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MASTER'S THESIS

THE ATTITUDES OF SLOVENIAN YOUTH TOWARDS COMMERCIAL BANKING

Ljubljana, 30th August, 2018   IVAN KOS

AUTHORSHIP STATEMENT

The undersigned Ivan Kos, a student at the University of Ljubljana, Faculty of Economics, (hereafter: FELU), author of this written final work of studies with the title The Attitudes of Slovenian Youth Towards Commercial Banking, prepared under supervision of doc. dr. Tamara Pavasović Trošt, Ph.D.

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INTRODUCTION

Customer satisfaction and service quality are crucial areas for any service-providing company trying to improve its business (Ajzen & Fishbein, 1980). Much research has been done to study the determinants of customer satisfaction and service quality because of their effects on future behaviour, attitudes and loyalty. For example, dissatisfied customers are likely to exit the services provided by the firm, and in most of the occasions express their discomfort with the usage of the firm's services, which leads to additional exiting or switching firms (Dabholakar, Thorpe, & Rentz, 1996; Levesque & McDougall, 1996). In order to attract customers, and after that to retain those customers, companies must continuously work on maintaining customer satisfaction. Among the many determinants of customer satisfaction, studies have shown that service quality (composed of five dimensions; empathy, responsiveness, tangibility, assurance and reliability), convenience, and fair prices, are most likely to achieve and influence customer loyalty (Kaura, Durga Prasad & Sharma, 2015; Shanka, 2012; Siddiqi, 2011). Additionally, important is the link between pre-purchase expectations and disconfirmation of expectations (Churchill & Suprenant, 1982; Oliver, 1989; Peter & Olson, 1996; Yi, 1990), where disconfirmation-the difference between pre-purchase expectations and post-purchase perceptions-plays a major influence on satisfaction (Armstrong & Seng, 2000).

In the case of commercial banking, the relationship between the bank's employees and customers is one of the most important aspects of service quality (Levesque & McDougall, 1996), and accordingly, many commercial banks are changing their strategies through better and improved services in order to increase customer satisfaction and to extend their customer's loyalty (Levesque & McDougall, 1996). Tangibles, personnel, reliability, and competence of employees have been shown to be vital factors when consumers decide on doing business with banks (Bhatnagar, 2016). Previous research has divided customer satisfaction measures into two different sets of variables: ones that can easily be measured and observed (the tangible), and ones that are more difficult to measure and observe (the intangible). Research on tangible services such as the physical layout of buildings, (Dabholkar, Thorpe & Rentz, 1996; Wakefield & Blodgett, 1999) has demonstrated the relevance of attributes like comfort and exterior/interior design (Grapentine, 1995; Lee & Lou, 1996; Monroe & Dodds, 1988; Myers & Shocker, 1981; Rao & Monroe, 1998). For instance, bank locations in prime spots are a major service that boosts consumer's satisfaction (Levesque & McDougall, 1996). Intangibles such as brand reputation and service quality are also important. Wakefield and Blodgett (1999) show how service quality (reliability, empathy, assurance, and responsiveness) can directly influence the customer's cognitive evaluation of the service (i.e. perceived service quality), while the tangible aspects of the physical surroundings (building design and decor, equipment, and ambience) influence customer's affective responses (i.e. excitement).

In the new age of digital media and fast information flow, customer satisfaction with bank services comes more into focus, since both negative and positive feedback quickly reaches new potential clients as well as existing ones, therefore companies focus more on customer satisfaction. Their goal is to increase the number of satisfied customers, as more and more companies are striving to improve their quality of products (Bitner & Hubbert, 1994). Since companies strive to keep the existing and increase the new customer pool, they need more focus on the improvement of the quality of their products through direct feedback from their customers. Additionally, for commercial banks, it is particularly important to attract a specific segment of customers, particularly the young, as they are the ones who hold the greatest need for loan and mortgage borrowing in the future (Lewis & Bingham, 1991). Yet, young consumers represent a challenge to most banks, as their spending and saving habits, and their needs and expectations from the banking sector, are rapidly changing. That different segments of customers exist, with very distinct attitudes and habits, is quite important and has been well documented (e.g. Gwin & Lindgren, 1982; Speed & Smith, 1992). Banks and other financial institutions have responded to age segmentation with the development of a number of different services, packages and products (Lewis, 1981; Lewis & Bingham, 1991). As suggested by Lewis, Orledge, and Mitchell (1994), young people have the characteristics of material possession and are keener on consumption and spending than they are on saving (Lewis, Orledge & Mitchell, 1994). Youth are also picking banks very differently than older cohorts. For instance, research among students has found that the top ten factors that the young population finds crucial when choosing a bank are different to those for older generations. For youth, these include proximity to the university, recommendation by a friend, a high number of tellers, that the bank has a branch at the university, that the bank offers grants to students, that the university uses the same bank, a convenient location, the reputation of the bank, staff courtesy, and proximity to home (Mwange, 2017). This research was supported by similar results conducted by Thwaites and Vere (1995), Wei and Zhu (2013), Rao and Sharma (2010) and Chigamba and Fatoki (2011).

Given the importance of studying youth's attitudes towards commercial banking, the primary purpose of this research is to better understand the attitudes of young Slovenian consumers towards commercial banks. My goal is to examine Slovenian youth attitudes toward commercial banking, to investigate how satisfied youth consumers are with banking services, to determine their thoughts on switching banks, and to assess the degree of loyalty of Slovenian youth customers towards commercial banks.

Although similar research has been conducted by several researchers in different country settings (Jamal & Naser, 2002; Levesque & McDougall, 1996), there is no similar research done for Slovenian youth markets. Aside from the bulk of the research on North American and Western European markets, some of less–researched countries with similar studies include; Poland (Kennington, Hill & Rakowska, 1996), Bahrein (Almossawi, 2001), Tanzania (Ishemoi, 2007), South Africa (Chigamba & Fatoki, 2011), Zambia (Mwange, 2017), China (Chan, Tsang & Chen, 2017) and Australia (Tucker & Jubb, 2018). The

contribution of this thesis is thus to ascertain attitudes of youth towards commercial banking services in Slovenia, a country with few studies of this type.

The research questions tackled in this thesis include:

- What are the attitudes of young consumers towards commercial banks in the Slovenian market?
- Which features are most important to youth when choosing a bank?
- How loyal are youth to banks, and what influences switching behaviour?
- Which aspects – both tangible and intangible (such as national origin of banks)–drive their choosing or switching decisions?
- What are the determinants of customer satisfaction of bank services among youth?

In this master's thesis, I attempted to understand youth attitudes towards banking services (dependent variable). Attitudes include customer satisfaction with existing bank services, perceived relevance of the national origin of the bank, as well as a range of attitudes towards banking services and loyalty and switching behaviour. For measuring satisfaction with existing bank services, I used three measures which were used in similar research of consumer satisfaction; Service quality (Tangibility, Reliability, Responsiveness, Assurances, and Empathy), Customer satisfaction, and Loyalty (future intentions) (Brown, Churchill & Peter, 1993; Hausknecht, 1990; Heskett, Loveman & Sasser, 1994; Jones & Sasser, 1995; Yi, 1990).

I also examined the determinants of these attitudes (independent variables), as earlier research has shown that some criteria like age, gender, education and expertise can affect consumers' attitudes (Bettman & Park, 1980; Oliver, 1980). For instance, findings indicate that people with higher education and more extensive banking experience have higher expectations about services that are provided by commercial banks (Jamal & Naser, 2002), and more expert consumers are able to see differences between relevant and irrelevant information (Alba & Hutchinson, 1987). Accordingly, I asked respondents a series of socio–demographic questions including age, gender, level of schooling completed, marital status, as well as nationality and place of residence.

I collected primary data, relying on an on–line questionnaire, which incorporated the areas mentioned above. The research was conducted on a sample of two hundred and thirteen youth throughout Slovenia, collected through 1ka.si. I used closed-end questions/statements and measured them with ratings on Likert scales. The sampling frame included Slovenian youth aged from 16 to 35 who use banking transactions at least twice a week. The data was analysed in SPSS and MS Excel using descriptive statistics methods (arithmetic mean, differences between groups, ANOVA, correlation between variables).

This thesis is organized in four chapters, in addition to an introduction and conclusion. In the introduction I present the problem and the subject of research and what similar research

has been done before. The purpose and objectives of this research is also addressed in this chapter.

The first chapter outlines the literature on customer satisfaction and loyalty theory, and addresses the problem of customer satisfaction and loyalty within the banking sector. I review similar work in this area done by other authors in different settings, and summarize previous research regarding the main determinants of satisfaction for younger consumers. This chapter also presents an industry analysis of the commercial banking sector. Financial market development, the number of banks in Slovenia, and their market share is presented in this chapter. I discuss similar research by other authors about service quality and customer satisfaction in retail banking in Slovenia. I addition I also mention research regarding customer satisfaction and banking in some Balkan countries.

The second chapter outlines the methodology of this thesis. I describe how data was collected and analysed, the sampling methods that were used, and the structure of the questionnaire. The survey questions and demographic characteristics of respondents are also presented in this chapter.

Third chapter presents sample description and all of the demographic characteristics of the respondents. This chapter will tell us how many respondents are women or men, in which age class these respondents belong, their level of education, we will find out in which cities these respondents live, what is there marital status and their income class.

In the fourth chapter, I present the findings and all of the data analysis. I first present data about bank account ownership. I then turn to the reasons why respondents do not have a bank account, whether respondents have additional banking accounts in some other bank, the reasons why respondents switch banks, the reasons why respondents would consider switching banks. Following bank account ownership and bank switching data, I present findings regarding the perceived importance of bank attributes and services, followed by a discussion of the actual satisfaction with the bank services provided by the respondent's current bank. Next, respondents perceived importance and respondent's satisfaction is compared and analysed. I then briefly discuss demographic differences in the findings, followed by a discussion of the overall findings and limitations of the research.

In the conclusion, the research presented is summarized. In addition to the elaboration of the findings, I provide some suggestions for banks regarding customer satisfaction and loyalty. Finally, suggestions, guidelines and implications for future research about customer satisfaction in commercial banking are presented.

1 CUSTOMER SATISFACTION AND LOYALTY

This chapter introduces the literature on customer satisfaction and loyalty theory and addresses the problem of customer satisfaction and loyalty within the banking sector. The

chapter also reviews work done by other authors on attributes for younger consumers, as well as relevant findings from different settings and countries.

1.1   Customer satisfaction

The one of main objectives of a company is profit, and in order to gain profit, the company must deliver a service that will satisfy the needs of the customers and bring them to a level where they will feel the need to use that service again. Customer satisfaction is one of the most important areas for service-providing firms, as costumers choose their services on the fact how satisfied they were. Indeed, customer satisfaction is one of the key elements in understanding human behaviour by a variety of disciplines (Patterson & Johnson, 1993). Although customer satisfaction is different in different markets, the importance is to identify all of the factors driving customer satisfaction in our particular market. However, sometimes that is not such an easy task, as Hill and Alexander (2006) point out in their book, The Handbook of Customer Satisfaction and Loyalty Measurement, Hill and Alexander (2006) emphasise that while customer satisfaction has been studied for decades, it is hard to measure, and occurs at different and multiple levels within the organization. In other words, customers evaluate their satisfaction on multiple levels: the contact person (e.g. salesman or bank teller), the product they received, as well as their overall satisfaction.

Measuring and evaluating customer satisfaction can provide insight into our services, whether those services are in line with our customers' needs, and what are the steps within our organization that have to be undertaken to meet those needs. This evaluation can give us answers regarding which part of our organization we should reorganize, which part we need to improve, and which part is in line and should not be changed. One way to measure and evaluate customer satisfaction is via questionnaires, though these are more appropriate for measuring customer satisfaction in service firms than in manufacturing firms (Hill & Alexander, 2006). Most scholars agree that satisfaction involves evaluation, and evaluation is a result of comparison of the same services provided by different firms (Cadotte, Woodruff & Jenkins, 1987).

Research shows that customers mostly understand tangible services, such as facilities (Dabholkar, Thorpe & Rentz, 1996), but on the other hand, we should direct a part of our focus to intangible services, as for example price and brand (Grapentine, 1995; Lee & Lou, 1996; Monroe & Dodd, 1988; Myers & Shocker, 1981; Rao & Monroe, 1898). Some research has shown that managers tend to neglect tangible aspects of service quality, and only focus on intangible services (Wakefield & Blodgett, 1999), which at the end could bring to negative disconfirmation of customers, If customers have positive disconfirmation and the service they used brought them satisfaction, they will continue to use the service, while on the other hand, if the usage of the service was a negative experience and did not met their expectations, the customer will feel dissatisfied (Szymanski & Henard, 2001).

Over the years, most firms have not worried about negative word of mouth, as they believed this was limited to only the few customers who were dissatisfied with their services (Richens, 1983). As more and more services started being provided on-line, and the flow of information about services became faster and more widely accessible, the positive correlation between e-services and customer satisfaction has become increasingly pronounced (Chang, Wang & Yang, 2009; Meuter, Ostrom, Roundtree & Bitner, 2000). Thus, the providers of services should not only focus on the services provided on–line, but should also focus on the word of mouth on that is posted on-line for those same services. At the same time, satisfied customers are customers that are more loyal, and are known to engage in a positive word of mouth. They are also less prone to marketing efforts of competitors. It is shown that positive word of mouth surrounding a financial services provider is a crucial factor when engaging in a selection of a financial services provider (File & Prince, 1992).

Several scholars have demonstrated that customer satisfaction is linked to repurchasing, which leads to loyalty and eventually to boosting profits. Churchill and Surprenant (1982) demonstrated that satisfaction is linked to cumulating in purchase, and with post purchase phenomena, such as repeat purchase and loyalty. Similarly, Bearden and Teel (1983) showed that customer satisfaction is important, as it results in repurchasing the product and positively leads towards loyalty. As Yi (1990) concluded in his critical review of customer satisfaction, customer satisfaction influences purchase intentions as well as post–purchase attitudes. Heskett, Jones, Loveman, Sasser and Schlesinger (1994) also found that customer satisfaction drives customer loyalty, and customer loyalty drives profitability and growth. The service profit chain provided by Heskett, Jones, Loveman, Sasser, and Schlesinger (1994), represented in Figure 1 below, also hypothesizes that customer satisfaction brings customer loyalty and customer loyalty brings profitability and growth.

Figure 1: Customer satisfaction evolution
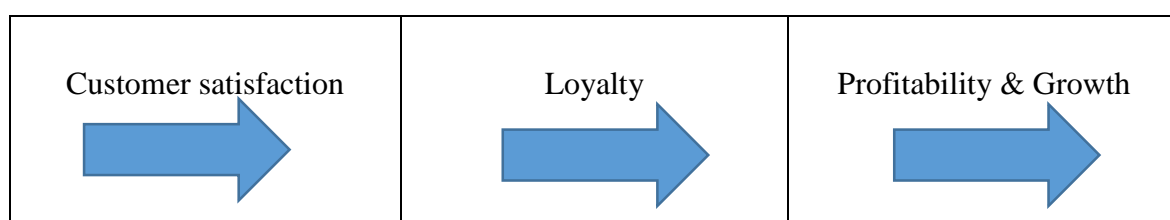
Source: Adapted from Heskett, Jones, Loveman, Sasser & Schlesinger (1994).

1.2   Loyalty

Studies have shown that customer satisfaction has a positive correlation with customer loyalty, it directly influences repurchasing of services and have a positive word of mouth (Chang, Wang & Yang, 2009). As customer satisfaction leads to loyalty, it is crucial as it is far more expensive to attract new customers than to retain old ones (Donio, Massari &

Passiante, 2006). Loyalty behaviour is thought as a form of repeated purchasing of a particular service over some period. As in time of severe competition and higher customer expectations, it is better and more cost efficient to keep existing customers than to acquire new ones. Keeping that in mind companies are trying to keep customers satisfied, as customer satisfaction is an immediate antecedent to customer loyalty (Homburg & Giering, 2001).

Cunningham (1956) defined brand loyalty as: the proportion of purchases of a household devoted to the brand it purchased most often. Oliver (1999) provides a similar definition: customer loyalty is "a deeply held commitment to rebuy or patronize a preferred product/service consistently in the future, thereby causing repetitive same-brand or same brand-set purchasing, despite situational influences and marketing efforts having the potential to cause switching behaviour (Oliver, 1999, p. 34)".

Research has shown that complete satisfaction is more efficient than just satisfaction. If customers are completely satisfied, their level of loyalty is at its peak, but any drop in satisfaction, that is, a drop from complete satisfaction results in a drop in level of loyalty (Jones & Sasser, 1995). Service providers should not point their attention to just one transaction, because it is proven that consumers make their decisions cumulating their overall transactions and not only regarding one transaction (Olsen & Johnson, 2003).

As stated earlier, Heskett, Jones, Loveman, Sasser, and Schlesinger (1994) demonstrated that customer satisfaction leads to loyalty, and to profitability and growth. Hallowell (1996) expanded the customer satisfaction loyalty profitability chain, as shown in Figure 2 below. His results show that customer satisfaction, loyalty, and profitability, do not only go in one direction, but that they are connected. The results encourage the inference of relationships among customer satisfaction, loyalty, and profitability.

Figure 2: Relationship between customer satisfaction, loyalty, profitability and growth
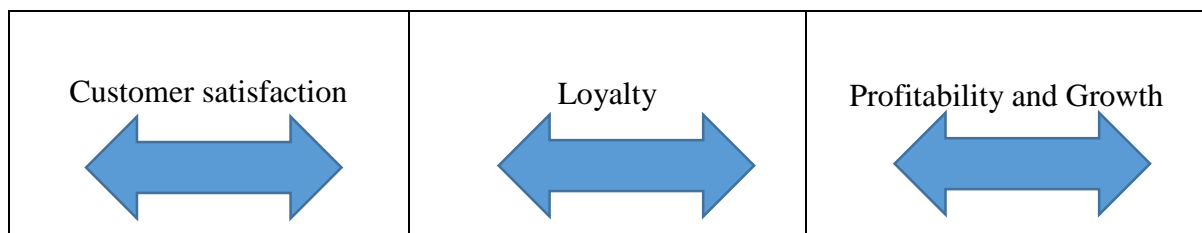
Source: Adapted from Hallowell (1996).

1.3   Customer satisfaction with banking services

As mentioned earlier, customer satisfaction is considered as the essence of success, especially in the highly competitive banking industry. Competitive advantage can be achieved through customer satisfaction, which can be achieved via service quality (Al Karim

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& Chowdhury, 2014). A bank can differentiate itself from competition by providing new and improved high quality services, and in line with that achieve bigger market share, and a higher customer retention ratio (Naeem & Saif, 2009). In Al Karim and Chowdhury's (2014) study, customers were found to have a high bargaining position due to significant growth of banks a high level of competition. Having that in mind, banks should be able to know about the expectations of the customers, so they can direct their efforts in improving the quality of services and with that meeting the customer's needs. The more the needs are met, the more customers will be satisfied if banks cannot provide proper quality of services, and cannot achieve customer satisfaction, the bank will lose its customers and accordingly, profits decrease.

Research has indicated that companies with good customer service reported a 72 percent increase in profit per employee, compared to other companies providing with less satisfied customers (Duncan, 2004). As competition is increasing, profitability decreases, and banks need to find a way to develop a competitive edge over their competitors. With specific marketing strategies, banks can develop market efficiencies that will provide that competitive edge. In the financial institutions market, the competitive edge is almost exclusively derived from the quality of its services (Cookson & Frohlich, 1992), and customer satisfaction is the outcome of quality service delivered on time (Bhatnagar, 2016).

Many other studies have supported the link between service quality and customer satisfaction (Jamal & Naser, 2002). Parasuraman, Zeithalm and Barry (1985), also found that service quality depends on customer's pre-service expectations, importantly outlining the five main dimensions of service quality (*servqual*); Tangibility, Reliability, Responsiveness, Empathy, and Assurance. Tangibility represents the premises of the banks, or appearance of the bank's staff; Reliability is the extent to which the service is delivered to the standards expected and promised; Responsiveness represents the willingness and ability of the service provider to meet and adapt to customers' needs; Assurance represents the degree of trust and confidence that the customer feels that the service provider is competent to supply the service; and Empathy represents the core concept of empathy is to understand the needs of customers and provide individual attention (Parasuraman, Zeithalm & Barry, 1985).

Service quality and customer satisfaction have been recognized to play a crucial role for survival in today's markets. Oliver (1993) first suggested that service quality is the antecedent to customer satisfaction, and Levesque and McDougall (1996) in later supported conclusion.

As service quality has a positive effect on customer satisfaction, banks should put their focus in service quality to satisfy their customers, which will lead to loyalty and higher profits and growth. Bhatnagar (2016) stated: "Satisfaction is the outcome of good services delivered on time". Zeithaml (2008) developed a conceptual model which correlates Service Quality, Customer satisfaction and Loyalty in one frame, which is in accordance with Al Karim's

concept shown in Figure 3. According to this model, Service quality is the outcome of five dimensions: Tangibility, Reliability, Responsiveness, Empathy and Assurance, which is again aligned with Parasuraman, Zeithaml and Barry (1985). If these variables are in line, they will lead to higher customer satisfaction.

