

DECLARATION

I, **FUNWI BRYAN** declare that this project entitled “**THE EFFECTS OF CUSTOMER CONQUEST STRATEGY ON THE FINANCIAL PERFORMANCE OF MFIs CASE OF: UNICS**” is a piece of work of my personal efforts and all borrowed ideas have been acknowledged by the way of references. It has been carried out to meet the requirements of an award of Higher National Diploma in Banking & Finance.

CANDIDATE: **FUNWI BRYAN-BENSON ABONGWA**

Signature:

Date:

**THE EFFECTS OF CUSTOMER CONQUEST STRATEGY ON FINANCIAL PERFORMANCE OF
MICROFINANCE INSTITUTIONS CASE OF: UNITY COOPERATIVE SOCIETY**

CERTIFICATION

This is to certify that this report titled “THE EFFECT OF CUSTOMER CONQUEST STRATEGY ON THE FINANCIAL PRFORMANCE OF MICROFINACE INSTITUTIONS (UNICS PLC)” is an original work of FUNWI BRYAN-BENSON ABONGWA, a student studying Banking and Finance, HND 2 at DEUMAGA ROYAL HIGHER INSTITUTE (YAOUNDE) meet the requirements for award of the Higher National Diploma (HND) in Banking and Finance.

Name	Signature	Date
Academic supervisor	-----	-----
Professional supervisor	-----	-----
President of Jury	-----	-----
First Jury Member	-----	-----
Second Jury Member	-----	-----

DEDICATION



TO MY FAMILY

ACKNOWLEDGEMENT

I would like to express my gratitude and appreciation to all those who gave me the possibility to complete this report. Special thanks are due to my supervisor MR. TUH EMMANUEL, stimulating suggestions and encouragement help me in all time of fabrication process and in writing this report. I also sincerely thank for the time spent proofreading and correcting my many mistakes.

I would also like to acknowledge with much appreciation the crucial role of my parents and even whole family who gave me the necessary funds needed for designing and making payments for the various expenses incurred in making up this piece of work.

ABSTRACT

Banking services in all markets, including emerging markets, are undergoing major transformation that is driven by change, deregulation and customer sophistication. Customer acquisition and retention in particular is crucial to attaining a sustainable competitive advantage, in the market place. This study was designed to examine the effects of customer conquest strategy on performance of Microfinance institutions in Cameroon. In order to capture the required information, the study was guided by four objectives; to determine the effect of location on the performance of Microfinance institutions in Cameroon; to determine the effect of credit process on the performance of Microfinance.

Institutions in Cameroon; to determine the effect pricing on the performance of Microfinance institutions in Cameroon; and to determine the effect of Customer service on the performance of Microfinance institutions in Cameroon. The Study employed a descriptive survey design utilizing both primary and secondary data. Fifteen copies of Structured and unstructured questionnaires were used to collect primary data and were administered.

I through “drop and pick later” method while secondary data was collected through literature and document review.), and the main method of data presentation was frequency distribution tables. Location was found to have a significant effect on performance of Microfinance institutions; Microfinance invested in opening more delivery channels that guaranteed higher customer retention. Credit process had a significant effect on the performance of the Microfinance institutions. Most Microfinances are striving to remove bottle necks in credit decision making process and reduction in turnaround time of processing credit requests. Findings also showed that pricing and customer service had a direct impact on the performance of the Microfinance institutions. The study therefore concludes that Microfinance institutions in Cameroon should increase customer identification and retention strategies since they commensurably impact on their level of performance. The study recommended that the key to efficient performance of Microfinance institutions in Cameroon is pegged on their ability to identify, attract, retain and develop their customers better than competitors.

Keywords: Location, Credit Process, Pricing, Customer Service

ACRONYMS

- **ATM:** Automated Teller Machine
- **MFIs:** Microfinance Institutions
- **BOD:** Board of Directors
- **UNICS PLC:** Unity Cooperative Society
- **CRM:** Customer Relationship Management

LIST OF TABLES

Table 1 : Distribution by Gender	33
Table 2 : Age of respondents	34
Table 3: Educational level of respondents	35
Table 4 : Working experience of response	36
Table 5: Distribution showing if banker Customer relationship effect on the financial performance of microfinance.....	37
Table 6: Distribution showing that, Customer acquisition has a role to play in financial performance of UNICS.....	38
Table 7: Distribution showing if the delinquency to pay back loan affect banker customer relationship	39
Table 8: Effect of location of customers on financial performance.....	40

LIST OF FIGURES

Figure 1: Distribution by Gender	33
Figure 2 : Age of respondents	34
Figure 3: Educational level of respondents.....	35
Figure 4 : Working experience of response.....	36
Figure 5: Distribution showing if banker Customer relationship effect on the financial performance of microfinance.....	37
Figure 6: Distribution showing that, Customer acquisition has a role to play in financial performance of UNICS.....	38
Figure 7: Distribution showing if the delinquency to pay back loan affect banker customer relationship.....	39

TABLE OF CONTENTS

DECLARATION	i
CERTIFICATION	ii
DEDICATION	iii
ACKNOWLEDGEMENT	iv
ABSTRACT	v
ACRONYMS	vi
LIST OF TABLES	vii
LIST OF FIGURES	viii
TABLE OF CONTENTS	ix
CHAPTER ONE	1
INTRODUCTION	1
1.1. BACKGROUND OF THE STUDY	3
1.1.1 HISTORICAL BACKGROUND	3
1.1.1.1. Historical background of the topic	3
1.2 RESEARCH PROBLEM	3
1.3 RESEARCH QUESTIONS	4
1.3.1 The main research question	4
1.3.2 Specific research question	4
1.4. OBJECTIVE OF THE STUDY	4
1.4.1. General objective	4
1.4.2 Specific objective	5
1.5 SIGNIFICANCE OF THE STUDY	5
1.5.1 To the management of UNICS PLC	5
1.5.2 To future researchers	5
1.5.3 To the researcher	5
1.5.4 To the society	6
1.6 DELIMINATION OF THE STUDY	6
1.7 SCOPE OF THE STUDY	6
1.7.1 Content scope	6
1.7.2 Geographical scope	6
1.7.3 Time scope	6
1.8 DEFINITIONS OF TERMS	6
CHAPTER TWO	8
LITERATURE REVIEW	8

**THE EFFECTS OF CUSTOMER CONQUEST STRATEGY ON FINANCIAL PERFORMANCE OF
MICROFINANCE INSTITUTIONS CASE OF: UNITY COOPERATIVE SOCIETY**

2.1 Theoretical Framework	8
2.1.1 Customer Satisfaction Theory	8
2.1.2 Product Life Cycle Theory	9
2.1.3 Social Exchange Theory	9
2.1.4 Theory of Product Differentiation.....	10
2.2 CONCEPTUAL FRAMEWORK	10
2.2.1 Customer conquest	10
2.2.2 Strategy	10
2.2.3 Financial services	10
2.2.4 Microfinance institution	11
2.2.5 Marketing strategies	11
2.2.6 Types of marketing strategies in MFIs	11
2.2.2 Financial performance.....	12
2.2.2.1 Capital Adequacy Ratio.....	12
ratio is determined by the total capital to total asset. H1 : CAR has positive relationship with ROA.	12
2.2.2.2 Assets Quality	13
2.2.2.3 Management Efficiency (ME).....	13
2.2.2.5 Liquidity Management	14
2.3. EMPIRICAL REVIEW.....	16
2.4 RESEARCH GAPS.....	18
CHAPTER THREE.....	19
METHODOLOGY AND INTERNSHIP ACTIVITY	19
PART ONE: RESEARCH METHODOLOGY	19
3.1 Research design.....	19
3.2 Data sources	19
3.3 Population	19
3.4 Data collection	20
3.3.1 Primary sources of data.....	20
3.3.2 Secondary sources of data.....	20
3.4 INTERNSHIP ACTIVITIES	21
3.5. GENERAL PRESENTATION OF UNICS PLC.....	22
3.5.1 HISTORICAL BACKGROUND.....	22
3.6. ACTIVITIES (Various services offer).....	23
3.7. ORGANISATIONAL CHART AND FUNCTIONS	26
3.8 MEANS OF ACTION	28
3.9 PRACTICAL INTERNSHIP IN UNICS PLC.....	28
3.9.1. VARIOUS ACTIVITIES	28

**THE EFFECTS OF CUSTOMER CONQUEST STRATEGY ON FINANCIAL PERFORMANCE OF
MICROFINANCE INSTITUTIONS CASE OF: UNITY COOPERATIVE SOCIETY**

3.10. CRITICISMS, RECOMMENDATION ON UNICS PLC	31
3.10.1 CRITICISMS	31
CHAPTER FOUR	33
DATA PRESENTATION, ANALYSIS AND INTERPRITATION OF RESULT	33
4.0 INTRODUCTION	33
4.1 Data Presentation	33
4.2 INTERPRITATION OF RESULT	40
4.4 Data Analysis and Presentation.....	41
CHAPTER FIVE.....	43
SUMAMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS	43
INTRODUCTION	43
5.1 SUMMARY OF FINDINGS	43
5.2 CONCLUSION	44
5.3 RECOMMENDATION	44
QUESTIONAIRE	45
REFERENCES.....	48

CHAPTER ONE

INTRODUCTION

Customer retention refers to customer's stated continuation of a business relationship with the firm, (Timothy et al., 2007). The banking industry is highly competitive, with banks not only competing among each other; but also, with non-banks and other financial institutions, (Hull, 2002). Most bank product developments are easy to duplicate and when banks provide nearly identical services, they can only distinguish themselves on the basis of price and quality. Therefore, customer retention is potentially an effective tool that banks can use to gain a strategic advantage and survive in today's ever-increasing banking competitive environment, Bara (2001).

In Eastern Europe, specifically Russia, successful customer retention starts with the first contact an organization has with a customer and continues throughout the entire lifetime of a relationship, (Atieno, 2001). A Bank's ability to attract and retain new customers, is not only related to its products or services, but strongly related to the way it serves its existing customers and the reputation it creates within and across the marketplace. In New Zealand, customer retention is an important element of banking strategy in its increasingly competitive environment, (Gale & Wood, 2003). The author further noted that financial institution management in the country always identifies and improves upon factors that can limit customer defection.

Organizations worldwide have various ways of enhancing their customer retention although the ways vary from one organization to another depending on the actual functions of each organization, (Gopaal, 2007). This is done in a bid to improve customer satisfaction with the organizations. Customer retention strategy has emerged as the most important phenomenon in organizations in that it enables managers to harness the energies of all customers to determine their strength and maximize both customer retention and satisfaction, (Kakuru, 2000). The success of any commercial bank involved in process of credit services and lending money to its customers should rely on its credit policy, which in any case should be developed with customer needs and expectations at the back of their mind, the neglect of which can lead to lending disaster, (Awava, 2002). It is probable that commercial banks

should follow a logical approach taking each important factor in financial services one at a time and assessing with the pending preposition, (Alarcon, 2008).

As Kelvin, (2006) points out, customer loyalty is all about driving perceived value, whether that is rational (functional, quality, cost, etc.), emotional (trust, service, communication, information, and brand equity) or a combination of these two dimensions. First, identify what leverages top-end customer commitment and advocacy behaviour, and then build customer experience around it. According to Lowenstein (2001), there is no standard schedule for how often to communicate with customers to build loyalty. In his research, customers reported an interest in receiving communication from suppliers as long as they could see personal value in each message.

In Cameroon, Microfinance institutions operate with a view to realize a profit on the services advanced to the customers, and for the recipient to better her economic life in terms of breaking the poverty cycle. However, for this to happen, the cost involved either side has got to be analysed, measured, and translated into the strategy effected in the performance of the Microfinance institutions. Over the last ten years, Microfinance institutions in Cameroon have continued to grow in assets, deposits, profitability and products offered. The growth has mainly been attributed to fostering loyal customers. It costs retail banks as much as six times more to attract a new customer as it does to retain an existing one, and yet for many years the industry has not always focused on customer loyalty and the opportunities among its existing client base, (Ernst & Young, 2010). Microfinance Institutions such as UNICS Plc, MMOCCUL in Cameroon advance credit to customers with a view to make profit. Thus, delivering high quality service to clients is just as important as delivering performance that meets or exceeds their expectations. Customers naturally gain a sense of security placing their money in an institution they believe shares their interests, and the nature of their precious finances means they need to know those interests are being catered for, (Kambugu, 2002). It is therefore of utmost importance that Microfinance institutions in Cameroon do understand and appreciate those service attributes that appeal to their customers in order to satisfy them and ultimately retain them for continuous business.

