International Journal of Enhanced Research in Management & Computer Applications,
IJERMCA, ISSN: 2319-7471, Volume 14 Issue 2, February 2025

Examining the Effect of Customer Intention on Banking Performance: A Case of Selected Commercial Banks in Borena, Southern Ethiopia

Achalu Teshome[1], Dr. Mohammed Arshad[2], Berhanu Borj[3]

[1]PhD, Department of Marketing Management, College of Business and Economics, Bule Hora University, Ethiopia
[2]Associate Professor, Department of Marketing Management, College of Business and Economics, Bule Hora University, Ethiopia
[3]Professor, Department of Marketing Management, College of Business and Economics, Hawassa University, Ethiopia

ABSTRACT

This paper examined the effect of customer intention on bank performance in selected banking sectors in Ethiopia. There has been relatively little research that examined the effect of customer intention on bank performance in developing countries, particularly in sub-Saharan Africa. This paper attempted to bridge that gap with an Ethiopian perspective. A response was collected through a survey of open- and closed-ended questionnaires from the sampled 400 employees and customers of selected commercial banks in Borena, southern Ethiopia. The collected data were tested on the hypothesized relationship using the SEM analysis method with SPSS and AMOS version 26. The findings showed that customer intention has a significant effect on bank performance. Therefore, banks must provide value to their clients through the services if they hope to improve their bank performance. This research recommended that banks should consider customer intention in banking services to enhance their bank performances. Also, it was recommended that future researchers should determine customer intention effect on other services organization firm rather than banks. This dissertation adds to the body of knowledge by extending the breadth of studies on consumer intention and bank performance in banking sector.

Key words: customer intention, bank, bank performance.

INTRODUCTION

Bostrom & Andersson (2019) argued that in order to attract customers, consumer intention positively connected with satisfaction and high-quality service. Customers' intentions regarding banking services are influenced by a number of aspects, including perceived usability, perceived risk, and perceived simplicity of use, employee-customer engagement, functional quality, and service quality. Banks needed to be aware of these factors in order to improve their goals for banking performances (Babu et al., 2020). The consumer's capacity to draw in and retain them highlights the significance of enhancing these components. Banks should provide value-added services, improve service and functional quality, and uphold a high level of security in order to raise customer intention (Wilson, 2020; Kurita et al., 2022).

Furthermore, banks would need to take this issue into account during banking services strategy by striking a balance between the needs of their consumers and design and security concerns (Armesh et al., 2010). Ozkan et al. (2022) cited that a customer's intention can be described as their conduct toward a banking service as a consequence of their satisfaction with that service. Depending on the degree of the client's pleasure with banking services, the conduct of the consumer may have high or low intents (Ikhsan & Prabowo, 2020).

On the basis of Kuppelwieser et al. (2021), managing customers' entire enterprise intention strategically is a need associated with customer intention. In order for businesses to effectively communicate with customers and establish clear goals, they must value these encounters and combine several aspects both before and after sales.

Comparably, Ulaga & Zaltman (2019) outlined the qualities that clients value in a partnership with businesses, which are influenced by both internal and external variables. The functional attributes and perceived quality of a service have an impact on its quality. In the words of Agung et al. (2020), they suggest that, in order to assess if a company is satisfying its consumers' needs, CEM should list all of the indicators that a company sends them.

Customer intention was defined as the client's cognitive and emotive evaluation of all direct and indirect interactions with the business that are related to their service by Salmuni et al. (2020). In the opinion of Alyahya et al. (2020), customer intention is influenced by various factors such as the social environment, product range, price, alternative channel experience, firm brand, and the cognitive, affective, emotional, social, and physical character of the business.

As defined by, customer intention encompasses both intellectual and emotional behaviours that affect customers' decisions about services and affect the mutual benefit that exists between the company and its clients. Pei et al.(2020) expounded that customer intention stems from the exchanges that occur between a client and a business, wherein reciprocal value is achieved. Customers gain from utilitarian and hedonistic values, while companies gain from service, market share, loyalty, profitability, customer, and brand equity (Pena- garcía et al., 2021).Thus, this dissertation aims to disseminate its findings so as to increase the understanding of neo-marketing systems, offering new insights into neo-banks' and how they incorporate customer intention and bank performance. The intention of this research is, therefore, to answer the following research questions: RQ1. Does customer intention have a significant effect on the performance of banks in a selected study of commercial banks in Ethiopia?

Objectives

The objectives of this study were to examine the effect of customer intention on bank performance in selected commercial banks in Ethiopia.

LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

Pena-Garcia et al. (2021) reasoned that hypothesis-testing established that a hypothesis-testing research, hypothesis is one that is backed by evidence, is formed from a theory, and illustrates the relationship between the measured concept (variable) and other concepts (variable). Previous research in the literature on technology adoption supports the choice of extra variables. Consequently, the link is hypothesized as follows in this dissertation.

Linking customer intention and bank performances

Good bank services are advantageous to banks as well as clients. It draws more clients by offering new markets and services to large geographic areas (Befikadu, 2019). According to research, digital banking may be an affordable way for services to be provided (Nazaritehrani, 2020). In addition to the technology acceptance model constructs of perceived usefulness and ease of use, Maduku et al. (2014) pointed out that the study adds trust in the digital marketing system, customer awareness of e-banking services, and perceived self-efficacy to improve the understanding of the predicators of banking service adoption. Bennett et al. (2020) show that digital banking needs to match consumer needs in order to improve customer intention, meaning that both banks' and customers' opinions matter.