Figure 3: Five dimensions of service quality

| Tangibility |
| Reliability |
| Responsiveness |
| Assurances |
| Empathy |

Service Quality

Customer Satisfaction
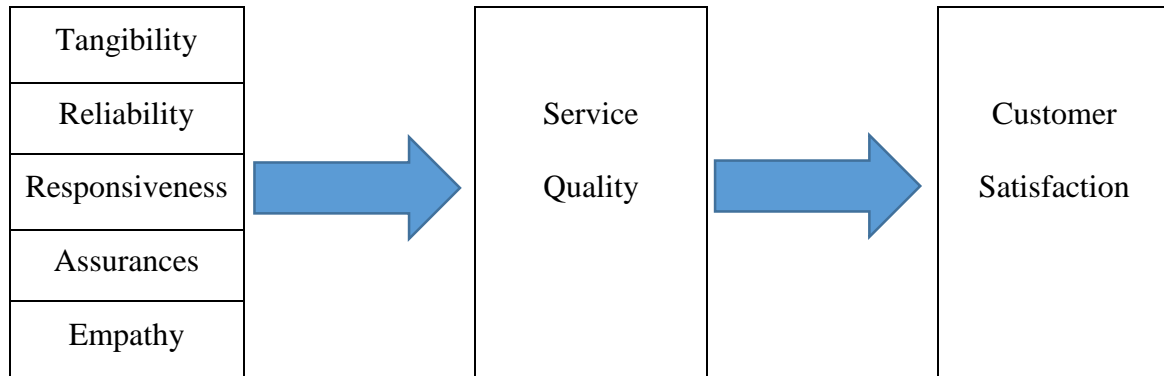
Source: Adapted from Al Karim & Chowdhury (2014).

Previously mentioned studies by Parasuraman, Zeithaml and Barry (1985), demonstrated that service quality depends on customer's pre-service expectations, which are "beliefs about anticipated performance of the product", whereas disconfirmation refers to "the differences between pre-purchase expectations and post purchase perceptions". (Peter & Olson 1997. p 509)". The disconfirmation paradigm, which is "still the predominant paradigm influencing the customer satisfaction process". (Armstrong & Seng, 2000) states that if performance exceeds pre-purchase expectations, customers will be positively disconfirmed (satisfied) (Patterson, 1997), while on the other hand, if performance fails to meet pre–service expectations, customers will be negatively disconfirmed (dissatisfied) (Oliver & Swan, 1989; Patterson, 1997). Research on this model also shows that the greater customer satisfaction, the greater the purchase intentions (Oliver, 1980; Bitner, 1990).

1.4   Loyalty in banking services

Today, markets are more competitive than ever, especially in the financial institutions industry. Because of this, traditional product-orientated banks are becoming more and more customer-orientated banks, whose main focus is on consumer loyalty (Beerli, 2004). Gilmore (1997) considers that customer-orientated behaviour is a must for improving and implementing quality in services marketing. Beerli (2004) also found a positive correlation between customer satisfaction and customer loyalty, and concluded that satisfaction can be regarded as loyalty antecedent.

Bloemer (1995) noted that during the past decade, the financial sector has undergone a lot of change, resulting in a marketplace with a lot of competition and innovation. In order to increase loyalty, many banks have introduced and are still trying to introduce innovative

products and services. According to Ganguli and Roy (2011) generic service quality dimensions of technology-based, banking has impact on customer satisfaction and customer loyalty. They have identified four generic service quality dimensions in technology-based banking services;

* Customer service
* Technology security and information quality
* Technology convenience
* Technology usage easiness and reliability

All of these dimensions have a positive impact on customer satisfaction and customer loyalty. As all of them had a positive impact, all of them should be viewed as the levers of new and improved service quality, with respect to technology-based banks.

Although a lot of focus has been directed towards service quality and customer satisfaction issues (Lewis, Orledge & Mitchell, 1994), little focus has been directed towards the research on the relationships between service quality, customer satisfaction, and loyalty. Blomer and Kasper (1995) found a positive correlation among all three, and concluded that quality has an indirect positive effect on loyalty via satisfaction, and that satisfaction will have a direct positive effect on loyalty.

1.5 Customer satisfaction and loyalty in other countries

In research on service quality, customer satisfaction and customer loyalty in Indian banks Lenka, Suar and Mohapatra (2009) concluded that an increase in service quality increases customer satisfaction, which leads to higher customer loyalty. Human aspects of service quality had a higher influence on loyalty than for example technical and tangible aspects.

In similar research in the retail banking sector in Bangladesh, Siddiqi (2011) found that all the service quality attributes are positively related to customer satisfaction, and that customer satisfaction is positively related to customer loyalty in the retail banking settings.

Shanka (2012) examined the Ethiopian banking sector, also finding a positive correlation among all three. His regression test showed that offering quality service has a positive impact on overall customer satisfaction, and that empathy and responsiveness play the most crucial role in customer satisfaction. His findings also indicate that high quality services increase customer satisfaction, which lead to customer loyalty.

Additionally, Kaura, Prasad and Sharma (2015) found that attracting new customers has become far more expensive than to retain existing ones. Therefore, customer retention and loyalty is more important than customer attraction, as it is far much harder to achieve. Having that in mind, banking professionals are looking for most influential determinants of customer satisfaction and loyalty. Taking into consideration all of the mentioned research, we can

conclude (Figure 4 below) the following relationships among service quality, customer satisfaction, loyalty and profitability and growth.

Figure 4: Relationships among service quality, customer satisfaction, loyalty, profitability & growth

Customer satisfaction	Loyalty	Profitability & Growth

Customer satisfaction	Loyalty	Profitability and Growth

Tangibility / Reliability / Responsiveness / Assurances / Empathy	Service Quality	Customer Satisfaction

Tangibility / Reliability / Responsiveness / Assurances / Empathy	Service Quality	Customer Satisfaction	Loyalty	Profitability & Growth
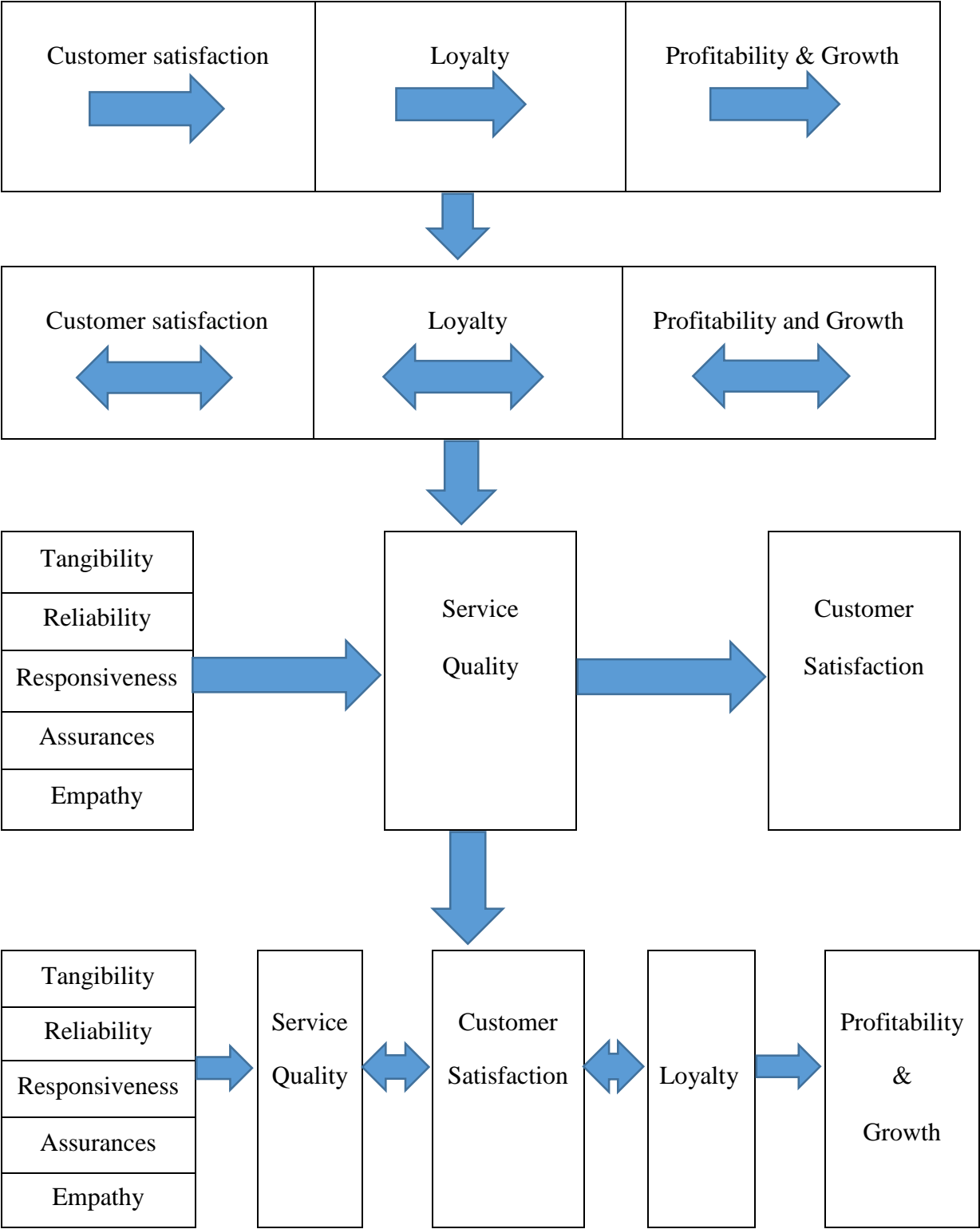
Source: Adapted from Al Karim & Chowdhury (2014); Hallowell (1996); Heskett, Jones, Loveman, Sasser & Schlesinger (1994).

1.6   Determinants of satisfaction for the younger population

As competition in financial services industry rises, financial services firms need to be more customer focused, as customers have a diversified choice and they are more and more concerned about their money. The younger population marks the new market segment for banks, which can boost market share and profitability (Chigambva & Fatoki, 2001). Although campaigning in the youth market also became and is becoming more competitive, it is a segment where banks should turn their focus (Lewis, 1981). Banks need to model their services and cater the needs of young customers, as their needs differ from others.

In the first half of the nineties, financial institutions have been quite innovative in their marketing planning, especially with respect to market segmentation and targeting youth (Lewis & Bingham, 1991). Banks identify younger population as a key market segment for growth, especially in the long run (Lewis, Orledge & Mitchell, 1994). Thwaines and Vere (1995) concluded that the market for personnel finance is growing, although at the same time it is becoming more competitive. The ability to develop a presence in that market and to retain customers in that market over a period of time will have a positive effect on profitability and growth.

Newer studies have examined the preferences for commercial banking by youth, attempting to understand whether youth have different needs and preferences than older cohorts. Some of the most recent and worth mentioning are listed and elaborated below, as they were guidelines for and in this thesis.

In 2017 a study on bank selection criteria by Zambian students was conducted by Mwange (2017). His main goal in his study was to find determinants of bank selection by students at the University of Zambia, to rank the importance of that determinants and to make recommendations for marketing strategies for commercial banks based on the needs of Zambian students. Mwange (2017) used descriptive and inferential data analysis in his research to elaborate and present his findings. Data was collected through a self-administered questionnaire and a sample of one hundred respondents was selected, although only fifty-five samples were suitable for use. Mwange (2017) in his research established that bank proximity to the university and recommendation by a friend seemed to be the most important factors for students in Zambia when choosing a commercial bank. These determinants were followed by many tellers, bank has a branch at the university and bank offers grants to the students. Banks in Zambia need to acknowledge these factors when trying to reach out and attract students to their banks. The least important factors for Zambian students were pleasant bank atmosphere, financial stability of the bank and cell-phone banking, so banks do not need to put much effort in improving these factors.

Wei and Zhu (2013) researched factors influencing student's selection of a bank. Data was collected thorough a self-administrated questionnaire on a sample of one hundred respondents, of which eighty-nine were valid. Their sample was taken from three universities in Southern New England. Their findings indicate that the most important factor for students

in Southern New England are secure feeling, proximity of branch, banks reputation, service fee and online service. Wei and Zhu (2013) concluded that students focus on this factors as majority of their income is provided by their parents. The least important factors are financial products, recommendation, design of credit card, student benefits, and service provisions, so banks should put less focus on these.

Main goal for Chigamba and Fatoki (2011) in their research was to find out which factors influence the choice of commercial banks for university students in South Africa. They used descriptive statistics, T-test and ANOVA to represent their findings. Data was collected through self-administrated questionnaires, and a sample of two hundred and fifty respondents was distributed, and one hundred and eighty-six samples were suitable for use. Chigamba and Fatoki (2011) established in their research that most important factors for South African students when choosing a commercial bank are: ease of opening a bank account, financial stability of the bank and automatic teller machine location. In accordance with these results commercial banks in South Africa need to acknowledge these results and make the necessary changes to attract new and to retain old customers. The least important factors for choosing a commercial bank for South African students are parking space, influence of lecturers and free gifts for customers, accordingly banks should not put too much effort in improving these factors.

Rao and Sharma (2010) in their research attempted to pinpoint the factors influencing the choice criteria in selecting a bank by MBA students in Delhi. Data was collected thorough a questionnaire on a sample of three hundred and twelve MBA students. Their findings indicate that the most important factor for MBA students in Delhi is reliability, which is composed of employee's courtesy, parking facility, loyalty programs, brand name, security system and low charges with the bank. Other factor that are important are responsiveness, value added services and convenience. Also, assurance factors such as speedy service, good interest rate and zero balance account facility are significant. As all these factors influence the choices made by MBA students in Delhi, banks should improve these factors. Rao and Sharma (2010) concluded that banks should consider providing tailor made services for their clients in order to achieve customer satisfaction.

Almossawi (2001) conducted a research of bank selection criteria among students in Bahrain. Data was collected through a questionnaire that was handed out to students by their professors, so the number of thousand respondents was achieved relatively easy. His findings indicate that the most important factors among students in Bahrein are banks reputation, availability of parking space near the bank, friendliness of bank personnel, and availability and location of automated teller machines. According to that, banks should direct their improvement in that direction. Least important factors for students in Bahrain are employer using the same bank, recommendation of friends or relatives and banking by mail.

It is worth mentioning that extensive research has found that youth generally, across vary different markets in which similar studies have been carried out, give the similar importance

to the determinants listed above (Blankson, Omar & Ming-Sun Chen, 2009; Denton & Chan, 2001; Gerrard & Cunningham, 2001; Narteh & Owusu-Frimpong 2011; Ta & Har, 2000).

1.7 Industry analysis: The Slovenian Banking

Research conducted by Bikker and Haaf, (2002) concluded that the structural changes undergoing in the banking industry, particularly in Europe, may affect the competition in the commercial banking market. The competition is somewhat stronger among large banks than among smaller banks, while medium sized banks are somewhere in between. The findings show that in some countries perfect competition is found among large banks. The research also draws a conclusion that competition is stronger in Europe than in countries like the US, Canada and Japan. In 2016, the growth of GDP in Slovenia was 2.5 percent, which put Slovenia on the track of one of the fastest growing economies in the euro area. This growth was mostly driven by exports and private consumption. Export was projected to expand in 2017 by 6 percent.

The financial market development scored 3.4 out of 7, according to the World Economic Forums Global Competitiveness Report in 2017−2018, ranking Slovenia 106th out of 138 analysed economies. Trustworthiness and confidence of financial market is scored 3.5 (112th place). Figure 5 shows financial market development in Slovenia comparatively to the financial market development in the European Union.

Figure 5: Financial Market Development in Slovenia
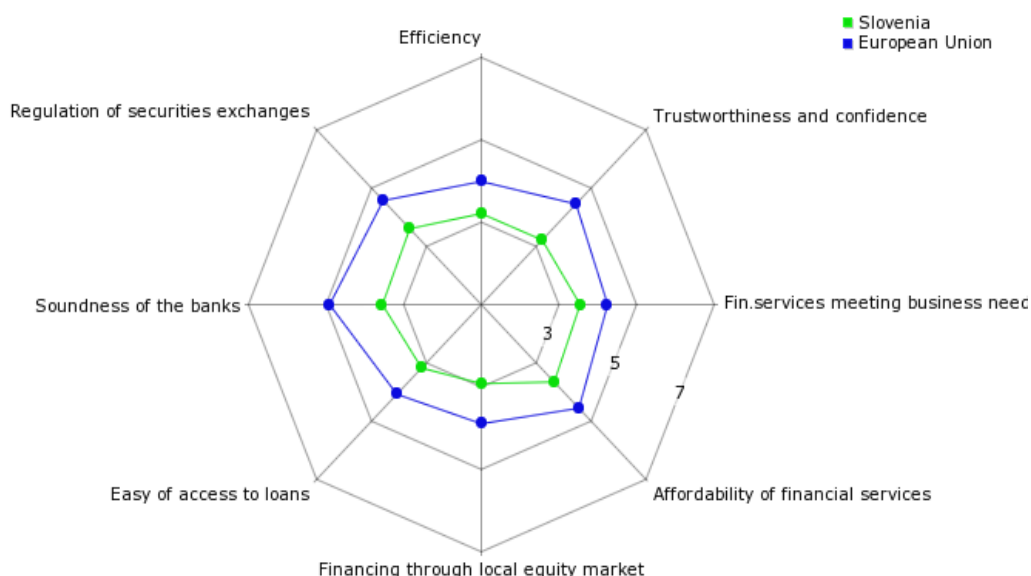
Source: The banks (no date).

Banks in Slovenia can be classified into four categories;

- Banks: 12
- Branches of foreign banks: 3
- Central banks: 1
- Savings banks: 3

Total assets of the banking system increased by 2.4 percent in 2017 and reached 37.9€ billion. The largest bank in Slovenia is NLB (Nova Ljubljanska Banka), with a 20.47 percent market share, followed by BKS Bank with 17.68 percent market share and Nova KBM with 11.27 percent market share. It is worth mentioning that two banks in Slovenia are still under government ownership; NLB and Abanka, although they are under the state restructuring programme, the government is committed to privatise them. The European Commission approved a gradual privatisation of the NLB (the largest bank is Slovenia, in terms of balance sheet size) in 2017 and it is expected to be complete by the end of 2018.

1.8   Youth and commercial banking in Slovenia

Research about youth and commercial banking in Slovenia is limited. Some research, linking service quality and customer satisfaction in retail banking in Slovenia, was done by Culiberg and Rojšek (2010). They argue that customers will be drawn not through different services, but through service quality which is difficult to replicate and imitate, and so it is vital and crucial for creating and sustaining long-term relationships with customers. As the competition in the banking sector is on the rise, customer satisfaction and retention became more important than ever. Culiberg and Rojšek (2010) conducted their research on a sample of one hundred and fifty respondents, using a self-administrated interview method. Four service factors were provided by the factor analysis. The first factor is assurance and empathy, respondents are in need of employees that are well informed and can transfer that information to clients in a helpful and polite way manner. Although technology is more and more becoming a part of doing business especially in banks, respondents still demand personal contact and banks should be still being focusing on that. The second factor is reliability and responsiveness, respondents stated that they do not want any problems when dealing with their finance and that they prefer services provided with high standards in a promptly and timely manner. Third factor addresses convenience and working hours of banks. Respondents want the location near their homes and that enough perking is provided. Working hours of banks should be suitable to respondents needs. Fourth factor are tangibles which represent the appearance of banks, exterior as well as interior. Visualisation helps respondents to connect with the bank and the service they are using. Culiberg and Rojšek (2010) concluded in their study that bank management should pay attention to hiring qualified, competent and friendly staff so they could provide higher quality customer service. They concluded that better service quality would bring higher competitive advantage for the bank implementing these changes, as it is harder to replicate service quality than the service

range. Although service quality is hard to improve and to implement, managers should take on that challenge as the final result would be well worth the trouble as it will bring great benefit to the bank in the long run.

Pisnik Korda and Snoj (2010) also examined the Slovenian banking sector, arguing that although service quality is popular, it is still very vaguely defined. Their work attempted to measure the relationships among concepts in the retailing banking industry in transitional economies in Europe. As the Slovenian banking sector in its early beginnings was restructured as Slovenia gained independence, it took banks some time to focus on other activities, such as service quality. Customer satisfaction, perceived service quality, and perceived value are interlinked, intangible, complex and relatively vague, but important in the retail banking industry. These authors in their research in the empirical study of retail banking services, linked perceived service quality both directly and indirectly to customer satisfaction. They concluded that manager's decisions regarding their activities with customer satisfaction take into account both direct and indirect effects of perceived quality on customer satisfaction. They also stated that it is important for managers in retail banks to take into account perceived quality as a multi–dimensional construct, where confidence in employees and physical evidence are important, as focusing only on core service quality is a too narrow approach.

