FACTORS THAT INFLUENCE THE CONSUMER BEHAVIOR ON CHOICES OF LOCAL COMMERCIAL BANK FOR BANKING PRODUCTS AND SERVICES IN PERAK

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A research project submitted in partial fulfillment of the requirement for the degree of

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DECLARATION

We hereby declare that:

(1) This undergraduate research project is the end result of our own work and that due acknowledgement has been given in the references of ALL sources of information be they printed, electronic, or personal.

(2) No portion of this research project has been submitted in support of any application for any other degree or qualification of this or any other university, or other institutes of learning.

(3) Equal contribution has been made by each group member in completing the research project.

(4) The word count of this research report is 15819 words.

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DEDICATION

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LIST ABBREVIATIONS

et al.	and others
ANOVA	Analysis of variance
ASEAN	Association of Southeast Asian Nations
ATM	Automated Teller Machine
BNM	Bank Negara Malaysia
ESA	Electronic Share Application
GST	Government Service Tax
IBFT	Interbank Funds Transfer
MEPS	Malaysian Electronic Payment System
SPSS	Statistical Package for Social Science
UTAR	Universiti Tunku Abdul Rahman

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PREFACE

This research paper is submitted in partial fulfillment of the requirement for Bachelor of Business Administrations (Hons) Banking and Finance. Our Supervisor on the project is Cik Nurfadhilah Binti Abu Hasan. The final year project is made solely by the authors yet it is based on the research of others and the resources are quoted as in references.

Banking activity has rooted itself in Malaysia for so long but there is only few researches that talks about the factors affect customer behavior on the selection of commercial banks in Malaysia. Therefore, this is the reason why we are conducting this paper, as it is essential to outline the factors affect customer behavior on the selection of commercial banks in Perak, Malaysia.

In conclusion, this paper will focus on examine the bank selection with main independent variable as convenience, service quality, price of products and services, security and technology.

ABSTRACT

The purpose of this study is to investigate the factor affect the customer behavior when choosing the bank in Perak, Malaysia. In the meanwhile, this study also provides result of whether the variables such as convenience, service quality, price of products and services, security and technology have significant effect on bank selection.

The research is done through distributing questionnaire to respondents while the target population is the customers of commercial bank in Perak, Malaysia. Statistical Package for Social Science (SPSS) version 20.0 was used to analyze the data which collected from the survey.

Respondent's feedback was analyzed and presented through the test of Reliability Test, Pearson's Correlation Analysis, Multiple Regression Analysis and ANOVA One-way Test. The research finding showed that convenience, service quality, security and technology have significant positive relationship with bank selection while price of products and services have significant negative relationship with bank selection.

CHAPTER 1: RESEARCH OVERVIEW

1.0 Introduction

In this new trend of globalization, banks are playing an important role in maintaining a healthy financial system and economics for the country. The economics and business environment is gradually changing and getting more competitive against other banks to compete for customers. Since bank is a financial institution that manages money and helps in developing the country economic, it is important for the bank to understand the customer behavior and demands towards the bank products and services. This research aims on the understanding of various determinants and why people choose the banks for their products and services or decide which to choose for their bank of preferences.

1.1 Research Background

1.1.1 Worldwide Banking History

Modern banking can be traced from the origins of medieval and early Renaissance Italy, especially like the cities of Florence, Lucca, Siena, Venice and Genoa from the North. The Bardi and Peruzzi families have power and influence over the banking industries in 14th century Florence, expanding to

all other parts in Europe. Medici Bank which located in Italian is one of the bank in 1397 was located at Giovanni di Bicci de' Medici. Lastly, the ever first widespread state deposit bank, was founded in 1407 at Genoa, Italy which is Banco di San Giorgio (Bank of St. George).

The modern banking which consists from the issue of banknotes and fractional reserve banking emerges in the 17th and 18th centuries. Merchants begins to protect the people who owns private vaults, and collect fees for the service provided their gold with the goldsmiths of London, For every deposited precious metal, the goldsmiths send out receipts which confirm the truth of the amounts and purity of the metal that held as a Bailee; these receipts are unique and cannot not be share with the original depositor could collect their deposited goods.

As time passed, the goldsmiths started to lend money out to others as the depositors, which could development into modern banking practices nowadays in the end; promissory notes (which evolved into banknotes nowadays) are given money deposited to the goldsmith for loan. Because of this, fractional reserve banking in the early form are the loans to the goldsmith's customer which is repayable over a time period as the promissory notes were payable on demand. The promissory notes were improved into an instrument that can be reassign into function as a safe and a promised by the goldsmith's to pay as a form of money, benefiting goldsmiths with little risk of default when advancing loans. Thus, the London's goldsmith could by introducing new money based on credit become the predecessor of banking.

The permanent issue of banknotes was initially developed in 1695 at the Bank of England. The first overdraft facility was created by the Royal Bank of Scotland in 1728. Bankers in order to allow multiple banks to clear transactions they created clearing house in London at the beginning of the 19th century. The

international finance was developed on a huge scale by Rothschild, financing the purchase of the Suez Canal for the British government.

Monte dei Paschi di Siena is the oldest bank which still exists and is headquartered in Siena, Italy, ongoing from 1472. It is then followed by Berenberg Bank of Hamburg (1590) and Sveriges Riksbank of Sweden (1668).

The development of banking extends from northern Italy throughout the Holy Roman Empire for the 15th and 16th century to northern Europe. In the 17th century during the Dutch Republic in Amsterdam and in London in the 18th century there is numbers of important innovations were then followed to occur. There is a huge change to banks' operations and the banks dramatically improve in size and spread geographically in the 20th century caused by the improvements of telecommunications and computing. Some of the world's largest banks has fall into prey of the financial crisis of 2007–2008, causing many bank failures and provoked debate about bank regulation.

In January 1959 Bank Negara Tanah Melayu was build up. It control all activities of commercial banks in Malaysia is one of its main functions in Malaysia through the Banking Ordinance 1958 which by the Banking Act 1973. Bank Negara Tanah Melayu which is later known as Bank Negara Malaysia, the Central Bank of Malaysia with the formation of Malaysia on 16th September 1963. Bank Negara Malaysia has been issuing Malaysia's currency notes and coins with the Association of Banks in Malaysia was active from June 1967, which was established in November 1973, and is following the agreement which was issued on 8th May 1973 the termination of the Interchangeability Agreement with Singapore. This represents all the commercial banks of pertaining to the banking industry in Malaysia are BNM's primary responsibility with a total 38 commercial banks in Malaysia in 1973.

1.1.2 Local Commercial Bank in Malaysia

Table 1.0 List of Banks in Malaysia

BANK IN MALAYSIA
Maybank Berhad
RHB Bank Berhad (also known as Rashid Hussein Bank)
Affin Bank Berhad
Hong Leong Bank Berhad
AmBank Group Berhad
CIMB Bank Berhad
Alliance Bank Berhad
Public Bank Berhad

Nowadays, all the banks consists of many different kind of products and services, such as current account, deposit account, certificate of deposit, loans, personal loan, time deposits, mortgage, mutual fund, credit card, debit card, ATM, cheque books for retail banking, fund raising (Equity / Debt / Hybrids), business loan, project finance, mezzanine finance, risk management, revolving credit, term loan, cash management services, credit services for commercial banking. However in this research, we would like to discuss about the common services which is ATM. Nowadays, almost everyone uses ATM, and this service is popular among consumer.

1. **Maybank Berhad** ATMs make customers could enjoy many self-services banking transaction during the banks' off time. Which includes: Account

balance inquiry, Bills payment, Cash advance (the services only available for credit cards), Cash withdrawal for maximum limitation is RM5,000 per day, Cheque book and statement request, Electronic Share Application (ESA), Fixed deposit placement via funds transfer, Funds transfer between own account, Cash withdrawal, Account balance enquiry (except Diners).

2. Annual fee of ATM card in **RHB Bank Berhad** = RM8 Service fee = RM12 (for replacement due to loss / stolen / damaged / PIN forgotten). RHB BANK Berhad allow to Fund Transfer, pay bill, Prepaid Reloads, Deposits Withdrawal, cash transfer between your own accounts (including joint accounts), cash transfers to a third party (Open and Favorite Transfer), Remittances (payment order and foreign telegraphic transfer)

3. **Affin Bank Berhad** provides withdrawal of cash, transfer of funds, Malaysian Electronic Payment System (MEPS), Interbank Funds Transfer (IBFT), credit card advance, MEPS cash loading, bills payment, change of ATM PIN, statement request (applicable for current account only), recently statement request (up to last 5 transactions) and balance inquiry. Besides that, the bank provide other useful services such as registration of the mobile phone number, registration of phone banking T-Pin, Alliance online PERSONAL T-Pin, cheque book request (applicable for current account only) and change of ATM withdrawal limit.

4. **Hong Leong Bank Berhad** allows cash withdrawal, deposits, fund transferred, prepaid services, balance inquiry, payment. Hong Leong Bank also provides cross border cash withdrawal service via ATMs throughout three ASEAN countries which are Thailand, Indonesia, and Singapore. Hong Leong bank is the first bank in Malaysia that provides this kind of services.

5. **AmBank Group Berhad** include balance inquiry, Pay Bills, Cash withdrawal limit from **RM10,000**, and PIN changes. It also include a cross-border cash withdrawal service via ATMs created by MEPS which is ATM Regional Link service that will allow their ATM cardholders withdraw their cash in foreign currencies by using other country's ATM network and in some ways are same with Hong Leong bank services.

6. **CIMB Bank Berhad** includes ATM card offers services that can access within Malaysia and overseas. Many transaction facilities in this service are 24 hours operating. A list of services available to customers are as followed: Cash withdrawal per day available to users up to a maximum of RM5,000, and maximum of RM10,000 to CIMB Club members and Prime Account Holders, balance inquiry including saving account, current account, master card or visa card, Funds Transfer, Bill Payment, Loan / Financing payments are available for CIMB Loan, Fixed Deposit Placement and prepaid reload.

7. **Alliance Bank Berhad** include cash withdrawal, transfer of fund, credit card advance, MEPS cash loading, bill payment, statement request for current account, payment for publicly issued shares, MEPS Interbank Funds Transfer (IBFT), a recently statement request which record up to last 5 recent transactions, registration of mobile phone number, registration of phone banking T-Pin, Alliance online PERSONAL T-Pin, change of ATM PIN and change of withdrawal limit of ATM.

8. **Public Bank Berhad** allow to Cash Withdrawals, Balance Enquiry, and Monthly Statement, Conversion of Overseas Transactions, funds transferred, payment, prepaid cell phone and purchasing.

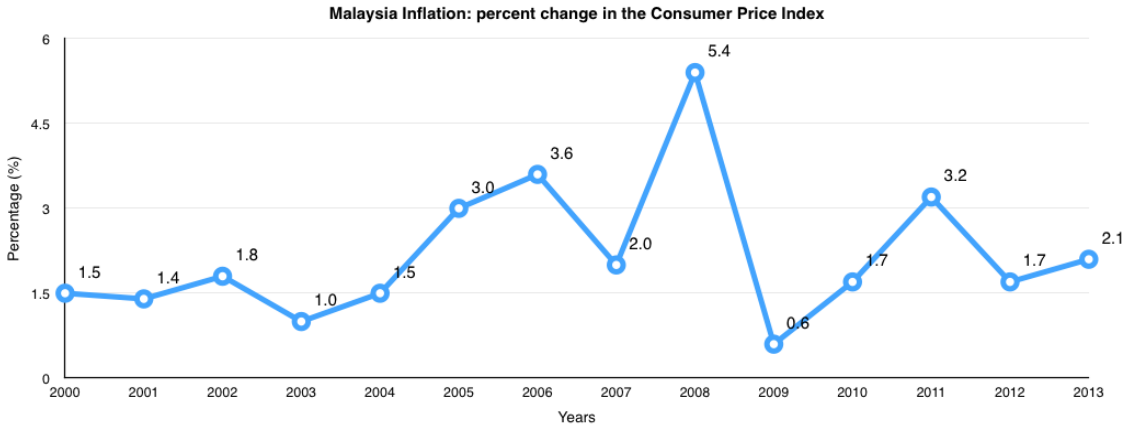
1.2 Problem Statements

Banking industry in Malaysia has a long history with many local and foreign banks emerged throughout the years. Globalization and government regulation has made the banking industry to become more challenging and competitive. To face these challenges, banks tries to adopt consolidation in order to offer more wide range of product and service. Based on Bank Negara Malaysia we found out that Maybank Finance Berhad and Amanah Finance Malaysia Berhad was the first few that responded to the bank call in 1998 to be merged. With the growing market and high consumer demand, the competitive between banks have become more intensified. Holstius and Kaynak (1995) said that the growing competitive and similarity of services offered by banks has made it increasingly important that banks identify the factors that determine the basis upon which customers choose between providers of financial services. The consumer selection criteria when selecting a bank has become more important, many banks has made that identifying this factors an essential move in their effort in attracting new potential customer and maintaining the existing ones.

Inflation is the prime concern driving affluent Malaysians to cautious investments, according to HSBC Malaysia. With the growing concern on economic instability in the next 12 months, consumer has become more sophisticated and demanding in managing their funds. According to Charles (2013), depositors continue to be driven by the volatile economic landscape. The personal impact of economic issues has made depositors more cautious about saving, spending and borrowing as well as the choice of investments. By referring to the above statement, Figure 0.1 shows the volatility of inflation rate in Malaysia. Based on the figure, the inflation rate is expected to increase further more in year 2014 when the government implements Government Service Tax (GST) regulation. David (1999) said by implementing GST, medium and low income household will be greatly affected by this, in the short-term house may suffer more losses than gain from GST. From the past experiences the average consumer price will increase however household income stays the same thus inflation may occur when their income is unable to

sustain their expenses. Growing in price may cause the consumer with lesser money, therefore consumer behavior will become more demanding when selection in investment.

Figure 1.0 : Malaysia Inflation: Percent Change in the Consumer Price Index



Source: The World Bank

There are many factors affecting customer selections in banking product and services. Some of the previous researchers Christos and Co (2012) had analyzed the factors affecting customer decision for taking out bank loans in Greek by using demographic factor, service quality, and the bank loans policy affect the decision making and satisfaction from the bank's services. Their results show that the service quality is highly correlated with customer selection criteria. In this paper we will try to determine others factors that may affect customer selection in banking products and services.

The previous researcher studies the determinants affecting the customer selection criteria however they faced a few limitations in their studies. According to Safiek and co (2009) their study has at least one limitation which focuses only on the corporate depositors without considering individual depositors. Their study has at least one limitation which focuses only on the corporate depositors without considering individual depositors. Some researches only focus on the respondent in a certain area, therefore the results obtains may not represent the whole population. Many researches has been done on the effect of

consumer selection in private and Islamic back however in this paper we will focus on the factor affecting consumer in local commercial bank in Malaysia.

Using the supporting evidence from above, we are going to do further studies on the Determinants of Bank Selection that influence the behavior of consumers. In this paper we will attempt to find out which determinants are significantly affecting the Malaysian consumer when selecting their banks preferences.

1.3 Research Objectives

1.3.1 General Objective

The general objective is to study the determinants of the choice of commercial banks by the customers.

1.3.2 Specific Objective

1. To analyze the linear relationship between convenience and bank selection.

2. To analyze the linear relationship between service quality of bank and bank selection.

3. To analyze the linear relationship between price of products and services and bank selection.

4. To analyze the linear relationship between security and bank selection.

5. To analyze the linear relationship between technology and bank selection.

1.4 Research Questions

1. Does convenience have significant relationship on bank selection?
2. Does service quality of bank have significant relationship on bank selection?
3. Does price of products and services have significant relationship on bank selection?
4. Does security have significant relationship on bank selection?
5. Does technology have significant relationship on bank selection?

1.5 Hypothesis of the Study

1.5.1 Convenience

H_0: There is no significant relationship between convenience and bank selection.

H_1: There is a significant relationship between convenience and bank selection.

1.5.2 Service Quality

H_0: There is no significant relationship between service quality and bank selection.

H_1: There is a significant relationship between service quality and bank selection.

1.5.3 Price of products and services

H_0: There is no significant relationship between price of products and services and bank selection.

H_1: There is a significant relationship between price of products and services and bank selection.

1.5.4 Security

H_0: There is no significant relationship between security of bank and the bank selection.

H_1: There is a significant relationship between security and the bank selection.

1.5.5 Technology

H_0: There is no significant relationship between technology and bank selection.

H_1: There is a significant relationship between technology and bank selection.

1.6 Significant of Study

The main objective for this research project is to discover the relationship between the dependent variable which is customer choices on bank selection and the independent variables which consist of convenience, service quality, price of products and services,

security, and technology. In this paper, reference will be taken from the previous researchers' idea, information and updates the information from time to time.

First, this paper will contribute to bank about the information of bank selection by customers' choices. Bankers will know more about customer perspective and factors cause clients switching to others bank. For example service quality is an important reason that cause customer switching to its competitors. When bankers know understands more about customer behavior it will help the banks in their management planning and indirectly enhance customer base by attracting customers from its competitors and overcome the problem of depositors switching to others bank.

Additionally, undergraduates could view this research project for their further reference as it would provide information regarding selection of bank from customer perspective as the information update from time to time. It could also provide information in the customer perspective; as this paper could provide essential information for them to consider which bank more essential product and services that could satisfy their needs.

Furthermore, the priority of customer selection of bank is not only important for bank itself but also significantly for the policy makers. As this paper will shows that which factors will influence the decision of depositors for their bank selection and it will help policy makers in better decision making.

Lastly, this paper could provide more information to marketing makers about customer preference in term of selection a bank. Marketing makers able to come out more effective marketing strategic when they understand customers' preference. For example marketing markers introduced loyalty program to overcome customers switching problem.

1.7 Chapter Layout

This paper is separated into five sections that consist of five different chapters. Chapter One introduces the background of study, problem statement, research objectives, research question, hypothesis and significance of study. In Chapter Two, overviews of previous relevant literatures are discussed to provide clear and logical presentation on our field of research. This is followed by Chapter Three with further discussion and on the methodology used in this study. Next in Chapter Four would be the data analysis that collected from the relevant methods from previous chapter to carry out the findings and results. Lastly, Chapter Five will conclude and sum up all the major findings in this research.

1.8 Conclusion

This paper overall describes the background and importance of bank in promoting financial system and economic growth, where understanding of the customer decision criterion and motivate the customer to select their bank for their valuable transactions plays a vital role towards the customer decision for bank selection.

CHAPTER 2: LITERATURE REVIEW

2.0 Introduction

A literature review of journals was discussed in this chapter which is related to factors that influence the consumer behavior on choices of local commercial banks for banking products and services. In this chapter, numerous of empirical researches have been reviewed to determine the relevant variables to strengthen the reliability of this theoretical model, followed by proposed theoretical framework and hypotheses development.

2.1 Review of Literature

2.1.1 Bank Selection Criteria

Bank selection criteria refer to the bank services or image where the customers are aware of their importance in their selection of a bank for themselves (Janian, Kamaruddin & Hoe, 1998). This focus and access on how customers perceive the banks and their competitors in comparison with various variables and attributes such as happiness, joy, cheerfulness and delightfulness that derived from a banking services and avoid bringing emotions of sadness, enraged and deceit to them. The competition in banking industry has become fierce with the emergence of technology such as ATM and mobile banking electronic banking; consumers

are expecting more demand for financial services (Hinson, Osarenkhoe and Okoe, 2013). The bank selection criteria are considered by the customer groups that having a positive impact on a bank's market share due to the fierce competition among the banks nowadays (Rashid, 2012). Since bank is a financial institution that deals money and it's very vital for the country economic development, which is why the bank selection criteria is playing a important role for the customer that provides a better necessity and explore the factors to motivate more customers to select their banks (Parvin and Perveen, 2012). The issue on how consumers select their banks has been investigated by many researchers (for example: Boyd et al., 1994), and says that the economic environment nowadays is rapidly changing and become one of the important factors for financial institutions to determine the factors which is applicable for customer bank selection process. Lastly, by understanding the customers' banks selection criteria help the banks in identifying the appropriate marketing strategies to attract more customers as well as retain the satisfied customers (Aregbeyen, 2011).

2.1.2 Convenience

According some researchers convenience is one of the factors that will impact the decision of selecting a bank by customers (Hinson, Osarenkhoe and Okoe, 2013). When a bank location is nearby customer it will be easy for a customer to do their transaction and a bank has convenience location will have an advantage compare to its competitors who do not have convenience location to its clients. However, according to Zineldin (1996) stated that convenient location of bank might not much influence much on decision of choosing a bank by customers because of technology customers can do their payment via different methods such as debit card, online banking, credit cards and mobile banking. Some researchers argue that convenience is an important factor that will influence bank selection by

customers because every customer might not have the same view of convenience (Hinson, Osarenkhoe and Okoe, 2013).

In addition, some researchers claim that convenience have significant relationship with the result of customers choosing a bank (Metawa & Almossawi, 1998). When the location of a bank is nearby with customers home or working place, the customers will more prefer have transaction with a bank. However some researchers found that there are insignificant relationship between convenience and decision of selecting a bank by customers (Ta & Har, 2000). When the location of a bank is nearby with customers home or working place will not influence the decision of a customer choosing a bank. These major finding have differ result because of the research sourced are collect from different area which are Asian and non-Asian countries.

Lastly some researchers stated that a bank with more branch offices or ATM in the country the more likely will be selected by the citizen (Katircioglu, Tumer, Kilinc, 2011). When the number of branch office is more it is more convenience for a customer do their transaction or deal with a bank.

2.1.3 Service Quality

LeBlanc and Nguyen (1992) found that service quality of bank is the single and most significant factors that will affect decision of select a bank by customers. Rosenblatt (1992) also claim that effective service and choice of bank have significant relationship. When the speed of transaction is less effective than others bank will influence customers switching to others bank. Others researchers also have similar idea such as speed of transaction, and the degree friendly of staff will

also have affect the result of customer choosing a bank (Sudin and Norafifah, 1992). When the transaction speed is fast or efficient will reduce the degree of intention switching to others bank.

In addition, some researchers shows that decision of selecting a bank by customers also can be explain by range and quality of services provided by bank (Poh, 1996).When the services offer by bank is wide will attract attention from customers in decision of selecting a bank. However Gerrard and Cunningham (1999) claim that even sometime a bank offer wider range of product services not necessary will influence the result of a customer selecting a bank because of some customers would like to become multiple bank users rather than single bank users. According to Denton and Chan (1991) definition of multiple bank users is a user having more than 2 bankers handle it personal account. From customers view is become multiple bank users might have extra advantage such as wider range of ATM, and have a better deal on financial loan.

