

**Demand Deposits Mobilisation in Savings and Credit Co-operative Societies
(SACCOs) in Kilimanjaro
The Case of Moshi District**

By

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The objective of the study was to examine the extent to which member-based microfinance institutions namely SACCOs mobilize demand deposits from their members in Moshi district, Kilimanjaro region. A sample of 60 respondents from 3 SACCOs was used and it constituted employees, members and board members. Data were collected through questionnaires and documentary review methods. Descriptive statistics were used in the data analysis. The study revealed that SACCOs provide demand deposits services to their members who use it for different purposes, however the amount deposited is relatively low. In both rural and urban areas, SACCOs face competition from banks which provide more convenient services. It was also found that training and participation in social events are the only techniques used to mobilize demand deposits. Furthermore, SACCOs members expressed mistrust to their institution and staff. SACCOs staffs were found to have loss work morale and lack motivation to mobilize demand deposits. Successful mobilization of demand deposits in SACCOs can be attained by involving members, employees and management and utilizing social and resource mobilization techniques that can change their attitude. It is recommended that SACCOs should employ competent staff and provide them with attractive incentives, allocate education fund to provide training; use of current technology in service provision, use participatory mobilization techniques and cooperative department should be strengthened so that demand deposit can be mobilized.