Therefore, it is against this background that this internship report is based in order to assess the effect of Customer Conquest Strategy on Financial Performance Cameroon's Microfinance institutions.

1.1. BACKGROUND OF THE STUDY

1.1.1 HISTORICAL BACKGROUND

Here, we are looking at the history of strategies of customer conquest by Microfinance institutions and the history of Unity Cooperative Society Plc.

1.1.1.1. Historical background of the topic

In Europe, Franciscan Monks formed the Mounts of Piety in the 15th century to reintegrate the poorest populations into community life. Nearer to our time, the first savings and loans opened in 1879 in Germany Rhineland. As the first mutualised financial institution it primarily served working population by giving them access to credit. Modern MFIs thus emerged in one of the world's poorest countries Bangladesh. Muhammad Yunus, an economics professor, came to a staggering observation and decided to deliver a personal loan to a group of 42 women to help them start a business and it worked, the female makers of bamboo stools took advantage of the loan to boost their productivity, before repaying the sum entirely. The act established the basic principle of modern microfinance: combating poverty through microcredit, and primarily serving women in emerging countries. Muhammad Yunus decided to create his own program: Grameen. The Grameen system turned traditional banking on its head. It offered small loans to poor populations, with no financial guarantees required in return. It also ushered in the principle of joint responsibility, which involves solidarity between the members of beneficiary groups. Many MFIs gradually expanded the global microfinance network.

The target customers of MFIs are mostly individuals, families, entrepreneurs, and small businesses.

1.2 RESEARCH PROBLEM

Customer acquisition and management is assumed to be a significant factor for the performance of MFIs. The capacity of customers to save and make deposits help the organization to mobilize cheap fund to invest in short-term and long-term loans. Hence, the commercial banks want to acquire the customers might be determined by the specific characteristics of customers that are targeted whereas MFIs target all categories of customers (Verrinder *et al.*, 2015). Customer acquisition and management has been challenging to capture new customers for financial markets because the market for financial products has increasingly become crowded now than ever. The quite challenging is for Microfinance institutions to acquire new customers because they are not as aggressive in their advertising

strategies as commercial banks which have more resources and trust in the communities. So, it is quite attractive to know how MFIs acquire customers in a very competitive atmosphere to endure activities and achieve on the performance (Grayson, 2016).

Financial analysis of microfinance institutions in Cameroon highlights that there has been anarchical creation of MFIs between 2003 and 2005. This generated worries at all levels because of non-compliance with regulations into force by MFIs, given that they started to operate without prior authorization by the monetary authority, unprofessional hostile competition such as customer acquisition strategies, and poor internal organization that led to undiscovered mismanagement and loss of confidence (Innocent, M., 2012). For creating persistent customer relationships has been a challenge for MFIs in Cameroon due to the growing competition caused by emergence of foreign banks that attract customers through striking promotional rewards that are temporary (Access to Finance Cameroon, 2017). In this context, this research paper analyzed the extent to how customer acquisition strategies are affecting the MFIs performance.

1.3 RESEARCH QUESTIONS

This part of work shows the rephrase of the topic in the form of questions. It is divided into main research problem and specific research questions.

1.3.1 The main research question

What is the effect of customer conquest strategy on financial performance?

1.3.2 Specific research question

- ❖ How do MFIs conquer customers?
- ❖ Who is a bank customer?
- ❖ What is customers conquest?
- ❖ Why should MFIs conquer customers?

1.4. OBJECTIVE OF THE STUDY

The objective of this study will be divided into the general and specific objective.

1.4.1. General objective

To examine the effects of customer conquest strategy on financial performance of microfinance institutions.

1.4.2 Specific objective

- i. To find out the customer acquisition strategies implemented by MFIs in Cameroon
- ii. To analyze the level of financial performance of Microfinance institutions in Cameroon
- iii. To analyze the relationship between customer acquisition and financial performance of Microfinance institutions in Cameroon
- iv. To establish the threats faced by Cameroon MFIs in implementation of customer acquisition strategies

1.5 SIGNIFICANCE OF THE STUDY

The era of arm chair kind of banking has been overtaken by challenges in the industry. With an increase in technology and quality service offered by other financial institutions, MFIs may not continue to make such heavy profits if it does not engage in an efficient and effective customer conquest strategy. Therefore, the study is important as it will benefit to the following group of people;

1.5.1 To the management of UNICS PLC

This research work will help the management of UNICS PLC to have knowledge on how to build a good customer conquest strategy in order to reduce labor turnover so as to increase productivity and there by boost the performance of the organization. It is also expected help policy makers to take adequate measures to, improve and effectively apply their marketing strategies. It will therefore be of great relevance to the organization under study as manufacturing or service oriented shall also benefit from the research findings. This is because the result of the study will enable the users especially MFIs to effectively implement other customer conquest strategies.

1.5.2 To future researchers

This piece of work will serve as future reference to future researchers who will carry out research on this topic and related field of study with reference to financial institutions. The result of this study will be valuable to researchers and scholars, as it would form a basis for future research. Scholars will use this study as a basis of discussions on the effects of customer conquest strategies on the financial performance of MFIs.

1.5.3 To the researcher

As a banker, this work will help the researcher to be able to be able to deal adequately and manage the employees of the financial institution which is often neglected by them. It will also help, increase the knowledge of the researcher based on the subject matter.

1.5.4 To the society

The result of this study will add more value to the body of knowledge in the domain of strategies on customer conquest in order to bring out an updated view on the notion and enhance the study finance.

It will provide an understanding on the advantages, importance and the necessity for the bank and other enterprises to build their strategies.

The study will also give a way for young students wishing to specialize in their field of business and finance to be acquainted with some knowledge on marketing banking products.

1.6 DELIMINATION OF THE STUDY

To better analyze the work, the researcher thought wise to elaborate on the scope of the study with the time scope, geographical scope and content scope.

1.7 SCOPE OF THE STUDY

1.7.1 Content scope

The research work falls between the content of marketing which is the effect of customer conquest strategy on the financial performance MFIs and is made up of market segmentation, marketing strategies of customer conquest and marketing mix.

1.7.2 Geographical scope

This research work was carried at UNITY COOPERATIVE SOCIETY (UNICS PLC) central branch located in Yaoundé Marché central

1.7.3 Time scope

This piece of work is based on an internship program that was carried out for a period of two months. The institution opens at 8:00 AM and closes at 5:00 PM from Mondays to Fridays, and on Saturdays, opens at 8:00 AM and closes at 1:00 PM for her customers.

1.8 DEFINITIONS OF TERMS

❖ Microfinance institutions

A MFI is an institution that provides financial services to low income earners and very poor self-employed people. This financial service generally includes savings and credit but can also include other financial services like insurance and payments for various services.

❖ Marketing strategies

Marketing strategies refer to a plan of marketing actions that a business intends to take to attain specific goals and objective. Strategic marketing includes looking at the entire

business portfolio of markets and products managing them to attain the business's overall goals and objectives. Therefore, the strategic marketing framework was developed to assist MFIs thinking about strategic marketing and how it relates to their core business of providing financial services to the poor people.

❖ **Credit process**

The credit process evaluates the ability and willingness of a borrower to repay the debt, underwrites the risk, prices the loan, and determines whether the loan fits the bank's portfolio.

❖ **Customer service**

Customer service is the assistance and advice provided by a company to those people who buy or use its products or service.

CHAPTER TWO

LITERATURE REVIEW

2.1 Theoretical Framework

In this section, several theories were highlighted to strengthen the study. Extensive research has been performed to find out what makes customers remain to a given bank and how the retention affects its performance. A number of theories have been developed even though there is no universally acceptable customer retention theory. Understanding of these theories will facilitate the managers to get a better insight into customer behaviour. Some of the theories that was discussed include customer satisfaction theory, product life cycle theory, social exchange theory and theory of product differentiation.

2.1.1 Customer Satisfaction Theory

Customers may express high satisfaction levels with a company in a survey, but satisfaction does not equal loyalty. Loyalty is demonstrated by the actions of the customer; customers can be very satisfied and still not be loyal. Peter Chereton (2001), states that loyalty does not result from monopoly because when there is a new entrant into the market most customers will jump ship the novelty wears off, then the customers looks elsewhere. It also does not come about because of discounting. True loyalty results from the relationship between the suppliers and the customer and the brand is a vital vehicle for defining and managing that relationship. The most dominant theory of customer satisfaction is the expectancy-disconfirmation model. According to this theory, satisfaction outcomes are a function of perceived performance and perceived disconfirmation. Perceived disconfirmation depends on perceived performance and standard for comparison. Standards of comparison may include expectations, ideals, competitors, other service categories, marketer promises and industry norms. If perceived performance is significantly worse than the comparison standard (more than the customer is indifferent to), a customer will experience negative disconfirmation (service did not meet the comparison standard). It does not matter how the service provider believed the service was performed. It is especially important for managers of business services to recognize negative disconfirmation, as it presents the largest threat to customer loyalty, word-of-mouth recommendation, repeat purchases, and other desirable customer responses.

2.1.2 Product Life Cycle Theory

Product Life cycle is a major component in customer retention for commercial banks. Vernon (2001), focused on the product (rather than the country and the technology of its manufacture), not its factor proportions. He noted that products have a life cycle and hence there is need to understand this cycle for the purpose of designing a product and putting it in the market. Introduction- This is the time for high investment and show uptake. Growth - If it takes off with resultant volumes bringing costs down so fuelling more growth. Maturity- The product success brings in competitors to share the spoils during which the sales curve again flattens, and revenue is generated predominantly by sales to existing customers rather than to new customers. Saturation- Too many players lead to crowding. Decline- Suppliers lose interest and the product declines towards death. The knowledge of the above cycle serves to enable the commercial banks to comparative use, advisory use, and the dynamic use. Hence there is need to understand the major stages that product is undergoing in order to determine where it has reached, (Kinnear, 2000). Commercial banks need to offer a wide range of products to deal with the different customers' requirement. In order to do this there is need to understand how different customers behave or make decision to buy a product or an offering, (Byrne, 2003). In addition, Forrester (2007), indicates that the typical customer life cycle of a financial services includes opportunities to improve the customer experience at every stage.

Therefore, the best practices for each stage in the customer experience life cycle are: target the right customers with the right value proposition, start a positive relationship through acquisition, incorporate customer advocacy into day-to-day service and develop relationships to increase stickiness. The theory will inform the study by allowing analysis of how new products innovation will play a role in contributing towards improved performance of the commercial banks.

2.1.3 Social Exchange Theory

Thibaut (2000), suggested long term relationships go through four stages: sampling - costs and rewards are explored; Bargaining - negotiation of rewards and costs are agreed; Commitment - exchange of rewards and acceptance of costs stabilize, there is now focus on relationship; and Institutionalization - norms and expectation are firmly determined.

The main idea behind social exchange is everyone tries to maximise the rewards they obtain from a relationship and try to minimize the costs. If the relationship is to be successful then both parties are expected to give and take in equal proportions, (Kelley, 2002). Social

exchange theory is a major component in customer retention for commercial banks in that they benefit from successful relationships with their customers.

2.1.4 Theory of Product Differentiation

When looking at differentiation, four main factors have been identified as characterising a service: intangibility, inseparability, heterogeneity and perishability (Zeithalm & Bitner, 2003). The theoretical model of endogenous reference-dependence of Ok, Ortol-eva and Riella (2011), is applied to the theory of vertical product differentiation. The standard problem of a monopolist who offers a menu of alternatives to consumers of different types is analysed, but allows them to exhibit a form of endogenous reference dependence like the attraction effect.

Egan (2004), has been noted as one of the first to introduce the concept of relationship marketing which he defined as the attracting, the maintaining and the enhancing of customer relationships. Commercial banks must be innovative and should offer attractive products that guarantee retention of their customers.

2.2 CONCEPTUAL FRAMEWORK

2.2.1 Customer conquest

Customer conquest marketing is the process of getting or convincing new prospect customers who are not already on your current customer base including customers in other financial institutions and also the process of creating strategies to retain already existing customers.