Moreover, some researchers claim that service quality is the most important criteria will influence the result of selecting a bank by customer (Newman, 2001). According to Avkiran (1994), seventeen of term scale was used to measure service quality in Australian. Furthermore some researchers have used four dimensional to measure service quality in Indian (Angur, Nataraajan & Jaheera, 1999). They claim that four dimensional is better than service quality scale to measure service quality because of high discriminate validity in service performance.

Lastly, some researchers found that service quality and satisfaction will influence the decision of a customer switching a bank (Bitner, 1990; Zeithaml, Berry, and Parasuraman, 1996). According to Clemes, Mollenkopf and Burn (2000) in order to fulfill satisfaction of customer it is very important to know the customer

character and its can be classified into five categories which are intangibility, inserarability, hetrogenerity, perishability and ownership. This is because the view of the service quality from each of the category from different with each other and it will indirectly influence a customer selecting a bank.

2.1.4 Price of Products and Services

Beckett, Hewer and Howcroft (2000) found out that the emergence of new technology created a situation where consumers are more aware of market conditions and cause more sensitive towards price and service in their financial services choice. Price of financial institution products and services serve from a customer's perspective that it must be sacrificed to obtain the banks products or services (Zeithaml, 1998). Banks charges fees for the services and apply interest charges on loan, as well as paying interest on certain accounts which creates a wider meaning for pricing in the banking industry (Gerrad and Cunningham, 2004). Keaveney (1995) also found out that more than half of the customers prefer better price perceptions and switched their bank selection choices because of that, showing that unfavorable price perceptions create an effect on customer intention to switch. Customers would usually demand to have the best product and services at the lowest price from the banks. They would compare prices, cost or benefits from the banks that offers the similar products and services and select the bank that they perceive and provides the highest benefits to them with the lowest cost given for their preference (Aregbeyen, 2011). This is why price of products and service is found to be an important factor for customer in their bank selections, as customers expect and willing to pay the price for the better product and services quality for it (Mabin and Balderstone, 2003).

2.1.5 Security

Security refers to the feeling of safe from danger and harm. There are some common thing that customers will consider when select a bank such as bank reputation, transaction security and financial performance whether is stable or not. According to Zineldin (1996) one of the factors can explain the result of decision choosing a banking customer is reputation of bank. Customers will consider a bank reputation before deciding because customers worried whether the security of a bank whether the bank stable or not. The bank which is more secured will have advantage compare to a bank that is not secure

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In order to have customer have a strong sense of feeling towards the bank, the bank is ensured to see that one of the key is build up trust relationship with customers. Some researchers emphasize that trust is very important in relationship (Shama, 2003). When a bank security is secured, it will gain the confidence and trust from the customers. Other than that, customer would promote a bank through the satisfaction and positive relationship with the bank and spread the attention towards others. When there are good image and feedback from public, it will improve the decision and confident for the customer to select a bank.

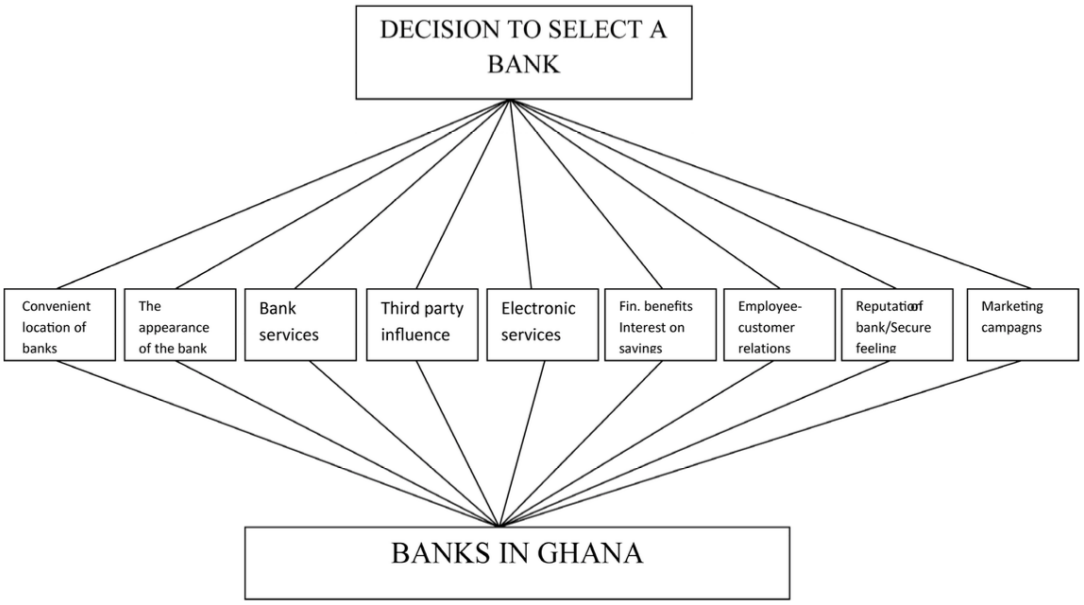
In conclusion, Hinson, Osarenkhoe, and Okoe (2013) found that there are positive relationship between bank security and decision of select a bank by customers. When the degree of bank security is higher the probability of chosen a bank by customers will be higher.

2.1.6 Technology

Technology refers to the modern life information technology that characterized by ever changing evolution to assists and develops a better financial activity in banking industry. According to Dangolani (2011), technology has a major influence in the way how banking and financial services are delivered, creating wide range of alternative mechanism such as online banking and ATM and reducing the dependence on the branch network as core delivery mechanism. Khawaja and Manarvi (2009) found out that financial institutions such as banks technology reduced the trouble on manual input on registers and ledgers with customers that were served through cheques and pay orders, with the introduction of Automatic Teller Machines (ATMs) for interacting with consumers and provide better services. Lichtenstein and Williamson (2006) also found out that banks will be better on managing consumer experiences and satisfaction by moving to internet banking if consumers understand that such experience involve a process of adjustment and learning and not only with the adoption of new technology. Lastly, the developments of information technology and communication technology have enabled banks to build large customer database and analyzing data on consumer preferences in a more efficient way (Verhoef and Lemon, 2013).

2.2 Review of Relevant Theoretical Model

Figure 2.0 Decision Hierarchy Model for the Selection of Banks which Developed by Ta & Har (2000).



Adapted from: Hinson, R. E., Osarenkhoe, A., Okoe, A. F. (2013). Determinant of Bank Selection: A Study of Undergraduate Students in the University of Ghana

Decision hierarchy model for the selection of banks developed by Ta and Har (2000) was adopted. Decision hierarchy model is the technique to analyze the complex decision by the measurement of the rating scale. This rating scale will reflect the level of the preference and the feeling of the respondents towards the questionnaire. By using decision hierarchy model, this model can present the problem in network structure to represent the problem and pair wise comparisons to create relation within the structure.

According to Wei and Lu (2013), SERVQUAL theories, this is the tool to evaluate the customer's perception towards to the service quality of the service as well as in businesses perspective. Parasuraman, Zeithaml and Barry (1988) had developed this tool

in past decade that is in year 1988. This assessment of the service quality divides into five dimensions:

Empathy: The ability to understand and care for the feelings of customers in order to satisfy customers with our service.

Responsiveness: The willingness of the employees to provide service to the customer needs quickly and positively.

Assurance: A positive intention from the employee to the customers and have their confidence gain towards the bank.

Tangible: Tools, physical facilities and appearance of the employees.

Reliability: Ability to provide service to customers accurately.

There are twenty-two questions consists of these five dimension of assessment will be asked to the customers to rate the service in the view of the performance and another twenty-two questions will be asked in the view of expectation. The rating of service is evaluated from 1 to 5 which indicated range from “strongly disagree” to “strongly agree”. This evaluation can help to identify the range of agreement and disagreement towards the particular service.

2.3 Proposed Theoretical and Conceptual Framework

Proposed Model: $BS_t=ß_0 +ß_1CO_t +ß_2SQ_t+ß_3 PR_t +ß_4SE_t +ß_5TE_t$

Where,

BS_t = Bank Selection

CO_t = Convenience

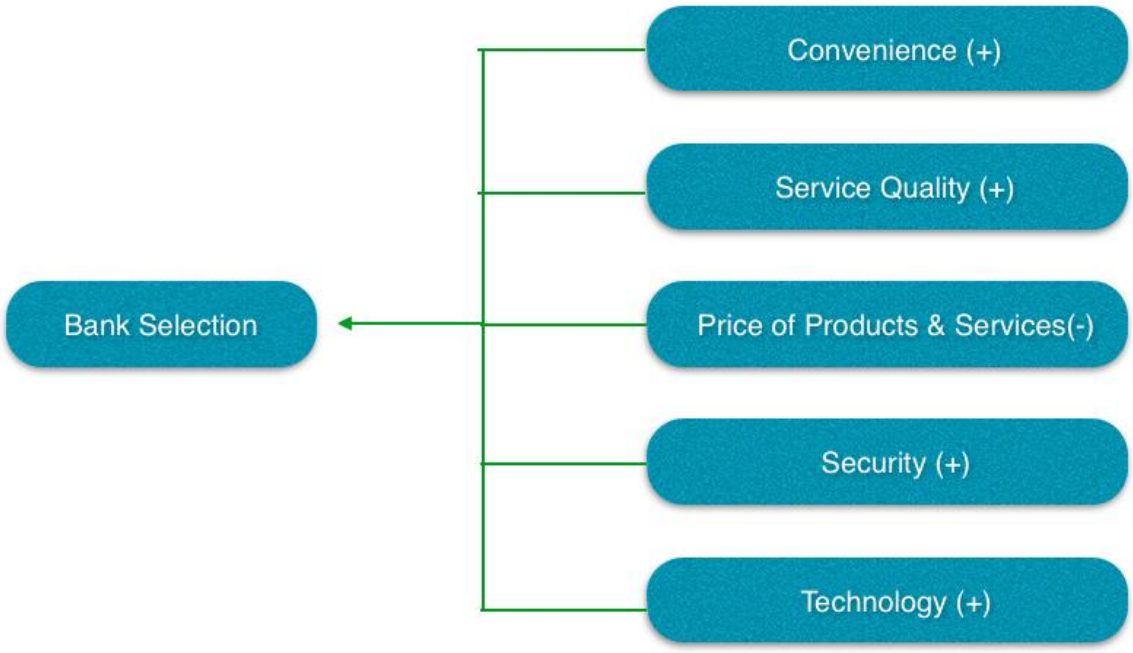
SQ_t = Service Quality

PR_t = Price of Products and Services

SE_t = Security

TE_t = Technology

Figure 2.1 Determinant of Bank Selection Criteria.



(Develop for the research)

The above figure illustrated the determinants of bank selection which using convenience, service quality, price of products and services, security and technology as factors input. It was hypothesized that there were positive relationship between bank selection and factors which is convenience, service quality, security and technology. While negative relationships were expected between bank selection and price of products and services.

The positive relationship between bank selection and convenience can be explained if you travel commute a distance from home to work, a bank with widespread branches and many ATMs is probably going to cost you less than a bank with a more limited range. Positive relationship between bank selection and service quality was related to the difference between the dimensions in customers' perceived service and expectations of service. It means that, if there is little difference between the customer's expectation and customer's experience, the customers will tend to choose that banks. Besides that, bank selection and security was positively related. If bank services such as consumer finance are provided through third parties like retailers or automobile distributors in secure ways, this will attract the customers into particular bank. In addition, bank selection and technology is positively related as the rational stated that the new generation of customers usually put more emphasis on the factors which allows them quick and convenient access to the bank services. On the other hands, bank selection and price of products and services were inversely related as the rationale stated that price of products and services acts as primary reason of bank selection. It meant that, when the price of products and service better for consumer, the probability to choose the particular bank will be higher.

2.4 Hypothesis Development

2.4.1 Bank Selection and Convenience

H_0:$\beta_1 = 0$ (There is no relationship between bank selection and convenience)

H_1:$\beta_1 \neq 0$ (There is a relationship between bank selection and convenience)

Convenience means a product, process or services with easy accessibility, save resources and reduced frustration.

A numbers of investigations have been carried out to determine the relationship between convenience and bank selection. Riggall (1980) conducted a survey by using two hundred and fifty samples to analyze the reasons used by consumer when selecting a particular bank. Other findings also said that, convenience of location to appears to be the most important factor follow by low service charges, availability of ATMs in order of importance. Kaufman (1967) studies of the determinants factors applied in bank decisions by consumers and business firms also noted that the most influential factors are convenience locations, bank-customer relationships and the quality of services offered by the bank.

Mylonakis et al (1998) conducted a study on marketing-driven factors influencing savers in the Hellenic bank market. The study concluded that the most important bank selection criteria are convenience, bank reputations, quality of a product and others factors. Their respondents showed that bank selection criteria like location convenience seem to be influencing the bank selection the most.

Convenience is considered as a major factor that affects the consumer selection behavior. Convenience is indirectly affecting the bank selection, and the relationship between bank selection and convenience is assumed positive in this study. The relationship between bank selection and convenient location will be investigated in the case of Malaysia commercial bank market.

2.4.2 Bank Selection and Service Quality

$H_0 = 0$ (There is no relationship between bank selection and service quality)

$H_1 \neq 0$ (There is a relationship between bank selection and service quality)

From this study, majority of the respondents feels that bank should provide service that match towards the student demands. The requirements for a banks' service should be simple.

Based on Holstius and Kaynak (1995), nowadays the banks to identify the factors that determine the consumer decisions on choosing their providers of financial services by the similarity of services which offered by bank has become so important. A study which is presented by Mamunur Rashid, M. and Kabir Hassan (2009) in Bangladesh where there's a six full fledged Islamic banks found corporal efficiency, confidence, core banking services, and others. The non-Islamic elements were set as higher priority weights by majority of the respondents. Erdener Kaynak, Talha D. Harcar (2005) also found out that banks which with more extra services provided were more favorably. Laroche, Rosenblatt, and Manning (1986) also revealed that demographic segments have become one of the important factors affecting speed of service. Ron Shevlin and Catherine Graeber (2001) discovered that affecting a consumer in selecting a particular bank could include different type of factors, they showed that the

primary reason and the most powerful influences for a consumer selected for a bank and which bank's branch going to visit and the opinions from friends and families is ATM (Automatic Teller Machine) in Texas, USA. Khazeh and Decker (1992) found out that consumer's preference of a bank choices based on the service charge policy and competitiveness of loan rates provided by the banks. Based on Boyd et al. (1994), USA respondents identified the most important criteria were the interest rates provided by the bank for saving accounts, interest rates which going to charge by the bank on loans, and quick service. Safakli (2007) found out that that the main factors determining consumers' bank selection in the case of Northern Cyprus are: "Service Quality and Efficiency". Katircioglu et al. (2011) found that for both Turkish and non-Turkish undergraduate students "speed and quality of service" has become the most important factors that considered by the bank. Bank service quality, including regular operation time, operated quality and safety of the fund is the main factor affecting customers' bank selection from (Laroche et al., 1986; Javalgi et al., 1989). Reducing the risk and uncertainty that related to the purchase of service, now the customer are less and less rely on the tangible assets like place, equipments, people, symbols among others as the evidence of service quality. Based on this study, service quality was found to be a quite important reason for customer choosing the bank.

2.4.3 Bank Selection and Price of Products and Services

H_0: $\beta_3 = 0$ (There is no relationship between bank selection and price of products and services)

H_1: $\beta_3 \neq 0$ (There is a relationship between bank selection and price of products and services)

Based on the previous researcher's findings, the relationship between bank selection and price of products and services were found to be mixed.

Several researchers had supported their findings as price of products and services will affect the choices made by the consumers. Rob Rubin (2014) in fourth-quarter 2013, 35% of respondent consider price a factor when selecting an account. Differences emerge when comparing consumer responses based on the type of institution they selected. Aish et al. (2003) research of comparing the bank selection decisions of the small business market across United Kingdom and Egypt has found that both Egyptian and United Kingdom small business customer consider product pricing as the most important factors in bank selection decisions. Huu and Kar (2000) research on the determination of bank selection on undergraduate studies in Singapore has concluded that young generations have high expectation on the pricing and product diversity of the bank services, while third party influence have the least votes.

Pricing has been found to be responsible for affecting consumer selection behavior. However there are researches shown where negative correlation exists between product price and bank selection. Roman and Anca (2012) studies on the heterogeneity of bank pricing in Czech Republic supported this. The result shows that there is heterogeneity in bank pricing in the short run however not in the long run. In the short-run, mortgage rates and firm rates follow the money market however it may changes in the long run. Consumer rates desired a price mark-up and do not exhibit high sensitive towards the money markets rate in the long run. Thus product pricing correlation with bank selection may produce difference correlation depends on the time period.

In conclusion, many researches had been done between price of products and services and bank selection. The result shows that both price of products and

services and bank selection are highly correlated between each others. However there are a few remarks that said there is a negative relationship exists between them. The mixed relationship raised the interest to examine the relationship between product price and bank selection.

2.4.4 Bank Selection and Security

$H_0 = 0$ (There is no relationship between bank selection and security)

$H_1 \neq 0$ (There is a relationship between bank selection and security)

Bank security include bank reliability, bank reputation and bank assurance especially nowadays more and more customers were started using online or internet banking because it is convenience and make transfer in home.

Based on several researchers finding, it shows that the bank security is a consideration for customers on choosing the bank. From Robert E. Hinson et al (2013), researches show that security issues are related with the reputation of the bank through the survey from respondents. Some respondents said "through the bank reputation then customers know which bank can be trusted and they personally would not go out for just any bank but has proved overtime". Some of the respondents explained that the prestigious bank is trustable, and conduct any transaction with the reputable bank make them feel safe while compare to the others bank. They also explain that a bank which with the good reputation is more likely to provide an efficient service delivery compare to the others bank. Boyd et al. (1994) conducted a survey and show that the most important criteria identified by respondents in the United Stated is bank reputation. However, few respondents

said that bank reputation will not be a factor, "maybe the security won't be a factor for us to consider which bank that we should conduct with, this is because sometimes the bigger the bank maybe could make a bigger problem cause they are too big to manage." Edris and Almahmeed (1997) found out that causes such as size of total asset in bank and availability of branch network are largely affected the customers' mind when selecting a bank. Javalgi et al. (1989) found that financial factors, like safe keeping of funds are quite important in the customers mind. Financial stability of the bank" is crucial. The reason for this is that customers want to be assured that whether their deposit is secure or not in the bank and that they can trust and stay loyal to the bank that they have selected. (Holstius and Kaynak; 1995).

2.4.5 Bank Selection and Technology

$H_0 = 0$ (There is no relationship between bank selection and technology)

$H_1 \neq 0$ (There is a relationship between bank selection and technology)

Mersid Poturak (2003) revealed that the opportunity of telephone banking rank is quite low which are forty-seven. Kotler and Keller (2006) found out that customers are becoming harder to be please this is because they are getting smarter, more sensitive to price, less forgiving, more demanding from bank, and many of the bank competitors provide equal or better offers to them. Hence, the challenge is not limit to the bank to pleasing and makes the customers satisfied as competitors do the same; the challenge is to produce delighted and customers that would stay loyal. This challenge is the bank needs to increase the financial sophistication of customers now, in order to do that the bank need to use more efficient of information technology and the entry of new aggressive competitors

position in the marketplace (Owusu-Frimpong, 1999). These significant changes, together with technological improvements, could reflect in the fast growing of the banking system, creating high competitiveness and concentration in the banking industry. According Mylonakis et al (1998), they found that there are eight hundred and eleven bank customers in Greece which in the greater Athens area are asked to figure out what is the important criteria when select the bank that could be selected for the urban consumers of saving accounts Hellenic bank market. In this survey, they found out that the customers almost have the same responds for the bank selection in the bank markets which are looking for good and safe service, efficient and technologically modern environments. With the researched from respondents of two hundred and fifty bank vendors the result showed that the technology and speed are very important from (Coyle, 1999). This study showed that the bank which can offer fast, technology related services such as ATMs which is supported by effective staff training could have the absolutely competitive position in the bank market. Furthermore, Almossawi (2001) and Lenka et al. (2009) support the importance of technology when in selection of commercial bank. Staff of banks should discover that the new generations of people enjoy using the advanced technology devices such as ATMs. This shows that the new generations of customers are preferable to cooperated with the bank which could provide them the more fast, more convenience and easier process to conducted with the bank services rather than the factors which are hospitality, bank premises condition and bank location. According to Kamakodi and Khan (2008), Indian banking industry is largely adopted of technology and automation technology in order to improve their competitive advantage in the bank market.

2.5 Conclusion

Relevant studies on this chapter which is done by previous researchers are reviewed with discussion on various dependent and independent variables in this study. Furthermore, the theoretical framework and proposed conceptual framework are also provided in this chapter to show the relationship between dependent and independent variables. Lastly, the methodology of the research will be formulated and discussed in the next chapter.

CHAPTER 3: METHODOLOGY

3.0 Introduction

The outline of the research in this study was clearly introduced in this chapter. The elements of this chapter consist of research design, data collection methods, sampling design, operational definitions of constructs, measurement scales, and methods of data analysis. This will allow reader clearly understand how the research is carried out. This study used three hundred survey questionnaires which obtain from respondents.

3.1 Research Design

3.1.1 Descriptive Research

In this study, researchers use descriptive research to conduct. Descriptive research is used to obtain data through questionnaire that describe the characteristics of the population that already exist. This research is descriptive in nature due to it studies the banks selection among citizen in Perak, Malaysia. The researchers are hoping for the early collection of data because researcher needs to have clear

picture of the research before conduct it.

3.1.2 Quantitative Research

Quantitative research is to identify the relationship between independent variables and dependent variable. From the view of marketing, it is the collection of quantifiable data or information that can be traced over time. According to Wu and Little (2011), quantitative research can divide into three parts that consists of design, measurement, and analysis issues. For design issues, sampling and different types of designs for causal inference are discussed. In measurement issues, variety types of reliability and validity of measurement will be used. Analysis techniques will be used to quantify the interaction among variables in analysis issues.

3.2 Data Collection Methods

Primary data have been used in this research and the data is collected to find out the research objective in this study.

3.2.1 Primary Data

Primary data is the original data or information which collected by the researcher for the project on hands (Zikmund, 2003). The data or information is collected through the interview, survey and experiment instead of gathering the data which already available in public (Forshaw, 2000).

