DETERMINANTS OF BANKING SERVICES SELECTION BY SALARIED EMPLOYEES: WITH SPECIAL REFERENCE TO DOMESTIC SYSTEMATICALLY IMPORTANT BANKS IN COLOMBO AREA

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Domestic Systematically Important Banks (DSIBs) are the pillars of the banking sector and customer acquisition and retention are the essential aspects of their success. Customer retention is critical for a bank to remain competitive and robust since financial liberalization and technical innovation have created a highly competitive environment for the Sri Lankan banking industry. Banking firms search how customers choose their bank and how they evaluate bank performance in such a competitive environment. The purpose of the study is to examine the determinants of selecting the banking services in DSIBs as highlighted by the currently salaried cadre and provide recommendations to improve on these factors. Authors used positivism as the research philosophy with a deductive research approach using mono method quantitative research approach. The researcher has chosen a sample of 395 banking customers from a group of salaried employees in Colombo, Sri Lanka. Descriptive and inferential analyses were used to analyze field results. The data revealed that service quality and convenience were the two most important aspects to consider while choosing a DSIB. Security, people's influence, and the price of the services are also regarded as necessary, respectively. Among the actors, friendly/ pleasing manners of staff, knowledgeable staff, quick/prompt service, protection given for privacy, and confidentiality and availability of mobile and online banking solutions were the most important attributes that the respondents have selected in pursuing the DSIB service selection. The study concluded that the selected five criteria have significant associations in agreement with the studies considered in literature review.

Keywords: Bank selection, Domestic Systematically Important Banks, salaried employees, service selection