College of Business and Economics

Factors Affecting the Intention to Use Ethnic Branded Banks: Empirical Evidence from Private Banking Sectors in Addis Ababa, Ethiopia

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1. ADDIS ABABA UNIVERSITY

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PUBLIC ADMINISTRATION AND DEVELOPMENT DEPARTMENT

FACTORS AFFECTING THE INTENTION TO USE ETHNIC BRANDED BANKS: EMPIRICAL EVIDENCE FROM PRIVATE BANKING SECTOR IN ADDIS ABABA, ETHIOPIA

A THESIS SUBMITTED TO ADDIS ABABA UNIVERSITY, COLLEGE OF BUSINESS AND ECONOMICS IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE DEGREE OF MASTER OF PUBLIC ADMINISTRATION AND POLICY

BY

SHEMKIT DEMELASH

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Statement of Declaration

I declare that the thesis entitled "Factors Affecting the Intention to Use Ethnic Branded Banks : Empirical Evidence from Private Banking Sector in Addis Ababa, Ethiopia" submitted for the partial fulfillment of the requirements for the Degree of Master in Public Administration and Policy at Addis Ababa University College of Business and Economics is my original work and it hasn't been presented for the award of any other Degree, Diploma, or other similar titles at this or any other university or institution.

Declared by
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Confirmed by Advisor
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Statement of Certification

I certify that the thesis entitled “Factors Affecting the Intention to Use Ethnic Branded Banks: Empirical Evidence from Private Banking Sector in Addis Ababa, Ethiopia “is the work of Mr. Shemekit Demelash. He carried out the research under my guidance and I certified that, to the best of my knowledge, the work reported herein doesn’t form part of any other project report or dissertation on the bases of which a degree or other award was conferred on an earlier occasion on this or any other candidate.

Advisor: Dr. **Berhanu Temesgen** ________________

Date __________

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BY
SHEMEKIT DEMELASH

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Abstract

The study seeks to examine and describe the effects of factors on intention to use ethnic branded banks by their customers . To achieve the objective if this study , both primary and secondary data sources were used. In this study, factors like location, accessibility, service offered ,bank personnel, global impression, and brand attitude was treated as possible variable that affect intention to use ethnic branded banks . Besides these variables further expressed by twenty three items. Descriptive as well as inferential statistics were used to analyze the data and interpret results. The findings indicate that all of the variables particularly location, accessibility, service offered ,bank personnel, global impression, and brand attitude have a positive and significant effects on customers intention to use ethnic branded banks. But moist customers do not have an intention to use ethnic branded banks given the availability of other banks. Thus, it is important for both banks having ethnic branded and other brands to consider those factors that affects customers intention to use in order to increase their customers and performance , having an ethnic brand doesn't have an effect on customers intention to use.

Key words: *Intention to use, brand Attitude, Location, Accessibility, Global Impression , Bank Service , Bank Personnel*

CHAPTER ONE: INTRODUCTION

1.1 Background

According to Do Linh (2017 and Bravo et al (2009) It is expected that the quality of services that a bank offers to its customers would influence the decision of customers to bear an interest of becoming the customer of the bank as well as retains the customers that have already been using the bank. Accordingly, it is expected that people would prefer a bank that provides adequate variety of services, having low interest rate on loan and relatively higher interest rate on savings, offering personalized services, and that levy low service commission. The other variable deemed to affect peoples' choice of a bank is accessibility. This is related to the extent to which customers can easily and conveniently access the services of the bank.

Reputation of a bank has been considered to be among the factors determining peoples' intention of using a bank. It is expected that people would prefer a bank that respects business and ethical issues, is committed to satisfy the safety and security demands of its customers, and because of these and other reasons have a positive image in the minds of the public. Furthermore, the quality of personnel that a bank possesses is also another variable that is expected to influence the intention of customers to use it. In other words, it is expected that people would prefer to use a bank having competent employees with better qualifications, with better skills of customer service, and those that can better handle complaints from customers. The number of branches and their physical accessibility to customers has also been considered to affect peoples' intention to use a given bank. Accordingly, it is expects that a bank which has relatively more branches and where these branches are relatively closer to the house and workplaces of customers is more preferred than the bank that have less branches.

Peoples' emotional state related to the brand of a bank is another factor considered to affect their intention to use the bank. The two most common aspects of such emotional state are attitude towards the bank and the trust that people bestow on it. In contemporary Ethiopia in which almost every aspects of peoples' interaction, including economic relationships, political affiliation and most other facets of social interaction are constructed and maintained on the basis of ethnic identity, it is expected that peoples' attitude and trust of a given bank would be partly influenced by their potential or previous affiliation to the brand of the bank. Especially, living in an era where ethnic- branded banks and other business sectors are proliferating in Ethiopia, people are partly believed to prefer the banks the brand names of which are associated to their ethnic identity. Most people, however, tend to give little or no space about whether the brand name of a bank is associated to their ethnic identity or not and hence, will be more rational in terms of considering other aspects of the bank, such as the quality of services offered, its location, and service charges.

The location of a bank's branch, measured by the number of branches (Mandel et al., 1981; Bravo et al., 2009), and above all, its physical accessibility to the homes, workplaces and other residential features of customers can be considered as one of the factors influencing peoples' preference of a bank.

Accordingly, it is expected that people would choose a bank having branches or customer service centers that are nearer to their residence and are more convenient enough to be easily accessed by the customers. Equally important is a global impression of a bank. People are expected to choose a bank which has already built a positive global impression, measured by the extent to which other people provide a testimony about its experience in terms of fulfilling promises, honesty, friendliness of its employees and the management, and inspiration of confidenceConsumers intention to use the banking services is affected by several factors, such as location of a bank, internal environment including employees behaviors, the customer service experience, and uniqueness of services provided by the bank. Besides banks, brand contributes significantly to create customers attitude for banks intention to use.

Services delivered by the banks and their brand play important role informing customer's attitude towards the banks. Almost all banks have different motives and policies to create their brand strategy. Most of the banks have their brand which are directly associated with their stakeholders' motives and sometimes bank brand name has a direct association with stakeholders' or customers ethnic group names. In Ethiopia having ethnically branded banks is common; Currently there are three banks that have ethnic branding and there are two banks that have ethnic branded names ,which are under establishment like Amhara Bank and Hadiya Bank . Additionally, a small pilot interview was conducted with 17 bank customers selected randomly, to know their perception about banks in Ethiopia. The finding of this small pilot study show most people think that most banks have association with one of the ethnic groups in Ethiopia ,although most banks do not have ethically branded names., This study aims to survey and describe bank selection factors that customers may consider to use ethnic branded banks. Moreover, the study evaluates the effect of these factors, on customers intention to use ethnic branded bank.

1.2 Statement of the Problem

There are studies that is made by various researchers to identify effect of factors like bank service offering and customers attitude in selection of banks and intention to use like model introduced by Bravo (Bravo et al., 2009) and model developed by Do Linh (Do Linh 2017) to develop this research framework. As per this model services offered, service accessibility, global impression, corporate social responsibility, location, personnel, brand attitude and brand truest are factors that leads customer to use banks

Therefore factors like bank location ,service offered by the bank, brand play an important role in attracting customers to the bank. Financial institutions like banks have to develop unique brand and place their brand positioning in the minds of consumers

. Specifically ethnically branded banks becomes unique due to the fact that their brand name is the same as the name of specific ethnic group and these banks may or may not affected due to their brand strategy.

Therefore this research tried to identify whether location of the bank, service offered by the bank, brand attitude, global impression , bank personnel and accessibility affect the intention to use ethnic branded banks..

1.3 Research Question

This study focuses on identifying and describing the effect factors on the intention to use ethnic-branded banks operating in Ethiopia by answering the below questions: on customers'

- What is the attitude of research participants about ethnically-branded banks in particular?
- Given availability of other alternatives, do people prefer ethnic-branded banks?
- What are the socio-demographic factors associated with peoples’ intention to use ethnically-branded banks?
- Is customers’ intention to use an ethnic-branded bank influenced by the types and qualities of the services offered?

- Does accessibility affect customers' intention to use an ethnic-branded bank ?
- Will customers' preference of an ethnic branded bank affected by the global impression of the bank?
- To what extent does an ethnic-branded bank's branch location relates to customers' intention to use it?
- Does professional characteristics of bank's personnel affects customers' intention to use an ethnic-branded bank?

1.4 Objective of the Study

1.4.1 General Objective of the Study

The objective of the study was to identify and describe the effect bank selection factors on the intention to use ethnic branded banks.

1.4.2 Specific Objectives

I. To examine the extent to which research participants value the service quality when contemplating about bank choice, particularly ethnic branded banks.

II. To examine the extent to which research participants value professional characteristics of of bank officials when contemplating about bank choice, particularly ethnic branded banks.

III. To examine the extent to which research participants value the location of bank branches when contemplating about bank choice, particularly ethnic branded banks.

IV. To examine the extent to which research participants value accessibility of the bank when contemplating about bank choice, particularly ethnic branded banks.

V. To examine the extent to which research participants value reputation and global impression of the bank when contemplating about bank choice, particularly ethnic branded banks.

VI. To assess the attitude of research participants about ethnically-branded banks in particular

VII. To identify whether respondents prefer (to become customers of) ethnically-branded banks, given availability of other alternatives

VIII. To evaluate the (socio-demographic and attitude related) factors associated with peoples' intention to use ethnically-branded banks

1.5 Significance of the Study

This study provides evidence regarding the effects of brand variables that influence the intention to use decision. This study provides a direction for banks to come up with better branding strategy to capture the target market and boost their customer.

The findings of the study would assist future research to obtain additional pieces of information, which were unavailable in previous. Additionally, it will help banks with developing their brand strategy. This study would also give insight to the public administrators and policymakers by giving various perspectives ,so that they will understand that they need to consider various aspects before naming or branding the organization, service, and products.

1.6 Scope and Limitation of Study

This research focuses on basic factors affecting or influencing customers' intention to use banks in Ethiopia. Additionally, the main focus of this study is to explain the effect of customers' attitude towards ethnically branded banks on their intention to use.

Banks are spread all over the country and due to certain limitations and constraints it was practically impossible to gather data from all the regions of Ethiopia. As a result, the study is concentrated on customers of banks located in Addis Ababa. Additionally, customers bank selection and intention to use are influenced by various factors module. According to (Bravoetal., 2009) and (Do Linh 2017) particularly services offered, service accessibility, global impression, corporate social responsibility, location, brand trust , brand attitude and personnel. However, although this research considered these factors on the study but gives more emphasis on evaluating and explaining the effect of ethic bank selection fators on intention to use these banks .

1.7 Definitions of Terms

The following definitions and terms are important to understand the scope and all about of this paper.

- Customer Attitude -Consumer attitude may be defined as a feeling of favorableness or favorableness that an individual has towards an object, product /service, advertisement, and brand. Basically individual with a positive attitude is more likely to buy a product or service and this results in the possibility of liking or disliking a product or service.(Source Ajzen 2008)

- Ethnic -Relating to large groups of people classed according to common racial, national, tribal, religious, linguistic, or cultural origin or background(Source Isajiw 1993)
- Brand- product, service, or concept that is publicly distinguished from other products, services, or concepts so that it can be easily communicated and usually marketed. (source Philip Kotler 2005)
- Intention to use - Intended to perform a specified behavior(Source Ajzen 1991)

1.8 Organization of the Paper

The thesis is be structured into five chapters. The first chapter covers background of the study, statement of the problem, objectives of the study, significance of the study, the scope and limitation of the study and definition of significant terms used in the proposal. Chapter two contains a review of related literature. The research design and methods is presented in chapter three. Chapter four contains results and findings of the study are also discussed. Finally, the last chapter comprised of the summary of findings, conclusion and recommendations.

