

**A COMPARATIVE STUDY ON THE EFFECTIVENESS OF
PERSONAL BANKING SERVICE BETWEEN STATE AND
PRIVATE BANKS IN KANDY DISTRICT**

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2009

ABSTRACT

Personal banking refers to banking in which banking institution execute transactions directly with consumers, rather than corporation or other banks. Services offered include savings and checking accounts, mortgages, personal loans, debit cards and credit cards. The banking system in Sri Lanka has been greatly expanded and strengthened in the last few years.

This research was conducted to identify whether there is any gap of effectiveness of personal banking service between state banks and private banks in Kandy district. Therefore, based on that this study found out the differences in the seven variables between state banks and private banks.

The variables include in this study were product, price, place, promotion, people, process and physical evidence. To measure these variables, data were collected from a sample of hundred customers from the Bank of Ceylon and Commercial Bank. Using proportionate stratified sampling techniques. The collected data were analyzed using the univariate analysis method. The data collected were presented in the form of tables and bar charts. The data were gathered to analysis using Microsoft package Excel 2003. The findings show that, most of the respondents were stated Commercial Bank is providing satisfied level of personal banking service while Bank of Ceylon is providing moderate level of personal banking service in Kandy district.

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