

# **The Study on the Factors Influencing the Selection of Banks by the Clients in Batticaloa District**

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Adopting the customers viewpoint is the essence of success in today's business world, because of the continuous and rapid changing environment and dramatic innovation in the information technology. Understanding of customers has been the dilemma of determining the success or failure of businesses in 21<sup>st</sup> century. Customer decision making becomes more complex as they have to take decisions by comparing number of different decision criteria. They have to arrive at decision for choosing the right banks to do transactions after comparison. It is evident that a large number of customers keep bank accounts in state and private banks. This research was studied to find out the degree of influence of factors over the selection of banks by the clients in Batticaloa District. The main objective is to find out in which factor mostly influenced to select the banks. A framework consisting of factors such as tangibleness, responsiveness, reliability, assurance and empathy are taken. Questionnaire were used to collect data, in which 200 respondents were selected in proportion with the number of customers in each division of the district who have account in banks. As per the results obtained customers in the banks are driven largely by the facilities provided by the banks. Availability of technological aspects, the style of servicing the service system and the assurance provided by banks are the main reasons for selecting private banks in Batticaloa District. On the other hand, factors as such service structure, reliability and courtesy of staff are found to be influencing over state bank customers.

**Key Words:** Competitive advantage, Clients, Service system, Tangibleness, Empathy