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

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ABSTRACT

This study explored how customer perception and customer response influence mobile banking usage in Bank of Africa Uganda Ltd. The study was a cross-sectional research design and applied a quantitative research approach. The study used a sample of 375 registered customers on mobile banking. A structured questionnaire was used to collect data, which was analyzed using SPSS V.20. This study also used a Med-Graph to test mediation. The investigation found a positive relationship between customer perception and mobile banking usage; positive relationship between customer perception and customer response; a positive relationship between customer response and mobile usage; and established that customer response partially mediates the relationship between customer perception and mobile banking usage. Both customer perception and customer response were found to significantly predict mobile banking usage, the latter turning out as the better predictor. Recommendations include: promoting customer feedback; incentives for mobile banking; and a diversified mobile banking platform. This study contributes knowledge by identifying factors which drive adoption of information technology, in particular mobile banking. It avails decision makers with a clear sense of direction to undertake in order to boost mobile banking usage. It suggests dealing with customer attitude fast because it influences their response, intention and subsequently decision to adopt technology.

Key words: customer perception, customer response and mobile banking usage

Introduction

In recent times, the financial system has undergone significant changes in technological innovation. In fact, it has become prudent for all financial institutions to adjust to this technology to remain competitive (Chiu, Bool & Chiu, 2017). One of the remarkable financial services sector innovations is mobile banking (MB) (Chen, 2013). However, the rate of mobile banking usage statistics indicates disparities across the world. Some of the customers still prefer accessing financial services through the traditional physical contact (Jamshidi, Keshavarz, Kazemi & Mohammadian, 2018). KPMG (2015) reveals that much as mobile banking has generally increased across the world, its usage especially in developed countries is relatively lower compared to developing countries. In Europe, mobile banking usage is still low at 38% while in developing countries especially China and India, mobile banking usage ranges between 60 and 70 percent. In Africa, mobile banking usage is very low estimated at only 17%. Furthermore, over 225 million of rural people in Sub Saharan Africa do not have a mobile money account (GSMA Report, 2016). In Uganda, mobile banking usage is still relatively low, a case if Bank of Africa Uganda Ltd (Bank of Uganda Annual Report, 2017). Number of registered customers on mobile wallet services decreased from 2968 to 1121 between January and December 2017 (Bank of Africa Mobile Wallet Report, 2017). Active users and transaction value declined by 8.69% and UGX 0.5 billion in the same period (Bank of Africa Uganda Annual Report, 2017).

Much as customer perception is a common concept, it does not have a standard definition (Kazmi, 2012; Rahman, 2012; Wahla, Hasan & Bhatti, 2018). Notable, Liligeto, Singh & Naz, 2014 define consumer perception as a description of the action and reactions undergone by the customer in relation to what they see. On the other hand, Rahman (2012) defines customer perception as a process undergone by the

customer to select, organize and interpreting stimuli in a manner that is meaningful and coherent. Nevertheless, Singh and Kaur (2011) indicate that customer perception is the process of making sense of sensation. While the concept is defined differently, they all exhibit consistence on the premise that customer perception is a process, built up by customer experiences, how they perceive the service as well as ultimately seek to understand whether the customer is satisfied with the experience encountered. From literature, customer perception is considered a sequential variable which constitutes exposure, attention and interpretation (Liligeto et al., 2014; Malik, Suresh & Sharma, 2017; Phanthong & Settanaranon, 2011; Rahman, 2012; Yunus, 2014). Exposure is the first stage of customer perception which occurs when a stimulus comes into range with the sensory receptor nerves (Phanthong & Settanaranon, 2011). No matter how great a message is, it only makes sense when the customer is exposed to it to prompt him/her to carryout analysis. Worth to note, stimuli are either intentional or accidental. Intentional exposure occurs when the customer acquires information out of their personal soliciting and goal-directed behaviour. Accidental exposure occurs when the company engages in intensive marketing campaigns. Attention focuses on the customers' cognitive capacity regarding a stimulus. Much as customers are exposed to different marketing information with much expectation that it would attract their attention, their response towards such stimuli defers from one customer to another. Rahman (2012; Schivinski & Dabrowski, 2016). Interpretation is a process where a customer draws upon the experience, memory, and expectations to make meaning to a stimulus. Interpretation varies from one customer to another since each individual's expectation, assumptions, previous experience are different.

