Near East University

NEAR EAST UNIVERSITY

FACULTY OF ECONOMICS AND ADMINISTRATIVE SCIENCES

DEPARTMENT OF BANKING AND FINANCE

BANK 410

SEMINAR IN BANKING AND FINANCE

GRADUATION PROJECT

"BANK SELECTION CRITERIA AMONG STUDENTS IN NORTHERN CYPRUS"

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ACKNOWLEDGEMENT

I am grateful to the lecturers at Near East University, the Faculty of Economics and Administrative Sciences, the Department of Banking and Finance, and I am so grateful to my thesis advisor Dr. Berna Serener for her close interest and support during the preparation of this undergraduate thesis.

I also want to tender my thanks to my distinguished thesis jury members, Dr. Nil Günsel, Assoc. Prof. Dr Okan Şafaklı, and. Dr. Turgut Türksoy.

ABSTRACT

The purpose of this research is to find the use of bank selection among student in TRNC (Turkish Republic of Northern Cyprus).

The purposes of this research are; To find the factors that effect the selection of bank, To evaluate need for bank.

Participants in this survey are of 200 people and they complete a questionnaire consisting of various questions on student's bank selection criteria. This study was done in Near East University, Eastern Mediterian University, Girne American University, European Union of Lefke University and Cyprus International University.

The findings shows that the factors determining student's bank selection are ; 'People/media influences, appearances and technology', 'Convenience', 'Services provision', 'Efficiency/confidentiality', 'Speed of services provided', 'Financial benefits', 'Secure feeling', 'Convenience of ATMs', 'Reputation/personnel competency'.

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SECTION 1

INTRODUCTION

1.1. Aim of this study

The main aim of this study is to reveal the students attitudes towards banks. Besides the study also focuses on the factors that affect collage students bank decisions and the importance of these factors in their overall bank choice.

1.2. Broad Problem Area

They can't decide themselves as their family has already chosen a bank. They had to follow their parent's banking decisions and they choose the bank according to what they hear from others. They don't know what they will gain with the help of the bank. They choose the bank without thinking without comparing.

1.3. Methodology

In this study I use the factor analyses. Factor analysis is a data reduction technique which reduces a large number of variables to a smaller set of underlying factors that summarize the essential information contained in the variables and in order to reach these results we used the program of SPSS.

1.4. Structure of Study

In this project, I would like to explain the factors which affect the student's bank selection criteria. In section one, I wrote an introduction and I showed the aim of the project and I stated the broad problem area in banking sector. In the section two, I gave some information about old studies and literature of the review. In third section, I mentioned the methodology, description of the sample, figures, and group statistics with the program of spss, factor analysis, study findings, conclusion, and recommendations.

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SECTION 2

LITERATURE REVIEW 2.1.1.) BARBARA R. LEWIS (2001)

The purpose is to find out if student account is a profitable segment. In the early 1970s the UK clearing banks identified a specific, and narrowly defined, market segment of particular interest, namely school-leavers progressing to university and college. The banks believed that it might well be in their best interest to attract these young people to open accounts as they started college (almost all receive grants, paid by cherub, and so "need" a bank account) in the anticipation that they would remain, after graduation, with the bank at which they opened their account and be profitable, in the long term, to that bank. Their major aims are to educate school-leavers/students with regard to the services of a bank, to promote a student oriented image, to obtain as many new student accounts as possible to maintain/increase their share of the student market, and to retain the accounts when the students graduate and move in to full-time employment.

The size of the school-leaving population has been increasing steadily into and during the 1970s, as has the number of school-children entering full-time further education, with the proportion of school-leavers entering full-time further education remaining constant at around 21-22 per cent. Marketing effort and expenditure among the banks has continued to rise, with a growing emphasis on activities designed to attract and obtain accounts from students in the period immediately before they arrive at college. A typical campaign may start in the spring with direct mail shots to school-children, followed by press, television and radio advertising, and in turn by promotion on college sites. An important element of contact with potential college students are the schemes whereby local bank branch managers or other officers are invited, or invite themselves, to schools to talk about money and banking and to familiarize children with banks and introduce student materials. Successful marketing plans contain, as one would expect, an element of evaluation and the banks have measured the impact of their student campaigns through market share data and by engaging in evaluate market research or consumer analysis some of which has been carried out by commercial research organizations and some by university departments. Those with no bank account at all were mainly living at their parental home, with little financial independence although a number had National Savings or Building Society accounts. The opening of a bank account, for these students, would seem to be associated with moving away from parents and home life only then would they appear to need to become financially independent in terms if having a current bank

account. Evidence showed that a substantial proportion of students opened their bank accounts before starting college and therefore, not surprisingly, that the majority of current accounts (59 per cent) were opened at banks (branches) "near to home" rather than college although this included some students whose parental home was near college. As a consequence of those students who opened accounts "at home", 33 per cent had made a withdrawal arrangement at a branch near college/flat, 28 per cent hard obtained a cherub card for ease of withdrawal, and 15 per cent had actually transferred their account to a college branch primarily for longer standing accounts. Parental advice and influence, and convenience of location, can be seem to be the predominant factors having a bearing on these students' choice of bank. Further analysis showed that parental influence was named more often by students who opened their accounts before going to college, and that vocational factors were specified more frequently by those who opened their bank accounts after arriving at college. It had been anticipated that parents would be of influence in a student's choice of bank and so these findings are not surprising. Further, they are consistent with those from an earlier, unpublished UMIST survey among 1000 students, which showed that 48 per cent chose a bank because their parents banked there; eighty-four per cent of respondents were aware of the free gifts offered by the banks to new student account holders and 38 per cent said they were influenced, to a varying extend, by them with significant difference between banks.

Finally, in their selection of bank, the students did not attach much importance to advertising. Nevertheless, they had been aware of bank advertising from a variety of sources prior to opening their accounts, and a number had received mail shots sent by banks to their home (19 per cent) or via their college (9 per cent) or birthday greetings (10 per cent), as part of the banks' promotional strategy.

2.1.2.) CAROLY KENNINGTON&JEANNE HILL ANNA RAKOWSKA (1996)

The purpose of this report is to compare findings about consumer banking habits in Poland in other countries to determine whether bankers need to adopt different strategies in the relatively new free-market economies. First, presents an overview of the evolution of the Polish Banking system since the restructuring of the National Bank of Poland in 1987 and the resulting intensively competitive environment for new banks. Second, reports on the reasons why Poles have chosen specific banks. Finds that in Poland, as in other countries, the most important variables influencing customer choice are reputation, price and service, but with certain variations related to the Polish context. Until 1987, there were only two banks in Poland, the National Bank of Poland (NBP), which played the role of state banker and financier to industry, and the PKO SA, which provided bookkeeping, limited transaction services and access to foreign currency for consumers. There were also hundreds of small, local co-operative banks, mostly serving the agricultural sector. Over the two years until 1989, ten more large commercial banks were created from the customers, buildings, staff, systems, capital and even bad debts of the NBP. Since then, Restructuring has changed the legal status of these banks to joint stock companies, and three have been partially privatized. More banks have also been created by individuals, government agencies and specific industries. While much effort is put into building commercial and industrial business, banks are now paying more attention to consumers as well.

