

Perception of Post Graduate Students Regarding Banking Preferences - A Case Study of Faculty of Commerce and Management

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Abstract

Perception of knowledge, actual knowledge and behaviour regarding financial decisions of students has attracted a lot of attention due to the growing trend of capital needs of innovative as well as facilitating ventures. This is due to the expectation of rational channelization of funds / savings of the population (in case of India- young generation). This study investigates the bank selection criteria and inclination for usage of various secondary services extended by banks among students who are studying subjects like financial services, banking, at their post-graduation or those who have attained education in commerce field. The attempt of this analysis is to determine the link between financial knowledge acquired by post graduate students over the years and feasible behaviour in their real world by evaluating their daily practices, use of different banking services, investment patterns at a smaller but regular scale. Present study was carried out by conducting a survey among 60 respondents. Tools like factor analysis, chi square analysis and survey method were used to answer the three objectives of the study.

Keywords: Banking Selection Factors, Banking Services, Commerce, Financial Education

Introduction

India is the second most populated country in the world with nearly a fifth of the world's population (as of July 2016). India is projected to be the world's most populous country by 2022. India has more than 50% of its population below the age of 25 and more than 65% below the age of 35. Therefore, the young generation serves to be the most important sector contributing towards investment and therefore contributing towards overall growth of the country's economy. Banks and other financial institutions facilitate effective mobilisation of savings and direct the same into productive channels. This stresses on the aspect of an important link between the students and the use of their financial education in expectation of feasible and ration decisions relating to banking services, use of secondary services for building investments, etc.

Despite the fact that substantial proportion of Post graduate students are unemployed (while they engaged in full time university course) and their 'earning' comes mainly from educational loans, pocket money, etc, which provides an excellent business opportunity for banks in which the students hold their accounts.

This paper focuses on banking selection criteria and use of secondary services of banks among the students who are studying subjects like financial services, banking, at their post-graduation or those who have attained education in commerce field, restricting to the population of commerce graduates of Faculty of commerce and management (GOA University). The banking sector is one of the fastest growing sectors in India. Banking is highly customer oriented industry. Presently India has 21 public sector banks which include 19 Nationalized Banks and the State Bank of India group (which includes Bhartiya Mahila Bank). Private sector banks are licensed to operate in India under Banking Regulation Act, 1949, other than Urban Co-operative Banks, Foreign Banks and banks established under specific Statutes. Private Banks have played a major role in the development of Indian banking industry. They have made banking more efficient and customer friendly, also forced the public sector banks to improve their service quality.

Banks provide different type of services, ranging from opening of a savings account, current account, internet banking facilities, consultancy services, locker facilities, investment avenues (Mutual funds, NPS, PPF, etc).

Commerce teaches students about the return on investments, government provides educational loans to students, easy terms and conditions of mutual fund schemes and forums like SIP etc are prevalent but do the students actually make use of it? Basic financial concept of Return on investment is attempted for several marks in examinations but are students applying it in analysing the interest on their savings account or any other form of investment like Fixed Deposits, Recurring Deposits, and Mutual funds etc. Through this study an attempt is being made to collect the opinions of students who are studying subjects like finance, banking, capital markets etc at their post graduation or those who have attained education in commerce field at their graduation level.

Literature Review

In the present research literature from various research papers was referred specially in areas like financial literacy among college students, banking selection criteria by customer, etc. The scope of our study is narrowed to only banking literacy and that too among students pursuing post-graduation in Goa University.

There has been adequate research earlier on two of the objectives considered in our study but the distinctive feature of our study is its population and third objective.

(Pamela M. LaBorde, Sandra Mottner and Pamela Whalley, 2013) There is substantial evidence that financial literacy is lacking at many levels. This paper focuses on the financial literacy of college undergraduates. While not a new

topic of investigation, this research augments existing literature by comparing students' perception of knowledge, actual knowledge and behaviour regarding financial decisions. The purpose of the study is to build an understanding that will aid in the structure and content of curriculum for college students that will best meet their needs during college as well as after graduation. Differences with respect to variables such as gender, age, and major area of study (among others) are also investigated. Findings reveal that perception of knowledge was greater than actual knowledge, but differed by type of financial knowledge. There are also significant differences between age groups and college major, but most notably, a wide gap are found in the level of knowledge by gender.

(Roseanne Dsouza, Subhash Pillai, Ruey Chen and Klaus Weiermair, 2016-2017) Service quality leads to customer satisfaction, and ensuring that customers are getting satisfied is one of the critical factors that lead to the success of any business. Since banking is a customer oriented industry, banks have begun to realize the importance of satisfying their customers in order to retain existing customers as well attract potential customers. Existing studies revealed that study on customer service quality in banking sector has not been done in Goa. Present study was carried out by conducting a survey among 300 respondents. The result revealed that no significant difference between customers of public and private sector banks with respect to gender, marital status, location and account type except for age, income and occupation. Six factors were identified that influence the choice of banks, viz., value added service, responsiveness, accessibility, services assured, bank charges, and convenience. Moreover, for majority of factors there exists a difference between factors considered by customers of public and private sector banks across their demographic profiles. And finally customers are not satisfied with the services provided by public as well as private sector banks as gap is negative for most of the SERVQUAL variables under consideration.