Beloglavec and Pisnik Korda (2004) examined is customer satisfaction with services a solid ground for customer loyalty in banking business in Slovenia. Data was collected through a questionnaire and a random, systematic sample of three thousand respondents was selected. Their research empirically tested three hypotheses. First hypotheses pertain is there a relationship between customer satisfaction and customer loyalty and is it positive. The second hypothesis pertain that more satisfied customers are more loyal, and the third one pertain that less satisfied customers show tendencies to switch to another bank. Hypothesis one proved that there is a relationship between customer satisfaction and customer loyalty and it is positive. Completely and very satisfied customers are in most cases also loyal, and the percentage increases by adding more satisfied customers. Hypotheses two, proved that more satisfied customers are they are more loyal. Completely, satisfied and very satisfied consumers have a higher tendency of loyalty even if the service quality slightly falls. Hypothesis three was proved, less satisfied customers have tendencies to switch to another bank. Beloglavec and Pisnik Korda (2004) concluded that there is a relationship between customer satisfaction and customer loyalty and it is positive. Also they stated that the magnitude of that relationship between customer satisfaction and loyalty is not a very strong one. They also concluded that only a satisfied customer means a successful bank. Banks that want retain existing customers and attract new ones should work on customer satisfaction and with that build a more loyal base of customers.

1.9   Commercial banking in Balkan countries

While research on the Slovenian banking sector is limited, similar research was conducted in Croatia, which is a neighbour country to Slovenia. For instance, Marković, Dorčić and Katušić (2015) conducted a research of service quality in Croatian banking sector. They also state that although a lot of studies related to service quality and banking sector have been conducted, there are few similar studies in Southern Europe. Marković, Dorčić and Katušić (2015) argue that in order to survive banks need to identify factors that would ensure long term success. Data was collected thorough a self-administrated questionnaire on a sample of one thousand respondents, of which four hundred fifty-five were valid. In their study, Marković, Dorčić and Katušić (2015) explored customer's expectations and perceptions of bank service quality in Croatia. Respondents pointed out that they have high overall expectations, especially in performing service at the promised time, staff kindness and politeness, available and clean information, and clean and tidy bank. Regarding customer's perception, descriptive analysis indicates not sufficiently high perceived service quality. The highest perceptions were modern looking technical equipment, suitably dressed and neat bank staff, clean and tidy bank and visually appealing physical facilities. Their result indicates that customers in Croatia have a high overall service quality expectation, but Croatian banks do not meet that expectations. Banks in Croatia need to educate staff in order to reduce the gap between expectation and the real quality of services.

Research by Kakouris and Finos (2016), examines the service quality perceptions of customers of the leading bank in the Serbian market. They conducted comparison between servqual findings and customer satisfaction, along with measuring correlation between customer perception regarding service quality. A standard structured twenty-two item servqual questionnaire with five rater dimensions (Tangibility, Reliability, Responsiveness, Assurance, Empathy) was used for their research. The data was obtained from two hundred and fifty-one respondents. No similar research has been done in the Serbian banking market until this one. Findings revealed gaps between expectations and perceptions among customers of this research, which indicates that there are service quality shortfalls that need improvement. This finding revealed that there is a certain level of dissatisfaction among customers and that improvements are necessary.

Činjarević, Tatić and Avdić (2010) did a similar research in Bosnia and Herzegovina. They tried to bring conceptual clarity with regard to the relationship between perceived service quality, perceived price, customer satisfaction and customer loyalty. Alongside, their research is conducted to examine the sustainability of service quality dimensions and service price dimensions in Bosnia and Herzegovina's retail banking. Data was collecting using a random sampling method, and questionnaire was carried out through personal interview in respondent's home. A total of 300 valid questionnaires were completed. Data was analysed using numerous statistical methods and techniques, and it took place in three stages: assessment of metric characteristics of applied measure scales, preparation and verification of data for performing the regression analysis and performing the regression analysis. As

hypothesized, they found that customer orientation, reliability and tangibles are positively related to customer satisfaction and loyalty. Further on, the defined model of service price, service quality, customer satisfaction and customer loyalty has proven to be statistically reliable. Činjarević, Tatić and Avdić (2010) concluded that it is reasonable that customer satisfaction and loyalty can be enhanced by focusing on these dimensions of service quality within the Bosnia and Herzegovina's retail banking. Research indicated that reliability of service is the most important predictor of customer satisfaction and loyalty. Moreover, their research found that tangible dimension is positively related to customer satisfaction and loyalty, and their finding is consistent with previous research, by suggesting that physical environment is the important part of the service offering. They also concluded that reference price is a major predictor of customer satisfaction and loyalty for bank customers in Bosnia and Herzegovina. Činjarević, Tatić and Avdić (2010) suggest that bank managers in Bosnia and Herzegovina should focus on customer orientation, reliability and tangible dimensions of service quality with a purpose of measuring, monitoring, and improving the satisfaction and loyalty levels of their customers. Regarding the service price, results of their study showed that reference price is the most important predictor of customer satisfaction and loyalty. They suggest that banks should use a more efficiently way of informing customers when they could save money regarding banking costs.

2   METHODOLOGY

This chapter outlines the methodology of the thesis. Methods used in data collection and data analysis is presented, along with the sampling methods used, the structure of the questionnaire, and sample description. The survey questions and demographic characteristics of respondents are also presented in this chapter.

2.1   Data collection

In my study, I used the quantitative research methodology approach, which involves obtaining data from large group of people, relying on descriptive statistics for data quantification and generalization of the results from the sample to the target population (Hollenen, 2003). The study relied on a survey questionnaire, collected via an on-line questionnaire. The research was conducted on a sample of two hundred and thirteen people which satisfies the N>30 condition (Bahovec et al. 2015). I was interested in the younger population, aged from 16 to 35, who use banking transactions at least twice a week, regardless if they have or do not have a banking account. I used closed-end questions/statements and measured them with ratings on Likert scale (from one to five). The survey was collected through 1ka.si and was active from 21.12.2017 till 21.03.2018.

2.2 Data analysis

After data collection, the data were analysed in SPSS using descriptive statistics methods (arithmetic mean, differences between groups, ANOVA, correlation between variables).

Table 1 summarizes the research design utilized in this study.

Table 1: The research design

Data	Quantitative
Method	Online questionnaire
Target population	Youth in Slovenia, between 16 and 35 years old, who use or are considering using banking services
Analysis	Descriptive methods

Source: Own work.

2.3 Presentation of the survey questions

First, respondents were asked about their banking habits, and whether they own a banking account. Second, they were asked about their switching habits and if they own an additional banking account. Further on, they were asked questions regarding bank features that are important to them. Responses were measured using the six-point Likert type scale on importance, which ranged from 1 ("not important at all") to 5 ("very important"), along with "not applicable" option. The next section regarded respondents who already have a banking account, who were asked to state their satisfaction with features regarding their current bank. Responses were measured using a six-point Likert type scale on importance, which ranged from 1 ("very dissatisfied") to 5 ("very satisfied"). It is worth mentioning that respondents could skip questions, that is, they could proceed without answering to some questions (hence the discrepancy in number of respondents per question).

The last part included demographic characteristics of the participants, which included:

- Age
- Gender
- City of current residence
- Nationality
- Highest level of education completed: High school/Undergraduate / Graduate / Post Graduate

- Marital status: Single/Cohabitating/Married/Divorced/Other
- Kids (yes/no)
- Net monthly income (after taxes, in Euros): 0–500/500–1000/1000–1500/1500–2000/2000–2500

The last part included an open-ended question, so respondents could put their own thoughts or comments, which in their opinion the banks should be improving.

3 SAMPLE DESCRIPTION: DEMOGRAPHIC CHARACHTERISTICS OF RESPONDENTS

This chapter presents sample description and all of the demographic characteristics of the respondents, such as; Gender, Age, Level of education, Place of residence, Marital status and Income.

3.1 Demographic characteristics; Gender

According to the gender, as shown in figure 6, sixty-eight percent of respondents are female, while thirty-two percent of respondents are male.

Figure 6: Demographic characteristics of respondents: Age
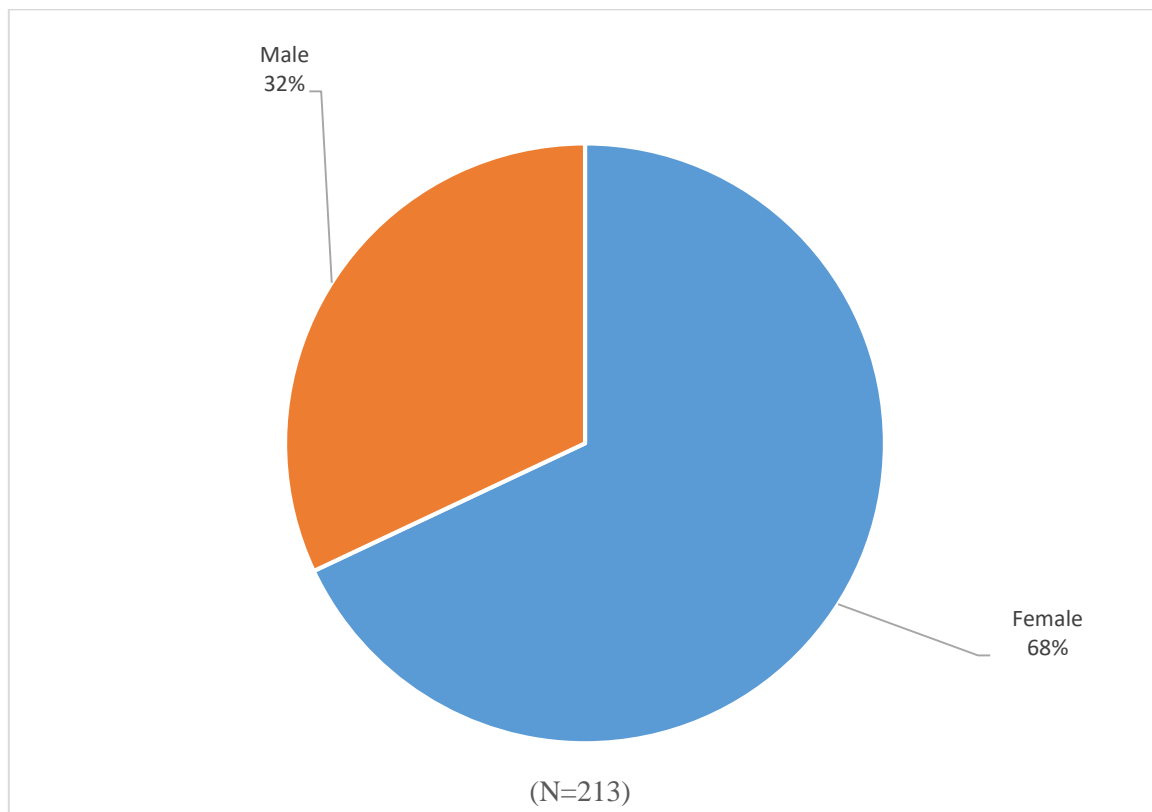
Source: Own work.

3.2   Demographic characteristics; Age

Figure 7 shows that, forty-five percent of respondents are in age range of 19-24 years old, fifty percent respondents are between 25–30 years old, while six percent of respondents are between 31-35 years old.

Figure 7: Demographic characteristics of respondents: Age
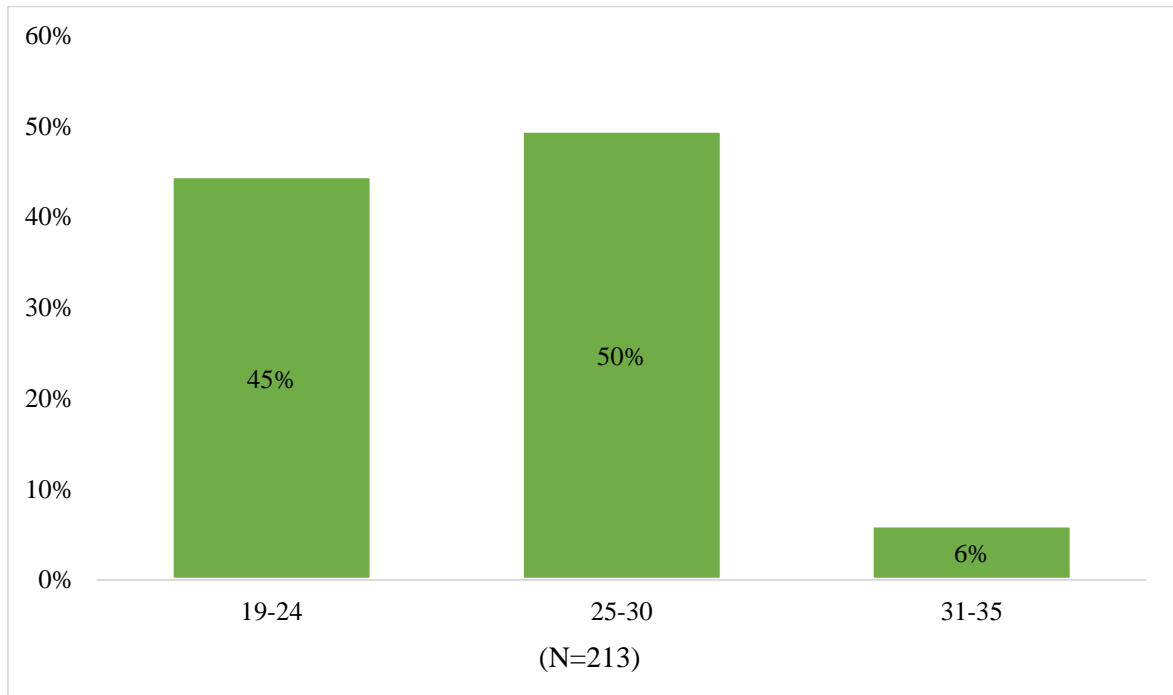
Source: Own work.

3.3   Demographic characteristics; Level of education

Figure 8 shows that level of education is divided into four categories: High School, Undergraduates, Graduates and Post Graduates. Fifteen percent of respondents have a postgraduate education, sixty-one percent of respondents have graduate level of education, twenty free percent of respondents have undergraduate level of education and one percent of respondents have high school education.

Figure 8: Demographic characteristics of respondents: Level of education
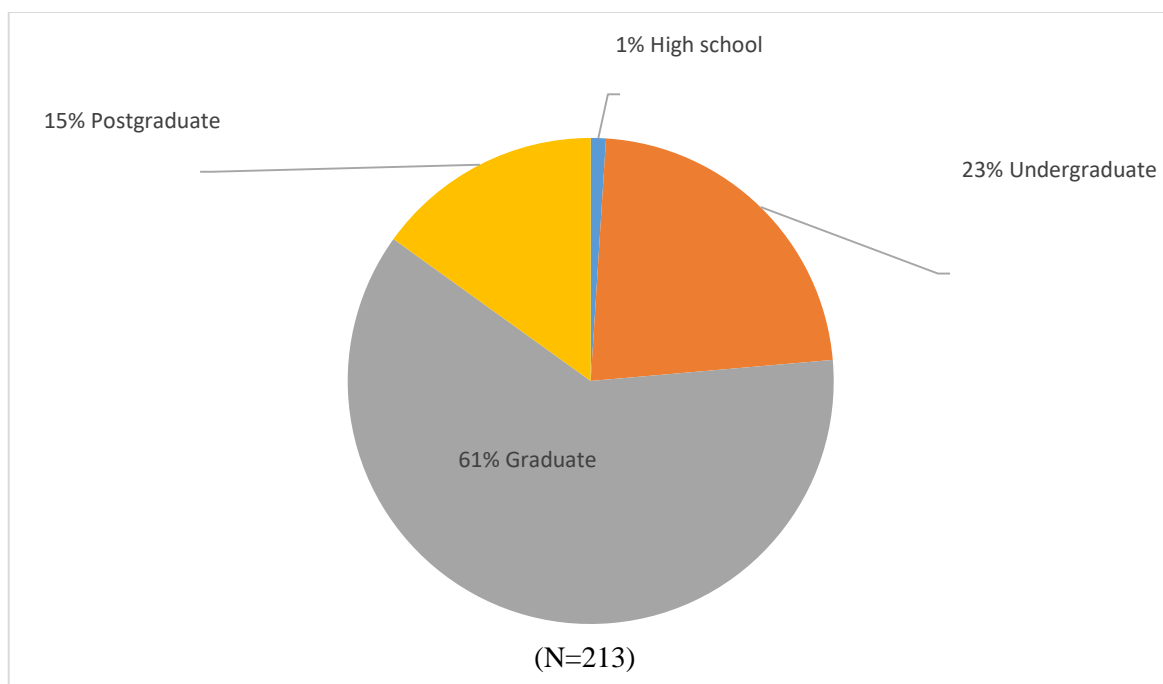
Source: Own work.

3.4   Demographic characteristics; Place of residence

Regarding place of residence, as shown in figure 9, eighty-two-point fifty-nine percent of respondents live in Ljubljana, nine-point ninety-five percent of respondents live in Maribor, four-point forty-eight percent of respondents live in Novo Mesto, one percent of respondents live in Zagreb and zero-point five percent live in Škoflja Loka, Koper, Borovnica and Jasenice.

Figure 9: Demographic characteristics of respondents: Level of education
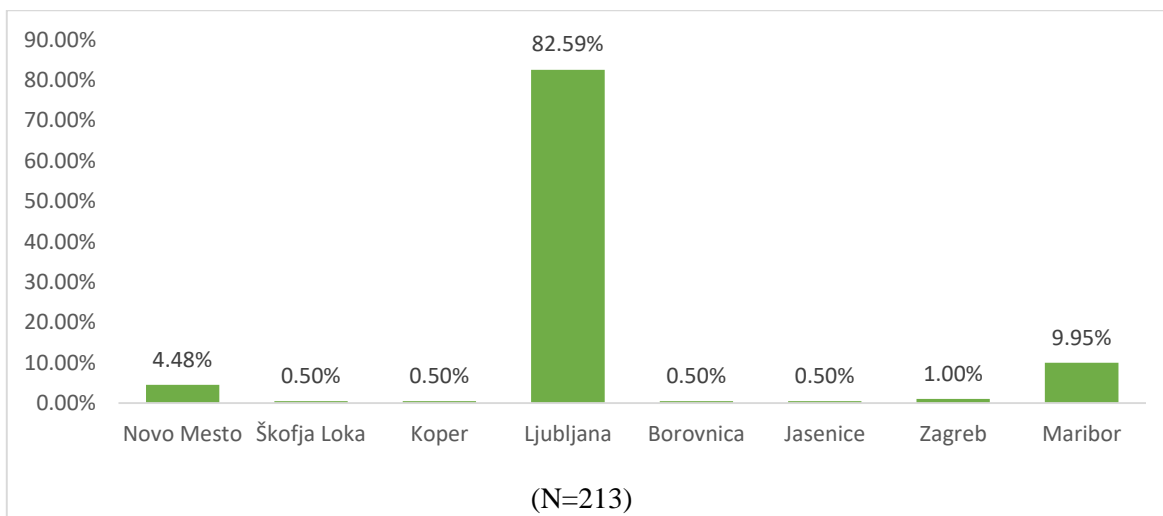
Source: Own work.

Where nationality is concerned, ninety-one-point seventy-five percent of respondents are Slovenian nationality, while eight point twenty-five had dual citizenship with other countries (three-point zero nine percent of respondents are Croatian nationality, three-point sixty-one percent of respondents are Macedonian nationality, zero-point fifty-two percent of respondents are of Serbian, Lithuanian and Bosnia & Hercegovina nationality).

3.5   Demographic characteristics; Marital status

Figure 10 shows that in terms of marital status, forty-nine percent of respondents are cohabitating, forty-eight percent of respondents are single, three percent are married and no one from the respondents is divorced.