Customers may quickly use digital marketing services, which are convenient and cost-effective for banks (Okenyuri, 2019). whereas banks can create user-friendly services and flexible payment options thanks to digital banking (Hammoud et al., 2018). Research goals related to digital banking have not been met since studies have not given enough consideration to staff's perspectives and consumer intentions. As a result, current bank service demands have not been met. It is necessary to satisfy client requirements through digital banking services, even though previous research has consequences for managers as customer expectations change (Brier, 2020).

Kubiatko(2013) thought According to the survey, different client age groups have distinct wants, goals, specifications, and technological aptitudes. In the meantime, information technology is crucial to the global transformation of the banking sector. The advent of online banking presents banking companies with a fresh set of opportunities and difficulties. (Chuwa, 2015). Ibrahim & Daniel (2019) hypothesized that the Internet is altering how banks engage with various demographic groups, but they were unable to discover a connection between the use of multi-channel banking and age. While Y. Desta's (2018) study of e-banking adoption in Ethiopian banks found that customers are satisfied, fund transfers, and bill payment (check) are the most popular services, with security being an issue of concern, they also found that customers are likely to conduct savings, transfers, and mortgage transactions through digital channels.

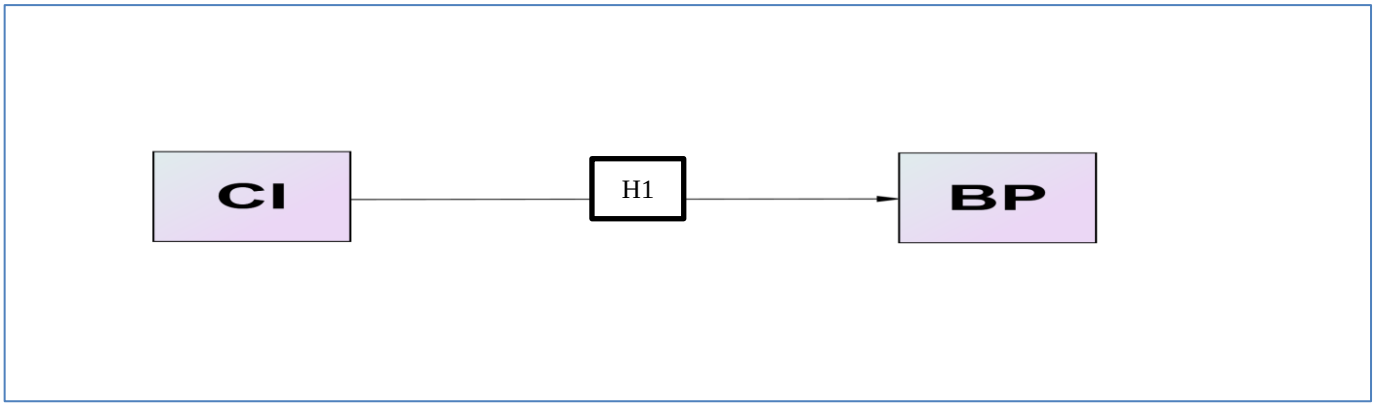
Trust in digital banking services "improves customer intention and loyalty," says Rusmahafi & Wulandari (2020), suggesting that digital banks can increase profitability and keep customers with a strong brand, trust, and quality. Banks are now able to provide excellent customer service and retain clients by using digital banking. It is worth looking into since it seems to be a more effective technique to serve clients when it is convenient for them. Firm performance has been impacted by customers' excellent intentions regarding digital banking (Bennett et al., 2020; Ikechukwu et al., 2020). Therefore, depending on the above evidence, the following hypothesis is developed.

H1: Customer intention has a significant effect on bank performance

Conceptual frameworks

The link between independent and dependent factors is displayed in this conceptual framework. In this study, the dependent variable is bank performance and the independent variables are customer intention. A conceptual

framework's objective is to map the relationships between concepts that are pertinent to the study and to classify and characterize them (Ajibade, 2019).



Source: Developed for this study, 2024

Figure 1 Conceptual Framework Independent variable (CI) dependent variable (BP)

RESEARCH METHODOLOGY

This study employed an explanatory research design (Asenahabi, 2019; Abu & Toyon, 2021). The empirical investigation undertaken for this study was based on quantitative research methods consisting of the application of a questionnaire to selected banks respondents and Key informants. The questionnaires consisted of both closed and open-ended questions. The main sources of information were selected banks key informants, employees and customers from selected banks namely commercial bank of Ethiopia, Awash Bank, Abyssinia bank, Oromia Bank and cooperative Bank of Oromia. Purposive sampling technique was used to select banks 5 banks in the sample. Simple random sampling technique was employed to include 76 employees and 324 customer respondents from selected banks in the sample after stratification according to their banks. The purposive sampling technique included consideration of those who were assumed to be relatively knowledgeable about and experienced in CBE and training.