2.2.2 Strategy

Strategies refer to the plans, goals and objectives formulated by a firm to guide the firm towards set goals and objectives (Scholes and Whittington, 2005). Strategy is developed to establish the goals and objectives of the firm can use the resources available at its disposal to achieve this goal. It is a statement of direction towards set goals and objectives (Greenstein, 2008).

2.2.3 Financial services

According Lovelock (1991), Financial services are products and services offered by financial institutions to their customers. Therefore, as financial services are different in nature from other common products, they also need to be marketed and delivered in a different manner to clients, especially by focusing on the user's convenience and comfort which will build on the trust and loyalty of the institution. As the clients in an institution are not homogenous in

nature and often belong to different market segments, a single communication medium may not work for all of them. The institutions need to develop a distinct marketing strategy and use a mixed communication media to reach out to its clients effectively.

2.2.4 Microfinance institution

According to Otero (1999) is the provision of financial services to low income earners very poor self-employed people. These financial services according to Lidgerwood (1999) generally include savings and credit but can also include other financial services such as insurance and payments of services. Schreiner and Colombet (2001, p.339) defined MFIs as 'the attempt to improve Shaw (2012) indicated that a marketing strategy refers to a plan of marketing action that a business intends to take to achieve specific goals and objectives access to small deposits and small loans for poor households neglected by the banks

2.2.5 Marketing strategies

According to Jain (2002) strategic marketing include looking at the entire business's portfolio of markets and products and managing them to attain businesses overall goals and objectives. Therefore, the strategic marketing framework was developed to assist MFIs thinking about strategic marketing and how it relates to their core business of providing financial services to the poor people.

2.2.6 Types of marketing strategies in MFIs

In the context of increased competition between MFIs, MFIs need to develop a more market-oriented approach that goes beyond just developing client focused product. In this case, more strategic marketing approach which in addition to developing more clients focused product, also looks at corporate branding and identity, product delivery system and customer's service strategy would benefit both MFIs and their clients. The marketing strategies comprises three strategies:

- Corporate brand strategy (development of brand attributes and positioning statement, branding communication plan, corporate identity, corporate communication and public relations)
- Product strategy (development and differentiation, brands, taglines, ultimate selling propositions and benefit statement, pricing strategies, sales strategy and product management)

- Product delivery and customer service strategy (personnel training and development strategy, delivery process development, technology strategy, infrastructural development strategy)

➤ **Characteristics of marketing strategies**

There are many characteristics that increase the likelihood that a marketing strategy will produce desired results which will be analysed below;

- **Strategic:** Make a plan at beginning of your marketing journey. By planning month by month where your advertising efforts are going to be focused, you need to create a plan that is easy to follow but also cover the basis you need to address.
- **Creative:** Think outside the box. You don't want to share information your customer has already read before. Brainstorming with your marketing team, can generate unique ideas that will set your message apart from all the rest, ensuring that you make a lasting impression with your customers.
- **Analytical:** With current social media platforms and data available today, they are more than enough ways to track your marketing strategy's success. Keeping track of engagement, reach and feedback on social media is easy.
- **Innovative:** The telling of a good marketing strategy is one that isn't afraid to take risks or try new things. Constantly searching new platforms, looking at data and asking for feedback are all ways you can improve your strategy and ensure that it is going to help you meet your goals.

2.2.2 Financial performance

Financial performance is **a subjective measure of how well a firm can use assets from its primary mode of business and generate revenues**. The term is also used as a general measure of a firm's overall financial health over a given period.

2.2.2.1 Capital Adequacy Ratio

Capital is one of the bank specific factors that influence the level of bank profitability. Capital is the amount of own fund available to support the bank's business and act as a buffer in case of adverse situation (Athanasoglou et al. 2005). Banks capital creates liquidity for the bank due to the fact that deposits are most fragile and prone to bank runs. Moreover, greater bank capital reduces the chance of distress (Diamond, 2000). Capital adequacy ratio is determined by the total capital to total asset. H1 : CAR has positive relationship with ROA.

2.2.2.2 Assets Quality

Banks asset is another bank specific variable that affects the profitability of a bank. The bank asset includes among others current asset, credit portfolio, fixed asset, and other investments. Often a growing asset (size) related to the age of the bank (Athanasoglou et al., 2005). More often than not the loan of a bank is the major asset that generates the major share of the banks income. Loan is the major asset of commercial banks from which they generate income. The quality of loan portfolio determines the profitability of banks. The loan portfolio quality has A direct bearing on bank profitability. The highest risk facing a bank is the losses derived from delinquent loans (Dang, 2011). Thus, nonperforming loan ratios are the best proxies for asset quality. Different types of financial ratios used to study the performances of banks by different scholars. It is the major concern of all commercial banks to keep the amount of nonperforming loans to low level. This is so because high nonperforming loan affects the profitability of the bank. Thus, low nonperforming loans to total loans shows that the good health of the portfolio a bank. The lower the ratio the better the bank performing (Sangmi and Nazir, 2010). Assets quality is determine by non-performing loan to total loan. H2 : Asset quality has negative relationship with ROA

2.2.2.3 Management Efficiency (ME)

Management Efficiency is one of the key internal factors that determine the bank profitability. It is represented by different financial ratios like total asset growth, loan growth rate and earnings growth rate. Yet, it is one of the complexes subject to capture with financial ratios. Moreover, operational efficiency in managing the operating expenses is another dimension for management quality. The capability of the management to deploy its resources efficiently, income maximization, reducing operating costs can be measured by financial ratios. One of this ratios used to measure management quality is operating profit to income ratio (Rahman et al. 2009 ; Sangmi and Nazir, 2010). The higher the operating profits to total income (revenue) the more the efficient management is in terms of operational efficiency and income generation. The other important ratio is that proxy management quality is expense to asset ratio. The ratio of operating expenses to total asset is expected to be negatively associated with profitability. Management quality in this regard, determines the level of operating expenses and in turn affects profitability (Athanasoglou et al. 2005). It determines by total operating revenue to total profit H3 :ME has positive relationship with ROA.

2.2.2.5 Liquidity Management

Liquidity is another factor that determines the level of bank performance. Liquidity refers to the ability of the bank to fulfill its obligations, mainly of depositors. According to Dang (2011) adequate level of liquidity is positively related with bank profitability. The most common financial ratios that reflect the liquidity position of a bank according to the above author are customer deposit to total asset and total loan to customer deposits. Other scholars use different financial ratio to measure liquidity. It measure by total loans to total customer deposit.

Why Is Financial Performance Important?

A company's financial performance tells investors about its general well-being. It's a snapshot of its economic health and the job its management is doing—providing insight into the future: whether its operations and profits are on track to grow and the outlook for its stock.

Importance of marketing strategies

- It helps the firm to gain competitive advantage in the market amidst the tough competition with edge over the existing players and the new entrants who trying establish their brand presence in the market
- Along with the promotion of services offered by an institution, having a powerful marketing strategy helps the brand and overall company to attain a remarkable feat in the target market and industry as a whole with the customers and industry peers looking up to the brand and its offerings in a positive manner.
- Marketing strategies helps to attract new set of customers from the same operational market plus from the untapped market as well.
- It helps management of the company to plant features and unique selling propositions of the product and services that are in launch planning phase.
- Marketing strategies also helps the brand and overall marketing and promotional activities get the edge of creativity and this make them have a distinguished personality in their market.

How to carry out marketing strategies

- **Chequing account:** This is a bank account were funds can be withdrawn by writing a cheque, using an automated banking machine (ATM) or credit card or making personal withdrawals.

- **Saving account:** This is a bank account where money usually remains for a period of time. Interest is earned on the account. Money can be withdrawn at any time.
- **Loan:** It is a sum of money borrowed from a financial institution at an agreed rate of interest.
- **Overdraft:** Sometimes, the bank provides overdraft facilities to its customers through which they are allowed more than their deposits. Interest is charged from the customers on the overdrawn amount.
- **Consultancy:** Modern commercial banks are large organisations. They can expand their functions to a consultancy business. In this function, banks hire financial, legal a market expert who provide advice to customers regarding investment, industry, trade, income, tax etc.
- **Foreign currency exchange:** Banks deal with foreign currencies as the requirement of customers, banks exchange foreign currencies with local currencies, which is essential to settle down the deals in international trade.
- **Automated Teller Machines (ATM):** ATMs enable the customers to withdraw their money 24 hours in the seven days of the week. **It** is a device that allows customers who have an ATM Card to perform routine transactions without interacting with a human trailer. In addition to cash withdrawal, ATMs can be used for payment of utility bills, fund transfer between accounts, deposit of cheques and cash into accounts, balance inquiries **etc.**
- **Internet banking:** It enables a customer to do banking transactions through the bank website through the internet. It is a system of accessing accounts and general information on bank products and services through a computer while sitting in his/her office or home. This is also called virtual banking. It is more or less bringing the bank to your computer.
- **Mobile banking:** Mobile banking (also known as M-banking). It is a term used for performing balance checks, account transactions, payments, credit applications and other banking transactions through a mobile device such as a mobile phone or Personal digital assistance (PDA)
- **Home banking:** It is a process of completing the financial transaction for one's own home as opposed to utilizing a branch of a bank. It includes actions such as making

account inquiries, transferring money, paying bills, applying for loans, directing deposits.

- **Debit cards:** Debit cards are used to electronically withdrawn funds from the card holders account. Most debit cards require a personal identification number (PIN) to be used to verify the transaction.
- **Credit card:** A credit card is a card that allows their holders to make purchases of goods and services in exchange of the credit card provider immediately paying for the good or services, and the card holder promising to pay back the amount of the purchase to the card holder over a period of time and with interest.
- **Automatic Banking Machine (ABM):** It allows one to conduct and obtain bank transactions. It allows regular review of bank transactions and requires personal identification number.
- **Transfer between account:** It is the automatic transfer of one account to account to another such as from chequing account to saving account. It occurs on a designated date of month known as “internet banking” or “web banking”.
- **Online banking:** It is a service offered by banks that allows account holders to access their accounts that are via the internet. Online banking is also known as “online banking” or “web banking”.

2.3. EMPIRICAL REVIEW

J Abbott, M Stone, F Buttle - Journal of Database Marketing & Customer ..., 2001 - Springer
This paper reports the results of a qualitative study into the implementation of data-driven customer relationship management (CRM) strategies. Seventeen companies are investigated and three short case studies are presented. It is found that clean customer data are essential to successful CRM performance and that technological support for data acquisition, analysis and deployment are not widespread. Clean customer data enable CRM strategies to be both more effective and more efficient, yet not all companies are investing in improving data quality.

A Berndt, F Herbst, L Roux - Journal of global business and technology, 2005 - gbata.org
Retail financial services in all markets, including emerging markets, are undergoing major transformation, driven by change, deregulation and customer sophistication. Customer service and specifically relationship management, in particular, are crucial to attaining a sustainable competitive advantage in the marketplace. The implementation of a one-to-one

program within an emerging economy is the focus of this paper, specifically in the financial services environment.

A Weinstein - Journal of Targeting, Measurement and analysis for ..., 2002 - SpringerThis paper discusses how companies should develop a customer retention focus and initiatives to maximize long-term customer value. Specifically, it examines the importance of customer retention; conceptualizes an integrated customer value/retention model; and explains how usage segmentation can assist in relationship-building, retention strategy and profit planning. A brief case history of Fast Industries, a specialty plastics manufacturer, illustrates these ideas in practice. Implications for marketers and customer value managers are offered and research directions for scholars working in retention marketing are identified.

EWT Ngai - Marketing intelligence & planning, 2005 - emerald.com

❖ Purpose

To review the academic literature on customer relationship management (CRM), provide a comprehensive bibliography and propose a method of classifying that literature.

❖ Design/methodology/approach

A range of online databases were searched to provide a comprehensive listing of journal articles on CRM. Six hundred articles were identified and reviewed for their direct relevance to CRM. Two hundred and five articles were subsequently selected. Each of these articles was further reviewed and classified. The review and classification process was independently verified. All papers were allocated to the main and sub-categories based on the major focus of each paper.

❖ Findings

Papers and research on CRM fall into five broad categories (CRM – General, Marketing, Sales, Service and Support, and IT and IS) and a further 34 sub-categories. The most popular areas covered by the papers lay in the sub-category of CRM management, planning and strategy; and CRM general, concept, and study followed by papers in software, tools and systems; data mining, knowledge management, and e-commerce.

