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Bank Preferences Among Depositors in Digos City, Philippines: A Conjoint Analysis

Krissa Mae A. Alagano-Tanio[1,2], John Vianne B. Murcia[2]
[1]National Food Authority – Davao del Sur Field Office, Digos City, Davao del Sur, Philippines
[2]Professional Schools, University of Mindanao, Davao City, Philippines

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ABSTRACT

This study examines the preferences of bank depositors in Digos City, specifically aiming to determine the primary banking qualities that impact their decision-making. The study examines preferences for different qualities, such as bank location, savings instruments, queuing systems, banking days, and value-added services, by employing a combination of conjoint analysis and a survey technique. The results demonstrate a significant inclination for banks situated within shopping malls, underscoring the significance of easy access and convenience in the banking sector. Furthermore, there is a notable preference for versatile savings alternatives, such as the integration of ATM and passbook services. The study also reveals preference for longer banking hours, highlighting the changing demands of depositors in accordance with their lifestyles. Although innovative banking services such as e-banking are usually well-received, there is a nuanced response to specific technological advancements. The study provides additional evidence of how value-added services contribute to increasing depositor satisfaction and loyalty. These observations offer strategic implications for banks in Digos City, indicating the necessity of harmonizing conventional banking methods with contemporary, customer-focused innovations to efficiently serve the varied requirements of their customer base.

Corresponding Author:

John Vianne B. Murcia, PhD
Professional Schools
University of Mindanao, Davao City, Philippines
jv_murcia@umindanao.edu.ph

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1. INTRODUCTION

The financial institutions, particularly banks, play a crucial role in economic development by facilitating the conversion of individual capital investments into productive ventures. Banks, characterized by their capacity to receive deposits (Abbam, Say & Carsamer, 2015; Narayana, Chaudhury & Panigrahi, 2015; Aggarwal & Goodell, 2016), have a crucial role in overseeing individual financial matters, promoting savings behavior, and facilitating economic growth and alleviation of poverty (Cheruiyot, Kimeli & Ogendo, 2012). The favorable performance of the Philippine financial

system, as reported by Bangko Sentral, demonstrates its vital function through improved profitability, liquidity, asset quality, and capitalization. These organizations not only provide improved financial stability for individuals but also drive economic growth by providing funding from savings and investments.

Furthermore, banks have aims that go beyond the mere collection of deposits. Their objective is to entice customers to become depositors by delivering interest profits as a motivation, while also playing a vital function in the productive investment sector (Narayana, Chaudhury & Panigrahi, 2015). Banks prioritize operational efficiency as a means to enhance service quality and save expenses (Banerjee & Banerjee, 2015). Robust competition within the banking sector enables efficient resource allocation and advantageous consumer prices in a competitive market (Beck, 2008; Fernandez & Garza-Garcia, 2017). Marketing tactics play a crucial role in both retaining current depositors and attracting new ones, providing guidance for banks in their future operational management (Adekiya & Gawuna, 2015).

Depositor satisfaction in the present time is more and more affected by the availability of banking services, specifically ATMs, which provide necessary services beyond the usual banking hours (Ali, 2016; Belas & Gabcova, 2014; Munari, Ielasi & Bajetta, 2013; Nayak & Yadav, 2014). Hence, banks are obliged to constantly adapt their products and services to cater to the sophisticated requirements of their customers (Acharya & Mora, 2015; Hamzah, Ishak & Nor, 2015; Hinson, Osarenkhoe & Okoe, 2013). The Bangko Sentral ng Pilipinas (BSP) in the Philippines has a crucial regulatory function, ensuring that banks comply with policies that strengthen the economy. The regulatory supervision is combined with the difficulty of satisfying changing depositor requirements within the framework established by the BSP (Baldwin, 2007). Moreover, concerns regarding security and dependability, such as fraudulent activities and system malfunctions, present substantial obstacles, impacting prominent establishments such as BPI and Metrobank (Elias & Estember, 2018). These problems emphasize the need of comprehending depositor preferences, as they are essential in assessing a bank's financial well-being.