The challenges facing the bankers now are in some way inherent to the Polish context but do have wider parallels. Overall, Poles are highly educated and technologically sophisticated and thus should not be slow to adopt free-market attitudes. Strategies which succeed in such a highly competitive situation could certainly be of benefit to western bankers fighting their own battles in increasingly competitive environments. Western bankers too, have for some time been trying to respond to increased competitive pressures brought about by increased customer and technological sophistication, deregulation, changes in distribution patterns and increased numbers and types of competitors. At their disposal as marketing tools are the seven PHS of service marketing: people (providing service), physical evidence (ambience) and process (transactions) and

Traditional product, price, place (distribution) and promotion variables of the marketing mix. If segmentation is a key and the "best" segmentation variable is benefit sought, what is it that consumers are looking for in banks? A number of researchers in the USA, UK and other countries have examined the criteria by Which consumers select banks? In the USA, Boyd *et al.* (1994) asked respondents to rank the criteria which they perceived to be most important in the selection of a financial institution. Overall, the five most important criteria identified were reputation, interest on savings accounts, interest charged on loans (the latter two "price" considerations for the marketing mix), and quick service and location in the city. The relative importance of selection criteria varied between groups of respondents, except that reputation was selected by all household categories except divorced people. The current study, conducted in the autumn of 1994 in a medium-sized city in south eastern Poland, attempts, among other things, to quantify the selection criteria used by Polish consumers in choosing banks. The sample was selected to be representative of the working proportion of Polish consumers. Questionnaires were completed at home or at work and responses were collected by Polish researchers who waited while the questionnaires were completed, thus generating a high response rate (214 of 250). Of these, there were 204 usable questionnaires. Translation of the responses was carried out by a member of research team.

The sample of 204, which approximates the Polish working population, was roughly split between genders. Three-quarters of the sample were married or living as married, and the average age was 39. It is interesting to note that almost one-fifth of the respondents do not use the services of banks at all. Over half of these said they did not have enough money to need to use banks; another 29 per cent felt they had no need for a bank's services. Of those who do use banks, 56 per cent use one bank only. Of bank users 45 per cent use one service only and another 33 per cent use two or three services. It appears that Poles are not yet heavy users of banking products and services, and cross-tabulations indicate that light users are relatively loyal to their chosen bank. By contrast, of those who hold more than two accounts, 68 per cent use more than one bank. The majority of the accounts/services used were fixed-term deposits (both zloty and foreign currency). Large numbers of the respondents also had ROR (direct payroll deposit with interest and withdrawal privileges), loans and stock/share accounts, while some (under 10 per cent) used standing orders, credits or installments (hire purchase agreements administered through the banks).

2.1.3) KASHI KHAZEH&WAYNE H. DECKER (1992-1993)

The purpose of this study is to find out "HOW CUSTOMERS CHOOSE BANKS". To obtain information about the determinants of consumers' bank selection decisions, a survey was sent to 1,198 business school alumni of Salisbury State University in Maryland. One section of the questionnaire included 22 characteristics which the respondents reacted to in terms of their importance in choosing a bank. The possible responses were on a scale of 5(extremely important) to 1(not important at all).An answer of 3 indicated that the particular factor was moderately important. A second section of the questionnaire asked the respondents to indicate how different or similar they believe the banks in their area are with respect to each of the characteristics. The possible responses in this section ranged from 4(very different) to 1(very similar)

Assuming that the true underlying determinants of consumers' bank selection decisions are functions of both their importance and the perceived degree of dissimilarity among institutions, for each respondent, the score (rating) for importance was multiplied by the score (rating) for dissimilarity. This product of the scores is viewed as a measure of how important each factor is in the bank selection process. A third part of the questionnaire obtained demographic information about the respondents. Of the 209 persons who responded, 131 were males and 78 were females. Ninety-one were between the ages of 20 and 29,101 were 30 to 39,16 were in their 40s, and only one was over 50. One hundred sixty-six reported having a family income above \$30,000 annually,131 had a family income above \$40,000,and 90 of the respondents reported a family income exceeding \$50,000. Sixty-three respondents reported a family size of one, 65 had a family of two, and 79 indicated a family of three or more. (Two did not respond to the family size question.)One hundred sixty respondents said they owned a home. Overall, the highest-ranking determinant attributes were: (1) service charges, (2) the reputation of the bank, (3) the interest rates on loans, (4) the time required for loan approval, and (5) having friendly tellers. These are among the most important factors affecting bank selection decisions and should be emphasized by individual banks seeking a competitive edge in today's hypercompetitive environment. The lowest-ranking determinant attributes were: (22) effective advertising, (21) the availability of direct deposit, (20) the existence of drive-in windows, (19) the availability of financial advice and (18) having federally insured deposits. These latter factors seem to play a relatively minor role in the bank selection process.

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In summary, in today's competitive banking environment, successful depository institutions must have an edge on the competition. To find this edge, many institutions have redoubled their marketing efforts. However, these efforts will be in vain if they do not focus on the true determinants of consumers' bank selection decisions. These determinants are likely to be a function of both the importance of the factor and perceived differences in how banks in a given region perform with respect to the factor. As shown in this study , important information about the true determinant attributes of consumers' bank selection decisions can be found by combining ratings(scores) for importance and dissimilarity. Using this approach, our own results indicate that banks' efforts to attract(or retain) customers should focus on the issues of service charges, bank reputation, the interest rates on loans, a speedy loan approval process, and friendly tellers. As described in the previous section, the data can even be broken down demographically to better focus on a particular target market.

2.2 Table of factors abaut studies of Sudin, Norafitah and Planisek (1994) and Gerrard, Cunningham (1997).

2.1.4) MOHAMMED ALMOSSAWI (2001)

The purpose is to examine the bank selection criteria being employed by college students in Bahrain. A total of 1,000 students aged 19-24 (45 per cent male and 55 per cent female) of the University of Bahrain served as a sample for the study. Our examination relied on 30 selection factors extracted from relevant literature, personal experience and interviews with some bank officials and college students. Findings reveal that the chief factors determining college student's bank selection are: Bank's reputation availability of parking space near the bank, friendliness of bank personnel, and availability and location of automated teller machines (ATM). Findings suggest that it maybe necessary to deal with main and female students as distinctive segments with different priorities in their bank selection process.

This article focuses on studying the bank selection criteria being employed by crucial segments of (i.e. college students) of potential young customers (aged 19-24) in Bahrain. Thus, for the purposes of the study the term "young customers "refers primarily to college students. First young customers in general (aged 15-29) constitute a sizeable market segment of 15.5 per cent of Bahrain's total population, and 17 per cent of Gulf population (WPP, 1995). Second, due to the prosperity of the Gulf region, young people tend to be good savers (GMR, 1997). Third, thus who are still studying and do not yet have bank accounts, will have one when they complete their education and start working because almost all companies in Bahrain pay salaries directly through employees' bank accounts. In a study conducted in USA, analyzed the data and found that 6 factors influence bank attractiveness to customers: full service bank, customer orientation, a pleasant banking experience, convenience of time, shopping accessibility, and personal influence. A surveyed sample of 250 "newcomers" to a community in the USA to find out when and why they chose a particular bank. Like many previous studies, convenience of location appears to be the most influential factor for bank selection by new commers. Other determinant factors were reported to be influence of friends, low service charges, availability of automated teller machines (ATM), and employer uses the same bank. The findings reveal that for Bahraini young people, the five most influential factors for bank selection were:

1. convenient ATM locations;

2. availability of ATM in several locations;

2.1.5.) MOSAD ZINELDIN (March 1996)

The purpose of the article is to highlight the importance of effective market positioning and to examine the concept of bank positioning and different approaches that a bank can use to occupy a competitive position in the competitive marketplace. Every bank has to consider how to build and protect its competitive position. They are forced to find a new basis for competition. A bank must examine its opportunities and take a position in the marketplace. Positioning is an attempt to distinguish the bank from its competitors along real dimensions in order to be the most preferred bank for a certain market segment. Consequently, strategic positioning has become increasingly relevant and important for the banking industry. Attention has been focused on the strategies and approaches that a bank can use in positioning itself in the competitive marketplace (e.g. institutional, product/service, delivery system, and segment positioning). The study also reviews different variables and bases for bank positioning in the retail and corporate markets.

