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Determinants of Bank Selection: An International Student Perspective

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Abstract

While student bank selection has enjoyed overwhelming research attention over the past few decades, how international student determines and selects their banks has however, received little attention in the marketing literature. This study explored the determinants of banking selection, among international students in Malaysian public universities. To achieve an in-depth understanding of this phenomenon and their ranking, a qualitative research methodology was employed, along with Analytical Hierarchy Process (AHP). The findings revealed five determinants out of nine identified from the literature, as the principal determinants of banking selection, among international students. These are (i) the third-party influences, (ii) convenience of location, (iii) availability of the ATM, (iv) quality of service, and (v) financial benefits from saving. The third-party influence was considered as the most important determinant, and financial benefits from saving as the least important determinant of banking selection, among international students in Malaysia. The second most important was convenience of location, followed by availability of the ATM, and the quality of service respectively. The studies on international student bank selection determinant are scanty in literature, this study therefore, makes contribution to the existing knowledge in this field.

Keywords: Bank Selection, International Students, Decision-Making, Malaysia, Analytical Hierarchy Process.

Introduction

One important question that keeps flowing back and forth, in the marketing literature, is the question about how consumers make banking selection decisions? (Almossawi, 2001; Aragbeyen, 2011; Ishemoi, 2007; Omar, 2007; Kamakodi & Khan, 2008, Rao & Sharma, 2011; Katiricoglu et

al., 2011) The answer to this question, is valuable to both bank managements and financial institutions, for effective formulation of suitable marketing strategies; appropriate market segmentations; and attractive patronage appeals; to ensure quality service delivery. The global competitive atmosphere in the market, for financial services has made it increasingly critical, for banks to improve the quality of their services, and be more customer-oriented, (Adeyemi, Ola, & Oyewole, 2013; Chigamba & Fatoki, 2011, Okoe, Osarenkhoe, & Hinson, 2013, Sharma, & Rao, 2010). Today, customers associate extraordinary value to service quality, thus for banks and financial institutions to survive the growing competitiveness in the market, offering good quality service cannot be compromised (Atandi, 2013; Ozretic-Dosen, & Zizak, 2015, Pepur, 2006). It has become highly important for banks, to find the answer to the question of how customers make selection, among various financial service providers in the economy.

A review of pertinent literature revealed, that a volume of studies has been committed to finding answer, to this all-important marketing question, (Huu & Kar, 2000; Omar, 2007; Rao, & Sharma, 2010; Bedman & Nana, 2011; Okoe, Osarenkhoe, & Hinson, 2013, Anayo et. al, 2014). Researchers from across the globe, have explored the question relating to bank selection decision among different categories of consumers, from the general consumers (Babakus, Eroglu, & Yavas, 2004; Huu & Kar, 2000), to the young consumer (Rugimbana, 2007), without neglecting the students, as consumer of financial services (Philip & Cunnigham, 2001, Almosawi, 2001; Mokhlis et al, 2009).

Students market was specifically pointed out by Mokhlis et, al (2009), as a market segment, that must not be overlooked, by bankers and financial institutions. Additionally, the student market presents a very appealing and profitable market segment, for financial institutions (Mokhlis et al., 2008; Tesfom and Birch, 2011). Against this background, student bank selection criteria have enjoyed overwhelming attention, from scholars and practitioners, (Almosawi, 2001; Ciciic et al, 2004; Gerrard & Cunningham, 2001; Chigamba & Fatoki, 2011; Blankson et al, 2009; Sharma & Rao, 2010).

However, with regards to the student consumers, following from the review of literature, it was evident that a great volume of past research studies on student bank selection decisions, were conducted with the focus on the students in their home countries, only a handful of research, considered students in their host country, (i.e international students) (Bedman, 2012; Chigamba, & Fatoki, 2011, Rao, & Sharma, 2010). While the findings from these studies have made remarkable contribution to student banking selection literature, the probability of their application to students in their host country raises some fundamental issues, owing to different cultural upbringing, (Furrer, Liu, & Sudharshan, 2000). Though, the knowledge of how students make banking selection is available in literature, far too little is known about how international students make banking selection, in their host countries.

Additionally, while there is information regarding international student's bank selection decision, in the developed economy (Pooja, & Vitalina's, 2012), there is paucity of research, in developing economy like Malaysia, with regards to determinant of bank selection, from the perspective of international students. The findings from the developed economy, will be far from being

appropriate in a developing economy, considering the cultural, political, legal and economic environment. Considering the foregoing, this paper addresses these problems, by extending the study of bank selection decision, to an examination of international students in Malaysia. The objective, is to uncover the determinants of banking selection of international students in their host country, and how each determinant is ranked by the students.