Survey is one of the types of research technique to gather data through interview

or giving out the questionnaire to the respondents. In this research, the questionnaire had been distributed from 12 November 2014 to 19 November 2014. The questionnaire is distributed by using random sampling and snowball sampling method because there are time consuming and difficult to reach all respondent in different area of the Perak.

There are three hundred survey questionnaires had been collect from the respondents with different of gender, age, monthly income, and qualification. After collecting all questionnaires, it will be transformed to the primary data through statistic software to conduct result.

3.3 Sampling Design

3.3.1 Target Population

According to the Lohr (2009), the target population is the group of people who will complete the questionnaire that related to the research. In this research, the target population was the residents in Perak, Malaysia. By the end of 2013, there were around 2.44 millions of citizen in Perak, Malaysia (Department of Statistics Malaysia, 2014).

3.3.2 Sampling Frame

The second phase of sampling process taken is the sampling frame and location. According to Lewis-Beck, Bryman, & Liao (2004), sampling frame is a list used to explain researcher's population of interest. The sampling frame defines a set of elements, this allow researcher can choose a sample from the target population. The sampling frame in this research is focus on all residents in Perak, Malaysia. Definitely, the sampling location in this research was carried out at Perak, Malaysia.

3.3.3 Sampling Elements

The third phase of the sampling process taken is sampling elements. Sampling elements is single unit which selected from population to conduct in research. In this research, questionnaires distributed to different level of respondents that above eighteen years old and lives in Perak such as college or university students, professionals, and other respondents with different level of income. This will allow us to find out the relationship between five independent variables which is convenience, service quality, price of products and services, security and technology serve as the factor to affect the bank selection of the respondents more clearly and accurately.

3.3.4 Sampling Technique

In this research, the sampling technique researches use is the random sampling technique. This is because it allows us easy to assemble the sample. It also

provides fair method to choose the sample from the population because each respondent is provided equal chance of being chosen. Through this technique, it enable researcher had clear conclusion because it provide unbiased selection and highly representative.

3.3.5 Sampling Size

Sample size is one of the most efficient method of achieving estimates that are provides precise and reliable result for research (Henry, 1990). According to Krejcie and Mogan (1970), they proposed formula to determine the size of the sample which stated as below:

$S = X_2NP (1-P) / d_2 (N-1) + X_2P(1-P)$

S = required sample size

X_2 = the table value of chi-square for one degree of freedom at the desired confidence level (3.841)

N = the population size

P = the population proportion (assumed to be .50 since this would provide the maximum sample size)

d = the degree of accuracy expressed as a proportion (.05)

According to this formula, three hundred and fifty questionnaires are distributed in different area of Perak in order to gather precise results. Finally, researches only had three hundred valid questionnaires due to some questionnaire unable to collect back or some respondents fill it wrongly.

3.4 Research Instrument

3.4.1 Questionnaire Design

In this research, the questionnaire consists of thirty-six questions and had twelve sections that are from Section One to Section Twelve. The personal information of the respondents will be kept confidential which written in the front and top of the questionnaire in order to allow respondents feel comfortable and fill the answer without biased.

There are six questions from the Section One to Six. From these six sections, researchers aim to know the demographic of the respondents such as gender, age, education level, personal monthly income, frequently use of bank, and satisfaction toward the bank.

From Section Seven to Eleven, it is created to show and evaluate the independent variable of this research which consists of convenience, service quality, price of products and services, security and also technology. There are five questions include in each of the independent variable.

In the last part of the questionnaire which is Section Twelve is to measuring the dependent variable which is the bank selection. In this section, there also have five questions required respondents to answer.

However, researchers decided to remove one question from five question of

independent variable service quality. The five questions were stated as below:

1. Customer service is easy to access and available.
2. Friendly and courteous manner of employees.
3. Willingness to listen and respond to your need.
4. Fast and efficient service.
5. Satisfied with the feedback given by the bank.

Researches also decided to remove one question from five question of independent variable price of products and services. The five questions were stated as below:

1. Appropriate amount of service charge.
2. Acceptable interest rate charge on loan or product.
3. The products price difference between banks is acceptable.
4. Interest charge on overdue payment is in reasonable amount.
5. Reasonable interest rates charge on credit card.

Furthermore, researches remove one question from the independent variable of security. The following is stated as below:

1. Reputation of the bank is sound.
2. Financial performance of the bank is sound.
3. Capital and size if the bank is adequate.
4. E-banking service is secured.
5. Customer personal information is protected.

After trial and error method, the questions researches decide to remove are "Satisfied with the feedback given by the bank" from independent variable of service quality, "Interest charge on overdue payment is in reasonable amount"

from independent variable of price of products and services, and "Customer personal information is protected" from independent variable of security. This is because the reliability tests of the service quality unable to achieve level researches' desire which is Cronbach's Alpha coefficient more than 0.75.

3.4.2 Pilot Test

Pilot test is preliminary version of full survey operations that are to identify whether problems exist before distributed real survey to the respondents (Lavrakas, 2008). In the pilot test, thirty sets of the questionnaires are distributed to the lecturer and tutor from Universiti Tunku Abdul Rahman (UTAR), Kampar. During the pilot test, the respondents gave some recommendation for our questionnaire. Throughout this test, researches get few results that are unreliable but the result is still reliable in overall. After pilot test was completed, researches made some amendments and correction on the questions that suggest by the respondents in order to improve respondent's understanding throughout the questions.

Based on the table below, the results of the reliability test of all the six variables is above the limit of 0.75 thus this shows that the results of the questionnaires is reliable and well reflect the research topic. The actual test will be done by using the backbone of the questionnaire used in the pilot test.

Table 3.0 Pilot Test Reliability Test Results

	Pilot Test Reliability Test Cronbach Alpha
Convenience	0.849
Service Quality	0.897
Price of products and services	0.851
Security	0.911
Technology	0.763
Bank selection	0.784

(Developed for the research)

3.5 Constructs Measurement

According to Gravetter and Vallnau (2010), the whole set of categories makes up scale of measurement whereas the relationship between categories determines types of scale. There are some scale of measurement widely used in the research such as ordinal scale, nominal scale, interval scale, ratio scale and others. In this research, researches use ordinal scale, nominal scale and Likert scale.

3.5.1 Nominal Scale

Nominal scale contains a set of group that have different name. Measurement of nominal scale is to categorize the observation however it does not quantifying the different between observation (Gravetter & Vallnau, 2010). From Section One to Six, the questions are designed based on their nominal scale. For example, variable of education level is separate the respondents into six groups which are Secondary School, Diploma, Bachelor, Master, Ph .D and others.

3.5.2 Ordinal Scale

Ordinal scale contains a set of group that is arranged in ordered sequence. Measurement of ordinal scale is in terms of size or magnitude (Gravetter & Vallnau, 2010).

3.5.3 Likert Scale

Likert scale is a type of measurement scale that published by Rensis Likert in 1932 (Brace, 2004). The technique present respondents with a series of questions, for each of the questions, they will be asked how strong of agree or disagree with the five-point scale which is One represent strongly disagree, Two represent disagree, Three represent neutral, Four represent agree, Five represent strongly agree. In this research, researches use Likert scale from Section Seven until Section Twelve.

3.6 Data Processing

3.6.1 Questionnaire Checking

The first steps of data process is data checking which is necessary to be taken because it can help research to detect error and handled this error on time before go to next step. The error such as respondents not followed the instruction to answer, incomplete answer gathered from the survey questionnaire, and respondent are not qualified in the survey, this will enable us to use this data to do further analysis.

3.6.2 Data Editing

The second step of data process is data editing which is the process of checking the consistency, completeness, and legibility of data and it also creating the data in order to prepare for next step that is data coding. There are two type of editing which is field editing and in-house editing. Field editing is normally apply when collect data through personal interviews. But there are some situations such as email the questionnaire to the respondents, so this is impossible for early reviewing of the data. Therefore, the data editing will perform by the researcher in the particular place. This process is called in-house editing. During the survey, most of the problem encounters by the respondents are the data legibility of the selection of bank in the demographic parts. Some of the respondents unable choose their banks due to respondent had one or more bank. So, researchers decide to guide the respondents choose the most frequently use of banks in order to eliminate the confusion of respondents.

3.6.3 Data Coding

The next step of data processing is data coding. It is the process of assigning a figure or other character into edited data. Codes not always are numerical symbols. But, they are usually used as rules for interpreting, classifying, and recording data. In this research, all the choices of questions in the questionnaire are assigned code which starting with the value of One and increased by one for next choices. For example, in the question of gender, the choice of male is assigned with the value of one whereas female is assigned with the value of Two. Meanwhile for the question in the Section Seven until Twelve, the choice of "strongly disagree" are assigned with the value of One, and increased by one until the value of Five for the choice of "strongly agree".

3.6.4 Data Cleaning

The following step of data process is the data cleaning. It is to ensure that all codes are legitimate. Statistical Package Social Science (SPSS) software can help researcher found out the entered data with coded values that out of the acceptable range of answer. For example, if "gender" is coded with the value of One for male and Two for female and a value of Three is found in the data, this means the value is wrong so an adjustment required to made.

3.7 Data Analysis

3.7.1 Descriptive Analysis

3.7.1.1 Reliability Test

The **reliability** of a measure concerns its ability to produce similar results when repeated measurements are made under identical conditions. If the questionnaire showed highly similar results in testing, this means you have a reliable instrument (Boarden & Abbott, 2013). In contrast, the instrument is not reliable when the result varies widely (Rogers, 1995). In this research, researches use internal consistency to test the internal consistency. There are a lot of methods to measure internal consistency such as Cronbach's Alpha test. Through this test, researches can explain and interpret the reliability among the variable. According to Zikmund, Barry, Jon, and Mitch (2010) and George and Mallery (2003), the Cronbach's Alpha reliability coefficients, which is smaller than 0.60 is indicated as poor reliability. The coefficient from 0.60 to 0.70 is indicated as fair reliability, and the coefficient from 0.70 to 0.80 is indicated as good reliability. The coefficient that is larger than 0.80 is considered as excellent good reliability. According to Johnson and Christensen (2010), the coefficient of alpha should be at minimum 0.70 or more which applied for research purpose and 0.90 or more in clinical testing purpose such as assessing single individual. The table below shows a rule of thumb for internal reliability test and it was used in this research.

Table 3.1: Rules of Thumb for Internal Reliability Test

Cronbach's Alpha Coefficient, α	Level of Reliability
$\alpha \geq 0.80$	Excellent Good Reliability
$0.70 \leq \alpha < 0.80$	Good Reliability
$0.60 \leq \alpha < 0.70$	Fair Reliability
$\alpha < 0.60$	Poor Reliability

3.7.2 Inferential Analysis

3.7.2.1 Pearson Correlation Coefficient Analysis

Pearson correlation coefficient analysis is to measures of the direction and degree of relationship between two variables. The coefficient of this analysis can range from -1 to +1. Coefficient approaches to +1 or -1 indicate that stronger relationship between two variables. A negative correlation means that an increase in the value of one variable and the value of other variable will be decrease. A positive correlation means that the value of two variables will increase or decrease together.

Table 3.2: Rules of Thumb for Correlation Coefficient

Coefficient Range	Strength of Association
±0.91 - ±1.00	Very Strong
±0.71 - ±0.90	Strong
±0.41 - ±0.70	Moderate
±0.21 - ±0.40	Weak
±0.00 - ±0.20	Very Weak

3.7.2.2 Multiple Linear Regression Model

In a **multiple regression** study, there is one dependent variable and at least two independent variables. The analysis enables you to found out some judgments about the fact and also the relative strengths of the independent variables. The independent variables include convenience, service quality, price of products and services, security and technology whereas dependent variable is bank selection. In this study, the equation of multiple regression models is show as below:

$$Y = \beta_1 + \beta_2 CO_2 + \beta_3 SQ_3 + \beta_4 PR_4 + \beta_5 SE_5 + \beta_6 TE_6 + \mu$$

Y = Bank Selection

β = Slope of Coefficient

CO = Convenience

SQ = Service Quality

PR = Price of products and services

SE = Security

TE = Technology

In this research, associated with multiple linear regressions is R^2, means it will enable us to know that how many percentage of the variation in dependent variable is explained by independent variables. On the other hand, adjusted R^2 is to measure of the overall fit of the multiple regression relationship (Woodhouse, 2003).

3.7.3 One-Way ANOVA Test

One of the most inferential analysis tests which is the one-way analysis of variance (ANOVA) are used to measure the different among group mean. There are three assumption required for using one-way ANOVA test. First, each of the samples is independent of one another. Second, all population must follow the normal distribution. Third, the population variance should be equal (Chalmer, 1986). In this test, researchers set one alpha level in order to check either the groups is differ from one another. A set of hypothesis is set which is showed as below:

H_0: All the group means are equal. ($\mu_1 = \mu_2 = \mu_3 \ldots = \mu_k$)

H_1: At least one of the group means is different.

μ = mean of groups, k = number of groups

3.8 Conclusion

In Chapter Three, research purpose, questionnaire design, data collection methods, data process, and data analysis methods were discussed. In order to test the significance of the results, reliability test, Pearson correlation coefficient analysis, multiple linear regression analysis and One-way ANOVA test were used. For the next chapter, researches are discussing the results of the above statistical test.

CHAPTER 4: DATA ANALYSIS

4.0 Introduction

The purpose of this chapter is to interpret the findings from the data collected. From the data which has been collected earlier, the reliability test has been conducted to determine whether the variables used for the research is dependable and accurately measured. The entire test is run by using Statistical Package for Social Science (SPSS) version 20 and the results will be generated. Furthermore T-test is also being used to determine the relationship between demographic variables and the variables will be investigated in this research. The Pearson Correlation Coefficient was used to calculate the correlation coefficient between the variables.

4.1 Descriptive Analysis

Descriptive analysis consist of the respondent gender, age, education level attained, personal monthly income, the most frequently used conventional bank and the satisfaction level towards the product and services offered by them.

Table 4.0 : Respondent Demographic Profile

		Frequency	Percentage (%)
Gender	Male	178	59.33
	Female	122	40.67
Age	18 – 30 years old	180	60.00
	31 – 42 years old	94	31.33
	43 – 54 years old	24	8.00
	Above 55 years old	2	0.67
Education Level	UPSR/PMR/SPM	56	18.67
	Diploma/A-levels/ STPM/Foundation	89	29.67
	Bachelor Degree	107	35.67
	Master Degree	23	7.67
	PH.D	3	1.00
	Others	22	7.33
Personal Monthly Income	Less than RM 2,000	130	43.33
	RM 2,001 – RM 4,000	116	38.67
	RM 4,001 – RM 6,000	32	10.67

	RM 6,001 – RM 8,000	17	5.67
	RM 8,000 – RM 10,000	3	1.00
	Above RM 10,000	2	0.67
Conventional Bank	Affin Bank Berhad	0	0
	Alliance Bank Berhad	0	0
	AmBank Group	14	4.67
	CIMB Bank Berhad	30	10.00
	Maybank Berhad	26	8.67
	Hong Leong Bank Berhad	58	19.33
	Public Bank Berhad	147	49.00
	RHB Bank Berhad	25	8.33
	Others	0	0
Satisfaction level	Yes	207	69.00
	No	24	8.00
	Neither	64	21.33

(Developed for the research)

There are a total of 300 valid respondent participated in our research. Among these 300 respondent, there are 178 (59.33 percent) of them are male and 122 (40.67 percent) are female.

Furthermore there are 180 (60 percent) respondents age between 18 - 30 years old, 94 (31.33percent) respondents age between 31 - 42 years old, 24 (8 percent) respondents age between 43 - 54 years old and only 2 respondent (0.67 percent) age above 55 years old.

For educational level attained, the frequency for UPSR or PMR or SPM is 56 (18.67 percent) while for Diploma or A-levels or STPM or Foundation is 89 (29.67 percent). Respondents with Bachelor degree have the highest frequency which is 107 (35.67 percent). Respondents with Master degree and others certification have almost the same frequency which are 23 (7.67 percent) and 22(7.33 percent). PH.D holder has the lowest frequency; only 3 respondents (1 percent) have PH.D.

As for personal monthly income, 130 (43.33 percent) respondents have salary less than RM 2000 per month. There are 116 (38.67 percent) respondents with salary between RM 2001 - RM 4000. Respondents with salary between RM 4,001 – RM 6,000, between RM 6,001 – RM 8,000 and between RM 8,000 – RM 10,000 have a lower frequency of 32 (10.67 percent) , 17 (5.67 percent) and 3 (1 percent). Finally, only 2 respondents (0.67 percent) are having salary above RM 10,000 per month.

As for conventional banks, Public Bank Berhad has the highest frequency of 147 (49 percent) respondents. AmBank Group, CIMB Bank Berhad, Maybank Berhad, Hong Leong Bank Berhad and RHB Bank Berhad have an average frequency of 14 (4.67 percent), 30 (10 percent), 26 (8.67 percent), 58 (19.33 percent), and 25 (8.33 percent). There are no respondent that choose Affin Bank Berhad and Alliance Bank Berhad among the 300 respondents.

Most of the respondents 207 (69 percent) is satisfied with the products and services provided by the conventional banks they most frequently used. While there are 64 (21.33 percent) respondents neither agree nor disagree satisfaction level. However there are 24

(8 percent) respondents is dissatisfied with their current bank.

4.2 Scale Measurement

4.2.1 Reliability Test

Table 4.1: Reliability Test

	Actual Test
Convenience	0.785
Service quality	0.877
Price of products and services	0.738
Security	0.838
Technology	0.811
Bank Selection	0.870

(Developed for the research)

Reliability test is used to measure the variables consistency. Consistency refers to the robustness of the questionnaires to produce consistent results across time and in different conditions. In this research the reliability test is being measure by using Cronbach's Alpha. According to Tavakol et al (2011) their research shows that alpha is an important concept in the evaluation of assessments and questionnaires. Tavakol suggested that the ideal range for Cronbach's Alpha is between the limit of 0.75 to 0.90. Based on the Table 4.1 , the reliability results of all the six variables is above the limit of 0.75 thus this shows that the results of

the questionnaires is reliable and well reflect the research topic.

4.3 Inferential Analysis

Inferential analysis consists of t-test, Pearson Correlation analysis, Normality test and Regression analysis. The test is used to examine the relationship between variables and the relationship between demographic variables and dependent variables.

Full descriptions for the short form used in the test are shown below:

Independent variables

V1 = Convenience

V2 = Service quality

V3 = Price of products and services

V4 = Security

V5 = Technology

Dependent variable

D1 = Bank Selection

4.3.1 ANOVA One-Way Test

ANOVA one-way test is being used to determine the significant relationship between the demographic profile and the variables used in this research.

Table 4.2: ANOVA One Way Test

	Bank Selection Sig. (2-tailed)
Convenience	0.000***
Customer Service	0.000***
Price of products and services	0.000***
Security	0.000***
Technology	0.000***

(Developed for the research)

Notes:

*** Significant at 1 percent level

** Significant at 5 percent level

* Significant at 10 percent level

(H_0 = 0) There is no significant relationship between convenience and bank selection.

($H_1 \neq 0$) There is significant relationship between convenience and bank selection.

Since the p-value = $0.000 \leq 0.05$, we will reject the null hypothesis. Therefore at $\alpha = 0.05$ level of significant level, there exist enough evidence to conclude that convenience is significantly related with bank selection.

($H_0 = 0$) There is no significant relationship between service quality and bank selection.

($H_1 \neq 0$) There is significant relationship between service quality and bank selection.

Since the p-value = $0.000 \leq 0.05$, we will reject the null hypothesis. Therefore at $\alpha = 0.05$ level of significant level, there exist enough evidence to conclude that service quality has significant relationship with bank selection.

($H_0 = 0$) There is no significant relationship between the price of products and services and bank selection.

($H_1 \neq 0$) There is significant relationship between the price of products and services and bank selection.

Since the p-value = $0.000 \leq 0.05$, we will reject the null hypothesis. Therefore at $\alpha = 0.05$ level of significant level, there exist enough evidence to conclude that price of products and services has significant relationship with bank selection.

($H_0 = 0$) There is no significant relationship between security and bank selection.

($H_1 \neq 0$) There is significant relationship between security and bank selection.

Since the p-value = 0.000 ≤ 0.05, we will reject the null hypothesis. Therefore at α = 0.05 level of significant level, there exist enough evidence to conclude that security has significant relationship with bank selection.

(H_0 = 0) There is no significant relationship between technology and bank selection.

($H_1 \neq 0$) There is significant relationship between technology and bank selection.

Since the p-value = 0.000 ≤ 0.05, we will reject the null hypothesis. Therefore at α = 0.05 level of significant level, there exist enough evidence to conclude that technology has significant relationship with bank selection.

4.3.2 Pearson Correlation Analysis

Pearson Correlation is being used to determine the relationship between any two variable or more in which they vary across a period. Correlation can vary from +1 to -1, where values close to +1 are highly correlated while values close to -1 are lowly correlated.

Table 4.3: Pearson Correlation Analysis

	V1	V2	V3	V4	V5
Pearson Correlation	0.502	0.482	0.413	0.519	0.561
Sig.(2-tailed)	0.000	0.000	0.000	0.000	0.000
N	300	300	300	300	300

(Developed for the research)

Based on table 4.3, V5 (technology) have the highest correlation (p = 0.561) while V1 (convenience) and V4 (Security) have average correlation of (p = 0.502) and (p = 0.519). V2 (service quality) have a rather low correlation (p = 0.482) but V3 (price of products and services) have the lowest correlation of (p = 0.413). Overall the Pearson Correlation result shows that all the independent variables are well correlated with bank selection.

4.3.3 Normality Test

Normality test is being used to determine whether the data set is well-modeled by a normal distribution. The test is used to examine how likely a random variable underlying the data set will be normally distributed. From the data obtained normality test have been run and the results shows that all the variables is normally distributed. From the histogram for convenience in appendix 4.28, service quality in appendix 4.29, price of products and services in appendix 4.30, security in appendix 4.31 and lastly technology in appendix 4.32 a good "bell-curve" can be form thus it is determined that the independent variables is normally distributed.

4.3.4 Regression Analysis

Table 4.4: Regression Analysis using Pearson Correlation

	V1	V2	V3	V4	V5
Pearson Correlation	0.502	0.482	0.413	0.519	0.561
Sig.(2-tailed)	0.000	0.000	0.000	0.000	0.000
N	300	300	300	300	300

(Developed for the research)

Table 4.5: Regression Analysis using ANOVA one way t-test

	Bank Selection Sig. (2-tailed)
Convenience	0.000***
Service quality	0.000***
Price of products and services	0.000***
Security	0.000***
Technology	0.000***

(Developed for the research)

Notes:

*** Significant at 1 percent level

** Significant at 5 percent level

* Significant at 10 percent level

Table 4.6: Regression Analysis using R-square

R	R-square	Adjusted R-square	Standard Error of the Estimate
0.597	0.357	0.354	0.13124

(Developed for the research)

Table 4.7: Regression F-values.

