

Abstract

This study focused on the factors influencing the use of agency banking by the bank customers of Makueni Sub - County, Kenya. This study was guided by four objectives; to determine the influence of agent characteristics on the use of agency banking by the bank customers of Makueni Sub - County, to determine the influence of the banking products offered by bank agents on the use of agency banking by the bank customers of Makueni Sub - County, to establish the influence of agents' operating hours on the use of agency banking by the bank customers of Makueni Sub - County and to determine the influence of the banks' location on the use of agency banking by the bank customers of Makueni Sub - County. The study used descriptive survey design and the target population was 276 bank customers in Makueni Sub - County. The respondents were selected using stratified and convenience sampling. Questionnaires were administered on 255 respondents. Data analysis was done using both descriptive and inferential statistics with the help of statistical package for social scientists (SPSS). Qualitative data was analyzed thematically according to the study objectives. The findings of the study revealed that there was a strong positive correlation and a significant relationship between the agency characteristics and use of agency banking, agency banking products and use of agency banking, operating hours and use of agency banking and location of mainstream bank and the use of agency banking. Based on the multiple regression analysis results, it was concluded that banking products had a significant prediction on the use of agency banking in Makueni Sub - County.