International students' segment, is rather an untapped market segment for banks. They represent a more lucrative market, because they pay higher tuition fees, and spend more on living expenses, than the general student segment (Vickers, & Bekhradnia, 2007). Although, they are not salary earners, their allowances come from institutional scholarship, government sponsorship, or parental support, from their home countries. International students undoubtedly need banking accounts, to transfer their scholarship from their home country, into their host country, creating more foreign exchange opportunities for banks. Additionally, the student market presents a very appealing and profitable market segment, for financial institutions (Mokhlis et al., 2008; Tesfom and Birch, 2011).

Local and International Students: Service Perception and Decision

While International students shared some similarities with the general student segment, some level of differences should be expected, based on cultural diversities that could impact on students' bank selection criteria (Charles, Julian, & Nancy, 2007). Cunningham, Young, Lee, and Ulaga, (2006) reported that, there is a possibility of similar service being perceived, and categorized differently subject to culture. Evidently, consumer service perceptions are induced by, and prone to cultural effects and disparity (Donthu, & Yoo, 1998; Malhotra et al, 1994; Mattila, 1999; Winsted 1997; Furrer, Liu, & Sudharshan, 2001). Furrer et al., (2001) reported the findings from the review of literature, that consumers from different cultural background have different perception of service quality. Arguably, international students from different cultures will define service quality differently, and make selection based on different criteria from local students.

Malaysia Vision 2020 and International Student Enrolment

Malaysia as an emerging educational hub, is attracting international students, at an increasing rate annually. A total of One hundred and thirty-five thousand, five hundred and two (135,502) international students were recorded for 2014 academic year, which was 16.5% increase over 2013 record, and one hundred and fifty thousand (150,000) was projected for 2015 (Mohamed, 2011). Moreover, according to Malaysia Vision 2020, two hundred thousand (200,000) international students is projected to be enrolled (Yee & Mokhtar, 2013), with an estimation of RM 30,000 per student spending per year, other expenses not included. This suggests, that a minimum of RM 60 billion (\$20 billion) is expected to begin to flow into Malaysia economy, through international students' enrollment, tuition and living expenses, as from the year 2020. (Bernama, 2015; Grapragasem, Krishnan, and Mansor, 2014).

The international students' market segment in Malaysia, is gradually becoming a profitable economic entity, that should not be ignored, by the financial service providers, as it signals an excellent business opportunity for banks. A proper knowledge of the general banking habit, and

the selection criteria of this dynamic market segment are therefore vital, for effective formulation of strategic marketing mix, tailored to pull and gain their loyalty, (Owusu-Frimpong, 1999). It is on this ground, that the extant study, aims to explore the banking selection determinants of the international students in Malaysia.

Local Students and Bank Selection Criteria

Significant volume of research, has been conducted on students' banking selection, with valuable results and profitable insight, into the students' banking selection behavior, (Lewis, 1982; Scham, 1991; Thwaites, & Vere, 1995; Charles et al., 2009). The findings from some of these studies, have uncovered some of the key influencing factors impacting on the student banking selection decision, namely:

Convenience of location

Bank marketing scholars have classified convenience of location, as one the principal determinants of bank selection, among student consumers. For example, Lewis' (1982) study of college students, revealed convenience of location, as one of the two key determinants, that influence student banking selection. Similarly, the finding in a study among the college students in America, by Scham, (1991) reported convenience of location, as one of the two key factors, for banking selection among students. This is consistent with the finding from a study by Pass (2006), which reported convenience of location, as one of the significant factors impacting on student banking selection. In another study among the Malaysian students, Mokhlis (2009), in their findings showed convenience of location, as one of the key determining factors of banking selection among students.

The findings from a study, by Gerrard and Cunningham (2001), further confirmed that convenience of location, is an important factor, in student banking selection decision. Additionally, their findings confirmed previous study by Garry (1977), who proposed convenience, as the most important factor for students' banking selection. A report from a comparative study by Charles et. al., (2009) of bank selection criteria among American and Ghanaian universities students, further affirmed convenience of location, as an important consideration in banking selection decision among students. Anayo et. al, (2014) study among the Nigerian students reported that, the closeness of bank to the school, is one of the most important criterion in banking selection decision among the students in Nigeria.