Model	Sum of squares	Degree of freedom	Mean square	F-value	Sig.(2-tailed)
Regression	2.845	1	2.845	165.161	0.00***
Residual	5.133	298	0.017		
Total	7.977	299			

(Developed for the research)

Notes:

*** Significant at 1 percent level

** Significant at 5 percent level

* Significant at 10 percent level

R square (R2) is the coefficient of multiple determinants which indicates the proportion of total variation in the dependent variable explained by all independent variables, in order to evaluate model fit. The R square in this model is 0.357 which indicates that 35.70% of the variation in bank selection criteria is explained by convenience, service quality, price of products and services, security and technology. However 64.30% of the variation in bank selection criteria could not be captured by the model and will be explained by other determinants. In general, the higher the value of R square (R2), the better the model fits with the data.

The value of F-test in this model is 165.161indicates that the F test is high. But the p-value is 0.000000 which is less than 0.05 (5% level of significant) indicates that there is at least one independent variable influence the bank selection criteria. As the result, we reject null hypothesis and can conclude that bank selection criteria have significant relationship with convenience, service quality, price of products and services, security and technology.

($H_0 = 0$) There is no significant relationship between convenience and bank selection.

($H_1 \neq 0$) There is significant relationship between convenience and bank selection.

Since the p-value = $0.000 \leq 0.05$, we will reject the null hypothesis. Therefore at $\alpha = 0.05$ level of significant level, there exist enough evidence to conclude that convenience is correlated with bank selection. In Pearson correlation, the correlation between convenience and bank selection is 0.502. The value of correlation shows that convenience and bank selection is averagely correlated.

($H_0 = 0$) There is no significant relationship between service quality and bank selection.

($H_1 \neq 0$) There is significant relationship between service quality and bank selection.

Since the p-value = $0.000 \leq 0.05$, we will reject the null hypothesis. Therefore at $\alpha = 0.05$ level of significant level, there exist enough evidence to conclude that service quality is correlated with bank selection. In Pearson correlation, the correlation between service quality and bank selection is 0.482. The correlation between service quality and bank selection are in acceptable level.

($H_0 = 0$) There is no significant relationship between the price of products and services and bank selection.

($H_1 \neq 0$) There is significant relationship between the price of products and services and bank selection.

Since the p-value = $0.000 \leq 0.05$, we will reject the null hypothesis. Therefore at $\alpha = 0.05$ level of significant level, there exist enough evidence to conclude that price of products and services is correlated with bank selection. In Pearson correlation, the correlation between price of products and services with bank selection has the lowest correlation of 0.413. The value of correlation shows that price of product and service and bank selection are moderately correlated.

($H_0 = 0$) There is no significant relationship between security and bank selection.

($H_1 \neq 0$) There is significant relationship between security and bank selection.

Since the p-value = 0.000 ≤ 0.05, we will reject the null hypothesis. Therefore at α = 0.05 level of significant level, there exist enough evidence to conclude that security is correlated with bank selection. In Pearson correlation, the correlation between security and bank selection is 0.519. This shows that security and bank selection is averagely correlated.

(H_0 = 0) There is no significant relationship between technology and bank selection.

($H_1 \neq 0$) There is significant relationship between technology and bank selection.

Since the p-value = 0.000 ≤ 0.05, we will reject the null hypothesis. Therefore at α = 0.05 level of significant level, there exist enough evidence to conclude that technology is correlated with bank selection. In Pearson correlation, the correlation between technology and bank selection is highest (0.561).

4.4 Conclusion

In this chapter four, the data gathered and collected from the questionnaire is used to generate the results in descriptive analysis, scale measurement and inferential analysis. The data will be used in chapter five to explain further the major finding, implication and limitation of the research.

CHAPTER 5: DISCUSSION, CONCLUSION AND IMPLICATION

5.0 Introduction

This chapter consist the summary and overall of the research outcomes and the major findings based on previous chapters. The statistics and outcomes obtained from chapter four also provide implications and limitation of the study. Other than that, the recommendation is also suggested for future researches as well as conclusion are also mentioned in this chapter to offer comprehensive understanding in this research.

5.1 Summary of Statistical Analysis

This research was conducted to determine the factors that influence the consumer behavior on their bank selection on banking products and services in Perak. Therefore, descriptive analysis was used as well as inferential analysis to determine the relationship of consumers on bank selections between convenience, service quality, price of products and services, security and technology. A total of three hundred questionnaires were distributed in Perak and successful collected for valid analysis. For this research, SPSS

and Microsoft Excel are used as statistical tools for measurements to both descriptive and inferential analysis.

5.1.1 Descriptive Analysis

A total of three hundred respondents have contribute in this study, there are a few demographic variables were used to test their descriptive analyses. Gender is the first demographic variable that tested with 178 male respondents or 59.33% and 122 female respondents or 40.67% in this analysis. The second demographic variable tested is age, where a total of 180 respondents or 60% are within the range of 18 to 30 years old. While 31.33% respondents are under the range of 31 to 42 years old which consists of total 94 respondents out of the overall respondents. Furthermore, there are 24 respondents within the range of 43 to 54 years old and 2 respondents with age above 55 years old with percentage of 8% and 0.67% respectively.

The third demographic variable tested in this research is education level. There are 56 respondents or 18.67% respondents are secondary school graduates. As for graduates with diploma holders or similar education level, there are total of 89 respondents or 29.67% respondents. Graduates with education level such as Bachelor, Master and Ph.D consists of 107, 23 and 3 respondents respectively or 35.67%, 7.67% and 1%. Finally, there are 22 respondents or 7.33% graduates with others certificates.

Personal monthly income is tested as the fourth demographic variable. The majority of our respondents' personal monthly income is less than RM2,000 and consists of 130 respondents or 43.33%, while there are only 2 respondents with income of above RM10,000. Meanwhile the remaining respondents are

categorized of an income range of RM2,001 to RM4,000, RM4,001 to RM6,000, RM6,001 to RM8,000 and RM8,000 to RM10,000. Their percentage is 38.67%, 10.67%, 5.67% and 1% or with 116, 32, 17 and 3 respondents respectively.

The fifth demographic variable tested is in our study is the consumer conventional bank. Majority of the respondent chose Public Bank Berhad as their conventional bank with a total of 147 respondents or 49%. Follow up with MayBank Berhad with a total of 58 respondents or 19.33% as the second highest conventional bank chosen. The respective conventional bank chose are AmBank Group, CIMB Bank Berhad, Hong Leong Bank Berhad and RHB Bank Berhad which consists of 14, 30, 26 and 25 respondents or 4.67%, 10%, 8.67% and 8.33% respectively.

The final demographic variable tested is the consumer satisfaction level on their bank products and services. Out of the 300 respondents, 207 of them or 69% of the respondents are satisfied with their banking products and services, while 24 of them are not satisfied with it. And the remaining 64 respondents or 21.33% of them felt that their banking products and services do not have any positive and negative impact of them.

5.1.2 Reliability Test

An objective of reliability test is used to measure consistency among variables. Based on reliability test in chapter four, it is found that the highest value is 0.877 which is security and lowest value is 0.738 which is price of products and services in our actual test. The results have fulfilled the benchmark of rules of thumb and thus the result is reliable.

5.1.3 Inferential Analysis

At first, this research used ANOVA one ways t-test to measure the degree of relationship among the variables. In addition, this research also used AVOVA one ways t-test to measure the degree of relationship between dependent variable and independent variables. The results of the test have been shown in table 5.1.

Table 5.1: ANOVA One Way Test

	Bank Selection Sig. (2-tailed)
Convenience	0.000***
Customer Service	0.000***
Security	0.000***
Price of products and services	0.000***
Technology	0.000***

(Developed for the research)

Notes:

*** Significant at 1 percent level

** Significant at 5 percent level

* Significant at 10 percent level

This study also used Pearson Correlation to determine the relationship between any two variable or more in which they vary across a period. The results have been shown in table 5.2.

Table 5.2: Pearson Correlation Analysis

	V1	V2	V3	V4	V5
Pearson Correlation	0.502	0.482	0.519	0.413	0.561
Sig.(2-tailed)	0.000	0.000	0.000	0.000	0.000
N	300	300	300	300	300

(Developed for the research)

5.1.4 Normality Test

This study also used Normality test to found out whether the data is normal distribution or not. With reference on the result in chapter 4.3.3, it found out that the data are normally distributed. The results are based on Histogram 0.1, Histogram 0.2, Histogram 0.3, Histogram 0.4 and Histogram 0.5, a “bell –curve” shape can be form thus it have shown the independent variables is normally distributed.

5.1.5 Regression Analysis

This study has used regression analysis by using R-square to analyze relationships among variables. The results of the test have been shown in table 5.1, 5.2, 5.3 and 5.4.

Table 5.3: Regression Analysis using R-square

R	R-square	Adjusted R-square	Standard Error of the Estimate
0.597	0.357	0.354	0.13124

(Develop for the research)

Table 5.4: Regression F-value

Model	Sum of squares	Degree of freedom	Mean square	F-value	Sig.(2-tailed)
Regression	2.845	1	2.845	165.161	0.00***
Residual	5.133	298	0.017		
Total	7.977	299			

(Develop for the research)

Notes:

*** Significant at 1 percent level

** Significant at 5 percent level

* Significant at 10 percent level

5.2 Discussion of Major Findings

Table 5.5 Discussion of Major Findings

Hypotheses	Supported	Not Supported
H_1: There is a significant relationship between convenience and bank selection.	✓	
H_1: There is a significant relationship between service quality and bank selection.	✓	
H_1: There is significant relationship between security and bank selection.	✓	
H_1: There is significant relationship between technology and bank selection.	✓	
H_1: There is significant relationship between price of products and services and bank selection	✓	

5.2.1 Relationship between convenience and bank selection

Based on our findings in this paper, the relationship between convenience and bank selection has a p-value of 0.000 (less than $\alpha = 0.05$). This represents that

there are significant relationship between convenience and bank selection. Therefore, a better satisfaction in providing convenience to the consumers towards accessing their banking needs. Consumers would sacrifice money in order to save time. Zineldin (1996) claims that the convenient location of bank might not have much influence much on decision of choosing a bank by customers. However based on our result is consistent with the findings of Hinson et al. (2013). They shows that a convenient service and location that meets the needs of the consumers will have better edge against other competitors in the market.

5.2.2 Relationship between service quality and bank selection

In this paper, the relationship between service quality and bank selection has a p-value of 0.000 (less than $\alpha = 0.05$) and that represents it has a significant relationship towards consumers preference on their bank selection. Therefore, a better and higher quality of service provided from the bank will gives positive influences and satisfaction to their customers as well as increase the customer loyalty because products and services provided are almost identical and quality of service will gain competitive advantage over others. The findings of this research are consistent with Clemes et al. (2007) where service quality is one of the increasing important factors for success and survival in the banking industry. Besides that some researchers shows that decision of selecting a bank by customers also can be explained by range and quality of services provided by bank (Poh, 1996; Thwaites and Vere, 1995)

5.2.3 Relationship between security and bank selection

According to the findings in this paper, the relationship between security and bank selection has a p-value of 0.000 (less than $\alpha = 0.05$). It found that there are significant relationship between security and bank selection. Generally, the bank security improves its reputation and creates the criteria of trust and reliability for the satisfied customers as it creates a secure feeling to do transaction in the bank. The result is consistent with William and Alfred (2012), where consumers would prefer to have accounts in banks that provide better security as they feel assured safety of their money. In addition to some researchers also discover that there are positive relationship between bank security and decision of select a bank by customers (Hinson, Osarenkhoe, and Okoe 2013).

5.2.4 Relationship between technology and bank selection

With reference on the previous findings, the relationship between technology and bank selection has a p-value of 0.000 (less than $\alpha = 0.05$) and represents there are significant relationship between technology and bank selection. It shows that technology nowadays brings wide range of alternative delivery mechanism such as Internet and ATM which creates a better competitive scene in the economy and ease of access of bank information. This changes the consumer perspective on how to search and access to banking service more nowadays, and they are more relied on using various technologies that brings them convenience in their daily life often. The result is consistent with Dangolani (2011), that customers believe that technology has a meaningful effect on conserve the time of the customers in the bank.

5.2.5 Relationship between price of products and services and bank selection

The findings in this paper show that the relationship between price of products and services and bank selection has a p-value of 0.000 (less than $\alpha = 0.05$). This represents that there are significant relationship between price of products and services with bank selection. This shows that price perception will have a direct effect on customer decision on bank selection criteria. Based on Zeithaml (1998), from a customer perspective where price is something to be sacrificed to obtain certain kinds of product or services. Generally, price plays in an important role of giving a reasonable amount of charges in their products or services to retain and attract consumers. The result is consistent with Clemes et al. (2007), which the impact of price of products and services would affect the relationship between customer satisfaction, switching behavior and bank selection.

5.3 Implications of the study

In this research, researcher provides and studies the factor that determines bank selection by consumer behaviors towards banking products and services. The five factors include convenience, service quality, price of products and services, security and technology that have significant relationships with the bank selection criteria. Based on the findings, the comparison between the bank selection criteria and the five factors was determined for the sole reason to understand the reasons that they would choose the selected bank. Improving the performance of the banks based on these factors would increase the chances of their customers choosing their banks as preference. Previous relevant researchers have done most of the research based on many common variables affecting bank selection criteria. This study includes a new variable based on technology as most

of the researchers neglected in the new era, whether it will affect the consumer choices on their bank selection criteria.

5.3.1 Managerial Implication

In this research, it found that technology is the most significant factor that affects consumer decisions of their bank selection criteria. Local commercial banks should take note and improve their technology system to increase the consumer satisfaction and attract their preferences to their banks due to the highest correlation of 0.56 in Pearson correlation analysis. Generally, the respondents are more inclined and dependent on technology nowadays. In this new technology era, consumers are more reliant on the usage of various technologies that brings them convenience in daily life. In the study conducted by Dangolani (2011), it is shown that technologies saves the time of the customers and allow ease of access of transaction and bank information needed. Banks should devote into more development of technology system and adopt better business operation through this current era.

The second significant factor is that the local commercial banks should focus on their banks security as one of the priorities to give their customer strong sense of secure feelings and better reputations towards their banks with the correlation of 0.519 in Pearson correlation analysis. With the better secure feelings given from the banks to the customer, they are more inclined and comfortable to make transaction and choose their bank products and services because they feel it is protected and trusted. Therefore, the enhancement of security would give confidence to the customers to have your bank as preferences.

Convenience is the third significant factor that brings in an importance for the banks to prioritize in order to increase the customer satisfaction and the chances

of selecting their respective banks. In the Pearson correlation analysis, convenience has the third highest correlation with the value of 0.502. Generally consumers would prefer selecting the bank with the easiest ease of access for their banking products and services when needed. Convenience is a factor that should not be neglected as it will impact the decision of a customer selecting a bank and transactions when the bank location is strategically better than its competitors, which includes of expanding braches of Automated Teller Machine (ATM) for customers convenience. So, the local commercial bank should try to maintain customer convenience with their bank location strategically.

The fourth significant factor that would affect customer bank selection criteria is service quality. Service quality plays a role of affecting a customer decision of selecting a bank and maintaining their relationship with their banks. Service quality shows a correlation with the value of 0.482 with bank selection criteria in Pearson correlation analysis. An effective service such as speed of transaction, and the degree friendly of staff will also have the effect of attracting customer of choosing a bank. Other than that, if the bank products and services offered are wide compared to their competitors, it would create chances to understand customer characteristic of different categories on what they prefer in their bank products and services and indirectly influence a customer selecting a bank.

The least significant factor would be price of products and services. The banks should focus their priorities properly in order to improve their customer satisfaction and attracting customer on selecting their banks. The correlation of price and products and services with bank selection criteria is 0.413 only in Pearson correlation analysis. Since most customers select their banks mostly on their products and services provided and credibility, the price and products would be the less affecting variable to change a customer perspective on selecting a bank. However because of the emergence of new technology in this era, it creates a

situation where consumers are more aware of the market conditions and conscious in their financial services choices. It still serves an important factor for customer on choosing their banks because they would compare prices, cost or benefits from the bank products and services at the lowest cost given to their preference (Aregbeyen, 2011). That is one of a reason for commercial banks to consider this as a priority in maintaining reasonable prices on their products and services, as customers would also willing to pay the price for better products and services.

5.4 Limitations of the study

There are several limitations was found in this research. One of the limitations is the coverage of location. The survey forms are mainly distributed in Perak area only based on the limitations of this study. Because of this, the feedback from respondents might not able to explain perspective of whole Malaysians on bank selection criteria. In order to get more accurate result future researchers are encouraged to get respondents from differ state.

In addition, the survey forms are wrote in international language which is in English. Some of the respondents may have some lack of understanding for the questions in the questionnaires, and they would not be able to answer the question properly and accurately. It might cause this research results to be less accurate than it should be.

Furthermore, this study might omit some others significant factors that might influence the decision of bank selection by customers and might not fully explain the actual decision of bank selection by customers. Thus it might not contribute as much for banking industries in term of enhancing the number of customers.

Besides, the correlation of service quality and security is rather low. Thus, in order to improve the correlation some question in the questionnaire may have to be removed. To avoid this, further researchers should consider creating more than five questions when constructing the questionnaire. This should reduce the low correlation chances.

Lastly, only three hundred survey forms were distributed for this research which is following to sample size table guidelines. However the result might be less accurate because three hundred respondents might not able to represent the overall opinion of whole Malaysian populations.

5.5 Recommendation for Future Research

In this study found out that there are several limitations in order to overcome these problems some solutions had recommended for future researchers. At first future researchers should expand the coverage of the location. They should distributed survey form in whole Malaysia in order to collect more accurate results.

Relevant studies on this chapter which is done by previous researchers are reviewed with discussion on various dependent and independent variables in this study. Furthermore, the theoretical framework and proposed conceptual framework are also provided in this chapter to show the relationship between dependent and independent variables. Lastly, the methodology of the research will be formulated and discussed in the next chapter.

In addition future researchers should prepare survey forms in different language such as Tamil, Mandarin, Malay language rather than survey forms only in English version. By provide multi version language of survey forms, it will let respondents understand more about the questions and proving a more accurate results.

Due to the factors constrains, future researchers are suggested to increase more significant independents variables and the insignificant independent variables should be omitted in order to get actual decision of bank selection by customers. The additional independent variables should be related to the research title and supported by evidence.

Lastly, this study recommends future research to increase the respondents sample size in order to get more accurate result. The bigger of sample size, the more accurate for the results of the research.

5.6 Conclusion

Chapter one shows the overall background and understanding of the customer decision criterion. In chapter two this research project is to identify the relationship and the determinants of the bank selection choices of commercial banks by the customers in Malaysia, Perak. In chapter three, research purpose is to design questionnaire, data collection methods, data process, and data analysis methods were discussed. In chapter four, the data gathered and collected from the questionnaire is used to generate the results in descriptive analysis, scale measurement and inferential analysis. Lastly, chapter five is to summary entire process in this research project.

In this study, it was shown that the five independent variables which are convenience, service quality, price of products and services, security and technology have significant relationship with the dependent variable which is bank selection criteria. Based on this research, banking companies could take attention on the banking selection criteria in order to increase customer pool or maintain their regular customers.

In conclusion this research project has met the objective of identifying the relationship determinants of the choices of commercial banks by customers in Malaysia, Perak.

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Appendix 3.0: Questionnaire Survey Form

UNIVERSITI TUNKU ABDUL RAHMAN

FACULTY OF BUSINESS AND FINANCE

BACHELOR OF BUSINESS ADMINISTRATION (HONS)

BANKING AND FINANCE

Factors that Influence the Consumer Behavior on Choices of Local Commercial Bank for Banking Products and Services in Perak

Dear respondents,

We are students from Universiti Tunku Abdul Rahman (UTAR), currently enrolled in the Bachelor of Business Administration (Hons) Banking and Finance. We are required to do a survey in order to complete our final year research project. The main purpose for carrying out this survey is to assess the selection criteria of consumer towards local commercial bank. Your personal information will be kept confidential and your participation is highly appreciated.

H_1: Convenience is positively related to bank selection

H_2: Service quality of a bank is positively related to bank selection

H_3: Price of products and services is positively related to bank selection

H_4: Security is positively related to bank selection

H_5: Technology is positively related to bank selection

Group Members:	
Name	Student ID
1. Gan Thai Wee	07ABB03169
2. Lee Kar Shie	12ABB00999
3. Ng Zi Cong	11ABB04853
4. Wang Ying	12ABB01047
5. Yeoh Seng Hou	12ABB00556

Section 1: Please choose the suitable answer and tick one (✓) the column given.

Gender

Male	
Female	

Section 2: Please choose the suitable answer and tick one (✓) the column given.

Age

18-30 years old	
31-42 years old	
43-54 years old	
Above 55 years old	

Section 3: Please choose the suitable answer and tick one (✓) the column given.

Education level Attained

Secondary School	
Diploma/ A-Levels / STPM / Foundation	
Bachelor	
Master	
Ph. D	
Others	

Section 4: Please choose the suitable answer and tick (✓) one the column given.

Monthly income

Less than RM 2,000	
RM 2,001 – RM 4,000	
RM 4,001 – RM 6,000	
RM 6,001 – RM 8,000	
RM 8,000 – RM 10,000	
Above RM 10,000	

Section 5: Please choose the most frequently used conventional bank
Please tick (✓) one column given.
(The following questions will be based on your bank selected.)

Affin Bank Berhad	
Alliance Bank Berhad	
AmBank Group Berhad	
CIMB Bank Berhad	
Hong Leong Bank Berhad	
Maybank Berhad	
Public Bank Berhad	
RHB Bank Berhad	
Others	

Section 6: Please choose the suitable answer and tick (✓) one the column given.

Are you satisfied with the banking services provided?

Yes	
No	
Neither	

Section 7: Please choose the suitable answer and circle the number given.

Convenience

	The bank provide:	**Level of Importance**				
		Strongly Disagree	**Disagree**	**Neutral**	**Agree**	**Strongly Agree**
1.	The convenient location of the bank	**1**	**2**	**3**	**4**	**5**
2.	The colour and logo of the bank is easily identified	**1**	**2**	**3**	**4**	**5**
3.	It provide enough parking facilities	**1**	**2**	**3**	**4**	**5**
4.	Efficient process of granting loans	**1**	**2**	**3**	**4**	**5**
5.	Easy access to the bank	**1**	**2**	**3**	**4**	**5**

Section 8: Please choose the suitable answer and circle the number given.

