

# Customers' Choice of Banks – A Factorial Analysis (A Study of Rural Bank Customers in Karimnagar District of Andhra Pradesh State in India)

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## **Abstract**

Commercial Banking sector in India, after liberalization, had grown substantially in spite of its social, political and economic problems. However, no study was made to find out the most important factors that affect the customer a lot in selecting the bank. This study aims to determine the most significant factors that rural customer thinks as important in his/her choice of bank.

## **Keywords:**

Commercial Banks, Public Sector Banks, Private Sector Banks, Rural Areas, Influencing Factors.

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## **Introduction**

Liberalization of Indian economy and introduction of financial sector reforms had changed the financial system in general and banking system in particular. Many private and foreign banks are entering into the Indian financial market and offering various innovative services to attract new customers and to retain existing customers. This competition has a great challenge to all banking institutions of all sizes. Customers are exposed to wider opportunities and in term lead to their focus on value for their money. In this situation, (Sharma, 2010) the issue of how customers select their banks has been given considerable attention by researchers. Exploring such information will help banks to identify the appropriate marketing strategies needed to attract new customers and retain existing ones.

## **Review of Literature**

It is relevant to refer briefly to the previous studies and research in the related areas of the subject to find out and to fill up the research gaps. The following are the some studies conducted by the eminent authors and practitioners on the area of determinants of bank selection of a customer.

In Pakistan, (Saima, 2008), conducted a study on 358 customers of private and nationalized banks, and found that the determinants of bank selection. The findings of their study revealed that the most important variables influencing customer choice are customer services, convenience, online banking facilities and overall bank

environment.

Another study in Pakistan, (AHMED\*, 2008), was conducted on determining the major factors in a bank selection by the customers. The findings of the study revealed that online banking facility, profit rate, banks internal environment and external appearance, convenience and accessibility are some of the most significant factors in a bank selection by the customers. Convenient location of bank branch and accessibility was also considered to be one of the important choice determinants.

In Tunisian (AZOUZI, 2009), conducted a study on banking sector to examine the impact of current and prompt technological revolution on customers' choice of selection of bank. The study concludes that age, gender and educational qualifications were traditional in nature and seem to be very significant and they divide the group of customers into electronic banking adopters. It also revealed that despite the presidential incentives and in spite of being fully aware of the e-banking benefits, numerous respondents were using the conventional banking. Fear of loss because of transactions errors or hackers plays a significant role in separating Tunisian customers from online banking.

A study conducted by (Kumar M, 2010) identified eight determinates- branding, convenience, recommended by peers, required by the company, variety of products and services, rate charges, flexibility in accounts handling and customer-friendly environment are the most important factors affecting the decision of the customers on making the choice of the bank in Malaysia. This paper recommended that banks to be innovative in creating more types of channels by riding on technological advancement; reducing customers' waiting time and effort should be their main priority and objective.

A study (Olawale Fatoki, 2011) was conducted to investigate the determinants of the choice of commercial banks by university students in South Africa and found that easiness of opening a bank account, financial stability of the bank, and ATM location were the most important factors with regard to university students. The factors such as parking place influence of lecturers, and free gifts for customers were less likely to be considered in choosing commercial banks to open an account.

Study was made (Wmariam, 2011), to scrutinize the main criteria that affect customers' selection of banking services. This study was focused on students, businessmen and employees dwelling in Addis Ababa City in Ethiopia. The results of this revealed that convenience, service provision and employers' influence as fundamental influencing factors of bank selection, among others. The study also found that no variation was existed across male and female customers in selecting the bank service.

In Bangladesh (Siddique, 2012) held a study and considered 30- factors in order to identify importance given by the customers of Private Commercial Banks (PCB) and Nationalized Commercial Banks (NCB) in selection of a bank. The findings of the study revealed that "effective and efficient customer services", "speed and quality services", "image of the bank", "online banking", and "bank is well managed" were some of the important bank selection factors for PCB customers'. On the other hand, the most important bank selection factors for NCB are "low interest on loans", "convenient branch locations", "safe investment (accountability of the govt.)", "variety of services offered", and "low service charges". However, it is worth mentioning that these bank selection factors may vary from area to area due to difference in demographic characteristics of the population.