Another factor that defines the convenience of location as revealed in literature, is nearness of parking space. For example, in a study by Almosawi, (2001) among the four key criteria of selection from among Bahrain university students, the nearness of parking-space to the bank was rated high. This is consistent with the findings among the Indian students, by Sharma and Rao (2010), which revealed that Indian students considered parking facilities, in their banking selection decision making. Overall, all the past studies agreed, on the significance of convenience of location, to student bank selection decision.

Third-Party Influences

Though, third-party influences have been considered by bank marketing scholars, as a significant factor in bank selection among students, there seems to be mixed finding in literature. Based on the study of student banking selection by Schram (1991), their finding showed family tradition, as the main determinant of banking selection among local students. Lewis' (1982) study of college students, revealed parents' patronage, as one of the two key determinants, that influence student banking selection. Similarly, Mokhis' (2009) study of the Malaysia youth, reported family and relative influence, as part of the key determining factors for banking selection. However, other scholars in the class of Hui and Kar (2000), and Gerrard and Cunningham (2001), differed in their findings, as they categorized third party influences, as the least important criteria for bank selection. Nonetheless, contrary to Hui and Kar (2000), and Garrard and Cunningham (2001) the findings from a more recent study, by Chigamba and Fatoki (2011) supported the past findings, on the impact of third-party influences, with their result showing that students yield easily to friends and families, in the process of bank selection decision. Similarly, Anayo et. al, (2014) study among the Nigerian students reported that the influence of family and friends, is one of the most important criteria in banking selection decision among the students. Collectively, there is mixed findings; there appears to be no consensus among all the scholars regarding the place of the third-party influences, as a principal determinant of student banking selection. While some reported third-party influences as key determinant, others reported it as the least important. The conflicting findings may however, be attributed to cultural differences, or the date of study.

Electronic Services

Electronic services, which encompass internet banking, mobile banking, and ATM, have been identified in literature, as a predominant factor in student bank selection. In a study conducted in India, by Sharma and Rao (2010), the findings revealed that Indian students considered technology-based services, availability of ATM and Internet banking, as pointer for selection of bank. Similarly, in a study of student banking selection by Schram (1991), their finding showed widespread ATM network, as the main determinant of banking selection among local students. In another study by Almosawi (2001), availability of ATM was reported, as one of the four key criteria of selection, from among Bahrain university students. These results confirmed the findings from previous study in the United Kingdom, by Thwaites and Vere (1995), that ATM proximity to school, influences the student banking decision.

In a study of student banking selection by Gerra et al., (2001) their findings showed e-banking services, as one of the important determinants of banking selection among student customers. Katircioglu et al. (2011), also affirmed that the availability of e-banking facility, is a key criterion for student banking selection decision. In another study among Singaporean students, Gerrard and Cunningham (2001) reported, electronic banking services, as one of the key determinants of banking selection among students. Likewise, Anayo et. al, (2014) study among the Nigerian students reported functional ATM network, as an important determinant of student banking selection. Similarly, findings from Bedman and Nana's, (2011) study, showed that electronic banking is an important factor, in student banking selection decision. Likewise, Mokhlis, Mat and Salleh's (2008) findings among the Malaysian students, showed that ATM service was a significant

factor, in banking selection decision. Conclusively, all the studies are on the same note regarding the impact of ATM in bank selection decision among students.

Bank Services

Bank services are considered significant, in impacting on student bank selection decision in literature. For instance, the study among the Singaporean's University and Polytechnic students by Poh, (1996), showed speed of service, as one of the two most important determining factors, affecting student bank selection. In another study among 300 students in Bosnia, by Ciciic et al. (2004), ease of opening current accounts was mentioned, as one of the five key criteria for banking selection among the students. According to Mokhlis' (2009) financial service provision, was one of the key influencing factors, impacting on banking selection among the students. Based on the findings from a study, by Gerrard et al's (2001), quality service delivery, is an important factor influencing student banking selection. In another study among Singaporean students, Gerrard and Cunningham (2001), reported that provision of quality services, is one of the key determinants of banking selection among students. For the Ghanaian students, Bedman and Nana's, (2011) study, showed fast service delivery and accurate account information, are significant factors in banking selection decision. In a study of banking selection among the Tanzanian students, by Ishemoi (2007), service quality was reported, as one of the key determinants of student banking selection. This is consistent, with the findings among the students in Northern Cyprus by Katircioglu, Fethi, Unlucan, and Dalci, (2011), where service quality was reported as a significant factor of banking selection. In all, there is consensus of findings from all the studies, showing that bank services are strong determinant of bank selection.