2 CHAPTER TWO: LITERATURE REVIEW

This chapter provides an overview of previous research on various factors that affects the intention to use banks service It introduces the framework for the case study that comprises the main focus of the research described in this thesis.

2.1 Intention to Use

Buying intention is a part of a decision-making process that one would be involved in the buying process (Shah et al., 2012). Morinez et al. (2007) define intention to use as a situation where consumer tends to buy a product or service in certain conditions. Intention to use usually is related to the behavior, perceptions, and attitudes of consumers. Purchase behavior is a key point for consumers to access and evaluate the specific product or service. Intention to buy or to use is an effective tool to predict buying process. Intention to use may be changed under the influence of price or perceived quality price, location convenience. Besides, consumers would also be affected by internal or external factors s during the buying process (Gogoi, 2013). Most studies point out that customers would go through six stages before they decide to buy a product or service, which are: awareness, knowledge, interest, preference, persuasion, and purchase (Kotler & Armstrong, 2010) (Kawa et al., 2013). Customers always think that purchase with a low cost, simple packaging, and little-known product is a high risk since the quality of these products is not trustable (Gogoi, 2013).

2.2 Bank Selection and Intention to Use

According to Bravo et al (2009) the brand image represents the perceptions reflected as existing associations in the mind of customers. The corporate image can be considered as a name of organization rather individual product in the mind of customer. From the organizational perspective, corporate image is conceptualized as the way in which an organization’s members believe external stakeholders perceive their organization(Duttonetal.,1994) or the way that an organization’s managers would like outsiders to view their company (Whetten et al., 1992). In both cases, corporate image is the internal construction of public impressions. The views of customers, share holders, the media, the general public, and any other external stakeholders are the basis of image (HatchandSchultz,2003). Nevertheless, it is usual in the marketing literature to focus on customers and it is accepted that corporate image represents the beliefs, attitudes, impressions and associations held by customers about a corporation (Beltand Paolillo, 1982; Keller, 1993).

Indeed many authors postulate that a corporate image is the most effective means for differentiation in banking (Richardson Robinson 1986, Van Heerden and Puth, 1995).In this context, image has become main management tool for banking industry (Worcester,1997).

The study of corporate image includes many factors as Keller(1993) postulated that it is comprised of all attributes, benefits and attitudes towards a brand. Corporate image gathers all the perceptions that stakeholders can have of the firm. Thus, corporate image becomes a multi dimensional construct formed by all the impressions and expectations that individuals develop through out a certain period of time (Howcroft,1991). Mandeletal (1981) organize the dimensions of analysis in relation to customer benefit, bank benefit, bank descriptor and progressiveness. LeBlank and Nguyen (1996) pointed to relevance of studying the reputation of directors, services offering, contact personnel, corporate identity, access to service and physical environment. Souidenetal (2006) included CSR in addition to some other dimensions which was also acknowledged as one of the most important factors in determining corporate reputation(Worcester,2009). While a strong corporate reputation can provide a competitive advantage (Balmer,2001), stakeholders are becoming skeptical about firms' reasons for engaging in CSR (Vlachos et al., 2009), making it more difficult for researchers and practitioners to understand the specific consequences and effects of engaging in CSR activities (Maignan and Ralston,2002). Bravoetal(2010)very comprehensively and parsimoniously developed a scale of corporate image in terms of five dimensions including global reputation , service offering, bank personnel, location and CSR for the commercial banks based on the past different studies.

Several authors agreed on the effect of various features of service offered, personnel and reputation among other associations on the decision of customers to use the bank service (Kaynakand Whiteley,1999 Bravo et al ,2009, 2012). The details of these dimensions are listed as:

Global impression

Latest study from Bravoetal. (2009) found global impression as one of the dimension of corporate image. They found bank's promise fulfillment, honesty, friendliness and inspiration of confidence as the measurement variables of this impression. They emphasized branch attractiveness, stylish services cape and modern looks as the identity building factors of banks. Additionally, name of the bank, its logo, kind of customers, and affiliation with union movement also has an impact on this visual identity which ultimately influences corporate image (LeBlanc and Nguyen, 1996).

Service Offering

Service offering has been widely considered as a dimension of bank's corporate image (Bravoetal.,2009).Various authors have found that the service offerings and their quality is a critical element in the development of corporate image

Personnel

The value of a corporate brand is grounded in the values and affinities of company founders, owners, management and personnel. Personnel as a dimension of corporate image have been discussed by previous authors using multiple variables. Corporate image of a bank depends on the kindness and friendly nature of the staff, personnel professionalism and availability (vanHeerden and Puth,1995; Parasuramanetal., 1988; Aldlaigan and Buttle,2002, Flavia´netal.,2005; Yavasetal.,2004; Karatepeetal.,2005). Knowledge of the contact personnel tends to impar trust on customer regarding bank and Its services offering (LeBlanc and Nguyen,1996).

Location

Location of a bank's branch is considered as one of the key dimension of corporate image (Bravoetal.,2009).

This dimension has been measured by number of branches of a bank, luxuriousness, size of various branches(Mandeletal.,1981).Consumers prefer a bank that has a

Convenient location and is accessible for them (Flavia´netal.,2005). Study from (Bravoetal.,

2009) found that the corporate image of a bank rest on its locality in addition to the number of branches and easy accessibility. Convenient and near by location is significant dimension of a bank's corporate image (Evans,1979). While studying corporate image of financial institutions Bravoetal.(2012) explored location as one of the key dimension of corporate image. There is a strong consensus, particularly amongst the large multinationals, that architecture and location are an important aspect of corporate image (Karaosmanoglu and Melewar,2006). Latest study of Bravoetal.(2009) concerning scale development and validation found location as one of important dimension of corporate brand image in retail banking.

Corporate social responsibility- CSR

CSR has only lately been recognized as one of the most key elements in identifying business popularity (Worcester,2009). Variables like community benefit, environmental respect and commitment with society forms the corporate social responsibility dimension of corporate image (Bravo etal.,2009). Research has found hyper links between CSR and business identification, CSR has been involved in quality designs affecting company popularity and business picture (Cornelius etal.,2007). More companies than ever are trying to make use of CSR organizations, with CSR reviews "filling websites and brochures" (Snider et al., 2003). Kay (2006) highlights the importance of tying corporate brands to their corporate social responsibility practices. Cause-related campaigns are frequently implemented to promote a socially responsible image (Keller and Richey,2006), which positively differentiates them from competitors (Karaosmanoglu and Melewar,2006; Kay,2006) and heightens the company evaluation (Brownetal.,2005). Castelo and Lima(2006) categorize corporate social responsibility information provided by banks in four areas: environmental, human resources, products and consumers and community involvement disclosures. In this work, product quality, charitable donations, support for education, arts and culture are the most frequent information provided in companies' websites. The corporate social responsibility dimension includes the investment in charitable giving, ecological stewardships and, in general, benefits to society (Castelo & Lima,2006; Souidenetal.,2006). Similarly bank's dedicating resources for the welfare of locality (daSilva and Faridah,2006; Stubbs and Cocklin,2007, Aliet al.2016 and Aliand Park2016); respecting and addressing environmental concerns (Bouma and Klinkers,2001) tend to develop a positive corporate image. To sum up, it can be concluded that the analysis of the corporate image in commercial banking may adopt many different perspectives.

Effect of associations of corporate Image on consumer behavior

The consumers having a positive image in mind of a company will be seen in their global attitude to ward the company. Some authors prove that corporate associations and global reputation of a company are the factors that affect positively the assessment of the products (Madrigal,2000; Souidenetal.,2006; Brownetal.,2005). Devlin and Azhar(2004) say that trust and reassurance feelings are crucial factors providing differentiation and generating positive consumer responses in relation to financial services brands.

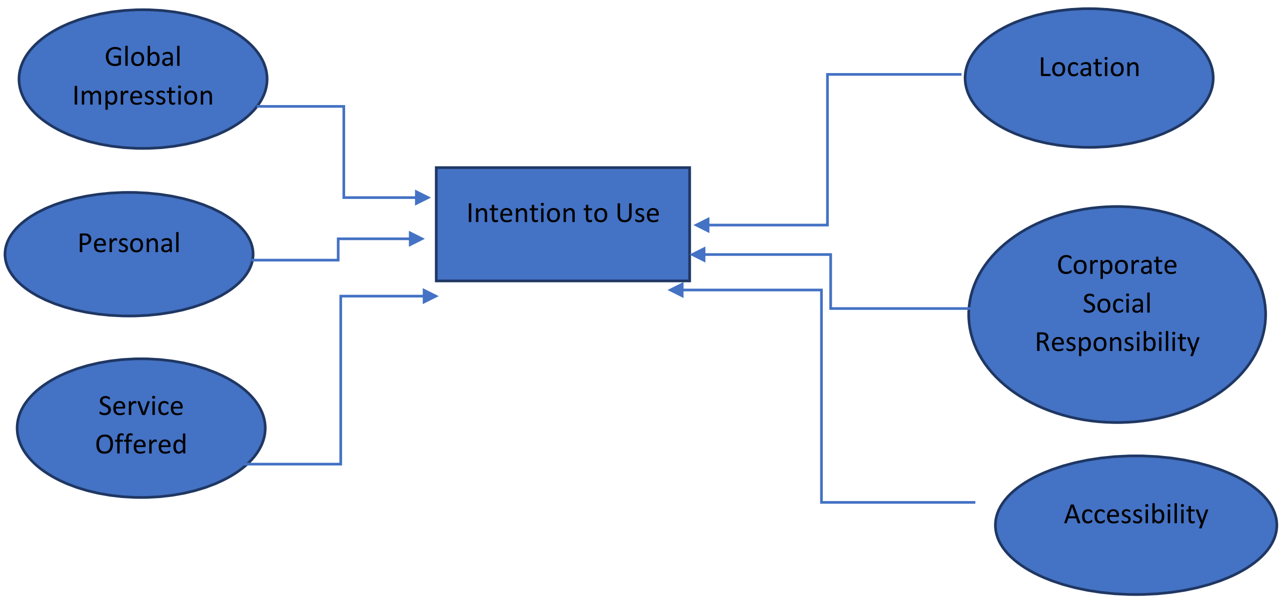


Figure 1- Bank Intention to Use Model

Brand Attitude

An individual may have a positive attitude towards a product/service offering is more likely would decide to purchase that product or service ; this makes the study of consumer attitudes highly important for a marketer. An attitude may be defined as a feeling off a favorableness or unfavorableness that an individual has towards an object (be it a person ,thing or situation).

Consumer behavior, consumer attitudes maybe defined as an inner feeling off a favorableness or unfavorableness towards a product or service offering As Schiffman (2012) has defined, "Attitudes are an expression of inner feelings that reflect whether a person is favorably or unfavorably predisposed to some "object" (e.g., a brand, a service, or a retail establishment)," and "Attitude formation is the process by which individuals create feelings or opinions towards products, ideas, activities, and other objects.".