Several studies revealed that depositor preferences in the banking sector are heavily influenced by a few critical attributes: location, savings instruments, queuing system, banking days, and value-added services. These factors significantly impact depositor decisions and are central to bank competitiveness and customer satisfaction. The location of a bank is often the primary consideration for depositors, with convenience being paramount (Rehman & Ahmed, 2008; Saleh, Rosman & Nani, 2013; Meesrichan & Fongsuwan, 2014). However, the expansion and establishment of bank branches are often challenged by factors such as community size and the presence of businesses in the vicinity (Canel & Das, 2002; Cuervo-Cazurra, de Holan & Sanz, 2014). Similarly, savings instruments, including the proliferation of ATMs and their accessibility, are crucial in shaping depositor choices (Radecki, 1999; Malik & Yadav, 2014; Parvin & Perveen, 2013). Yet, limitations such as restricted banking hours and the traditional nature of some savings accounts (e.g., passbook savings) can pose inconveniences (Vijayasarathi, 2016).

The queuing system, an integral part of the banking experience, significantly influences depositor satisfaction (Arora & Vashishat, 2011; Bakari, Chamalwa & Baba, 2014). Inefficient queuing systems can lead to customer dissatisfaction and cognitive stress (Katz, Larson & Larson, 1991; Kursunluoglu, 2014). Additionally, the accessibility and convenience of banking days, including extended hours and weekend banking, play a significant role in attracting and retaining depositors (Fagan, 2001; Ndungu & Njeru, 2014). Conversely, banks face challenges in managing operational costs and staffing for extended service hours (Burnett, 2003). Furthermore, value-added services like online banking and EFTs are increasingly important in depositors' choice, offering convenience and efficiency (Ciciretti, Hasan & Zazzara, 2009; Machogu & Okiko, 2015). However, these technological advancements bring their own set of issues, including technical malfunctions and security concerns (Sivanad, Geeta & Sulep, 2004; Hanafizadeh et al., 2014).

This study intends to address the lack of research on depositor bank preferences, specifically in provinces like Davao del Sur in the Philippines, by identifying the precise banking features that are

valued by depositors. This research aims to offer bank management valuable insights that can be used to update processes in order to better align with the preferences of depositors. Specifically, the study aims to achieve the following objectives: (1) to determine the relative importance of bank attributes such as location, savings instruments, queuing system, banking days, and value-added services based on utility estimates; (2) to establish individual and aggregate models that show varying preferences for banks; and (3) to evaluate the most and least preferred combinations of banks based on attribute level combinations. Being able to provide answers to these inquiries could be key to optimizing depositor satisfaction and ensuring sustained success in the competitive banking industry.

2. RESEARCH METHOD

2.1 Research Design

In exploring depositor bank preferences, this research employs a causal research strategy using conjoint analysis, a method particularly effective in understanding the impact of various bank attributes on depositor decision-making. Conjoint analysis, a technique widely recognized for its efficacy in measuring consumer preference structures (Eggers & Sattler, 2009), is utilized to ascertain how the presence, absence, or varying degrees of specific bank attributes influence depositor choices. This method aligns with the study's objective to examine the impact of critical bank attributes – location, savings instruments, queuing system, banking days, and value-added services – on depositor preferences. The strength of conjoint analysis lies in its ability to simulate real-world decision-making scenarios, where depositors often weigh multiple attributes simultaneously when choosing a bank. Each attribute, such as the convenience of a bank's location or the efficiency of its queuing system, contributes to the overall utility a depositor derives from a banking service. This approach allows for a nuanced understanding of how different attributes individually and collectively influence depositor preferences. The causal relationship explored in this study is the effect that varying levels or combinations of these attributes have on the likelihood of a bank being chosen by depositors.