Reputation of Bank and Secure Feeling

Though, bank reputation was classified as an important determinant of bank selection among students' consumer, yet, there are mixed findings in literature. In a study of banking selection among the Tanzanian students by Ishemoi (2007), bank image, was reported, as one of the key determinants of student banking selection. This is consistent, with the findings among the students in Northern Cyprus by Katircioglu, Fethi, Unlucan, and Dalci, (2011), which reported bank image, as one of the main factors impacting on bank selection decision. Similarly, in a study which examined 209 undergraduates, Kazeh and Decker (1993), reported bank reputation, as the key factors impacting on banking selection among students. However, in a study among the Singaporean students, by Gerrard and Cunningham (2001), bank reputation was not classified, as a significant determinant of banking selection. Overall there is mixed findings in studies regarding bank reputation, as a determinant of bank selection among students.

In a study of 300 students from Bosnia by Ciciic et al. (2004), among five key criteria found to determine the banking selection, confidence in bank management, was mentioned as significant. Likewise, in a study among Singaporean students, Gerrard and Cunningham (2001) reported secure feeling, as one of the key determinants of banking selection among students. This is consistent, with the findings from among the Malaysians' students, from a study by Mokhlis, Mat and Salleh (2008), which reported secure feeling, as the most significant determinant of banking

selection among the students. All the studies reported, that secure feeling is a significant determinant of student bank selection.

Financial Benefits

Financial benefits have been identified, as a significant factor in bank selection literature. For example, in a study, which examined 209 students in the US, by Kazeh and Decker (1993) reported financial benefits, which include document service charges, interest charged on loans; and quick loan approval; as the main determinant of student bank selection. This agrees with the finding from a study by Pass (2006), which reported pricing, or interest rate on loan, as the key factor impacting on student bank selection. In yet another study, by Ciciic et al. (2004) among three hundred (300) undergraduate students from Bosnia five key criteria were found to determine the bank selection, one of which was low service bank charges. Similarly, in a study by Mokhlis, Mat and Salleh (2008), financial benefits were ranked high, among the factors that impact on student banking selection. All these studies rank financial benefits as an important factor in banking selection among student-consumers.

Employee-customer relation

In bank marketing literature, employee-customer relations, have been marked as fundamental to student bank selection decision. In a study by Almosawi, (2001) among four key criteria of banking selection, reception and friendly bank personnel were considered influential among Bahrain university students. This is consistent, with the finding from a study by Ciciic et al. (2004), among Bosnia students which reported friendly bank personnel, among five factors that impact on their banking selection. Likewise, findings from the study among the Ghanaian students, by Bedman and Nana's, (2011) study, showed that staff responsiveness and courtesy were considered as basic factors impacting students' banking selection. All these studies indicated, that employee-customer relation, is a significant determinant of bank selection among students.

Collectively, from the review of literature, it is evident that considerable number of researches has been conducted both in America, Europe, Asia, and Africa, with special focus on students' criteria for banking selection. One cannot, but acknowledge the significant contribution made, through all these studies to the bank marketing literature. However, while all the studies agreed on some of the factors as significant determinant of student bank selection, they disagreed on two, namely: third-party influences, and bank reputation. A group of scholars ranked, third-party influences and bank reputation, as significant determinants; while other researchers ranked them as least important determinants in bank selection decision. The findings on these two factors are inconclusive, and therefore require further examination

Additionally, these findings are the outcome, from the examination of students' bank selection, in their country of origin. Obviously, the results may be completely different, for the students in an international context; due to economic, legal, and cultural diversities, that may impact on their service quality perception. Consequently, there is a need to examine students' criteria of selection, in an international context.