❖ Originality/value

This is the first identifiable academic literature review of CRM research. The bibliography provides an academic database of the literature between 1992 and 2002 covering 89 journals.

The classification approach provides a means to conceptualize the coverage of CRM and the relative popularity of CRM topic areas.

A Payne, P Frow - Journal of marketing, 2005 - journals.sagepub.com

In this article, the authors develop a conceptual framework for customer relationship management (CRM) that helps broaden the understanding of CRM and its role in enhancing customer value and, as a result, shareholder value. The authors explore definitional aspects of CRM, and they identify three alternative perspectives of CRM. The authors emphasize the need for a cross-functional, process-oriented approach that positions CRM at a strategic level. They identify five key cross-functional CRM processes: a strategy development process, a value creation process, a multichannel integration process, an information management process, and a performance assessment process. They develop a new conceptual framework based on these processes and explore the role and function of each element in the framework. The synthesis of the diverse concepts within the literature on CRM and relationship marketing into a single, process-based framework should provide deeper insight into achieving success with CRM strategy and implementation.

2.4 RESEARCH GAPS

A number of studies have been done relating to customer conquest strategy and its effect on financial performance but few have exploited on the implication of performance of banking institutions. Microfinance institutions are reactively rather than proactively trying to hold onto customers due to lack of clear metrics on what attrition is and no enterprise focus on the problem, Pilecki (2007). According to him, customer retention is a process, not an event.

To ensure success of customer retention strategy, it is important to consider the uniqueness of the situation and the diversity of the customers, (Khan et al., 2010). This is because a critical understanding of what works and what does not work is central in designing and managing effective customer retention strategy.

Previous researchers have recorded the importance of customer conquest strategy in an effort to improve financial performance of microfinance institutions. However, there still lacks in depth understanding of which strategy is ideal for customer conquest. To fill the gaps, the study aimed at determining the effects of customer conquest strategy on performance of in Cameroon.

CHAPTER THREE

METHODOLOGY AND INTERNSHIP ACTIVITY

PART ONE: RESEARCH METHODOLOGY

3.1 Research design

Moorhead and Griffen (1989) looks at a research design as the set of procedures used to test the predicted relationship among natural phenomenon. Tic design addresses such issues as how the relevant variables are to be defined, measured and related to one another. There exist four types of research designs which are often used in the study of organisational behaviour. This research design includes; case study, field survey, laboratory, experiment and field experiment. The research design for this study will be field survey.

A field survey usually relies on a questionnaire distributed to a sample of people chosen from a large population. Fields surveys focus on organization behaviour, including employees, attitudes towards other people, attitudes about the job and perception of population. They also provide abundance of data in easily quantitative form, which facilitates statistical analyses and the compilation of normative data purposes. The descriptive survey design was used in this study.

3.2 Data sources

The study made an extensive use of primary and secondary sources of information from the institution and its employees. The primary and secondary sources included information that was gathered from the questionnaires administered to the respondent. And unstructured interviews conducted for the management of the institution. The advantages of using primary data was that they were more reliable since they came from the original source and were collected especially for the purpose of the study. The secondary data sources included reports, brochures, and manuals.

3.3 Population

According to Amin (2005), the definition of population includes all individuals or units that meet the selection criteria for a group to be studied and from which a representative sample is taken for detailed examination

3.4 Data collection

The study employed only qualitative research approach. The study collected data through a questionnaire given to the employees of UNICS PLC Yaounde. The questionnaire was to serve as checks and balances to ensure accuracy of responses to the question asked. I personally administered the questionnaire. Interviews and discussion were also used to solicit information relevant to the study.

The data collection process was carried out over a period of one month where the primary and secondary sources were used. The primary data was gotten through questionnaires, interviews and observations and secondary data was gotten from reports, brochures and manuals, information from internet, articles and document from the structure.

3.3.1 Primary sources of data

❖ Questionnaire

Questionnaires were given to members of all the departments. Participants were given three days to complete the questionnaire. It consisted of demographical profiles in terms of their age, gender; education and length of service at current position were distributed to 06 workers. The purpose was to find out if their opinion on the use of financial innovation associated to microfinance profitability within their institution.

❖ Interviews

This enables me to get direct information from the employees to through more light on the effect of financial innovation on the Profitability of Microfinance.

❖ Observation

This is an important source of information because we carried out internship. That is while we experienced it by observing and learning in UNICS PLC, Cameroon which constitutes part of the work.

3.3.2 Secondary sources of data

❖ Internet

The use of internet greatly helped me with information on the effect of financial innovation on the Profitability of Microfinance institution in UNICS PLC. This was done through Google scholars, science direct published articles etc.

❖ **Data Editing and analysis**

The raw data obtained from a research is unless it is transformed into information for the purpose of decision making (Emery and Couper, 2003). The data analysis involved reducing the raw data into a manageable size, developing summaries and applying statistical inferences. Consequently, the following steps were taken to analyse data for study.

The data was edited to detect and correct possible errors and omissions that are likely to occur, to ensure consistency across respondents.

The data was then coded to enable the respondents to be grouped into limited number of categories. The data was presented in a narrative forms. In analysing data, descriptive statistics tools such as pie chart will be used.

❖ **Limitation to data collection**

Some of the respondents saw the exercise as a waste of time for that matter they were not prepared to compromise few minutes of their time to answer the questions.

3.4 INTERNSHIP ACTIVITIES

The internship was carried out in a period of two months from the 4 of July 2022 to 31 of August 2022. On the first day of my internship, I was welcome by the branch manager. The institution opened from Monday to Saturday at 8 am and ended at 5 pm, but on Saturday we close as from 1 pm.

❖ **Internship at the customer service**

This service is responsible for the reception of customer. When a customer comes either the staff or I will receive the member, the welcoming is done in a polite way. After welcoming the member we either ask the object of his visit in other to satisfy him. In the customer service department I also learn how to open the various banks products, some of those products are; current account, saving account....

❖ **Internship at the accounting department**

The accountant is in charge of recording the day to day transactions in the Microfinance institution, added to that the accountant was responsible to prepare the end of year financial statement of the organization, these documents Will be used in the general meeting in other to permit the general manager take decision, prepare the budget of the upcoming year ;

❖ **Internship at the loan department**

The loan officer plays a very important rule in a financial institution; this is because he is dealing with granting out loans. I learned the various requirements needed when given out

loan to a customer. I was in charge of compiling documents needed for loan granting such as business loans, school fee loan.

❖ **Internship at the marketing department**

This department is responsible for marketing the various products of UNICS PLC. In this department we went out for marketing to advertise the various products and services that the institution offers and as we convince new clients to open account thereby telling them the various benefits related to each product pack they had chosen. I equally learned about Bank 2 Wallet which is one of the services that UNICS PLC offers to its customers. It deals with using your MTN or ORANGE mobile money account to carry out transaction with account in UNICS PLC. You can use this service to deposit and withdraw money from your account.

❖ **Internship at the front office**

In this department, the Teller gave us lectures on the difference between personal cheques and counter cheques. We equally learned how to check counterfeit and good money, all funds entering the institution such as deposit savings and loan repayment annuities are been treated by this department. We as well assisted customers in filling withdrawal forms and deposit forms.

3.5. GENERAL PRESENTATION OF UNICS PLC

This chapter will be divided into two sections for proper presentation as follows:

- ★ History and Evolution
- ★ Activities

3.5.1 HISTORICAL BACKGROUND

❖ **HISTORY, CREATION AND EVOLUTION**

Unity co-operation society (UNICS) now known as UNICS Plc is a Micro finance Institution (MFI) founded on 15/01/2000 it all started as a Njangi house in Bafut by a group of dynamic and experienced Cameroonians having the vision of creating added value of the Cameroonian economy. It is governed by law N° 92/006 of 14/08/92 relating to co-operative society and common initiative group. UNICS Plc obtained authorization from COBAC on the 22/03/2002 to operate as category one Micro-Finance. Presently, there are fourteen branches in Cameroon with the head office in Yaoundé, and two international correspondents' branches in UK and USA. The Branches in Cameroon are in Yaoundé Marché central, Yaoundé,

BiyemAssi, YaoundeHeardoffice, DoualaDeido, DoualaBonaberi, Buea, Limbe, Kribi, Bafut, Bamenda, Douala Akwa, Douala Dakar, Douala Ndobu, Bambili.

3.6. ACTIVITIES (Various services offer)

❖ SAVINGS ACCOUNT

These are charge free account to individuals and association. To open a savings account in UNICS Plc the following requirements are needed;

- Two passport size photographs.
- Photocopy of identity card.
- An initial deposit of ten thousand francs which is equally the minimum balance of the account.
- An opening fee of six thousand (6000 FRS) plus VAT of 19.25%.

This account yields an annual interest of 4.5% calculated every semester.

❖ CURRENT ACCOUNT

There are three types of this account namely; personal, salary and business current account. Holders of this account can withdraw from their account at any moment without prior notification of the bank.

The requirements needed for the opening of this accounts are;

For personal current account:

- Two passport size photographs.
- Certified copy of national ID card.
- Certification of non-indebtedness for those from financial institution.

In addition to the above, those for salary account needs;

- Attestation of effective presence and integration decision for new salary transfers.
- Monthly charged of 1000FRS (depending on the type of account).
- Original of recent pay-slip.
- Opening charge of 1000FRS without VAT.

Business account needs additional requirement as follows;

- Copy of internal rules and regulation/business license.
- Business localization plan/attestation, tax payer's card.
- Initial minimum deposit of 50 000 FRS.

The applicant is also provided with the forms to fill and sign thereby entering a contract with UNICS Plc. Withdrawals are made into these accounts using cheques. That is why they are also known as checking accounts.

❖ FIXED DEPOSIT ACCOUNT

These are term deposits which involve blocking a sum of at least 500 000 FRS for a period of six to twelve months, renewable at the end of the contract. It has a maximum interest rate of 7%. A penalty is paid if withdrawal is to be done before the maturity date of the deposit.

❖ STANDING ORDERS

These are instruction given by customers for execution of particular transfer of a specific sum of money from one account to another at the end of each month.

❖ SPEEDY CASH TRANSFER

These are local transfers who enable users to affect transfers to and from any branches nationwide at a very low rate. Through this service, UNICS when into partner with WESTERN UNION

❖ AUTOMATIC TRANSFER

These are transfer from one account to another in the same branch. It could be the same customer or between different customers.

❖ PAYMENT OF SALARIES

This is the payment of salaries for civil servants and company through their current account.

❖ CLEARING OF CHEQUES

Cheques issued in favor of UNICS Plc by third party could be cleared through UNICS Plc correspondent bank, for instance through BGFI.

❖ DAYNESS AND FUTURIS:

- DAYNESS

The dayness account is a small business current saving account it is done on a daily basis with amount granter than 500 FRS. It yields no interest. A commission is paid by the customer during withdrawal (depending on the amount).

- FUTURIS

Futuris account is a blocked saving account. This means that beneficiaries save at least 500 FRS on each day that they wish to deposit money and at the end of the period of the contract, an interest is paid on the balanced in their account. For a period of 6 months the interest is 3.5% while for a period of 12 months the interest is 7%.

❖ CREDIT FACILITIES

Funds made available to viable customers upon demand. It is in principle that credits should be granted only to customers who have an account in UNICS Plc and has this account running for at least 90 days. Loan granting is regulated by the loan policy and the loan procedure manuel. UNICS Plc offers the following credit facilities to its clients;

- AUTOMATIC OVERDRAFT

These are credit facilities granted to current account holders. An overdraft is any amount withdrawn from an account more than the available provision. In UNICS Plc, overdrafts carry a debit interest rate per month on overdrawn balance. They are granted on the bases of the viability and feasibility of the project presented by the client or on the bases of expected payments and salaries. There are four typed of overdraft in UINCS Plc, which are:

- **AUTOMATIC OVERDRAFT:** This type of facility enables the customer to immediately overdrawn his/her account on demand. This facility is extended mostly to salary account holders who do not have any other commitment with UINCS Plc.
- **NORMAL OVERDRAFT:** There are granted to current accounts holders be it business or salary and have other commitments, in this case, verification has to be made to ensure that customer's monthly installment for both the loan and overdraft is not more than 33.3% as stipulated by the law.
- **CREDIT LINE:** This is the maximum level set for a particular borrower to withdrawn his/her account at any given moment for a specified duration. It is mostly granted to customers who frequently come for overdraft within very short intervals.
- **SPEEDY LOAN:** It is a special type of overdraft treated as a loan and granted within two days. An interest rate of 7% per month is charged for a maximum duration for five months.