Conjoint analysis has demonstrated its utility in the banking sector by effectively identifying customer preferences and satisfaction factors. For instance, Maheswari et al. (2021) used it to evaluate customer satisfaction and service quality in banks, while Dauda and Lee (2015, 2016) applied it to understand preferences for online banking services and assess service quality. Additionally, Baheri et al. (2011) employed a fuzzy conjoint analysis for credit card services in an Iranian bank, and Milunovic (2012) used it to develop credit offers in Bosnia and Herzegovina. In this study, conjoint analysis is used to model depositor preferences in banking, focusing on key attributes such as location, savings instruments, and value-added services. The insights gained will help banks tailor their offerings to meet customer needs and enhance their market position..

2.2 Research Respondents

In this research, a total of 200 existing depositors living in Digos City were surveyed. The criteria for selecting existing depositors included being of legal age, a natural-born Filipino citizen residing in Digos City, of any gender, and maintaining a minimum bank deposit of five thousand pesos. Prospective depositors, conversely, were similarly of legal age and resident status but were characterized by the absence of any existing bank account.

For the sampling methodology, the study employed a non-probability quota sampling technique. This approach was chosen to efficiently collect data from a specific subset of depositors across selected banks in Digos City, ensuring the sample size met the predetermined quota. Quota sampling was particularly advantageous for this study, as it facilitated targeted data collection from relevant respondent groups. According to Orme and Huber (2000), in conjoint analysis studies, sample sizes typically range between 150 and 1,200 respondents. This range is considered adequate to develop a reliable estimating tool for conjoint analysis, thereby ensuring that the study effectively addresses the research objectives and provides meaningful insights into depositor preferences in Digos City.

The demographic analysis of the respondents revealed a notable inclination towards banking activities among females (67.8%), predominantly singles (78.5%) within the 18-25 age bracket (68.3%). Additionally, a significant proportion of respondents with college-level education (55.3%) showed a preference for banking with Banco de Oro (BDO), accounting for 42.8% of the total. This data was meticulously compiled and analyzed based on responses gathered through the survey.

2.3 Research Instruments

To accurately ascertain the most preferred attributes of bank preferences among depositors, key informant interviews (KIIs) were conducted as a preliminary step in this study. The KII involved representatives from six prominent banks in Digos City and served as a pilot test for the survey instrument. This phase was crucial in identifying the top five attributes significant to depositor preferences, as informed by the comprehensive review of related literature and studies.

Following the KII, the research employed the full-profile conjoint methodology for designing the assessment of depositor preferences. This approach entailed creating combinations of attribute levels, presenting them in a comprehensive manner (Chrzan & Orme, 2000; Rao, 2014). The full-profile method was chosen for its realistic representation of choices, offering a clear depiction of trade-offs among various attributes (Lewis, Ding & Geschke, 1991). It is recognized for its effectiveness in vividly illustrating complex decision-making scenarios (Valenzuela, Dhar, & Zettelmeyer, 2009), making it a suitable choice for this study. Moreover, this method is favored due to its ability to streamline the evaluation process by utilizing a fractional factorial design, which reduces the number of comparisons required.

The study's experimental design utilized a fractional factorial approach, negating the need to evaluate every potential combination of the identified attributes (Burrows et al., 2017). This was achieved using orthogonal array design software, which generated twenty plancards for the survey questionnaire. The orthogonal array design's primary objective was to optimize the number of evaluations, ensuring that respondent preferences for the attributes met key statistical criteria, including efficiency, orthogonality, and balance (Rose & Bliemer, 2009). These plancards are 20 bank profiles, evenly distributed across five domains: location, savings instrument, queuing system, banking days, and value-added services. Each plancard was evaluated using the scale that ranged from 1, denoting "least preferred," to 5, representing "most preferred." Meanwhile, the survey underwent rigorous validation and review by expert validators. Their feedback was meticulously incorporated to enhance the instrument's realism and clarity. This process involved minimal yet significant modifications, reflecting the validators' contributions towards refining the survey tool and ensuring its relevance and accuracy in capturing depositor preferences within the banking sector of Digos City.