This paper suggests that using only one or two approaches is often insufficient to occupy a competitive position in the competitive marketplace. Thus, there is no substitute for using a combination or integration of several approaches, bases, and indicators at the same time. A well integrated application of technology and staff encourage customers to use a whole range of banking products/services rather than just a few. It also helps to build loyalties by creating deeper and fuller customer relationship. Because positioning is significant to customers in that it provides a basis for comparing alternative choices in the marketplace, the present study surveyed how a bank has been selected and perceived from the point of view of its customers in relation to its competitors in that marketplace. Our analysis produced five dimensions by which customers evaluate and perceive the attributes of their banks, i.e. service quality, credit availability and price competition, delivery system, promotion, reputation and differentiation. From the bank customers' point of view, factors relating to functional quality such as friendliness and helpfulness of personnel, accuracy in account transaction management, efficiency in correcting mistakes, and speed of service and decision making clearly emerged as the most important determinants of bank selection. However, the results imply that functional quality is more important than traditional marketing activities. Convenience of location, price and advertising had a minor effect in a bank selection. As also expected, price competitiveness was shown as even less important as for example speed of service and decision making. However, designing a high quality and effective delivery system mix could have a major short and long-term impact on banks' competitive positions. The results also indicate that the performance of contact personnel, word-of-mouth, and the technological based services may compensate for an overall lower score of factors such as full service provider.

Finally, the results of this analysis can be used as a message from the customers to the banks. The message is short and clear. Be reliable, reassuring and responsive. A survey of customers' perceptions of the competing banks and their attributes is essential in providing the bank manager with a visual representation of the customers' view on the bank's attributes and position in the Market place.

2.1.6.) NANA OWUSU-FRIMPONG (1999)

The purpose is to find out the characteristics looked for when Ghanaian bank customers open a bank account. The phenomenal acceleration of changes in the nature of financial institutions over the last two decades in Africa has created unparalleled challenges for more effective marketing management of the financial services on offer. The changes in financial services have been brought about to a greater or lesser degree by the growing financial sophistication of customers, the greater and more efficient use of information technology, and the entry of new aggressive competitors in the marketplace. In response to these and other challenges confronting the financial services industry, the Ghanaian banking environment has undergone major changes over the last decade. For example, high costs, squeezed profit margins, volatility in the domestic economies and the establishment of stock exchange have all forced Ghanaian banks to consider consumer needs and wants. It has been suggested that in the developing countries, only those commercial banks that are best able to apply effective consumer oriented marketing management capabilities will grow and prosper. However, in order to adopt such an approach, an understanding of consumers and their needs is essential; furthermore, a developing country cannot simply assume that customers needs will be the same as those for a developed country. Many writers assert that understanding and adapting to customer motivation and behavior is not an option but an absolute necessity for competitive survival. Ghana lies on the West African coast and has a population of over 18 million. In an effort to ensure systematic development of the banking system, the Central Bank (Bank of Ghana), in addition to its traditional functions (i.e. formulation of monetary policy), also has the responsibility of ensuring that banking is responsive to the needs of the public

These characteristics can be divided into external factors, internal factors and the buying process. External factors arise from culture and context which include social class, reference groups, family, roles and status. Internal factors arise from internal attributes of individuals and have been identified as motives, attitudes, learned behavior, economic standing and perceptions. The consumer buying process is typically defined as a series of stages the customer goes through when contemplating the purchase of financial services. In order to obtain essential information and organize the undertaking, the researcher conducted an informal telephone interview with six senior bank managers in Ghana and the Ghana

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International Bank in London. This method offered advantages of allowing a wide scope of information to be gathered and to help construct the final form of questionnaire. A questionnaire that serves as a data instrument was developed and tested to make sure questions were fully understood by respondents. The questionnaire consists of three parts: the first part dealt with the demographic traits of customers (gender, age and occupation), the second part focused on the characteristic of banks in Ghana and the third part considered information sources and choice criteria.

The first part of the analysis focuses on demographic and socio-economic traits of customers, the second part covers their banking habits and the bank's image and the third part deals with how respondents learn about the various banks available. Two factors that could explain such a pattern is the high degree of illiteracy and petty trading among the female population which may imply a lack of immediate banking need or a lack of awareness of what the banking system might offer. In deciding which bank will suit, the customer decides on values, beliefs, needs, his own knowledge and past experience of banks. Respondents were asked to rank factors that they consider most important

When making a decision to open an account with a bank. To evaluate further the attitudes of customers towards the banks, respondents were asked to rank the most important attributes which determine the reputation and image of the banks they use. Importantly, corporate image describes the picture an organization presents to the public. A good corporate image is important in creating confidence in the product or service associated with it. It helps assure acceptance of a product or service in advance and can help a community understand the organization's philosophy, aims and values.

2.1.7.) PHILIP GERRARD&J.BARTON CUNNINGHAM (1997)

The purpose is to analyze the factors of bank selection of Muslims and non-Muslims. Two groups have different attitudes towards the Islamic banking movement, with the degree of difference depending on the nature of the respective matter put to them. For example, when asked what they would do if an Islamic bank did not make sufficient profits to make a distribution in any one year, 62.1 per cent of Muslims said they would keep their deposit within the Islamic banking movement, while 66.5 per cent of non-Muslims said they would withdraw their deposits. In relation to bank selection criteria, there was general accord as between Muslims and non-Muslims on the rating of the various criteria. Five significant differences were noted, the most relating to "being paid higher interest on savings". The desire to be paid higher interest was far stronger with non-Muslims.

The Qumran (Koran), the Muslims' Holy Book, explicitly deals with economic-related matters and how they apply in Islam. The Shari's prohibits what is called "Reba" (i.e. payment over and above what has been lent – which causes the payment of interest or usury to be a wrong). What the Shari's does not prohibit is profit acquired from a trading activity, the reasoning behind this positive stance being that there is a risk of loss involved in any trading activity. With Reba, in theory, there is no risk of loss. Because of Reba, Islamic banks have had to develop financial products which are not in conflict with the Shari's. This has resulted in traditional deposit and lending products, which are made available by what can be called "conventional" banks, being restyled so as to satisfy the Shari's. For, with some statements (e.g. see their "questions" 3, 5, 7, and 9), respondents were asked to answer by stating "yes" or "no" to each of the four prompts, these being I: "strongly agree", "agree", "disagree" and "strongly disagree"). It appears that some who may have said "no" to the "strongly agreed" prompt may have also have said "no" to the "strongly disagreed" prompt. Irrespective of this observation, the authors interpreted their results and, in so doing, made the following general comments: religious motivation did not appear to play a primary role in bank selection.

