

## **Determinants of Customer Satisfaction in Banking Sector: Evidence from People's Bank, Kurunegala District**

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### **ABSTRACT**

**Purpose:** Customers have become the lifeblood of any organization. Customers are the source of banks' profitability. By satisfying the customer, the bank is able to retain the customer and reap maximum benefits from the relationship which ultimately leads to higher profitability. The objective of this study is to determine the factors that affect customer satisfaction in banking sector of Sri Lanka

**Design/methodology/approach:** Data were collected using structured questionnaires from 333 randomly selected samples of customers who deal with Peoples bank Kurunegala District. The data were analyzed using Descriptive statistics, Pearson correlation analysis, and Regression with the support of SPSS version 26.0. The normality test, ANOVA analysis, and factor analysis were carried out.

**Findings:** This study used, four independent variables (branch appearance, branch staff, internet and mobile banking and service factors) and dependent variable was customer satisfaction. The study establishes branch staff, internet and mobile banking, and service factors significantly affect customer satisfaction. But branch appearance does not have a significant impact on customer satisfaction.

**Practical implications:** Training programs for employees should be given top priority by managers in order to improve communication and customer service abilities. And additionally, enhancing the user experience and security of internet and mobile banking is essential. Allocating funds more wisely could improve the quality of services.

**Originality value:** This research provides customer satisfaction within the context of People's bank in the Kurunegala district, offering localized data. This highlights the importance of digital banking in rural regions. This study addresses the operational challenges and customer expectations. The research findings can be used to improve the customer satisfaction in the banks.

**Keywords:** *Determinants of Customer Satisfaction, Banking Sector: People's Bank, Customer Satisfaction*