- EXPRESS CREDIT

This is credit given to client having urgent need for funds and it is treated for a day with an interest rate of 7% with a period of 5months

- NORMAL LOANS

Is the most common type of loans with an interest rate of 1.33% per month and it ranges from a period of 12 to 36 months. It is granted to all current account holders on demand and the following charges have to be taken care of;

- Retention fee; which is 2% of the amount granted and refundable upon the total reimbursement of loan provided no charge was incurred on the loan.
- Loan Study fee; which is 2% plus VAT for loan.
- An insurance premium is taken in to consideration when the amount is above 200000frs

DEPLOMAT CARDS (VISA CARD)

It is new technological device which is also known as debit card, it is a convenient means of carrying huge sum of money, with a visa card you can withdraw your money in any part of the world so long as there is an ATM machine. UNICS PLC has three type of visa card that is K'MER, STAR AND CLASSIC CARDS.

3.7. ORGANISATIONAL CHART AND FUNCTIONS

❖ ORGANIGRAM

Like any other organized institution, UNICS PLC has an organized structure which is specifically adapted to its business activity. It presents three major sections, the board of directors, the head office and branches; each contains sub sections which define and specify responsibility which gives room to job specialization, an important element of good performance.

❖ FUNCTION

The General Assembly

This is the highest organ of authority in the institution. It is composed of all members who have duly surrendered their funds to enlarge the capital of the institution by way of buying shares. These members, alternatively called shareholders collectively exercise the highest authority in making difficult decisions and in breaking deadlock situations. This organ stands

above the board of directors and meets in ordinary sessions once every year. Among other activities during such sessions is the voting of the Board of Directors.

a) The Board of Directors

Immediately below the general assembly is the board of directors, composed of nine members. This organ carries out specific supervisory functions and jointly deliberates on administrative and strategic decisions to be taken, as well as the authorization and granting of board loans.

b) The General Management

This is headed by the General Manager; it is composed basically of branch managers as well as other staff in positions of responsibility. Its main functions are to execute the directive of the board of Directors and the general assembly. However, he/she and his/her team designs management strategies and proposes to the Board of Director.

c) Departments

The main function of department is that of designing strategies and policies for respective areas.

- Administrative Affairs: This department has the duty of designing all human resource policies like recruitment, motivation etc.
- Finance and Accounting: This department designing operational procedures follows up their application as well as other financial or accounting operations.
- Credit and investment: It put in place loan granting procedure and follows up the execution of the loan budget. It also develops loan recovery strategies.
- Marketing, Public Relations and Research: The duty of designing marketing strategies.

d) SERVICES

Services have the duty to execute the directives of their respective departments, evaluate the applicability of department prescriptions and making recommendations through their respective departments.

For now, eight of them exist in UNICS PLC, as can be seen in their various departments:

- Equipment and supplies (under the department of administrative affairs)
- Human Resources (under the department of administrative affairs)
- National and international operations (under the department of financial and accounting)

- Accounting (under the department of finance and accounting)
- Recovery and commitment control (under the department of credit and investment)
- Legal affairs (under the department of credit and investment)
- Public Relations (under Marketing department)
- Research and development (under Marketing department)

3.8 MEANS OF ACTION

❖ Financial means

- The investment fund which varies as membership increase or decreases as a result of voluntary withdrawal, exclusion of death.
- Member's deposit and blocked account.
- Retained earnings and guarantee fund.
- Fines on default of loan
- Money transfer fees.
- Interest on loans.

❖ Human means

This has to do with the set of people working for a branch, which are:

- Management staff 1
- Clerical staff 6

❖ Material means

This refers to physical element such as land, building, and equipment such as vehicles and furniture.

3.9 PRACTICAL INTERNSHIP IN UNICS PLC

This chapter will be divided into two sections for a proper understanding.

3.9.1. VARIOUS ACTIVITIES

I started my internship on the 01/07/15 to the 15/08/15 in UNICS Plc, situated in DOUALA at DEIDO. In the process of my internship; I was given lectures by all the department heads of UNICS DEIDO. This can be seen below.

**THE EFFECTS OF CUSTOMER CONQUEST STRATEGY ON FINANCIAL PERFORMANCE OF
MICROFINANCE INSTITUTIONS CASE OF: UNITY COOPERATIVE SOCIETY**

WEEKS	DEPARTMENT
1 st week	Credit department
2 nd week	Credit department
3 rd week	Education talks
4 th week	Marketing department
5 th week	Customer service
6 th week	Filling of diplomat card booklet

- **CUSTOMER SERVICE**

This is the unit recognize as the core of the institution. It is the unit that functions to constantly exceed the needs of the customers. Some of the activities which were carried out in this unit include;

- Welcoming customers.
- Directing customers to the various units where they will receive attention to their specific problems.
- Educating customers on the products and services offered by UNICS Plc.
- Helping customers to correctly fill the respective documents they need to i.e. during withdrawals and deposits.
- Updating customers on their account situation upon demand.

- **OPERATION DEPARTMENT**

Most of the banking operations are done in this service. Some of which include;

- **Inter-branch deposits:** These are deposits made from one branch to a different branch of UNICS Plc. It attracts a commission of one thousand francs irrespective of the amount.

- **Inter-branch withdrawals:** These are withdrawals made by a customer of UNICS Plc in a different branch that is not the account branch. It attracts commission depending on the amount to be withdrawn.
- **Automatic Transfers:** These are accounts transferred between one customer to another or between one customer to different customers. It can also be from one account to a different account for the same customer.
- **Payment of Salaries:** UNICS Plc pays private companies and civil servant salaries. These transactions are treated by the operations officer using “The standing order and civil servant salary window” on the operation module after the account of the respective company.
- **Clearing of Cheques:** The cheques issued by third parties in favor of UNICS Plc and are cleared through UNICS Plc correspondent banks.

- **THE TELLER’S DEPARTMENT**

This service mostly deals with deposits and withdrawals. Deposits are made in current account, savings account, dayness and futuris account. Withdrawals are made in these accounts or also overdraft payment and loan payment which is authorized by the manager or credit officer.

For all transaction’s carryout, a receipt is issued. Each receipt is signed and cosigned by the teller and customer respectively. The customer goes with the duplicate while the original is retained by the teller.

- **THE MARKETING DEPARTMENT**

This is the most important unit in UNICS Plc because it helps to bring new customers and advertise UNICS Plc to the public. Under these department we have what we call U-COLLECTORS here it permits customers to make deposit from their house, company, in short where ever you are without moving.

- **THE ACCOUNT DEPARTMENT**

This unit posts entries into the system that affects directly only the back-office accounts. Entries like office expenses; petit cash expenses for the month are entered into the system.

Furthermore, correction of entries is also done i.e., if a wrong account was either debited or credited, this department immediately makes the correction. At the end of the month, the accountant prepares the end of month report including the balance sheet, income and expenditure accounts, after getting the system print out for customer balance and trial balance.

- **INTERNAL CONTROL UNIT**

The internal controller acts as the internal auditor in making sure that there should be transparency in the dealings of the bank and the policies and procedures should be respected. He insures that what is to be done is done at the right way at the right time and by the right person. The internal controller does the transaction to transaction check using source document such as withdrawal form, receipt to ensure the correct information was filled by the person and correct amount.

- **RECOVERY DEPARTMENT**

This department is mainly there for delinquent customers i.e. customers who come and take loan and are unable to pay back. In this case, the recovery department will send a quarrel note to the person and on it, it has a specify date that the customer has to pay back the loan. And if the date pass that the customer has not make any thing, the recovery officer will now be force to sue customer to court.

3.10. CRITICISMS, RECOMMENDATION ON UNICS PLC

3.10.1 CRITICISMS

During the period of my internship, I found the following weaknesses.

- I noticed that clients especially the salary account holders complain a lot about high charges.
- I also noticed that UNICS does not respect the duration that they put in place for the treatment of credit files, that is it takes them a long time to grant credit to their clients which is a problem.
- Again, I realized that sometimes there are always connection problem.
- More again the indiscriminate transfer of workers from one place to another without being alert.

THE EFFECTS OF CUSTOMER CONQUEST STRATEGY ON FINANCIAL PERFORMANCE OF MICROFINANCE INSTITUTIONS CASE OF: UNITY COOPERATIVE SOCIETY

In view of the above weaknesses, I proposed the following possible remedies or solution that can help these weaknesses as follows:

- UNICS Plc should try as much as possible to educate the clients concerning the charges, clients need to know that UNICS is no longer some institution that is the bigger a company grows the higher it taxes and these taxes are been shifted to consumers.
- In the situation of credit, I purposed UNICS should respect the time they put in place and I also purposed that they should decentralized the credit committees into various regions in other to facilitates the treatment of credit files since credit creation is the most profitable asset of micro finance, if credit is always granted with no time costumers will be attracted and the institution will make more profit.
- With the issue of connection, I purposed that UNICS should have more than one connection in case of the failure in one they will switch to the other.
- Lastly UNICS should always alert their workers before they are been transfer and they should be educating of need of that transfer

CONCLUSION ON INTERNSHIP

For the time I spent in UNICS Plc, I was given the opportunity to be able to distinguish between school work and practical work equally to better apply what I studied in school. Acknowledging the difference and adapting to it wasn't really easy but with the help of my supervisor madam kombi Claire I was able to learn faster and adapt.

During this time, I was able to see the various difficulties that the organization face and in my own little way, I suggested what I taught could be some ways to solve this problem.

Finally, I remain forever grateful to UNICS for giving me the opportunity to know how the field is and how decisions are made in different situation of business management thanks to my supervisor.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND INTERPRITATION OF RESULT

4.0 INTRODUCTION

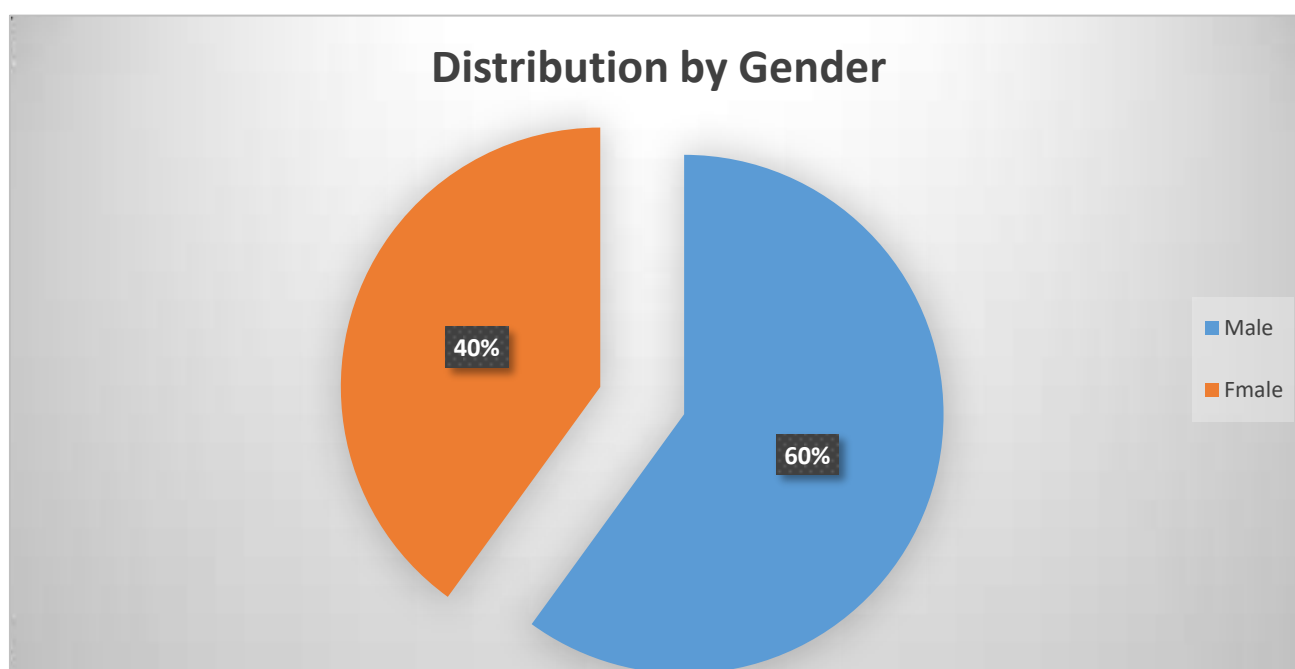
This chapter is based on the presentation, interpretation and analysis of data from the questionnaire administered to CCEC members and customers. Here more emphasis will be laid on the problems encountered by the customers and the members of CCEC microfinance. Out of 60 questionnaires, 45 responded which will be analyzed as follows.