Table 1: Target Population (Total sample size)

Selected Commercial Bank in Borena zone	Population customers(bank customer)	Sample size	Population employees(staff customers)		Total Sample size
Awash Bank	32516/169630*324	62	22/88*76	19	81
Oromia Bank	25000/169630*324	48	23/88*76	20	68
Abyssinia Bank	18400/169630*324	35	10/88*76	9	44
Commercial Bank of Ethiopia	65000//169630*324	124	25//88*76	22	146
Cooperative bank of Oromia	28714/169630*324	55	8/88*76	6	61
Total		324		76	400
Total population	169630				
Sample fraction	0.0008652016				400

Source: Developed for this Dissertation, 2023

Instruments and data collection procedures

A structured questionnaire and interviews was used in this study Codo (2021) examined the fact that a questionnaire is a tool for gathering data in which participants are requested to answer pre-established research questions in a specific order. Two types of questionnaires exist: open-ended, which allows respondents to provide any response; ordinal or ordering, which asks respondents to rank their preferences or opinions regarding where to put something; and closed-ended, which restricts responses to agree or disagree (Roopa & Rani, 2012; Young, 2015; Dickerson & Ji, 2021).

To gather information from the participants, questionnaires with open-ended questions and Likert scale items were developed based on the existing theory and practice of selected banks. The content validity of the questionnaire was evaluated by three measurement and evaluation instructors after which a pilot study was held at all selected banks to further evaluate the relevance and clarity of the questionnaires. The questionnaires were administered based on consideration of convenience on place were customer get service on door-to-door by data collectors. In which the return rate was ninety seven percent.

In the analysis of data, descriptive statistics such as frequency, percentage, mean scores were employed and Amos version 26 software were applied. Amos was applied incase it's a modern software that was based for quantitative research work.

FINDINGS AND DISCUSSION

After checking, unclear, implausible, and incorrect questionnaires were corrected. Pre-testing was very beneficial because any unclear, implausible, and incorrect questions were fixed before being used in the field. Hilton (2017) points out that the purpose of pre-testing is to find and fix such issues. To elaborate, Hollins et al. (2023) suggest that pre-testing helps the researcher make improvements to the questionnaire's composition, arrangement, and structure. The quality of the data gathered would be greatly reduced if the questionnaire utilized for the actual study was flawed. Pre-testing makes flawlessly.

Descriptive Statistics

In this section, data obtained from the respondents are presented and analyzed in line with the research questions by mean and SD, Presentation of data and results are followed by brief discussions.

Respondents' Perceptions: whether Customer Intention Affect a Selected Commercial Bank's Performance.

Table 2: Descriptive Statistics of Customer Intention

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Service Convenience					
sc31	400	1	5	4.12	1.151
sc32	400	1	5	4.02	1.280
sc33	400	1	5	4.09	1.180
sc34	400	1	5	4.03	1.180
sc35	400	1	5	4.03	1.200
sc36	400	1	5	4.12	1.134
Employee customer engagement					
ece37	400	1	5	4.06	1.225
ece38	400	1	5	4.28	1.257
ece39	400	1	5	4.12	1.157
ece40	400	1	5	4.12	1.160
ece41	400	1	5	4.13	1.141
ece42	400	1	5	4.00	1.252
Attitude towards usage					
at43	400	1	5	4.13	1.160
at44	400	1	5	4.05	1.190
at45	400	1	5	4.04	1.145
at46	400	1	5	4.09	1.169
at47	400	1	5	4.06	1.209
at48	400	1	5	4.01	1.167
Perceived usefulness					
pu49	400	1	5	4.02	1.220
pu50	400	1	5	4.06	1.186
pu51	400	1	5	4.02	1.158
pu52	400	1	5	4.15	1.152
pu53	400	1	5	4.02	1.237
pu54	400	1	5	4.16	1.152
Perceived ease of use					
peu55	400	1	5	3.98	1.301
peu56	400	1	5	4.10	1.115

peu57	400	1	5	4.11	1.172
peu58	400	1	5	4.06	1.202
peu59	400	1	3	1.69	.559
peu60	400	1	5	4.11	1.085
Security					
sp61	400	1	5	4.17	1.082
sp62	400	1	5	4.13	1.148
sp63	400	1	5	2.15	1.178
sp64	400	1	5	2.09	1.162
sp65	400	1	5	4.06	1.183
sp66	400	1	3	1.75	.604
sp67	400	1	3	1.56	.634
Valid N (listwise)	400				

Source: Field data February 2024

Service Convenience

Table 2: shows survey results of respondents' perceptions regard to service convenience in relation to bank performance at selected banks. The respondents' opinions on how service convenience influences bank performance are displayed from CI 31–CI 36 for all the chosen banks (mean 4.12, SD 1.151) of participants responded that banks fulfilled their promises to me at the time indicated. (mean 4.02, SD 1.280) of participants responded that bank staff are quick to respond to my requisition. (4.09, SD 1.180) of participants responded that the bank's staff understands my specific needs.

(mean 4.03, SD 1.180) of participants responded that the bank's staff would tell me exactly when the service would be performed. (mean 4.03, SD 1.200) of participants responded that the bank's staff is courteous with me. (mean 4.12, SD 1.134) of participants responded that the bank's facilities virtually make me feel safe in my transactions with the bank. All standard deviation values are greater than zero, indicating that there are no outliers.

