

Criteria for choosing banking services: gender differences in the university students' perspective

ABSTRACT

Purpose – The purpose of this paper is to investigate the criteria invoked by university students when choosing banking services and determine whether male and female students rate the importance of the various criteria differently. Design/methodology/approach – Data are gathered via a quantitative approach using a questionnaire, from 300 students of a public higher learning institution in the Federal Territory of Labuan, Malaysia. The students were all aged between 18 and 25 years old, and the data obtained are analysed using exploratory factor analysis and confirmatory factor analysis findings, prior to using Statistical Package for Social Sciences to conduct a multiple discriminant analysis. Findings – The multiple discriminant analysis revealed that bank services, people influence, electronic services, and banking security significantly affect students' decisions when choosing banking services, and that female students attach more importance to each of these factors than do their male counterparts. Practical implications – Banks as financial service providers should provide less complex and more user-friendly banking systems and services that require minimal mental and physical effort for students and should ensure their compatibility with students' banking norms and lifestyles. Originality/value – The identification of the most noteworthy criteria for choosing banking services, particularly accounting for gender differences among university students, provides information to banks that allows them to improve their standards of service, offer more attractive incentives and increase their visibility, thereby attracting and retaining customers.