The respondents had to satisfy the researcher's criteria that they should maintain a relationship with either a conventional bank or an Islamic bank (i.e. they must not have had a relationship with both types of bank). The researchers' questionnaire contained 20 bank selection criteria. For those who patronized Islamic banks alone, the three most important

bank selection criteria were: "the provision of a fast and efficient service", "the bank's reputation and image" and "confidentiality of the bank". The same three factors were of greatest importance to those who patronized conventional banks alone, but in a different sequence, the sequence being: "confidentiality of the bank", "the bank's reputation and image" and "the provision of a fast and efficient service".

In line with the analytical style used by Sushi *et al.* (1994), separate factor analyses, with Varian rotation, were conducted for both Muslims and non-Muslims in relation to their responses to the bank selection statements [6]. Factor analysis aims to reduce the number of statements considered by respondents to a more manageable level by bringing together those statements which seem to measure the same "thing". Those statements which are brought together form a factor. In the present study, the objective of doing this was to see if the same number of factors would be created for both the Muslim and non-Muslim respondents; and to see if the statements within the factors for the two groups were the same.

2.1.8.) SUDIN HARON& NORAFIFAH AHMAD & SANDRA L. PLANISEK (1994)

The purpose of this study is to find out if being Muslim or not Muslim effects in Malaysia. Indeed, the fiercer level of competition is not only faced by the banking industry in Malaysia, but also it is becoming the most influential factor in the structure and activities of the banking system around the globe. In the UK, for example, increasing competition has pushed British banks into much greater customer-oriented and competitive behavior. In other countries, the industry has been transformed from its traditional staid image to that of a vibrant and dynamic environment (Turnbull and Gibbs, 1989). Malaysian commercial banks face even more challenges than most with other financial institutions. Not only have they to compete among themselves and other institutions within and outside the banking system, but also they have to compete with the new competitors which offer similar services but are based on Islamic principles. The first Malaysian Bread (BIMB).

The Islamic principles which govern the operations of Islamic banks are also known as *Sarah* principles. Owing to the highly competitive environment, it is essential for both the bankers of commercial and Islamic banks to obtain information concerning customers' patronage factors towards a specific financial institution. The bankers must also know the degree to which various product or service characteristics are important and how these factors influence customers' choice of their banker. Various empirical research using different methodologies and approaches has been applied in various parts of the world to examine the criteria which motivate clients in selecting their bank. Anderson *et al.* (1976) used "determinant attribute analysis" in a survey in the USA and stratified their samples according to convenience and services. Based on 15 selection criteria, convenience customers selected "recommendation by friends" as the most important factor, followed by "location", "reputation", "service charges" and "friendliness of bank staff". The service customers ranked "availability of credit" as the most important factor, followed by "reputation", "recommendation by friends", "friendliness of staff" and "interest charged on loans".

A sample of 301 Muslim and non-Muslim commercial bank customers in Aloe Sitar, Sunday Pertain, and Kanga towns was surveyed. The population for each town is about 100,000 and half of the population in each town comprises Muslims. The selection of the samples was based on convenience and these customers did not have any banking relationship with the Islamic bank. These towns were chosen because they represented a competitive banking environment compared with other towns in the states (Kemah and Perils). Customers had a wide range of banks and other non-bank financial institutions from which to choose. The data for this study were collected through self-administered questionnaires distributed by student workers. The questionnaire contained three sections: the first section was designed to gather information about the sample's personal, demographic and economic characteristics. In the second section of the questionnaire, the respondents were asked to indicate, on a fivepoint Liker-type scale, ranging from "very important" to "not important at all", how they viewed a series of factors in selecting a commercial bank. The final section of the questionnaire was designed to generate data concerning the usefulness of products or services offered by the commercial banks for their customers. The perceived level of usefulness of these products or services was also measured on a five-point Liker scale. The scale ranged from "used all the time" to "never being used". Data analysis included both university and multivariate statistics. University techniques were used to identify the overall attitudes of bank customers towards commercial banks and the usefulness of bank services. The primary tool of multivariate statistics was a principal component analysis with Varimax rotation used to cluster bank selection criteria. Except for a few differences in terms of order of importance, both the Muslims and non-Muslims valued the same traits when selecting their banks. The most important factor considered by Muslims when selecting their financial institutions is "fast and efficient service" and this factor was ranked second by non-Muslims. "Friendliness of bank personnel", considered as the most important factor by non-Muslims, is ranked third by Muslim customers. Non-Muslims considered "reputation and image of bank" and "reception received at the bank" as third and sixth important factors respectively, but Muslims ranked these factors as seventh and fourteenth, respectively.

21.9.) WILLIAM L. BOYD&MYRON LEONARD & CHARLES WHITE (1994) 7988 - LEFTS

The purpose of this study is to find out customer preferences for financial services. In E USA, banking is divided into two major categories depending on the charter. Banks receive their charter from the federal government through the Federal Reserve System, or from the state in which they do business. Most large, multi-location banks choose the federal charter owing to easier growth, expansion and the ability to cross state boundaries. With could change and more sophisticated customers, it has become very important that financial estitutions determine the factors which are pertinent to the customers' selection process. with the advent of interstate and international banking, the trend towards larger bank holding companies, and innovations in the marketplace, the customers have greater and greater Efficulty determining one institution from another. Therefore the current problem for the Francial services industry is to the authors gratefully acknowledges the editor for his helpful comments. Determine the basis on which customers, both depositors and borrowers; make their selection process for financial services. With the need to differentiate in mind, the research on which this study is based was undertaken to: Determine the relative strengths of factors used in this selection process, and identify the orientation of potential customers relative to those factors and corresponding behavioral and demographic characteristics.

Using a telephone survey, ten selection criteria were provided relative to various demographic characteristics of 188 randomly selected households in a medium-sized southeastern city of the USA. Characteristics included, marital status, size of household, age of children, occupation of head of household, household income, age and gender of household bead. In an article appearing in the *Journal of Marketing*, a study was undertaken in which the service-oriented and the convenience-oriented elements of banks' marketing programmers are examined and ranked by a sample of customers and non-customers. A list of over 50 bank selection elements was developed and submitted to the sample members. A ranking procedure was performed and the top ten of those criteria are those used in this present study (Anderson *et al.*, 1976). The customer demographic and socioeconomic characteristics chosen for this study were slight revisions of those criteria found to be statistically significant in an earlier study. "Household" was substituted for "family" and "household size", "age of children", "occupation", and

Age of household head" was derived from "the family life cycle" data. Gender was included because women seemed to be having greater impact on bank selection

Decisions as they achieved greater social liberation (Anderson *et al.*, 1976). In our study, the econdents were asked to rank, from the selected list of ten criteria, the five they perceived as important for selecting a financial institution, with one being the most important and being the least important of those chosen. Those with children in the 13-19 age group inted low interest loans, but to a lesser extent than those with younger children. They did, ever, attach a greater importance to location in the city. Those with children over 35 also inced an emphasis on savings account interest along with friendliness of employees, and of operation. While those with young children were interested in borrowing and prompt wice for their fast paced families, older households with adult children were searching more convenience and greater returns on their savings.