Employee customer engagement

Table 2: The survey result from ECE37-ECE42 above shows opinions regarding whether or not employee customer engagement affects banks' success at selected banks. The survey results at the chosen banks showed that (mean 4.06, SD 1.225) of participants responded that they have confidence in their services. (mean 4.28, SD 1.257) of participants responded that banks have an interest in solving their problems. (mean 4.12, SD 1.157) of participants responded that the bank has the competence to answer all of the questions I have.

(mean 4.12, SD 1.160) of participants responded that banks' operating hours were rated as convenient. (mean 4.13, SD 1.141) of participants responded that the bank had modern tools and equipment (mean 4.00, SD 1.252) of participants expressed interest in their respective banks to a varying extent. All standard deviation values are greater than zero, indicating that there are no outliers.

Attitude towards usage

Table 2: indicated that survey results of respondent perception concerning attitude toward usage effect on bank performance at selected commercial bank performance. The survey results from AT 43–AT 48 for all the chosen banks (mean 4.13, SD 1.160) of participants responded that they could obtain 24/7 access to the bank’s services. (mean 4.05, SD 1.190) of participants responded that the materials related to the digital service were easy to understand and use. (mean 4.04, SD 1.145) of participants responded that the bank provides services that are friendly to them. (mean 4.28, SD 1.169) of participants responded that they have the option to give feedback to the banks.

(mean 4.06, SD 1.209) of participants responded that banks are open to their feedback. (mean 4.01, SD 1.167) percent of participants responded that they preferred using digital marketing services over physically visiting the bank. All standard deviation values are greater than zero, indicating that there are no outliers.

Perceived usefulness

Table 2: indicated that survey results of respondent perception concerning perceived usefulness effect on bank performance at selected commercial bank performance. The survey results from PU49–PU 54 for all the chosen banks. The survey results from PU49–PU 54 indicate that the perceptions of respondents concerning the usefulness of digital marketing services affect banking performances. The survey results (mean 4.02, SD 1.220) of participants responded that they were rapidly using digital marketing services provided by their banks. (mean 4.06, SD 1.186) of participants responded that using digital banking services is easier for us. (mean 4.02, SD 1.158) of participants responded that employing digital marketing services in banking improves their efficiency in using banking services.

(mean 4.15, SD 1.152) of participants responded that using digital marketing services makes it easy to do what I want to do. (mean 4.02, SD 1.237) of participants responded that using digital marketing services in banking is simple for them. (mean 4.16, SD 4.16) of participants responded that digital marketing services at banks are flexible to interact with. All standard deviation values are greater than zero, indicating that there are no outliers.

Perceived ease of use

Table 2: The findings of a survey regarding the perceived ease of use of digital marketing services affect the performance of selected commercial banks. The survey's result from PEU55–PEU60 regarding the perceived ease of use of the digital marketing services on bank performance was shown. (mean 3.98, SD 1.301) of participants responded that their interaction with the bank's digital marketing services is clear and understood. (mean 4.10, SD 1.115) of participants responded that using a digital marketing service with a bank is enjoyable. (mean 4.11, SD 1.172) of participants responded that using digital marketing services with a bank is pleasant. (mean 4.06, SD 1.202) of participants responded that they use digital marketing services wisely.

(mean 1.69, SD.559) of participants disagreed that all of the technology for digital banking services is available to us without scarcity. (mean 4.11, SD 1.085) of participants agreed that the technology of digital marketing services and banking services is easy to use without any challenges. All standard deviation values are greater than zero, indicating that there are no outliers.

Security privacy

Based on the survey results from SP 61–SP 67 presented in Table 2, at all the chosen banks, (mean 4.17, SD 1.082) of participants disagreed that digital marketing services are the most effective and free of risk to ensure transaction security. (mean 4.13, SD 1.148) of participants responded that they trust digital marketing services because they preserve their privacy. (mean 2.15, SD 1.178) of participants expressed disagreement with the notion that security-related issues have no bearing on their digital marketing services in the banking industry. expressed disagreement with the notion that security-related issues have no bearing on their digital marketing services in the banking industry.

(mean 2.09, SD 1.162) of participants disagreed with the statements, indicating they were not worried about the security of digital marketing services in the banking industry. (mean 4.06, SD 1.183) of participants responded that they all stated that their bank's digital marketing services are totally reliable. (mean 1.75, SD.604) of participants disagreed with statements stating that their bank's digital marketing services were totally secure. (mean 1.56, SD.634) of participants disagreed that digital marketing services in banking are cyber-risk-free. All standard deviation values are greater than zero, indicating that there are no outlier

MEASURING RELIABILITY AND VALIDITY

In this study, to test reliability and validity alpha value, internal consistency, discriminant validity composite reliability (CR) and convergent validity were used. An “Alpha value between 0.7 and 0.6" would be acceptable, according to Raharjanti et al.'s (2022) argument. The results of the scale reliability tests were checked by considering, according to Schober & Boer (2018) argued in accordingly, item-to-total correlation values ranging from 0.00–0.10, negligible correlation, 0.10–0.39. Weak correlation: 0.40–0.69 Moderate correlation, 0.70–0.89 Strong correlation and 0.90–1.00 Very strong correlation. Also according to Akoglu (2018), item-to-total correlation values ranging from +1 Perfect, +0.9 Very Strong, +0.8 Strong,+0.7 Strong,+0.6 Strong Moderate, +0.5 Strong Fair, +0.4 Moderate Fair, +0.3 Weak Fair, +0.2 Poor, +0.1 Negligible Poor, 0. 0 Zero were None.