2.4 Data Collection Procedure

The University of Mindanao Ethics Research Committee (UMERC) granted clearance prior to the commencement of data collection. To explore depositor bank preferences in Digos City, a methodical approach using conjoint analysis—a specialized marketing research tool—was employed. The initial phase involved identifying and defining the attribute levels for the study, a task undertaken with input from ten depositors who participated in a pilot test. These individuals, initially surveyed as part of the pilot phase, provided valuable insights into the attributes relevant to banking preferences. The levels of these attributes were further refined based on suggestions from key informants who had been involved in earlier stages of the research process.

Data collection commenced on November 6, 2017, and concluded on November 22, 2017. During this period, the researcher navigated several challenges, including constraints posed by some banks regarding confidentiality and risk concerns. Despite these obstacles, the target of engaging 200 respondents was successfully achieved. The research instrument, in the form of plancards, was distributed to the respondents. These plan cards presented various combinations of the five identified banking attributes, each with its respective levels, and respondents were requested to indicate their preferences honestly.

Following the completion of data collection, the gathered responses were meticulously tabulated, processed, and analyzed using the conjoint analysis methodology. Upon achieving the desired number of participants, the researchers proceeded to extract the collected responses and subsequently transformed them into a spreadsheet format. The researchers then meticulously examined the data for any instances of missing values or uniform responses, ensuring its quality and integrity. Finally, the data was prepared for importation into the software utilized for subsequent data analysis. The data analysis employed conjoint syntax within the IBM-SPSS software, resulting in the determination of the relative relevance of the four qualities and the part-worth utilities associated with each level of these attributes.

2.5 Data Analysis

To ensure a thorough interpretation and analysis of the data in this study, two key statistical tools were employed. Firstly, conjoint analysis was utilized to ascertain the hierarchy of significance among the five selected banking attributes. This will involve using the SCORE subcommand of conjoint analysis to evaluate and decompose the ratings of bank preference profiles, thereby yielding part-worth estimates for each attribute level. Secondly, conjoint analysis' additive model was applied to quantify the overall utility of bank preferences among depositors. This comprehensive utility measure was derived by summing the constant value and the maximal utility estimates across all levels of the five identified attributes, similar to how linear regression models derived final prediction values.

3. RESULTS AND DISCUSSIONS

3.1. Relative Importance and Utility Estimates of Bank Attributes

Shown in Table 1 is the conjoint analysis results based on the data collected from current bank depositors. Regarding the attribute of location, which emerged as the most significant factor with an importance value of 28.024, different preferences were evident among existing depositors. The highest utility was observed for banks situated inside malls (Utility Estimate: 0.113), indicating a strong preference for this location due to its convenience and accessibility. In contrast, banks located near markets were less preferred, as denoted by a negative utility value (-0.076). Similarly, banks along the highway were also less favored, albeit to a lesser extent, as reflected in a slightly negative utility estimate (-0.037). This supports the findings of Saleh, Rosman, and Nani (2013). These studies emphasized the utmost significance of a bank's accessibility to residential areas and commercial establishments. This preference is additionally strengthened in the context of student depositors, as emphasized by Mwange (2017), who observed the significant impact of convenient placement near educational institutions and malls. The focus on location highlights the depositors' preference for convenience and easy accessibility in their banking transactions.

The attribute of savings instruments held considerable importance with an importance value of 20.714. Among the options, the combination of both ATM and passbook was the most preferred, with a utility estimate of 0.113. This preference underscores depositors' desire for flexibility and convenience in managing their savings. On the other hand, having only a passbook was next in preference (Utility Estimate: 0.075), followed by the option of an ATM card only (Utility Estimate: 0.038), suggesting a lesser but still positive valuation of these individual instruments. This corroborates Ameme's (2015) findings regarding the significance of convenient access to banking services at all times and from any location. According to Vijayasarathi (2016), this preference indicates that depositors value both security and convenience in their banking transactions. Vijayasarathi also highlighted the drawbacks of relying solely on passbook transactions that are limited to banking hours.