Service Quality

	The bank provide:	Level of Importance				
		Strongly Disagree	**Disagree**	**Neutral**	**Agree**	**Strongly Agree**
1.	Customer service are easy to access and available	**1**	**2**	**3**	**4**	**5**
2.	Friendly and courteous manner of employees	**1**	**2**	**3**	**4**	**5**
3.	Willingness to listen and respond to your needs	**1**	**2**	**3**	**4**	**5**
4.	Fast and efficient service	**1**	**2**	**3**	**4**	**5**
5.	Satisfied with the feedback given by the bank	**1**	**2**	**3**	**4**	**5**

Section 9: Please choose the suitable answer and circle the number given.

Price of Products and Services

	The bank provide:	Level of Importance				
		Strongly Disagree	**Disagree**	**Neutral**	**Agree**	**Strongly Agree**
1.	Appropriate amount of service charges	**1**	**2**	**3**	**4**	**5**
2.	Acceptable interest rate charge on loan/product	**1**	**2**	**3**	**4**	**5**
3.	The product price difference between banks are acceptable	**1**	**2**	**3**	**4**	**5**
4.	Interest charge on overdue payment is in reasonable amount	**1**	**2**	**3**	**4**	**5**
5.	Reasonable interest rates charge on credit cards	**1**	**2**	**3**	**4**	**5**

Section 10: Please choose the suitable answer and circle the number given.

Security

	The bank provide:	Level of Importance				
		Strongly Disagree	**Disagree**	**Neutral**	**Agree**	**Strongly Agree**
1.	Reputation of the bank is sound	**1**	**2**	**3**	**4**	**5**
2.	Financial performance of the bank is sound	**1**	**2**	**3**	**4**	**5**
3.	Capital and size of the bank is adequate	**1**	**2**	**3**	**4**	**5**
4.	E-banking service is secured	**1**	**2**	**3**	**4**	**5**
5.	Customer personal information is protected	**1**	**2**	**3**	**4**	**5**

Section 11: Please choose the suitable answer and circle the number given.

Technology

	The bank provide:	Level of Importance				
		Strongly Disagree	**Disagree**	**Neutral**	**Agree**	**Strongly Agree**
1.	Accessibility to online banking	**1**	**2**	**3**	**4**	**5**
2.	More user friendly interface	**1**	**2**	**3**	**4**	**5**
3.	Response time to the downtime of the ATMs	**1**	**2**	**3**	**4**	**5**
4.	Ease of access to bank information	**1**	**2**	**3**	**4**	**5**
5.	E-banking service is adequate	**1**	**2**	**3**	**4**	**5**

Section 12: Please choose the suitable answer and circle the number given.

Bank Selection

	The bank provide:	**Level of Importance**				
		Strongly Disagree	**Disagree**	**Neutral**	**Agree**	**Strongly Agree**
1.	Convenience affects your decision in selection a bank.	**1**	**2**	**3**	**4**	**5**
2.	Service quality is a factor when choosing a bank	**1**	**2**	**3**	**4**	**5**
3.	Price of products and services offered attract you to a certain bank	**1**	**2**	**3**	**4**	**5**
4.	Security offered is important when selecting a bank	**1**	**2**	**3**	**4**	**5**
5.	Technology used by the bank attracts you	**1**	**2**	**3**	**4**	**5**

Thank you for your participation

Appendix 4.0: Reliability Test Result of Pilot Test for Convenience

Case Processing Summary

		N	%
Cases	Valid	30	100.0
	Excluded[a]	0	.0
	Total	30	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.849	.853	5

Item Statistics

	Mean	Std. Deviation	N
The convenient location of the bank	3.8000	.76112	30
Appropriate number of ATM services facilities	3.7667	.77385	30
It provided enough parking facilities	3.0667	.94443	30
Creative banking facilities	3.4667	.62881	30
Accessibility to the bank is good	3.7333	.73968	30

Inter-Item Correlation Matrix

	The convenient location of the bank	Appropriate number of ATM services facilities	It provided enough parking facilities	Creative banking facilities	Accessibility to the bank is good
The convenient location of the bank	1.000	.738	.499	.418	.698
Appropriate number of ATM services facilities	.738	1.000	.588	.586	.550
It provided enough parking facilities	.499	.588	1.000	.468	.471
Creative banking facilities	.418	.586	.468	1.000	.351
Accessibility to the bank is good	.698	.550	.471	.351	1.000

Summary Item Statistics

	Mean	Minimum	Maximum	Range	Maximum / Minimum	Variance	N of Items
Inter-Item Correlations	.537	.351	.738	.387	2.102	.014	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
The convenient location of the bank	14.0333	6.033	.741	.668	.796
Appropriate number of ATM services facilities	14.0667	5.857	.782	.664	.784
It provided enough parking facilities	14.7667	5.702	.619	.398	.837
Creative banking facilities	14.3667	7.137	.551	.369	.844
Accessibility to the bank is good	14.1000	6.438	.639	.508	.823

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
17.8333	9.385	3.06350	5

Appendix 4.1: Reliability Test Result of Pilot Test for Service Quality

Case Processing Summary

		N	%
Cases	Valid	30	100.0
	Excluded[a]	0	.0
	Total	30	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.897	.899	5

Item Statistics

	Mean	Std. Deviation	N
Customer service are easy to access and available	3.8333	.64772	30
Friendly and courteous manner of employees	3.8333	.59209	30
Willingness to listen and respond to your need	3.7667	.81720	30
Fast and effiecient service	3.7000	.79438	30
Satisfied with the feedback given by the bank	3.6333	.71840	30

Inter-Item Correlation Matrix

	Customer service are easy to access and available	Friendly and courteous manner of employees	Willingness to listen and respond to your need	Fast and efficient service	Satisfied with the feedback given by the bank
Customer service are easy to access and available	1.000	.554	.575	.771	.531
Friendly and courteous manner of employees	.554	1.000	.630	.696	.581
Willingness to listen and respond to your need	.575	.630	1.000	.738	.672
Fast and efficient service	.771	.696	.738	1.000	.647
Satisfied with the feedback given by the bank	.531	.581	.672	.647	1.000

Summary Item Statistics

	Mean	Minimum	Maximum	Range	Maximum / Minimum	Variance	N of Items
Inter-Item Correlations	.640	.531	.771	.240	1.451	.006	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
Customer service are easy to access and available	14.9333	6.409	.708	.596	.883
Friendly and courteous manner of employees	14.9333	6.616	.717	.528	.883
Willingness to listen and respond to your need	15.0000	5.517	.772	.621	.870
Fast and efficient service	15.0667	5.375	.854	.760	.849
Satisfied with the feedback given by the bank	15.1333	6.120	.708	.516	.883

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
18.7667	9.151	3.02499	5

Appendix 4.2: Reliability Test Result of Pilot Test for Price of Products and Services

Case Processing Summary

		N	%
Cases	Valid	30	100.0
	Excluded[a]	0	.0
	Total	30	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.851	.851	5

Item Statistics

	Mean	Std. Deviation	N
Appropriate amount of service charge	3.5667	.81720	30
Acceptable interest rate charge on loan/product	3.4000	.93218	30
The product price difference between banks are acceptable	3.5000	.86103	30
Interest charge on overdue payment is in reasonable amount	3.1667	.87428	30
Overdraft privilege is acceptable	3.3667	.85029	30

Inter-Item Correlation Matrix

	Appropriate amount of service charge	Acceptable interest rate charge on loan/product	The product price difference between banks are acceptable	Interest charge on overdue payment is in reasonable amount	Overdraft privilege is acceptable
Appropriate amount of service charge	1.000	.643	.760	.346	.336
Acceptable interest rate charge on loan/product	.643	1.000	.601	.508	.418
The product price difference between banks are acceptable	.760	.601	1.000	.527	.400
Interest charge on overdue payment is in reasonable amount	.346	.508	.527	1.000	.796
Overdraft privilege is acceptable	.336	.418	.400	.796	1.000

Summary Item Statistics

	Mean	Minimum	Maximum	Range	Maximum / Minimum	Variance	N of Items
Inter-Item Correlations	.533	.336	.796	.460	2.371	.026	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
Appropriate amount of service charge	13.4333	8.116	.646	.662	.824
Acceptable interest rate charge on loan/product	13.6000	7.490	.673	.508	.818
The product price difference between banks are acceptable	13.5000	7.638	.717	.667	.805
Interest charge on overdue payment is in reasonable amount	13.8333	7.730	.679	.718	.816
Overdraft privilege is acceptable	13.6333	8.171	.596	.649	.837

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
17.0000	11.793	3.43411	5

Appendix 4.3: Reliability Test Result of Pilot Test for Security

Case Processing Summary

		N	%
Cases	Valid	30	100.0
	Excluded[a]	0	.0
	Total	30	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.911	.913	5

Item Statistics

	Mean	Std. Deviation	N
Customer information safety is protected	3.7333	.82768	30
Security of the product and services provide is good	3.7000	.79438	30
Capital and size of the bank is large	3.8333	.69893	30
Financial performance of the bank is good	3.7000	.79438	30
Reputation of the bank is good	3.8000	.71438	30

Inter-Item Correlation Matrix

	Customer information safety is protected	Security of the product and services provide is good	Capital and size of the bank is large	Financial performance of the bank is good	Reputation of the bank is good
Customer information safety is protected	1.000	.818	.517	.503	.548
Security of the product and services provide is good	.818	1.000	.652	.672	.681
Capital and size of the bank is large	.517	.652	1.000	.838	.691
Financial performance of the bank is good	.503	.672	.838	1.000	.863
Reputation of the bank is good	.548	.681	.691	.863	1.000

Summary Item Statistics

	Mean	Minimum	Maximum	Range	Maximum / Minimum	Variance	N of Items
Inter-Item Correlations	.678	.503	.863	.359	1.714	.016	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
Customer information safety is protected	15.0333	7.206	.672	.678	.915
Security of the product and services provide is good	15.0667	6.823	.824	.767	.881
Capital and size of the bank is large	14.9333	7.444	.772	.729	.893
Financial performance of the bank is good	15.0667	6.823	.824	.860	.881
Reputation of the bank is good	14.9667	7.275	.802	.774	.887

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
18.7667	10.875	3.29768	5

Appendix 4.4: Reliability Test Result of Pilot Test for Technology

Case Processing Summary

		N	%
Cases	Valid	30	100.0
	Excluded[a]	0	.0
	Total	30	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.763	.792	5

Item Statistics

	Mean	Std. Deviation	N
E-banking service	3.8667	.57135	30
Uninterrupted service	3.4000	.89443	30
Functional of Automated Teller Machine (ATM)	3.8333	.64772	30
More user friendly interface	3.8333	.59209	30
Variety of service	3.9333	.52083	30

Inter-Item Correlation Matrix

	E-banking service	Uninterrupted service	Functional of Automated Teller Machine (ATM)	More user friendly interface	Variety of service
E-banking service	1.000	.378	.683	.544	.317
Uninterrupted service	.378	1.000	.357	.260	.133
Functional of Automated Teller Machine (ATM)	.683	.357	1.000	.644	.375
More user friendly interface	.544	.260	.644	1.000	.634
Variety of service	.317	.133	.375	.634	1.000

Summary Item Statistics

	Mean	Minimum	Maximum	Range	Maximum / Minimum	Variance	N of Items
Inter-Item Correlations	.433	.133	.683	.550	5.128	.032	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
E-banking service	15.0000	3.793	.651	.504	.686
Uninterrupted service	15.4667	3.568	.355	.162	.822
Functional of Automated Teller Machine (ATM)	15.0333	3.482	.690	.580	.664
More user friendly interface	15.0333	3.689	.672	.605	.676
Variety of service	14.9333	4.340	.441	.404	.751

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
18.8667	5.568	2.35962	5

Appendix 4.5: Pearson Correlation Test Result of Pilot Test for Convenience

Descriptive Statistics

	Mean	Std. Deviation	N
Convenience	.6417	.15318	30
Bank selection	.7567	.12299	30

Correlations

		convenience	Bank selection
Convenience	Pearson Correlation	1	.548**
	Sig. (2-tailed)		.002
	N	30	30
Bank selection	Pearson Correlation	.548**	1
	Sig. (2-tailed)	.002	
	N	30	30

**. Correlation is significant at the 0.01 level (2-tailed).

Appendix 4.6: Pearson Correlation in Pilot Test for Service Quality

Descriptive Statistics

	Mean	Std. Deviation	N
Service quality	.6883	.15125	30
Bank selection	.7567	.12299	30

Correlations

		Service quality	Bank selection
Service quality	Pearson Correlation	1	.361*
	Sig. (2-tailed)		.050
	N	30	30
Bank selection	Pearson Correlation	.361*	1
	Sig. (2-tailed)	.050	
	N	30	30

*. Correlation is significant at the 0.05 level (2-tailed).

Appendix 4.7 Pearson Correlation in Pilot Test for Price of Products and Services

Descriptive Statistics

	Mean	Std. Deviation	N
Price	.6000	.17171	30
Bank selection	.7567	.12299	30

Correlations

		Price	Bank selection
Price	Pearson Correlation	1	.384*
	Sig. (2-tailed)		.036
	N	30	30
Bank selection	Pearson Correlation	.384*	1
	Sig. (2-tailed)	.036	
	N	30	30

*. Correlation is significant at the 0.05 level (2-tailed).

Appendix 4.8: Pearson Correlation in Pilot Test for Security

Descriptive Statistics

	Mean	Std. Deviation	N
Security	.6883	.16488	30
Bank selection	.7567	.12299	30

Correlations

		Security	Bank selection
Security	Pearson Correlation	1	.582**
	Sig. (2-tailed)		.001
	N	30	30
Bank selection	Pearson Correlation	.582**	1
	Sig. (2-tailed)	.001	
	N	30	30

**. Correlation is significant at the 0.01 level (2-tailed).

Appendix 4.9: Pearson Correlation in Pilot Test for Technology

Descriptive Statistics

	Mean	Std. Deviation	N
Technology	.6933	.11798	30
Bank selection	.7567	.12299	30

Correlations

		Technology	Bank selection
Technology	Pearson Correlation	1	.508**
	Sig. (2-tailed)		.004
	N	30	30
Bank selection	Pearson Correlation	.508**	1
	Sig. (2-tailed)	.004	
	N	30	30

**. Correlation is significant at the 0.01 level (2-tailed).

Appendix 4.10: Multiple Regression Analysis Result of Pilot Test

Descriptive Statistics

	Mean	Std. Deviation	N
Bank Selection	5.0333	.61495	30
Convenience	71.3333	12.25402	30
Service Quality	75.0667	12.09997	30
Price of products & service	68.0000	13.73644	30
Security	75.0667	13.19073	30
Technology	75.4667	9.43849	30

Correlations

		BankSelection	Convenience	Service Quality	Price of products & service	Security	Technology
Pearson Correlation	BankSelection	1.000	.548	.361	.384	.582	.508
	Convenience	.548	1.000	.528	.501	.436	.483
	Service Quality	.361	.528	1.000	.418	.717	.754
	Price of products & service	.384	.501	.418	1.000	.490	.477
	Security	.582	.436	.717	.490	1.000	.705
	Technology	.508	.483	.754	.477	.705	1.000
Sig. (1-tailed)	BankSelection	.	.001	.025	.018	.000	.002
	Convenience	.001	.	.001	.002	.008	.003
	Service Quality	.025	.001	.	.011	.000	.000
	Price of products & service	.018	.002	.011	.	.003	.004
	Security	.000	.008	.000	.003	.	.000
	Technology	.002	.003	.000	.004	.000	.
N	BankSelection	30	30	30	30	30	30
	Convenience	30	30	30	30	30	30
	Service Quality	30	30	30	30	30	30
	Price of products & service	30	30	30	30	30	30
	Security	30	30	30	30	30	30
	Technology	30	30	30	30	30	30

Variables Entered/Removed[a]

Model	Variables Entered	Variables Removed	Method
1	Technology, Price of products & service, Convenience, Security, Service Quality[b]	.	Enter

a. Dependent Variable: Bank Selection

b. All requested variables entered.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.717[a]	.514	.413	.47126

a. Predictors: (Constant), Technology, Price of products & service, Convenience, Security, Service Quality

b. Dependent Variable: Bank Selection

ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	5.637	5	1.127	5.076	.003[b]
	Residual	5.330	24	.222		
	Total	10.967	29			

a. Dependent Variable: Bank Selection

b. Predictors: (Constant), Technology, Price of products & service, Convenience, Security, Service Quality

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B		Correlations			Collinearity Statistics	
		B	Std. Error	Beta			Lower Bound	Upper Bound	Zero-order	Partial	Part	Tolerance	VIF
1	(Constant)	2.070	.734		2.819	.009	.554	3.585					
	Convenience	.022	.009	.436	2.420	.023	.003	.041	.548	.443	.344	.623	1.605
	Service Quality	-.022	.012	-.441	-1.805	.084	-.048	.003	.361	-.346	-.257	.339	2.950
	Price of products & service	-.002	.008	-.044	-.246	.807	-.018	.014	.384	-.050	-.035	.643	1.556
	Security	.025	.010	.538	2.395	.025	.003	.047	.582	.439	.341	.401	2.492
	Technology	.018	.015	.271	1.147	.263	-.014	.049	.508	.228	.163	.362	2.765

a. Dependent Variable: BankSelection

Collinearity Diagnostics[a]

Model	Dimension	Eigenvalue	Condition Index	Variance Proportions					
				(Constant)	Convenience	Service Quality	Price of products & service	Security	Technology
1	1	5.935	1.000	.00	.00	.00	.00	.00	.00
	2	.023	16.076	.03	.02	.04	.75	.03	.01
	3	.017	18.631	.19	.34	.02	.10	.22	.00
	4	.014	20.687	.44	.52	.04	.07	.01	.01
	5	.007	29.049	.05	.10	.50	.06	.72	.04
	6	.004	38.303	.30	.01	.40	.02	.02	.94

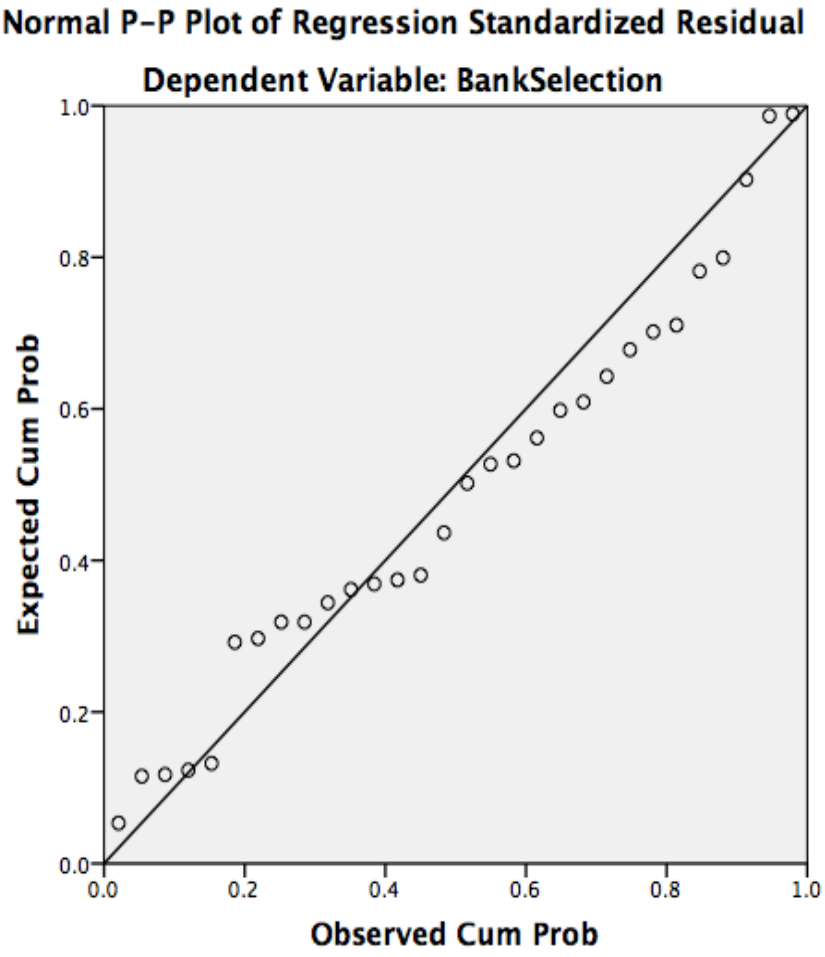
a. Dependent Variable: BankSelection

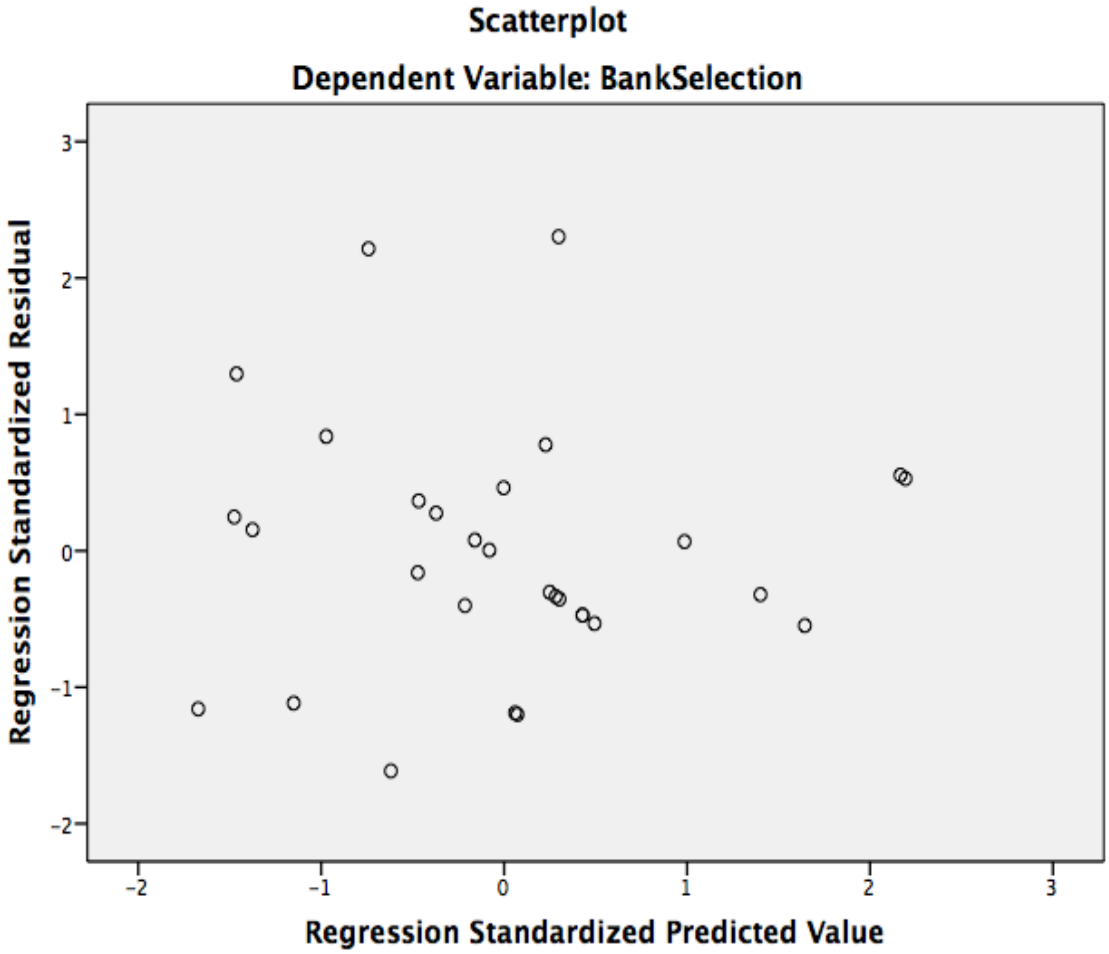
Residuals Statistics

	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	4.2962	6.0006	5.0333	.44087	30
Std. Predicted Value	-1.672	2.194	.000	1.000	30
Standard Error of Predicted Value	.086	.402	.198	.073	30
Adjusted Predicted Value	2.7501	5.9342	4.9800	.60061	30
Residual	-.76047	1.08528	.00000	.42871	30
Std. Residual	-1.614	2.303	.000	.910	30
Stud. Residual	-1.753	2.521	.038	1.065	30
Deleted Residual	-.89712	2.24991	.05335	.64729	30
Stud. Deleted Residual	-1.837	2.878	.067	1.152	30
Mahal. Distance	.009	20.151	4.833	4.384	30
Cook's Distance	.000	2.766	.123	.503	30
Centered Leverage Value	.000	.695	.167	.151	30

a. Dependent Variable: Bank Selection

Charts


Normal P-P Plot of Regression Standardized Residual
Dependent Variable: BankSelection
Expected Cum Prob
Observed Cum Prob
0.0
0.2
0.4
0.6
0.8
1.0