In terms of consumer behavior, an attitude is formed by the evaluation made by customers towards an abject or offerings ,which could be favorable or unfavorable feeling that a consumer would have to wards that object. The object could be a product or service , brand, price, advertisement sales person, location etc. As Schiffman puts it, it is "a learned pre disposition to behave in a consistently favorable or unfavorable way based on feelings and opinions that result from an evaluation of knowledge about the object". It is worthy that attitudes cannot be directly observed, the reason being that they are impacted by psychographics like motivation, perception, and learning. Attitudes can only be inferred from what people say or what they do and how they behave.

Nature of Attitude

According to Schifman, L.G. and Kanuk, L.L(2010) Consumer attitude can be better explained by defining the nature and features of attitude. Attitudes consist of three components, namely, a knowledge or cognitive component, a feeling and affect component, and a behavioral and co native component. In relation to consumer learning, the attitude would express the consumer's feeling of liking or dislike of a product or service offering and the marketing mix. Knowledge is learned that a consumer obtains from his/her interaction with others as well as his/her own trials. Feeling is reflected in his/her evaluation, and the resultant feeling of favorableness and favorableness. Behavior is decide to purchase or to use based on the evaluation. On the basis of this explanation, the nature of attitudes can be worked out as follows:

1. Attitudes are directed towards an object (product/service, price, store, dealer, promotion, advertisement etc.) about which a consumer has feelings and beliefs.
2. Attitudes have a direction; they could be positive or negative. A consumer could possess feeling so like/dislike, favorableness and unfavorableness towards a product or service as well as the mix. They vary in degrees and intensity, and can fall any where along a continuum from very favorable to very unfavorable.
3. Attitudes are consistent in nature, particularly with respect to the third component, i.e. behavior. Consumers are consistent with respect to their behavior. However, they are not entirely permanent and can change as the cognitive or component changes. This implies that if the consumer witnesses new experience or is exposed to new information about product/service offering and the mix (cognition), and) feelings are changed from dislike to like (affect), attitudes towards the offering and the mix can undergo change. In other words, while attitudes are stable and do not change frequently, they can be changed if something is done to change them.
4. Attitudes are a learned predisposition. Attitudes are learned; they are formed as a result of i) self experiences with the product/service offering and the mix; ii) interaction with other people, be it family, friends, peers and colleagues; iii) information from the marketer through

advertisements as well as dealers and salespeople. Attitude formation as a process is influenced by needs and motivation perception as well as by learning.

5. Attitudes cannot be observed but behavior does .are made up of three components, behavior is only one of them. .Behavior is only this component that can be see but the other two components (Cognitive and affect)cannot be seen .So attitudes cannot be seen; they can only be seen and interpreted from the manner in which an individual behaves.
6. While attitudes can be interpreted from our behavior, it is not the same as behavior. It consists of two other components, and reflects a learned predisposition to act favorable or unfavorably towards an item (product. advertisement ,brand and service).
7. Attitudes are depends on situation ; they occur within a situation. Sometimes depending upon the situation, a consumer may change his or her behavior that may be in consistent with his/her attitude.

According to Do Linh (2017), in addition to factors (location, accessibility, personal, global impression ,service offered and corporate social responsibility) that the previous researchers identify, which leads customers to use banks; brand attitude and brand trust are also contribute for the intention to use banks. The figure below summarizes all the factors contribute for customers intention to use banks.

2.3 Ethnic Branding

The relationship between ethnicity and customers' economic decision-making behavior has remained a topic of interest among researchers outside of Ethiopia since recent years. Findings of the researches thus far undertaken elsewhere in the world revealed a positive association between the two variables. For instance, Jamealla (2015), studied the influence of ethnicity on consumer behavior in Sidney, Australia, and found that inter-group differences affect the consumption of ethnic products, such as food, clothes, movies, and choice of service providers. Furthermore, Alexander (2008), researched ethnic minority consumer behavior in the UK and revealed that the combined effects of self-congruity, brand trust and brand attitude on brand loyalty showed a strong effect. Moreover, Safiek, et al (2010), made an exploratory study on ethnicity and choice criteria in retail banking in Malaysia and

According to Zewedea(2009) study conducted in Shashmene town ethnicity influence customers bank selection. His study missed to consider various factors that affects customers intention to use.

Except this study in Ethiopia there are very limited research conducted on customers attitude on the ethnic branded banks and its effect on bank selection. Some researchers conducted in the country shows that ethnicity influence banks selection, but they did not figure out the reasons that influence customers. Additionally, these research's did not consider the effect of customers brand attitude on Intention to use. Besides the previous studies do not consider potential bank customers say on their studies.

Therefor this study tried to describe basic factors that influence customers intention to use ethnic branded banks and the effect of these factors on bank selection and intention to use ethnic branded banks .

2.4 Conceptual Framework

The conceptual framework for the study is depicted in Figure 2 below. This research tried to explain the relationship between various variables that potentially influence customers intention to use ethnic branded banks. In addition, this study investigates the relationship between bank selection factors, specifically location , accessibility, bank personnel, global impression, bank service, and brand attitude as independent factor with the intention to use ethnic branded banks as dependent variables.

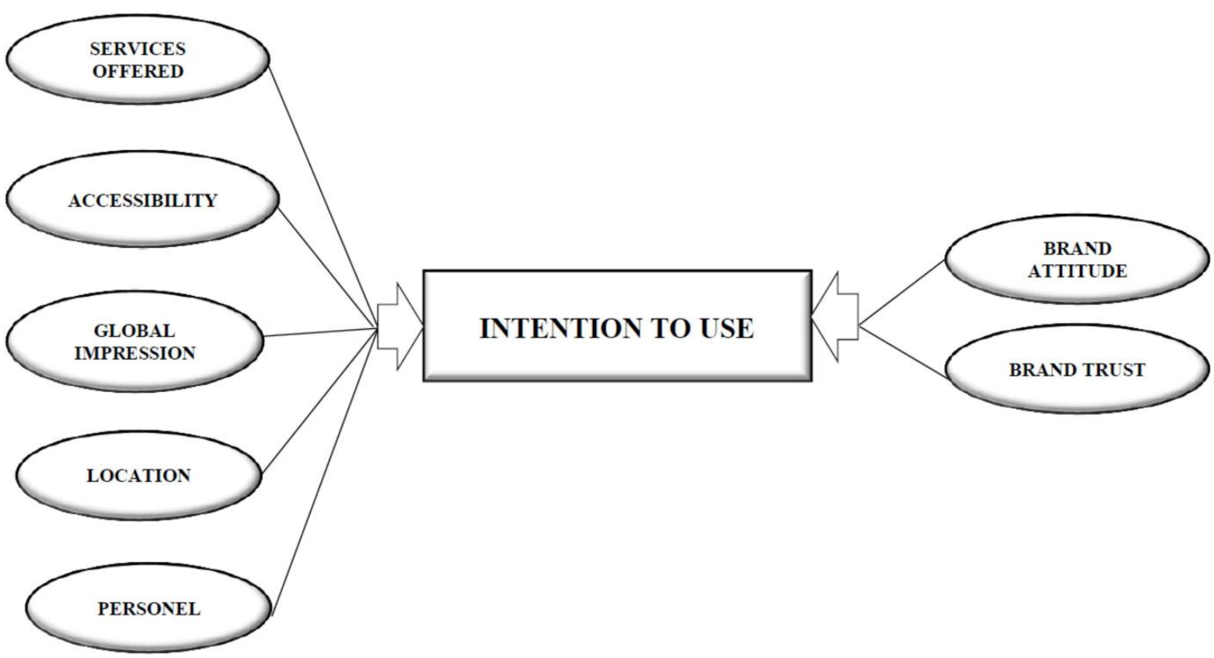


Figure 2 - Conceptual framework introduced by Do Linh (2018)

According to Bassell (2012), brand trust is a perception of peoples towards a certain product or service. It is based on customers' impressions and experiences of that particular service or product. So it is very much similar to brand attributes, which is a perception or trust evaluation made by customers on certain products. Therefore, to avoid confusing customers this study did not ask brand trust-related questions. The researchers had to exclude this attribute from the intention to use influencing factor in this study.

3. CHAPTER 3- RESEARCH METHODOLOGY

Since gathering sufficient and relevant information for preparation of the report requires a careful study, this research's primary data were collected through questionnaires, observation and focus group discussion to serve the purpose. In addition to this, the research involves the use of both structured and unstructured questions in the data gathering process. The research also took due care in avoiding both ambiguous and leading questions by using simple words to enable us cooperatively elicit objective information from the respondents. The study has selected these methods of data collection due to the fact that there are no any previous studies to measure customers' attitude towards ant bank brand.

This research was conducted in order to determine whether there is positive or negative attitude towards ethnically branded banks and its impact on bank selection and intention to use. In order to attain the research goals, the researcher is going to obtain the view of customers. Specifically, a total of 302 responds from bank customers(users) aged above 18 who are living in Addis Ababa were participated in this study.

The sample is composed of 302 customers who are using the service of selected banks (existing banks)

Information gathered from this research instrument were then computed for interpretation using SPSS and excel . Along with the primary data**,** the researcher also used secondary resource**s** in the form of published articles and literature to support the survey result.

3.1 **Research Design**

The explanatory method of research was used for this study. Explanatory method of research is used to identify the relationship between two variables. The emphasis is on analyzing or interpreting the relationship between variables. The aim of causal research is to verify formulated relationship that refer to the present situation in order to elucidate it. The explanatory approach is relatively quick and practical in terms of the financial aspect. Moreover, this method is flexible in which it allows to include important new issues and questions whenever they arise during the duration of the study; as a result, additional investigation may be conducted.

Explanatory -causal research on the other hand is a type of research that is mainly concerned with finding the relationship between variables and related to each other how much those variables are as it exists at the time of the study and to explore the cause/s of particular phenomenon. The aim of causal research is to obtain an accurate effect relationship between dependent and independent variables. In this type of research it is essential that the research should have a clear view or understanding of the issues being investigated before the data collection procedure is carried out. This study used this kind of research to obtain first hand data from the respondents so as to formulate rational and sound conclusions and recommendations for the study. The causal method is advantageous for the researcher due to its flexibility; this method can use either qualitative or quantitative data or both, giving the researcher greater options in selecting the instrument for data gathering. The aim of the research is to determine whether service quality is directly related to the decrease in deposit growth or not.

3.2 Sample Design

This study used a factor analysis method of variable reduction techniques. In this method, the basic variables that affect customers who may have an intend to use ethnic branded banks will be reduced by a certain number of factors. Accordingly, MacCallum et al (1999) Everitt (1975) recommended that sample size requires a minimum of 10 subjects(observations) per item(variable). In this study, there will be 23 variables(items) that will be reduced into factors and there were 302 samples of participants that were engaged in, which is beyond what is recommended by Everitt and many authors recommend sample size determination for factor analysis. The data collection was made in two phases. In the initial phase or in the qualitative phase, one focus group (each group containing9members) discussion were conducted with customers of any bank , potential customers and various social groups . A criteria for inclusion in the first group was having a bank account in any bank in Addis Ababa. Participants were selected from banks customers list. The other focused group were any person who do not have a bank account but have a potential to use banks, bank officials , government officials and students.

The second phase of data collection was made using questionnaire. A total of 302 respondents from bank customers(users) aged above 18 which are living in Addis Ababa were participated in this study. The sample is composed of 302 customers who are using the service of selected banks (existing banks)

The responses to the structured close-ended questions were rated in percentages. The percentage of respondents for each alternative was given and analyzed. The data collected were analyzed using SPSS and relevant mechanisms.