Similarly, the attribute of banking days revealed interesting insights, holding an importance value of 15.229. There was a marked preference for banks operating on weekdays and half-day during Saturdays (Utility Estimate: 0.477), reflecting the depositors' need for banking services beyond standard weekdays. This was significantly higher than the utility for banks open on weekdays only (Utility Estimate: 0.239), emphasizing the value depositors place on extended banking hours. The

strong demand for longer banking hours, including weekends, as evidenced by the high value placed on banks being open on weekdays and for half a day on Saturdays, supports the conclusions reached by Nicolaisen (2014) and Ndungu and Njeru (2014). This phenomenon indicates a change in the expectations of depositors towards banking hours that are more adaptable, allowing them to do banking activities at their convenience, even outside of traditional hours.

In terms of the queuing system, an attribute with an importance value of 12.205, depositors showed a clear preference. The number signaling system was favored, as indicated by a positive utility value (0.029). Conversely, queuing with a kiosk was viewed less favorably, evident from its negative utility estimate (-0.029). This finding highlights the significance of efficient and user-friendly queuing systems in enhancing the banking experience. Arora and Vashishat (2011) highlighted the importance of an orderly queuing system in effectively controlling transaction flow, despite the implication that people may not like waiting. Nevertheless, according to Opara-Nadi (2005) and Kursunluoglu (2014), prolonged waiting periods might have a detrimental effect on the level of pleasure experienced by depositors, resulting in cognitive stress. This underscores the necessity for banks to engage in innovative practices to effectively handle consumer flow and minimize waiting periods in order to improve the entire banking experience.

Lastly, value-added services, with an importance value of 23.828, showed varied preferences. Perks offered, such as a point system, were most preferred (Utility Estimate: 0.035), indicating a positive reception towards reward-based incentives. However, good standing in e-banking and m-banking had a slight negative utility (-0.014), and give-aways were least preferred (-0.021), suggesting that not all value-added services are equally valued by depositors. This corroborates Teece's (2010) claim that clients highly appreciate and are prepared to financially invest in the upgraded services offered by banks. This discovery aligns with the research conducted by Garrido-Moreno, Lockett, and Garcia-Morales (2014), which highlights the importance of value-added services in cultivating strong customer relationships and increasing customer loyalty. This, in turn, leads to greater profitability for banks and enables them to enhance their offerings. The increasing preference for value-added services suggests that depositors now expect banks to provide a wider range of services that go beyond simple financial transactions, addressing their changing needs.

Table 1. *Importance values of bank attributes and their levels' utility estimates*

Attribute	Importance Value	Attribute Level	Utility Estimate
Location	28.024	inside the mall	0.113
		near the market	-0.076
		along the highway	-0.037
Savings Instrument	20.714	ATM card only	0.038
		passbook only	0.075
		both ATM and passbook	0.113
Queuing System	12.205	queuing with kiosk	-0.029
		number signaling system	0.029
Banking Days	15.229	weekdays only	0.239
		weekdays and half-day during Saturdays	0.477
Value-Added Services	23.828	good standing in e-banking and m-banking	-0.014
		perks offered (point system)	0.035
		give-aways	-0.021
		(Constant)	3.092

3.2. Individual and Aggregate Models of Preference for Banks

Table 2 presents an analysis of individual and aggregate preferences of existing depositors for various bank attributes, providing a detailed view of their banking preferences.

Table 2. *Individual and aggregate models representing varying preferences of individual depositors vis-à-vis overall sample*