In Jordan, (Dr.Mohmod Jasim Alsamydia, 2012), studied the factors concerning the nature of electronic banking services that have an impact on the customers' dealing with the electronic banks and that the tangibles aspects, which were related to the physical facilities and appearance of the website to provide the service, and the empathy aspects, that were related to the caring and individualized attention of the service provider, had the little positive influence on customers satisfaction to continue dealing with e-banking services. The reliability aspects had the positive influence on the customers' satisfaction. It was also found that the personal needs, trust and experiences have a positive impact on the customers' satisfaction and their continuity to deal with e-banking service,

In India, (VIRPARIA, 2013) a study made on various selected factors and also analyzed as to which of these factors exercise the greatest, moderate, and relatively lower influence as choice criteria in selection of a bank. 15 factors identified, approximately in the order of their importance. General Group Impression as per the Mean score technique was applied to elicit the results. According to the findings, based on the empirical study, the three factors i.e. (1) Safety of Deposits (2) Security of Environment (3) Cordiality of Staff exert the greatest influence, next six factors such as (1) Accuracy (2) Product Packing (3) General Service Quality (4) Size and Strength (5) Advertisement and Publicity (6) Friendship with Staff had the moderate importance and the rest six factors (1) Price and Service Charges (2) Speed of Delivery (3) Peer Group Impression, (4) Face Lift, (5) Face lift (6) Proximity had relatively lower influence in selection of a bank in India.

### **Need of the Study**

Several studies have been made to investigate factors that affect customers' choices in selecting a bank. Among these studies include (Mokhlis S., 2010) who studied the determinants of bank selection criterion in Malaysia

considering undergraduate students; while (Mokhlis S. S. H., 2009) made an attempt to analyze gender-based choice decisions for selection of banks. Correspondingly, in Bahrain (Almossawi, 2001), a case of college students and in Greek (Mylonakis, 2007), a research task of customer preferences in the home loans market were done. Other studies are also undertaken in Europe (Bosnia & Herzegovina) by (Cicic M., 2004) on the issue of bank selection criteria in line with customers' preference: what, why and how customers choose a particular bank to be served. Although such studies have contributed substantially to the literature on bank selection, their findings may not be applicable to other countries like India due to differences in social, cultural, economic, political and legal environments.

To the best of the researcher's knowledge, there is no existence of previous research work particularly in Indian rural bank customers concerning the influencing factors affecting the choice of a bank. Therefore, this study is intended to examine the factors influencing rural bank customers in the selection of a bank.

### Objectives of the Study

The research paper aims at identifying factors influencing customers' choice of a bank. The following are the main objectives of the present study:

- To identify the influencing factors that affect customers' choice of banking services.
- To rank the factors affecting the choice of bank.

### Methodology

In this paper an attempt has been undertaken to carry out a descriptive study regarding influence of various factors in selection of a bank.

### Data Collection

The study was conducted by taking three commercial banks, one from public sector (SBH), one from private sector (HDFC) and one from Regional Rural Banks (RRBs).

The required data was collected from two sources namely Primary Data and Secondary Data. Primary data was collected through structured questionnaire from the existing bank customers. Secondary data was collected from the previous publications.

### Sampling Unit

The sample unit consists of customers of the public sector, the private sector banks and RRBs of rural areas in Karimnagar district of Andhra Pradesh in India. The respondents are farmers, Employees, Business Persons and SHGs.