The Current Study

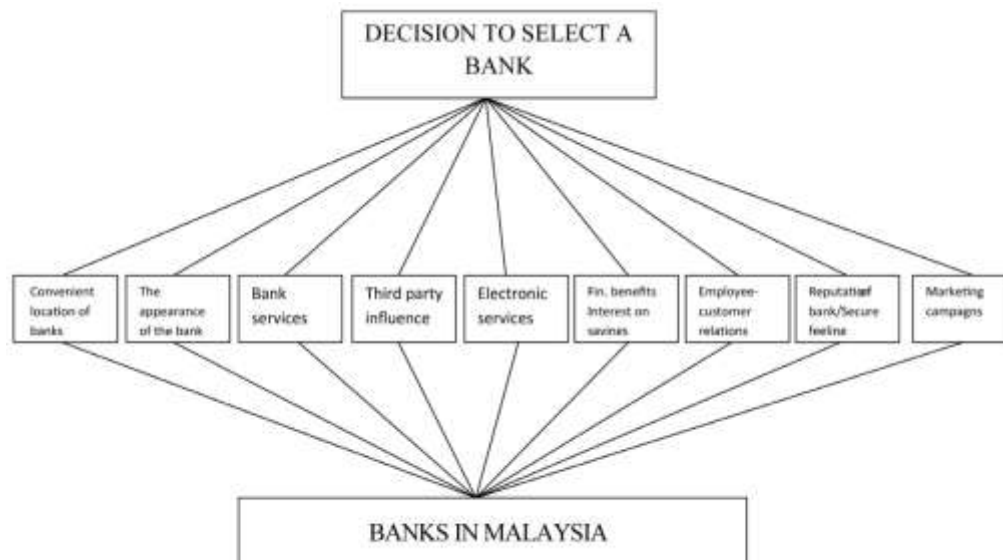
The studies on international student bank selection, are scarce in bank marketing literature. One exception, is the study by Pooja and Vitalina's (2012), among the international students in Sweden. Their findings revealed, five basic criteria, that impact on international students' bank selection in Sweden, which are marketing, communication, bank reputation, convenience, use of technology, and costs of bank services. A further search through literature, revealed there is insufficient information regarding this field. Evidently, little attention has been accorded international students, as financial service consumer, which necessitates this current study.

Additionally, large volume of the studies in the field of students' bank selection decisions, were predominantly conducted using quantitative methodological approach. The results from quantitative data, are useful to provide us information on the list of criteria, for bank selection, however it is unable to provide detail insight, as to why these criteria are important for international students. As international students come from across the globe, it is safe to assume that these students might have different reasons, for selecting the banks. Thus, this warrants the examination of criteria, for bank selection to be done qualitatively, to uncover the how, and why of selecting banks.

The aim of this extant study, is to identify determinants of bank selection among international students in their host country. The outcome of this study will provide insight into strategies, that banks can employ, to attract the patronage of the international students. The central purpose of this study, is to contribute to the existing body of knowledge, on international students decision-making process, regarding the choice of bank to patronize, and equally, to establish the comparative similarity of student banking selection, and international students banking selection behavior.

Theoretical Framework

Ta and Har's (2000) Analytical Hierarchy bank selection model was adopted. The nine bank selection criteria were formulated into decision hierarchy, for selecting a bank among many alternative banks. The three levels of decision analysis represented in the model are (i) participants' decision for bank selection, (ii) the 9 criteria impacting on the decision for bank selection, and (iii) the available alternatives, like other banks in the system. The objective of this study, is to compare the determinant identified as influencing the bank selection of international students in Malaysia, with the criteria represented in the model. This will enhance our analysis of bank selection criteria, among international students. The framework is hereby presented below:



Research Methodology

Since the aim of this study is to explore the determinants of student banking selection, a case study approach was employed. Although, this approach is not without weaknesses, as some scholars have pointed out, however, it was chosen for this study, on the ground of its exploratory and qualitative characteristics, that make room for depth of knowledge and insight (Yin, 2014). The respondents for this study, are international students in Malaysia universities. We have chosen international students, based on the facts identified in literature, as being the neglected group in student-market literature, especially in the bank-marketing research.

Furthermore, an Analytical Hierarchy Process (AHP) was adopted, following Hun and Kar's (2000) model. The Analytical Hierarchy Process (AHP) is a multiple decision-making tool, which provides structures for managing multiple and conflicting criteria in decision-making process (Vaidya & Kumar, 2006). AHP is appropriate for dealing with multiple decision-making, because it minimizes complex decisions, to chains of pairwise comparisons. It is suitable for both quantitative and qualitative research inquiries (Hun & Kar, 2006).

The process involves three steps (i) Determine the Consumer's goals, which is bank selection in this study. (ii) Identify the criteria, which are made up of factors motivating consumer bank selection, and (iii) Evaluating the alternatives, in this case other banks in the system (Huu & Karr, 2000). Each criterion is evaluated by pairwise comparison, to determine the predominant criteria, in relation to the goals, or decisions being made. The application of AHP will assist in uncovering the criteria considered in bank selection decisions, and the principal determinant for the decision makers, in this case international students.

Multi-attribute Value Theory, is another multiple decision-making tool, that could have been adopted instead of AHP, because of its suitability for this study. However, the similarities in term of effectiveness, and suitability of the two are very close; as observed by Lai and Hopkins, (1995), as such we settled for AHP as a choice for analysis. AHP has been widely applied in different

decision-making scenario, not only by bank selection scholars, but also researchers in other fields as well (Enyinda, Mbah, & Ogbuehi, 2010; Haitbaeva, Enyinda, & Al-Subaiey, 2014; Hinson, Osarenkhoe & Okoe, 2013; Huu, & Karr, 2000).