Attribute Levels	**Depositor 38**		**Depositor 46**		**Depositor 197**		**Overall Sample**	
	Imp. Val.	Utility Est.	Imp. Val.	Utility Est.	Imp. Val.	Utility Est.	Imp. Val.	Utility Est.
Constant		2.299		5.309		4.358		3.092
Location	**35.981**		**32.544**		**6.145**		**28.024**	
Inside the mall		0.500		0.583		0.083		0.113
Near the market		-0.375		-0.667		-0.042		-0.076
Along the highway		-0.125		0.083		-0.042		-0.037
Savings Instrument	**7.477**		**41.42**		**69.274**		**20.714**	
ATM card only		0.091		-0.795		-0.705		0.038
Passbook only		0.182		-1.591		-1.409		0.075
Both ATM card and passbook		0.273		-2.386		-2.114		0.113
Queuing System	**10.280**		**3.254**		**6.145**		**12.205**	
Queuing with kiosk		-0.125		0.063		-0.062		-0.029
Number signalling system		0.125		-0.063		0.062		0.029
Banking Days	**30.841**		**9.763**		**6.145**		**15.229**	
Weekdays only		0.75		0.375		0.125		0.239
Weekdays and half-day during Saturdays		1.500		-0.750		0.250		0.477
Value-added Services	**15.421**		**13.018**		**12.291**		**23.828**	
Good standing in e-banking and m-banking		0.167		0.250		-0.083		-0.014
Perks offered (point system)		-0.208		0.000		0.167		0.035
Give-aways		0.042		-0.250		-0.083		-0.021

For depositor 38, the most significant attribute was location (Importance Value [Imp. Val.] = 35.981), with a preference for banks inside the mall (Utility Estimate [Utility Est.] = 0.500). This aligns with the overall sample preference, emphasizing the importance of bank location. Banking days were also a priority for this depositor, particularly preferring weekdays and half-day during Saturdays (Utility Est. = 1.500). Value-added services were next in importance, with a preference for good standing in e-banking and m-banking (Utility Est. = 0.167). The queuing system, specifically number signaling (Utility Est. = 0.125), was also a preferred attribute.

Depositor 46 placed the highest importance on savings instruments (Imp. Val. = 41.42), favoring the use of ATM card only (Utility Est. = -0.795). Location was the second most important attribute, with a preference for banks inside the mall (Utility Est. = 0.583). Value-added services, particularly good standing in e-banking and m-banking (Utility Est. = 0.250), were also valued. Banking days and the queuing system were less prioritized by this depositor.

Similarly, depositor 197 showed the highest preference for savings instruments (Imp. Val. = 69.274), specifically using ATM card only (Utility Est. = -0.705). Value-added services like perks offered (Utility Est. = 0.167) were also preferred. Location, queuing system, and banking days were equally valued by this depositor (Imp. Val. = 6.145 each).

The overall sample's preferences indicate that location is the most critical factor (Imp. Val. = 28.024) with a preference for banks inside the mall (Utility Est. = 0.113). Value-added services follow in importance (Imp. Val. = 23.828), with a slight preference for perks offered (Utility Est. = 0.035). Savings instruments (Imp. Val. = 20.714) and banking days (Imp. Val. = 15.229), especially banking on weekdays and half-day during Saturdays (Utility Est. = 0.477), are also significant. The queuing system is the least important attribute (Imp. Val. = 12.205), with a preference for number signaling (Utility Est. = 0.029).

Summing these results, the study reveals that existing depositors value location, specifically banks within malls, and value-added services, with differences in the importance placed on savings instruments, banking days, and queuing systems. The study shows that a segment of depositors places high importance on the convenience of location and extended banking hours, echoing Rao, Suryamani, and Rituraj's (2017) findings on the significance of accessible banking. This reflects a modern banking clientele that values flexibility and the ability to conduct transactions beyond traditional hours. On the other hand, another group of depositors exhibits a strong inclination towards specific banking instruments, such as ATM cards, aligning with Parvin and Perveen's (2013) observation of ATMs as a critical selection criterion in Bangladesh. This preference underscores the growing relevance of technology in banking. Furthermore, some depositors are drawn to value-added services like perks and rewards, a trend supported by Ha and Stoel's (2008) recognition of the effectiveness of reward-based systems in enhancing customer relationships. Collectively, these individual preferences highlight a diverse depositor base where each segment has distinct expectations from their banking experience, emphasizing the need for banks to tailor their services to cater to this multifaceted client base. These insights are valuable for banks in understanding the priorities of their current depositor base.