The results of the study reveal that some criteria are viewed as having more moortance than other criteria. This is especially true of reputation, interest charged on loans, interest on savings accounts. Much less importance was attached to friendliness of employees, modern facilities, and drive-in service. However, the strength of the study lies in is breakdown of the criteria by market segments. A financial institution may cater to a single market segment, such as upper-income households. More likely, a financial institution will serve multiple market segments, such as the preceding households plus young single people, newly married couples, etc. Financial institutions can use the information provided in the study to achieve a better understanding of their customers' selection process and to develop programmers or carve out niches for specific market segments. For example, married customers view interest on savings accounts as a primary reason to select a financial institution, while single customers place greater emphasis on friendliness of employees. Therefore, the selection of single or married people as the primary focus will automatically determine the service offering and promotional direction. This same process can be used for additional demographic characteristics of the target population. The major limitation of this study is that it is narrow in scope. It should be understood that financial institution selection criteria importance might change from one geographic area to the next based on the demographic characteristics of the populations being studied.

2.2 Table of factors about studies of Mohammed Almossavi (2001)

AUTHOR(S)	WHERE	RESPONDENTS	FACTOR
Mohammed	Bahrain	College University	Factor 1
Almossavi(2001)			-ATM in several
			locations
			-Bank's reputation
			-24 hours ATM
			service
			-Home banking
			Factor 2
			-Convenient ATM
			locations
			-Parking space
			nearby
			-Convenient branch
			locations
			-Area of parking
	· · ·		space
			-Bank opens
			afternoon
			-Several branches
			-Friday banking
			Factor 3
			-Credit cards with no
			annual fees
			-Low service charges
			-Low interest on
			loans
			- High interest for

	saving accounts
	-Ease of obtaining
	loans
	Factor 4
	-Friendliness of bank
	personnel
	-Reception at the
	bank
5321	

SECTION 3

3.1. Data Analysis

3.1.1. Sample

The survey developed by using a randomly selected sample of 200 students. This section includes 7 personal questions. We can see the results of each question in the figures. Figure 1

GENDER	1. 4. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1.
FEMALE 39% MALE 61%	MALE FEMALE
The second secon	

- 61% of participants are male.
- 39% of participants are female.





- 78% of participants are T.R.N.C.
- 22% of participants are TURKEY.

Figure 3



- 60% of participants are secondary school-high school graduates.
- 15% of participants have undergraduate degrees.
- 20% of participants have postgraduate degrees.
- 5% of participants have Ph.Ds.

Figure 4



- 45% of participants are banking in public banks.
- 31% of participants are banking in private banks.
- 24 % of participants have accounts in both public and private banks.

Figure 5



- Majority of the students have A bank account.
- Only 11% the students don't have any bank accounts.



- 42% of students use 1 bank.
- 34% of students use 2 banks.
- 13% of students use 3 banks.
- 11% of students use more than 3 banks.





- 38% of the participants are Near East University students.
- 11% of the participants are Girne American University students.
- 18% of the participants are European Union of Lefke university students.
- 23% of the participants are Eastern Mediterian University students.
- 10% of the participants are Cyprus International University students.

Methodology

beginning I prepare questionnaires for making my factor analysis.
studying old questionnaires, I prepare new questionnaires and I asked questions to identify
onalities of people. The questions are about their gender, nationality, education, bank
etc... When we look the answers the percentage of people who answered the
stionnaires are composed of 61% male and 39% female. The people who answered the
stions composed of Turkey and Turkish Cypriot citizens. The percentage of Turkish
rens is 22%, whiles the percentage of Turkish Cypriot citizens, and is 78%. Proportion of
education status of people is composed of 60% secondary school/high school, 15%
dergraduate, 20% post graduate, and 5% doctorate. The proportion of kind of the bank that
people use is 45% public, 31% private banks and 24% both public and private.

3.2.1. Scale

In this project I use Likert Type scale. Likert Type a five point itemized scale was developed. These five points are; Not important at all, Not important, Neutral, Important, Very important.

3.2.2. Questionnaires

Before starting my project I studied many articles and learned the main points in the articles. Then I chose suitable questions for my project and prepare new questionnaires. These questions help me so much in order to analyze what the people are thinking. (see appendix 5)

3.2.3. Factor Analyses

Factor analysis is used to find factors among observed variables. For explain the factor realysis we use a statistical program which name is SPSS. Factor analysis groups variables with similar characteristics together. With factor analyses I can produce a small number of factors from a large number of variables which is capable of explaining the observed variance in the larger number of variables. The reduced factors can also be used for further analysis.

There are three stages in factor analysis:

- 1. First, a correlation matrix is generated for all the variables. A correlation matrix is a rectangular array of the correlation coefficients of the variables with each other.
- 2. Second, factors are extracted from the correlation matrix based on the correlation coefficients of the variables.
- 3. Third, the factors are rotated in order to maximize the relationship between the variables and some of the factors.

3.3 SPSS Output

KMO and Bartlett's Test

KMO and Bartlett's Test

Table 1

Kaiser-Meyer-Olki	800	
Sampling Adequac	.800	
Bartlett's Test of	2813.83	
Sphericity Square		4
	df	630
	Sig.	.000

SPSS Output shows several very important parts of the output: KMO, Bartlett's test of sphericity. These tables are obtained using the KMO and Bartlett's test of sphericity aWhen we look my projects KMO are equal to 0,800 and it's greater than 0, 5. This shows that project sample size adequate. I want this test to be significant (i.e. Have a significance value less than .05). A significant test tells us that the R-matrix is not an identity matrix; therefore, there are some relationships between the variables I hope to include in the analysis. When we look my projects, Bartlett's test highly significant (p<.000), and therefore factor analysis is appropriate.

Correlation Matrix

SPSS Output shows the R-matrix (or correlation matrix) produced using the Coefficients and Significance levels options in appendix 4. The top half of this table contains the Pearson correlation coefficient between all pairs of questions whereas the bottom half contains the one-tailed significance of these coefficients. A factor analysis we need to have variables that correlate fairly well, but not perfectly. Also, any variables that correlate with no others should be eliminated. Therefore, we can use this correlation matrix to check the pattern of relationships. The easiest way to do this is by scanning the significance values and looking for any variable for which the majority of values are greater than .05. Then scan the correlation coefficients themselves and look for any greater than .9. The determinant is listed at the bottom of the matrix is .000 which is greater than the necessary value of 0. 00001. (Appendix 4).

Scree Plot

By graphing the eigenvalues', the relative importance of each factor becomes apparent. The graph is useful for determinant how many factors to retain. Although scree plots are very eseful, factor selection should not be based on this criterion alone. Kaiser (1960) ecommended retaining all factors with eigenvalues' greater than 1. This criterion is based on be idea that the eigenvalues' represent the amount of variation explained by a factor and that e eigenvalue of 1 represents a substantial amount of variation. In my project it can be seen that the curve begins to flatten at point 9. This means that this project has got 9 components. and factors are divide and separating under these 9 components.