The study sample was international students in Malaysian universities. Nine (9) participants were recruited from three universities. The participants were interviewed, to explore the significant determinant of banking selection, among the international students in Malaysia. A face-to-face, in-depth interview was carried out, with each of the participants on their campus, at a location of their choice, and they were encouraged to express themselves freely during the interviews. The interviews were conducted between October 23rd and November 20th 2017. The number of the respondents was not determined, until the study reached its saturation point. The students' age ranges from between 26 to 48 years. During the data collection process, a voice recorder on a mobile device and a notepad were used; and the data were classified and analyzed, until a set of themes were derived.

Table I showing the respondents' profile

Pseudonym	Gender	Age	Nationality	Field of Study	Years in Malaysia
Akeem	Male	27	Pakistan	Marketing	2 years
Tony	Male	48	Nigeria	Business Management	4 years
Nadia	Female	28	Saudi Arabia	HRD	3 years
Fatimat	Female	33	Iraq	Financial Management	2 years
Khadijat	Female	35	Iran	Marketing	3 years
Abibat	Female	29	Pakistan	Accounting	3 years
Raheem	Male	34	Bangladesh	Engineering	3 years
Kashim	Male	21	Egypt	Agric. Econs	1year
Matthew	Male	33	Nigeria	IT	5 years

Findings and Results

The findings from the interview will be presented, and the determinant will be discussed in their order of importance, from the most important to the least important, in the following paragraphs.

The Third-party Influences: Findings from our interview revealed third-party influences, as the most influential determinant of banking selection among the international students. Responses from the participants in their own words are presented below:

Akeem: *"it is the bank my school is using, so it was recommended to me by the school"* **Tony:** *"it is the bank my embassy is using. It is the only bank through which my government pays the student scholarship to us in Malaysia. So, it was the requirement for us, to open account with the bank to facilitate transaction between the government and the students"* **Nadia:** *"There is a collaboration between the school and the bank, the bank handles all transaction for the school, so we were advised to open an account with the bank"* **Fatimat:** *"During the time I came to*

Malaysia, my country was under sanction, so it limited, our freedom of choice of bank, except the two banks allowed by the sanction, so I chose one of them” Khadijat. “Because it was recommended to us by our university, to facilitate transaction between the school and international students” Abibat: “Because I am new in Malaysia, so I did not know the available banks, so the school took us to the bank of their choice” Raheem: “It is a requirement for scholarship students, to choose between the two banks recommended by the organization that offered me the scholarship” Kashim: “Because it is the bank most of my friends are using” Matthew: “Most of the students are using it”

Overall the most influencing determinant of banking selection among international students is third-party influence. Their banking selection decision is highly influenced, either by their government, institutions, sponsoring organization, or their colleagues.

Convenience of location: Another major determinant of banking selection gathered from the interview is convenience. Convenience is described by the respondents, as the closeness of the bank, to the students or to their institutions. Report from the participants’ responses we have the following information:

Akeem: “my bank is within my school campus, so it makes it easy for me to pay the tuition fees” Tony: “The bank I use is located inside my school which makes it convenient for any transactions I have to do within the school campus Nadia: “it is the nearest bank to me” Fatimat: “it is the closest bank around me” Khadijat: “the bank is nearer to my house” Abibat: “the closeness of the bank to the university, makes it a lot easier to pay my tuition fees to the university” Raheem: “It is located within my school, so it is easily accessible for students” Kashim: “it is a lot convenient because it is within the school campus” Matthew: “I prefer to have an account with my bank, because it is within the school area”

Together, the responses showed that the closeness of the bank to the students, or to their institutions, is a major consideration, when students are making banking selection decision. The convenience of location is rated second, in significance to third-party influence. All the respondents appreciated the fact that, the bank of the choices, are within the convenient distance of their school, or apartment.

The quality of the service: Findings from the interview showed, that the quality of service is a major determinant of banking selection, among the international students: the responses from the participants revealed the following:

Akeem: I am satisfied with their service; I don’t have any plan of changing Tony: It is easier to transfer money from my country to Malaysia Nadia: Their staff are very friendly Fatimat: It is easier to open an account Khadijat: It is easier for us to use this bank to transfer money, and to change foreign currency to Ringgit Abibat: They have good customer service and good staff Raheem: My bank has already met my need, so there is no need to open account with another bank Kashim: I changed to another bank because my former bank was not efficient. When I transfer money from my country to Malaysia, it takes several days with my former bank, but with

the new bank, it takes between 48-72hours to reflect in my account. Matthew: The staff are cooperative and supportive of the student-costumers

From the participants' responses, the quality of service is described as (i) ease and rapidity of money transfer from the home country, to the host country, (ii) easy access to foreign exchange (iii) the customer-friendly staff, (iv) the simplicity of opening new account, (v) good customer service and good staff (vi) A cooperative and supportive staff.