Customer response

Customer response explains the behaviour exhibited by an individual, group or organization to select and buy a specific product or service in order to satisfy their

needs and wants. It is paramount concept in marketing in providing an insight of how the marketed product or service is performing (Zia & Shahzad, 2015). Therefore, customer response is a decision process and physical activity employed by the client to evaluate, acquire and use the product or service. More importantly, customer response further assesses the future intention of the buyer (Qasim & Agarwal, 2015). Such decision may either be positive or negative depending on the evaluation made by the customer. The relevance of customer response is not a matter of debate, as scholars and academia continue to indicate why it should be considered pivotal in the marketing world (Jiang & Chen, 2016; Roos & Gustafsson, 2011). Customer response is rated as one of the preconditions for re-purchase intention, word of mouth and willingness to pay (Jones et al., 2010; Keiningham et al., 2015; Saqib, Farooq & Zafar, 2016; Wu & Li, 2018). Repurchase intention is both attitudinal and behavioral tendency of the customer to buy a given product or service. It is worth noting that repurchase intention is intended to ensure that the customers are compelled to purchase and consistently consider the purchased product as a first choice irrespective of the numerous substitutes. In addition, repurchase intention focuses on ensuring brand loyalty and ensure that the customer reveals a positive attitude towards the purchased product in addition to customer consistently demands and seeks information to understand the product. Word-of-mouth (WOM) relates to informal communication between customers focused at evaluating the goods and services (Naz, 2014). Word of mouth can occur between new customers or customers who have consistently consumed a given product. Willingness to pay examines the extent to which a customer is determined to pay for a product or service without putting into consideration the price. Therefore, willingness to pay focuses on building a clientele that is ready to consume irrespective of the increase in the price. Less price sensitive customers are more loyal and feel a high satisfaction whenever they consume a given product.

Mobile Banking Usage

Mobile banking has attracted a lot of attention among bankers, regulator and law makers due to the benefits accruing to it. Ngungi (2013) indicates that mobile banking allows financial institutions to provide a more personalized service to the consumers, reduce cost in relation to human resources, improves capacity management, reduces lead time and most importantly, it is associated with increased customer loyalty, customer retention and satisfaction. From the customer perspective, mobile banking provides convenience because customers do not necessarily have to queue in the banking halls waiting to pay their bills, school fees or any other financial transactions (Okiro & Ndungu, 2013). Venkatesh, Morris, Davis and Davis (2003) reveal mobile banking usage is explained by Effort Expectancy, Social Influence, Facilitating Conditions and Attitude. Effort expectancy is the perception to which the intended users of the information system consider the platform as easy to use (Venkatesh et al. 2003). Moreover, the effort expectancy is characterized by three forms of perception which are intertwined that is; perceived ease of use, system complexity and ease of use. Social influence focuses on seeking an understanding whether the trending technology is able to meet the social norm, image and social factors. Social influence is said to have a significant bearing on the acceptance of technology through compliance, internalization, and identification. Facilitating conditions refer to consumers' perceptions of the resources and support available to perform a behavior (Brown and Venkatesh 2005; Venkatesh et al. 2003). Attitude is a precondition for customer behaviour. It determines all beliefs and expectations which are possible upon the adoption of a given technology (Shanmugam, Wang, Bugshan & Hajli, 2015). Irrespective of how useful the system may be, attitude is critical in determining whether a person current and future technology usage. Positive attitude towards technology improves perception and hence increases users' willingness to experiment, test benefits and readiness of the

user to learn how the system works as well as readiness to take on risk associated with mobile banking. In the same view, attitude is considered critical in determining perceived usefulness, motivation, fitness, relative advantage and the outcome expectations (Venkatesh et al., 2003).