4.1 Data Presentation

Table 1 : Distribution by Gender

Sex	Respondent	Percentage
Male	9	60%
Female	6	40%
Total	15	100%

Figure 1: Distribution by Gender



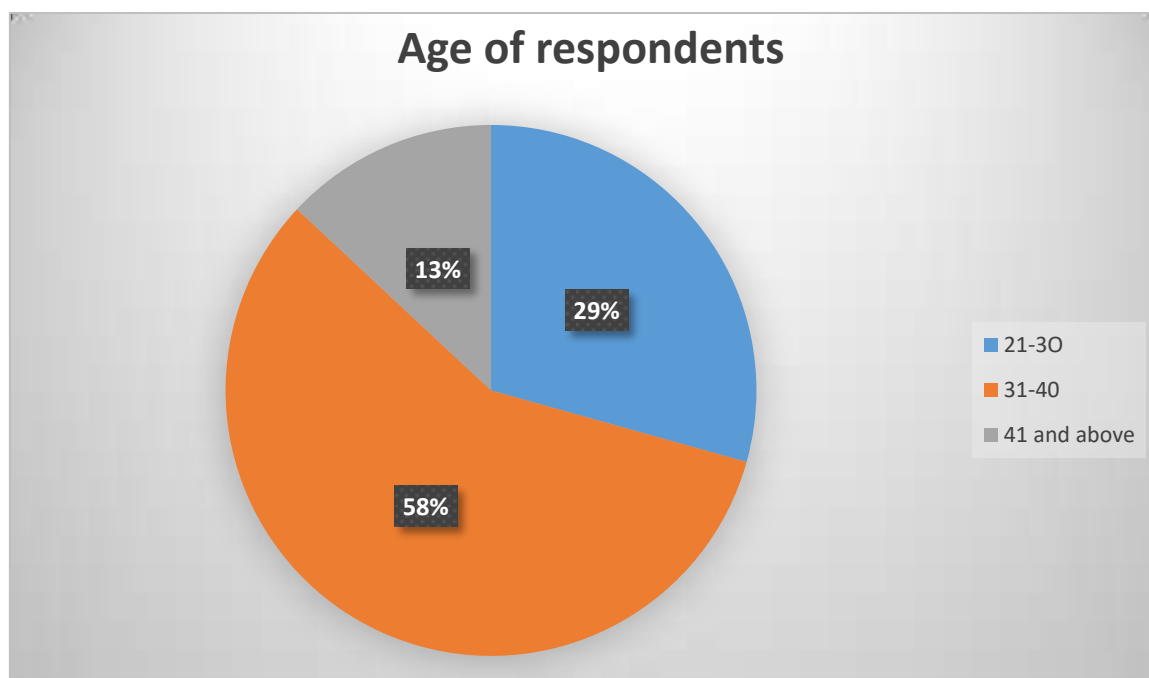
THE EFFECTS OF CUSTOMER CONQUEST STRATEGY ON FINANCIAL PERFORMANCE OF MICROFINANCE INSTITUTIONS CASE OF: UNITY COOPERATIVE SOCIETY

From the above table and figure, out of the 15 respondents, 9 males registering a percentage of 60% and 6 females registering a percentage of 40 giving a total of 100%. This can be concluded that the organisation is dominated by male, hence leads to gender inequalities

Table 2 : Age of respondents

Age range	Respondents	Percentage
21-30	4	27%
31-40	8	53%
41 and above	3	12%
Total	15	100%

Figure 2 : Age of respondents



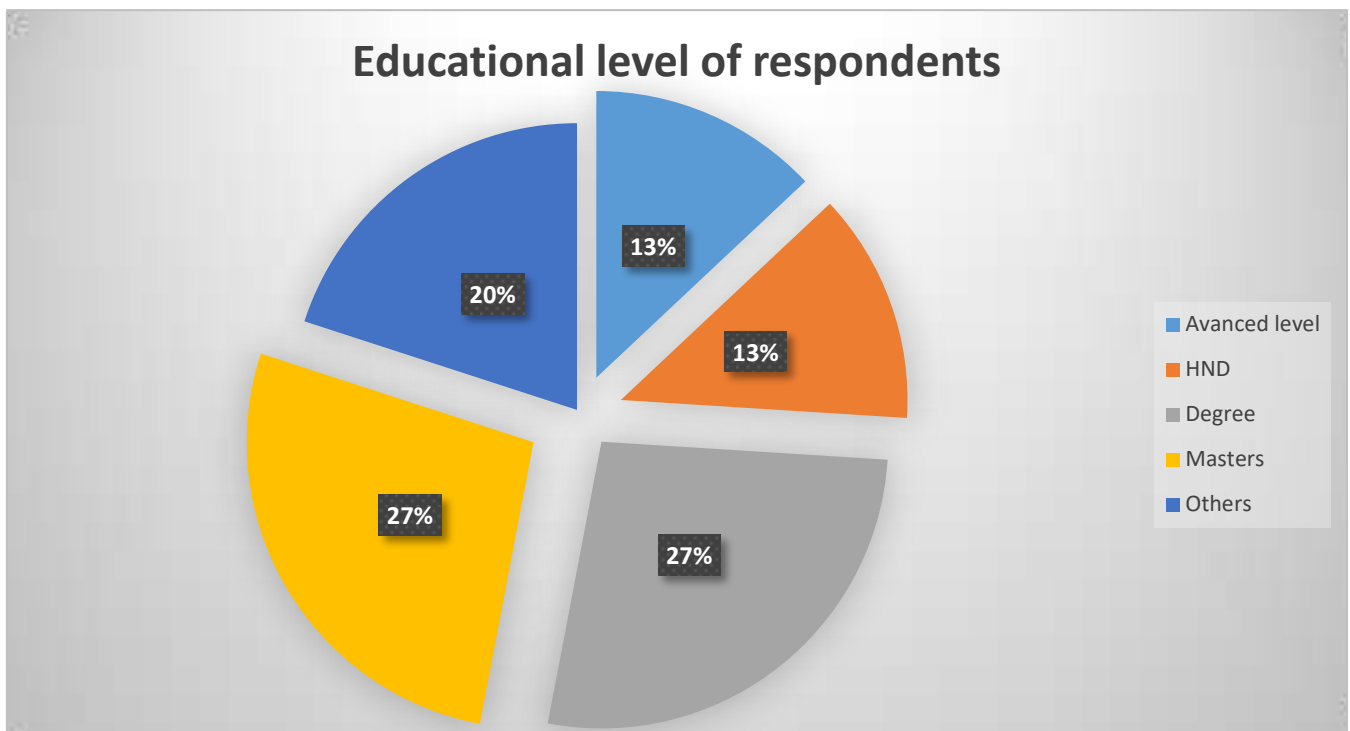
In relation to the above data, 4 respondents fall within the age range 21-30 giving a percentage of 27%, 8 within the age range of 31-40 giving a percentage of 53% and 3 respondents in the age range from 41 and above give a percentage of 12 % giving a sum total of 100%. There by implying that majority of the enterprises' employees are youths.

**THE EFFECTS OF CUSTOMER CONQUEST STRATEGY ON FINANCIAL PERFORMANCE OF
MICROFINANCE INSTITUTIONS CASE OF: UNITY COOPERATIVE SOCIETY**

Table 3: Educational level of respondents

Frequency	Respondents	Percentage
Advanced level	2	13%
HND	2	13%
Degree	4	27%
Masters	4	27%
Others	3	20%
Total	15	100%

Figure 3: Educational level of respondents



From the table and figure above, 13% the respondents are advanced level holders, 13% are HND holders, 27% are Degree holders, 27% have Masters and 20% have other qualifications.

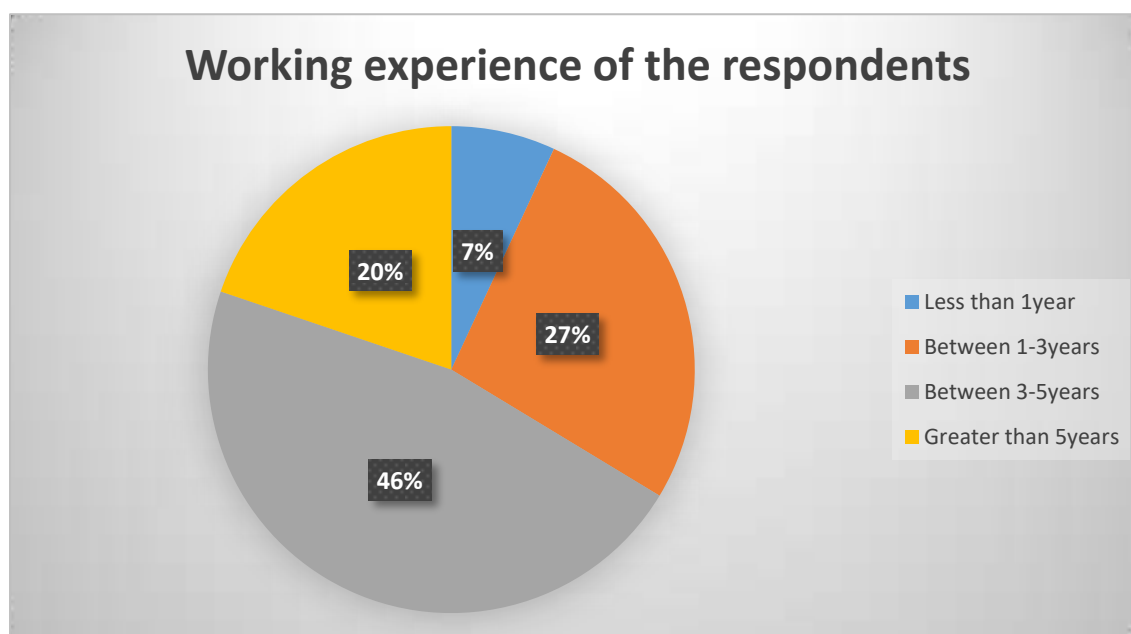
Thus, from the above analysis we can say that UNICS Plc workers are made up of qualified and competent workers.

**THE EFFECTS OF CUSTOMER CONQUEST STRATEGY ON FINANCIAL PERFORMANCE OF
MICROFINANCE INSTITUTIONS CASE OF: UNITY COOPERATIVE SOCIETY**

Table 4 : Working experience of response

Respondent	Frequency	Percentage
Less than 1 year	1	7%
Between 1-3years	4	27%
Between 3-5years	7	47%
Greater than 5years	3	20%
Total	15	100%

Figure 4 : Working experience of response



From the above table and figure, 4% of the respondents have worked in the institution for less than a year, 13% between one to three years, 23% between three to five years and 60% for more than 5 years. This shows that the majority of the respondents have worked in the institution for long. Workers who have stayed longer are expected to render better services than those who have not been in the institution for a very long time. With the longevity of services, they have become familiar with the way things are done in the institution which

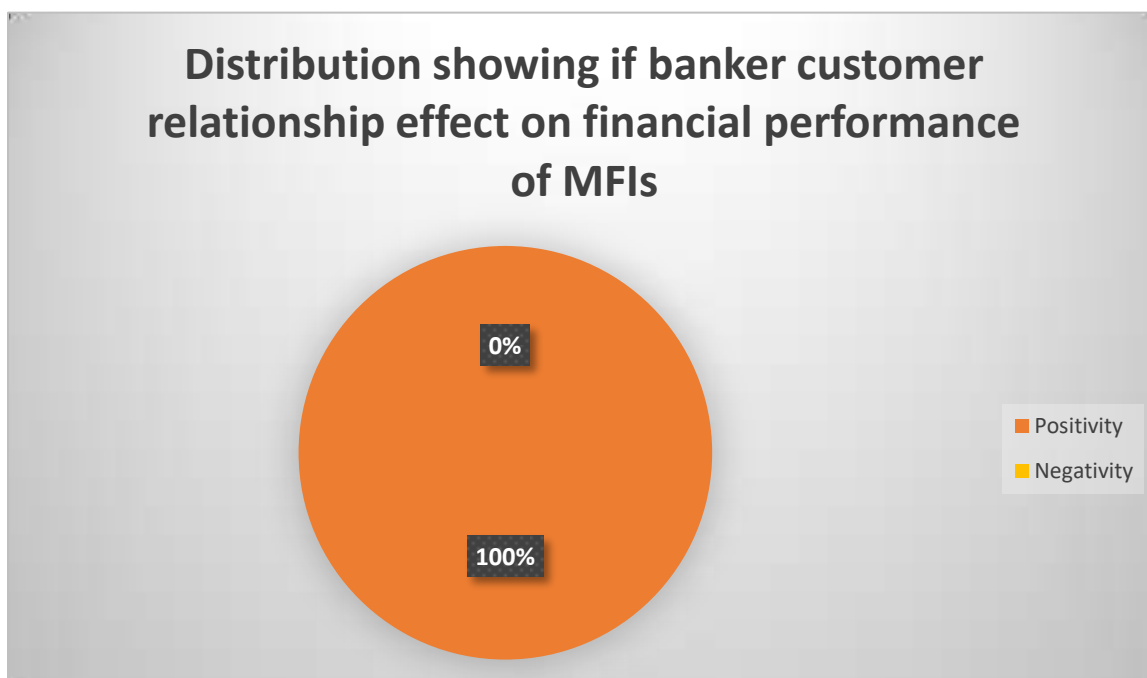
THE EFFECTS OF CUSTOMER CONQUEST STRATEGY ON FINANCIAL PERFORMANCE OF MICROFINANCE INSTITUTIONS CASE OF: UNITY COOPERATIVE SOCIETY

therefore leads to an increase in efficiency. But then, some can juse the familiarity to do things at their own favour and confort to the detriment of the organisation.