3.3 Source of Data

For this research, two types of data were gathered. These included the primary and secondary data types. The primary data were derived from the answer the participants give during the survey process. Primary data sources were any bank customers, by way of responding structured questionnaires designed to carry out the study. The secondary data on the other hand, were obtained from published documents and literatures that are relevant to personality questionnaire. With the use of the survey questionnaire and published literatures, this study took on the companied qualitative and quantitative approach of research. By means of employing this combined approach, the study was able to obtain the advantages of both quantitative and qualitative approaches and overcome their limitations.

3.4 Data Collection Methods

The researcher implemented both quantitative and qualitative techniques in the process of data collection. Focus group discussion was used as qualitative data collection methods. Questionnaires were also used as a quantitative data collection method in the process of collecting primary data. Quantitative data collection methods are centered on the quantification of relationships between variables. Quantitative data-gathering instruments establish to explain the relationship between measured variables.

The quantitative data gathering methods are useful especially when a study needs to measure the relationships between pre-selected variables. The purpose of the quantitative approach is to avoid subjectivity by means of collecting and exploring information which describes the experience being studied. The selected questionnaire type enables the respondents to answer the survey easily. In addition, this research instrument allows the researcher to carry out quantitative approach effectively with the use of statistics for data interpretation.

3.5 Data Processing and Analysis

After gathering all the completed questionnaires from the respondents, total responses for each item were obtained and tabulated. In order to use it for interpretation, weighted mean, logistic and binary regression and factor analysis to represent each question were computed.

3.6 Ethical Considerations

As this study requires the participation of human respondents, specifically professional data collectors , certain ethical issues were addressed. The consideration of these ethical issues was necessary for the purpose of ensuring the privacy as well as the safety of the participants. Among the significant ethical issues that were considered in the research process include informed consent and confidentiality. In this study all important details would be explained properly including its aim and purpose. By explaining these important details, the respondents were able to understand the importance of their role in the completion of the research. The respondents were also advised that they could withdraw from the study even during the process. With this, understanding, the participants were not forced to participate in the research. The confidentiality of the participants has also ensured by not disclosing their names or personal information in the research. Only necessary information that helped in answering the research questions were included.

4. Chapter 4- -Data Analysis And Discussion of The Survey Result

4.1 Descriptive Analysis

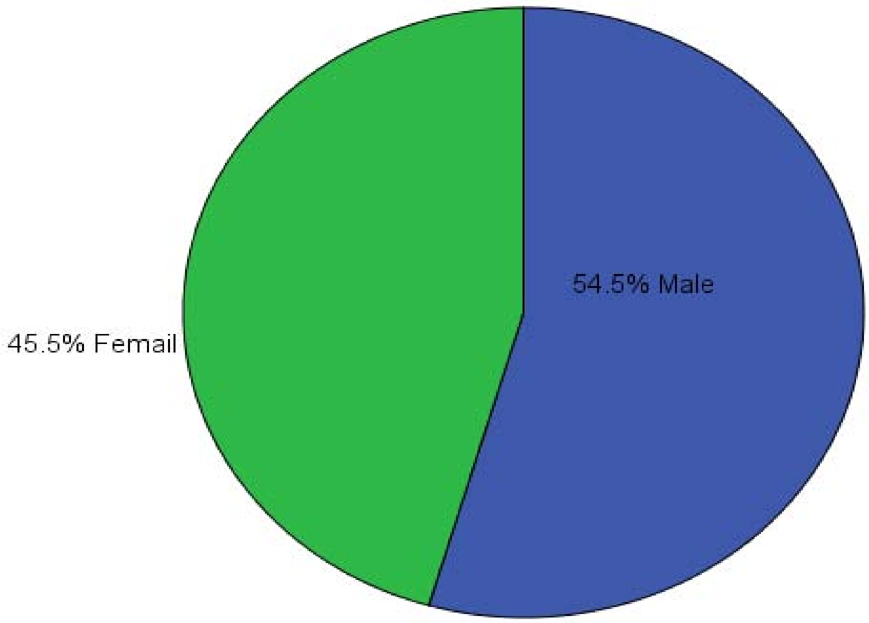
The objective of the study was to identify and describe the effects of customers' bank selection factors on the intention to use ethnic branded banks . The respondents were asked to rate various factors that affect their intention to use ethnic branded banks; specifically bank location, personnel, accessibility, brand trust, global impression, service offered and brand attitude in a five point Likert scale. The data collected from the questioners were analyzed quantitatively. The questionnaire was a closed ended. It should be noted that the questions are opinion based which seek to find out opinions and perceptions of respondents. The result of this study is summarized and presented using graphs, figures and tables.

4.1.1 Respondents Demographic Profile

The first section of the study questionnaire provides the demographic profile of the respondents as building a frame for the interpretation of the results. The respondent's profile is organized in terms of gender, age, educational status and customers' relation with the bank. The responses of 302 customers were participated and in the survey are captured and analyzed below.

The survey result in terms of gender mix indicates that 54.5 of the customers who participated in the survey were male and the rest (45.5%) were female. More male participants than female in this study may indicate that the study reveals more of the attitudes and opinions of male bank users . However, the study considers the overall bank customers attitude towards ethnic branded banks.

Graph 1- Respondents by Gender

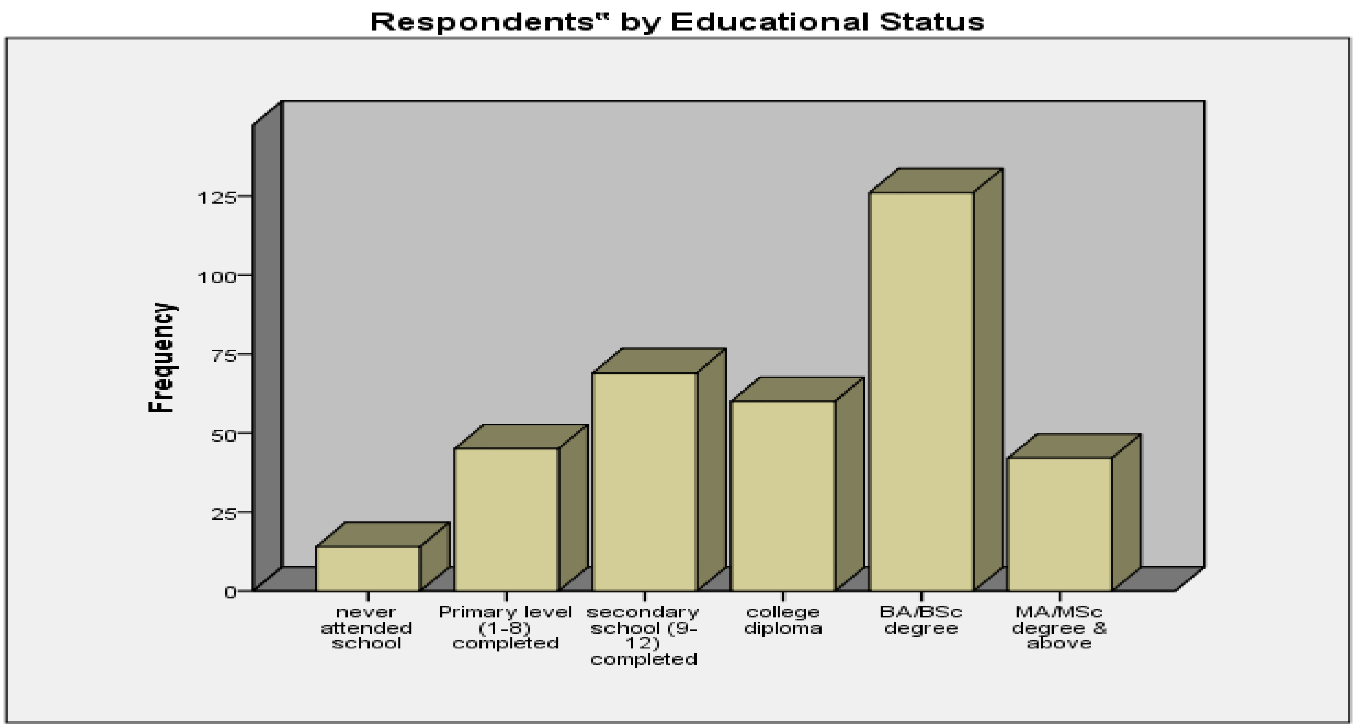


Source Own Survey 2021

Source Own Survey 2021

The respondent's education level shows that that the highest percentage of respondents (35.4%) are BA/BSC holders, followed by Secondary school completed and college diploma holder (19.4% and16.9%), and MA, MSC, and above and above (11.8%). In addition to that, there are respondents that never attended school (3.9%).

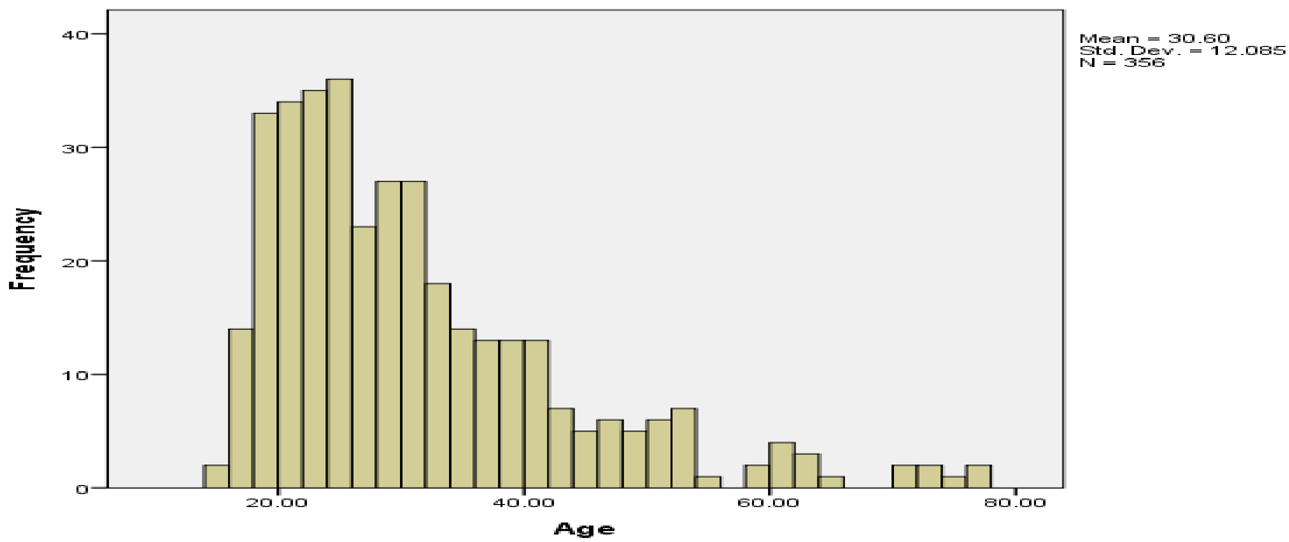
Graphs 2 : Respondents" by Educational Status



Source Own Survey 2021

The respondent age ranges from 18 years to 76 years .The figures below shows mare about the composition of age and its distribution.