### Size of the Sample

SAMPLE SIZE	
Particulars	No.
No. of Mandals Selected for the study (10% of the Total 57 Mandals in the District)	6
No. of Banks Selected (SBH, DGB & HDFC)	3
Target Groups (Farmers, Employees, Business People and SHGs)	4
No. of Respondents from each group	10
Total Sample Size (6*3*4*10)	720

### Techniques of Analysis of Data

So, collected data was analyzed with the help of statistical tools such as averages, percentages, rank correlation, F-test etc. The results are interpreted with the help of percentages in a meaningful manner.

### Data Analysis and Study Results

#### A. Demographical Analysis

To collect the required data, seven hundred and twenty questionnaires were distributed to selected three (SBH, DGB and HDFC) bank customers in rural areas to know their preferences in selection of bank in selected six mandals

of Karimnagar district in Andhra Pradesh state in India and six hundred and thirty returned. The response rate was 87.5 per cent. An average of 16.67 per cent of total respondents was responded from each mandal.

The results of demographic profile of the respondents under study revealed that gender was almost evenly split in the proportions of 78.25 per cent males and 21.75 per cent females. 22.22 per cent of the respondents were below the age group of 30 years. 50% were in the age group of 21-25 years, 39.21 per cent in between 31 – 40 years, 23.49 per cent of respondents in between the age group of 41 – 50 years, 10.16 per cent in between the age group of 51 – 60 and

4.44 per cent respondents belonged to above 60 years. 94.76 per cent of respondents were married and 5.24 per cent respondents were unmarried.

The highest number of respondents i.e. 28.73 per cent of the total respondents possessed the degree qualification, 19.68 per cent had 10th class qualification, 16.35 per cent

respondents had completed intermediate education 15.71 per cent of respondents had possessed only formal education i.e. less than 10th class and 8.10 per cent possessed master degree qualification. The remaining 8.73 per cent of the total respondents did not have any formal education. These were illiterates and mostly belonged to farmers and SHGs categories.

Variable	Category	Bank Type			Total	Percentage (%)
		SBH	DGB	HDFC		
Mandal Areas	Siricilla	40	40	20	100	15.87
	Huzurabad	40	40	22	102	16.19
	Jagitial	40	40	30	110	17.46
	Jammikunta	40	40	30	110	17.46
	Sultanabad	40	40	30	110	17.46
	Metpally	40	28	30	98	15.56
	<b>Total</b>	<b>240</b>	<b>228</b>	<b>162</b>	<b>630</b>	<b>100.00</b>
Gender	Male	173	161	159	493	78.25
	Female	67	67	3	137	21.75
	<b>Total</b>	<b>240</b>	<b>228</b>	<b>162</b>	<b>630</b>	<b>100.00</b>
Age	Less than 30	56	37	50	140	22.22
	31 - 40	83	96	68	247	39.21
	41 - 50	51	62	35	148	23.49
	51 - 60	33	22	9	64	10.16
	More than 60	17	11	0	28	4.44
	<b>Total</b>	<b>240</b>	<b>228</b>	<b>162</b>	<b>630</b>	<b>100.00</b>
Marital Status	Married	229	220	148	597	94.76
	single	11	8	14	33	5.24
	<b>Total</b>	<b>240</b>	<b>228</b>	<b>162</b>	<b>630</b>	<b>100.00</b>
Educational Qualifications	Master Degree	19	14	18	51	8.10
	Graduation	71	48	62	181	28.73
	Professional Degree	5	2	10	17	2.70
	Intermediate	34	40	29	103	16.35
	SSC	43	48	33	124	19.68
	Less Than SSC	46	44	9	99	15.71
	No Formal Education	22	32	1	55	8.73
	<b>Total</b>	<b>240</b>	<b>228</b>	<b>162</b>	<b>630</b>	<b>100.00</b>
Occupation	Farmers	60	56	42	158	25.08
	Business	60	60	60	180	28.57
	Employees	60	54	60	174	27.62
	SHGs	60	58	0	118	18.73
	<b>Total</b>	<b>240</b>	<b>228</b>	<b>162</b>	<b>630</b>	<b>100.00</b>

The data relating to occupation shows that 28.57 per cent of the total respondents belonged to business category, 27.62 per cent belonged to employees category, 25.08 per cent belonged to farmers category and the remaining 18.73 per cent of the total 118 in number belonged to self–help groups (SHGs) category who spread to SBH and DGB bank only. The SHGs loan linkage scheme was offered by these two public sector banks. SHGs were nil in HDFC bank as it was a private sector and did not offer SHG linkage scheme.