Table 5: Distribution showing if banker Customer relationship effect on the financial performance of microfinance.

Alternatives	Respondent	Percentage
Positively	15	100%
Negatively	0	0%
Total	15	100%

Figure 5: Distribution showing if banker Customer relationship effect on the financial performance of microfinance.



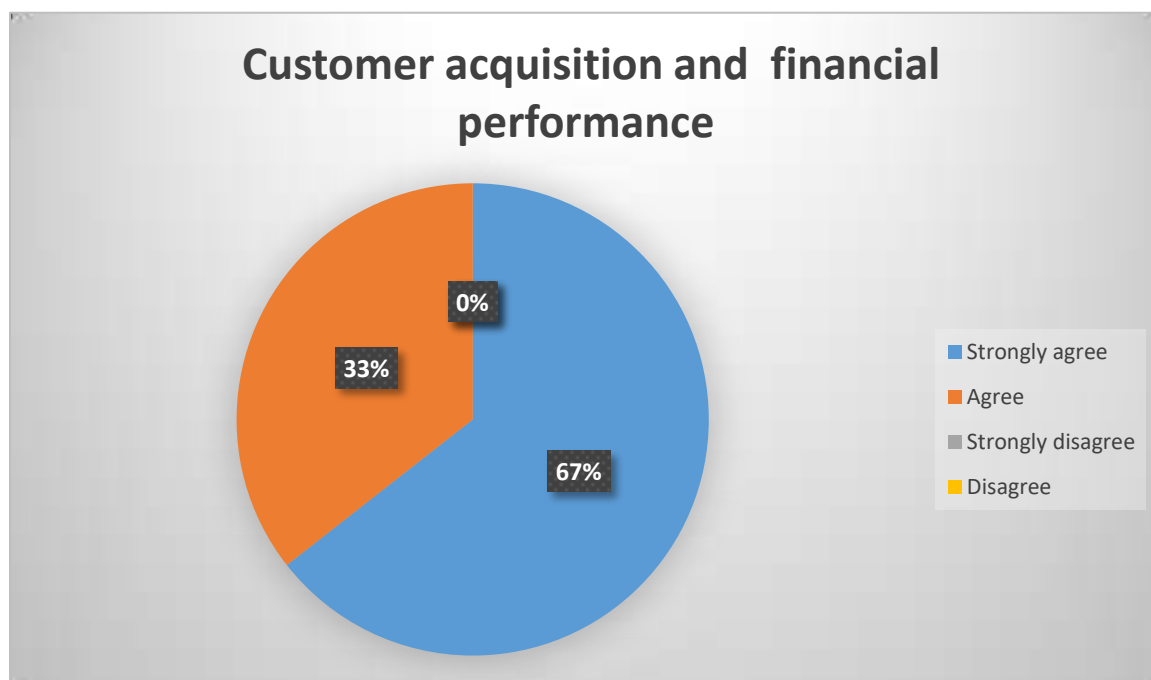
From the table and figure above, we observe that all respondents say this is a positive relationship between the bank and its customer.

**THE EFFECTS OF CUSTOMER CONQUEST STRATEGY ON FINANCIAL PERFORMANCE OF
MICROFINANCE INSTITUTIONS CASE OF: UNITY COOPERATIVE SOCIETY**

Table 6: Distribution showing that, Customer acquisition has a role to play in financial performance of UNICS.

Alternatives	Respondents	Percentage
Strongly agree	10	67%
Agree	5	33%
Strongly disagree	0	0%
Disagree	0	0%
Total	15	100%

Figure 6: Distribution showing that, Customer acquisition has a role to play in financial performance of UNICS.



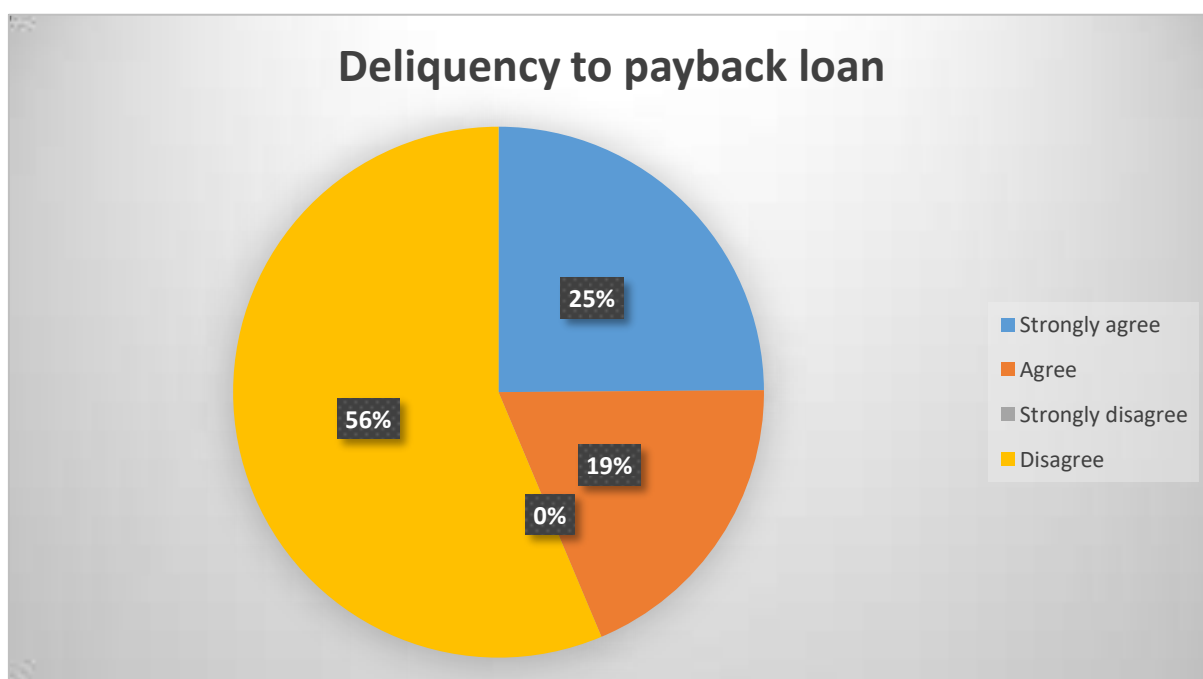
From the table above, financial performance plays a vital role on banker customer relationship this shows why majority of employees are agreeing

**THE EFFECTS OF CUSTOMER CONQUEST STRATEGY ON FINANCIAL PERFORMANCE OF
MICROFINANCE INSTITUTIONS CASE OF: UNITY COOPERATIVE SOCIETY**

Table 7: Distribution showing if the delinquency to pay back loan affect banker customer relationship

Alternatives	Respondents	Percentage
Strongly agree	8	53%
Agree	6	40%
Strongly disagree	0	0%
Disagree	1	7%
Total	15	100%

Figure 7: Distribution showing if the delinquency to pay back loan affect banker customer relationship



From the above table and figure, it can be seen that the delinquency to pay back loan affect banker customer relationship as 8 respondents strongly agree with 53% and 6 respondents agree with 40% even though 1 respondent disagrees with 7% out of the 15 respondents and 100% from the table.

Table 8: Effect of location of customers on financial performance

Alternatives	Respondents	Percentage
Strongly agree	2	13%
Agree	6	40%
Strongly disagree	3	20%
Disagree	4	27%
Total	15	100%

From the table above, natural factors lead to the termination of banker customer relationship with a percentage of 100% from 45 respondents (25 respondents strongly agree and 20 respondents agree).

4.2 INTERPRITATION OF RESULT

From table 5 above, it shows that banker customer relationship impact the performance of UNICS PLC. From the questionnaires responds, 15 responded that banker customer relationship have a positive impact on the performance of MFIs.

Table 6 above, shows that the profitability of UNICS depends on effective banker customer relationship. Result getting from the questionnaires shows that 15 respondents agree on the fact that the profitability of MFIs depends on their relationship with their customers.

Table 8 above gives the result from questionnaires showing that the delinquency to pay back loan affect banker customer relationship. From responds getting from questionnaires it shows that out of 15 respondents, 7 respondents agree and 1 respondents disagree on the fact that the delinquency to pay back loan affect the banker customer relationship.

Lastly, table 8 shows that location of customers lead to the termination of banker customer relationship. Out of the 15 respondents, 2 respondents strongly agree and 5 respondents agree, 3 respondents strongly disagree and 4 responded disagree giving a total of 15 respondents.

4.3 DATA PRESENTATION

Quantitative data was presented using Frequency tables, Pivot tables and Contingency tables. Qualitative data was derived from the open-ended questions in the questionnaire. The responses were assessed thoroughly and organised into various categories, distinct from each other and the relationship among the identified categories established. Codes were used to generate themes and categories. Once the themes, categories and patterns were identified, the study evaluated and analysed the data to determine the adequacy of the information and the credibility, usefulness, study consistency and validity in answering the study question. From this information, the study developed narratives and interpretive report in order to explain and reflect the situation within the commercial banks.

4.4 Data Analysis and Presentation

Data collected for the study was compiled, sorted, edited, classified, coded and analysed using a computerized data analysis package known as SPSS 20.0. Descriptive statistics was used to depict the characteristics of the population. The mean and the variance were calculated using SPSS. This study used multiple linear regression. In general, a four variable linear regression model of the form illustrated below was used:

$$Y_i = \beta_0 + \beta_1 X_{i1} + \beta_2 X_{i2} + \beta_3 X_{i3} + \beta_4 X_{i4} + \epsilon_i \text{ Where:}$$

Y_i = Performance in commercial banks

X_{i1} = Location

X_{i2} = Credit process

X_{i3} = Pricing X_{i4} = Customer service ϵ_i = Is the error term β_0 = intercept β_i = Are the unknown parameters (regression coefficients).

The model helped in determining if there is a relationship between customer retention strategy and performance of commercial banks in Kenya.

Correlation analysis is a statistical technique which is used to determine the strength of relationship between two variables.

This relationship can be linear or inverse. A numerical measure of this relationship is called Pearson's correlation coefficient (r):

The strength of relation is quantified as;

$r = 1$; shows a direct linear relation between variables $r = 0$; shows that there is no relationship between variable $r = -1$; shows a direct inverse relationship between variables. r

> 0 ; shows some direct linear relationship between variables $r < 0$; shows some inverse relationship between variables

In this research, correlation analysis was used to determine the strength of relation between the performance of MFIs in Cameroon and location, credit process, pricing and customer service.

Chi-square test of independence is a test used to determine whether one variable is independent of the other. It uses contingency tables to evaluate the independence under the null hypothesis of independence between variables.