Figure 10: Demographic characteristics of respondents: Marital status
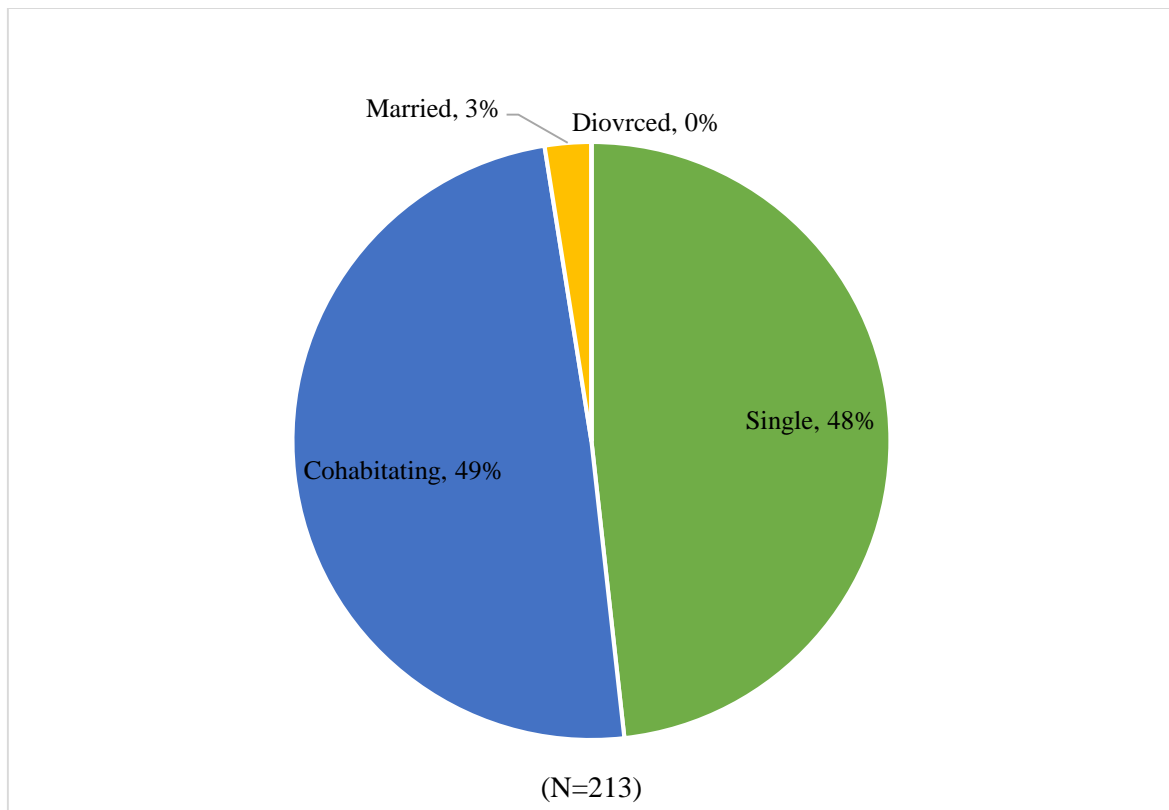
(N=213)

Source: Own work.

3.6   Demographic characteristics; Net monthly income

Figure 11 shows demographic characteristics of respondents regarding their net monthly income in Euros (N=213). Twenty eight percent of respondents have a net monthly income smaller than five hundred euros (500€), twenty one percent of respondents have a net monthly income in the range of five hundred and one and one thousand and five hundred euros (501–1500€), forty one percent of respondents have a net monthly income in the range

of one thousand five hundred and one and two thousand euros (1501–2000€), six percent of respondents have a net monthly income in the range of two thousand and one and two thousand and five hundred euros (2001–2500€), while four percent of respondents have a net monthly income larger than two thousand five foundered and one euro (2501€).

Figure 11: Demographic characteristics of respondents: Income
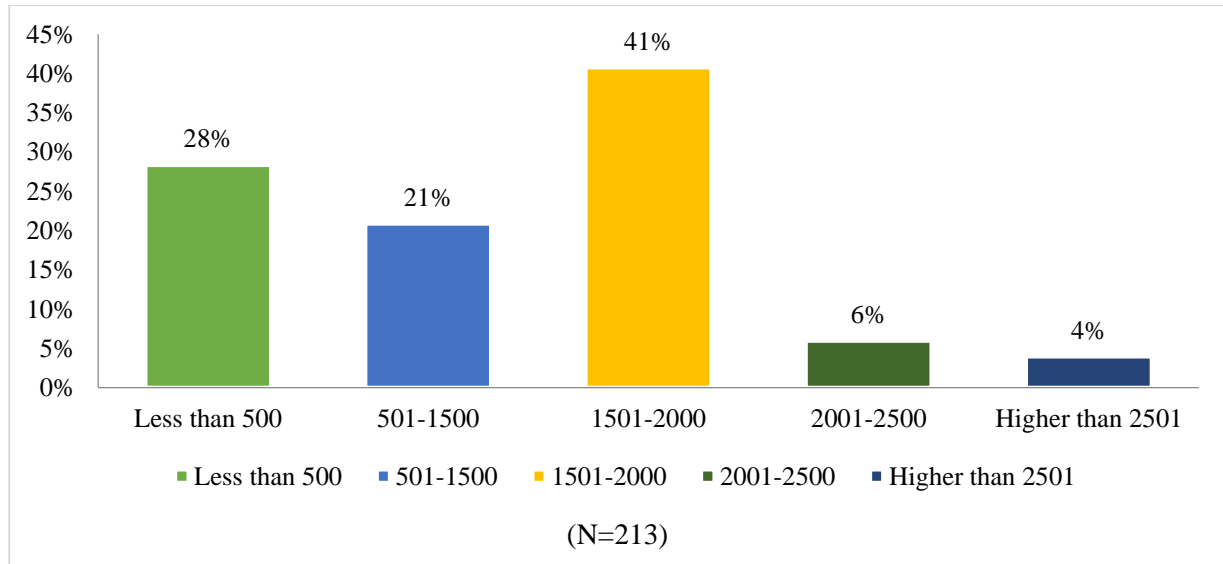
4   FINDINGS AND DATA ANALYSIS

As covered in the previous chapter, the empirical research was conducted via an on-line questionnaire; the questionnaire was answered by 213 respondents in Slovenia. The data were analysed in SPSS and MS Excel programs. For analysing the data, I used descriptive statistics, correlation and variance analysis (ANOVA). Within descriptive statistics we used measures of central tendency or measures of average, such as arithmetic mean and median, forth on we used dispersion measures such as standard deviation and variance, and measures of distribution, skewness and kurtosis. Pearson correlation coefficient was used during correlation analysis.

Customer satisfaction with current banking services was measured with three factors:

1. Quality of service (Tangibility, Consistency/Reliability, Responsibility, Security/Guarantee, and Empathy)
2. Customers satisfaction
3. Loyalty (Future behaviour)

Determinants of attitudes were measured with demographic characteristics such as: Gender, Age, Nationality, Place of residence, Level of education and marital status. Research indicates that people with higher education level and higher experience tend to expect more

from banking services (Jamal & Naser, 2002). Users with higher level of expertise can more easily notice differences between relevant and irrelevant information (Alba & Hutchinson, 1987).

In this section we will interpret the research data, arithmetic means, descriptive statistics, and statistically important differences that are backed by the data.

4.1   Bank account ownership

The first question regarded whether the responders have a banking account. If the respondents answered that they do not have an account, they were redirected to the question that asks them why they do not have an account. Six-point five percent of respondents indicated that they do not have a banking account.

Of those respondents who indicated they do not have a banking account (N=13), Table 2 below shows the reasons behind their choice to not own one. The youth's opinions were split in three biggest arithmetic means (3.6): In their opinion, they do not need an account since they do not have any income, they do not need an account since they do not have any bills to pay, and they also prefer to deal with cash, which means that this are the main reasons why young people in Slovenia do not have a banking account. Other less significant answers were that they have a procuration to their parents account, with an arithmetic mean of three point five (3.5), that they don't trust banks, with an arithmetic mean of two point nine (2.9), that it seems too complicated to operate an account, with an arithmetic mean of two point seven (2.7), and that they don't have time to get an account, with an arithmetic mean of two point five (2.5).

Although banks cannot the influence first two factors ("I don't need an account since I don't have any income" and "I don't need an account since I don't have bills to pay"), there is a window of opportunity for banks regarding the factor "I prefer to deal with cash", as they could improve card transactions. Regarding the factors with lower mean, banks could introduce faster and less complicated ways of opening an account for respondents who don't have time to get an account or find it too complicated to open one. Banks could also try to terminate accounts for respondents that have procuration to their parent's accounts, but that could easily backfire and end with parents closing an account in that bank. A more profound solution would be opening an account for free for respondents who have procuration to their parents account, and then charge additional services within the account. It seems that banks also need to improve their image, as 46 percent of respondents did not trust banks.

Table 2: Reasons for not having a banking account

	Answers					Average
	Not true (1)	Somewhat not true (2)	Neither true nor not true (3)	Somewhat true (4)	True (5)	
I don't have time to get an account	54%	0%	0%	31%	15%	2.5
I don't need an account since I don't have any income	23%	0%	0%	46%	31%	3.6
I don't need an account since I don't have bills to pay	15%	0%	15%	46%	23%	3.6
I prefer to deal with cash	0%	0%	46%	46%	8%	3.6
I don't trust banks	31%	0%	23%	38%	8%	2.9
It seems too complicated to operate an account	38%	8%	8%	38%	8%	2.7
I have a procuration to my parents account	8%	0%	38%	46%	8%	3.5
(N=13)						

Source: Own work.

Related to owning an additional bank account, sixty-five percent of respondents did not have an account in some other bank, while thirty-five percent of respondents had a banking account in some other bank. Figure 12 below shows how many respondents have additional accounts in some other banks. Forty-two percent of respondents have another banking account in some other bank, twenty-nine percent of respondents have additional accounts in two other banks, twenty-three percent of respondents have only one banking account, while six percent have more than two other accounts in some other banks.

Banks could introduce an anonymous questionnaire in order to collect data whether their clients have additional accounts in other banks, and could try to get the information why they have or need an additional account in some other bank. With that information they could introduce new products and try to lower the percentage of clients having an additional banking account in some other bank.

Figure 12: Do respondents have an additional account in some other bank

Yes, in more than two, 6%

No, I just have this one bank account, 23%

Yes, in two other banks, 29%

Yes, in one other bank, 42%

(N=69)
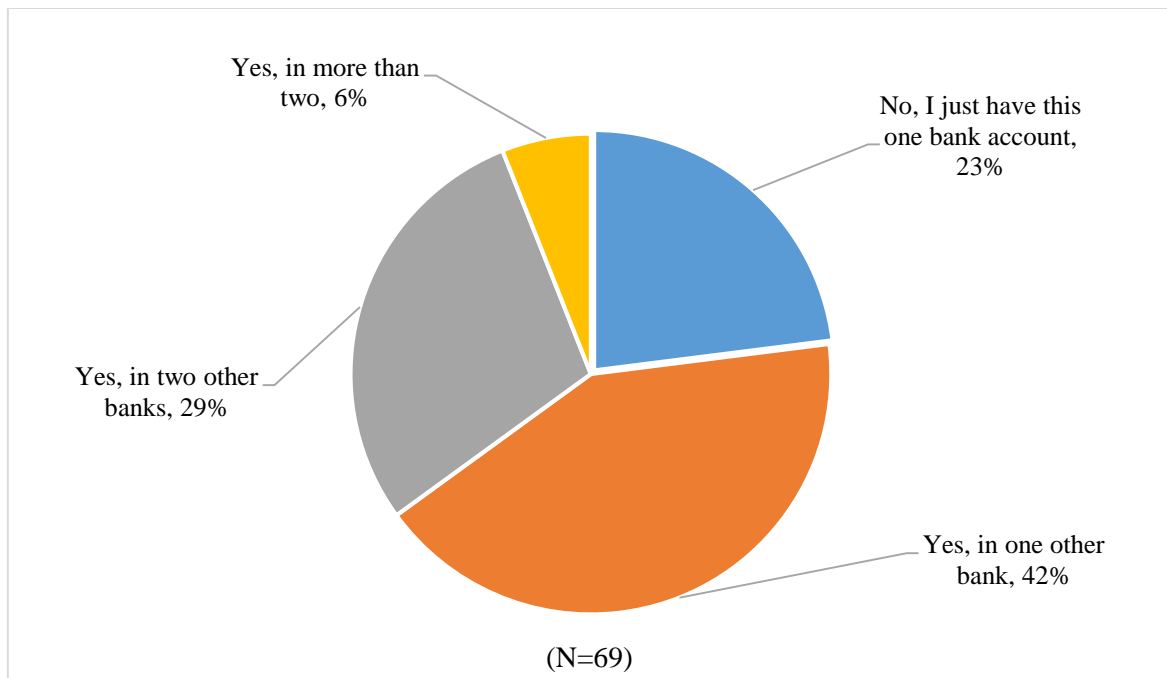
Source: Own work.

In the sample, 35 percent of respondents had switched banks. Figure 11 shows respondent's reasons for switching banks. There are two main reasons why respondents switched banks: better online/mobile banking options and lower monthly fee (37 % each). Closer proximity of bank to my house/work is another important reason for switching banks with a percentage of sixteen. Only five percent named unhappiness with the customer service at their previous bank as a reason for switching banks. Four percent of the respondents named other reasons such as I didn't switch, I use both, higher income from the interests for the fixed term deposit, my bank merged with other bank, and moved abroad as reasons for switching or not switching banks.

As shown in Figure 13, respondents switched banks as they found a bank with lower monthly fee or/and better online/mobile banking options. Having in mind that information, banks could lower their fees and improve their online/mobile banking in order to retain their current clients and to prevent clients from switching banks. As it is hard to move current facilities, banks should bear in mind when choosing new locations for their facilities that as a part of clients find it important that their bank is close to their house/work, as 16 percent of respondents switched their bank for a closer bank location. Although a small percentage of clients switched their bank because they were unhappy with their service in their previous bank, banks should always try to improve their service.

Figure 13: Reasons for switching banks

Unhappiness with the customer service at my previous bank, 5%

Other; 4%

Lower monthly fee, 37%

Closer proximity of bank to my house/work, 16%

Better online/mobile banking options, 37%

(N=69)
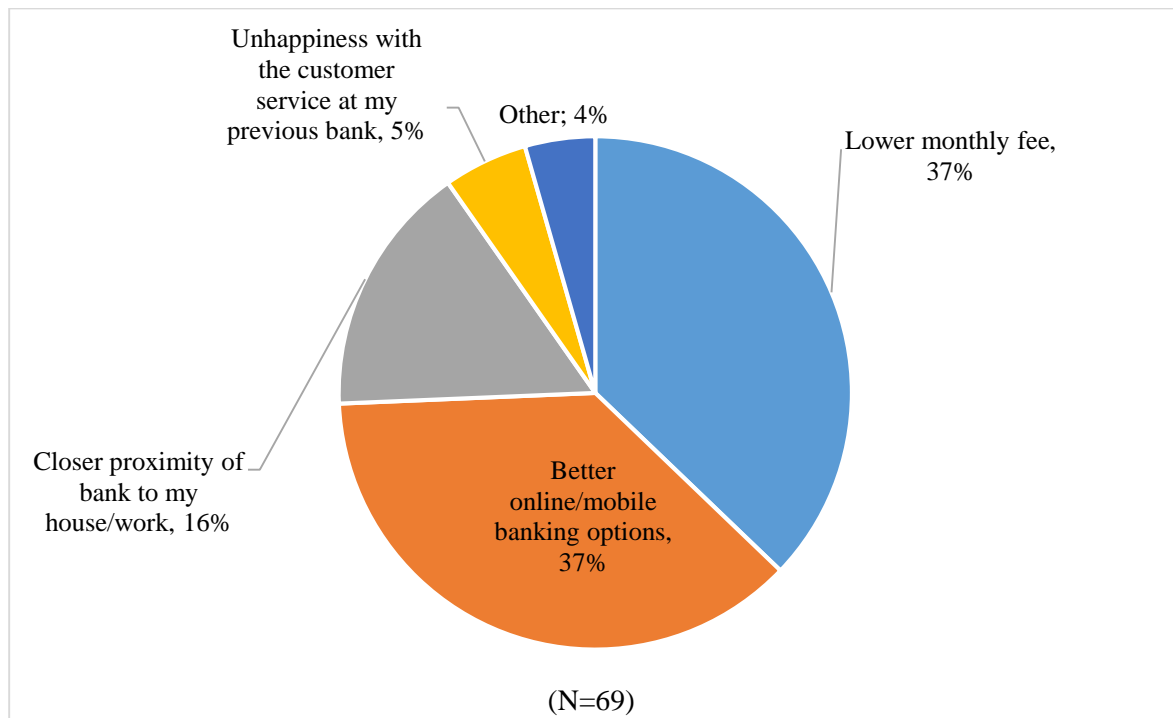
Source: Own work.

As showed in Figure 13 why respondents switched banks, we can find similar results in table 3, reasons for which respondents would consider switching banks. Table 3 below shows reasons for which respondents would consider switching banks: 1-Completely disagree, 2-Somewhat disagree, 3-Neither agree nor disagree, 4-Somewhat agree, 5-Completely agree). With an arithmetic mean of four point two (4.2), a main reason why respondents would switch their bank is stated that they would switch their bank if they were disappointed with their current bank. Other two reasons why respondents would switch banks lower monthly fee and better online banking, have the same arithmetic mean of four point one (4.1).

As pointed out in Table 3, banks should consider lowering their fees, and improving their online/mobile banking and their customer services in order to retain their current clients and to prevent them from switching banks.

Table 3: Reasons for which respondents would consider switching banks

	Average
I would consider switching banks if a new bank offered a lower/free monthly fee.	4.1
I would consider switching banks if I was disappointed in my own bank's customer service.	4.2
I would consider switching banks if the online/mobile banking option was better in the new bank.	4.1
(N=192)	

Source: Own work.

Figure 14 shows how many respondents are currently considering switching banks. Seventy–nine percent of users would switch banks if they found a bank that is better than their current one, thirteen percent of respondents does not think about switching banks at all, while eight percent of respondents are thinking about switching their current bank.

Figure 14: Percentage of customers considering switching banks

(N=192)
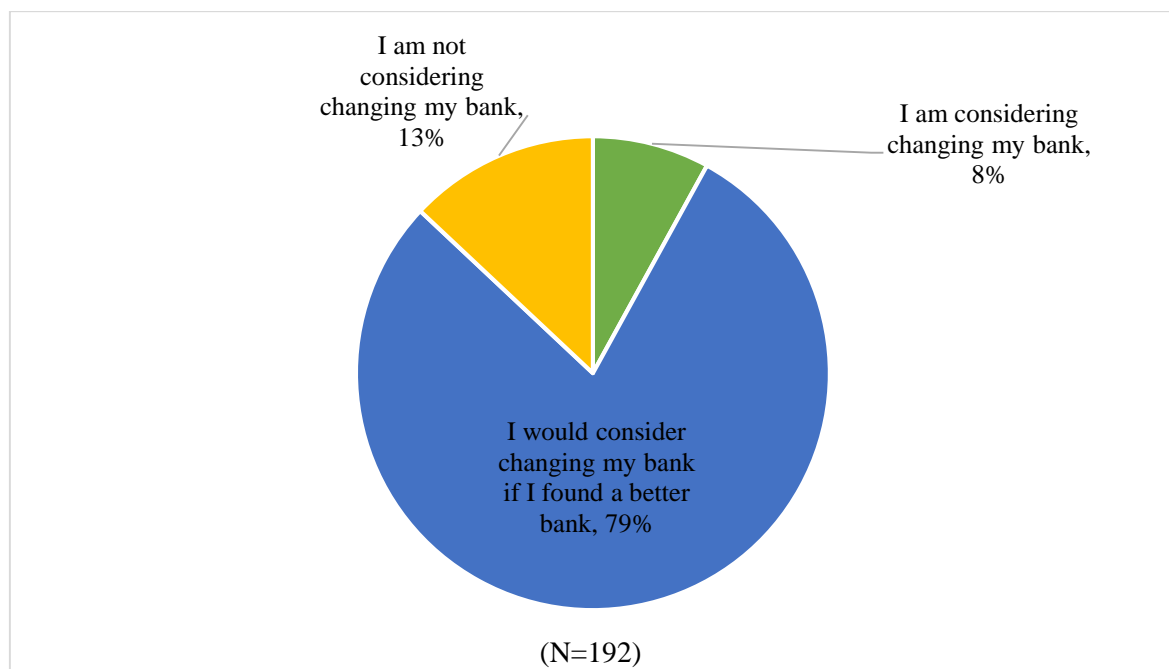
Source: Own work.

4.2 Perceived importance of bank attributes and services

General services in banks are measured by first determining the importance of certain variables for users. According to the literature reviewed in previous chapters, the tested variables include: importance of bank facilities, importance of customer service in the bank, importance of bank services. Additionally, I tested the importance of additional characteristics, including the importance of bank origin, the importance of the bank's reputation, and importance of whether respondents' parents have an account at that bank.

All of the respondents could answer these questions, as this set of questions concerns not only current users of banking accounts, but also potential new users of banking accounts. Table 4 below shows the descriptive statistics for the importance of general bank services on a scale: 1-not important at all, 2-somewhat important, 3-neither important nor unimportant, 4-somewhat important, 5-very important.

Table 4: Perceived importance of general bank services

	Bank facilities	Customer service in the bank	Bank services	Other
Mean	4.05	4.51	4.39	3.43
Median	4.00	4.63	4.60	3.33
Mode	4.00	4.88	4.80	3
(N=206)				

Source: Own work.

For all shown variables, the median is more than four, which it indicates positive answers, knowing that the scale is from one to five, meaning that the respondents find importance of this variables above average. The respondents find above average most important: Bank facilities, Customer services, and Bank services.

From all of the above, we can conclude that respondents find Bank facilities, Customer service and Bank services more important than other factors. The respondents pointed out that the customer service in the bank was most important. In accordance with answers in Table 4, banks should take into notice that respondents find all of these variables important and should keep improving all of the mentioned, although they their focus should be on customer service in the bank.