### B. Determinants of choice of commercial banks

The determining factors or motivational factors are varying from customer to customer and bank to bank. Selecting the bank and to open an account is mainly depend upon the need of the customer, though, some factors like value added services, offering government benefits convenient location of the bank and convenient business hours, quality services

rendering by the bank, employee behavior etc. will influence the customer greatly in selecting the bank to open an account. Some of the most important influencing factors to open an account, in general, are selected and studied the priorities given by the customers in choosing the bank for their financial needs.

The mean values and ranking based on priority of influencing factors for choosing a bank are presented with the help of the table – 2.

The data furnishes the details of ranks based on priority of determining factors for choosing a bank. The prompt and qualitative services had ranked first and second. The third, fourth and fifth ranks had given to location of the bank branch, business timing of the bank and behavioural attitude of the bank employees respectively.

Influencing Factors for Opening Bank Account			
Sl. No.	Influencing Factors	Total	
		Mean	Ranks
1	Place of the Bank Branch	7.34	3
2	Banking Business Hours	7.22	4
3	Employees Attitude/Behavior	6.69	5
4	Bank Advertisement in T.V.s/News Papers etc.	4.95	7
5	Mobile Messages alerts	4.94	8
6	References of friends/relatives	4.48	10
7	Prompt Services of Bank	7.82	1
8	Qualitative Services	7.72	2
9	Value Added Services	4.71	9
10	Less Transactions Cost.	5.72	6
11	Govt. Benefit/Others	4.14	11

Respondents, under the study, have been given less priority to the remaining factors such as less transaction cost, advertisements of the particular bank, mobile messages, and value added services. It is note that those factors, friends and relatives referrals and other factors are the least

prioritized by the respondents. With this, it is inferred that the rendering qualitative service at prompt time is most significant factor to attract more number of customers to open their bank account to meet their financial requirements.

**Table – 3**  
**Determining Factors for Opening Bank Account**

Sl. No.	Influencing Factors	SBH (Public Sector Bank)		DGB (Rural Bank)		HDFC (Private Sector Bank)		TOTAL	
		Mean	Ranks	Mean	Rank	Mean	Rank	Mean	Ranks
1	Place of the Bank Branch	7.72	3	6.90	4	7.40	4	7.34	3
2	Banking Business Hours	7.41	4	7.05	2	7.18	5	7.22	4
3	Employees Attitude/Behavior	6.09	5	6.78	5	7.46	3	6.69	5
4	Bank Advertisement in T.V.s/News Papers etc.	4.88	8	5.02	8	4.96	9	4.95	7
5	Mobile Messages alerts	4.71	9	4.59	9	5.76	7	4.94	8
6	References of friends/relatives	4.26	10	4.50	10	4.79	10	4.48	10
7	Prompt Services of Bank	7.98	2	7.87	1	7.52	2	7.82	1
8	Qualitative Services	8.17	1	6.94	3	8.17	1	7.72	2
9	Value Added Services	4.23	11	4.16	11	6.20	6	4.71	9
10	Less Transactions Cost.	5.34	6	6.23	6	5.57	8	5.72	6
11	Govt. Benefit/Others	5.21	7	5.96	7	0.00	11	4.14	11

The table 3 presents the details about bank wise factors that are influencing for opening an account in SBH, DGB and HDFC bank. In the case of SBH, qualitative services, prompt services provided by the bank and place of the bank branch were the highly influencing factors to choose the bank for opening an account. These factors ranked 1st, 2nd and 3rd by the customers. In the case of DGB prompt

services, business hours of the bank and qualitative services provided by the bank were ranked as 1st, 2nd and 3rd respectively by its customers. Qualitative services and prompt services provided by the bank were ranked 1st and 2nd respectively by the HDFC bank customers. Place of the bank and business hours of the bank were ranked 3rd and 4th in this bank.