Customer Perception and Mobile Banking Usage

From literature, customer perception continues to dominate articles as one of the critical aspects influencing buyer behaviour (Alsamydai, Yassen & Alnaimi, 2014; AlSoufi and Ali, 2014). Indeed, studies directed towards the banking industry has indicated that as far as mobile banking usage is concerned, customer perception should not be taken for granted. Notably, Mwesigwa (2010) noted that customer's perception tunes one's behaviors and attitude towards embracing mobile banking services because a person is more likely to use the service based on the attitude towards it. Within the same context, Kweyu and Ngare (2014) elude that perception of the customer influences the decision to either use or reject mobile banking. Additionally, Khraim, Al Shoubaki and Khraim (2011) observed that the perception a customer holds towards given technology fundamentally influences future decisions. For instance, when the customer perceives that the innovation is compatible, simple and easy to be adopt, they would be prompted to use mobile banking service. Likewise, Mwesigwa (2010) contends that customers tend to adopt technology when they perceive that the system is well-matched with their values and other responsibilities which prompts them to continuously embrace the service. From the above, the following hypotheses is stated:

H₁: There is a significant relationship between customer perception and mobile banking usage

Customer Perception and Customer Response

Many scholars and academia have continued to affirm the positive relationship between the two variables. For instance, a study by Okombo (2015) reveals that customer perception significantly determines customer attitude and behaviour which are critical in predetermining customer response throughout the buying process. It is indicated that customers who exhibit a positive perception towards a product or service are more likely to continuously purchase such product. Furthermore, Akturan and Tezcan (2012) conducted a study on customer perception and concludes that customer perception drives consumer buying decision which is a core component of customer response. In the same context, Karma, Ibrahim and Ali (2014) note that the feeling that a customer holds in a product or service determines whether the future purchase intention hence customer response. In the same context, earlier study by Jahangir and Begum (2008) established that customer perception enhances customers to respond either positively or negatively. This concurs with the findings of Al-Smadi (2012) who revealed that perception enhances customers' willingness to seek further information about the product or service, purchase decision as well as subsequent purchases which are all critical components of customer response. Subsequently, this study hypothesises that:

H₂: There is a significant relationship between customer response and mobile banking usage

Customer Response and Mobile Banking Usage

Empirical study by Karam and Saydam (2015) emphasizes that customer response should not be taken for granted because it determines the adoption behaviour of customers towards mobile banking. Mirabi, Akbariyeh and Tahmasebifard (2015) posit that customers who embrace technology much easily are more likely to use mobile banking compared to slow adaptors and non-adaptors. This is in line with Wadhe and

Ghodke (2013) who observe that consumer response results in quick or delayed adoption of mobile banking technology. When customers respond easily to mobile banking, they become resilient and determined to try out mobile banking which subsequently affects future usage. Similarly, Khadka and Maharjan (2017) observed that consumer response enhances brand loyalty of a particular service which enables customers to exhibit high preferences of the service thus leading to repeated purchases with increased usage. Mirabi et al., (2015) also concurs that customer response explains the level of commitment towards mobile banking which subsequently acts as a push factor in using the platform. Likewise, Chen et al., (2016) emphasized that marketing strategies all focus on ensuring that the customers respond in a manner they are destined to respond such that the products and services can consistently through a developed attachment and loyalty. From the above literature, the study sets the hypothesis as follows:

H₃: Customer response significantly mediates the relationship between customer perception and mobile banking usage

Mediating effect of customer response in the relationship between customer perception and mobile banking usage