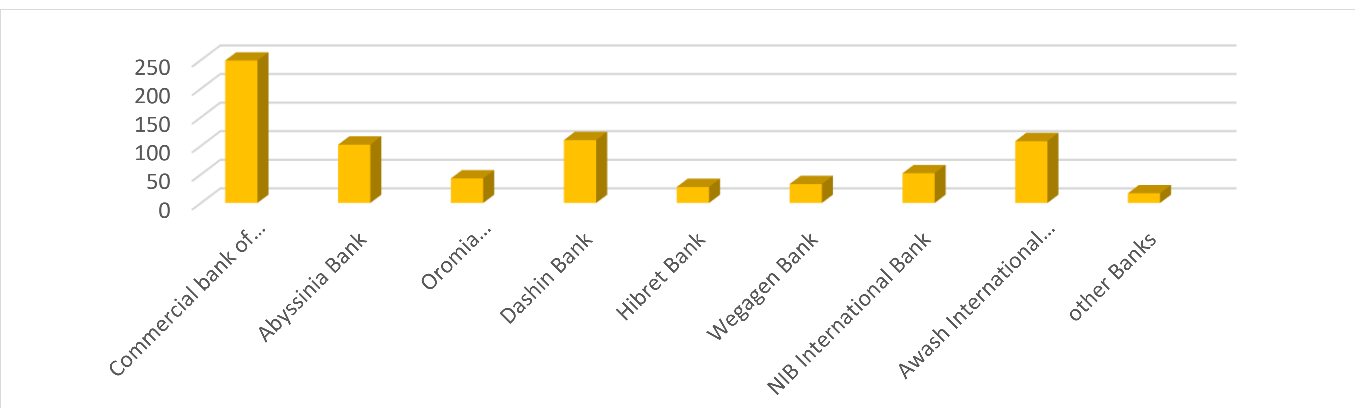
Graphs 3- Age Composition



Source -Owen Survey 2021

As stated in the methodology section the respondents are composed of various bank users and. The graph below summarizes responds by bank usage.

Graph 4- Bank Users Respondents Banks Use



Source -Owen Survey 2021

In addition, as discussed in the previous sections th research participant are a total of 302 bank customers and these 302 bank user respondents were asked to select some of their social networks that influence their decision to use their current banks. Accordingly, family, advertisement and friends were major social networks that influence their decision to choose banks by participants of this study.

Table 1-Social networks that influenced decision to use the selected bank/s

	Responses		Percent of Cases
	N	Percent	
Advertisement	161	26.88%	45.2%
brand name	64	10.68%	18%
Family	136	22.70%	38.4%
Friends	129	21.54%	36.20%
Colleagues	79	13.19%	22.2
Religious affiliates	8	1.34%	2.2%
others	22	3.67%	6.2%
Total	599	100.0%	236.62%

Source -Owen Survey 2021

The 302 bank user respondent were also asked to select their source of information about their current bank service provider , accordingly friends and close relatives are major sources of information(42.1% and 46.3%) respectively.

Table 2-Sources of information about current service providing bank

	Responses		Percent of Cases
	N	Percent	
family members	37	6.99%	10.4%
Friend	150	28.36%	42.1%
close relative	165	31.19%	46.3%
religious affiliate	23	4.35%	6.5%
colleagues	6	1.13%	1.7%
Web Site	87	16.45%	24.4%
Other	61	11.53%	17.1
Total	529	100.0%	184.4%

Source -Owen Survey 2021

4.1.2 Recipients Reaction On Factors Affecting Bank Intention to Use

A. Location

Customers prefer a bank that has a convenient location (Flavia'n et.al;2005). Nearby location to customers residence and work plays significant role for customers choice. Additionally, according to Bravo.et.al (2009) location is important dimension of brand image in retail banking.

The overall result of location impact on customers intention to use a bank indicates that 67.5% and 27% of the respondents responded strongly agree and agree respectively that location and convenience of the bank may lead them to choose a bank. However 3% of the respondents disagreed and the rest of 3% respondents have no comment.

- <u>Nearness to Respondents Home and Work</u>

In order to examine the level of intention to use respondents were asked to put their agreement level on whether nearness of the bank to their home and work or location affects their intention to use. Accordingly 96% of the respondent (with 68% strongly agree and 26% agree) replied that they are intention to use a bank if the bank is near to their residence and work place.

- Having More Branches

With regard to banks having more branches 66% and 28% of the respondents strongly agreed and agreed respectively that they prefer to use a bank that has more branches. While 3% of the respondents were no opinion to respond and the rest 3% of respondents disagreed on having more branches will not create an intention to use the bank

Table 3-Respondents Agreement on Location

Evaluation Scale	Closeness to the Respondents Work and Home		Number of Branch's	
	Frequency	Percentage	Frequency	Percentage
Strongly Agree	204	68%	200	66%
Agree	80	26%	84	28.%
Neutral	9	3%	9	3%
Disagree	6	2%	6	2%
Strongly Disagree	3	1%	3	1%

Source Own Survey 2021

B. . Accessibility

In the banking sector increasing bank access is increasing customers membership, satisfaction and market share. Banks provide various bank service but it should be accessible to their customers using various methodologies like, cell phone (using mobile banking) internet banking, even though accessibility of banks could be described by various means, this study considers only accessing bank service via cellphone,. Accessing bank service via internet makes easy of accessing any bank service.

- Mobile Banking

Evaluation was made to identify whether accessing the bank service using cell phone helps customers to decide which bank service to use. To this effect 52.98% of the sampled customers strongly agreed that they will have an intention to use bank if the bank provides its service via their personal cell phones, while 40.4% agreed, 3.64% disagreed and the rest 3% do not have opinion.

- Internet Banking

Respondents were also asked to place their agreement on whether provision of bank service using internet will compromise their intention to use a bank. As a result 88.36% agreed that they will have an intention to use the bank if it provides its service via internet. From the total respondent 2% disagreed and 6.60% of them no opinion..

- Speed of Bank Services Provision

Customers attitude and intention to use when the speed of service provision system of the bank were also evaluated accordingly, 49.36% (with 23.18% strongly agree and 26.18% agree) agreed that the banks speed in providing its service will influence their intention to use the bank. However 9.60% the respondent disagree.

- Easy to Access the Service

Banks may provide various service but customers should access them easily, so that it will have an impact on bank's brand development and profit.

To this end, respondents were requested whether they will have an intention to use a bank that has easy access its services. Accordingly 93.38% respondents replied that they will have an intention to use the bank, while 2.98% do not and the rest 3.64% not have opinion.

- Bank Trust vs Age

To evaluate whether customers trust a bank that has long age ; respondents were asked to put their agreement rate. Accordingly 49.34% agreed that they will trust a bank with longer age of service . However r 34% of the respondents disagree.

Table 4-Respondents Agreement on Accessibility

Evaluation Scale	Mobile Banking Service Provided by the Bank	Internet Banking Provided by the Bank	Speed of Service Delivery	Easy to Access Service	Relationship Between Age of the Bank and Trust	Average-Percentage
Strongly Agree	160	194	70	209	55	46%
Agree	122	73	79	73	48	26%
Nutral	11	29	124	11	72	16%
Disagree	7	4	21	5	94	3%
Strongly Disagree	2	2	8	4	33	5%

Source Own Survey 2021

C. Service

Another widely considered dimension of customers intention to use is service offering. (Bravo.et.al,2009). Many authors have founded that variety of service offering and their quality is critical element for customers intention to use and brand image. The service includes terminology usage, loan policy, saving interest rate, are important variable of service offer to measure customers intention to use. Personalized service and products offer by banks has positive affection on customers intention to use and brand image.

The result of this survey shows that on average 33.51 % and 28.41% of the respondents were strongly agree and agree respectively that variety and quality of service matters for them to use a given bank. But 16.23% of the respondents disagree that variety and quality of service matters more for customers intention to use.

Out of service offering variables, providing variety of service and bank service charge are major factors that affect customers intention to use.

- Variety of of Service

In order to examine respondents thought on having variety of service offering affects their intention to use respondents were asked to put their agreement level. Accordingly 91.72% of the respondents((with 59.6% strongly agree and 32.12% agree) replied that they are interested to use a bank that offers variety of service. However 3.32% of the respondent do not agree on getting variety of bank services for them to decide which bank to use.. The rest 7.34% do not have comment.

- Low Loan Interest Rate

To evaluate whether the low loan interest rate impose positive influence to the bank customers or not, sampled respondents were requested to put their opinion. The result revealed that 44.70% of the respondents strongly agree and 45.03% agree that low loan interest rate would influence their decision to use a bank.

- Service Commission /Bank /

Service charge is a fee charged to customers for something specific, such as money transfer to other banks or branches. Respondents were asked about their attitude and influence of the bank charge on their intention to use, 76.16% of the respondent (with 31.13% strongly agree and 45.03% agree) replied that they will consider bank service charge when they intend to use bank. However 4.31 % of the respondents(with 3.31% disagree and 1% strongly disagree) replied that bank services charge will not influence them when ever they intend to use the bank. Additionally 5.96% of the respondents have doubt in this regard.

- Saving Interest Rate

Depositors may earn interest on the money that they deposit specially customers who deposit in their saving account or certificate of deposit. Responding to having better saving interest rate influence on bank intention to use the study showed that 32.45% and 28.45 % respondents have strongly agree and agree respectively that they intend to use a bank that has a better saving interest rate .However 9.27% of the respondents have doubts.

- <u>Personalized Bank Service</u>

Personalize bank service is to mean evaluating and unifying customers data and touch points across such as self service. This creates service to users. Accordingly respondents were asked to evaluate their perception about having personalized banking service and 53.64% (with 42.72% strongly agree and 10.93% agree) responded that having personalized bank service influence their intention to use a bank. However 40.40% disagree (with 23.84% disagree and 16.56% strongly disagree) and 5.96% with no opinion.

Table 5-Respondents Agreement on Service

Evaluation Scale	Varity of Service	Low Loan Interest Rate	Service/Commission Charge	Saving Interest Rate	Personal Banking Service	Average Percentage
Strongly Agree	180	135	103	98	129	42.72%
Agree	97	136	77	86	33	28.41%
Nutral	15	18	50	90	18	12.65%
Disagree	7	10	60	19	72	11.13%
Strongly Disagree	3	3	12	35	9	5.10%

Source Own Survey 2021

D. <u>Personnel(Human Resource)</u>

Personnel of banks has also one of the factors that contribute to the intention to use the bank service by customers . Knowledge, professionalism, appearance friendly nature, kindness and being customer oriented are personnel factors that can contribute for intention to use.

The overall result of personnel effect on intention to use the bank service indicates that on average 33.89% and 33.38% respondents reply strongly agree and agree respectively. However 16.82% of the respondent disagree and the rest 17.48% have no comment.

- Officers Attention to Customers

in order to examine the level of bank officials attention to customers effect on intention to use respondents were asked to put their agreement rate. Accordingly67. 88% the respondents (37.09 strongly agree and 30.79% agree) replied that official attention to customers will affect their intention to use the bank positively. However12.58% of the respondents do not agree in this regard and the rest 19.59% do not have any comment. Showing to customers that you care about them so that they will come again.

- Friendliness

Friendliness is all about connecting with people in terms their understanding and assist them. . Showing to customers that you care about them and act in a professional way so that they will come again.

. As a result it is revealed that 41.39% of the respondents strongly agreed and 48.34% agreed that friendliness of officials has a power to influence customers intention to use. However 3% of the respondents do not agree on the influence of friendliness of official on customers intention to use.