Table 3. Results of scale reliability coefficient of the pilot study for customer intention items (CI) and bank performance items (BP)

Cronbach's Alpha		Number Of Items	Cronbach's Alpha Based On Standardized Items	Interpretation (Taber, 2018)
CI	**.890**	37	.895	Acceptable
BP	**.856**	23	.860	Acceptable

Source: Own survey output, 2024

Table 4: Internal consistency analysis of Customer intention

Customer intention	Cronbach`s Test		CR	AVE	SQRT (AVE)
	Itemtotal correlation	Alpha Value			
Customer intention		.986	0.941	0.759	0.871
Service convinenece					

	(SC31)	.591	.962	0.625	0.638	0.798
	(SC32)	.585				
	(SC33)	.529				
	(SC35)	.579				
	(SC36)	.543				
Employee customer engagement			.850	0.786	0.845	0.919
	(ECE37)	.622				
	(ECE38)	.617				
	(ECE40)	.589				
	(ECE42)	.592				
Attitude Towards Usages			.861	0.781	0.796	0.892
	(ATU44)	.503				
	(ATU45)	.624				
	(ATU48)	.543				
Percived Usability			.885	0.701	0.829	0.910
	(PU49)	.577				
	(PU51)	.596				
	(PU52)	.547				
	(PU53)	.580				
	(PU54)	.585				
Percived Ease Of Use			.843	0.732	0.595	0.771
	(PEU55)	.560				
	(PEU57)	.547				
	(PEU58)	.590				
	(PEU59)	.649				
Security And Privacy			.881	0.716	0.710	0.842
	(SP61)	.570				
	(SP62)	.573				
	(SP66)	.602				
	(SP67)	.443				

Source: Field data February 2024

Internal consistency analysis of Bank performances

The results of the scale reliability tests shown in Table 4 above for each item were internally consistent with every other item, which range in value from moderate (.456) to strong (.872). As argued by Schober & Boer (2018) and Akoglu (2018), all the numbers were deemed acceptable since they were above the 0.39 weak correlation criterion (Kurdi et al., 2015). In order to establish convergent validity, item-to-total correlation values must be more than 0.39; if any of the values fall below this cutoff, they ought to be eliminated.

Therefore, the internal consistency of bank performance results items CS 71, SQ 74, SQ 77, SQ 79, PRO 81, COMP 84, COMP 87, COMP 88, and COMP were removed because item-to-total scores were below the permissible limit; they were removed and not included in the statistical analysis process, which helped to preserve the study's validity. Because the item-to-total correlation value is clearly less than 0.39., So it should not be included for further analysis in order to ensure statistical accuracy, convergent validity, and other requirements.

The construct's Cronbach's alpha coefficient value of.990 exceeded the recommended threshold of 0.6 as recommended by Taber (2018) and Raharjanti et al. (2022); therefore, this result confirmed that the measures used in this study were reliable. In addition to the Cronbach alpha value, the composite reliability test of the construct was used to evaluate internal consistency. The results in Table 4 indicate that the CR value exceeds the minimum accepted value of 0.4 (Schober & Boer, 2018).

The average variance extracted (AVE) for customer intention was above the threshold of 0.50, which was recommended according to Yadav et al. (2017). That ensured the presence of discriminant validity in the study. The square root average variance AVE value exceeded 0.50 so that it is adequate for discriminant validity. which is less than the recommended implies the presence of convergent validity (Agung et al., 2020).

Accordingly, the values of Cronbach alpha were between 0.60 and 0.70, which are acceptable, while in a more advanced stage the value has to be higher than 0.70. However, composite reliability value that is more than 0.95 or above is definitely undesirable (Yadav et al., 2017). The results of all composite reliability for customer intention were not above 0.95, which indicated acceptable.

Table 5: Internal consistency analysis result of Bank performance

Digital Marketing Services		Cronbach`s Test		CR	AVE	SQRT (AVE)
		Itemtotal correlation	Alpha Value			
Bank performance			.990	0.920	0.804	0.897
Customer satisfaction						
	(CS68)	.508	.968	0.782	0.806	0.897
	(CS69)	.456				
	(CS70)	.507				
	(CS72)	.818				
	(CS73)	.502				
Service quality						
	(SQ75)	.506	.996	0.729	0.811	0.900
	(SQ76)	.506				
	(SQ78)	.872				
Profitability						
	(PRO80)	.565	.928	0.728	0.799	0.893
	(PRO82)	.872				
	(PRO83)	.577				
Competition						
	(COM85)	.521	.966	0.727	0.798	0.893
	(COM86)	.851				
	(COM89)	.534				

Source: Field data February, 2024

Composite reliability

Table 6: composite reliability (CR) and convergent validity (AVE)

Latent constructs	CR	AVE
Customer intention (CR&AVE)	**0.941**	**0.759**
Bank performance (CR&AVE)	**0.920**	**0.804**

Source: Field data February, 2024

For composite reliability, if CR > 0.70, it is acceptable, and for convergent validity, if AVE > 0.50, it is acceptable (A. Rashid & Rokade, 2019). Referring to Table 5 the CR for all constructs is above 0.70 and the AVE values are within 0.503 and 0.804, which is greater than the recommended threshold.