(Safiek Mokhlis, Nik Hazimah Nik Mat and Hayatul Salleh, 2008) Although retail bank patronage have been a topic of interest to marketing researchers since late 1960s, the attraction between banks and undergraduate segment has received little interest from marketing academics. This paper analysed the factors considered important by undergraduates in Malaysia in selecting a bank and to examine whether undergraduates constitute a homogeneous group in relation to the way they select a bank. Results of the factor analysis for the total sample indicate that the bank selection decision is based primarily on nine selection criteria. 'Secure feelings' was the most important factor in influencing the students in selecting a bank. 'ATM service' was the second prioritized factor followed by 'financial benefits'. The next three criteria, ranked fourth, fifth and sixth, respectively, were 'service provision', 'proximity' and 'branch location' that can be grouped as moderate factors. By contrast, the students considered 'non-people influential', 'attractiveness' and 'people influences' which were ranked seventh, eighth and ninth, respectively, did not play significant roles in influencing their decision in selecting the bank. It is interesting to note that the responses did not constitute a homogenous group since gender, stream of study; ethnicity and

number of saving accounts held produced different prioritized factors in bank selection.

(A Sajeevan Rao and R K Sharma,, 2010)This paper presents the factor influencing the choice criteria in respect of selecting a bank by MBA students. In particular, it finds those criteria, which have become significantly important in motivating the choice. A quantitative methodology, using responses given by three hundred and twelve students, is employed in the analysis. Findings show that reliability is a significant choice criterion, which includes employee's courtesy, parking facility, loyalty programs, brand name, security system and low charges with the bank. Other factors, which have also increased in importance are the responsiveness, value added services and convenience. Assurance factors, such as speedy services, good rate of interest and zero balance account facility are also significant in importance in motivating choice of a bank.

Objectives of the Study

- 1) To study whether gender, age, education, and source of income have an influence on selection of type of bank.
- 2) To study the factors considered by the students from Faculty of Commerce, Goa University while choosing a particular Bank.
- 3) The study also tries to determine the opinions of commerce graduates with respect to awareness and usage of banking services.

Hypothesis

Student Profiling

The students may not require all the services, i.e., does not require more sophisticated financial services as generally most of the student's banking needs are very much limited. Further, students require banking services in that area which he lives or works for his livelihood. The students come from all classes of society, belong to different age groups, and have different graduation background. They are differentiated based on their current stream of studies, their source of income. Different students require different services and have different mind sets towards the selection of banks. Thus it is important to study whether the demographic characteristics of the students under consideration result in significant difference between selections of the type of bank.

For this purpose hypothesis has been formulated

Ho; There Is No Significant Relationship Exists between the Demographic Profiles (Gender, Age, Education Qualification, source of Income) on Selection of type of bank (Public, Private sector and cooperative bank).

Motivation for choosing a Public or Private Sector Bank

Several factors influences customers while selecting a bank and considerable attention has been shown by researchers abroad in identifying those factors. Factors contained in this study are more specific to those that would be considered by students in choosing the bank based on their needs and judgement.

Ho; There is no significant difference between factors with respect to Demographic variables while selecting (a) public sector, (b) private sector, or (c)Any bank

Research Methodology

A random sample of commerce graduates from Faculty of Commerce, Goa University has been selected, a structured questionnaire has prepared. The methodology adopted for the present study as follows:

Data Source

The study is based on the primary data collection. Very less secondary data has been used for the study.

Research Instrument

The questionnaires were divided into three sections to fulfil our two objectives. The first section of the questionnaire tried to assess few demographic characteristics of the students. The second section of the questionnaire tried to analyse the opinions of the students on their usage of secondary banking services in line with their financial education with the help of 25 objective questions (with some degree of open ended options). The third section of the questionnaire was factors affecting selection of banks, consisted on 15 statements, and respondents were required in indicate the factors they consider before choosing a bank on a 5 point Likert scale, where 1 indicates strongly disagree and 5 indicates strongly agree.

Period of the Study

The present study was carried on for a period of two and a half months and data has been collected in a time frame of first 2 weeks in the month of august.

Tools for Analysis

Tools like Likert scale and Factor Analysis, Chi-square testing method, charts and Graphs in the Microsoft Excel. Questionnaire has been circulated with the help of Google forms.