Figure 8



Scree Plot

3.3.4. Summary of the Results

Table 2

	EIGENVALUES	FACTOR	VARIANCE	ALPHA
Deeplo/medie influences	2 712	LUADING	%	0.014
appearances and technology	5.715		10.009	0.814
Familiarity with bank personnel	· · · ·	0.837		
Recommendations of friends and		0.8		
relatives				
External appearance of bank		0.67		-
Phone banking		0.661		
Mass media advertising		0.527		
2 Convenience	2.556		7.304	0.717
Several branches		0.758		
Hours of operation		0.709		
Convenient branch locations		0.58		
Services provision	2 455		7.015	0.702
E se of obtaining credit cards	2.433	0.751	7.015	0.702
inly monthly bank statements to		0.751		
tome		0.08		
internet banking		0.506		
Lefficiency/confidentiality	2.454		7.010	0.749
Need for confidentiality		0.814		
Ease of obtaining a current account		0.74		
Ease of obtaining loans		0.659	•	
Speed of services provided	2.375		6.785	0.700
Duration of wait		0.752		
est and efficient services		0.698		
-dequate number of tellers		0.609		
	2.279		(500	0.(20
Financial benefits	2.278	0 (57	6.508	0.620
interest rates on loons		0.037		
ing higher interest rates on		0.032		
ing account		0.539		
Secure feeling	2 167		6 101	0.583
Francial stability of the bank	<i>4.</i> 107	0.737	0.171	0.005
e of the hank		0.757		
fessionalism of bank personnel		0.010		
		0.500		

0.4753.6	1.064		5.611	0.744
Convenience of ATMs	1.904	0.022	0.011	
revenient ATM locations		0.832		
alability of ATM in several		0.821		
cations				
Reputation/personnel	1.871		5.346	0.489
mpetency			-	
and image of the bank		0.763		
sonnel competency in the bank		0.593		

Overall Alpha=0.894

Table 2 lists the eigenvalues associated with each linear component (factor) before extraction, after extraction and after rotation (Total Variance Explain). Before extraction, SPSS has identified 35 linear components within data set (see section Appendix 1). The eigenvalues associated with each factor represent the variance explained by that particular linear component and SPSS also displays the eigenvalue in terms of the percentage of variance explained (so factor 1 explains 23.150% of total variance). It should be clear that the first few factors explain relatively large amounts of variance whereas subsequent factors explain only small amounts of variance. SPSS extracts all factors with eigenvalues greater than 1, which leaves us with nine factors. These factors directly affect students' bank selection criteria. These factors are; people/media influences, appearances and technology, convenience, services provision, efficiency/confidentiality, speed of services provided, financial benefits, secure feeling, convenience of ATMs and reputation/personnel competency.

The eigenvalue of the first factor is 3.713 and this is highest eigenvalue in this table 2. Other factors have got lower eigenvalues. After rotation, factor 1 accounted for considerably more variance than the remaining eight (10.609% compared to 7.304%, 7.015%, 7.010%, 6.785%, 6.508%, 6.191%, 5.611% and 5.346% respectively).

Lastly I calculate the Reliability Analysis. (appendix 3) I study the properties of measurement scale and the item that make them up. The reliability analysis procedure calculates a number of commonly used measures of scale and also provides information about the relationship between individual items in the scale. Overall index of the repeatability or internal consistency of the scale as a whole and I can identify problem items that should be excluded from the scale.

If my alpha value is less than 0.65, then remove lowest item, in order to increase the Cronbach Alpha. Then run the analysis again.

Lastly I calculate the Alpha and Alpha for each component (Appendix 4). The overall Alpha is 0,894. The overall Alpha is excellent because it's above the 0, 8 and it indicate good reability.

After investigating the result of my factor analyses of my survey that I applied to 200 people and 9 main factors are formed.

3.3.5. FACTORS

FACTOR 1: People/media influences, appearances and technology.

The most important factor considered by the attendants of this survey when selecting bank is People/media influences, appearances and technology. Because its eigenvalue is 3.713. As we see at the table II under factor 1 people affected from, 'familiarity with bank personnel', 'recommendations of friends and relatives', 'external appearance of bank', 'phone banking', 'mass media advertising'. As the factor loading findings, 'familiarity with bank personnel' has the highest factor loading.

Under the factor 1 there are 5 variables:

1) **Familiarity with bank personnel**; First and the most important one is the familiarity with bank personnel. If the personnel of the bank seem friendly, familiar and secure, this makes students to feel more safety and relax.

2) <u>Recommendations of friends and relatives</u>; Most of the students choose a bank that their relatives and friends had already chosen. Because students think, since as their relatives chosen the bank must have a good reputation.

3) **External appearance of bank**; According to my survey, some students think that the external appearance of the bank is important. Because they think visuality attracts people.

4) **Phone banking**; students think that the banks should have the service of telephone banking in order to facilitate the banking applications.

5) <u>Mass media advertising</u>; the banks should promote an advertise in many mediums, because with advertising we can reach so many people and can have so many customers.

FACTOR 2: Convenience

After the second important factor is 'convenience'. When we look at the table II, there are 'several branches', 'hours of operation', and 'convenient branch location'.

Under the factor 2 there are 3 variables:

1) <u>Several branches</u>; as students are living at different parts, banks should have different branches apart from the main office. Because students do not waste their time, by going to the main office.

2) <u>Hours of operation</u>; Banks should provide services all day long. Students are at the school during the day time, and thus they would like to go to banks.

3) <u>Convenient branch locations</u>; bank location must be on the main road or on the crowded places so that people can easily reach the branches.

FACTOR 3: Services provision

After the third one the next important factor is 'service provision'. When we look at the table II, this factor is compared of 'ease of obtaining credit cards', 'mainly monthly bank statements to home', and 'internet banking'.

Under the factor 3 there are 3 variables:

1) <u>Ease of obtaining credit cards</u>; According to my survey, I see that many students find it hard to obtain a credit cards as banks require a cosigner. Many students are using their parents' cards.

2) <u>Mainly monthly bank statements to home</u>; students would like to see a summary of their accounts monthly.

3) <u>Internet banking</u>; Nowadays like many people, students also in need to have the services of internet banking. They want to process their bank transactions, while sitting in their home. But in Cyprus there are few banks that are providing internet banking services and thus, students want many different banks to have this service.

FACTOR 4: Efficiency/confidentiality

Under the factor 4 there are 3 variables:

D<u>Need for confidentiality</u>; students feel that nobody has the right to see their accounts but memselves

Ease of opening a current account; students would like to open bank accounts easily.

3) <u>Ease of obtaining loans</u>; For students it is very difficult to borrow from the bank as they have the difficulty to pay their installments and they do not have any income.

FACTOR 5: Speed of services provided

Under the factor 5 there are 3 variables:

1) **Duration of wait**; if there are many tellers in a bank, the student will not wait for a long time.

2) <u>Fast and efficient services</u>; if tellers are professional and have good relationships with customers, services will be fast and efficient.

3) <u>Adequate number of tellers</u>; the student's will have their work done quickly and easily when there are enough tellers in a bank.

FACTOR 6: Financial benefits

Under the factor 6 there are 3 variables:

1) <u>Low service charges</u>; as for the given service, banks charges fee and students would like to pay low service charges.

2) Low interest rates on loans; the lower the borrowing rates, the happier students are

3) <u>Paying higher interest rates on saving accounts</u>; students would like to receive higher interest rates in the accounts.

FACTOR 7: Secure feeling

Under the factor 7 there are 3 variables:

1) Financial stability of the bank; the bank should keep its financial stability

2) Size of the bank; in general bigger bank, are safer and more solid.

3) <u>Professionalism of bank personnel</u>; professionalism means expert people in a bank. If a man or woman is an expert in his or hers subject, he or she will be beneficial to the bank and students will be happier

FACTOR 8: Convenience of ATMs

Under the factor 8 there are 2 variables:

1) <u>Convenient ATM locations</u>; it is important among students. If they live close to ATM's, they will use ATMs easily.

2) Availability of ATM; the more ATM means, students will have easy access to ATMs.

