

THE BANKS THROUGH THE EYES OF THE PUBLIC

EVALUATION OF CONSUMER RESEARCH

Ing. Jaroslav Belás, PhD.

The position of the banks in society or their perception through the eyes of the public is an important example of bank management. At present, it is clear that a significant part of the costs of banks is spent in the area of improving their image.

With the aim of mapping public views on the banking sector of the Slovak Republic, we worked out a public opinion survey at Alexander Dubček University in Trenčín. The preparation of the questionnaire, collection and evaluation of results was done in cooperation with students from the third year of the Faculty of Socio-Economic Relations.

The public opinion survey was carried out on a sample of 288 respondents with permanent residence in the eight regions of the Slovak Republic. The Trenčín region understandably had the greatest representation with 60%, while inhabitants of the Bratislava region were least represented with about 1%. From the total number of respondents, 59% were women and 41% were men, 50% were single, 44% married and the rest were divorced or widowed.

According to socio-economic parameters, 73% of the respondents were employed, while 25% were students, retired people, or self-employed, and the rest were unemployed. 45% of the respondents were aged under 30 and 41% were aged 30 to 50. 72% had secondary school education, and 42% had pay of 10-25 thousand Slovak crowns each month.

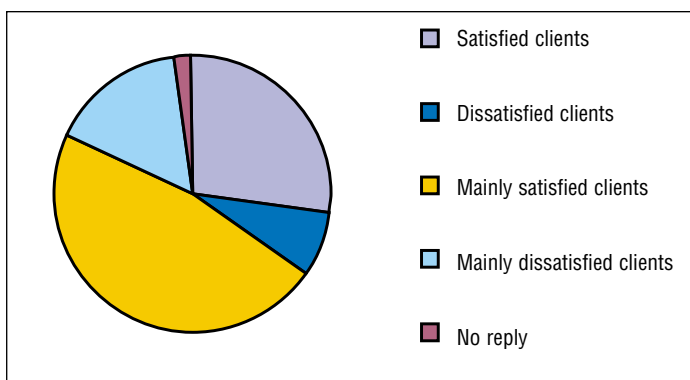
In the framework of obtaining results we also directed our attention to finding out the percentage of clients of Slovak banks. From the total number 97% respondents said they were clients of a bank 56% use the services of one bank, 30% use two banks, 8% use three banks and 6% use more than three banks. The reply of one respondent, who said he used the services of 7 Slovak banks, was rather curious.

We were interested in whether Slovak citizens are satisfied with the services of the banks, what they appreciate most in their activities, and what changes they noticed after the privatization of the banks in

Slovakia. The respondents, who were satisfied (79) or mostly satisfied (136), formed 75%, while 23% said they were not satisfied or more dissatisfied with the quality of bank services. The rest of the respondents did not reply.

The group of satisfied clients was mostly made up of women (67%), with men forming 33%.

Graph 1. The satisfaction of respondents with the quality of bank services



The group of men satisfied with the quality of bank services (below only „satisfied men“) was mostly made up of men paid 10-25 thousand crowns (65%), while 22% of the group of satisfied men earn more than 25 thousand crowns and 13% earn less than 10,000 crowns. We found very interesting results in the territorial division of the satisfied men, with 80% of the satisfied men having their permanent residences in the Trenčín region. In this context, it is necessary to note that 60% of all the respondents were from the Trenčín region.

From the total number of women satisfied with the quality of bank services (below only „satisfied women“), 39% earn less than 10 thousand crowns, 37% earn 10-25 thousand crowns and 4% earn more than 25 thousand crowns, while 20% of the satisfied women did not give their level of pay. Among men in this sub-group only 3 did not give their level of pay. There are also significant differences from the territorial point of view, since „only 48%“ of the total number of satisfied women came from the Trenčín region, while 15% came from the Trnava region and

13% from the Žilina and Banská Bystrica regions.