Generally, there are limited studies to explain the mediating role of customer response in marketing studies (Dahlén, 2011). Moreover, explanations in most customer behaviour related studies indicate that the response of the customer is critical. Hence, it is important to understand a linkage that exists between customer perception, customer response and mobile banking. A study by Okombo (2015) conclusively states that customer perception determines response exhibited by the customer towards a given product or service. In other words, when customers reveal a positive perception, their response will follow suit which would result in the actual usage of services of mobile banking. Conversely, Shanthi and Kannaiah (2015)

conducted a study about customer perception on online banking where it was established that much as perception is critical in determining usage of online banking, customer traits and responsiveness of customers cannot be disregarded. Henceforth, this study highlights a possible mediation of customer response which would result in more significance. Additionally, Liligeto, Singh and Naz (2014) obtained that consumer perception is responsible for the consumer reaction towards mobile banking. From the above, it is evidenced that customer perception and customer response are critical in determining mobile banking usage. Accordingly, the study states the hypothesis that:

H₃: Customer response significantly mediates the relationship between customer perception and mobile banking usage

Methodology

Research Design

This study used a cross sectional research design among with a quantitative research approach. This research design was applied to to ensure a large sample coverage since every respondent participates in the study just once or in a snapshot (Field, 2009). The quantitative research approach was adopted to provide clarity of the relationship in relation to the nature, predictability and testing of mediation (Creswell, 2014).

Study Population

The study population constituted 36 branches for Bank of Africa. These branches had a total of 10,472 who were registered on the mobile wallet (Bank of Africa Uganda Ltd, 2017). The branches were regarded as the unit of analysis.

Sample size and Selection technique

The study used a sample size of 34 branches for Bank of Africa Uganda Ltd. This number was based on the Krejcie and Morgan (1970) table for selecting samples from a given population. In addition, the study focused 375 customers from the 34 branches, a number which was equally guided by the Krejcie and Morgan (1970). Accordingly, the study obtained at least 11 customers who served as the unit of inquiry. The researcher worked hand in hand with the branch managers of the sampled branches who shared contacts for the customers to make them accessible.

Reliability

Reliability refers is a measure of the internal consistency of the scales (Amin, 2005). The study tested reliability using Cronbach Alpha using the obtained field results. Nunnally (1978) indicated that the minimum alpha of 0.7 should be obtained for each construct and variable to affirm internal consistence, hence fit for making conclusions and recommendations. The obtained results are presented in Table 1.

Table 1: Validity and Reliability Results

Variable/Construct	Cronbach's Alpha	Content Validity Index	N of Items
Customer Perception	.895	.857	14
Exposure	.776	.750	4
Attention	.913	.833	6
Interpretation	.753	.750	4
Customer Response	.874	.900	10
Re-purchase	.798	.750	4

<i>Intention</i>			
<i>Willingness to buy</i>	.790	1.000	3
<i>Advocacy</i>	.777	1.000	3
<i>Mobile banking usage</i>	.911	.955	22
<i>Efforts Expectancy</i>	.775	.833	6
<i>Social Influence</i>	.837	1.000	4
<i>Facilitating Conditions</i>	.840	.800	5
<i>Attitude</i>	.872	1.000	7

Source: Primary Data

Table 1 shows that the Cronbach Alpha coefficients for each studied variable along with the constructs were above the threshold of 0.7. Thus, the results were consistent and worthy for making conclusions and recommendations. In the same regard, the CVI for variables and respective constructs were above the threshold of 0.7. This implies that the questionnaire used in the field was understandable and the items used were good measures under each construct they were placed.

Data analysis

From the field, data was sorted, edited and filtered and later captured in Statistical Package for Social Scientists (SPSS. v.20) for analysis. This study obtained a frequency table and inferential statistics of correlation and regression analysis. the frequency table was used to interpret demographic characteristics based on the percentage values. Correlation Analysis was used to examine the nature of the relationship between the studied variables (positive or negative). The study used a multiple regression analysis to examine the predictive potential of the variables in

explaining the variance in the dependent variable. Hierarchical regression along with the Med-Graph to test the mediation effect of customer response in the relationship between customer perception and mobile banking usage.