FACTOR 9: Reputation/personnel competency

Under the factor 9 there are 2 variables:

 <u>Reputation and image of the bank</u>; if tellers give good services and have good relationships, the bank's name will spread to make a good reputation and image banks can do some public relations campaigns and can publish effective advertisings.

2) <u>Personnel competency in the bank</u>; manager must chose efficient, professional tellers.

1. <u>Recommendation of friends and relatives are very important</u>. Students who come from other countries for their educations have to decide which bank to work with. In this case recommendation of friends and relatives become very important because students do not know the market and really care about what people talk about banks. Here I offer the banks to give enough attention to students and develop their services for making their lives easy.

2. <u>External appearance of bank</u> is another very important issue. I suggest banks pay attention to their external appearances to make students think that banks look good to be.

3. <u>Telephone Banking Service</u>, should be provided by all the banks. This is because students have to organize their time according to their lecture schedules and when they do not have enough time to go to a bank to make their work done, phone banking become very important for them. So banks should develop their phone banking services. The time problem can be solved by preparing flexible operation hours or internet banking. So banks should deal with all of these services to increase their target.

4. <u>All universities in T.R.N.C. should have its own bank like N.E.U.</u> students really need a bank in their university campus but this is only possible for students in NEU. So I offer banks to open a branch at the universities or the universities can open their own banks as well to satisfy student financial expectations

5. <u>The number of ATM's in universities should be increased</u> because students have to walk kilometers to find an ATM which is very unfavorable. So banks should increase the number of ATMs at the campus areas.

3.5 CONCLUSION

The most important factors in my survey are 'people/media influences, appearances and technology', 'convenience', 'services provision'. Secure feeling and financial benefits are not very important factors for students.

Most of the students choose a bank that their relatives and friends had already chosen. Because students think, since as their relatives chosen the bank must have a good reputation. So reputation is important for students when selecting banks.

Phone banking is an important factor. Students think that the banks should have the service of telephone banking in order to facilitate the banking applications.

Familiarity with bank personnel is the most important one. If the personnel of the bank seem friendly, familiar and secure, this makes students feel more safety and relax. Because students are new in this country and need people for help to do their business.

Several branches are important for students. As students are living at different parts, banks should have different branches apart from the main office. Because students do not want to waste their time by going to the main office.

Internet banking is another important factor. Nowadays like many people, students also in need to have the services of internet banking. They want to process their bank transactions, while sitting in their home. But in Cyprus there are few banks that are providing internet banking services and thus, students want many different banks to have this service.

APPENDIX 1

Compo	Initial Eigenvolves		Extra	action Sur	ns of	Rotation	n Sums of	f Squared	
nent	Initi	al Eigenv	values	Squ	areu Load	Current	% of		3
		% of	Cumulat		Vorior	cumul		70 UI Varian	Cumulati
	Tetal	v arian		Total	varian		Total	v arrall	VP %
	I otal	ce	ve %	10tal	22.150	70	2 712	10,600	10 600
1	8,102	23,150	23,150	8,102	25,150	23,150	3,113	7 204	17,009
2	2,782	7,947	31,097	2,782	1,941	37,097	2,330	7,504	2/ 020
3	2,240	6,400	57,497	2,240	0,400	37,497	2,455	7,015	24,720
4	1,930	5,514	43,012	1,930	3,314	45,012	2,434	6 7 9 5	28 772
5	1,709	4,882	47,894	1,709	4,882	47,894	2,313	0,700	15 021
6	1,480	4,228	52,122	1,480	4,228	55.070	2,278	6 101	51 401
7	1,313	3,750	55,872	1,313	3,750	50,101	2,10/	5 6 1 1	57 022
8	1,158	3,309	59,181	1,158	3,309	59,181	1,904	5 244	62 270
9	1,119	3,197	62,378	1,119	3,197	02,378	1,8/1	5,540	02,378
10	,986	2,817	65,195						
11	,975	2,785	67,980						
12	,900	2,572	70,551						
13	,818	2,337	72,888				1		
14	,774	2,211	75,099						
15	,753	2,151	77,250						
16	,695	1,985	79,235						
17	,663	1,895	81,130						
18	,625	1,785	82,915			1			
19	,565	1,615	84,530						
20	,536	1,531	86,061						
21	,491	1,404	87,465						
22	,476	1,360	88,825						
23	,433	1,237	90,061						
24	,423	1,207	91,269						
25	,406	1,160	92,428						
26	,364	1,040	93,468						
27	,359	1,026	94,494						
28	,312	,891	95,385				-		
29	,298	,852	96,237						
30	,262	,749	96,986						
31	,252	,719	97,704						
32	,250	,714	98,418						
33	,228	,652	99,070						
34	,169	,483	99,553						
35	.156	.447	100,000						

Total Variance Explained

Extraction Method: Principal Component Analysis.

APPENDIX 2: Rotate/Component Matrix

Rotated Component Matrix (a)

				Con	nponen	t			
	1	2	3	4	5	6	7	8	9
convenient ATM								832	
locations					l			,	
availability of ATM in								,821	
several locations		700							
nours of operation		,709							
convenient branch		,700							
locations		,580							
low service charges			-			,657			
paying higher						500			
interest rates on						,539			
saving accounts									
low meres rates on						,652			
nleasant bank									
atmosphere									
adequate number of					.609				
tellers					750				
duration of wait					,752				
rast and enicient					,698				
recommendations of	200								
friends and relatives	,800								
familiarity with bank	837								
personnel	,001								
phone banking	,661					i			
external appearance	,670								
narking facilities									
overdraft privileges									
internet banking		19	,506						
ease of obtaining			.751						
credit cards			,						
mainly monthly barik	1		,680						
statements to nome)))))	
confidentiality				,814	8				
ease of opening a	. 8			740					
current account				,740				1	
ease o obtaining				.659					
loans				,					
variety of services									
friendliness of bank			,						
personnel									

confidence of bank manager national origin of the bank		()				
personnel competency in the						,593
reputation and						,763
size of the bank mass media advertising	,527				,616	
financial stability of the bank					,737	
my employer uses the same bank						
professionalism of bank personnel					,506	

Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.

A Rotation converged in 9 iterations.

APPENDIX 3: Reliability Statistics

Statistics(ALL FACTOR)

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
,894	,894	35

Item Statistics

	Scalo Moan if	Scale Variance if	Corrected	Squared Multiple	Cronbach's Alpha if Item
	Item Deleted	Item Deleted	Correlation	Correlation	Deleted
convenient ATM locations	145,29	195,936	,104		,896
availability of ATM in several locations	145,29	195,915	,119		,895
hours of operation	145,61	187,416	,346		,893
several branches	145,43	189,090	,423		,891
convenient branch locations	145,44	190,910	,289	•	,893
low service charges	145,30	191,055	,309		,893
paying higher interest rates on saving accounts	145,38	187,954	,383		,892
low interest rates on loans	145,34	191,169	,305		,893
pleasent bank atmosphere	145,38	187,964	,520		,890
adequate number of tellers	145,52	187,155	,456		,891
duration of wait	145,45	188,972	,356		,892
fast and efficient services	145,34	191,048	,338		,893
recommendations of friends and relatives	146,18	177,776	,520		,890
familiarity with bank personnel	146,20	178,894	,495		,890
phone banking	145,71	182,561	,523		,889
external apperance of bank	145,85	180,262	,570		,888,
parking facilities	145,50	186,784	,440		,891
overdraft privileges	145,38	185,724	,477		,890
internet banking	145,30	187,518	,470		,891
ease of obtaining credit cards	145,37	189,630	,381		,892
mainly monthly bank statements to home	145,47	184,703	,552		,889
need for confidentiality	145,21	192,063	,298		,893
ease of opening a current account	145,42	188,937	,421		,891
ease o obtaining loans	145,29	188,707	,466		,891
variety of services offered	145,43	187,965	,531		,890

friendliness of bank personnel	145,39	188,470	,468	•	,891
confidence of bank manager	145,43	186,668	,449		,891
national origin of the bank	145,64	183,921	,470		,890
personnel competency in the bank	145,36	188,734	,466		,891
reputation and image of the bank	145,40	192,754	,236	•	,894
size of the bank	145,31	191,580	,313		,893
mass media advertising	145,67	182,485	,554		,889
financial stability of the bank	145,24	190,864	,384	·	,892
my employer uses the same bank	145,72	178,758	,599		,888,
professionalism of bank personnel	145,19	188,664	,531		,890