Table 7: discriminant validity inter-construct correlation matrix

	Latent constructs	
Latent constructs	**F**	**G**
Customer intention (F)	**0.871**	
Bank performance (G	**.138****	**0.897**

Source: Field data February, 2024

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

*. Correlation is significant at the 0.05 level (2-tailed).

For discriminant validity, if the square root of AVE > interconstruct correlations, it means the models are achieved (Yadav et al., 2017). All items of AVE above table 6 are greater than interconstract correlatons. So the survey results show that our models were achieved concerning discriminant reliability.

Confirmatory Factor Analysis (CFA)

Confirmatory factor analysis, previously discovered scales are confirmed again with the collected data (Mustafa et al., 2018). Several writers have suggested the use of this ratio as a measure of fit (Muth, 1977). CMIN/df suggest a ratio of approximately five or less 'as beginning to be a reasonable acceptable fit between the hypothetical model and the sample data. Different researchers have recommended using ratios as low as 2 or as high as 5 to indicate however CMIN/df a in between was reasonable good fit (Hooper et al., 2008). The below CFA results confirmed model fit requirements.

Table 8: Model fit results (CFA)

S.no	Fit indices	Symbol	Acceptable threshold	Results	Decision
1	Chi-square/degree of freedom	CMIN/DF	CMIN/DF<5	3.670	Good fit
2	Root mean square error of approximation	RMSEA	<0.08	.0232	Good fit
3	Root Mean Square Residual	RMR	< 0.08	.0663	Good fit
4	The Comparative fit index	CFI	> 0.9	.942	Good fit
5	Tucker Lewis index	TLI	> 0.9	.918	Good fit
6	The Incremental Fit Index	IFI	> 0.9	.947	Good fit
7	The Normed Fit Index	NFI	> 0.9	.923	Good fit
8	Goodness-of-fit Index	GFI	> 0.9	.957	Good fit
9	Parsimony Normed Fit Index	PNFI	> 0.5	0.616	Good fit
10	Parsimony Goodness-of-Fit Index	PGFI	> 0.5	0.761	Good fit

Source: Field data February, 2024

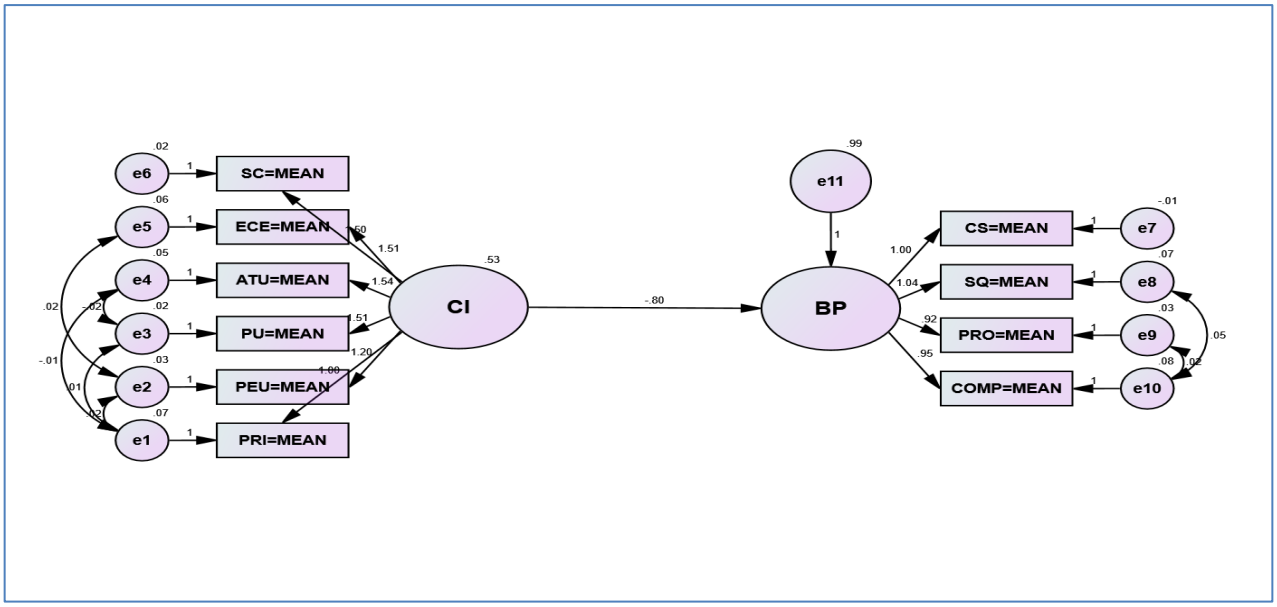
After assessing & testing the measurement model& having found it satisfactory by using CFA. The next step in SEM analysis was to evaluate the structural model. It involved the statistical testing of hypothesized relationships between the constructs at a significance level of 0.05. By running SEM analysis fit indices results were shown in table 8.