Figure 15: Perceived importance of other factors affecting bank choice
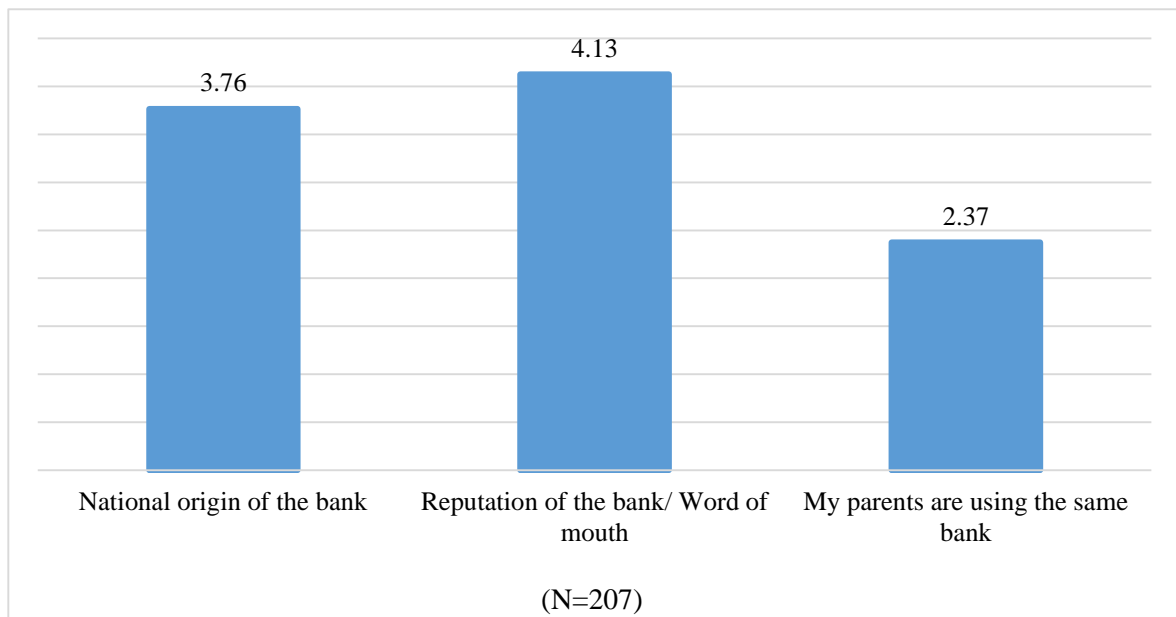
Source: Own work.

Other factors affecting bank choice are presented in figure 15: Reputation of the bank, Country of origin and whether their parents are using the same bank. As respondents find reputation of the bank/word of mouth to be the most important variable, banks should try and improve their reputation among youth in Slovenia by delivering more quality service and by upgrading their security systems. National origin is also important for the respondents, but banks cannot do much about it. The least important variable is whether their parents use the same bank. Although this was not as important to respondents, banks could introduce family accounts or accounts with lower fees for respondents whose parents have a bank account in the same banks they would like to open one.

In addition to general services, respondents were asked to rate the perceived importance of other bank facilities. Figure 16 below shows the perceived importance of other bank facilities: 1-not important at all, 2-somewhat important, 3-neither important nor unimportant, 4-somewhat important, 5-very important. The highest arithmetic mean value has Proximity of banks in the town/ village I live in (4.30), which indicates that this value is of most importance to the respondents when looking into banking facilities variable. Second most important after that are the interior design of the bank premises I most frequently use and banks facility opening hours. The lowest importance for respondents are employee's appearance, dress code and cleanness.

Figure 16: Perceived importance of bank facilities

(N=206)
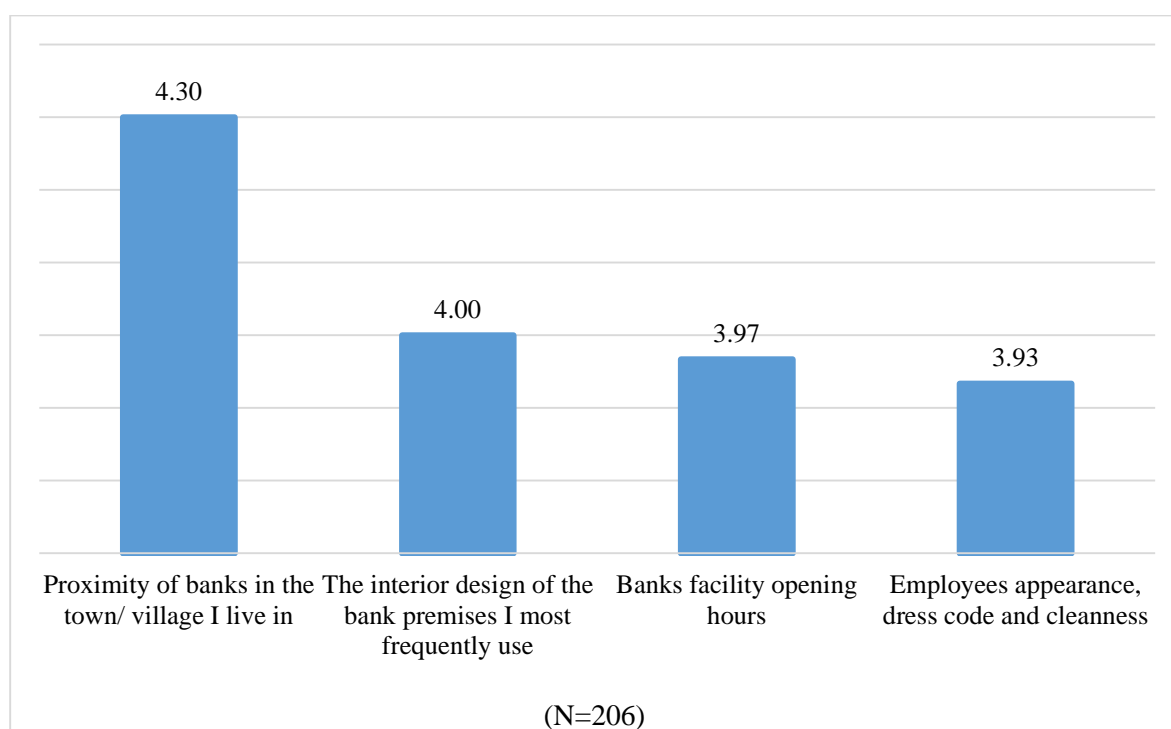
Source: Own work.

Similarly, to Figure 13 above, which showed that bank location was one of the major reasons consumers would switch banks, we can also see in Figure 16 that proximity of banks in the town/ village the respondent lives in is the most important. This indicates that banks should pay attention when choosing new locations for their facilities as clients find it important that their bank is close to their town/village. The second most important variable is the interior design of the bank premises, indicating that young respondents are visual and banks should pay attention regarding the interior design: they could introduce student's corners or corners with laptops, iPads and free Wi–Fi spots. Bank facility's opening hours are also important to respondents: banks could consider adapting or managing their working hours near universities or spots that are known for gathering younger population. Although employees' appearance, dress code and cleanness is not that important to respondents, as mentioned before, it seems respondents are quite visual and find visualization quite important, so banks should pay attention to employee's appearance.

Further, respondents were asked about the importance of customer service. Figure 17 shows that regarding customer service the respondents find most important waiting time in the banks, bank employees are meeting my responsiveness expectations, and the speed with which bank employees solve my banking problem. Willingness of bank employees to provide individual attention to me is of least importance.

Figure 17: Perceived importance of customer service

(N=206)
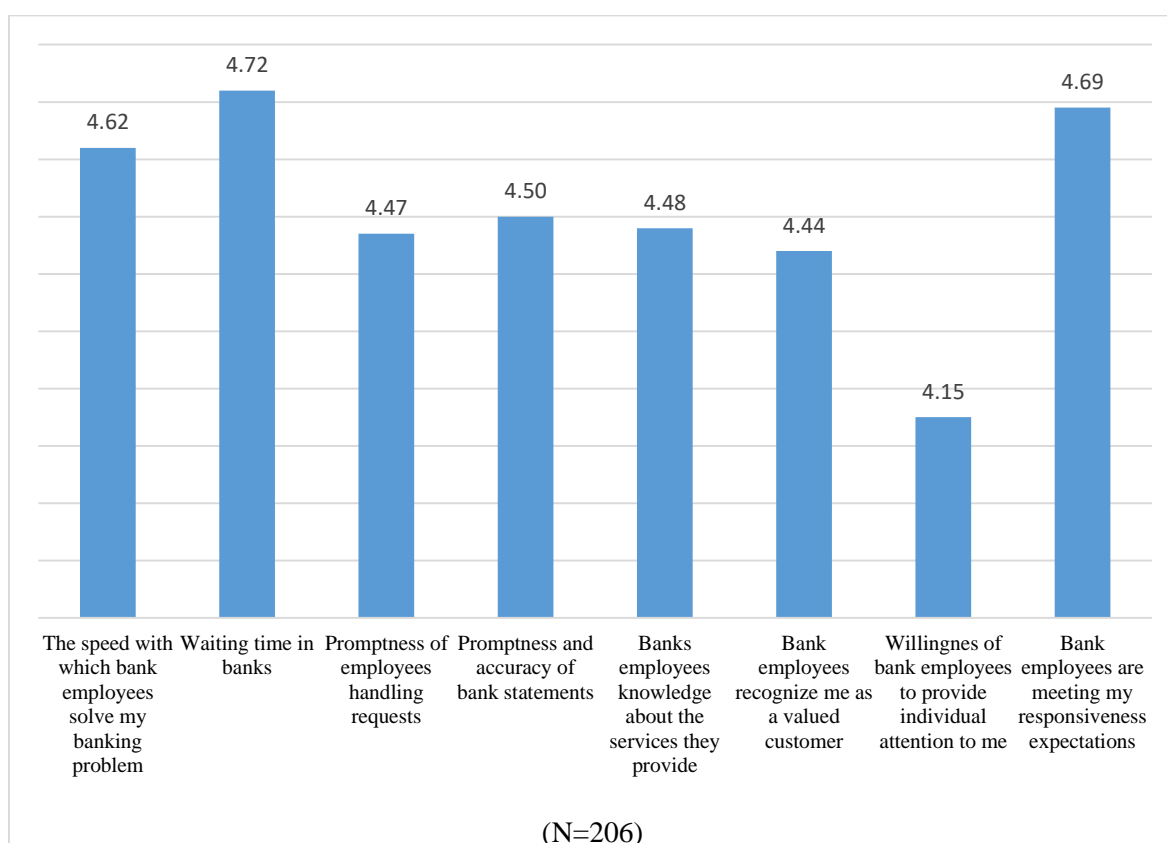
Source: Own work.

As all three variables waiting time in the banks, bank employees are meeting my responsiveness expectations", and speed with which bank employees solve my banking problem are connected with issues of saving time, banks should try to cut waiting times in banks by educating their employees so they could execute their operations in a faster and more exact manner. As the variable willingness of bank employees to provide individual attention to me is of least importance, it seems that respondents care more about saving time than personal contact, however, this variable also has a relatively high mean value of 4.15, indicating that employees should pay attention to it.

When asked about additional bank services such as design of credit cards and online security, Figure 18 shows the following results: respondents find most important banks' online security, online banking interface, and monthly fees. The design of credit cards is of least importance.

Is seems that respondents value their online services, which is logical as the younger population is keener on using technology than their older peers. In accordance with that, it is not surprising that the variables online security and online banking interface are of highest importance. Banks should focus more on these variables and try to improve their online security, and in line with that work on visualisation of banking online interface. Monthly fee

is also an important variable with a mean of 4.55, especially if we know from Table 11 above that online banking can be one of the main reasons why respondents switch banks. Banks should try to lower their fees or introduce packages with more services for a lower price.

Figure 18: Perceived importance of additional bank services
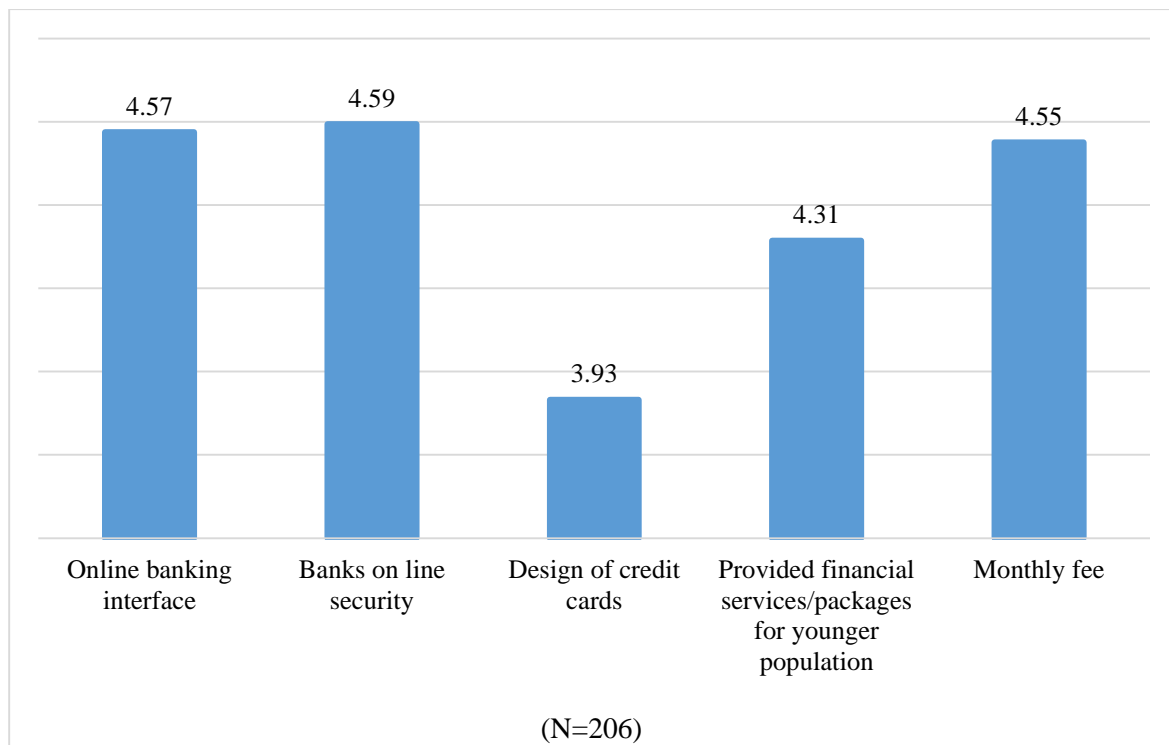
Source: Own work.

4.3   Satisfaction with current bank services

After determining the perceived importance of bank attributes and services in general, we now turn to asking about the actual satisfaction of customers with their current bank. Thus, this set of questions was available only to respondents who have a banking account, other respondents could not answer these questions. Current satisfaction of users was tested with same variables as the perceived importance of users towards commercial banking, and it includes bank facilities, customer service in the bank, bank services and overall satisfaction.

Table 5 shows descriptive analysis for satisfaction with their current bank on a scale: 1-Very dissatisfied, 2-Somewhat dissatisfied, 3-Neither satisfied nor dissatisfied, 4-Somewhat satisfied, 5-very satisfied. Regarding arithmetic mean values, the respondents find the most important: Customer service in the bank, after that Bank facilities and then Bank services. The median of all variables shows that respondents marked more positive answers on the right side of the scale. As we can see from Table 5, respondents are least satisfied with variable banks services, and banks should improve their services if they want their respondents to be more satisfied.

Table 5: Respondents' satisfaction with current bank: general facilities and services

	Bank facilities	**Customer service in the bank**	**Bank services**
Mean	3.77	3.87	3.48
Median	4	4	3.6
Mode	4	4	3
(N=186)			

Source: Own work.

If we compare the perceived importance of bank services with actual satisfaction with bank services in the respondent's current bank, we see that customer service in the bank was perceived as most important for respondents (shown in Table 4 above), and respondents were also most satisfied with this variable.

Regarding satisfaction with specific bank facilities, we can see in Figure 19, that respondents are most satisfied with proximity of banks in the town/ village I live in, after that employee's appearance, dress code and cleanness. As the least important item respondents selected banks facility opening hours. The results are not aligned with the general results about bank facilities. From the results we can see that in both cases the proximity of banks in the town/ village I live in is most important, but the results of other two variables are different.

Figure 19: Respondents' satisfaction with current bank facilities

(N=190)
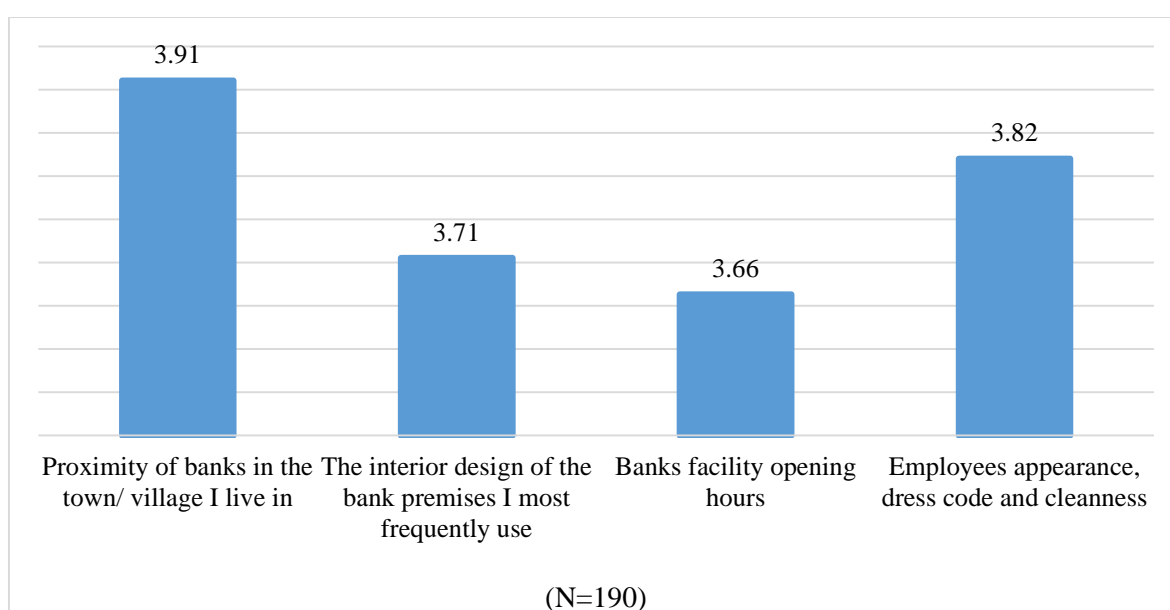
Source: Own work.

As was shown in Figure 16 above, respondents found the proximity of banks as most important, and from Figure 19 we can see that respondents were most satisfied with this variable (it has the highest mean of 3.91), the same is with variable; the interior design of the bank premise I most frequently use. Although employee's appearance, dress code and cleanness were least important to respondents, as we saw in Figure 16 above, it seems as respondents are quite satisfied with that variable in their bank, as shown in Figure 19. Respondents are least satisfied with banks facility opening hours, and as we can see in Figure 16, they found that variable important. As mentioned earlier, banks facility opening hours are also important to respondents, so banks could consider adapting or managing their working hours.

Regarding satisfaction with customer services, Figure 20 shows the arithmetic mean of manifested particles within the variable customer services in your bank. From the figure we can see that the highest arithmetic mean is waiting time in the banks (4.08), promptness of employees handling requests (4.05) and bank employees are meeting my responsiveness expectations (4.04). The high value of arithmetic means indicates that these partials are most important to respondents. Respondents are least satisfied with the variable willingness of bank employees to solve my banking problem.

Figure 20: Respondents' satisfaction with customer services in current bank

(N=185)

Source: Own work.