**Table 4**  
**Spearman Rank Correlation**

In Between	Co-efficient
SBH & DGB	0.95
SBH & HDFC	0.58
DGB & HDFC	0.48

The ranks of the various influencing factors given by the customers to the banks were tested with the help of spearman rank correlation and proved that there was a positive correlation among the ranks of the bank.

The high positive correlation was established between two public sector banks i.e. SBH and DGB because customers expressed similar opinions against many influencing factors such as employee attitude and behaviour towards the customers of the bank (5<sup>th</sup> rank), less transaction cost (6<sup>th</sup> rank), offering government benefit schemes such as SHG linkage loans and subsidized loans to farmers (7<sup>th</sup> rank), bank advertisements (8<sup>th</sup> rank), mobile message alerts (9<sup>th</sup> rank), references of relatives and friends (10<sup>th</sup> rank) and value added services (11<sup>th</sup> rank).

The positive correlation was observed between SBH and HDFC i.e. public and private sector banks because customers expressed similar opinions against some influencing factors such as qualitative services (1<sup>st</sup> rank), prompt services (2<sup>nd</sup> rank) providing by these two banks and references of relatives and friends to open an account in these banks (10<sup>th</sup> rank).

In between DGB and HDFC banks also the positive correlation was found because customers conveyed the similar view against the two influencing factors i.e. the location of the bank branch (4<sup>th</sup> rank) and references of relatives and friends (10<sup>th</sup> rank) and very near opinions expressed against some other factors.

Source	Type III Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	228.474 <sup>a</sup>	104	2.197	7.038	.000
Intercept	18.988	1	18.988	60.834	.000
Place of Bank Branch	4.179	10	.418	1.339	.206
Business Hours	3.619	9	.402	1.288	.240
<b>Employee Attitude and Behavior</b>	<b>8.891</b>	<b>10</b>	<b>.889</b>	<b>2.849</b>	<b>.002</b>
<b>Advertisements</b>	<b>5.817</b>	<b>10</b>	<b>.582</b>	<b>1.864</b>	<b>.048</b>
<b>Mobile Message Alerts</b>	<b>5.677</b>	<b>10</b>	<b>.568</b>	<b>1.819</b>	<b>.055</b>
References of Relatives and Friends	3.060	10	.306	.981	.459
<b>Prompt Services</b>	<b>9.567</b>	<b>10</b>	<b>.957</b>	<b>3.065</b>	<b>.001</b>
<b>Qualitative Services</b>	<b>4.994</b>	<b>8</b>	<b>.624</b>	<b>2.000</b>	<b>.045</b>
<b>Value Added Services</b>	<b>5.089</b>	<b>10</b>	<b>.509</b>	<b>1.630</b>	<b>.095</b>
Less Transactions Costs	4.397	10	.440	1.409	.173
<b>Government Benefits</b>	<b>6.249</b>	<b>7</b>	<b>.893</b>	<b>2.860</b>	<b>.006</b>
Error	163.869	525	.312		
Total	2610.000	630			
Corrected Total	392.343	629			
a. R Squared = .582 (Adjusted R Squared = .500)					
Factors in bold are influenced by type of bank ( sig value is less than 0.05 or 0.10)					

The data also reviewed with help of SPSS and inferred that factors such as Prompt Service given by the bank, Employee Attitude and Behaviour, Advertisements, Mobile Message Alerts, Government Benefits Qualitative Services and Value

Added Services were variable and differ from bank to bank and mostly influence the customers in choosing the bank to open an account.