Table 9: Model fit results (SEM)

S.no	Fit indices	Symbol	Acceptable threshold	Results	Decision
1	Chi-square/degree of freedom	CMIN/DF	CMIN/DF<5	3.536	Good fit
2	Root mean square error of approximation	RMSEA	<0.08	.0721	Good fit
3	Root Mean Square Residual	RMR	< 0.08	.0534	Good fit
4	The Comparative fit index	CFI	> 0.9	.923	Good fit
5	Tucker Lewis index	TLI	> 0.9	.959	Good fit
6	The Incremental Fit Index	IFI	> 0.9	.976	Good fit
7	The Normed Fit Index	NFI	> 0.9	1.000	Good fit
8	Goodness-of-fit Index	GFI	> 0.9	.981	Good fit
9	Parsimony Normed Fit Index	PNFI	> 0.5	.826	Good fit
10	Parsimony Goodness-of-Fit Index	PGFI	> 0.5	.941	Good fit

Source: Field data February, 2024

The results indicated that all the indicators are meeting the acceptable thresholds of less than or equal to 5 for CMIN/DF, equal to or greater than 0.9 for GFI, NFI, TLI, CFI, IFI, equal to or less than 0.08 for RMSE and PGFI, and PNFI >0.05 accepted. Hasan et al. (2015) described that the minimum fit function for CMIN/DF of an acceptable fit is between 2 and 5 ($2 \leq \chi 2/df \leq 5$) (CMIN/DF) estimation over-identified just (df = 0) or If a model is under-identified (df < 0), either the algorithm would not proceed or the results would be invalid (M. Ibrahim, 2012; Hasan et al., 2015; Stein et al., 2017). Therefore, it could be concluded that the model met the goodness of fit very well.



Source: Own survey, 2024

Figure 2: Structural model

Hypothesized relationships and results

Table 10: Research hypothesis direct Effects

Research model hypothesis	Path model	Estimate loading	P-value loading	Decision
H3 customer intention has significant effect on bank performance	BP <- CI	-.801	***	supported

Source: Field data February, 2024

Table 11: Direct effects results model

Hypothesis	Path model	Estimate loading	P-value loading	Decision
H3	BP <- CI	-.801	***	supported

Source: Field data February, 2024

H1. Customer intention has significant effect on bank performances

The survey results in the above table indicated that customer intention has significant positive effect on the performance of banks. The standardized direct effect of customer intention on bank performance was -.801 (p-value = 0.001 <0.05). This means when customer intention go down by 1 standard deviation, bank performance goes up by -.801. The evidence shows that customer intention has a negative significant effect on bank performance. Thus, hypothesis H1 is supported. They also align with a Chinese study conducted in Saudi Arabia by M. A. Khan and Alhumoudi (2022), which shows that banking-performance impacted by customer intention in banking services, Performance inside the organization was impacted by customer satisfaction.

CONCLUSION

Based on the results, customer intentions undertaken by selected banks affect bank performance significantly and meaningfully. In turn considering customer intention improved bank performance. The study results showed that customer intention has a negative significant bank performance. This means when customer had bad intention to bank services bank performance was under question. Finally, it is important to enhance the banking services with consideration of customer intention to gain improved overall bank performance in banks. The research also highlighted some research limitations and suggestions for future research.

Recommendations

Based on the findings, the following alternative solutions could be sought:

1. Therefore, banks must provide value to their clients through banking services if they hope to improve their bank performance.
2. Clients are still worried about security; banks should take security and other concerns very seriously.
4. This dissertation adds to the body of knowledge by extending the breadth of studies on consumer intention related to bank performance.
5. Findings indicate that considering customer intention in banking services well for bringing in new clients and keeping existing ones.

Limitations and suggestions for future research
The study focused on examining the effects of customer intention on the performance of a selected group of commercial banks in Ethiopia. Geographical and organizational scope are restricted, the study was restricted to selected commercial banks in Ethiopia. The study restricted from service organization focused on banks only. Furthermore, this study didn`t consider other business firm rather than banks. Therefore, future studies can focus on other business organization.

ACKNOWLEDGMENTS

Our PhD advisers have provided great help and knowledge throughout this dissertation, for which I am incredibly grateful. Additionally, I would want to express my gratitude to every respondent who took part in this dissertation.

Declaration
This dissertation's data and findings are all true and represent my sincere evaluations of the work. topic.

Conflict of interest
With reference to this dissertation, we disclose no conflicts of interest.

Ethical clearance
All participants provided informed consent, guaranteeing their voluntary involvement and answer confidentiality. The entire dissertation procedure was conducted in accordance with all ethical standards.

Funding resource
We attest that there are no financial resources available for this dissertation other than the data collection procedure.

Authorship
We attest that I am this dissertation's only author.

