

## Customer's Choice of a Bank: An Empirical Enquiry from the Banked Ghanaian

**Authors :** Emmanuel Larbi Offei, Felix Agyei-Sasu, Maura Naa Densua Ashong

**Abstract :** Ghana has 26 universal banks and several banking and non-banking financial institutions operating in the country. The growing number of banks has heightened competition among banks to attract and retain customers more customers to ensure sustainability. Hence the need to identify and understand factors that influences customers' choice of banks cannot be overemphasised. This study investigates the determinants of bank selection criteria by banking customers in Ghana. Four banks were purposively sampled for this study namely Barclays, Standard Chartered, Sahel Sahara and Unibank. Convenience sampling was then used to select 114 bank customers in Accra and interviewed. Questionnaires were used to collect data that were analysed in tables and charts with the use of STATA software. The findings of the study revealed that quick/prompt services and complaint handling, safety of funds, networked branches, easy access to functional Automated Teller Machines (ATMs) and low/moderate service charges were the major determinants of customers' choice of banks. The results further show that 89.5 percent of all deposits are held in either current or savings accounts. About 22.1 percent of the respondents indicated that they have plans of changing their banks in the near future because they are not satisfied with their banks. A gender analysis of the choice criteria showed differences between the choice criteria of the male as compared to the female. The study recommends that banks in Ghana should focus on products and policies that will not compromise on the safety of funds of their customers. Again, banks must address customer complaints and dissatisfactions as promptly as possible by taking pragmatic steps to address administrative bureaucracies and infrastructural challenges that prolong the duration of banking transactions.

**Keywords :** Ghana, banks, determinants, customers' choice, competition

**Conference Title :** ICFBI 2015 : International Conference on Finance, Banking and Insurance

**Conference Location :** Paris, France

**Conference Dates :** February 23-24, 2015