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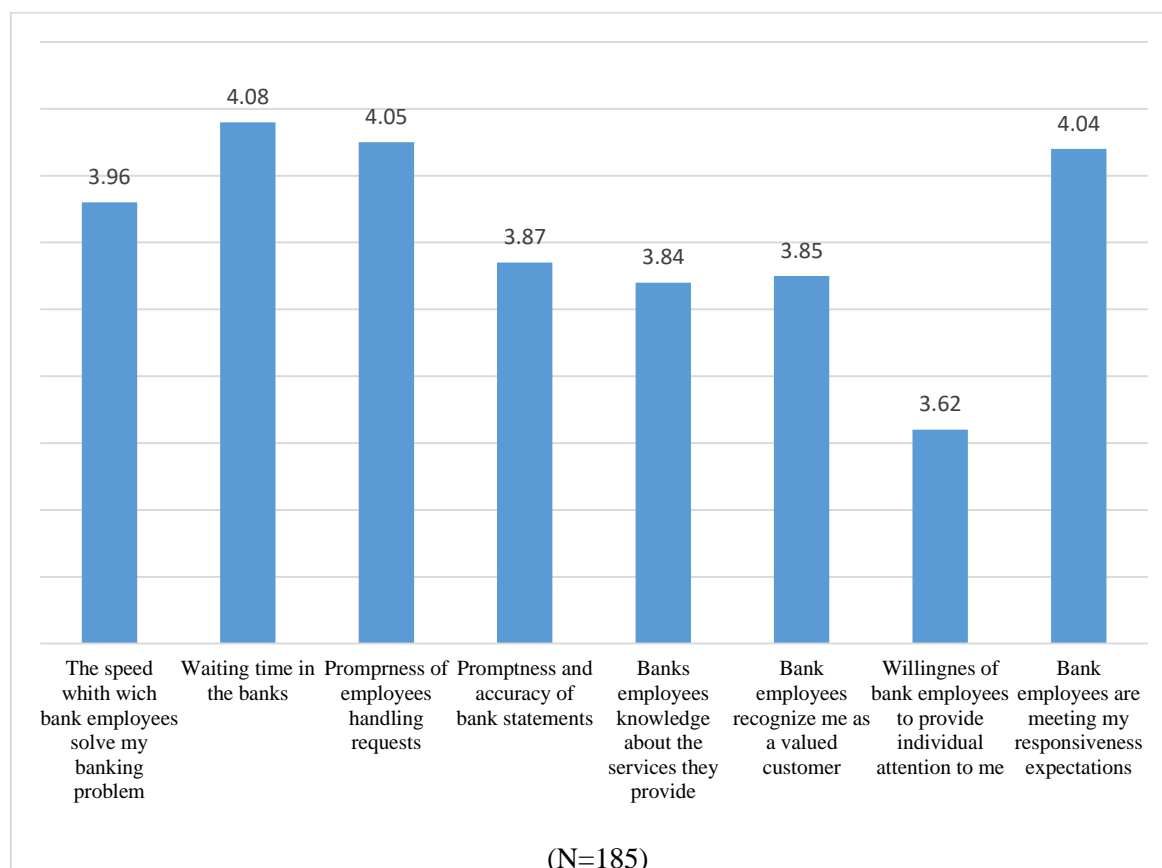
Comparing respondents' perceived importance of customer service in Figure 17 above, and respondent's satisfaction with customer services in their current bank in Figure 20, we can conclude that the variable waiting time in the banks is most important to respondents, and at the same time they are most satisfied with this aspect.

When examining satisfaction with additional bank services such as online banking, Figure 21 shows arithmetic means from which we can see that within the variable bank services (in the respondent's bank), online banking interface, and the bank's online security had the highest arithmetic mean value. Respondents were least satisfied with the monthly fee in their current bank.

Figure 21: Respondents' satisfaction with additional bank services (your bank)

(N=185)
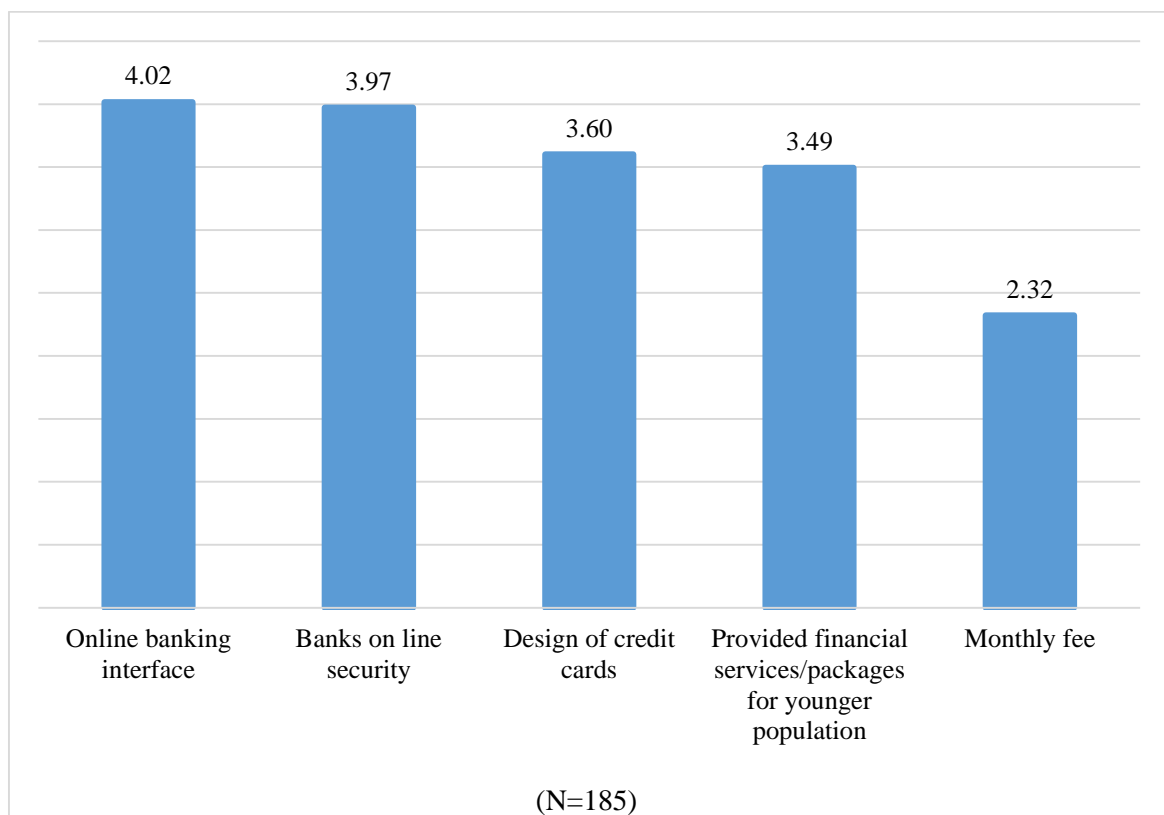
Source: Own work.

If we compare the importance of additional bank services and respondent's satisfaction with these services, we can conclude that banks online security and online banking interface are most important to respondents, and that respondents are most satisfied with them. The monthly fee is the third most important variable within additional bank services, and we can see from Figure 21 that respondents are least satisfied with that variable, so as mentioned earlier banks should try to lower their fees or introduce packages with more services for a lover price.

Figure 22 shows overall satisfaction with the respondent's current bank. The respondents are evenly satisfied with the overall quality of service in their bank and overall satisfaction with the bank.

Figure 22: Overall satisfaction with current bank

(N=186)
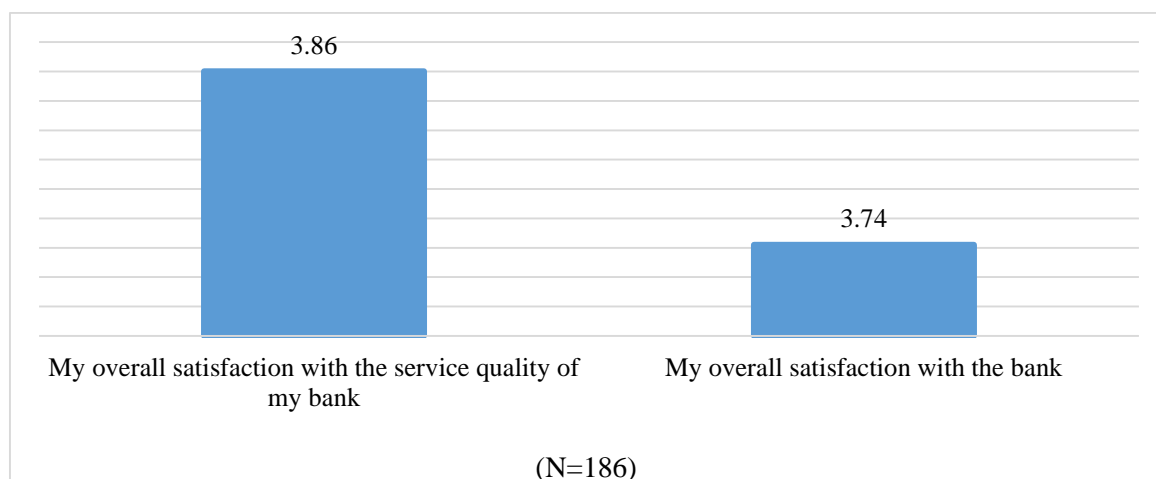
Source: Own work.

4.4 Comparison of respondents perceived importance and respondent's satisfaction

When compared, respondent's perceived importance and respondent's satisfaction, we can conclude how satisfied respondents are with the services they find most important.

Figure 23: Comparison of Respondent's perceived importance of general bank services with Respondent's satisfaction with current bank: general facilities and services

(N:206; N=186)

Source: Own work.

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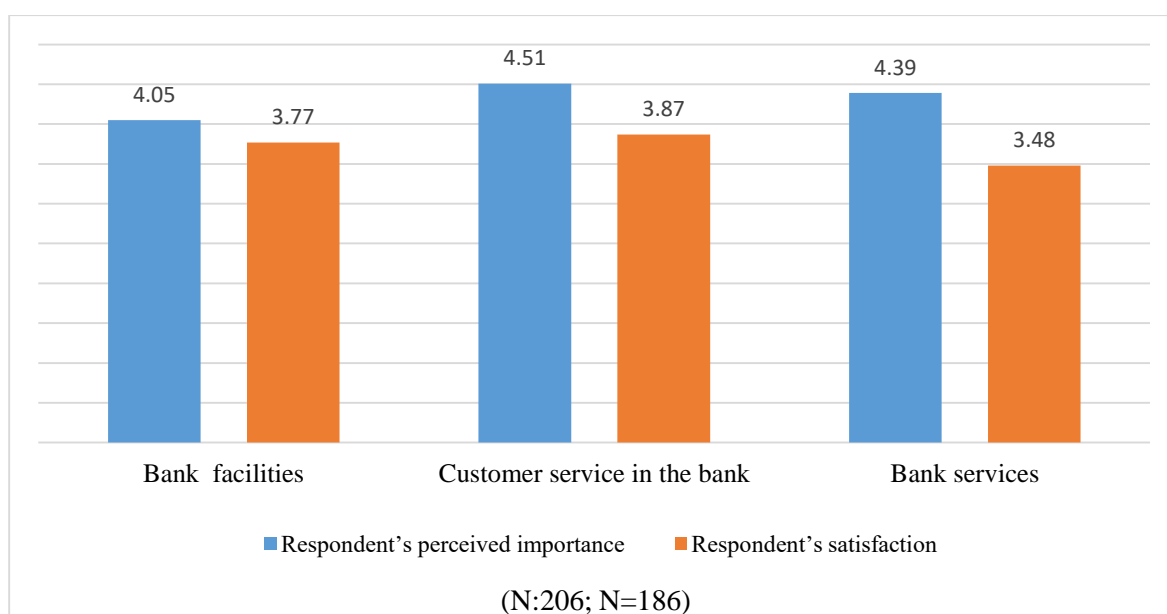
As shown in Figure 23, Customer service in the bank is the most important variable (4.51) regarding to respondents, and it is in line with respondent's satisfaction regarding the same variable (3.87). Banks achieved to most satisfy respondents in line with what is most important to them. Although bank services (4.39) are positioned on the second place, regarding the respondent's perceived importance, it is positioned on the third place regarding respondent's satisfaction with bank services (3.48). On the other hand, bank facilities are placed third regarding respondents perceived importance (4.05), but positioned second regarding customer's satisfaction (3.77).

As shown in Figure 24, comparing the results for variables within bank facilities, the most important variable, proximity of banks in the town/village I live in, is in line with the most satisfied one (4.30 for importance, 3.91 on satisfaction). The second most important variable within Bank facilities regarding respondent's perceived importance is the interior design of the bank premises (4.00), while second most important variable regarding respondent's satisfaction is employee's appearance, dress code and cleanness (3.82). Banks facility opening hours (3.97) are positioned third regarding respondent's importance of bank facilities, but are positioned on the last place regarding respondent's satisfaction (3.66), banks should try to better manage their opening hours.

Figure 24: Comparison of Respondent's perceived importance with Respondent's satisfaction with current bank within the variable bank facilities

(N=206; N=190)
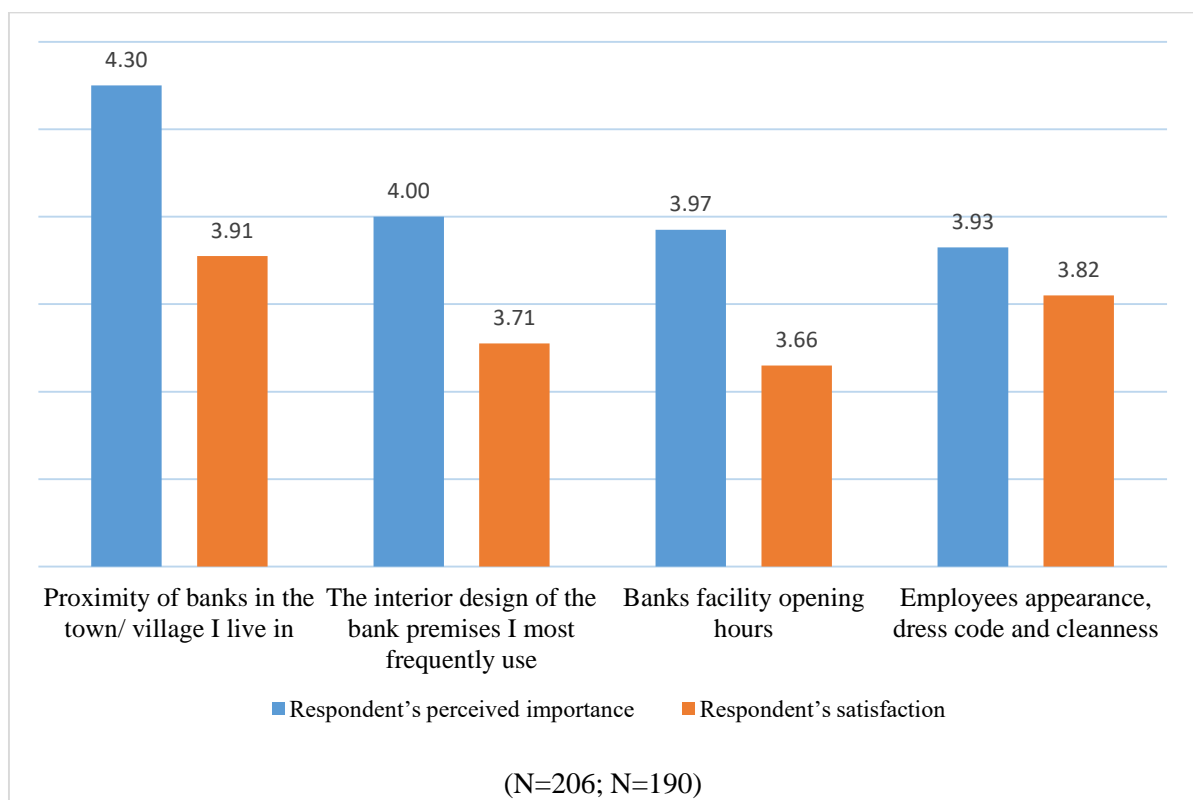
Source: Own work.

As show in Figure 25, comparing the results within the variable customer service, we can conclude that the variables with the highest mean, waiting time in the banks, are in line. The second most important variable within Customer service regarding respondent's perceived importance is bank employees are meeting my responsiveness expectations (4.69), and regarding respondent's satisfaction is promptness of employees handling requests (4.05). Bank employees are meeting my responsiveness expectations (4.04) is positioned third regarding respondent's satisfaction. The least important variable within customer service, willingness of employees to provide individual attention to me, is in line with customer satisfaction, as customers are least satisfied with that variable, although it is the least important variable, banks shout pay attention to that variable.

Figure 25: Comparison of Respondent's perceived importance with Respondent's satisfaction with current bank within the variable customer service

(N=206; N=185)
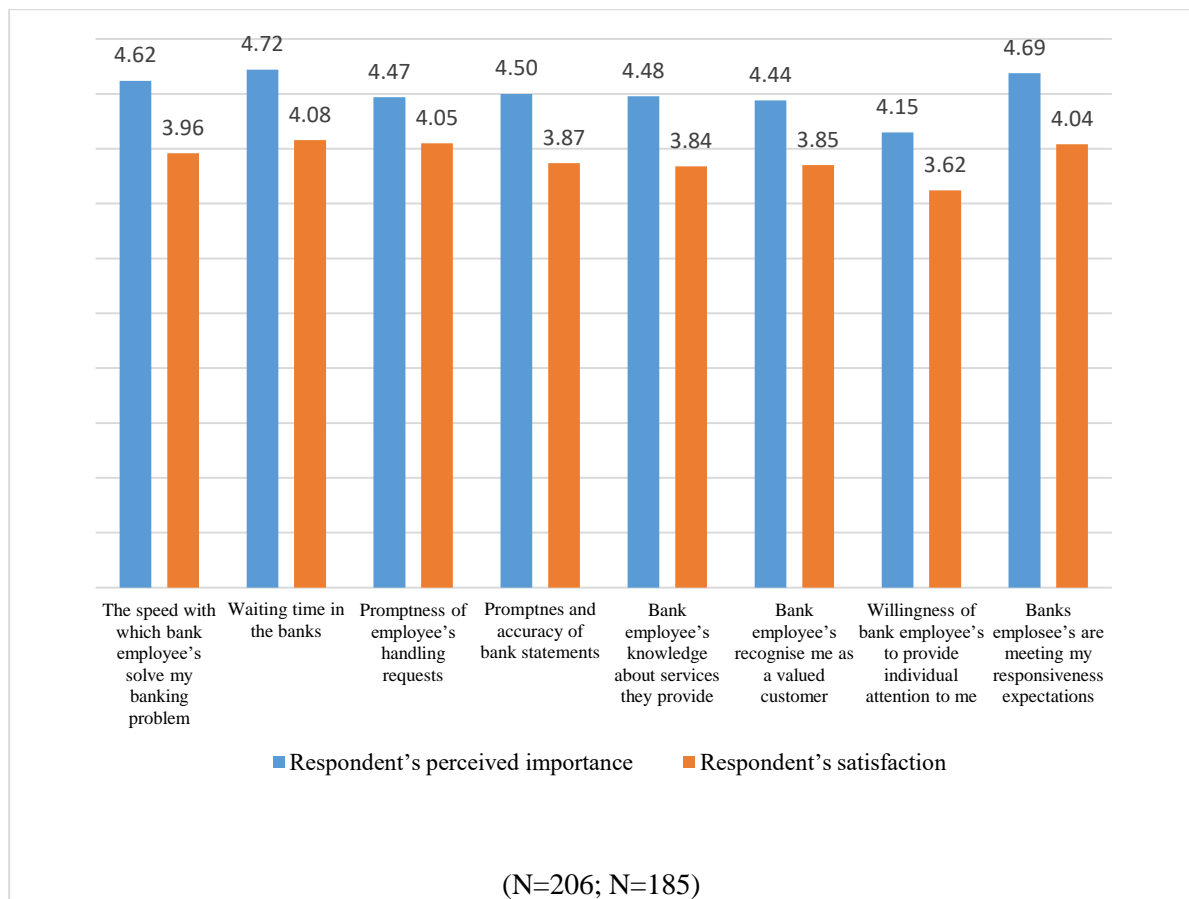
Source: Own work.

Figure 26 shows comparing variables within bank services, the most important variable is Banks online security (4.59), while respondents are most satisfied with Online banking interface (4.02). Online banking is ranked second most important (4.57), and Banks online security (3.97) is ranked first in respondent's satisfaction. The third most important variable is Monthly fee (4.56), and respondents are least satisfied with banking fees (2.32), meaning that banks should try and reduce their banking fees for younger population.

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Figure 26: Comparison of Respondent's perceived importance with Respondent's satisfaction with current bank within the variable bank services
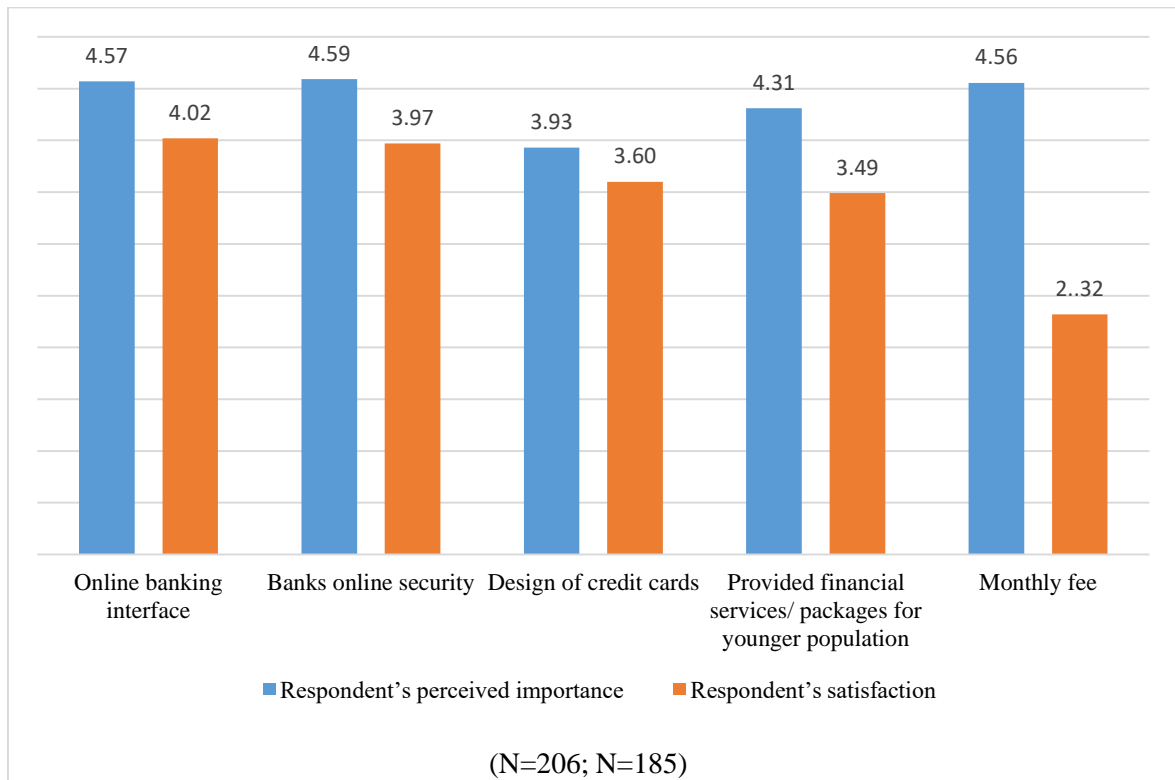
Source: Own work.