A chi-square test also referred to as χ^2 test. Chi-squared test are often constructed from a sum of squared errors, or through the sampling variance. Test statistics that follow a chi-squared distribution arises from an assumption of independent normally distributed data. A chi-square test can then be used to reject the hypothesis that the data are independent.

Factor Analysis To examine all variables simultaneously, factor analysis is used. Factors are extracted using Principal Component Analysis. It simplifies data by reducing large number of variables to a set of small number of variables. It analyses the interdependence of interrelationships among a total set of variables.

Sampling Design & Sample Size of the Study

The study uses cluster sampling method, where in the total population (480 students of Faculty of commerce and management, Goa University) were divided into 4 clusters (MBA, IMBAS, MBA-FS & MCOM) and from each cluster a random sample of 15 students was drawn.

Limitations of the Study

1. The study is confined to the state of Goa and only to the students of Faculty of commerce and management, Goa University due to the requirement of population of commerce graduates and students pursuing studies in the field of finance and management.
2. Time and cost were other limitations too because the study is primarily based on primary data conducted with the help of a questionnaire survey

Analysis and Discussion

Presentation of Responses

Does the sample under study have Bank accounts? For how long they have had bank account(s)?



Figure 1

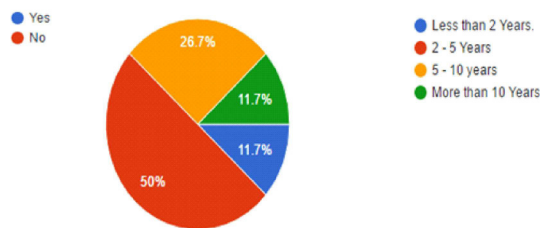


Figure 2

It was good to know that all of the 60 respondents i.e. 100% have bank accounts. Around 50% (30 out of 60) respondents (96.7% of which are of age group 20-25 years) have their bank accounts operational for the time frame of 2-5 years now. A good sign which indicates contribution of even student segment towards increased saving thereby towards capital formation in the economy.

Type of Account held by the Sample Respondents

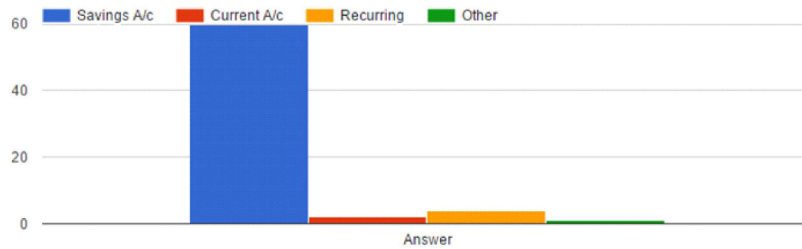


Figure 3

100% of the respondents have a Savings Bank Account. Current accounts are generally chosen by businessmen due to the said advantages of its type for the transactions. A very small portion i.e. (2/60) 3.33% of the students have current accounts along with their savings bank account, which signals either the decision of secondary account or use for genuine business purpose by students. About (4/60) 6.67 % of the respondents have recurring deposit account.

Choice of Bank

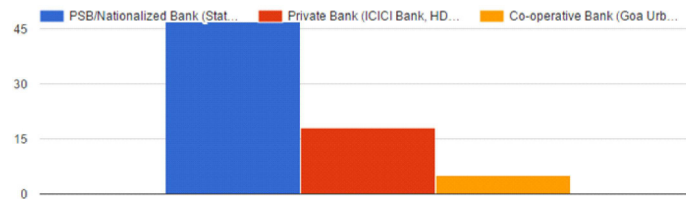


Figure 4

65% of the respondents have bank accounts in PSBs, 16.67 % of the respondents have only Private Bank accounts and only 3% of the respondents have only Co-operative Bank A/c's. 10% of the respondents had both PSB & Private Bank A/c's and various other combinations have approx 5% share. Choice of respondents is influenced by various factors, discussed in the later part.

Influential Characterstic in Selection of the Bank

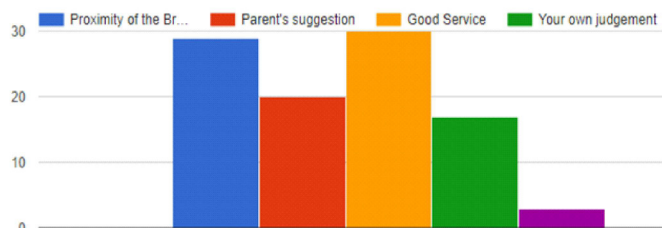


Figure 5

Good service (50%) and Proximity of the branch (48.33%) seem to be the most influential characteristic in selection of banks, obviously due to convenience and service utility. Marketing influence of banks did not succeed to strongly influence that many students. But parents suggestion seemed to be overpowering student's personal judgement.

Most Valued Attribute of the Bank.