- Officials Speed in Delivering Service

Respondents were also asked whether the speed in delivering service compromises their intention to use. The study result shows that 61.59% agreed that officials speed in delivering the bank service would lead them to use the bank service. However, 21.19% of the respondents disagreed

- Qualified Personal

As some authors specifies that knowledge and professionalism of bank personal will have an impact on customers intention to use. Evaluation was made to identify whether knowledge and professionalism of bank officials affects customer intention to use. To this effect 55.96 and 34.77% of the respondents strongly agreed and agreed respectively qualified Personnel of banks. They will have an intention to use if they come to banks has qualified personnel. However 3.97% disagree in this regard.

- <u>Officials Speaks Customers Language</u>

Customers develop trust on the bank in various ways like reputation, technology usage, accept feedback and try to correct accordingly. Language is also one way to develop trust by customers .

To evaluate intention to use the bank if respondents come to know or expect that the bank official would speak their language were requested to put their opinion.

The survey result shows that 30.90% strongly agreed and 36.42 % agreed that they will have an intention to use the bank, if the officials speak their language. However 42.38% of the respondents do not agree on its point.

Table 6-Respondents Agreement on Personnel

Evaluation Scale	Officers Attention to Customers	Bank Officials Friendliness'	Banks's Officials Speed in Delivery of Service	Qualified Personal	Officials Speak customers Language	Average Percentage
Strongly Agree	112	125	81	169	55	35.89%
Agree	93	146	105	105	55	33.38%
Neutral	59	22	49	16	64	13.91%
Disagree	30	7	62	11	71	11.99%
Strongly Disagree	8	2	5	1	57	4.83%

Source Own Survey 2021

E. <u>Global impression</u>

Global impression is the overall impression and expectation of customer. It includes trust developed by customers global impression is also over all perception. Regarding the bank. Besides global impression includes honesty and attractiveness of bank branches.

Regarding global impression respondents were asked to identify global impression effect on customers intention to use; response of the study showed that on average 59.44% of respondents agreed (with 23.43% strongly agree and 36.21% agree) that their perception about the bank and reputation of bank would influence their intention to use a bank. However 23.59% of the respondents disagreed and the rest of 16.97 % have doubts.

- Reputation

Reputation of a bank is the opinion or believes that customers generally hold about the bank. In this regard respondents were asked that whether they would consider reputation of the bank when ever they choose to use a bank service. Accordingly the study result shows that 70.53% of the respondents agreed and 6.24% of the respondent disagreed, while 22.85% of them do not have opinion.

- Public Brand Image

Bank brand image is perception about the brand by the public. The public might associate the bank brand with some thing which might influence their intention to use. To evaluate whether public brand image affects their choice customers were asked to evaluate their view in this regard.Aaccordingly 34.11% agreed on this issue, However 49.34% of the respondents disagreed.

- Respect Business Ethics

Respect of business ethics is also one of the factors that contributes for perception of customers towards using a bank service.

Respondents were asked whether they will consider respect of ethical code by the bank whenever they choose a bank. Accordingly 70.20% agreed that bank's respect of business ethics will influence their bank choice. However 11.59% disagreed in this regard.

- Banks Commitment to Serve the Public

Evaluation was made to identify whether the bank commitment to serve the public affects intention to use. Respondents were asked to place their agreement whether bank's commitment to serve the public affects their intention to use. Accordingly 62.91% of the respondent agreed that banks commitment to serve the public affects their bank choice while 26.82% of the respondent didn't agree. The remaining 10.26% didn't have opinion.

Table 7-Respondents Agreement on Global Impression

Evaluation Scale	Reputation	Image in the Minds of Customers	Respect of Business Ethical Codes	Bank Commitment to Serve the Public	Average Percentage
Strongly Agree	22	50	113	98	23.43%
Agree	191	53	99	92	36.01%
Neutral	69	50	55	31	16.97%
Disagree	20	114	21	41	16.23%
Strongly Disagree		35	14	40	7.37%

Source Own Survey 2021

F. <u>Brand Attitude Towards Ethnic Brand Banks</u>

Brand attitude is favorable or unfavorable trend of customers against a certain brand. The overall result of respondents attitude towards ethnic branded banks indicates that on average 44.37% and 37.76% of the respondents strongly agree and agree respectively that their attitude towards ethnic branded banks compromise their intention to use the bank. However 8.36 % of the respondent disagreed and the rest 11.26 % have no comment.

77.15% respondents point out that people should focus on the quality of the service than its ethnic brand name. Almost 83.13% of the respondents agreed and suggested that there has to be a rule to prohibit banks from using ethnic branded names.. However 14.04% of the respondents are in favor of ethnic branded banks.

Table 8-Respondents Agreement on Brand Attitude

Evaluation Scale	Attitude Towards The Name	Percentage	Ethnic Brand Vs Service Quality	Percentage
Strongly Agree	112	37.09%	156	51.66%
Agree	139	46.03%	77	25.50%
Neutral	35	11.59%	33	10.93%
Disagree	9	2.98%	17	5.63%
Strongly Disagree	7	2.32%	19	6.29%

Source Own Survey 2021

G. Intention to Use

Respondents were asked whether they will choose ethnic branded banks from other banks, given the availability of alternative banks and 67.7% of them responded that they do not have intentions to use ethnically branded banks.

Table 9- Respondents Intention to Use Ethnic Branded Banks

Distribution	Ethnic Branded Bank	Non Ethnic Branded Bank
Intention To Use	24	278
Percentage	7.95%	92.05%

Source Own Survey 2021

Respondents were asked to select the possible reason that may influence their decision or lead them to select ethnic branded banks. The study result shows that almost all (100%) of the respondents felt that people working in the bank should speak the same language as their customers. . Additionally, majority of the respondents (48.4%) intention to use a bank is influenced by the political situation in Ethiopia. Some respondents (20.79%)are also in favor of the ethnic brand banks. Additionally 13.8% and 13,825 of the respondents feel a sense of belongingness and trust ethnic brand banks respectively.

Table 10-Reasons to choose ethnic-branded banks

	Responses		Percent of Cases
	N	Percent	
Expectation that people working in the bank would speak same language to you	29	44.6%	100.0%
Prevailing political situation in Ethiopia	14	21.5%	48.3%
I trust such banks more than others	4	6.2%	13.8%
I feel a sense of belongingness to such banks than others	4	6.2%	13.8%
Because I am in favor of ethnic-branded banks	6	9.2%	20.7%
For the sake of contributing my share in the advancement of the bank	3	4.6%	10.3%
Other reasons	4	6.2%	13.8%
No reason	1	1.5%	3.4%
Total	65	100.0%	224.1%

Source Own Survey 2021

Respondents, who do not have an intention to use ethnic branded banks were also asked to select their possible reason majority of the respondents (65.8%) believe that such banks are the result of ethnic-based federalist political system which they don’t support. 52.5% of the respondents believe that such banks are exposed to corruption. The table below depicts possible reasons as to why respondents are not interested to use ethnic branded banks.

Table 11- Reasons not to choose ethnic-branded banks

	Responses		Percent of Cases
	N	Percent	
Because I believe that ethnic-branded banks are loaded with separatist ideology and affect national unity	1	0.2%	0.3%
I believe that such banks are the result of ethnic-based federalist political system which I am not a fan	198	34.8%	65.8%
I believe such banks are more exposed to corruption	158	27.8%	52.5%
Ethnic-branded banks are not my favorite bank brands	126	22.1%	41.9%
other reasons	81	14.2%	26.9%
No reason	5	0.9%	1.7%
Total	569	100.0%	189.0%

Source Own Survey 2021

4.2 Inferential Analysis

This section presents a discussion of the results of inferential statistics. Factor analysis ,cross tabulation, chi square and correlation analysis were used to measure the relationship of various factors.

Factor analysis was used to find out the basic factors that customers in intending to use bank and correlation was used to find out the relationship between the independent variables (i.e. bank intention to use ethnic branded names)and customers attitude towards ethnic branded banks, location, service

,personnel, global impression, accessibility as independent variables .Cross tabulation and binary liner regression were used to find out the association between variables

4.2.1 Reliability Test

The reliability test, which measures the consistency of all questions in the questionnaires, indicates that there is a consistency among each question in the questionnaire. A focused group discussion was made to identify possible criteria that customers would consider to select a bank .Additionally a pilot data collection was made to assess how well the instrument works and to test the reliability and validity of the data collection instrument. This study was carried out with 7 concepts: location, service offered, personnel , accessibility ,global impression ,brand attitude and intention to use.

The scale used to measure the concepts and conceptual elements are extracted from previous studies. Besides the overall Cronbach's alpha, the most commonly used measure of reliability stood at 0.698.

4.2.2 Factor Analysis

According to statistics Solution (2017), factor analysis involves grouping similar cases. It involves grouping similar variables into dimensions. Factor analysis is used to determine latent variables or constructs. The basic reason for using factor analysis in research work s to reduce many individual items into fewer dimensions. Factor analysis mostly used to reduce the number of variables to be used in regression models. This research used factor analysis method to reduce the variables that affects intention to use banks into few factors. These factors are also used to do the regression test in order to see their relation ship with intentions to use ethnic branded banks.

- Participants

302 bank customers and were participated in a data collection from April 19-24,2021 in Addis Ababa .As reported in the descriptive part of this paper ,from the total participants, 162 number of female and 194 number of male with average age of 31years have participated in this study

- Materials

Date collection was made by data collectors/interviewer assisted questioner. Responses were on Likert Scale (5 strongly agree, 4 agree, 3 neutral, 2 disagree, 1 strongly disagree) and categorical multiple choice types. The study used 24 items to identify participants intention to use

- Factor Analysis for Bank Customers

Initially, the factorability of 23 items was examined. The first stage was testing of a correlation and 23 of the items were correlated and all of the item are subject to factorability (see annex). Secondly the Kaiser-Meyer-olkin(K MO) measure of sampling adequacy was 0.68,which is above the commonly recommended value and the Sig value 0.0001. The communities were all above 0.3 (see annex)
Since the purpose of this study is to identify whether the factors are influencing bank intention to use the principal component, the analysis was made using eigen value and Scree plot. The eigen value indicates that the first three factors explained 15.24%, 9.81%, 7.68% of variance respectively. item from 4 to 8 contributes 20.79% (4th item 6.59, 5th item 5.53 %,6th item 5% ,7th item 4.48 % and the 8th item 4.37%) .Item from 9-23 had eagle factor less than 1 and each explained 41.47% of the variance and this factors were examined using varmax and oblin rotation of factor loading matrix. The factor solution which explained 54.56% of the variance was preferred because of the following reason.

a) Its previous theoretical support
b) The leveling of eigen value on the screen plot after eight factors

There are three items specifically, L1, G1 and P5 (Refer table 2 12 below) eliminated since they don't contribute to any factor.

The final stage out of 23 items using varimax and oblimin rotations was conducted factors 58.53% of the variance. An oblimin rotation provides the best defined factors structure. All of the factors primarily loading above 0.3

Table 12- Concept Coding

No	Statements	Measuring Factor	Factor Code
1.	A bank most closely located to my home/workplace is my first choice despite its all other gaps	Branch	L1
2.	I would prefer a bank having so many branches compared to the other banks	Branch	L2
3.	The bank that I choose should be the one which I can easily	Accessibility	A1

	access its services using my cellphone.		
4.	I don't care whether a given bank provides internet banking services or not	Accessibility	A2
5.	Old-aged banks are more trusted than the recently established ones	Accessibility	A3
6.	The speed at which a bank offers services highly matters	Accessibility	A4
7.	The services that a bank provides should be the ones that are easy enough so as to be used by every customer	Accessibility	A5
8.	The variety of services a bank offers is equally important to the quality of its services.	Service offered	S1
9.	Low interest rate on loan is one of my top criteria of choosing a bank	Service offered	S2
10.	My preference of a given bank is affected by the amount of service commission	Service offered	S3
11.	Except the wealthy people, not all people should be concerned about the amount of interest rate on saving provided by a bank	Service offered	S4
12.	The extent to which it provides personalized services to each customer is one of my top criteria when selecting a bank	Service offered	S5
13.	One of the preferred features of a bank is that its employees pay attention to customer's benefit	Personnel /HR	P1
14.	I would care the friendliness of a bank's employees equally with other features of the bank.	Personnel /HR	P2
15.	The quicker a bank's employees deliver services, the more likely that customers choose the bank	Personnel /HR	P3
16.	I believe that a bank with more qualified personnel offers better services	Personnel /HR	P4
17.	When choosing a bank, I give no attention to its reputation	Global Impression	G1
18.	The image of a bank in the minds of the public is directly related to the quality of its services	Global Impression	G2

19.	Violation of business and ethical codes has nothing to do with a bank's reputation	Global Impression	G3
20.	The level of commitment a bank has to its customers is among my priority concerns when choosing a bank.	Global Impression	G4
21.	Branding banks on the basis of ethnic identity should be legally banned	Brand Attitude	B1
22.	People should care more about the quality of services a bank provides than its ethnic brand when selecting it to be a customer	Brand Attitude	B2
23.	I would prefer a bank where its employees speak my mother-ue language	Personnel /HR	P5

Source Own Survey 2021

Table 13- Factor Determination Sheet for Bank Users(Customers)

No	**Factor Code**	**Measuring Factor**	**Factor 1**	**Factor 2**	**Factor 3**	**Factor 4**	**Factor 5**	**Factor 6**	**Factor7**	**Factor 8**
1	P3	Personnel /HR	0.588							
2	A2	Accessibility	0.572							
3	L2	Branch	0.567							
4	A1	Accessibility	0.540							
5	S5	Service offered	0.517							
6	A5	Accessibility	0.500							
7	A4	Accessibility	0.479							
8	B2	Brand Attitude	0.468							
9	G3	Global Impression	0.3966							
10	P2	Personnel /HR		0.606						

11	S1	Service offered		0.416						
12	S2	Service offered		0.580						
13	P4	Personnel /HR			0.587					
14	S3	Service offered			0.472					
15	P1	Personnel /HR				0.631*				
16	B1	Brand Attitude				0.475				
17	A3	Accessibility					0.492			
18	G2	Global Impression						0.482		
19	G4	Global Impression							0.470	
20	S4	Service offered								0.410

Source Own Survey 2021

Findings of factor analysis

As stated in the above table ,from the total variance explained it is understood that the higher the score the greater the influence on intention to use; professional characteristics of bank personnel (eigen value 0.631*)_ was the intention to use factor that most respondent influenced by. Service offered and location are also the second and the third influencing(with eigen value 0.572 and 0.567 respectively) customers intention to use ethnic branded banks . Other factors global impression, brand attitude and accessibility are also factors that contribute to respondents intention to use ethnic branded banks.

As stated previously this study used these clustered variables to do the linear regression analysis. The analysis of the regression results described in the subsequent section.

4.2.3 Regression Analysis

Table 15 presents results of logistic regression coefficients showing the association between respondents' intention of using ethnically-branded banks and their socio-demographic characteristics including their aggregated attitude towards the various features of a bank (accessibility, human resource, reputation, brand attitude, and service). Accordingly, it is found that respondents' intention of using ethnically-branded banks is not significantly associated to any of the variables indicated in the table.

Table 14 -Coefficients of logistic regression showing the association between respondents' intention of using ethnically-branded banks and their socio-demographic and aggregated mean of attitudes

	B	S.E.	P-Value	OR	95% C.I.
Age	.020	.012	.100	1.020	(.996, 1.044)
Sex	.033	.238	.889	1.034	(.649, 1.648)
Education	-.072	.664	.913	.930	(.253, 3.416)
Branch	.360	.298	.228	1.433	(.799, 2.570)
Accessibility	-.129	.282	.646	.879	(.506, 1.526)
Human resource	.209	.250	.402	1.233	(.755, 2.012)
Reputation	.046	.175	.793	1.047	(.743, 1.476)
Brand attitude	.118	.158	.453	1.126	(.826, 1.533)
service	-.249	.270	.358	.780	(.459, 1.325)

Source Own Survey 2021

Table 15-Resents results of binary logistic regression analysis of respondents' intention of using ethnically-branded banks and their attitude towards different features of banks. Accordingly, it is found that customers' intention of using ethnically-branded banks is significantly associated to their attitude towards the physical distance of the bank from their residential/work area (OR=2.089; P<0.05, 95%CI: 1.008, 4.330), speed of service delivery (OR=.764; P<0.05; 95%C.I: .585, .998), the amount of service commission (OR=.724; P<0.05; 95%C.I: .567, .924), attitude towards ethnically-branded banks (OR=1359; P<0.05; 95%C.I: 1.009, 1.830), and the amount of value given to their mother-tongue language spoken by the employees of a bank (OR=1.474; P<0.01; 95%C.I: 1.137, 1.912).

Table 16-Binary logistic regression results of intention to use ethnic-branded banks and attitude towards various aspects of banks

Model	P-Value	OR	95% C.I.
Closely located	**.048***	2.089	(1.008, 4.330)
Many branches	.870	1.031	(.712, 1.494)
Easily accessible	.368	1.185	(.819, 1.716)
Internet banking	.669	.923	(.638, 1.335)
Old aged	.167	1.183	(.932, 1.500)
Speed of service delivery	**.048***	.764	(.585, .998)
Services being easy use	.606	1.090	(.785, 1.516)
Variety of services	.392	1.162	(.824, 1.640)
Low interest rate on loan	.718	.938	(.665, 1.324)
Service commission	**.010***	.724	(.567, .924)
Interest rate on saving	.986	.998	(.768, 1.297)
Personalized services	.482	1.082	(.868, 1.349)
Customer benefit	.660	.944	(.730, 1.220)
Friendliness	.885	1.026	(.722, 1.459)
Quicker service	.600	.934	(.724, 1.205)
Qualified personnel	.767	1.057	(.732, 1.528)
Reputation of the bank	.088	.309	(.080, 1.191)
Image	.110	1.402	(.927, 2.121)
Violation of ethics	.067	1.473	(.974, 2.227)
Commitment	.118	1.359	(.925, 1.998)
Ethnically branding banks	**.044***	1.359	(1.009, 1.830)
Quality services	.228	.866	(.686, 1.094)
Speak language	**.003****	1.474	(1.137, 1.912)

*P<0.05, **P<0.01

Source Own Survey 2021

Table 16-present the results of logistic regression statistics (Adjusted Odd Ratios) regarding the association between respondents' intention of using ethnic-branded banks and their attitude towards various aspects of a bank. According to the results, intention to use ethnic-branded banks is significantly associated to respondents' value of the physical location (its distance from residential/work area) of a bank (AOR=2.277; $P<0.05$; 95%CI: 1.150-4.509), the amount of service commission (AOR=.767; $P<0.05$; 95%CI: .620-.947), preference of mother-tongue language being spoken by the employees of a bank (AOR=1.420; $P<0.01$; 95%CI: 1.133-1.780). In other words, the odds of intention to use ethnically-branded banks is about 2.3 times greater for respondents who value the physical distance of a bank's branch from their residential or work area than those that are less interested in the location of a bank's branch ($P<0.05$; 95%CI: 1.150-4.509.Moreover, it is found that the odds of respondents to prefer ethnically-branded banks is .767 times greater for people whose preference of a certain bank is affected by the amount of service commission than those whose decisions of choosing a bank is not influenced by the amount of service commission ($P<0.05$; 95%CI: .620-.947). Above all, the odds of respondents' intention of using ethnically-branded banks is 1.4 times greater for people who place a higher value to their mother-tongue language being spoken by the employees of a bank than those that do not. Accordingly, it is found that the level of emphasis that respondents give to their mother-tongue language has appeared to be the variable most strongly predicting their intention of using ethnically-branded banks ($P<0.01$).

Table16- Coefficients of logistic regression for adjusted odd ratios

Variables	Categories	Given availability of other alternatives, will you choose an ethnic- branded bank as			Logistic Regression test statistics		
		Yes	No		P-Value	AOR	95% C.I.
A bank most closely located to my home/workplace is my first choice despite its all other gaps	Disagree	19	21	40	.018*	2.277	(1.150, 4.509)
	Agree	96	220	316			
The speed at which a bank offers services highly matters	Strongly disagree	6	8	14	.154	.840	(.660, 1.068)
	Disagree	11	64	75			
	Neutral	23	31	54			
	Agree	38	74	112			
	Strongly agree	37	64	101			
My preference of agiven bank is affected by the amount of service commission	Strongly disagree	5	7	12	.014*	.767	(.620, .947)
	Disagree	9	61	70			
	Neutral	43	70	113			
	Agree	22	63	85			
	Strongly agree	36	40	76			
Branding banks on the basis of ethnic identity should be legally banned	Strongly disagree	3	4	7	.054	1.299	(.996, 1.695)
	Disagree	5	6	11			
	Neutral	23	22	45			
	Agree	50	116	166			

	Strongly agree	34	93	127			
I would prefer a bank where its employees speak my mother-tongue language	Strongly disagree	15	2	17	.002**	1.420	(1.133, 1.780)
	Disagree	3	5	8			
	Neutral	8	21	29			
	Agree	38	85	123			
	Strongly agree	51	128	179			

*P<0.05, **P<0.01

Source Own Survey 2021

4.3 Summary of Focus Group Discussion

This study held a focus group in March 16,2021, involving various participants include bank officials, government official , bank users, and potential customers and students. The purpose of the focus group discussion was to find out most customers possible criteria that they will consider whenever they decide to use banks. Additionally the focus group discussion was aiming participant's opinion ethnic branded banks.

<u>Introduction</u>

In this study a focus group discussion was held with a participants from various social group on March 16,2020.

The discussion was designed to gather information from participants in regard to find out possible factors that affect both bank users intention to use ethnic branded banks ..Additional the aim of the focused group discussion was to find out participants attitude or willingness to use a bank that has ethnic brand.

Specific objective of the focused group discussion was

- To understand perception to wards ethnic brand banks
- To identify one of the factors that most people consider to use the bank.

<u>Participant demography</u>

In the focused group discussion the participants are (2 women and 7 men)

<u>Perspective of participants</u>

Most of the focused group participants point out that location and convenience of the bank is their priority to use bank. One of the participants, who is a vise president in one of the private banks said that " as per our bank small survey customers focus only on their convenience . They really don't consider the name or brand of bank; rather they will use the bank which is more convenient to them.

The other participant who use both government owned and private banks said that " I prefer to use a bank that can access its service easily like by having many ATM machine and accessing bank service by my cell phone"

The other point of discussion was about customer perception towards ethnic branded banks. From this discussion its understood that most of the participants are not interested to use ethnically branded banks but one of the participants from the government office said that " having ethnic branded bank is not a problem but the political system of the country spoil citizens thinking and creates attitude towards this bank Expectation that your mother tongue language is widely spoken among employees of the bank

Table 17- Focused Group Participants Reflection Regarding the Importance of Possible Bank Selection Factors

S/N	Importance of Possible Bank Selection Factors	Participants Reflection
1	Ethnicity	Most focused group participants pointed out that ethnicity should not be a base of bank selection
2	Expectation that your mother tongue language is widely spoken among employees of the bank	All customers who were part of the focused group discussion point out that they expect that bank officials would speak their mother tongue language

3	Availability of many ATM machines	Most focused group participants pointed out that they would consider the availability of many ATMs to open a bank account and to use another bank service
4	Number of branches / Availability of branches in the nearby	Most focused group participants pointed out that they would consider the availability of many branches to open a bank account and to use another bank service
5	The influence of people around participants to use bank	Most focused group participants pointed out that they may be influenced by peoples around them whenever they decided to use banks .

Source Own Survey 2021

In general, from the focus group discussion pointes out that

- Customers would to consider factors like location like convenience and accessibility in deciding which bank to use.
- Most people will focus on the service, nearness of the bank than its brand, whether it is ethnically branded or not.

4.4 Discussion

This discussion aims at discussing the result presented in the previous section which was connected and referred back to this research questions . As stated in the table below all clustered factors from the 23 Likert scale questions are not statistically significant to explain the relation ship between intention to use ethnic branded banks and the bank selection to use factors as stated in the research frame work (location, service, personnel, general impression, accessibility and brand attitude) .

Table 18- Binary Regression of Clustered Variables

	B	P-Value
Branch	.4222	0.146
Accessibility	-.123	.658
Human resource	.171	.469
Reputation	.089	.593
Service	-.243	.353
Brand attitude	.112	.453

Source Own Survey 2021

However as per the model summary of the linear binary regression result revealed that about 67.7% of the dependent variable (attitude) can be explained by the 23 independent variables .

Among the 23 independent variables the physical location (its distance from residential/work area) of a bank (AOR=2.277; $P<0.05$; 95%CI: 1.150-4.509), the amount of service commission (AOR=.767; $P<0.05$; 95%CI: .620-.947), preference of mother-tongue language being spoken by the employees of a bank (AOR=1.420; $P<0.01$; 95%CI: 1.133-1.780).

Tables 19- Classified Binary Regression Summary

Model	P-Value	AOR
Closely located	**.048***	2.277
Service commission	**.010***	0.767
Speak language	**.003****	1.420

Source Own Survey 2021

5. Chapter 5- Conclusion and Recommendation

5.1 Conclusion

In the present market the service deliver by a bank, the accessibility of its service the bank's personnel and its reputation plays important role in creating customers and intention to use.

The main objective of the study was to examine the effect of factors including branding on customers intention to use ethnic branded banks evidence from selected private bank user and in Addis Ababa.

To achieve this objective the study used mixed approach. Descriptive analysis such as mean, mode, frequencies and percentage to identify the demographic characteristics of respondents their perception on various factors that may influence customer intention to use .

Secondly factor analysis, correlation and odd ratio used to examine the effect of bank ing sector aspects and intention to use. . Finally binary line or (with odd ratio)used to examine the effect of various factors like location, service and accessibility, reputation, branding and personal on customer intention to use ethnically branded banks

The study clarifies that proximity of a bank to a residence or work place of customers has a positive and significantly affects customers intention to use ethnic branded banks. Additionally, for customers banks that have personnel who speak their language significantly affects their intention to use ethnically branded banks. Similarly reduced bank commission or charges attract \ more customers to use ethnically branded banks.

Additionally factors including location, quality of service provided by the bank, accessibility ,reputation, competence of bank personnel and brand play significant role in influencing customers intention to use a particular bank.

5.2 Recommendation

Based on the finding of study, the researcher pointed out the following recommendations:

- Factors like location, bank service, personnel, reputation and brand playsa vital role in customers intention to use a given bank. So banks need to consider these factors in their strategy development so that it would contribute to increased number of customers. Customers would focus on convenience rather than ethnically branded banks. Hence, banks strategy should focus on having more branches that are convenient to customers .
- Banks should also consider having personnel that can speak two or more languages so that customers feel that their need and interest is fully understood by the bank which will increase the likelihood of customers intention to use their bank.
- Banks commission is identified as one of the most important factors that influence ethnic branded banks and non ethnic branded banks. Therefore banks should consider to lower their service charge amount to help them increase their number of customers and potential ones.

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Annex -1
Focused Group Guiding Questions

1. What are your criteria when deciding to become customer of a given bank?
2. What features of a bank do you give priority to become its customer….*and why*?
3. If you are given a chance to recommend additional bank to the existing ones, what type of bank do you propose?
4. What is your reflection regarding the importance of the following elements during the process of bank selection?
   4.1.Ethnicity
   4.2.Expectation that your mother tongue language is widely spoken among employees of the bank
   4.3.Availability of many ATM machines
   4.4.Number of branches
   4.5.Availability of ranches in the nearby
   4.6.People around you are using the bank
5. What is your opinion regarding ethnic-branded banks?
6. To what extent do you favor a bank the name of which is associated to your ethnic identity?
7. Probe: what is your reason to favor such a bank?…………if the participant replies that s/he favors such banks.
8. How willing are you to become customer of a bank the brand of which is not associated to your ethnicity?
9. What is your Intentionbetweenethnically-branded banks and those that are not ethnically branded…….and why?
10. Would you choose banks that are not ethnic-branded when you still have access to the ethnically branded ones……and why?
11. What sort of bank do you trust most …..and why*?*
12. Whom do you rely on as most credible source of information when you plan to become customer of a bank…..and why?

Annex -2- Questioner

Addis Ababa University
College of Business and Economics

Researcher- Shemekit Demelash

Dear Respondents:

The purpose of this questionnaire is to assess customers attitude towards ethnic branded banks in Ethiopia . Moreover, the research will contribute towards the partial fulfillment of the researcher's Master Degree in Public Administration and Policy.

Your valuable support in responding to the questions raised is of paramount importance to the successfulness of this study. Hence, I kindly ask you in all regard to fill the questionnaire carefully at your best knowledge. The accuracy of information you provide determines the ultimate reliability of the study.

Directions for filling out the questionnaire.

a. Please read all instruction on the questioner .In part where written responses are required, please
b. **provide your written response briefly** in the blank space provided.
c. To help the researcher treat your responses confidentially and objectively, please **do notwrite your name on the questionnaire**.

Note: Your answers will be strictly confidential and will only be used for academic purposes.

Contact Address:

If you have any query, please don't hesitate to contact me. I am available as per your convenience at - Tele - +251-911-42-44-21

E-mail – Sdemelash@gmail.com

Thank you in advance for your indispensable cooperation!

Section I: Questions Related to the Socio-demographic characteristics of respondents

Please encircle the number containing your appropriate responses

No.	Variables/questions	Response categories
1.	Age	________
2.	Sex	1. Male 2. Female
3.	Educational status	1. Never attended school 2. Primary level (1-8) completed 3. Secondary level (9-12) completed 4. College diploma completed 5. BA/Sc Degree 6. MA/Sc Degree & above

Section II: Questions aimed at evaluating respondents' knowledge and practices of bank use

Please encircle the number/s containing your response for questions presented below

No.	Variables	Categories
1.	Have you ever been usingbank services?	**1. Ye** 2. No
2.	If your answer for questionnumber 1 is "yes," please select from the list or state the name of bank that have you been using. (You can choose or state two or more banks)	1. Commercial Bank of Ethiopia 2. Abyssinia Bank S.C 3. Oromia International Bank S.C 4. Dashin Bank S.C 5. Hiberet Bank S.C 6. Wegagen Bank S.C 7. NIB International Bank S.C **8.** Other(Please Specify)
3.	If your answer for question number 1 is yes, what influenced your decision to use the selected bank/s? (multiple response is possible)	1. Advertisement 2. Brand name of the Bank 3. Family 4. Friends 5. Colleagues 6. Religious affiliates 7. Close relatives 8. Others
4.	From whom did you collect the information about your current service providing bank? (multiple response is possible)	1. Family 2. Friends 3. Close relatives 4. Religious affiliates

		5. Colleagues 6. Family 7. Others

*Sectio*n III: Questions aimed at measuring respondents' attitude towards ethnic-branded banks

Please indicate how much you agree or disagree with each of the following statements by putting "√" mark in the boxes that hold your answer

5=Strongly Agree, 4=Agree, 3=*Neutral*, 2=Disagree, 1=Strongly Disagree

No	Statements	SA (5)	A (4)	N (3)	DA (2)	SDA (1)
1.	A bank most closely located to my home/workplace is my first choice despite its all other gaps					
2.	I would prefer a bank having so many branches compared to the other banks					
3.	The bank that I choose should be the one which I can easily access its services using my cellphone.					
4.	I don't care whether a given bank provides internet banking services or not					
5.	Old-aged banks are more trusted than the recently established ones					
6.	The speed at which a bank offers services highly matters					
7.	The services that a bank provides should be the ones that are easy enough so as to be used by every customer					
8.	The variety of services a bank offers is equally important to the quality of its services.					
9.	Low interest rate on loan is one of my top criteria of choosing a bank					
10.	My preference of a given bank is affected by the amount of service commission					
11.	Except the wealthy people, not all people should be concerned about the amount of interest rate on saving provided by a bank					
12.	The extent to which it provides personalized services to each customer is one of my top criteria when selecting a bank					
13.	One of the preferred features of a bank is that its employees pay attention to customer's benefit					
14.	I would care the friendliness of a bank's employees equally with other features of the bank.					
15.	The quicker a bank's employees deliver services, the more likely that customers choose the bank					
16.	I believe that a bank with more qualified personnel offers better services					
17.	When choosing a bank, I give no attention to its reputation					
18.	The image of a bank in the minds of the public is directly related to the quality of its services					
19.	Violation of business and ethical codes has nothing to do with a bank's					

	reputation					
20.	The level of commitment a bank has to its customers is among my priority concerns when choosing a bank.					
21.	Branding banks on the basis of ethnic identity should be legally banned					
22.	People should care more about the quality of services a bank provides than its ethnic brand when selecting it to be a customer					
23.	I would prefer a bank where its employees speak my mother-tongue language					

Section IV: Questions seeking information about respondents' Intention of using ethnic-branded banks

Please encircle the number/s containing your response for questions presented below

No.	Variables	Categories
1.	Given availability of other alternatives, will you choose an ethnic- branded bank as your service provider?	1. Yes 2. No
2.	If your answer for question No. 2 is "Yes", what is your reason? (multiple response is possible)	1. Expectation that people working in the bank would speak same language to you 2. Prevailing political situation in Ethiopia 3. I trust such banks more than others 4. I feel a better sense of belongingness to such banks than others 5. Because I am in favor of ethnic-branded banks 6. For the sake of contributing my share in the advancement of the bank 7. Other reasons 8. No reason
3.	If your answer for question number 1is no, what is your reason?	1. Because I believe that ethnic-branded banks are loaded with separatist ideology and affect national unity 2. I believe that such banks are the result of ethnic-based federalist political system which I am not a fan 3. I believe such banks are more exposed to corruption 4. Ethnic-branded banks are not my favorite bank brands 5. Other reasons