The availability of ATM: As part of the factors that determined the selection of the bank, the respondents mentioned the availability of the ATM. From the participants' responses, we have the following facts:

Tony: *I can find ATM anywhere, Nadia:* *Their ATM is available everywhere in Malaysia, Fatimat:* *Using ATM to do all my transaction makes life comfortable for me, Abibat:* *It is a lot easier to pay my bill with ATM, Kashim:* *Being able to use ATM is a great idea for me, Matthew:* *I open an account with my new bank because one can easily find the ATM around.*

The evidence from these responses, imply that the availability of the ATM is a major consideration, for the international students in the banking selection decision.

Financial benefits on saving: the responses from some of participants showed that they were expecting financial benefits, beyond mere safe-keeping and bill payment bank services, as revealed from their responses:

Akeem: *They don't pay interest on your saving, and they demand more charges in money transfer. Khadijat:* *In my country, when you save money with bank, they will give you interest, I thought Malaysia banks will do the same, but I found out that the system is different. So, the only benefit an international student gain for saving with Malaysian Bank is safe keeping Matthew:* *As an international student, I am not entitled to any bank loans, car loans, or any other financial facilities for that matter.*

Discussion

Findings, from this study are discussed, following their ranking among the factors identified. There are five principal determinants of bank selection from international students' perspective, which include (i) third-party influences, (ii) convenience, (iii) quality of service, (iv) availability of ATM, and (v) financial benefits on saving.

The first principal determinant is third-party influences. Since international students are not familiar with the available banks in their host country, and banking selection is required almost immediately to facilitate registration, and safe keeping of their money, third-party influences become, the predominant factor in their banking selection decision. Our findings indicate, that majority of the participants were influenced, either by their institutions, or the sponsoring organizations, or their embassies. Some of the banks selected by the international students, already have a working relationship with the universities, or the embassies from their different

home countries. For some of the participants, their friends who are older students in the country suggested, and influenced their bank selection.

In the light of the bank selection studies, among student in their country of origin, the finding of this study is contrary, to the finding by Huu and Kar (2000) and Gerrard and Cunningham (2001), which listed third-party influences, as the least determinant of banking selection among Singaporeans students. But it is consistent with findings from the past studies by Mokhlis (2009), among Malaysian students, Schram (1991) among American students, Chigamba and Fatoki (2011) and Anayo et. al., (2014) among Nigerian students, which listed third-party influences, as one of the principal determinants of student bank selection. However, while the third-party individuals among the students in their home countries are family and friends, for the international students it is the embassies, sponsoring organizations, and the universities the students are attending.

The second principal determinant is the convenience of location. The convenience of location, was the next determinant of bank selection among the international students. The participants in our study reported, that the banks located closer to, or within their universities campus was a strong determinant of their bank selection. Navigating around the city for a bank, could be a challenging task, for new students in their host country. Consequently, international students settle for easily accessible banks, which are most often closer to their hostel or campus. This finding is consistent with past findings like Lewis (1982), Scham (1991), Pass (2006), Mokhis' (2009), Gerrard and Cunningham (2001), Garry (1977), Blankson, Omar and Cheng, (2009) and Anayo et. al, (2014) that identified the convenience of location, as a principal determinant of student bank selection.

The third principal determinant is the quality of service. Our findings also revealed the quality of service, as a principal determinant of student bank selection. This is in line with findings from previous studies by Gerrad et. al., (2001), Ishemoi (2007), and Katircioglu et. al., (2011) that identified quality of service as a significant factor in bank selection decision among students. However, while Speed of service, Poh, (1996), ease of opening current accounts, Ciciic et al., (2004) accurate account information, Bedman and Nana's, (2011) were significant components of quality service from local students' perspective, but from our respondents' perspective, it includes (i) ease and rapidity of money transfer, from the home country to the host country, (ii) the customer-friendly staff, (iii) the simplicity of opening new account, (iv) good customer service and good staff, (v) A cooperative and supportive staff. The participants in our study stressed the ease, and rapidity of money transfer, as principal consideration of quality of service in their bank selection decision.