RESULTS

Table 3: Pearson Zero Order Matrix Analysis between Variables

Variable/Construct	1	2	3	4	5	6	7	8	9
Customer perception (1)	1								
Attendance (2)	.741**	1							
Exposure (3)	.737**	.458**	1						
Interpretation (4)	.714**	.452**	.279**	1					
Customer response (5)	.626**	.460**	.316**	.472**	1				
Repurchase intention (6)	.524**	.351**	.289**	.381**	.770**	1			
Advocacy (7)	.384**	.250**	.125	.378**	.675**	.272**	1		
Willingness (8)	.560**	.477**	.263**	.454**	.683**	.359**	.447**	1	
Mobile Banking Usage (9)	.605**	.497**	.289**	.537**	.748**	.569**	.551**	.602**	1

** . Correlation is significant at the 0.01 level (2-tailed).

Source: primary data

Customer Perception and Mobile Banking Usage

Results in Table 3 indicate a significant and positive relationship between customer perception and mobile banking usage ($r=.605$, $p<.01$). The results imply that enhanced customer perception is more likely to enhance mobile banking usage. Furthermore, the study obtained the relationship between each of the

subcomponents for customer perception and mobile banking usage. Specifically, it was obtained that attendance is significantly and positively with mobile banking usage ($r=.497$, $p<.01$). The study also revealed a significant and positive relationship between exposure and mobile banking usage ($r=.289$, $p<.01$) as well as a significant and positive relationship between interpretation and mobile banking usage ($r=.537$, $p<.01$). In sum, these statistics portray when customers improve attendance, exposure and interpretation, they are more likely to use mobile banking services.

Based on the results, it is conclusive that H_1 which states that, “There is a significant relationship between customer perception and mobile baking usage” is supported.

Customer Perception and Customer Response

Correlation results presented in Table 3 obtained a significant and positive relationship between customer perception and customer response ($r=.626$, $p<.01$). The implication of this result is that improved customer perception determines customer response. Notable, customer perception is explained by attendance, exposure and interpretation. Further analysis reveals that the attendance is significantly and positively related with customer response ($r=.460$, $p<.01$). Likewise, a significant and positive relationship was obtained between exposure and customer response ($r=.316$, $p<.01$). Similarly, the results established a significant and positive relationship between interpretation and customer response ($r=.472$, $p<.01$). The statistics imply that improvement in customers’ attendance, interpretation and exposure is bound to enhance customer response.

This study earlier hypothesized that (H_2), “There is a significant relationship between customer response and mobile banking usage.” Based on the obtained results, it is evident that this hypothesis is supported.

Customer Response and Mobile Banking Usage

Table 3 indicate a significant and positive relationship between customer response and mobile usage ($r=.748$, $p<0.01$). This implies that improved customer response is associated with mobile banking usage. In relation to the constructs for customer response, the statistics reveal a significant and positive relationship between repurchase intension and mobile banking usage ($r=.569$, $p<0.01$), a significant and positive relationship between advocacy and mobile banking usage ($r=.551$, $p<0.01$) as well as a significant and positive relationship between willingness to pay and mobile banking usage ($r=.602$, $p<0.01$). The results indicate that improved repurchase intension, willingness to pay and advocacy enhance mobile banking usage.