REFERENCES

[1] Abu-doleh, J., & Hijazi, N. (2011). The assessment of e-banking readiness in Jordan. October 2019. https://doi.org/10.1108/17538391111186564
[2] Adam, A. M. (2020). Sample Size Determination in Survey Research. Journal of Scientific Research and Reports, June, 90–97. https://doi.org/10.9734/jsrr/2020/v26i530263
[3] Ajibade, P. (2018). Technology Acceptance Model Limitations and Criticisms : Exploring the Practical Applications and Use in Technology-related Studies , Mixed- method , and Qualitative Researches.
[4] Alsamydai, M. J. (2016). Adaptation of the Technology Acceptance Model (TAM) to the Use of Mobile Banking Services. 2014, 2016–2028.
[5] Bang, Andreas ; Roos, C. etal. (2014). Digital Marketing Strategy within Manufacturing Industries, A qualitative case study. 93. http://www.diva-portal.org/smash/get/diva2:726192/fulltext02.pdf;jsessionid=25SUlQeo-Y2-JuqKFdRJ-BFZPcGih9I4NPdYS-__.diva2-search7-vm
[6] Cajetan. (2018). Impact of online banking adoption on banks profitability. MBAMA, Cajetan Available.
[7] Case, T., Hu, P. J., Brown, S. A., Thong, J. Y. L., Chan, F. K. Y., & Tam, K. Y. (2009). Determinants of Service Quality and Continuance Intention of Online Services : Determinants of Service Quality and Continuance Intention of Online Services : The Case of eTax. February. https://doi.org/10.1002/asi.20956
[8] Devanathan, M. (2019). " Strategic model for predicting customer ' s intention to purchase apparel online " Number Of References 0 Number Of Figures 0 Number Of Tables 0 Strategic model for predicting custom ... January 2008.
[9] Dolores, M., & Tongco, C. (2017). Definition of Purposive Sampling. A Journal of Plants, People and Applied Research, 5, 1–12.
[10] Economy, Ethiopia's Digital, 2020. (n.d.). Ethiopia ' s Digital Economy Ethiopia ' s Digital Economy,2020.
[11] Fetu, A. (2019). DOI: 10.32602/jafas.2019.23 Opportunity and Challenges of Electronic-Banking System in Commercial Bank of Ethiopia (A Case Study on Gurage Zone). 106–122.

https://doi.org/10.32602/jafas.2019.23

[12] Gusti, Y. (2020). The Influence Of Innovation, Customer Value And Customer Empowerment On Customer Satisfactionrjoas, 8(104), August 2020. 8(August), 88–95. Https://Doi.Org/10.18551/Rjoas.2020-08.11

[13] Taber, K. S. (2018). The Use of Cronbach ' s Alpha When Developing and Reporting Research Instruments in Science Education Content courtesy of Springer Nature , terms of use apply . Rights reserved . 1273–1296. https://doi.org/10.1007/s11165-016-9602-2

[14] Terason, S. (2021). loyalty in automobile business " Customer value and customer brand engagement : Their effects on brand loyalty in automobile business. https://doi.org/10.21511/im.17(2).2021.09

[15] Transactions, S., Hinojo, P., Su, D., & Garc, B. (2022). Drivers of Consumer Participation in Online. 1–13.

[16] Trivsel, C., & Trivsel, S. (2017). Customer satisfaction and customer loyalty. November.

[17] Tuominen, S., Reijonen, H., Ecole, I. G., Buratti, A., & Laukkanen, T. (2021). Customer-centric strategy driving innovativeness and business growth in international markets. https://doi.org/10.1108/IMR-09-2020-0215

[18] Uvaneswaran, S. M. (2017). Challenges In E- Banking Services And Its Impact On Profitability Challenges In E- Banking Services And Its Impact On Profitability Of Public Sector Bank In Ethiopia. July. Https://Doi.Org/10.5281/Zenodo.834863

[19] Veleva, S. S., & Tsvetanova, A. I. (2020). Characteristics of the digital marketing advantages and disadvantages. IOP Conference Series: Materials Science and Engineering, 940(1). https://doi.org/10.1088/1757-899X/940/1/012065

[20] Vilgon, M. (2017). Customer Satisfaction and Links to Customer Profitability : An Empirical Examination of the Association Between Attitudes and Behavior. January 1999.

[21] Vu, Travis, M. (2021). Business Dissertation Lecturer : Ms . Marta Submission Date : 19th April 2021. March, 0–52. Https://Doi.Org/10.6084/M9.Figshare.17089454

[22] Wejnert, B. (2017). Integrating Models of Diffusion of Innovations : A Conceptual Framework Integrating Models of Diffusion of Innovations : A Conceptual Framework Author (s): Barbara Wejnert Source : Annual Review of Sociology , Vol . 28 (2002), pp . 297-326. 23(August). https://doi.org/10.1146/annurev.soc.28.110601.141051

[23] Yadav, S., Kunwar, A., Chen, L., Wang, M., & Ollinger, N. (2017). Discriminant Validity Assessment : Use of Fornell & Larcker criterion versus HTMT Criterion Discriminant Validity Assessment : Use of Fornell & Larcker criterion versus HTMT Criterion.

[24] Yamane, T. (1967). Yamane, Taro. (1967). Statistics: An Introductory Analysis: Vol. 2nd Editio (p. 886).

[25] Yaseen, H., Al-adwan, A. S., & Al-madadha, A. (2019). Digital Marketing Adoption Among Smes In Jordan : A Mixed-Method Approach Digital Marketing Adoption Among Smes In Jordan : A Mixed- Method Approach. February.

[26] Zea, & Civelek, M. E. (2018). Essentials of Structural Equation Modeling Essentials of Structural Equation Modeling.

[27] Zuo, L., & Strauss, J. (2021). The Digitalization Transformation of Commercial Banks and Its Impact on Sustainable Efficiency Improvements through Investment in Science and Technology.