The fourth principal determinant is the availability of ATM. The participants in our study, mentioned the availability of ATM as a principal determinant of their choice of bank. Banks with easily accessible ATM, stand the chance of being selected by the international students. According to one of the respondents *"it is a lot easier to pay my bills with ATM"* This is consistent with past findings from studies by Sharma and Rao (2010), Eriksson and Lundin (2005), Bystrom

and Roth (2008), Almosawi (2001), Thwaites and Vere, (1995), Mokhlis, Mat and Salleh (2008) that classified availability of ATM as a key determinant of bank selection among local students.

Finally, the fifth principal determinant is the financial benefits on saving. Financial benefits on saving, was the least identified determinant of bank selection, among international students. Our findings showed that international students desire to enjoy financial benefits from the bank in their host country, like what obtains in their home country. They, however did not place much emphasis on this factor, considering their status as foreign students. This is contrary to finding from past studies by Kazeh and Decker (1993), Pass (2006), Ciciic et al., (2004) Mokhli et al., (2008), which categorized financial benefits on saving, as a principal determinant on bank selection among local students.

Finally, in the light of the past bank selection study on international students; the findings from our study are consistent, with two of the five determinants identified by Pooka and Vitalina (2012) among the international students in Sweden; which are convenience of location, and use of technology. However, differs regarding the other three determinants. While bank reputation, marketing communication, and costs of bank services, are classified as important determinants in bank selection of international students in Sweden, they are not important for international students in Malaysia.

Conclusion

Theoretically, this study filled a significant gap in literature, by adding to the existing body of knowledge on banking selection in Malaysia, and by exploring the determinant of banking selection from the international students' perspective, a segment that has been overlooked in the banking selection literature. This study, therefore contribute to existing body of knowledge, and can provide an impetus for future studies in this field. On the other hand, this study can provide banking industry with useful data for formulating appropriate marketing strategies, targeting international students market.

Additionally, the findings from this study will be of great benefit to scholars, who are interested in targeting international students in Malaysia, for financial products and services. Although, the findings are limited to Malaysia, bank industry in other nations especially, Southeast Asian region, may find the results of this study beneficial for formulating policy and marketing strategy, to attract the international students in their region.

The findings from this study revealed third-party influences, as the most important determinant and financial benefits from saving, as the least important determinant of bank selection from international students' perspective. Other significant determinants are convenience, availability of the ATM, and quality of service. This implies, that for banks, especially new entrants, to be able to attract this market segment, they need to leverage on the factors that are peculiar to this segment of the market.

Recommendation

From the international students' perspective, the most important determinant for bank selection, is the third-party influences. They are most influenced by their embassies, sponsoring organizations, and their universities. It is recommended that banks targeting this market segment connect, and develop a good working relationship with their embassies, their universities, and if possible some of the sponsoring organizations, in their home countries. Another major determinant of banking selection, for this market segment is convenience. To them convenience is described, as the closeness of the bank to their residence, or to their institutions. While it is not feasible for all banks to have their branches on university campuses, it makes sense for banks, to have their branches close to university campuses, where they are easily accessible to students.

The quality of service, is also a major determinant for bank selection. For this market segment, the quality of service was described as (i) ease and rapidity of money transfer from the home country, to the host country, (ii) easy access to foreign exchange (iii) the customer-friendly staff, (iv) the simplicity of opening new account, (v) good customer service and good staff (vi) A cooperative and supportive staff. Banks could facilitate the buying and selling of foreign currency, by making the foreign exchange service available, in their branches on the university campuses. They could also make the opening of account simple for international students, by appointing member of staff, with good command of English language, to attend to them, or making it possible for account to be opened online. It is also advisable for their staff to be warm, supportive, and friendly in their interaction with the student customers. The availability of the ATM is a major consideration for the international students, in the banking selection decision. Banks could have their ATM positioned at strategic location within the university campuses, to facilitate transactions, for the international students.

Financial benefits on saving, was the least consideration for bank selection among international students, but that does not make it unimportant. Banks could consider the possibility of putting high interest on students' account, and offering their services to students at attractive charges. These could compensate for lack of privileges to bank loans, and credits for international students.

Limitation and Further Study

In this study, our effort has been limited to exploring the bank selection behavior of the international students in public universities in Malaysia, with the exclusion of private universities. Our findings, therefore may not be applicable to international students in private universities. We, therefore suggest that future studies should put into consideration the bank selection behavior of international students in private universities. We also suggest, that this study be replicated in other countries that host international students.

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