These results support H_3 of the study which states that, “There is a significant relationship between customer perception and customer response and mobile banking usage”

Testing of Mediation Role

Table 2: Hierarchical Regression between studied variables

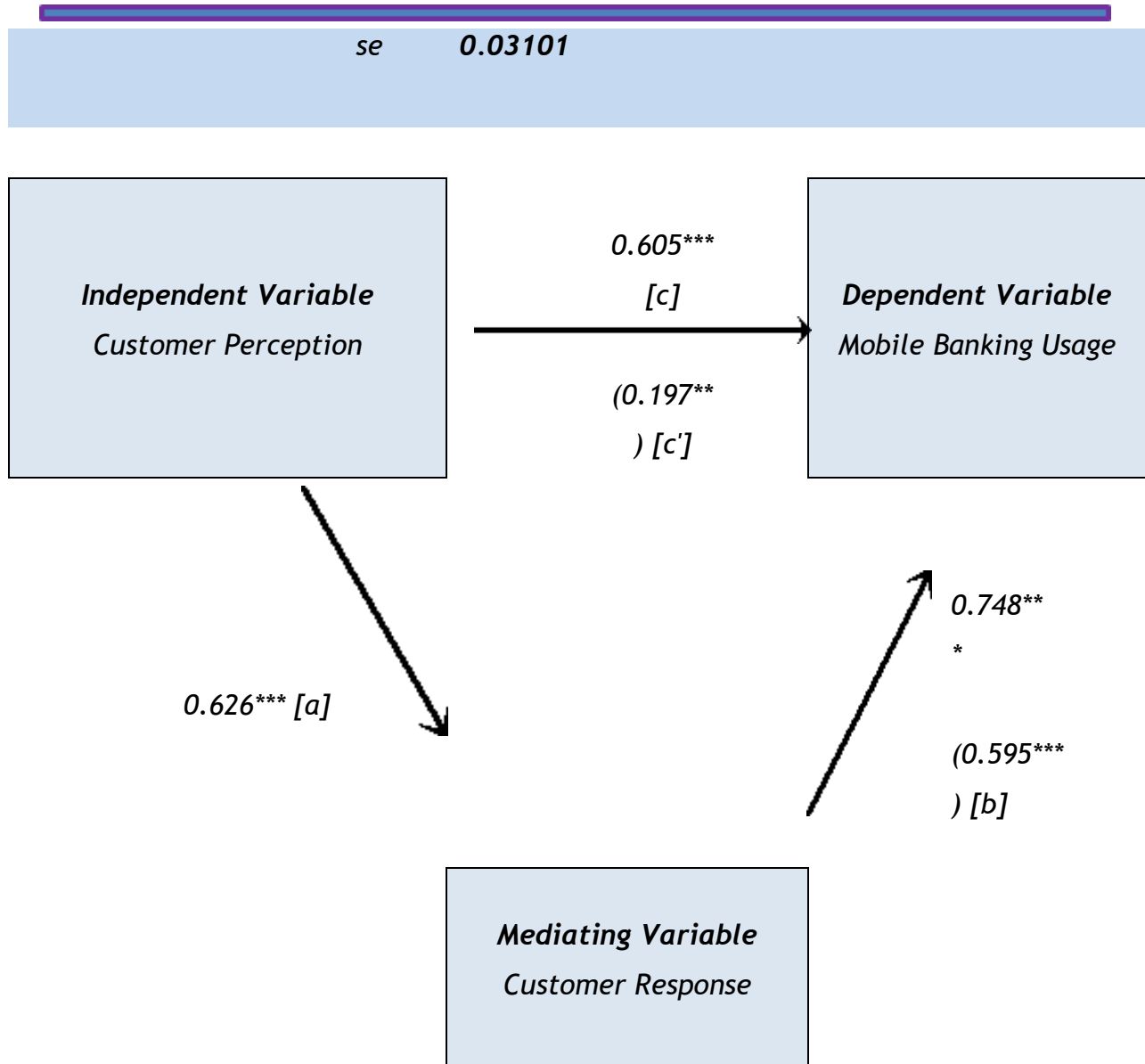
Variables	Model 1	Model 2	Model 3
(Constant)	3.999	2.233	1.298
Customer Perception		.531**	.197**
Customer Response			.595**
Control Variables			
Gender	0.079	0.075	0.117
Age	0.060	-0.022	-0.027