Sl. No.	Influencing Factors	Farmers		SHGs		Business		Employees		Total	
		Mean	Ranks	Mean	Rank	Mean	Rank	Mean	Ranks	Mean	Ranks
1	Place of the Bank Branch	6.38	5	8.00	2	8.03	3	8.45	1	7.72	3
2	Banking Business Hours	7.55	3	7.23	4	7.27	4	7.58	4	7.41	4
3	Employees Attitude/Behavior	6.17	6	5.98	6	6.38	5	5.82	5	6.09	5
4	Bank Advertisement in T.V.s/News Papers etc.	4.95	8	4.60	7	4.73	8	5.25	8	4.88	8
5	Mobile Messages alerts	4.25	10	4.10	10	5.15	7	5.35	7	4.71	9
6	References of friends/relatives	4.78	9	4.18	9	4.00	10	4.08	10	4.26	10
7	Prompt Services of Bank	7.57	2	8.30	1	8.22	2	7.83	3	7.98	2
8	Qualitative Services	7.93	1	7.93	3	8.68	1	8.13	2	8.17	1
9	Value Added Services	4.05	11	4.08	11	4.53	9	4.25	9	4.23	11
10	Less Transactions Cost.	5.60	7	4.42	8	5.53	6	5.80	6	5.34	6
11	Govt. Benefit/Others	6.77	4	7.17	5	3.47	11	3.45	11	5.21	7

The table 6 presents the details about customer wise factors that are influencing for opening an account in selected bank. In the case of Farmers, qualitative services, prompt services provided by the bank and business hours of the bank branch were the highly influencing factors to choose the bank for opening an account. These factors ranked 1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> by the customers respectively. In the case of SHGs prompt services, place of the bank branch and qualitative services

provided by the bank were ranked as 1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> respectively by the its customers. Qualitative services and prompt services provided by the bank were ranked 1<sup>st</sup> and 2<sup>nd</sup> respectively by business category customers. Place of the bank qualitative services and prompt services provided by the bank and business hours of the bank were ranked 1<sup>st</sup>, 2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup> ranks respectively by the employee type of customers.

<b>In Between</b>	<b>Co-efficient</b>
Farmers & SHGs	0.93
Farmers & Business	0.63
Farmers & Employees	0.61
SHGs & Business	0.7
SHGs & Employees	0.7
Business & Employees	0.98

The ranks of the various influencing factors given by the selected customers to the banks were tested with the help of spearman rank correlation and proved that there was a positive correlation i.e. the similarity in opinions among the ranks given by various types of customers.

The high positive correlation was established in respect of views between business and employee customers and farmer and SHG customers. Because of similar opinions expressed against many influencing factors (8 factors i.e. Banking Business Hours, Employees Attitude/Behavior, Bank Advertisement in T.V.s/News Papers etc., Mobile Messages alerts, References of friends/relatives, Value Added Services, Less Transactions Cost, and Govt. Benefit/Others in the case of business and employee customers and 4 factors i.e. Employees Attitude/Behavior, Mobile Messages alerts, References of friends/relatives, Value Added Services in the case of farmer and SHG

customers) by these customers.

Similar opinions, in regarding influencing factors that caused for opening an account in the bank were expressed by SHGs, Business and Employee customers. So the positive correlation was found in between SHGs & Business and SHGs & Employees.

In the case of correlation between farmers and business customers, similar views were found in respect of Bank Advertisement in T.V.s/News Papers etc., Prompt Services of Bank and Qualitative Services. So, positive correlation was established in between these categories of customers.