4.5 Demographic differences

Next, using ANOVA tables and data we will show are there any statistically meaningful differences in respondent's answers regarding demographic characteristics of the respondents. In other words, are there any differences in answers regarding respondents' perceived importance of bank services, as well as their satisfaction with their current bank, regarding: gender, age, place of residence, nationality, level of education, marital status and income.

First, we examined whether there are differences in perceived importance of bank facilities and services depending on respondent's age. Table 6 shows variance analysis of demographic characteristics which is testing differences among variables and age of the respondents. In table 6, there are no statistically meaningful differences in answers of respondents, according to age of the respondents in the tested variables, because: $p > 0.05$ for all variables.

ANOVA		Sum of Squares	df	Mean Square	F	Sig.
Importance of Bank facilities	Between Groups	17.64	2	8.82	1.44	0.24
	Within Groups	1213.98	198	6.13		
	Total	1231.62	200			
Importance of Customer service in the bank	Between Groups	11.14	2	5.57	0.46	0.63
	Within Groups	2401.49	198	12.13		
	Total	2412.64	200			
Importance of Bank services	Between Groups	6.46	2	3.23	0.47	0.62
	Within Groups	1349.70	198	6.82		
	Total	1356.16	200			
Satisfaction with Bank facilities	Between Groups	89.62	2	44.81	1.53	0.22
	Within Groups	5798.74	198	29.29		
	Total	5888.37	200			
Satisfaction with Customer service in the bank	Between Groups	543.35	2	271.68	1.81	0.17
	Within Groups	29768.71	198	150.35		
	Total	30312.06	200			
Satisfaction with Bank services	Between Groups	8.74	2	4.37	0.10	0.90
	Within Groups	8430.88	198	42.58		
	Total	8439.62	200			
Overall satisfaction	Between Groups	14.46	2	7.23	1.01	0.37
	Within Groups	1412.54	198	7.13		
	Total	1427.00	200			

Source: Own work.

Table 7 Testing the difference between the examined variables and the demographic characteristics; Gender. According to the results of in table 7, there are no statistically meaningful differences in answers of respondents, according to gender of the respondents in the tested variables, because: $p > 0.05$ for all variables.

Table 7: Variance analysis: Gender

ANOVA		Sum of Squares	df	Mean Square	F	Sig.
Importance of Bank facilities	Between Groups	8.25	1	8.52	1.38	0.24
	Within Groups	1223.09	199	6.14		
	Total	1231.62	200			
Importance of Customer service in the bank	Between Groups	29.89	1	29.89	2.49	0.11
	Within Groups	2382.744	199	11.97		
	Total	2412.63	200			
Importance of Bank services	Between Groups	0.32	1	0.32	0.48	0.82
	Within Groups	1355.83	199	6.81		
	Total	1356.15	200			
Satisfaction with Bank facilities	Between Groups	19.70	1	19.70	0.66	0.41
	Within Groups	5868.64	199	29.49		
	Total	5888.36	200			
Satisfaction with Customer service in the bank	Between Groups	109.80	1	109.80	0.72	0.39
	Within Groups	30202.25	199	151.77		
	Total	30312.06	200			
Satisfaction with Bank services	Between Groups	4.024	1	4.02	0.09	0.75
	Within Groups	8435.59	199	42.39		
	Total	8439.622	200			
Overall satisfaction	Between Groups	16.97	1	19.97	2.39	0.12
	Within Groups	1410.02	199	7.86		
	Total	1426.99	200			

Source: Own work.

Table 8 shows variance analysis of demographic characteristics which is testing the differences among variables and place of residence of respondents. According to the results of research, significant statistical difference can be noticed in the importance of bank facilities, importance of customer service in the bank and Importance of bank services, while in others the difference cannot be statistically significant. In other words, respondents that live in Ljubljana do not have the same views on the tested variables as people who live in other cities, and they find these variables more important than residents living in smaller

cities. As the value of the F test for tested variables is aligned; 0.000, 0.048, 0.039, it confirms statistically meaningful difference because: $p<0.05$.

Table 8: Variance analysis: Place of residence of the respondents

ANOVA		Sum of Squares	df	Mean Square	F	Sig.
Importance of Bank facilities	Between Groups	204.40	7	29.20	5.46	0.00
	Within Groups	1027.10	192	5.35		
	Total	1231.50	199			
Importance of Customer service in the bank	Between Groups	168.31	7	24.04	2.07	0.05
	Within Groups	2226.57	192	11.60		
	Total	2394.88	199			
Importance of Bank services	Between Groups	99.07	7	14.15	2.16	0.04
	Within Groups	1257.09	192	6.55		
	Total	1356.16	199			
Satisfaction with Bank facilities	Between Groups	216.85	7	30.98	1.05	0.40
	Within Groups	5670.27	192	29.53		
	Total	5887.12	199			
Satisfaction with Customer service in the bank	Between Groups	1068.59	7	152.66	1.00	0.43
	Within Groups	29225.29	192	152.22		
	Total	30293.88	199			
Satisfaction with Bank services	Between Groups	320.00	7	45.72	1.08	0.38
	Within Groups	8114.22	192	42.26		
	Total	8434.22	199			
Overall satisfaction	Between Groups	43.27	7	6.18	0.86	0.54
	Within Groups	1382.73	192	7.20		
	Total	1426.00	199			

Source: Own work.

Table 9 shows variance analysis of demographic characteristics which is testing the differences among variables and marital status of respondents. According to marital status, statistically meaningful difference in answers, with 5 percent significance, is visible with the variable importance of bank facilities. There are differences in answers between respondents that are single and the ones that are married, single respondents find Importance of bank facilities less important than married ones.

ANOVA		Sum of Squares	df	Mean Square	F	Sig.
Importance of Bank facilities	Between Groups	45.40	2	22.70	3.79	0.02
	Within Groups	1173.08	196	5.99		
	Total	1218.48	198			
Importance of Customer service in the bank	Between Groups	16.93	2	8.47	0.71	0.50
	Within Groups	2355.03	196	12.02		
	Total	2371.96	198			
Importance of Bank services	Between Groups	35.20	2	17.60	2.65	0.07
	Within Groups	1301.56	196	6.64		
	Total	1336.75	198			
Importance of Other	Between Groups	16.38	2	8.19	1.37	0.26
	Within Groups	1171.93	196	5.98		
	Total	1188.30	198			
Satisfaction with Bank facilities	Between Groups	88.69	2	44.35	1.55	0.21
	Within Groups	5601.70	196	28.58		
	Total	5690.39	198			
Satisfaction with Customer service in the bank	Between Groups	715.52	2	357.76	2.46	0.09
	Within Groups	28548.63	196	145.66		
	Total	29264.15	198			
Satisfaction with Bank services	Between Groups	135.44	2	67.72	1.65	0.19
	Within Groups	8029.44	196	40.97		
	Total	8164.88	198			
Overall satisfaction	Between Groups	16.24	2	8.12	1.17	0.31
	Within Groups	1360.63	196	6.94		
	Total	1376.87	198			

Source: Own work.

Next, regarding net income, Table 9 shows variance analysis of demographic characteristics which is testing the differences among variables and net income of the respondents. Income significantly influences the opinion of the respondents about questioned variables. Statistically meaningful differences can be seen in five variables importance of bank facilities, importance of bank services, importance of other, satisfaction with bank facilities and satisfaction with customer service in the bank. In all of the mentioned cases the difference is statistically significant with 5 percent significance. With the variable importance of bank facilities, we can see the difference between respondents that have income from 500–1000€ and respondents that have 1000–1500€. Respondents with the

income from 500–1000€ find those variables less important than respondents that have income from 1000–1500€. With the variable importance of bank services there is a difference between those respondents that have income of 0–500€ and respondents who have income of 1000–1500€, and the ones with the income of 500–1000€ and the ones with the income of 1000–1500€. Those respondents with lower income find importance of bank services less important. There are no differences among others. There are differences in the variable Satisfaction with customer service with the respondents that have an income of 0–500€ and the respondents that have an income of 1000–1500€. Those respondents with income of 0–500€ are less satisfied with Satisfaction with customer service than those with income of 1000–1500€. There are no differences among other respondents.

Table 10: Variance analysis: Net income of respondents

ANOVA		Sum of Squares	df	Mean Square	F	Sig.
Importance of Bank facilities	Between Groups	97.02	4	24.26	4.19	0.00
	Within Groups	1134.60	196	5.79		
	Total	1231.62	200			
Importance of Customer service in the bank	Between Groups	90.91	4	22.73	1.92	0.11
	Within Groups	2321.72	196	11.85		
	Total	2412.64	200			
Importance of Bank services	Between Groups	145.13	4	36.28	5.87	0.00
	Within Groups	1211.03	196	6.18		
	Total	1356.16	200			
Satisfaction with Bank facilities	Between Groups	279.13	4	69.78	2.44	0.05
	Within Groups	5609.24	196	28.62		
	Total	5888.37	200			
Satisfaction with Customer service in the bank	Between Groups	1827.92	4	456.98	3.14	0.02
	Within Groups	28484.15	196	145.33		
	Total	30312.06	200			
Satisfaction with Bank services	Between Groups	288.44	4	72.11	1.73	0.14
	Within Groups	8151.18	196	41.59		
	Total	8439.62	200			
Overall satisfaction	Between Groups	56.69	4	14.17	2.03	0.09
	Within Groups	1370.31	196	6.99		
	Total	1427.00	200			

Source: Own work.

4.6 Overall findings

In my research I have gathered data from two hundred and thirteen respondents. The main goal of this thesis was to see the attitudes of Slovenian youth towards commercial baking. I examined how many young people report not having a banking account (6.5 %), and what are the main reasons why they do not have a banking account. Further on, I wanted to see what are the reasons why young consumers switch banks, and why they would consider switching banks in the future. Next findings, I examined the perceived importance of bank attributes and services. Here I measured importance of general services in banks, and all of the respondents, including those who do not own a banking account, answered these questions. The next part of my findings analysed respondent's satisfaction with current banking service: this set of questions was available only to respondents who have a banking account. The last item of my research included demographic differences, which allowed me to examine how respondents of different age, place of residence, marital status and income differ in their attitudes towards commercial banking. In the conclusion of the thesis, I elaborate on these findings in a more simplified way, drawing more general conclusions based on my findings.

4.7 Limitations

When conducting research, we have to be aware of some limitations. Limitations of this research can be sorted into few categories.

The first limitation is related to the fact that the sample is a non-probability sample. The sample is disseminated to my own network mostly of co-workers and faculty colleagues. We can see from various facts that the sample is biased, as most of the respondents have graduated, live in Ljubljana, and are in the same net income class.

The second limitation of this research is sample size. As mentioned earlier, 213 respondents have filled the questionnaire, what is acceptable for the research to valid, as N>30, but it is always better to reach general conclusions on bigger samples of respondents.

As a third limitation, we can say that there was a lack of "supervision", as the research was conducted online.

The fourth limitation can be referred to the fact that self-filling questionnaire was used with Likert scaling, which leads to some subjectivity. Subjective evaluation of respondents who filled the questionnaire depends on their evaluation and can give a skewed perception of the results.

It is worth mentioning that this study captures a single segment of the entire customer base (younger population), other segment, as middle aged clients that are more lucrative in the banking system.

CONCLUSION

Throughout the years, customer satisfaction, service quality, and ultimately customer loyalty, are more and more in the scope of managers that are in charge of their company's business. Extensive research on the subject of customer satisfaction has been conducted over the years, because customer satisfaction and service quality affect customer's future behaviour. One of the examples of such behaviour is that unsatisfied customers have a tendency to exit or switch the services provided by banks if they are unsatisfied (Dabholakar, 1996; Levesque & McDougall, 1996). Research has also found that service quality (composed of five dimensions - empathy, responsiveness, tangibility, assurance and reliability), convenience, and fair prices, are most likely to achieve and influence customer loyalty (Kaura, Durga, Prasad & Shrama, 2015; Shanka, 2012; Siddiqi, 2001).

As banks are companies that provide direct services, their relationships with customers are of great importance. Many banks work constantly on improving their services and to achieve service quality that their customers expect. When choosing a bank, customers have a wide selection of banks, and they will choose only those banks that are or will in the near future meet their expectations. Bhatnagar (2016) found that variables such as tangibles, personnel, reliability and competence, are all vital factors when consumers decide on doing business with banks.

As reviewed in this thesis, customer satisfaction with banks can be divided into two different sets of variables: tangible and intangible ones. Wakefield and Blodgett (1999) and Dabholkar (1996) demonstrated the importance and relevance of tangible services (the physical layout of buildings, employees, etc.), while on the other hand, intangibles such as brand reputation and service quality are also important. Whereas intangible aspects of service quality (including reliability, empathy, assurance, and responsiveness) are said to affect the customer's cognitive evaluations, the tangible aspects of the physical affect their affect and excitement (Wakefield & Blodgett, 1999).

Banks want to attract a specific segment of customers, particularly younger ones, as they see them as an investment in to the future. If a younger customer is attracted, that customer brings a great value, as younger customers need a wider range of products, such as loans and mortgages (Lewis & Bingham, 1991). Younger generations are diverse from their older peers, and they are picking banks in different ways. Research has found that the top ten factors young people find crucial when choosing a bank are different to the top ten critical factors for older generations (Mwange, 2017). For younger clients, the most crucial factors are: proximity to the university, recommendation by a friend, many tellers, that bank has a branch at the university, that bank offers grants to students, the university uses the same bank, convenient location, reputation of the bank, staff courtesy and proximity to home. This research was backed with similar results conducted by Thwaites and Vere (1995), Wei and Zhu (2013), Rao and Sharma (2010) and Chigamba and Fatoki (2011).

The primary purpose of my research was to find what attracts young Slovenian consumers towards commercial banks, the factors they perceived as most important, and the determinants of their satisfaction with retail banking. The research sample in the study included 213 respondents of younger population in Slovenia. The research was conducted via an online questionnaire, and the data analysis was conducted with several statistical methods using the SPSS program and MS Excel.

After representing demographic characteristics, respondents had to answer questions about their banking habits, and whether they own a banking account. They also had to answer questions about their switching habits if they own an additional banking account. Next respondents had to answer questions about importance, and the descriptive statistics obtained data regarding perceived importance of bank attributes and services in general, this part of research was both for respondents who have a banking account as it was for those who do not have a banking account. After I have examined perceived importance of bank attributes and services in general, I obtained data for respondent's satisfaction with current bank services they use. The last data that was analysed was demographic differences among respondents, which included; age, gender, city of current residence, nationality, highest level of education, marital status.

Females were more represented in this survey, sixty-eight percent of respondents are female, while thirty-two percent of respondents are male. Forty-five percent of respondents are in age range of 19-24 years old, fifty percent respondents are between 25-30 years old. Most of the respondents, sixty-one percent of respondents have graduate level of education, and eighty-two-point fifty-nine percent of respondents live in Ljubljana. Forty-nine percent of respondents are cohabitating and forty-eight percent of respondents are single. Twenty-eight percent of respondents have a net monthly income smaller than five hundred euros (500€), twenty-one percent of respondents have a net monthly income in the range of five hundred and one and one thousand and five hundred euros (501–1500€), forty-one percent of respondents have a net monthly income in the range of one thousand five hundred and one and two thousand euros (1501–2000€).

Regarding whether respondents have or do not have a banking account, six-point five percent of respondents does not have a banking account. The reasons why they do not have a banking account I don't need an account since I don't have any income, I don't need an account since I don't have bills to pay and I prefer to deal with cash were split into three equal parts (arithmetic mean of 3.6). Related to owning an additional bank account, sixty-five percent of respondents did not have an account in some other bank. Regarding switching banks, there are two main reasons why respondents switched banks: better online/mobile banking options and lower monthly fee (37 % each). In my sample 35 percent had switched banks. Respondents would consider switching banks if they were disappointed in my own bank's customer service (arithmetic mean of 4.2). Seventy-nine percent of users would consider and would switch banks if they found a bank that is better than their current one.

Perceived importance of bank attributes and services are measured in a way that the importance of certain variables for users was first determined. In line with the literature I have used and mentioned above in this thesis, the tested variables were: importance of bank facilities, importance of customer service in the bank, and importance of bank services such as online banking interface or banks online security. Additionally, I tested the importance of additional characteristics, such as the importance of bank origin, the importance of the bank's reputation, and the importance of whether respondents' parents have an account at that bank. As for all shown variables median is more than four, it indicates positive answers, knowing that the scale is from one to five, meaning that the respondents find importance of this variables above average, but as most important they find service in the bank as it has the highest value (mean 4.51), after that bank services (mean 4.39), and last bank facilities (mean 4.05). Additional variables reputation of the bank, country of origin and whether respondent's parents are using the same bank, among these variables, variable reputation of the bank is the most important (4.13). Banks should try and improve their reputation among youth in Slovenia by delivering more quality service and by upgrading their security systems. Least important variable is my parents are using the same bank, and as this is not as important to respondents, banks could introduce family accounts or accounts with lower fees for respondents whose parents have a bank account in the same banks they would like to open one.

Additionally, respondents answered questions about variables within customer service in the bank, bank services, bank facilities. Within the variable customer service in the bank, respondents find most important variables waiting time in banks, bank employees are meeting my responsiveness expectations and the speed with which bank employees solve my banking problem. As all three variables are connected with time preservation, banks should try to cut waiting times in banks by educating their employees so they could execute their operations in a faster and more exact manner. As variable willingness of bank employees to provide individual attention to me is of least importance is the least important to respondents it seems that respondents care more about time than personal contact. When asked about additional bank services respondents find most important bank's online security, online banking interface and monthly fee. The design of credit cards is of least importance. As it is logical with younger population, they are keener on using technology than their older peers, in accordance with that, it is not surprising that variables online security and online banking interface are of highest importance. Banks should focus more on these variables and try to improve their online security, and in line with that work on visualisation of banking online interface. Monthly fee is also an important, especially if we know that with online banking it is the main reasons why respondents switch banks. Banks should try to lower their fees or introduce packages with more services for a lover price. Within the variable bank facilities proximity of banks in the town/ village I live in is most important, although it is hard to move current facilities, but banks should pay attention when choosing new locations for their facilities as clients find it important that their bank is close to their town/village.

In addition to perceived importance of bank characteristics, I also examined the level of respondent's satisfaction with current bank services at the bank where they currently own a banking account. The same variables were used as for perceived importance of bank attributes and services, that is: bank facilities, customer service in the bank, bank services in the bank and overall satisfaction was added. Arithmetic means show that respondents are most satisfied with customer service in their bank (3.87 of 5, 5 being most satisfied), within the bank they use. Secondly, they are most satisfied with banks facilities, and finally with bank services. Within the most satisfied variable customer service in their bank, respondents were most satisfied with waiting time in the banks (4.08), promptness of employees handling requests (4.05), bank employees are meeting my responsiveness expectations (4.04), and the speed with which banks employees solve my banking problem (3.96). Regarding variable bank facilities proximity of banks in the town/village where they live (3.91) is most satisfactory for respondents, after that employee's appearance, dress code and cleanness (3.82). As the least satisfied item respondent's selected banks facility opening hours (3.66). These findings show that banks have positioned their facilities in a satisfactory manner, but should pay attention to banking facilities opening hours, as respondents are least satisfied with that. Within the variable bank services respondents are most satisfied with online banking interface (4.02), banks online security (3.97) and design of credit cards (3.60). Respondents are least satisfied with monthly fees (2.32). Overall satisfactions with the current bank shows that respondents are evenly satisfied with the overall quality of service in their bank and overall satisfaction with the bank.

