



## **CUSTOMER PERCEPTION, CUSTOMER RESPONSE AND MOBILE BANKING USAGE WITHIN BANK OF AFRICA UGANDA LIMITED**

### **ABSTRACT**

This study examined the relationship between customer perception, customer response and mobile banking usage within Bank of Africa Uganda Ltd. The study objectives included: examining the relationship between customer perception and mobile banking usage; customer response and mobile banking usage; customer perception and customer response; mediating role of customer response on customer perception and mobile banking usage; and the impact of customer perception and customer response on mobile banking usage.

The study adopted a cross-sectional research design with a quantitative research approach. A sample size of 34 branches and 375 customers were selected using simple random sampling from 36 branches and 10,472 customers registered on mobile banking. The study used a structured questionnaire which contained closed-ended questions to obtain data used in interpretation. Validity of the questionnaire was determined using CVI and for reliability, Cronbach Alpha was used. SPSS V.20 was used to analyze the data. The study used frequency tables and inferential statistics, Med-Graph and Sobel z-value test to interpret results.

The study found a positive relationship between customer perception and mobile banking usage. A positive relationship was obtained between customer perception and customer response. In addition, a positive relationship was obtained between customer response and mobile banking usage. The study obtained that customer response partially mediates the relationship between customer perception and mobile banking usage. Furthermore, the study ascertained that jointly

customer perception and customer response are significant in predicting mobile banking usage. More so, the study ascertained that customer response is a better predictor.

This study concludes that as the banking fraternity undergoes numerous technological innovation to improve the way customers can access financial services, conveniently and efficiently, it is important to bear in mind that customer perception and customer response are critical in influencing customer behaviour. Importantly, the study revealed that greater effort should be directed towards enhancing customer response. This study recommended: promoting customer feedback; incentives for mobile banking; and a diversified mobile banking platform.