Scatterplot
Dependent Variable: BankSelection
Regression Standardized Residual
Regression Standardized Predicted Value
3
2
1
0
-1
-2
-2
-1
0
1
2
3

Appendix 4.11: Reliability Test Result of Actual Test for Convenience

Case Processing Summary

		N	%
Cases	Valid	300	100.0
	Excluded[a]	0	.0
	Total	300	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.785	.787	5

Item Statistics

	Mean	Std. Deviation	N
The convenient location of the bank	3.5800	.76083	300
The color and logo of the bank is easily indentified	3.5467	.77232	300
It provide enough parking space	3.4133	.87848	300
Efficient process of granting loan	3.3900	.80834	300
Easy access to the bank	3.5767	.76991	300

Inter-Item Correlation Matrix

	The convenient location of the bank	The color and logo of the bank is easily indentified	It provide enough parking space	Efficient process of granting loan	Easy access to the bank
The convenient location of the bank	1.000	.421	.456	.447	.500
The color and logo of the bank is easily indentified	.421	1.000	.243	.466	.374
It provide enough parking space	.456	.243	1.000	.422	.452
Efficient process of granting loan	.447	.466	.422	1.000	.476
Easy access to the bank	.500	.374	.452	.476	1.000

Summary Item Statistics

	Mean	Minimum	Maximum	Range	Maximum / Minimum	Variance	N of Items
Inter-Item Correlations	.426	.243	.500	.258	2.063	.005	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
The convenient location of the bank	13.9267	5.774	.612	.380	.730
The colour and logo of the bank is easily indentified	13.9600	6.146	.483	.285	.770
It provide enough parking space	14.0933	5.670	.514	.306	.764
Efficient process of granting loan	14.1167	5.615	.606	.376	.730
Easy access to the bank	13.9300	5.764	.605	.372	.732

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
17.5067	8.592	2.93120	5

Appendix 4.12: Reliability Test Result of Actual Test for Service Quality.

Case Processing Summary

		N	%
Cases	Valid	300	100.0
	Excluded[a]	0	.0
	Total	300	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.877	.877	4

Item Statistics

	Mean	Std. Deviation	N
Customer service are easy to access and available	3.1900	1.02179	300
Willingness to listen and respond to your need	3.2467	1.04697	300
Friendly and courteous manner of employees	3.2467	1.05967	300
Fast and efficient service	3.2767	1.06328	300

Inter-Item Correlation Matrix

	Customer service are easy to access and available	Willingness to listen and respond to your need	Friendly and courteous manner of employees	Fast and efficient service
Customer service are easy to access and available	1.000	.591	.686	.607
Willingness to listen and respond to your need	.591	1.000	.605	.651
Friendly and courteous manner of employees	.686	.605	1.000	.699
Fast and efficient service	.607	.651	.699	1.000

Summary Item Statistics

	Mean	Minimum	Maximum	Range	Maximum / Minimum	Variance	N of Items
Inter-Item Correlations	.640	.591	.699	.108	1.184	.002	4

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
Customer service are easy to access and available	9.7700	7.716	.717	.529	.849
Willingness to listen and respond to your need	9.7133	7.677	.699	.496	.856
Friendly and courteous manner of employees	9.7133	7.302	.769	.606	.828
Fast and efficient service	9.6833	7.354	.753	.579	.834

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
12.9600	12.828	3.58160	4

Appendix 4.13: Reliability Test of Actual Test for Price of Products and Services

Case Processing Summary

		N	%
Cases	Valid	300	100.0
	Excluded[a]	0	.0
	Total	300	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.738	.742	4

Item Statistics

	Mean	Std. Deviation	N
Appropriate amount of service charge	3.3633	.73470	300
Acceptable interest rate charge on loan/product	3.3333	.66107	300
The product price difference between banks are acceptable	3.3800	.82332	300
Reasonable interest rate charge on credit card	3.3800	.82332	300

Inter-Item Correlation Matrix

	Appropriate amount of service charge	Acceptable interest rate charge on loan/product	The product price difference between banks are acceptable	Reasonable interest rate charge on credit card
Appropriate amount of service charge	1.000	.569	.457	.368
Acceptable interest rate charge on loan/product	.569	1.000	.307	.344
The product price difference between banks are acceptable	.457	.307	1.000	.467
Reasonable interest rate charge on credit card	.368	.344	.467	1.000

Summary Item Statistics

	Mean	Minimum	Maximum	Range	Maximum / Minimum	Variance	N of Items
Inter-Item Correlations	.419	.307	.569	.262	1.853	.009	4

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
Appropriate amount of service charge	10.0933	3.135	.596	.417	.642
Acceptable interest rate charge on loan/product	10.1233	3.527	.508	.345	.694
The product price difference between banks are acceptable	10.0767	3.028	.531	.312	.680
Reasonable interest rate charge on credit card	10.0767	3.094	.502	.269	.698

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
13.4567	5.226	2.28594	4

Appendix 4.14: Reliability Test Result of Actual Test for Security

Case Processing Summary

		N	%
Cases	Valid	300	100.0
	Excluded[a]	0	.0
	Total	300	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.838	.842	4

Item Statistics

	Mean	Std. Deviation	N
Reputation of the bank is sound	3.4533	.75480	300
Financial performance of the bank is sound	3.4633	.78574	300
Capital and size of the bank is adequate	3.3867	.88682	300
E-banking service is secured	3.3833	.92696	300

Inter-Item Correlation Matrix

	Reputation of the bank is sound	Financial performance of the bank is sound	Capital and size of the bank is adequate	E-banking service is secured
Reputation of the bank is sound	1.000	.699	.547	.516
Financial performance of the bank is sound	.699	1.000	.534	.582
Capital and size of the bank is adequate	.547	.534	1.000	.555
E-banking service is secured	.516	.582	.555	1.000

Summary Item Statistics

	Mean	Minimum	Maximum	Range	Maximum / Minimum	Variance	N of Items
Inter-Item Correlations	.572	.516	.699	.184	1.356	.004	4

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 of the bank is sound	10.2333	4.768	.692	.535	.788
Financial performance of the bank is sound	10.2233	4.582	.720	.564	.775
Capital and size of the bank is adequate	10.3000	4.445	.639	.412	.809
E-banking service is secured	10.3033	4.279	.647	.428	.808

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
13.6867	7.621	2.76054	4

Appendix 4.15: Reliability Test Result of Actual Test for Technology

Case Processing Summary

		N	%
Cases	Valid	300	100.0
	Excluded[a]	0	.0
	Total	300	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.811	.813	5

Item Statistics

	Mean	Std. Deviation	N
Accessibility to online banking	3.5633	.76678	300
More user friendly interface	3.4567	.80225	300
Respond time to the downtime of the ATMs is fast	3.4233	.88321	300
Ease of access to bank information	3.4633	.80258	300
Is E-banking service adequate	3.4833	.77355	300

Inter-Item Correlation Matrix

	Accessibility to online banking	More user friendly interface	Respond time to the downtime of the ATMs is fast	Ease of access to bank information	Is E-banking service adequate
Accessibility to online banking	1.000	.690	.442	.395	.396
More user friendly interface	.690	1.000	.444	.486	.452
Respond time to the downtime of the ATMs is fast	.442	.444	1.000	.468	.321
Ease of access to bank information	.395	.486	.468	1.000	.565
Is E-banking service adequate	.396	.452	.321	.565	1.000

Summary Item Statistics

	Mean	Minimum	Maximum	Range	Maximum / Minimum	Variance	N of Items
Inter-Item Correlations	.466	.321	.690	.368	2.147	.010	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
Accessibility to online banking	13.8267	6.284	.625	.504	.768
More user friendly interface	13.9333	5.969	.679	.544	.750
Respond time to the downtime of the ATMs is fast	13.9667	6.166	.531	.306	.798
Ease of access to bank information	13.9267	6.155	.622	.437	.768
Is E-banking service adequate	13.9067	6.506	.550	.366	.789

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
17.3900	9.275	3.04557	5

Appendix 4.16: Reliability Test Result of Actual Test for Bank Selection Criteria

Case Processing Summary

		N	%
Cases	Valid	300	100.0
	Excluded[a]	0	.0
	Total	300	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.870	.871	5

Item Statistics

	Mean	Std. Deviation	N
Convenient affect your decision in selecting a bank	3.7100	.73555	300
Service quality is a factor when choosing a bank	3.7000	.81581	300
Price of product and services offered attract you to a certain bank	3.5367	.79840	300
Security offered is important when selecting a bank	3.6700	.83872	300
Technology used by the bank attract you	3.5567	.83413	300

Inter-Item Correlation Matrix

	Convenient affect your decision in selecting a bank	Service quality is a factor when choosing a bank	Price of product and services offered attract you to a certain bank	Security offered is important when selecting a bank	Technology used by the bank attract you
Convenient affect your decision in selecting a bank	1.000	.696	.545	.630	.487
Service quality is a factor when choosing a bank	.696	1.000	.489	.710	.433
Price of product and services offered attract you to a certain bank	.545	.489	1.000	.545	.600
Security offered is important when selecting a bank	.630	.710	.545	1.000	.608
Technology used by the bank attract you	.487	.433	.600	.608	1.000

Summary Item Statistics

	Mean	Minimum	Maximum	Range	Maximum / Minimum	Variance	N of Items
Inter-Item Correlations	.574	.433	.710	.277	1.640	.008	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
Convenient affect your decision in selecting a bank	14.4633	7.280	.718	.559	.838
Service quality is a factor when choosing a bank	14.4733	6.973	.704	.612	.840
Price of product and services offered attract you to a certain bank	14.6367	7.229	.654	.456	.853
Security offered is important when selecting a bank	14.5033	6.639	.770	.627	.823
Technology used by the bank attract you	14.6167	7.140	.636	.479	.858

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
18.1733	10.672	3.26683	5

Appendix 4.17: T-Test Result of Actual Test for Convenience.

Group Statistics

	Gender	N	Mean	Std. Deviation	Std. Error Mean
Convenience	Male	178	.6258	.14741	.01105
	Female	122	.6246	.14591	.01321

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means						
									95% Confidence Interval of the Difference	
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper
COnvenient	Equal variances assumed	.032	.859	.073	298	.942	.00125	.01725	-.03270	.03521
	Equal variances not assumed			.073	261.886	.942	.00125	.01722	-.03266	.03516

Appendix 4.18: T-Test Result of Actual Test for Service Quality

Group Statistics

	Gender	N	Mean	Std. Deviation	Std. Error Mean
Customer Service	Male	178	.5572	.23394	.01753
	Female	122	.5640	.20914	.01893

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means						
									95% Confidence Interval of the Difference	
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper
Customer Service	Equal variances assumed	3.379	.067	-.258	298	.796	-.00680	.02635	-.05866	.04505
	Equal variances not assumed			-.264	277.832	.792	-.00680	.02581	-.05761	.04400

Appendix 4.19: T-Test Result of Actual Test for Price of Products and Services

Group Statistics

	Gender	N	Mean	Std. Deviation	Std. Error Mean
New price	Male	178	.5902	.14601	.01094
	Female	122	.5922	.13876	.01256

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means						
									95% Confidence Interval of the Difference	
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper
newprice	Equal variances assumed	.053	.819	-.117	298	.907	-.00197	.01682	-.03508	.03133
	Equal variances not assumed			-.119	268.585	.906	-.00197	.01666	-.03478	.03083

Appendix 4.20: T-Test Result of Actual Test for Security

Group Statistics

	Gender	N	Mean	Std. Deviation	Std. Error Mean
Security	Male	178	.6081	.17647	.01323
	Female	122	.6014	.16727	.01514

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means						
									95% Confidence Interval of the Difference	
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper
Security	Equal variances assumed	.349	.555	.330	298	.741	.00671	.02031	-.03326	.04668
	Equal variances not assumed			.334	269.009	.739	.00671	.02011	-.03287	.04630

Appendix 4.21: T-Test Result of Actual Test for Technology

Group Statistics

	Gender	N	Mean	Std. Deviation	Std. Error Mean
Technology	Male	178	.6228	.15514	.01163
	Female	122	.6148	.14850	.01344

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means						
									95% Confidence Interval of the Difference	
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper
Technology	Equal variances assumed	.173	.678	.446	298	.656	.00800	.01792	-.02727	.04327
	Equal variances not assumed			.450	267.435	.653	.00800	.01778	-.02700	.04300

Appendix 4.22: T-Test Result of Actual Test for Bank Selection

Group Statistics

	Gender	N	Mean	Std. Deviation	Std. Error Mean
BankSelection	Male	178	.6528	.15987	.01198
	Female	122	.6672	.16858	.01526

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means						
									95% Confidence Interval of the Difference	
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper
BankSelection	Equal variances assumed	1.750	.187	-.750	298	.454	-.01440	.01921	-.05221	.02341
	Equal variances not assumed			-.742	250.951	.459	-.01440	.01940	-.05262	.02381

Appendix 4.23: Pearson Correlation Result of Actual Test for Convenience

Descriptive Statistics

	Mean	Std. Deviation	N
BankSelection	.6587	.16334	300
COnvenient	.6253	.14656	300

Correlations

		BankSelection	COnvenient
BankSelection	Pearson Correlation	1	.502**
	Sig. (2-tailed)		.000
	N	300	300
COnvenient	Pearson Correlation	.502**	1
	Sig. (2-tailed)	.000	
	N	300	300

**. Correlation is significant at the 0.01 level (2-tailed).

Appendix 4.24: Pearson Correlation Result of Actual Test for Service Quality

Descriptive Statistics

	Mean	Std. Deviation	N
BankSelection	.6587	.16334	300
CustomerService	.5600	.22385	300

Correlations

		BankSelection	CustomerService
BankSelection	Pearson Correlation	1	.482**
	Sig. (2-tailed)		.000
	N	300	300
CustomerService	Pearson Correlation	.482**	1
	Sig. (2-tailed)	.000	
	N	300	300

**. Correlation is significant at the 0.01 level (2-tailed).

Appendix 4.25: Pearson Correlation Result of Actual Test for Price of Products and Services

Descriptive Statistics

	Mean	Std. Deviation	N
BankSelection	.6587	.16334	300
newprice	.5910	.14287	300

Correlations

		BankSelection	newprice
BankSelection	Pearson Correlation	1	.413**
	Sig. (2-tailed)		.000
	N	300	300
newprice	Pearson Correlation	.413**	1
	Sig. (2-tailed)	.000	
	N	300	300

**. Correlation is significant at the 0.01 level (2-tailed).

Appendix 4.26: Pearson Correlation Result of Actual Test for Security

Descriptive Statistics

	Mean	Std. Deviation	N
BankSelection	.6587	.16334	300
Security	.6054	.17253	300

Correlations

		Bank Selection	Security
BankSelection	Pearson Correlation	1	.519**
	Sig. (2-tailed)		.000
	N	300	300
Security	Pearson Correlation	.519**	1
	Sig. (2-tailed)	.000	
	N	300	300

**. Correlation is significant at the 0.01 level (2-tailed).

Appendix 4.27: Pearson Correlation Result of Actual Test for Technology

Descriptive Statistics

	Mean	Std. Deviation	N
Bank Selection	.6587	.16334	300
Technology	.6195	.15228	300

Correlations

		Bank Selection	Technology
Bank Selection	Pearson Correlation	1	.561**
	Sig. (2-tailed)		.000
	N	300	300
Technology	Pearson Correlation	.561**	1
	Sig. (2-tailed)	.000	
	N	300	300

**. Correlation is significant at the 0.01 level (2-tailed).

Appendix 4.28: Normality Result of Actual Test for Convenience

Case Processing Summary

	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
BankSelection	300	100.0%	0	0.0%	300	100.0%

Descriptive

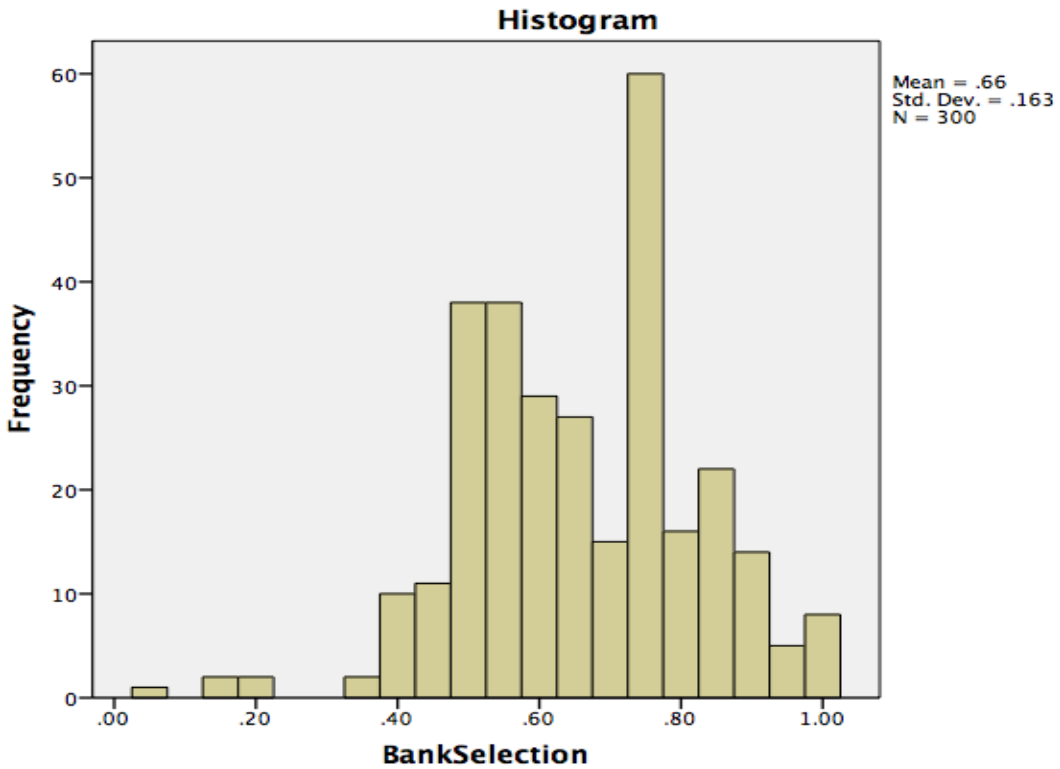
			Statistic	Std. Error
Bank Selection	Mean		.6587	.00943
	95% Confidence Interval for Mean	Lower Bound	.6401	
		Upper Bound	.6772	
	5% Trimmed Mean		.6607	
	Median		.6500	
	Variance		.027	
	Std. Deviation		.16334	
	Minimum		.05	
	Maximum		1.00	
	Range		.95	
	Interquartile Range		.20	
	Skewness		-.259	.141
	Kurtosis		.351	.281

Extreme Values

			Case Number	Convenience	Value
Bank Selection	Highest	1	8	.75	1.00
		2	30	1.00	1.00
		3	69	.80	1.00
		4	73	.60	1.00
		5	119	1.00	1.00[a]
	Lowest	1	141	.40	.05
		2	139	.40	.15
		3	137	.40	.15
		4	148	.20	.20
		5	140	.45	.20

a. Only a partial list of cases with the value 1.00 are shown in the table of upper extremes.