<i>Education</i>	<i>0.075**</i>	<i>0.052</i>	<i>0.026</i>
<i>Profession</i>	<i>0.208**</i>	<i>0.118</i>	<i>0.122**</i>
<i>Number of bankers</i>	<i>0.167**</i>	<i>0.167**</i>	<i>0.081</i>
<i>Years in Banking</i>	<i>-0.432</i>	<i>-0.236**</i>	<i>-0.080</i>
<i>F-Value</i>	<i>6.383</i>	<i>17.961</i>	<i>34.563</i>
<i>R</i>	<i>.428^a</i>	<i>.652^b</i>	<i>.788^c</i>
<i>R Square</i>	<i>.183</i>	<i>.425</i>	<i>.621</i>
<i>Adjusted R Square</i>	<i>.154</i>	<i>.401</i>	<i>.603</i>
<i>R Square Change</i>	<i>.183</i>	<i>.242</i>	<i>.196</i>
<i>Durbin-Watson</i>			<i>2.082</i>

*Note: **Significance at 1%*

Source: Primary Data

	<i>Significan</i>	
<i>Type of mediation</i>	<i>t</i>	
<i>Sobel z-value</i>	<i>6.297606</i>	<i>p = <0.000001</i>
<i>95% Symmetrical</i>		
<i>Confidence interval</i>		
<i>Lower</i>		
<i>r</i>	<i>0.13449</i>	
<i>Higher</i>		
<i>r</i>	<i>0.25604</i>	
<i>Unstandardized</i>		
<i>indirect effect</i>		
<i>a*b</i>	<i>0.19526</i>	



Note: Type of Mediation=Partial, Durbin-Watson=2.082, Direct=.605, Indirect=.408

Figure 1: Mediation role of customer response in the relationship between customer perception and mobile banking usage

Table 4 indicates that the relationship between customer perception and mobile banking usage which is meant to be mediated exists ($r^2 = .425$, $F = 17.961$, $p < 0.01$).

*Additionally, a significant relationship exists between the mediator and the dependent variable as reflected in Model 3 ($r^2=.621$, $F=.34.563$, $p<0.01$). On the other hand, it is evident that the mediator remains significant when both customer perception and customer response are considered as independent variables ($\beta=.595$, $p<0.01$). More so, the significance level of the independent variable decreases when the mediator is included into the model. As reflected in Model 2 and Model 3, the Beta value for customer perception declined from $\text{Beta}=.531^{**}$ to $\text{Beta}=.197^{**}$. All the above conditions were emphasized by Baron and Kenny (1986) as essential for to conclude that a significant mediation exists.*

*Furthermore, Sobel (1982) earlier noted that the Sobel z-value (6.297606) should be higher than the corresponding p-value (0.000001) and that this value should not exceed the 95% Symmetrical Confidence interval ($p<.05$). Indeed, the two conditions are satisfied as indicated in Figure 4.1. The results therefore imply that customer response is a significant mediator in the relationship between customer perception and mobile banking usage. Results in relation to total ratio index or proportional index of 67.4% obtained by $(.408/.605*100)$ signifying that 67.4% of the impact of customer perception towards mobile banking usage is direct while 32.6% is indirect. This signifies a partial type of mediation of customer response in the relationship between customer perception and mobile banking usage.*

From the above results, the hypothesis H_4 , which states that, “Customer response significantly mediates the relationship between customer perception and mobile banking usage” is supported.

Predictability of Studied Variables

Regression examines the predictability of variables in explaining the variances in the dependent variable. The study obtained a multiple regression analysis to examine the extent to which customer perception and customer response explained variables in mobile banking usage. The results are presented in Table 5.