Positive correlation was observed in the case of Farmers & Employees also. They also expressed almost all similar opinions in respect of factors that are caused for opening an account in the banks in rural areas



**. Table – 8**  
**Tests of Between-Subjects Effects**

Dependent Variable: Customer

Source	Type III Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	189.396 <sup>a</sup>	104	1.821	1.861	.000
Intercept	57.975	1	57.975	59.238	.000
<b>Place of the Bank Branch</b>	<b>38.038</b>	<b>10</b>	<b>3.804</b>	<b>3.887</b>	<b>.000</b>
<b>Business Hours</b>	<b>20.676</b>	<b>9</b>	<b>2.297</b>	<b>2.347</b>	<b>.013</b>
<b>Employee Attitude and Behavior</b>	<b>18.903</b>	<b>10</b>	<b>1.890</b>	<b>1.931</b>	<b>.039</b>
<b>Bank Advertisement in T.V.s/News Papers etc.</b>	<b>31.675</b>	<b>10</b>	<b>3.167</b>	<b>3.237</b>	<b>.000</b>
<b>Mobile Message Alerts</b>	<b>28.031</b>	<b>10</b>	<b>2.803</b>	<b>2.864</b>	<b>.002</b>
<b>Reference of Relatives and Friends</b>	<b>30.140</b>	<b>10</b>	<b>3.014</b>	<b>3.080</b>	<b>.001</b>
Prompt Services	14.004	10	1.400	1.431	.163
<b>Qualitative Services</b>	<b>19.288</b>	<b>8</b>	<b>2.411</b>	<b>2.464</b>	<b>.013</b>
<b>Value Added Services</b>	<b>20.938</b>	<b>10</b>	<b>2.094</b>	<b>2.139</b>	<b>.020</b>
<b>Less Transaction Costs</b>	<b>25.600</b>	<b>10</b>	<b>2.560</b>	<b>2.616</b>	<b>.004</b>
Govt. Benefit	10.606	7	1.515	1.548	.149
Error	513.804	525	.979		
Total	4332.000	630			
Corrected Total	703.200	629			

a. R Squared = .269 (Adjusted R Squared = .125)

Factors in bold are influenced by type of bank ( sig value is less than 0.05 or 0.10)

From the data it is inferred that factors such as Prompt Services and Govt. Benefit were the constant factors and did not show any influence on the customers and remaining factors such as Place of Bank Branch, Business hours, Employee Attitude and Behavior, Advertisements, Mobile Message Alerts, Qualitative Services, Value Added Services and Less Transaction Costs have shown varied influence from bank to bank in respect of customers.

### Conclusions

The present study considered 11 factors in order to examine the priority of the customers of Public sector Banks (SBH), Regional Rural Bank (DGB) and Private sector Bank HDFC in 6 selected mandals of Karimnagar district.

The findings of the study revealed that, in the case of SBH, *qualitative services, prompt services* provided by the bank and place of the bank branch were the highly influencing factors in the selection of bank. In the case of DGB *prompt services, business hours of the bank and qualitative services* provided by the bank were highly prioritized by its customers. *Qualitative services prompt services provided by the bank, Place of the bank and business hours of the bank* were highly influencing factors in the case of HDFC bank.

It is also inferred that factors such as *Prompt Service given by the bank, Employee Attitude and Behaviour,*

*Advertisements, Mobile Message Alerts, Government Benefits Qualitative Services and Value Added Services* were variable and differ from bank to bank and mostly influence the customers in selecting the bank.

On the other hand, customer wise determining factors in selected bank, in the case of Farmers, *qualitative services, prompt services provided by the bank and business hours of the bank branch* were the highly influencing factors to choose the bank. In the case of SHGs, *prompt services, place of the bank branch and qualitative services provided by the bank* were more influential. *Qualitative services and prompt services* provided by the bank were highly influencing the business category customers. *Place of the bank, qualitative services and prompt services provided by the bank and business hours* of the bank were highly prioritized factors in the case of employee type of customers.

The study also reviewed that factors such as *Prompt Services and Govt. Benefit* were the constant factors and did not show any influence on the customers and remaining factors such as *Place of Bank Branch, Business hours, Employee Attitude and Behavior, Advertisements, Mobile Message Alerts, Qualitative Services, Value Added Services and Less Transaction Costs* were differed from customer to customer and mostly influence the customers in choosing the bank.

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