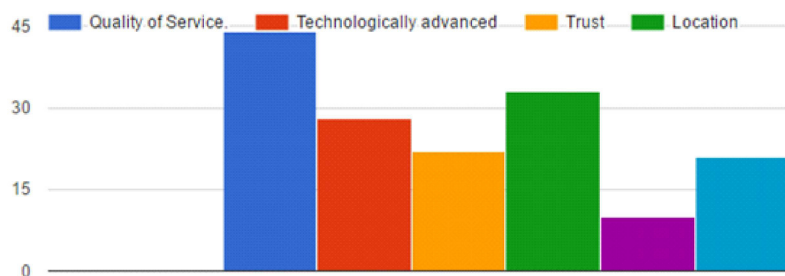


Figure 6

Banking is a customer oriented service industry, hence it is quality of service that is most valued even by majority (44/60 i.e. 73.33%) of the students, signifies rational behaviour of students. Around (19/60) i.e. 31.67% of the students have selected all the attributes addressing all of them important for their banking activities.

Do you visit your Branch for transactions on your own?

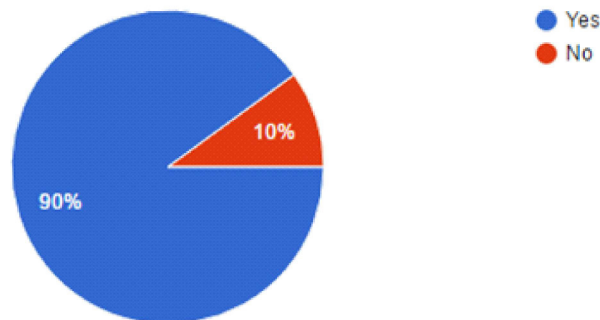


Figure 7

Level of Awareness on various Banking Services

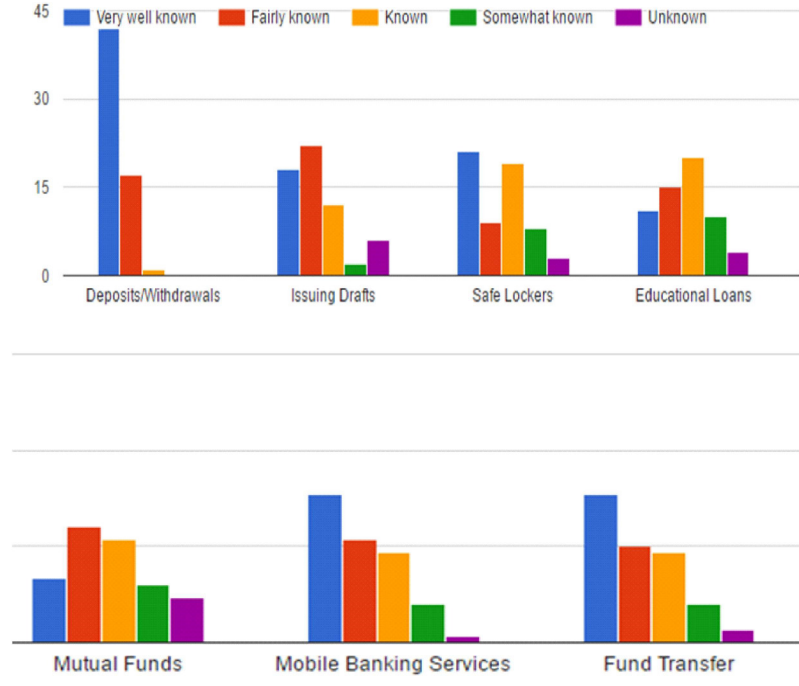


Figure 8

As is demonstrated from the responses people are very well aware about Deposits/ Withdrawals, Mobile Banking Services, Fund Transfer, Safe Lockers. However services related to Issuing Drafts, Mutual Funds and Educational Loans are comparatively lesser known.

Most Influential Factor to use the New Techniques in Banking

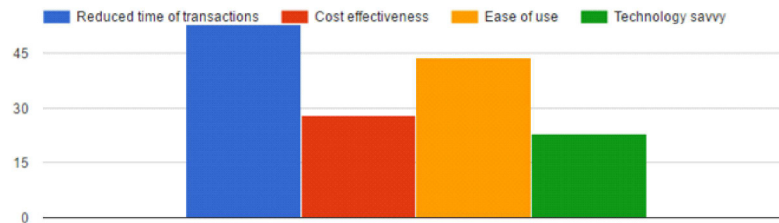


Figure 9

Technology is an important link that would keep students engaged in banking services and conveniently execute all transactions may it be college related or personal savings.

How frequently do you use the following Banking Services in a month?