Up to 54% of the category of satisfied clients mentioned satisfaction with the accessibility of banking services, which we understood as a well constructed network of banking services, an adequate number of bankomats and accessible Internet-banking. 26% of the respondents mentioned as a reason for satisfaction the approach of the bank staff to clients. From the point of view of satisfaction, speed of service or price of products did not show significant trends.

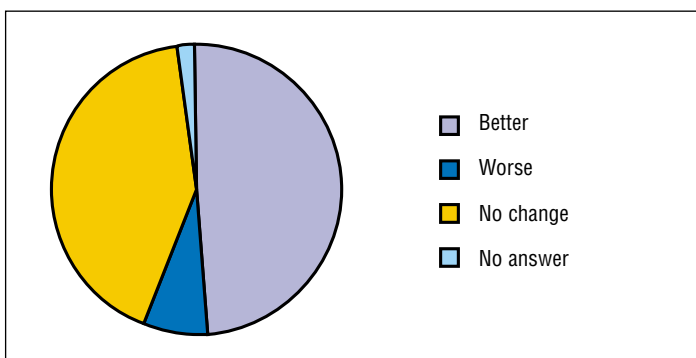
From the total number of clients dissatisfied with the quality of bank services, 78% were men and only 22% were women. 48% of the total number of dissatisfied clients earn 10-25 thousand crowns, 30% earn less than 10 thousand and the rest of the dissatisfied clients earn more than 25,000 crowns. Most of the dissatisfied respondents come from the Trenčín region (74%).

Respondents mentioned the price of bank services, including charges for service and interest payments, as the most frequent reasons for dissatisfaction. This reason was given by 68% of the dissatisfied customers, while 20% mentioned inadequate speed of banking services as their reason for dissatisfaction.

The Slovak banking sector has undergone significant changes in recent years, involving restructuring and privatization. We also took an interest in how the public perceives these changes. 49% of the total number of respondents answered that the activity of the banks has improved, 42% said they had noticed no change, while 7% said that the activity of the banks had worsened and the rest did not reply.

The respondents see the most significant improvement in the activity of banks in Slovakia in their widened range of banking products and services (32%) and improved accessibility (28%). Only 14% saw the most significant improvement in the area of quality, while 9% saw an improvement in the stability and trustworthiness of the Slovak banks.

Graph 2. Perception of the changes in the banking sector of the Slovak Republic



In the framework of our research into public views, we also asked about inadequacies in the activities of the Slovak banks. 38% of the respondents consider that the greatest inadequacy is the level of charges for bank products and services. 35% of the total number of respondents think interest rates on deposits should be higher, while 10% think the banks should offer more attractive products.

Conclusion

The aim of our research using a sample of 288 respondents was to find out the views of the clients of the banks operating in Slovakia on a range of issues now in the centre of attention of the expert public. Although it is impossible to expect that this research has the maximum value as evidence, some of its conclusions confirm the prevailing views of experts in the area of banking.

First of all, it is necessary to emphasize that there is general satisfaction with the quality of banking services provided today, since 75% of the total number of respondents expressed unambiguous or conditional satisfaction with their quality. The greatest public satisfaction prevails in the area of banking services and in the area of the approach of the bank staff.

The greatest dissatisfaction among customers of banks in the Slovak Republic relates to the area of the price of banking services. 68% of the respondents are not satisfied with the levels of charges and interest rates.

We found a relatively surprising answer to the question of whether the activity of the banks improved after privatization. In reply to this question, 42% of the total number of respondents said that they had not noticed any change, 49% see an improvement of the banks and only 7% think that the activity of the banks has worsened.

If we would like to imagine a typical respondent to our research, we could describe her as follows: a single employed woman aged up to 30 with completed secondary school education and pay of over 10,000 crowns. Her permanent residence is in the Trenčín region, she is a client of one bank and is satisfied with its services. She most appreciates the accessibility of banking services and is least satisfied with the cost of banking products and services. She thinks that after the privatization of the banks, the situation has improved, because the number of banking products and services has increased. The level of charges for the services of Slovak banks is her greatest reservation.