Table 3: Multiple Regression Analysis between studied variables

	Unstandardize		Standardize			Collinearity	
	d Coefficients		d Coefficients	T	Sig.	Statistics	
	Std.					Toleranc	
	B	Error	Beta			e	VIF
(Constant)	1.529	.178		8.573	.000		
Customer perception	.183	.050	.225	3.627	.000	.608	1.644
Customer response	.461	.047	.607	9.774	.000	.608	1.644
	R	R ²	Adj. R ²	F	Sig.		
	.768 ^a	.590	.585	125.809	.000 ^b		

Dependent Variable: Mobile banking usage

Source: Primary Data

From Table 5, the study used the multiple linear regression model, $Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \varepsilon$ to derive the model for the presented statistics in this equation, Y is the

dependent variable, B_0 is the constant X_3 , B is the regression coefficient, X is the factor influencing the dependent variable, and ε is the estimate of error. Accordingly, the multiple linear regression equation for the observed statistics is stated as; $Y = 1.529 + .183X_1 + .461X_2 + \varepsilon$. The equation reveals that customer response has a higher multiplier effect (.461) compared to customer perception (.183).

The regression model revealed $F=125.809$, $Sig<0.05$ in relation to the predicting variables of customer perception and customer response which signalize a statistically significant predictability of the variables. The model also indicate that the regression equation is free from multi-collinearity as since the collinearity statistics of $VIF<5$ and Tolerance value >0.1 . Thus, the regression results were fit to be based upon to make conclusions and recommendations. Overall, the $Adj\ r^2 = .585$ obtained implied that customer perception and customer response are able to predict 58.5% of the variance in mobile banking usage. Additionally, the standardized coefficients of $B=.225$, $t=3.627$, $p<.05$ and $B=.607$, $t=9.774$, $p<.05$ were obtained in relation to for customer perception and customer response correspondingly. The implication of the statistics is that jointly customer perception and customer response are significant in predicting mobile banking usage. Furthermore, a comparison between Beta values ($B=.225$ compared to $B=.607$) obtained that customer response is a better predictor of mobile banking usage.

Based on the results, the hypothesis H_5 : Customer perception and customer response significantly predict mobile banking usage is supported.

Summary of Tested Hypotheses

The empirical results of this particular study were compared with the hypotheses upon which this study was study was conducted to check whether they were supported or rejected. The results are presented in Table 6.

Table 6: Summary of Tested hypotheses

<i>Hypothesis</i>		
<i>Code</i>	<i>Tested Hypothesis</i>	<i>Result</i>
<i>H₁:</i>	<i>There is a significant relationship between customer perception and mobile banking usage</i>	<i>Supported</i>
<i>H₂:</i>	<i>There is a significant relationship between customer response and mobile banking usage</i>	<i>Supported</i>
<i>H₃:</i>	<i>There is a significant relationship between customer perception and customer response and mobile banking usage</i>	<i>Supported</i>
<i>H₄:</i>	<i>Customer response significantly mediates the relationship between customer perception and mobile banking usage</i>	<i>Supported</i>
<i>H₅:</i>	<i>Customer perception and customer response significantly predict mobile banking usage</i>	<i>Supported</i>

Source: Primary Data

Conclusion

This study reveals that customer perception and customer response are exceptional in influencing mobile banking usage. As the banking fraternity undergoes numerous technological innovations to improve the way customers can access financial services, conveniently and efficiently, this study strongly indicates that among the key issues that require policy and managerial attention, is how best perception and response towards mobile banking of customers can be stimulated. With positive perception, exposure, attention and interpretation among customers would all be in favor of mobile banking to stimulate usage. Likewise, it is established that willingness to buy, repurchase intention and advocacy, predict attitude and actual behaviour.

Recommendations

Commercial banks should improve customer feedback regarding mobile banking. This should be done by providing customers with a toll-free line through messaging and banking hall displaying as well as erecting suggestion boxes where complements or concerns can be dropped.

Commercial banks should offer incentives for mobile banking as a way of encouraging usage. They should charge relatively lower costs for all mobile banking transactions such that more customers are prompted to try out the service.

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