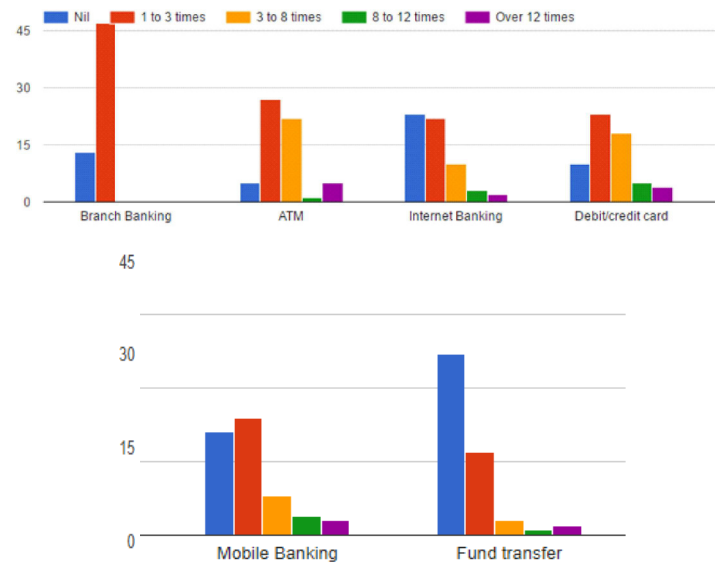


Figure 10

The above responses suggest that:

Branch Banking is still used by many respondents but the no of visits are maximum thrice in a month which suggests that more cashless transactions are being undertaken. ATM is one of the most used Banking service followed by Debit/Credit Card. However there are still few people who are averse of Internet Banking, Mobile Banking and Fund Transfers as there seem to have been many respondents who don't opt for such services.

Medium used most frequently to Transfer Funds

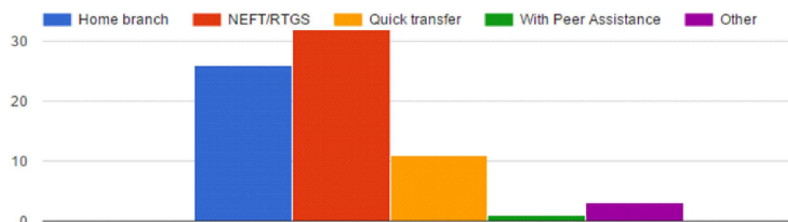


Figure 11

It was good to infer that only 1 out of 60 i.e. (1.67%) of the post graduates rely on peers for carrying out transfer of funds. This definitely adds to our expectation of adequate knowledge of students in terms of essential banking services.

Use of Credit Cards

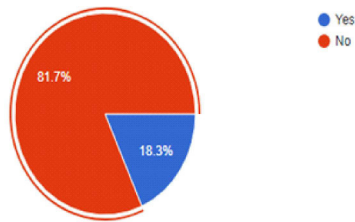


Figure 12

Reason for Not Using Credit Cards

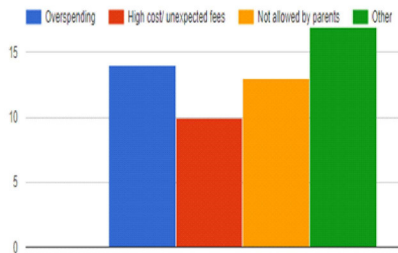


Figure 14

Source of Income

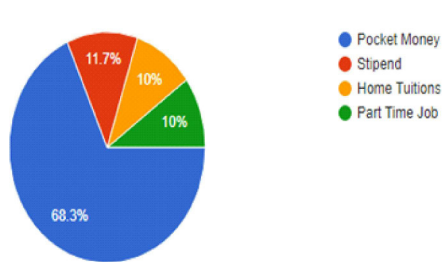


Figure 13

Reasons for using Credit cards

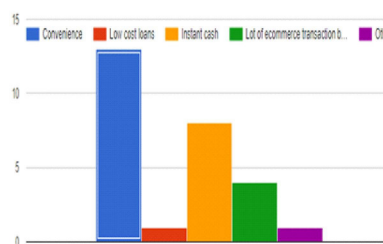


Figure 15

The respondents did not specify exact reason for not using credit cards. To infer as researchers, we can relate it to their source of income i.e. majority of the students depend on pocket money. The small count of students i.e. 18.3% who use credit cards due to reasons like instant cash, convenience also highlights unpopularity and hesitation towards credit cards.

Loan Services availed by Students

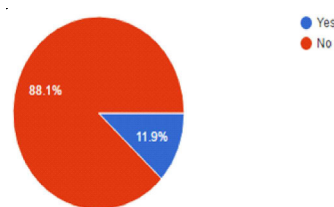


Figure 16

Type of Loan availed by Students



Figure 17

Out of the 11.9% of the respondents who have availed Loans, 5 respondents have opted for Vehicle Loans followed by other types of loans and just 1 out of 60 respondents has opted in for Educational Loan. Education loans with interest rate benefits is very beneficial for students when it comes to meeting education fees, and ancillary expenses, but this off putting ratio of educational loans raises questions like; are students(especially those of MBA and MBA-FS) calculative about the investment they make for their education? Are they employing family funds and are unaware of the benefits of taking up an education loan responsibly?

Did the Students do any Comparative Study (among Banks) before going for the loan?

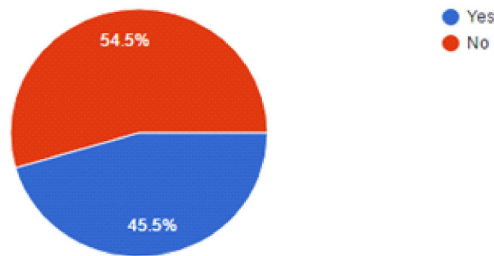


Figure 18

Most Preferred Medium of Operation for carrying out Banking Activities

The respondent's prefer visiting Branches majorly for opening an Account, Bank Transfers & for Savings. Payment of bills, check on bank balance/statements and Bank transfers is mostly done by the way of online banking. This is t because of the hand on technology which is evident through earlier questions asked to respondents. Another prominent aspect is students depending on others for performing activities like payment of bills (28.33%), checking bank statements (13.33%) , opening of bank account (5%), bank transfer(20%). Around 42 % of students depend on others for planning and making investments. This number is higher than the students doing it by themselves through visiting the branch or online banking.

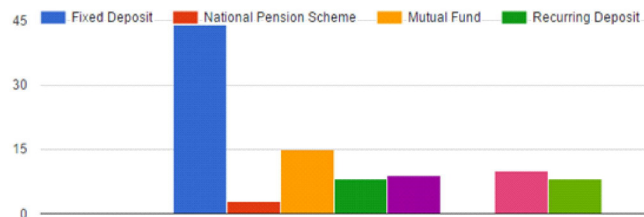


Figure 19

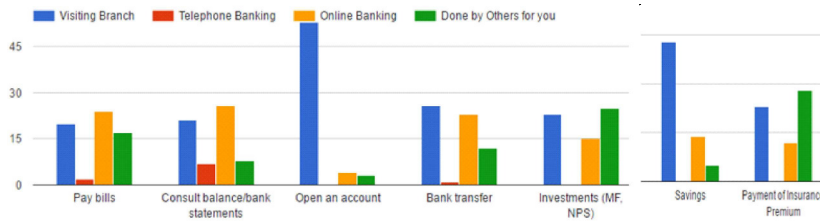


Figure 20

Investments made by Students Individually or along with their Family Members

Most of the respondents (73.33%) have made investments in Fixed Deposits. Looking at their income source, it is directive towards these fixed deposits being family investments. Mutual Funds are the next most preferred outlet for investments. The new avenue of gold monetisation scheme did not seem to be appealing to the students and their family.

Do you favour Cashless Economy ?

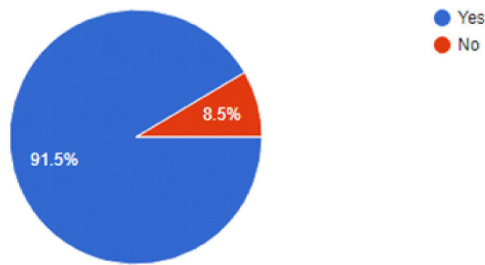


Figure 21

Percentage of transactions that constitute Cashless Method

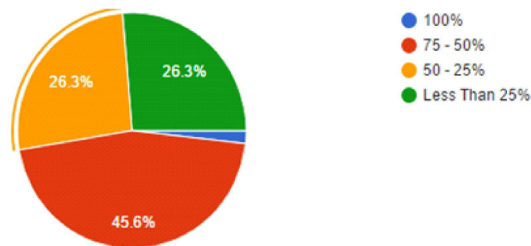


Figure 22

Even after the demonetisation regime and so many cashless interface systems being developed, still there are people who are not in favour of a cashless

economy. It is surprising to see that students belonging to commerce background or those studying finance at their post graduation are discouraged to favour cashless economy even after knowing the link between growth of cashless transactions and growth of overall economy.

Purpose of using Cashless Interface and mode for executing Cashless Transactions

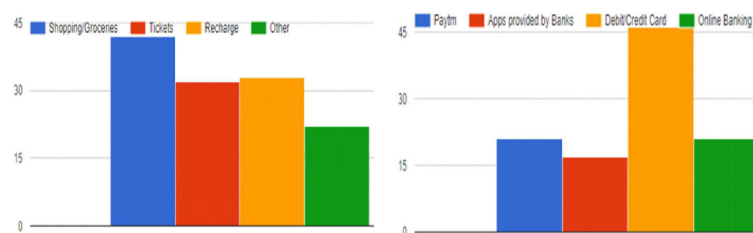


Figure 23

Reason for using Cashless Mode for Transactions



Figure 24

Busy schedule and increasing theft issues have given way for cashless system leading to a lot of convenience for the students.

Chi Square Analysis

The demographic variables considered for this research include age, gender, education, source of income. This data has been analysed using χ^2 tests to know the effect of these variables on the choice of the banks, i.e., Public, Private or Co-operative Banks.

To be tested at 5% level of significance. A p-value of less than 0.05 indicates that there is a significant difference exists between the choices of 3 types of banks.

Table 1. Result Of Chi Square

Demography		χ^2 value (p)	Type of bank													
			Public		Private		Co-op		Public & Co-op		Private & Co-op		Public & Private		All	
			#	%	#	%	#	%	#	%	#	%	#	%	#	%
Gender	Male	6.912	6	15.4	3	30	1	50	0	0	0	0	2	33.3	1	100
	Female	0.329	33	84.6	7	70	1	50	1	100	1	100	4	66.7	0	0
Age	Upto 20yrs	5.599	1	2.6	0	0	0	0	0	0	0	0	0	0	0	0
	20-25yrs	0.935	38	97.4	9	90	2	100	1	100	1	100	6	100	1	100
	25-30yrs		0	0	1	10	0	0	0	0	0	0	0	0	0	0
	30 & Above		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Education (PG)	MBA-FS	32.636	9	23.1	0	0	0	0	0	0	0	0	3	50	0	0
	MBA	0.001**	3	7.7	8	80	1	50	0	0	0	0	2	33.3	1	100
	MCOM		27	69.2	2	20	1	50	1	100	1	100	1	16.7	0	0
Graduation	Science	16.245	0	0	3	30	0	0	0	0	0	0	0	0	0	0
	Commerce	0.18	38	97.4	7	70	2	100	1	100	1	100	6	100	1	100
	Arts		1	2.6	0	0	0	0	0	0	0	0	0	0	0	0
Source of Income	Pocket Money	25.844	27	69.2	7	70	1	50	0	0	1	100	5	83.3	0	0
	Stipend	0.103	5	12.8	1	10	0	0	0	0	0	0	0	0	1	100
	Home Tuitions		5	12.8	0	0	0	0	1	100	0	0	0	0	0	0
	Part Time Job		2	5.1	2	20	1	50	0	0	0	0	1	16.7	0	0

*p<0.05; ** p<0.01; ***p<0.001(The values highlighted in red represent the p- values)

In case of Gender , p-value is 0.329 which is more than 0.05, which means there is no significant difference between Gender with respect to selection of type of bank ($\chi^2=6.912, p > 0.05$), we accept the Null Hypothesis and reject the Alternative Hypothesis. About 66.7 % of female students hold accounts in public sector and private sector banks and 84.6% of male students hold an account in public sector banks only.

In case of age, p-value is 0.935 which is more than 0.05, which means there is no significant difference between Age with respect to selection of type of bank ($\chi^2=5.599, p > 0.05$), we accept the null hypothesis and reject the alternative hypothesis. About 97.4 % of the students which represent the age group of 20 - 25 years have bank accounts in public sector banks.

In case of education (graduation) p-value is 0.18 which is more than 0.05, which means there is no significant difference between source of income of students with respect to selection of type of bank ($\chi^2= 16.245, p > 0.05$), we accept the null hypothesis and reject the alternative hypothesis. Majority of the commerce graduates have accounts in public sector banks compared to only 2.6% of accounts in PSBs of arts stream graduates. Science graduates under consideration have their accounts only in private sector banks.

In case of education (post-graduation) p-value is 0.001** which is more than 0.05, which means there is a significant difference between post-graduation streams of students with respect to selection of type of bank ($\chi^2= 32.636, p < 0.05$), we accept the reject null hypothesis and accept the alternative hypothesis. Hence, there is an association between the 3 streams of post-graduation on selection of the banks.

In case of source of income, p-value is 0.103 which is more than 0.05, which means there is no significant difference between Age with respect to selection of type of bank ($\chi^2= 25.844, p > 0.05$), we accept the null hypothesis and reject the

alternative hypothesis. Major customers for private banks (83.3%) and public sector banks (69.2) are those students whose source of income is pocket money.

Factors Influencing Student's Perception towards Selection of Type of Banks

For the purpose of finding the factors influencing the student perception towards selection of type of bank, factor analysis is used as a technique. The data was collected by survey method. The second section from the questionnaire included these variables. Likert scale is used where 1=Strongly Disagree, 2= Disagree, 3= Neutral, 4= Agree, 5= Strongly Agree.

The factor analysis helps in the reduction of data. The variables were classified under factors based on the highest loadings. In factor analysis there are various rotation methods. Rotation methods help in putting the data into simpler form. The most common rotation method is the Varimax rotation.

Principal component method of extraction is the most common method used for extracting the factors. Eigen value explains how much of the variance can be explained by the factor. Any factor with Eigen value greater than 1 is acceptable. Those with Eigen value less than 1 are generally discarded. The relationship of each variable to the underlying factor is expressed by the factor loading. The variable with highest loading is considered to be desirable. The total variance explained by the factors is also considered at Eigen value greater than 1. Also KMO and Bartlett's test is useful in understanding whether the data is suitable for running factor analysis.

There after reliability analysis was conducted based on Cronbach's alpha to know the reliability of the constructs. KMO test of adequacy and Bartlett's test of Sphericity is carried out for the acceptability of data for factor analysis. The reliability of the factors is identified using cronbach's' alpha. The factors extraction is done with Eigen value greater than 1. The post survey data was analysed and all the variables were then classified into 3 factors. The resulting factors were then named as F1: service utility and convenience, F2: value - added services, F3: Relative utility among banks. The overall reliability of the 15 variables gave a satisfactory value, which is considered as acceptable (α) = 0.893. Individual factor reliability was also found acceptable, as highlighted in the table below.

Also, KMO Measure of Sampling Adequacy showed 0.797 which indicates that the data is sufficient for exploratory factor analysis. The 3 factors explained 64.588 % of the total variance which is considered as acceptable.

Table 2. Result of Factor Analysis

Factor analysis (n=15)	F1	F2	F3
Cronbach's Alpha (α) = 0.893			
F1: service utility and convenience ($\alpha=0.911$)			
Bank has e-banking facility and rarely faces technical glitches	0.551		
The bank has debit card facility/ credit card facility with feasible terms & conditions	0.691		
Bank's ATMs are available at major locations (scattered)	0.834		
Convenient branch location	0.858		
Bank has several branches	0.855		
Infrastructure of the bank helps in quick transactions	0.797		
Knowledge, skill and expertise of staff	0.692		
F2: value - added services ($\alpha=0.799$)			
Employees in the banks are cooperative and helpful		0.635	
Bank has convenient overdraft facility		0.815	
Bank offers diverse type of loans along with quick sanctions & appealing terms & conditions		0.692	
Low service charges		0.515	
Bank has RTGS/NEFT facility (quality maintained by avoiding technical glitches)		0.656	
F3: Relative utility among banks ($\alpha=0.554$)			
The bank is a public sector bank / nationalized bank			0.548
The bank is a private bank			0.747
The bank is a cooperative bank			0.769
KMO	0.797		
Eigen Value	6.611	1.666	1.411
Variance	44.075	11.106	9.407
Total variance	64.588		

Findings and Conclusion

Finding

1. In case of, gender, age, education (graduation), source of Income there is no significant relationship exists between the mentioned groups on selection of type of banks.
2. In case of post-graduation it shows there is association between the post graduate streams on selection of type of banks.
3. The results of factor analysis indicate that three factors are identified at the factor extraction stage, service utility and Convenience, value - added services & Relative utility among banks.
4. Also, the KMO Measure of Sampling Adequacy showed 0.797 which indicates that the data is sufficient for exploratory factor analysis. The 3 factors explained 64.588 % of the total variance which is considered as acceptable.
5. These are discussed above individually for each question through descriptive analysis. Responses collected from students resulted in diverse viewpoints with respect to importance of various services of banks, integration of technology in Banking, use of investment avenues by students, and their perception about overall effectiveness of Banking system.

Conclusion

The banking sector is one of the fastest growing sectors in India. Banking is highly customer oriented industry. In this study we narrowed the customer base so as to focus on post graduate students as banking customers and interpret their perception towards choice of banks, opinion regarding usage and of services like credit card, fund transfer etc and also the quantum banking activities carried out by applying their knowledge.

There are many students who are still dependent on their peers for basic banking activities like opening bank accounts, fund transfers, availing education loans etc. Despite of being commerce graduates or we can finance pursuant are lacking in terms of planning and making investments in avenues extended by banks, about which they learn in their papers, classroom and these avenues are easily available with their banks.

Suggestion regarding increasing banking awareness would not work out. This is because if commerce and finance stream students show such off-putting attitudes towards banking services then it shows that there is a huge gap between financial education acquired by them and rational application of it in their practical life.

Factor analysis was applied to judge the most influencing factors in choosing the type of banks. Students behaved in line with any other category of customers, expecting satisfaction of basic needs and delivery of good services by the banks.

Overall, it was satisfactory to know that at least all the students in our sample did have bank accounts and the level of awareness about banking services like

issuing drafts, educational loans, mutual funds etc was marked as very well known by majority of students. But as discussed above, knowledge alone doesn't result in effective behaviour; it requires timely and rational application.

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