Reliability Statistics(FACTOR 1)

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
,814	,812	5

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
familiarity with bank personnel	15,59	11,350	,725	,639	,737
recommendations of friends and relatives	15,57	11,574	,679	,606	,754
external apperance of bank	15,23	13,836	,559	,350	,790
phone banking	15,09	13,992	,586	,374	,784
mass media advertising	15,05	14,922	,486	,245	,810

Reliability Statistics(FACTOR 2)

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
,717	,726	3

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
several branches	8,45	2,530	,571	,332	,606
hours of operation	8,63	1,772	,579	,347	,592
convenient branch locations	8,46	2,441	,495	,245	,676

Reliability Statistics(FACTOR 3)

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
,702	,703	3

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
ease of obtaining credit cards	8,72	1,901	,548	,302	,576
mainly monthly bank statements to home	8,83	1,723	,530	,288	,597
internet banking	8,66	1,966	,481	,233	,655

Reliability Statistics(FACTOR 4)

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
,749	,749	3

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
need for confidentiality	8,79	1,564	,612	,384	,625
ease of opening a current account	9,00	1,437	,603	,378	,634
ease o obtaining loans	8,87	1,661	,518	,268	,730

Reliability Statistics(FACTOR 5)

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
,700	,701	3

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
duration of wait	8,64	1,560	,634	,410	,445
fast and efficient services	8,52	2,160	,488	,297	,649
adequate number of tellers	8,71	1,958	,448	,232	,696

Reliability Statistics(FACTOR 6)

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
,620	,621	3

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
low service charges	8,78	2,082	,335	,115	,644
paying higher interest rates on saving accounts	8,86	1,562	,466	,248	,470
low interest rates on loans	8,82	1,800	,501	,264	,425

Reliability Statistics(FACTOR 7)

	Cronbach's Alpha Based	
Cronbach's Alpha	on Standardized Items	N of Items
,583	,588	3

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
financial stability of the bank	9,00	1,065	,511	,272	,297
size of the bank	9,07	1,201	,307	,119	,617
professionalism of bank personnel	8,95	1,264	,373	,200	,511

Reliability Statistics(FACTOR 8)

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
,744	,746	2

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
convenient ATM locations	4,46	,360	,595	,354	.(a)
availability of ATM in several locations	4,46	,430	,595	,354	.(a)

a The value is negative due to a negative average covariance among items. This violates reliability model assumptions. You may want to check item codings.

Reliability Statistics(FACTOR 9)

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
,489	,490	2

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
reputation and image of the bank	4,39	,499	,325	,105	.(a)
personnel competency in the bank	4,35	,569	,325	,105	.(a)

a The value is negative due to a negative average covariance among items. This violates reliability model assumptions. You may want to check item codings.

BÖLÜM B. BANKA SEÇME FAKTÖRLERİ

Bu bölümde 35 tane soru olup hepsinin cevaplanmak zorundadır. Lütfen aşağıda verilen cevap anahtarını kullanarak aşağıdaki faktörlerin sizler için ne kadar önemli olduğunu 1 iler 5 arası rakam vererek cevaplarınızı işaretleyiniz.

Hiç Önemli Değil

Çok Önemli

1 2 3 4 5

(1= Hic önemli değil, 2=	Önemsiz, 3= Kararsız	, 4= Onemli, 5=	• Çok önemli)
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NO	Banka Seçiminde Göz Önünde Tutulan Faktörler	Cevap Anahtarı				
					4	
1.	Bankamatiklerin ulaşılabilir yerde olması	1	2	3	4	5
2.	Bankamatiklerin yeterli sayıda olması	1	2	3	4	5
3.	Banka çalışma saatleri (öğleden sonra açık olma, vs.)	1	2	3	4	<u> </u>
4.	Yeterli sayıda şube olması	1	2	31	4	5
5.	Banka şubelerinin kolaylıkla ulaşılabilir bir yerde olması	1			4	5
6.	Banka işlem masraflarının düşük olması	1	2	3	4	5
7.	Mevduat (vadeli hesap) faizlerinin yüksek olması	1	2	3	4	5
8.	Borç (kredi) faizlerinin düşük olması	1	2	3	4	5
9.	Tatmin edici ve huzurlu banka atmosferi	1	2	3	. 4	5
10.	Yeterli sayıda veznedarın hizmet vermesi	1	2	3	4	5
11.	Bankada sıra bekleme şüresi	1	2	_3	4	5
12.	Bankanın hızlı ve yeterli hizmet vennesi	1	2 .	3	4	5
13.	Bankayı arkadaslarınızın ve akrabalarınızın tavsiye etmeleri	1	2	3	4	5
14.	Banka personelinin tanıdık olması	1	2	3	4	5.
15.	Bankanın telefon bankacılığı hizmeti vermesi	1	2	3.	4	5
16.	Bankanın dıs görünüsü	1	- 2 -	3	4	5
17.	Bankanın park yeri olması	1	2	3	4	5
18.	Overdraft (kredili mevduat) imkanının olması	1	2	3	4	5
19	Bankanın internet bankacılığı hizmeti vermesi	1	2	3.	4	5
20	Bankadan kredi kartı alma kolaylığı	1	2	3.	4.	5
21	Banka hesap dökümlerinizin aylık olarak evinize	-1	2	3.	4	5
	gönderilmesi				4	
22	Banka hesaplarınızın banka tarafından gizli tutulması	1	2	3.	4	5
23	Bankada hesap acma kolavlığı	1	2	3	4	5
24	Bankadan borc (kredi) alma kolaylığı	1	2	3	4	5
25	Bankanın sağlamış olduğu hizmet cesitliliği	1	2	3.	4	5
26	Banka personelinin size sıcak/icten davranması	1	2	3	4	5
27	Banka midürüne olan güveniniz	1	2	3 .	4	5
28	Bankanın kökeni: Yerli banka / Yabancı banka	1	2	3:	4	5
20.	Banka personelinin isinin ehli olması	1	2	3.	4	5
30	Bankanın prestiji ve imajı	1	2	3	4	5
21	Bankanın biyüklüğü (sermaye acısından)	1	2	3	4	5
22	Medva teklamlarının etkişi	1	2	3	4	5.
22	Ponkanın financal istikrarı	1	2	3	4	5
33.	Lauranni mansa isukian	1	2	3	4	5
25	Booka portopalinin professionelliği	1	2	3	4	5

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