quality factors have a significant positive correlation with the choice of retail banking services as indicated $r = 0.715$ and $p < 0.05$. The results indicate that Speed and service quality factors can explain 71.5% of customer's choice of retail banking services. The regression results showed a unit increase in personal factors will lead to 0.955 increase in customer's choice of retail banking services, a unit increase in Convenience factors will lead to 0.986 increase in customer's choice of retail banking services, a unit increase in Technological/accessibility factors will lead to 0.912 increase in customer's choice of retail banking services and a unit increase in Financial factors will lead to 0.874 increase in customer's choice of retail banking services. Similarly, a unit increase in Bank Image and reputation factors will lead to 0.660 increase in customer's choice of retail banking services and a unit increase in Speed and service quality factors will lead to 0.714 increase in customer's choice of retail banking services taking into account positive constant number of 5.40. Banks' customer experience management should focus more on online banking facilities, as millennial customers rely on internet banking for majority of their transactions. ATMs must not just perform general operations, but also deliver a meaningful experience to customers who visit the counter. Bank branches are viewed as the entry point for customers to engage with bank officials where physical contact is deemed required. Banks want to provide information that can help their millennial customers succeed financially. Banks must have a thorough understanding of their clients' beliefs, attitudes, and needs. They must examine how customers view the services provided by the bank as well as their perception of the bank itself. In such a case, branding may be a significant differentiation.

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