Reviewing the respondent's perceived importance and respondent's satisfaction we can conclude how satisfied respondents are with the services they find most important. Regarding the main variables bank facilities, customer service in the bank and bank services, we can see that respondents are only aligned regarding the most important variable and the one they are most satisfied with customer service in the bank, it seems that banks managed to most satisfied respondents in line with what is most important to them. Importance has a mean of four point fifty-one (4.51), and satisfaction a mean of three point eight-seven (3.87) regarding variable customer service in the bank. Bank services (4.39) is positioned on the second place regarding respondents perceived importance of general banking service, while regarding respondent's satisfaction with current bank it is positioned third (3.48). At the same time, bank facilities (4.05) regarding respondents perceived importance of general banking service is positioned on the third place, while regarding respondent's satisfaction with current bank it is positioned second (3.77). If we compare the results for variables within bank facilities, we can see that the most important (4.30)/satisfied (3.91) variable is proximity of banks in the town/village I live in, here banks again manage to achieve most satisfaction to respondents in line with what is most important to them. Second most important variable within is the interior design of the bank premises I most frequently use (4.00), although it is positioned on the third place regarding respondent's satisfaction, it seems respondents are quite satisfied with the same (3.71) as it is on the right side of the scale. Third most important variable within bank facilities is banks facility opening hours (3.97), comparatively

respondents are least satisfied with this variable (although satisfied as it is on the right side of the scale and with the mean of 3.66) and banks should try to manage opening hours better when managing opening time near universities. Comparing variables within variable customer service, we can conclude that the variables with the highest mean waiting time in the banks, are in line. Second most important variable within customer service is bank employees are meeting my responsiveness expectations (4.69), while it is ranked third most satisfying (4.04). The least important variable within customer service willingness of employees to provide individual attention to me, is in line with customer satisfaction, as customers are least satisfied with that variable, although it is the least important variable, banks shout pay attention to that variable. When comparing variables within bank services, the most important variable is Banks online security which is followed by online banking interface. At the same time, respondents are most satisfied with online banking interface which is followed by online security. These variables are in reasonable line, replacing only first and second places. Third most important variable is monthly fee, and respondents are least satisfied with that, meaning that banks should try and reduce their banking fees.

Demographic differences were shown with ANOVA tables. I examined whether there were any differences in respondent's perceived importance of bank services, as well as their satisfaction with their current bank, regarding: age, place of residence, marital status and income. The results indicate that there are no statistically meaningful differences in answers of respondents regarding age. Regarding the place of residence, significant statistical difference can be noticed in the importance of bank facilities, importance of customer service in the bank, and importance of bank services. Meaning that respondents that live in Ljubljana do not have the same views on the tested variables as people who live in other cities, and they find these variables more important than residents living in smaller cities. Analysis further shows that there are differences in responses to the perceived Importance of bank facilities, regarding marital status of respondents: there are differences in answers between respondents that are single and the ones that are married with 5 percent significance. Single respondents find importance of bank facilities less important than married ones. Income also appears to significantly influence respondent's responses about questioned variables. Importance of bank facilities is less important to respondents that have income of 500–100€ than to those who have income of 1000–1500€. Respondents with lower income find importance of bank facilities less important. With the variable importance of bank services there is a difference between those respondents that have income of 0–500€ and respondents who have income of 1000–1500€, and the ones with the income of 500–1000€ and the ones with the income of 1000–1500€. Those respondents with lower income find importance of bank services less important. There are no differences among others. Respondents with income of 0–500€ are less satisfied with satisfaction with customer service than those with income of 1000–1500€. There are no differences among other respondents.

Finally, some guidelines for future research would include expanding the sample so the results could be more significant, for instance by obtaining a wide range of regions,

backgrounds, income and education levels, and by extending the study to include a comparative perspective.

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APPENDICES

Appendix 1: Povzetek (Summary in Slovene language)

Prvotni namen raziskave je poglobljeno razumevanje odnosa mladih slovenskih potrošnikov do bank. Kakšen odnos imajo mladi potrošniki do bank na slovenskem trgu? Katere lastnosti so mladim pri izbiri banke najbolj pomembne? Kako lojalni so do bank in kaj vpliva na menjavo le-te? Kateri pogledi – oprijemljivi kot tudi neoprijemljivi (npr. nacionalni izvor banke) – vplivajo na njihove odločitve? Kateri so dejavniki zadovoljstva bančnih storitev med mladimi? Moj cilj je torej preučiti odnos mladih do komercialnega bančništva v Sloveniji, raziskati stopnjo zadovoljstva mladih potrošnikov z bančnimi storitvami, determinirati njihova razmišljanja v procesu menjave banke in oceniti stopnjo lojalnosti slovenskih mladih potrošnikov do komercialnih bank.

Naloga torej prispeva k razumevanju odnosa mladih do komercialnih bančnih storitev v Sloveniji, kjer so tovrstne študije redke.

V magistrski nalogi sem poskušal opredeliti odnos mladih do bančnih storitev (odvisna spremenljivka). Odnosi vključujejo zadovoljstvo strank z obstoječimi bančnimi storitvami, relavantnost nacionalnega izvora banke ter vrsto odnosov do bančnih storitev in zvestobe ter vedenja ob menjavi banke. Za merjenje stopnje zadovoljstva z obstoječimi bančnimi storitvami sem uporabil tri indikatorje, ki so bili uporabljeni pri podobnih raziskavah zadovoljstva potrošnikov: Kvaliteta storitev (natančnost, zanesljivost, odzivnost, varnost, empatija), Zadovoljstvo strank in Zvestoba (namere v prihodnosti) (Brown, Churchill Peter, 1993; Hausknecht, 1990; Heskett, Loveman & Sasser, 1994; Jones & Sasser, 1995; Yi, 1990).

Proučil sem tudi determinante teh odnosov (neodvisne spremenljivke), saj so že opravljene raziskave pokazale, da nekateri kriteriji, kot na primer leta, spol, izobrazba in mesto zaposlitve, lahko vplivajo na vedenje potrošnikov (Bettman & Park, 1980, Oliver, 1980). Ugotovitve na primer kažejo, da imajo posamezniki z višjo izobrazbo in obsežnejšimi izkušnjami na področju bančništva, višja pričakovanja glede storitev, ki jih ponujajo komercialne banke (Jamal & Naser, 2002), poleg tega pa lahko bolj izkušeni potrošniki razlikujejo med posredovanimi pomembnimi in nepomembnimi informacijami (Alba & Hutchinson, 1987).

Anketirancem sem zastavil socialno-demografska vprašanja, ki so vključevala njihovo starost, spol, stopnjo končanega šolanja, zakonski stan, pa tudi državljanstvo in stalno prebivališče.

Primarne podatke sem zbral s pomočjo spletnega vprašalnika, ki je vključeval zgoraj navedena področja. Raziskava je bila izvedena na vzorcu dvesto mladostnikov po vsej Sloveniji, preko spletne strani 1ka.si. Postavljal sem zaprta vprašanja/izjave in odgovore razporedil glede na Likertovo lestvico. Vzorec zajema mladostnike iz Slovenije, stare od 16 do 35 let, ki bančne transakcije uporabljajo vsaj dvakrat na teden. Podatki so bili analizirani

v SPSS z opisnimi statističnimi metodami (aritmetična sredina, razlike med skupinami, ANOVA, korelacija med spremenljivkami). Zanimalo me je mlajše prebivalstvo, v starostni skupini od 16 do 35 let, ki uporablja bančne transakcije najmanj dvakrat na teden, ne glede na to, ali imajo ali nimajo bančnega računa. Postavljal sem zaprta vprašanja/izjave in odgovore razporedil glede na Likertovo lestvico (od ena do pet). Anketa je bila izvedena preko spletne strani 1ka.si v obdobju od 21. 12. 2017 do 21. 03. 2018.

Po predstavitvi demografskih značilnosti, sem s pomočjo opisne statistike pridobil podatke o zaznanih pomembnostih bančnih storitev na splošno, ta del raziskave pa je bil namenjen tako anketirancem, ki imajo bančni račun kot tudi tistim, ki bančnega računa nimajo. Ko sem preučil zaznane ključne značilnosti bank in storitev na splošno, sem pridobil podatke glede zadovoljstva anketirancev s trenutnimi bančnimi storitvami, ki jih uporabljajo. Zadnji podatki, ki so bili analizirani, so bili demografske razlike med anketiranci.

Glede vprašanja, ali anketiranci imajo ali nimajo bančnega računa, 6.5% anketirancev nima bančnega računa. Razlogi, zakaj bančnega računa nimajo (ne potrebujem računa, ker nimam nobenega dohodka; ne potrebujem računa, ker nimam računov za plačilo; raje uporabljam gotovino), so deljeni na tri enake dele (aritmetična sredina 3.6). Glede lastništva dodatnega bančnega računa, 65% anketirancev ni imelo računa v kateri v drugi banki. Glede menjave banke, sta dva glavna razloga za menjavo banke: boljše možnosti spletnega/mobilnega bančništva in nižje mesečno plačilo (37%). Znotraj anketiranega vzorca je banko zamenjalo 35% anketirancev. Anketiranci bi o menjavi banke razmišljali, če bi bili v trenutni banki razočarani glede storitve pomoči strankam (aritmetična sredina 4.2). 79% uporabnikov bi o menjavi banke razmišljalo, če bi našli banko, ki je od njihove trenutne boljša.

Zaznana pomembnost bančnih atributov in storitev je bila izmerjena na način, kot je bila za uporabnike določena pomembnost spremenljivk. V skladu z literaturo, ki sem jo uporabil in omenil v tej nalogi, so bile v raziskavo vključene spremenljivke: pomembnost lokacije bančnih objektov, pomembnost storitve pomoči strankam v banki in pomembnost bančnih storitev, kot je spletno bančništvo ali internetna varnost banke. Poleg tega sem raziskoval tudi pomen dodatnih značilnosti, kot so pomen izvora banke, pomen ugleda banke in pomen ali imajo starši anketirancev odprt račun pri tej banki. Med vsemi prikazanimi spremenljivkami je mediana več kot štiri, kar nakazuje na pozitivne odgovore, saj je bila lestvica ustvarjena z odgovori od ena do pet, kar kaže na pomembnost navedenih spremenljivk med anketiranci, ki so za najpomembnejšo določili pomembnost storitve pomoči strankam v banki, kateri so določili tudi najvišjo vrednost (aritmetična sredina 4.51). Dodatne spremenljivke; ugled banke, država izvora in ali starši anketirancev uporabljajo isto banko, med temi spremenljivkami je najpomembnejša spremenljivka ugled banke (4.13).

Anketiranci so označili: bližina banke v mestu/vasi, v kateri živim (4.30), kot najpomembnejšo spremenljivko znotraj vprašanja o pomembnosti lokacije bančnih objektov. Te ugotovitve kažejo, da je pri izbiri banke najpomembnejša bližina, zato morajo banke pri izbiri lokacije upoštevati tudi to. V zvezi s storitvijo pomočjo strankam, je

anketirancem najpomembnejši čas čakanja v bankah (4.72). Anketiranci so med dodatnimi bančnimi storitvami kot najpomembnejšo prepoznali spletno varnost (4.59).

Poleg pomembnosti ključnih značilnosti banke, sem raziskal tudi nivo zadovoljstva anketirancev s trenutnimi bančnimi storitvami v banki, kjer imajo trenutno odprt bančni račun. Uporabljene so bile enake spremenljivke, ki so bile zaznane kot pomembne na področju ključnih značilnosti banke in bančnih storitev, in sicer: lokacija bančnih objektov, storitev pomoči strankam v banki, bančne storitve v banki in splošno zadovoljstvo. Aritmetična sredina kaže, da so anketiranci najbolj zadovoljni s storitvijo pomoči strankam (3.87 od 5, 5 največje zadovoljstvo) v banki, ki jo uporabljajo. Med pozitivnimi spremenljivkami je tudi bližina banke v mestu/vasi, kjer anketiranci živijo (3.91). Te ugotovitve kažejo, da so banke pozicionirane na zadovoljivih lokacijah, a bi morale biti pozorne na delovni čas, saj so bili anketiranci s tem manj zadovoljni (3.66). Glede zadovoljstva na področju storitve pomoči strankam, so bili anketiranci najbolj zadovoljni s čakalnim časom v bankah (4.08), a manj zadovoljni s pripravljenostjo bančnih delavcev, da pomagajo rešiti bančne težave (3.50). Na splošno so rezultati zaznanih spremenljivk precej usklajeni; edina izjema pa je spremenljivka, ki se nanaša na internetno bančništvo (4.02). Omeniti velja, da so anketiranci najmanj zadovoljni z mesečnimi honorarji (2.32), zato bi morale banke resno upoštevati mesečne stroške, kadar zadevajo mlajšo populacijo.

Demografske razlike so bile prikazane z ANOVA tabelami. Raziskoval sem v kolikor obstajajo razlike v mnenju anketirancev o pomenu bančnih storitev in tudi stopnjo zadovoljstva z njihovo sedanjo banko, glede na: starost, kraj bivanja, zakonski stan in višino dohodka. Rezultati kažejo, da se ključne statistične razlike glede razlike v starosti ne pojavljajo. V zvezi s krajem stalnega prebivališča je mogoče opaziti pomembne statistične razlike glede lokacije bančnega objekta, pomena storitve pomoči strankam v banki in pomena bančnih storitev. To pomeni, da anketiranci, ki živijo v Ljubljani, nimajo enakih pogledov na raziskovane spremenljivke kot posamezniki, ki živijo v drugih mestih, in menijo, da so te spremenljivke pomembnejše kot to menijo prebivalci, ki živijo v manjših mestih. Analiza dalje kaže, da obstajajo razlike v odgovorih na zaznano pomembnost lokacije bančnih objektov v zvezi z zakonskim stanom anketirancev: pojavlja se 5% odstopanje odgovorov med posamezniki, ki so samski in temi, ki so v zakonu. Anketiranci, ki so samski, navajajo, da je pomen lokacije bančnih objektov manj pomemben kot poročeni anketiranci. Zdi se, da tudi dohodek bistveno vpliva na odgovore anketirancev o raziskovanih spremenljivkah. Pomen lokacije bančnih objektov je manj pomemben za anketirance, ki imajo dohodke v višini 500-1000 kot za tiste, ki imajo dohodke v višini 1000-1500. Anketirancem z nižjim dohodkom so bančne storitve manj pomembne. Med drugimi se ključne razlike ne pojavljajo. Anketiranci z dohodkom v višini 0-500 so manj zadovoljni s storitvijo pomoči strankam kot tisti z dohodkom v višini 1000-1500. Med drugimi anketiranci ni razlike.

Na koncu bi nekatere smernice za nadaljnje raziskovanje vključevale razširitev vzorca, s čimer bi bili rezultati bolj nazorni, na primer s širšim spektrom regij, dohodkov in stopnjo izobrazbe ter razširitvijo študije, ki bi vsebovala primerjalno perspektivo.

Appendix 2: Questionnaire

I am conducting research on the quality of banking services in Slovenia. I would appreciate your input on the following questions regarding the quality of service of your own bank. The survey should only take around 10 minutes, and your responses are completely anonymous. You can only take the survey once, but you can edit your responses. This questionnaire is intended for people in the range of ages from 16 to 35. If you have any questions about the survey, please email me: ivankos@live.com. Your answers are anonymous and will only be used for this survey.

I really appreciate your input!

Thank you,
Ivan Kos

1. **Do you currently own a banking account?**
   a) yes
   b) no

If the answer is NO, please answer the following questions using the scale:
1-completely disagree; **2**-somewhat disagree; **3**-neither agree nor disagree; **4**-somewhat agree; **5**-completely agree; **6**-not applicable

2. **Why don't you have a banking account?**

I don't have time to get an account	1 2 3 4 5 6
I don't need an account since I don't have any income	1 2 3 4 5 6
I don't need an account since I don't have bills to pay	1 2 3 4 5 6
I prefer to deal with cash	1 2 3 4 5 6
I don't trust banks	1 2 3 4 5 6
It seems too complicated to operate an account	1 2 3 4 5 6
I have a procuration to my parents account	1 2 3 4 5 6
Other: _____	

3. **How often do you use on line banking services?**
   a) never
   b) a few times per year
   c) every few months
   d) twice per month
   e) twice per week
   f) daily

4. **How often do you use face to face banking services (personal visit to the bank)?**
   a) never
   b) a few times per year
   c) every few months
   d) twice per month
   e) twice per week
   f) daily

5. **Did you previously have an account with a different bank?**
   a) yes
   b) no, this is my first bank account

6. **If you previously owned an account why did you switch banks? Please select the reasons below (multiple answers possible):**
   a) lower monthly fee
   b) better online/mobile banking options
   c) closer proximity of bank to my house/work
   d) unhappiness with the customer service at my previous bank
   e) other _____

7. **Do you currently have any additional bank accounts in other banks?**
   a) no, I just have this one bank account
   b) yes, in one other bank
   c) yes, in two other banks
   d) yes, in more than two

8. **Please state your agreement or disagreement with the following statements using the scale: 1**-completely disagree; **2**-somewhat disagree; **3**-nither agree nor disagree; **4**-somewhat agree; **5**-completely agree; **6**-not applicable

I would consider switching banks if a new bank offered a lower/free monthly fee.	1	2	3	4	5	6
I would consider switching banks if I was disappointed in my own bank's customer service.	1	2	3	4	5	6
I would consider switching banks if the online/mobile banking option was better in the new bank.	1	2	3	4	5	6

9. **How would you rate your attitude towards changing the bank you are currently using?**
   a) I am considering changing my bank
   b) I would consider changing my bank, if I found a better bank.
   c) I am not considering changing my bank.

10. Please rate the importance of the following bank features for you: 1-not important at all; **2**-somewhat important; **3**-neither important nor unimportant; **4**-somewhat important; **5**-very important; **6**-not applicable

BANK FACILITIES

Proximity of banks in the town/ village I live in	1 2 3 4 5 6
The interior design of the bank premises I most frequently use	1 2 3 4 5 6
Banks facility opening hours	1 2 3 4 5 6
Employees appearance, dress code and cleanness	1 2 3 4 5 6
Banks off line security	1 2 3 4 5 6
Monthly fee	1 2 3 4 5 6

CUSTOMER SERVICE IN THE BANK

The speed with which bank employees solve my banking problem	1 2 3 4 5 6
Waiting time in the banks	1 2 3 4 5 6
Promptness of employees handling requests	1 2 3 4 5 6
Promptness and accuracy of bank statements	1 2 3 4 5 6
Bank employee's knowledge about the services they provide	1 2 3 4 5 6
Bank employees recognize me as a valued customer	1 2 3 4 5 6
Willingness of bank employees to provide individual attention to me	1 2 3 4 5 6
Bank employees are meeting my responsiveness expectations	1 2 3 4 5 6

BANK ONLINE SERVICES

Online banking interface	1 2 3 4 5 6
Banks on line security	1 2 3 4 5 6
Design of credit cards	1 2 3 4 5 6
Provided financial services/packages for younger population	1 2 3 4 5 6

OTHER

National origin of the bank	1 2 3 4 5 6
Reputation of the bank/ Word of mouth	1 2 3 4 5 6
My parents are using the same bank	1 2 3 4 5 6

Please rate your **satisfaction** with the following features regarding the bank **you are currently using**. If you are using multiple banks please rate the one you are using most

frequently. When answering the question about the bank employees please think of your own personal banker. In case you are not using the personal banker please rate the bank employees of the bank you are using in general: **1-**very dissatisfied; **2-**somewhat dissatisfied; **3-**neither satisfied nor dissatisfied; **4-**somewhat satisfied; **5-**very satisfied; **6-**not applicable

BANK FACILITIES

Proximity of banks in the town/ village I live in	1 2 3 4 5 6
The interior design of the bank premises I most frequently use	1 2 3 4 5 6
Banks facility opening hours	1 2 3 4 5 6
Employees appearance, dress code and cleanness	1 2 3 4 5 6
Banks off line security	1 2 3 4 5 6
Monthly fee	1 2 3 4 5 6

CUSTOMER SERVICE IN THE BANK

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Bank employees are meeting my responsiveness expectations	1 2 3 4 5 6

BANK ONLINE SERVICES

Online banking interface	1 2 3 4 5 6
Banks on line security	1 2 3 4 5 6
Design of credit cards	1 2 3 4 5 6
Provided financial services/packages for younger population	1 2 3 4 5 6

OVERALL SATISFACTION

My overall satisfaction with the service quality of my bank	1 2 3 4 5 6
My overall satisfaction with the bank	1 2 3 4 5 6

1. **Age** _____

2. **Gender:**
   a) male
   b) female

3. **City of current residence:** _____
4. **Nationality:** _____
5. **Highest level of education completed:**
   a) high school
   b) undergraduate
   c) graduate
   d) post graduate

6. **Marital status:**
   a) single
   b) cohabitating
   c) married
   d) divorced
   e) other

7. **Do you have kids?**
   a) yes
   b) no

8. **Net monthly income in € (after taxes):**
   a) 0-500
   b) 500-1000
   c) 1000-1500
   d) 1500-2000
   e) 2000-2500

If you have any additional thoughts or comments regarding your expectations or satisfaction with your banking experience, or which other services would you like to see your bank offering, that currently aren't offered, please feel free to write them here: