

The Impact of Customer and Bank Characteristics on Customer's Choice of Bank

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Deposits are one of the main functions of a bank and it results in liquidity and profitability. Deposits become a liability as well as an income to the bank. However, this significantly depend on the customer's preference to select a bank. Therefore, this study was conducted to identify the customer and bank characteristics which affect customers' choice of banks for deposits. A self-administered structured questionnaire was used to obtain primary data from 100 respondents the in Bandarawela Divisional Secretariat using cluster sampling method. Findings show that customer characteristics such as gender, age, income and bank characteristics such as parking facility, bank attractiveness, branch networks and proximity to home-work place highly influence the choice of bank. Therefore, every bank may establish parking facilities, select an attractive bank location, mobile bank branches and increase number of persons in a counter, and provide perfect knowledge and updated information to customer.

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