Bank Selection

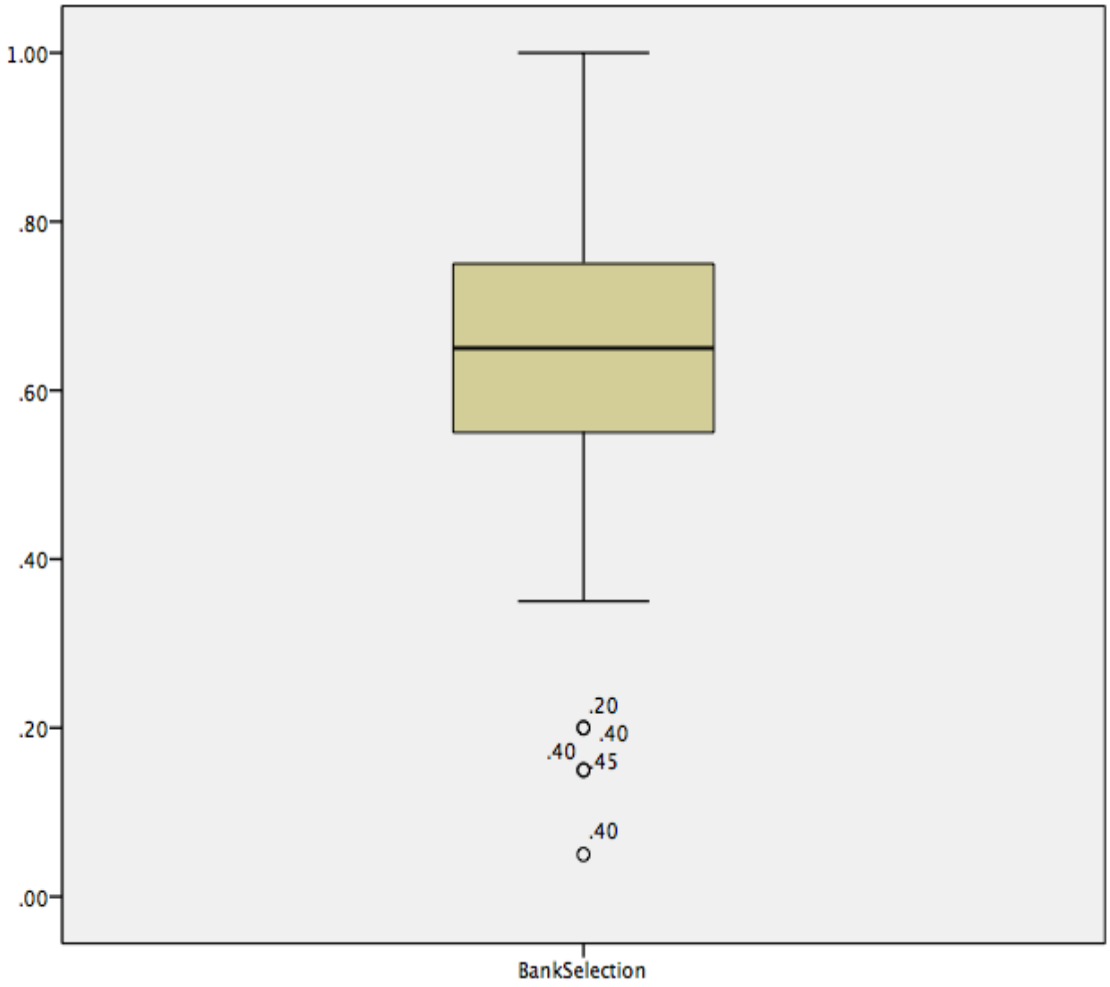


Bank Selection Stem-and-Leaf Plot

Frequency	Stem &	Leaf
5.00	Extremes	(=<.20)
.00	3	.
2.00	3	. 55
10.00	4	. 0000000000
11.00	4	. 55555555555
38.00	5	. 00000000000000000000000000000000000000
38.00	5	. 55555555555555555555555555555555555555
29.00	6	. 00000000000000000000000000000
27.00	6	. 555555555555555555555555555
15.00	7	. 000000000000000
60.00	7	. 555555555555555555555555555555555555555
16.00	8	. 0000000000000000
22.00	8	. 55555555555555555555
14.00	9	. 00000000000000
5.00	9	. 55555
8.00	10	. 00000000

Stem width: .10

Each leaf: 1 case(s)


1.00
.80
.60
.40
.20
.00
.20
.40
.40
.45
.40
BankSelection

Appendix 4.29: Normality Result of Actual Test for Service Quality

Case Processing Summary

	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
Bank Selection	300	100.0%	0	0.0%	300	100.0%

Descriptive

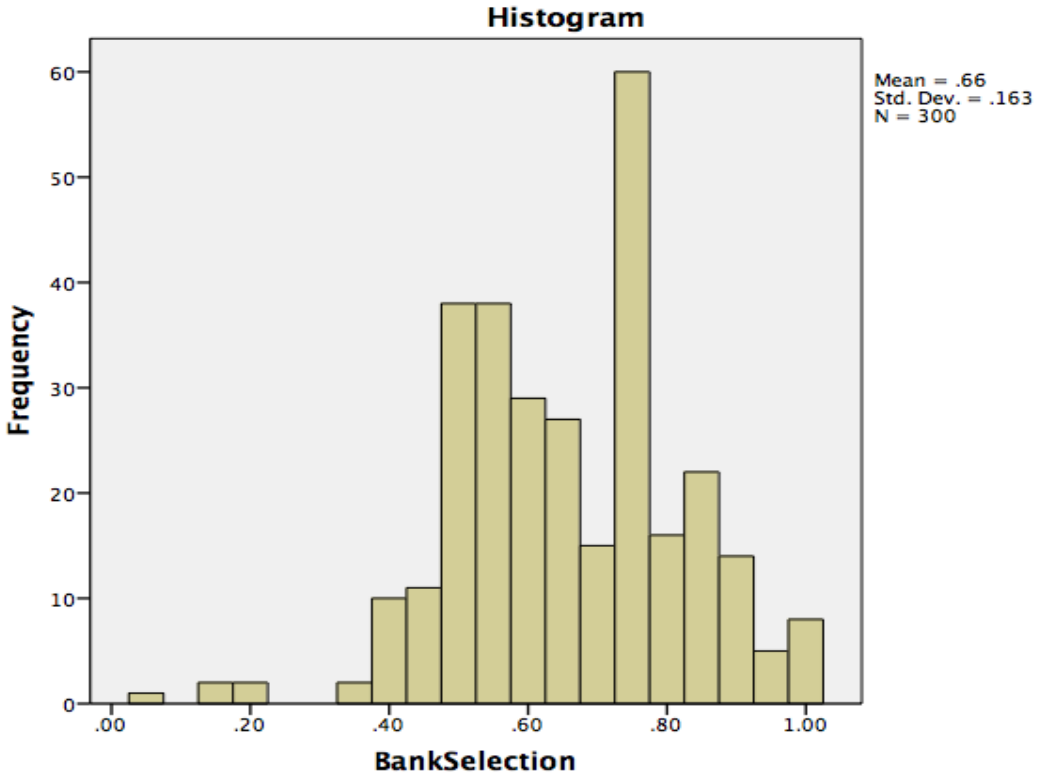
			Statistic	Std. Error
Bank Selection	Mean		.6587	.00943
	95% Confidence Interval for Mean	Lower Bound	.6401	
		Upper Bound	.6772	
	5% Trimmed Mean		.6607	
	Median		.6500	
	Variance		.027	
	Std. Deviation		.16334	
	Minimum		.05	
	Maximum		1.00	
	Range		.95	
	Interquartile Range		.20	
	Skewness		-.259	.141
	Kurtosis		.351	.281

Extreme Values

			Case Number	Service Quality	Value
Bank Selection	Highest	1	8	.94	1.00
		2	30	.88	1.00
		3	69	1.00	1.00
		4	73	.63	1.00
		5	119	.88	1.00[a]
	Lowest	1	141	.38	.05
		2	139	.38	.15
		3	137	.19	.15
		4	148	.19	.20
		5	140	.50	.20

a. Only a partial list of cases with the value 1.00 are shown in the table of upper extremes.

Bank Selection

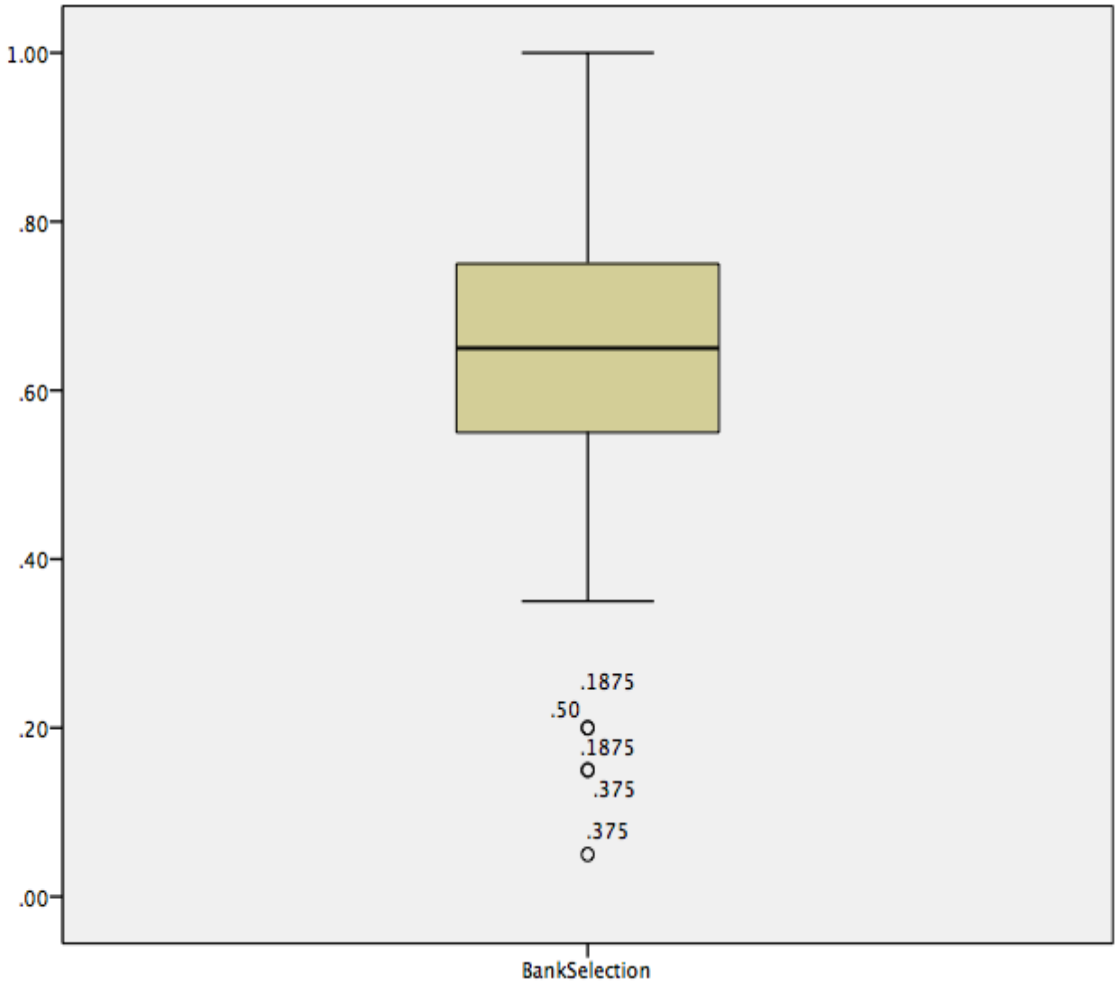


Bank Selection Stem-and-Leaf Plot

```
 Frequency    Stem &  Leaf

     5.00 Extremes    (=<.20)
      .00        3 .
     2.00        3 .  55
    10.00        4 .  0000000000
    11.00        4 .  55555555555
    38.00        5 .  00000000000000000000000000000000000000
    38.00        5 .  55555555555555555555555555555555555555
    29.00        6 .  00000000000000000000000000000
    27.00        6 .  555555555555555555555555555
    15.00        7 .  000000000000000
    60.00        7 .  555555555555555555555555555555555555555
    16.00        8 .  0000000000000000
    22.00        8 .  55555555555555555555
    14.00        9 .  00000000000000
     5.00        9 .  55555
     8.00       10 .  00000000

 Stem width:       .10
 Each leaf:       1 case(s)
```


1.00
.80
.60
.40
.20
.00
.1875
.50
.1875
.375
.375
BankSelection

Appendix 4.30: Normality Result of Actual Test for Price of Products and Services

Case Processing Summary

	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
Bank Selection	300	100.0%	0	0.0%	300	100.0%

Descriptive

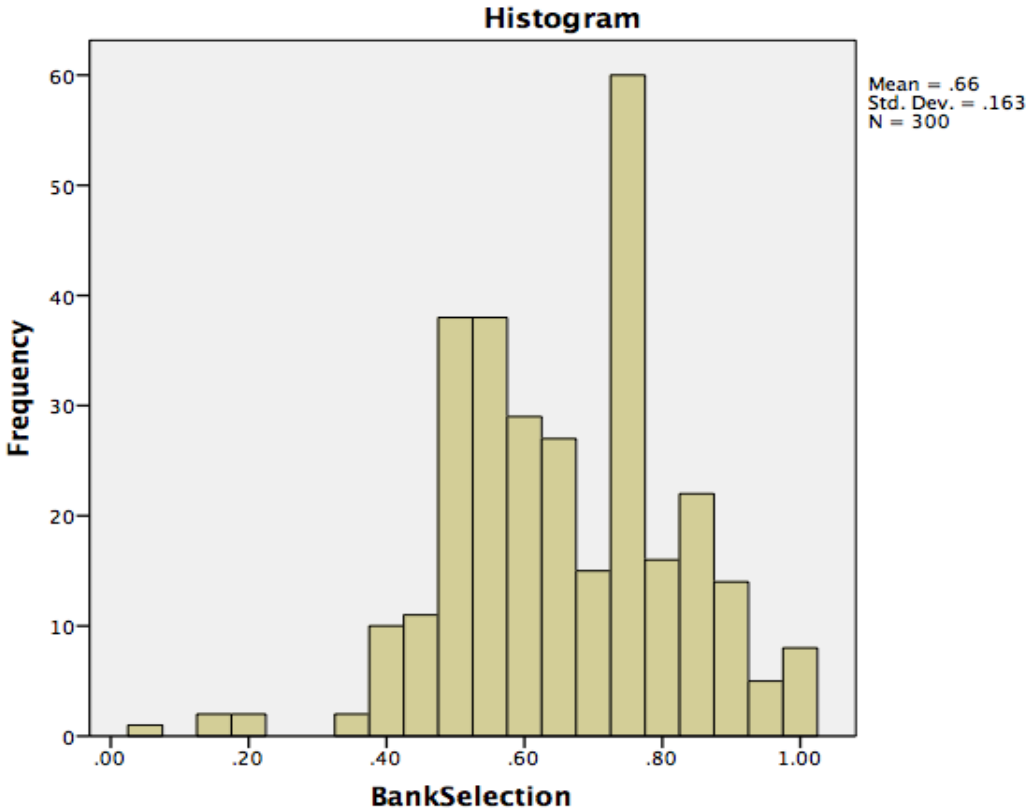
			Statistic	Std. Error
Bank Selection	Mean		.6587	.00943
	95% Confidence Interval for Mean	Lower Bound	.6401	
		Upper Bound	.6772	
	5% Trimmed Mean		.6607	
	Median		.6500	
	Variance		.027	
	Std. Deviation		.16334	
	Minimum		.05	
	Maximum		1.00	
	Range		.95	
	Interquartile Range		.20	
	Skewness		-.259	.141
	Kurtosis		.351	.281

Extreme Values

			Case Number	Price	Value
Bank Selection	Highest	1	8	.75	1.00
		2	30	1.00	1.00
		3	69	.88	1.00
		4	73	.81	1.00
		5	119	1.00	1.00[a]
	Lowest	1	141	.44	.05
		2	139	.38	.15
		3	137	.31	.15
		4	148	.19	.20
		5	140	.25	.20

a. Only a partial list of cases with the value 1.00 are shown in the table of upper extremes.

Bank Selection

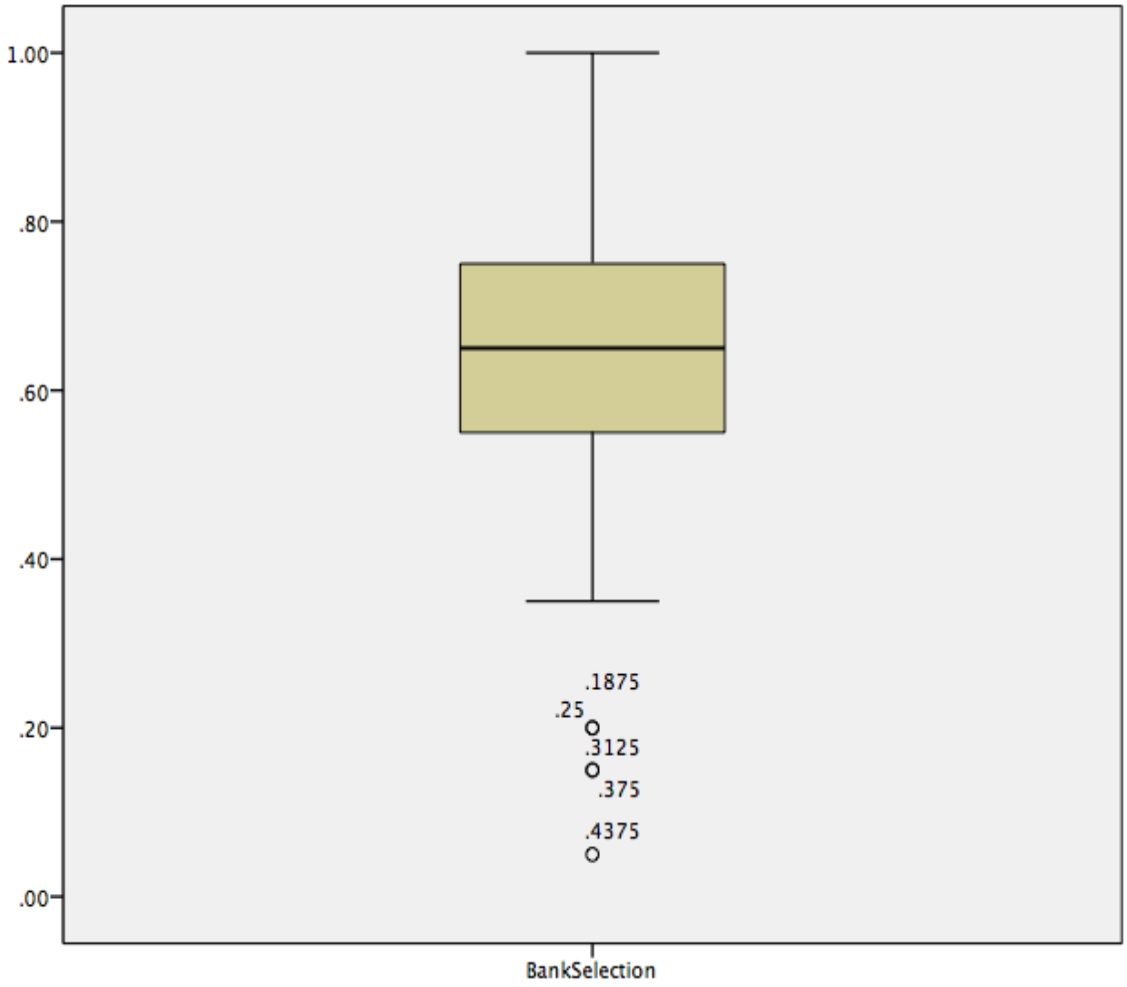


Bank Selection Stem-and-Leaf Plot

```
 Frequency    Stem &  Leaf

     5.00 Extremes    (=<.20)
      .00        3 .
     2.00        3 .  55
    10.00        4 .  0000000000
    11.00        4 .  55555555555
    38.00        5 .  00000000000000000000000000000000000000
    38.00        5 .  55555555555555555555555555555555555555
    29.00        6 .  00000000000000000000000000000
    27.00        6 .  555555555555555555555555555
    15.00        7 .  000000000000000
    60.00        7 .  555555555555555555555555555555555555555
    16.00        8 .  0000000000000000
    22.00        8 .  55555555555555555555
    14.00        9 .  00000000000000
     5.00        9 .  55555
     8.00       10 .  00000000

 Stem width:       .10
 Each leaf:       1 case(s)
```


1.00
.80
.60
.40
.20
.00
.1875
.25
.3125
.375
.4375
BankSelection

Appendix 4.31: Normality Result of Actual Test for Security.

Case Processing Summary

	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
Bank Selection	300	100.0%	0	0.0%	300	100.0%

Descriptives

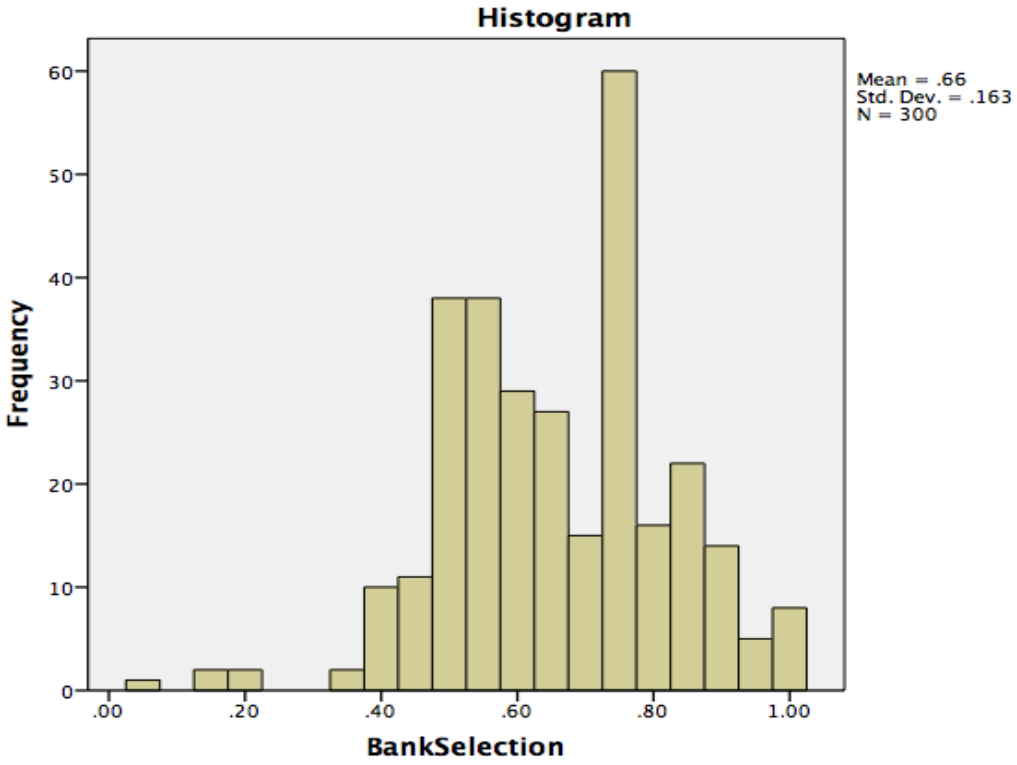
			Statistic	Std. Error
Bank Selection	Mean		.6587	.00943
	95% Confidence Interval for Mean	Lower Bound	.6401	
		Upper Bound	.6772	
	5% Trimmed Mean		.6607	
	Median		.6500	
	Variance		.027	
	Std. Deviation		.16334	
	Minimum		.05	
	Maximum		1.00	
	Range		.95	
	Interquartile Range		.20	
	Skewness		-.259	.141
	Kurtosis		.351	.281

Extreme Values

			Case Number	Security	Value
Bank Selection	Highest	1	8	1.00	1.00
		2	30	1.00	1.00
		3	69	.81	1.00
		4	73	.81	1.00
		5	119	1.00	1.00[a]
	Lowest	1	141	.38	.05
		2	139	.25	.15
		3	137	.25	.15
		4	148	.44	.20
		5	140	.13	.20

a. Only a partial list of cases with the value 1.00 are shown in the table of upper extremes.