In this research, chi-square test of independence was used to test the independence between the performance of commercial banks in Kenya and location, credit process, pricing and customer service.

From the results obtained, interpretation and generalization were made and thereafter conclusions were drawn. Qualitative data which involves quality or kind was measured through interviews to understand customers and employee's behaviour. Further the researcher used qualitative to understand how customers and employees feel or what they think about their institutions. Quantitative data was based on measurements or quantity or amount.

CHAPTER FIVE SUMAMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

INTRODUCTION

The previous chapters concentrated on the introductory aspects of the study which dealt into the problem statement, the objective of the study, the significance of the study, the scope of the study, limitations of the study and the presentations of the enterprise. It also reviewed the relevant literature of the study. Furthermore, the methodology and internship activities were also discussed. Finally, the data gathered through the use of questionnaires and interviews were also analysed and discussed which threw more light on the possible solutions to questions raised at the introductory chapter. The focus of this chapter is to summarise the findings analysed from the data gathered through the questionnaires and interviews in chapter four. It also discusses the researcher's recommendations which where the possible solutions to the problems identified and conclusions to the study.

5.1 SUMMARY OF FINDINGS

The success of the customer conquest strategies in MFIs largely depends on the implementation of marketing strategies. Thus, in order for them to achieve a substantial increase in acquisition and retentions of customers, they must be able to implement marketing strategies effectively. The topic seeks to examine the effects of marketing strategies on the acquisition and retentions of customers of UNICS PLC as the case study and this was and this was done through the use of questionnaires that were analysed and interpreted in chapter four. From the result, the following observations were made;

With respect to the specific objective which is to evaluate the role of digital marketing on the sales of Banking products in MFIs, it was found that digital marketing is not effectively implemented in UNICS PLC.

Market segmentation is the process of dividing a total market into market groups consisting of people who have relatively similar products. Therefore, another objective which is to examine the effects of market segmentation on the customer conquests in MFIs, specifically UNICS PLC it has been realised that it is applicable in UNICS PLC.

5.2 CONCLUSION

From the study of effects of customer conquest strategies on the financial performance of MFIs, it can now be concluded that there is indeed a relationship between customer conquest and financial performance.

However, customer conquest has been seen as one of the most important and vital needs of a financial institutions including UNICS PLC. Effective implementation of customer conquest strategy is prerequisite for financial institutions to have a growth and a sustainable financial performance.

The study concluded that each institution that is involved in customer conquest should get involve in better marketing strategies which in return can increase the financial performance of the micro finance. This is an indication that there is a positive relationship between customer conquest and financial performance. An increase in customer conquest strategy of a MFI will lead to an increase in financial performance.

5.3 RECOMMENDATION

Following the findings of this research, the effect of customer conquest strategy on the financial performance of microfinance institutions are related. Therefore, the following recommendations can be made on the part of the microfinance institution.

- Microfinance institutions should practice sound marketing strategy in the organisations. This will go a long way to enhance anything related to marketing and enhance huge profit leading to the growth of the institution.
- The study also recommends that the institution should focus on implementing a strategy that can be easily used by them to reach their customers. UNICS PLC should however focus on customer conquest strategy as one of their main marketing strategy since it is easy in terms of application and less costly but they should not also forget about other marketing strategies such as market segmentation, financial performance which are also effective tools. This is because customers are different and can be attained differently.
- UNICS PLC should also increase her office space and increase her number of effective marketing employees that can use marketing strategy to gain more customer for the microfinance institution.

**THE EFFECTS OF CUSTOMER CONQUEST STRATEGY ON FINANCIAL PERFORMANCE OF
MICROFINANCE INSTITUTIONS CASE OF: UNITY COOPERATIVE SOCIETY**

QUESTIONNAIRE

Section A : Identification of respondents (Demographic questions)

Please tick on only one option

1. Gender

A) Male ☐

B) Female ☐

2. Age

A) 20-30 years ☐

C) 41- 50 years ☐

B) 31-40 years ☐

D) 51 and above

☐

3. Education level

A) Advanced level ☐

C) Degree ☐

B) HND

D) Masters ☐

4. Working experience

A) Less than 1 year ☐

C) Between 3-5

years ☐

B) Between 1-3 Years ☐

D) 5 years and

above ☐

5. Marital status

A) Married ☐

B) Single ☐

Key : Strongly agree “SA”, Agree “A”, Neutral “N”, Disagree “D”, Strongly disagree “SD”.

Section B : Level of customer conquest by UNICS PLC.

N°	STATEMENT	SA	A	N	D	SD
6	The UNICS PLC carries out successive advertisement of their products and services.					
7	The UNICS PLC actively seeks to get information about its customers.					

**THE EFFECTS OF CUSTOMER CONQUEST STRATEGY ON FINANCIAL PERFORMANCE OF
MICROFINANCE INSTITUTIONS CASE OF: UNITY COOPERATIVE SOCIETY**

- 8 UNICS provides a channel for communication with its customers.
- 9 UNICS finds out what customer needs are.
- 10 UNICS contact customers regularly in other to pass out information.

Section D : The level of customer satisfaction with the CCEC microfinance in terms of credibility.

N°	STATEMENT	SA	A	N	D	SD
11	UNICS personnel are friendly.					
12	Personnel serve with smiling face.					
13	Security guards are very welcoming.					
14	Employees do not sound bored in front of customers.					

Section E : To assess customer satisfaction with banks in terms of service charges.

N°	STATEMENT	SA	A	N	D	SD
15	UNICS PLC credit charges (interest to savings) are low.					
16	Debit charges are very expensive.					
17	Loan charges are very expensive.					
18	Mobile banking service are expensive					

Section F : The level of customer satisfaction with security by CCEC microfinance.

N°	STATEMENT	SA	A	N	D	SD
19	I feel safe when using this bank.					
20	Performance of the staff is well and it is impossible					

**THE EFFECTS OF CUSTOMER CONQUEST STRATEGY ON FINANCIAL PERFORMANCE OF
MICROFINANCE INSTITUTIONS CASE OF: UNITY COOPERATIVE SOCIETY**

that I lost my transaction.

- 21 The bank care about success of its customers.
- 22 The bank is concern with the security

Section G : The level of bank confidence to the customers

N°	STATEMENT	SA	A	N	D	SD
23	If banker customer relationship impacts the performance of UNICS microfinance.					
24	If effective banker customer relationship has a role to play in the profitability of UNICS.					
25	If the delinquency to pay back loan affect banker customer relationship.					
26	That natural factors lead to the termination of a banker customer relationship					

REFERENCES

- [1] Adiele, K.C. Revd. J.M. and Didia, J.U.D, (2011). *The Impact of Corporate Citizenship on Business Performance: Marketing Implications for Nigerian Organizations*. Benin Journal of Social Sciences 19(1& 2), Pp 319-330
- [2] Alan Bryman, Emma Bell (2011), *Business Research Methods*. 3rd Edition, Oxford University Press, USA
- [3] Alarcon, M. D. (2008). "Securitization in Microfinance: Creating Saving and Investment Instruments for the Poor." *Microfinance Research Paper. International Development Law Organization*.
- [4] Armendariz de Aghion, B. and Morduch, J. (2007). *The Economics of Microfinance*. London, First MIT Press Paper back Edition.
- [5] Armstrong K.R (2003). *Financial Management*. Fifth Edition. [6] Allan and Baan: Boston United States of America.
- [6] Asiegbu and Awava J. (2002). *Measuring Marketing Performance*. Benin Journal of Social Sciences [7] Atieno, (2001). "Formal and informal institutions' lending policies and access to credit by small-scale enterprises in Kenya: *An empirical Assessment*" *African Economic Research Consortium*, Nairobi, Research Paper 111.
- [8] Awava J. (2002). *An Assessment of the Role of FIs in Development of Small-Scale Business*. McGraw Hill : London.
- [9] Bara V. (2001). *Customer Satisfaction and Delight*. The micro finance banker. Issue 1 vol.4, pp.4
- [10]Beckert, J., & Aspers, P. (2010). *The Worth of Goods: Valuation and Pricing in the Economy*. London : Oxford University Press.
- [11]Brauer, H. (2009). Commercial Banks strategy. *The Real Exchange Rate and Prices of Traded Goods in OECD Countries*, 24-38.
- [12]Cooper and Schindler (2011). *Business Research Methods*. 12th edition. Oxford University Press, USA
- [13]Deborah and Elisabeth Rhyne, eds. (2002). *The Commercialization of Microfinance: Balancing Business and Development*, Bloomfield, Kumerian Press, 22-45

**THE EFFECTS OF CUSTOMER CONQUEST STRATEGY ON FINANCIAL PERFORMANCE OF
MICROFINANCE INSTITUTIONS CASE OF: UNITY COOPERATIVE SOCIETY**

- [14] Flamini, V., & McDonald, C. A. (2009). Macroeconomic Determinants. *The Determinants of Commercial Bank Profitability in Sub-Saharan Africa*, 48-62.
- [15] Gale and Wood. (2003). Microfinance in Africa: Harnessing the Potential of a Continent. Microfinance Insight. An Intellect Publication.
- [16] Gopaal, E.G (2007). Marketing and Business Management. (3rd ed) England: Colleen publishers' ltd.
- [17] Gordon, R. J. (2007). *The Measurement of Durable Goods Prices*. Chicago: University of Chicago Press.
- [18] Kakuru J (2000). Financial Dimensions and the Business (1st ed). Cambridge, UK : Cambridge : University Press.
- [19] Kambugu A M (2002). *Investigating how Organization Culture and Climate Customer Orientation, and Innovation Affect Performance of Service Firms*.
- [20] Kanyiri, F. K. (2009). *Factors That Inhibit Innovation in Financial Intermediaries for SMEs in Kenya: A Case Study of the Perspectives of Entrepreneurial Members of SACCOs in Nairobi City*. Unpublished MA Thesis. Nairobi : USIU.
- [21] Kelvin, P. (2006). Marketing Management-An Asian Perspective. Singapore : Prentice Hall, Inc.
- [22] Kothari, C.R. (2005). Research Methodology: Methods and Techniques. New Delhi New Age International (P) Limited Publishers,
- [23] Kotler, P. and Gray, A. (2010). Principles of marketing. (8th ed) New Jersey: prentice Hall incl.
- [24] Martin, et al., (2010). "Cultivating Client Loyalty". - The Micro banking Bulletin, Washington, D.C.; Issue no. 6, pp. 20-24
- [25] Mlachila, M. (2010). Business Environment. *Financial Reforms and Interest Rate Spreads in the Commercial Banking System in Kenya*, 21-35.
- [26] Mugenda, O.M. and Mugenda, A.G. (2003). Research Methods: Quantitative and Qualitative Research: Nairobi; Acts Press
- [27] Mukweli, J. (2001). Business administration and Management (2nd ed). London : Gee and Company Publishers.
- [28] Ngahu, C. (2001). *Customer Care and Delight*. The profoto Magazine vol. 5 no 2. pp. 14-16

- [29] Ok, Ortol-eva and Riella (2011). *“Examining Client Exit in Microfinance: Theoretical and Empirical perspectives”*. PhD Dissertation, The Ohio State University.
- [30] Ongena, S., and Smith, D.C. (2001). *“The Duration of Bank Relationships”*. *Journal of Financial Economics* 61 449-475.
- [31] Orodho, Kombo D K and Tromp D L A (2006). Proposal Writing Thesis proposal: An Introduction Paulines Publications
- [32] Orodho, A. J. (2003). *Essentials of Educational and Social Sciences Research Method*. Masola Publishers, Nairobi.
- [33] Pagura, M. (2004). *“Client Exit in Microfinance: A conceptual Framework with Empirical Results from Mali”*. CSAE Conference: Growth, Human Capital, and Poverty Reduction in Africa.
- [34] Patton.M. (2002), *Qualitative Research and Evaluation Methods*. 3rd edition, Sage Publication
- [35] Piccoli & Ives, 2005. *Financial Institutions Markets and Management*. Revised Edition McGraw Hill Publications France.
- [36] Reichel & Ramey (2007). *Research Report Writing (A contemporary Approach for beginners)* Koran page limited

**THE EFFECTS OF CUSTOMER CONQUEST STRATEGY ON FINANCIAL PERFORMANCE OF
MICROFINANCE INSTITUTIONS CASE OF: UNITY COOPERATIVE SOCIETY**
