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A CROSS-CULTURAL STUDY OF COUNTRY AND BANK SELECTION BY ASIAN INTERNATIONAL STUDENTS: A NEW ZEALAND PERSPECTIVE

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ABSTRACT

Internationalisation of education and increasing wealth among a growing middle class population in North Asia are two reasons for a growing number of students travelling overseas for their tertiary education. New Zealand is a popular destination-of-choice, where income derived from international education exceeds NZ\$2bn annually.

Ownership of a New Zealand bank account is a mandatory requirement for international students. This thesis assumes there is a service gap in banks' value proposition to international tertiary students as a result of differences in retail patronage expectations. Bank selection is the domain focus of this research, which examines the questions of "when do students consider bank selection questions when travelling overseas for their tertiary education?" and "what are the influencing factors behind bank selection?". The research demographic comprised students from South Korea, India, and the Greater China countries of China, Taiwan and Hong Kong.

Prior research on bank selection is examined. Overall, the review identified limited research on the consumer segment, and on Asian international students in particular. Consequently, there is an identifiable gap between academic research and bank practice.

A qualitative approach using focus groups helped identify topics and vocabulary appropriate to the research. Findings from the focus group discussions led to the development of an online questionnaire which was eventually completed by 582 international tertiary students currently studying in New Zealand.

While findings showed that the majority of international students are satisfied with their main bank relationships, services offered by New Zealand banks do not fully address what international students want from their banking relationship. Further, convenience, low service fees and the adoption of mobile banking applications are three factors that appeal to the research demographic, and findings also call for banking officers to be familiar with Asian cultural nuances, where cultural familiarity has precedence over Asian language proficiency.

The implications for university international student recruiters and bank marketers include familiarity with when international students decide to travel overseas for their tertiary education and the influencing reasons why they choose to study in New Zealand; when and how Asian international students identify bank relationships in New Zealand; and, recognising the critical success factors to developing deep and meaningful relationships with the Asian international tertiary student segment.

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