Bank Selection

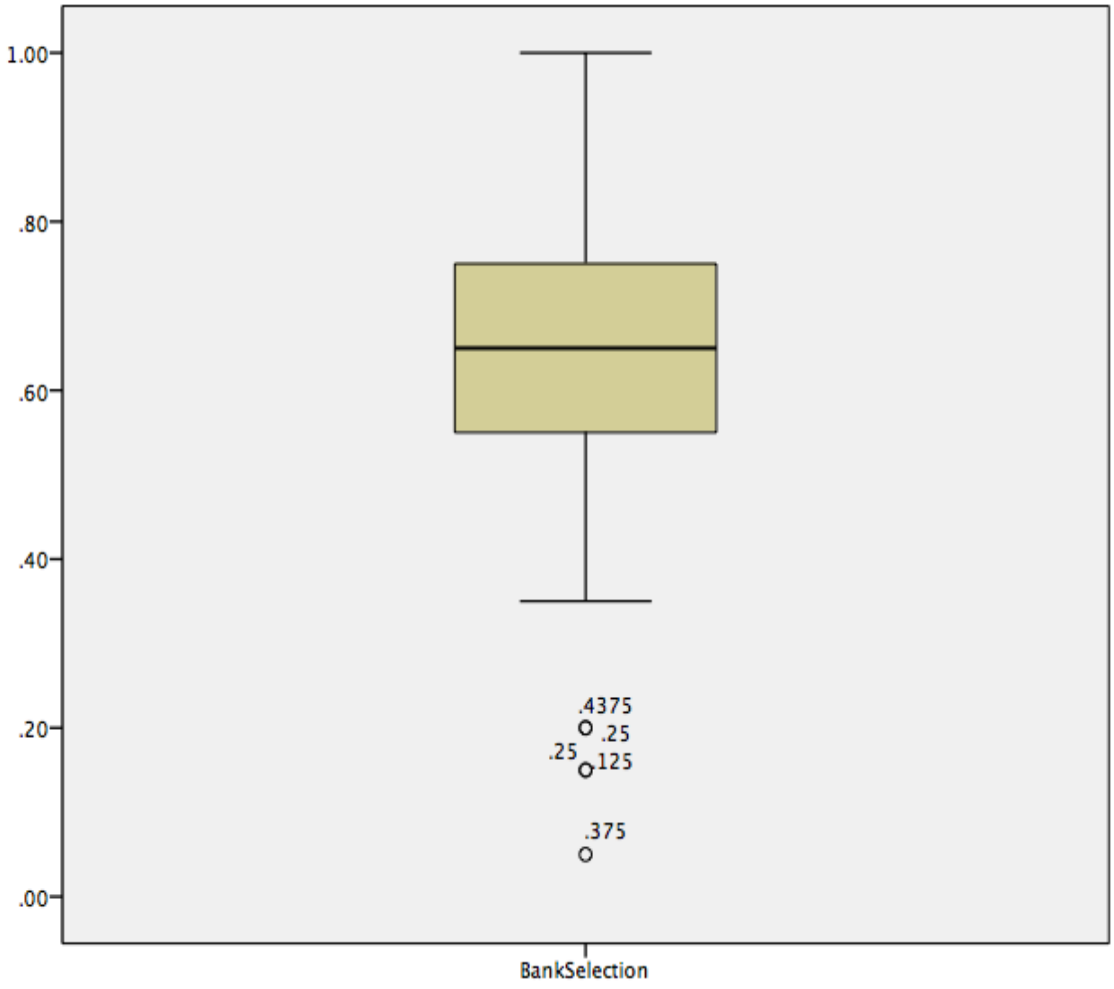


Bank Selection Stem-and-Leaf Plot

Frequency	Stem &	Leaf
5.00	Extremes	(=<.20)
.00	3 .	
2.00	3 .	55
10.00	4 .	0000000000
11.00	4 .	55555555555
38.00	5 .	00000000000000000000000000000000000000
38.00	5 .	55555555555555555555555555555555555555
29.00	6 .	00000000000000000000000000000
27.00	6 .	555555555555555555555555555
15.00	7 .	000000000000000
60.00	7 .	555555555555555555555555555555555555555555
16.00	8 .	0000000000000000
22.00	8 .	55555555555555555555
14.00	9 .	00000000000000
5.00	9 .	55555
8.00	10 .	00000000

Stem width: .10

Each leaf: 1 case(s)


1.00
.80
.60
.40
.20
.00
.4375
.25
.25
.125
.375
BankSelection

Appendix 4.32: Normality Test Result of Actual Test for Technology.

Case Processing Summary

	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
Bank Selection	300	100.0%	0	0.0%	300	100.0%

Descriptives

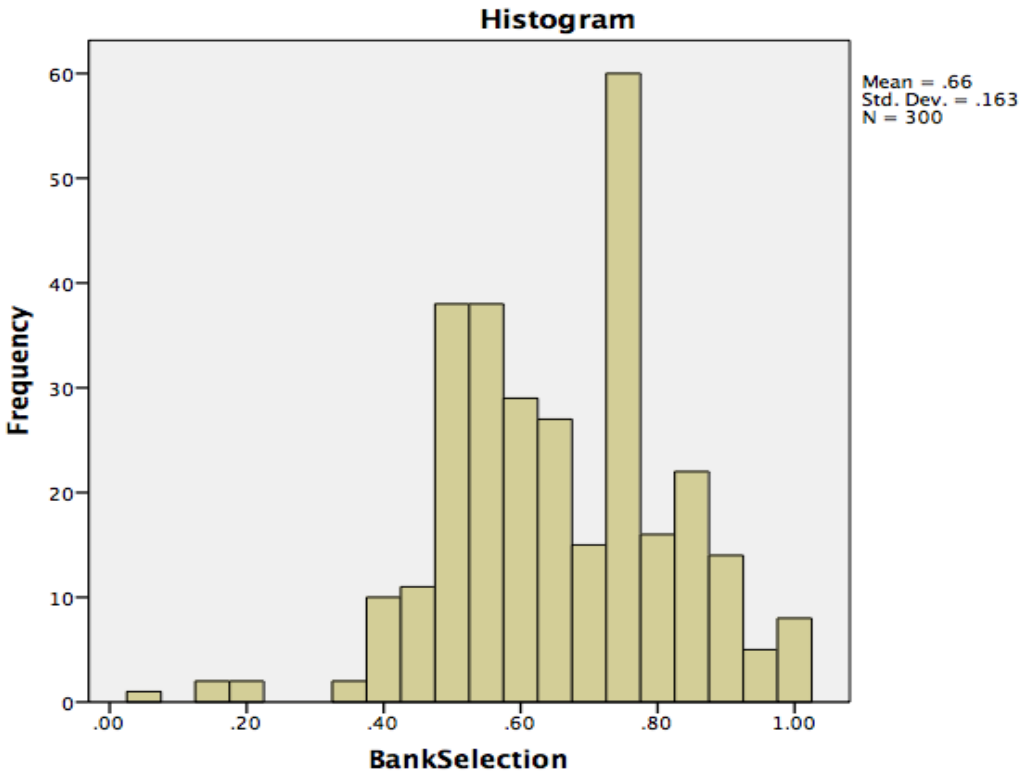
			Statistic	Std. Error
Bank Selection	Mean		.6587	.00943
	95% Confidence Interval for Mean	Lower Bound	.6401	
		Upper Bound	.6772	
	5% Trimmed Mean		.6607	
	Median		.6500	
	Variance		.027	
	Std. Deviation		.16334	
	Minimum		.05	
	Maximum		1.00	
	Range		.95	
	Interquartile Range		.20	
	Skewness		-.259	.141
	Kurtosis		.351	.281

Extreme Values

			Case Number	Technology	Value
Bank Selection	Highest	1	8	.80	1.00
		2	30	1.00	1.00
		3	69	.75	1.00
		4	73	.80	1.00
		5	119	1.00	1.00[a]
	Lowest	1	141	.30	.05
		2	139	.20	.15
		3	137	.20	.15
		4	148	.25	.20
		5	140	.30	.20

a. Only a partial list of cases with the value 1.00 are shown in the table of upper extremes.

Bank Selection

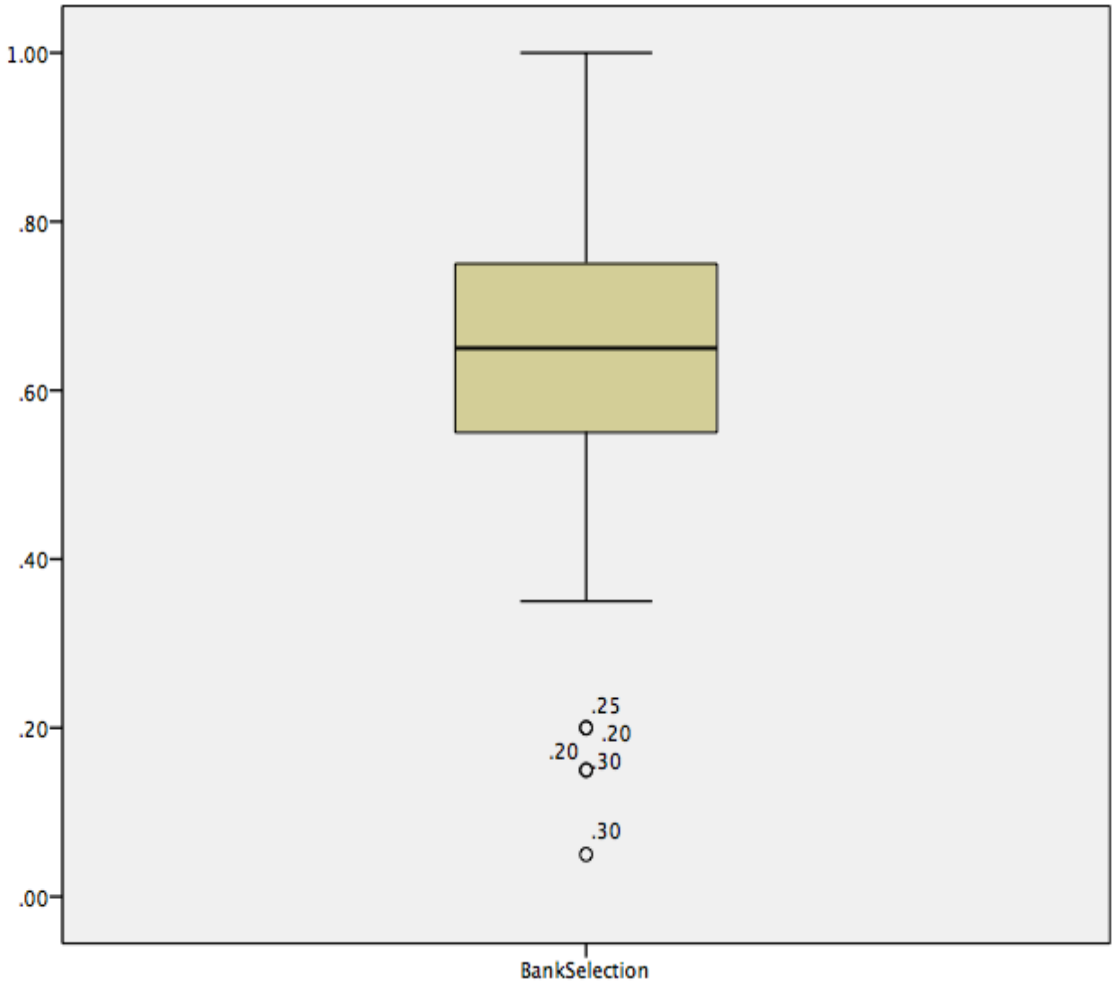


Bank Selection Stem-and-Leaf Plot

Frequency	Stem &	Leaf
5.00	Extremes	(=<.20)
.00	3 .	
2.00	3 .	55
10.00	4 .	0000000000
11.00	4 .	55555555555
38.00	5 .	00000000000000000000000000000000000000
38.00	5 .	55555555555555555555555555555555555555
29.00	6 .	00000000000000000000000000000
27.00	6 .	555555555555555555555555555
15.00	7 .	000000000000000
60.00	7 .	555555555555555555555555555555555555555555
16.00	8 .	0000000000000000
22.00	8 .	55555555555555555555
14.00	9 .	00000000000000
5.00	9 .	55555
8.00	10 .	00000000

Stem width: .10

Each leaf: 1 case(s)


1.00
.80
.60
.40
.20
.00
.25
.20
.20
30
.30
BankSelection

Appendix 4.33: Multiple Regression Analysis Results of Actual Test

Descriptive Statistics

	Mean	Std. Deviation	N
Bank Selection	.6587	.16334	300
Five variable	-.1175	.04056	300

Correlations

		Bank Selection	Five variable
Pearson Correlation	Bank Selection	1.000	.597
	Five variable	.597	1.000
Sig. (1-tailed)	Bank Selection	.	.000
	Five variable	.000	.
N	Bank Selection	300	300
	Five variable	300	300

Variables Entered/Removed[a]

Model	Variables Entered	Variables Removed	Method
1	Five variable[b]	.	Enter

a. Dependent Variable: Bank Selection

b. All requested variables entered.

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.597[a]	.357	.354	.13124

a. Predictors: (Constant), five variable

b. Dependent Variable: Bank Selection

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2.845	1	2.845	165.161	.000[b]
	Residual	5.133	298	.017		
	Total	7.977	299			

a. Dependent Variable: Bank Selection

b. Predictors: (Constant), five variable

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B		Correlations			Collinearity Statistics	
		B	Std. Error	Beta			Lower Bound	Upper Bound	Zero-order	Partial	Part	Tolerance	VIF
1	(Constant)	.941	.023		40.482	.000	.895	.987					
	fivevariable	2.405	.187	.597	12.851	.000	2.037	2.773	.597	.597	.597	1.000	1.000

a. Dependent Variable: BankSelection

Collinearity Diagnostics[a]

Model	Dimension	Eigenvalue	Condition Index	Variance Proportions	
				(Constant)	fivevariable
1	1	1.945	1.000	.03	.03
	2	.055	5.969	.97	.97

a. Dependent Variable: Bank Selection

Casewise Diagnostics[a]

Case Number	Std. Residual	BankSelection	Predicted Value	Residual
121	3.265	1.00	.5716	.42843
141	-3.449	.05	.5026	-.45261
241	3.588	1.00	.5291	.47087

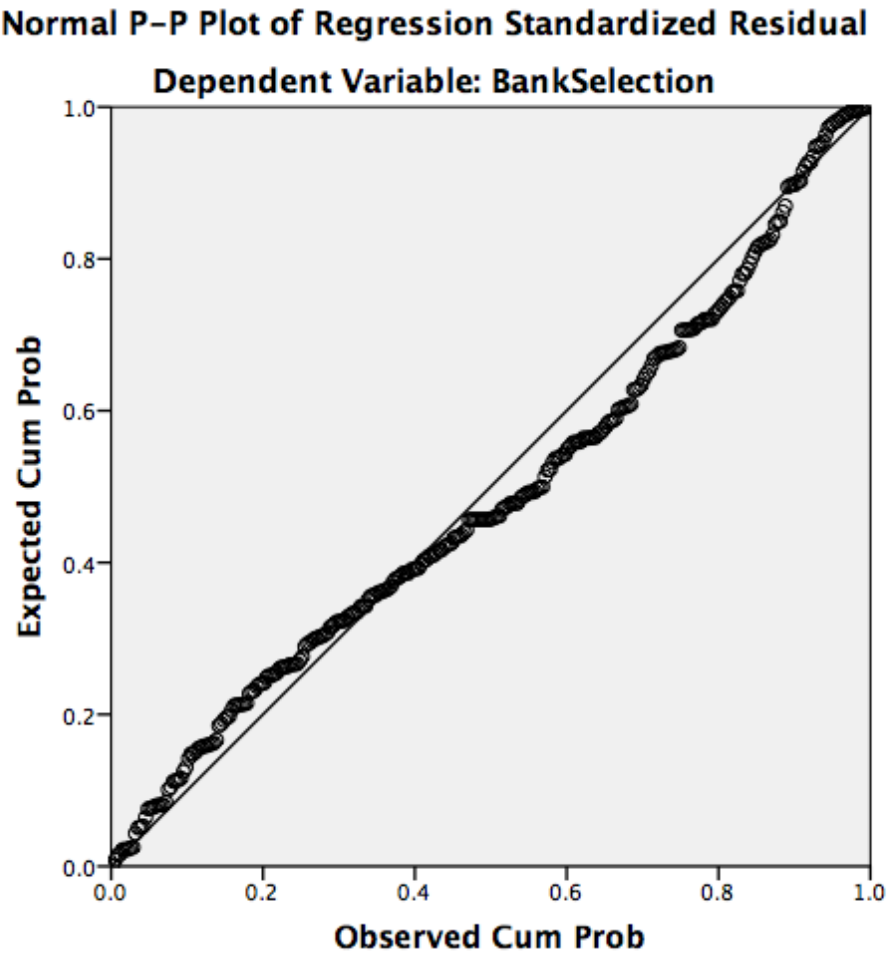
a. Dependent Variable: Bank Selection

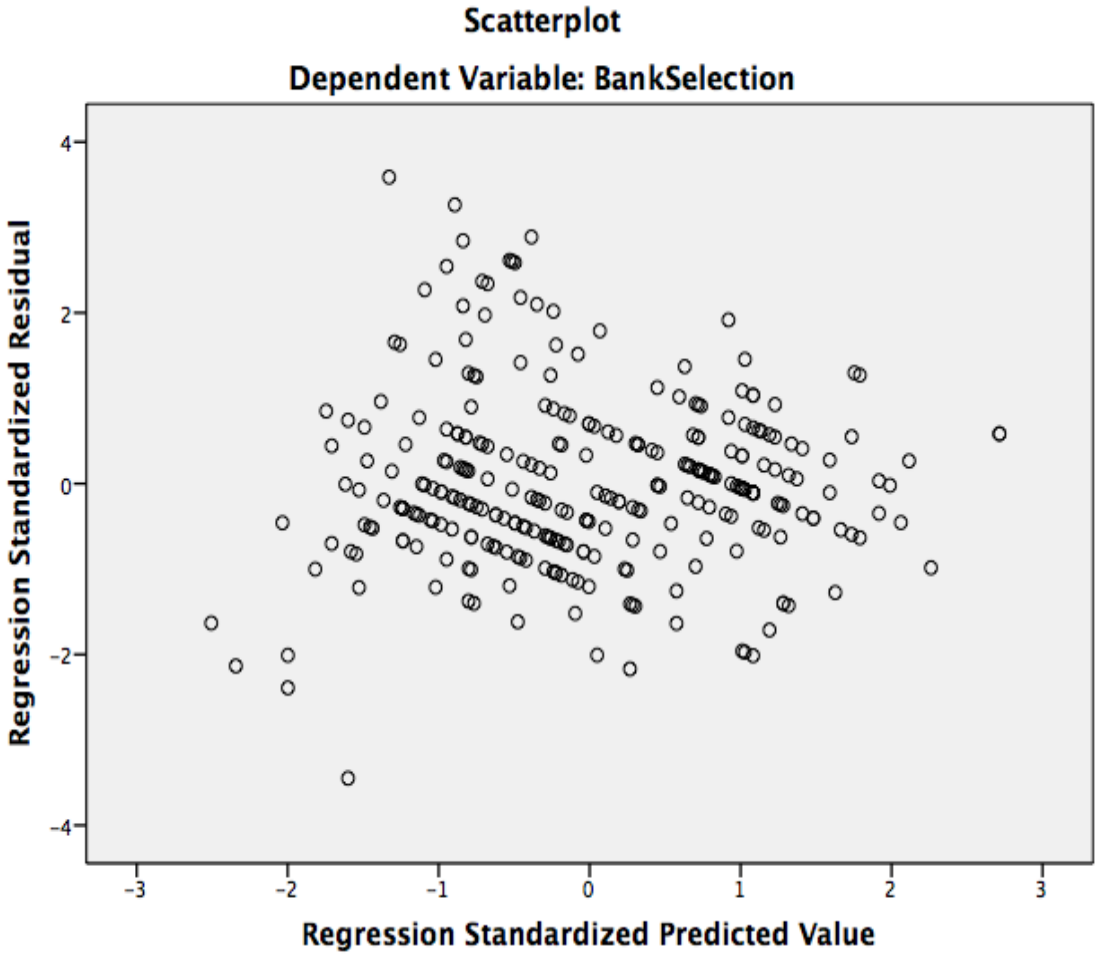
Residuals Statistics[a]

	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	.4142	.9234	.6587	.09754	300
Std. Predicted Value	-2.506	2.714	.000	1.000	300
Standard Error of Predicted Value	.008	.022	.010	.003	300
Adjusted Predicted Value	.4195	.9212	.6587	.09740	300
Residual	-.45261	.47087	.00000	.13102	300
Std. Residual	-3.449	3.588	.000	.998	300
Stud. Residual	-3.469	3.605	.000	1.002	300
Deleted Residual	-.45805	.47526	-.00006	.13193	300
Stud. Deleted Residual	-3.536	3.680	.001	1.008	300
Mahal. Distance	.000	7.368	.997	1.162	300
Cook's Distance	.000	.072	.003	.008	300
Centered Leverage Value	.000	.025	.003	.004	300

a. Dependent Variable: Bank Selection

Charts


Normal P-P Plot of Regression Standardized Residual
Dependent Variable: BankSelection
Expected Cum Prob
Observed Cum Prob
0.0
0.2
0.4
0.6
0.8
1.0


Scatterplot
Dependent Variable: BankSelection
Regression Standardized Residual
Regression Standardized Predicted Value
4
2
0
-2
-4
-3
-2
-1
0
1
2
3