3.3. Most and Least Preferred Combinations of Banks by Depositors

Table 3 presents the responses of existing depositors to various attribute combinations presented in the plancards are analyzed. The most preferred combination, as denoted by Card ID number 8, achieved the highest total utility score of 3.810. This preference was calculated by adding a constant value of 3.092 to the utility estimates for each attribute: location inside the mall (0.113), savings instruments offering both ATM and passbook (0.113), a queuing system with number signaling (0.029), banking on weekdays and half-day during Saturdays (0.477), and a slight negative utility for value-added services (-0.014). Despite the negative utility for one attribute, the combination of other positive utilities led to this combination being ranked first in preference among depositors.

Table 3. *Ranking of most and least preferable combination of bank attributes*

Card ID	Constant	A_1	A_2	A_3	A_4	A_5	Total Utility	Rank
8	3.092	0.113	0.113	0.029	0.477	-0.014	3.810	1
1	3.092	0.113	0.038	0.029	0.477	0.035	3.784	2
3	3.092	0.113	0.113	-0.029	0.477	-0.014	3.752	3
16	3.092	0.113	0.038	-0.029	0.477	-0.021	3.67	4
7	3.092	-0.037	0.075	0.029	0.477	-0.014	3.622	5
9	3.092	0.113	0.075	0.029	0.239	0.035	3.583	6
12	3.092	-0.037	0.038	0.029	0.477	-0.021	3.578	7
5	3.092	-0.076	0.038	-0.029	0.477	0.035	3.537	8
11	3.092	-0.076	0.075	-0.029	0.477	-0.014	3.525	9
15	3.092	0.113	0.038	0.029	0.239	-0.014	3.497	10
2	3.092	0.113	0.075	-0.029	0.239	-0.021	3.469	11
6	3.092	0.113	0.038	-0.029	0.239	-0.014	3.439	12
13	3.092	-0.037	0.113	-0.029	0.239	0.035	3.413	13
14	3.092	-0.076	0.113	0.029	0.239	-0.021	3.376	14
4	3.092	-0.076	0.038	0.029	0.239	-0.014	3.308	15
10	3.092	-0.037	0.038	-0.029	0.239	-0.014	3.289	16

The second most preferred combination, represented by Card ID number 1, had a total utility of 3.784. This was determined by the sum of the constant (3.092), utility for location inside the mall (0.113), savings instrument with ATM card only (0.038), queuing system with number signaling (0.029), banking on weekdays and half-day during Saturdays (0.477), and value-added services offering perks like a point system (0.035). This combination was notably preferred for its attributes of location and extended banking days, securing its position as the second-ranked preference.

The results reveal a clear inclination towards banks located inside malls, suggesting that depositors highly value Location Advantages (LAs) as posited by Cuervo-Cazurra, de Holan, and Sanz (2014). This preference underscores the importance of accessibility and convenience in banking locations. Additionally, the combination of both ATM and passbook for savings instruments, along with a number signaling system for queuing and banking operations during weekdays and half-day on Saturdays, was ranked highest. Combinations containing these attribute levels align with Yee-Loong Chong, Ooi, Lin, and Tan's (2010) perspective on modern banking, indicating a preference for banks that offer a blend of traditional and innovative services, enhancing the overall banking experience.

The third-ranked preference, indicated by Card ID number 3, achieved a total utility of 3.752. This was calculated by adding the constant (3.092) to the utilities for location inside the mall (0.113), both ATM and passbook as savings instruments (0.113), a queuing system with kiosk (-0.029), banking on weekdays and half-day during Saturdays (0.477), and a slight negative utility for value-added services (-0.014). Despite the presence of negative utilities, the combination was still favorable overall, leading to its third-place ranking. The third-ranked combination, though including similar attributes such as a convenient location and a mix of ATM and passbook options, featured a less preferred queuing system with a kiosk and continued good standing in e-banking and m-banking. Despite its negative utility values, this combination suggests that while embracing certain banking innovations is important, as noted by Junarsin (2010), depositors may still exhibit reservations towards specific forms of technological advancements in banking.

Conversely, the least preferred combination, as shown by Card ID number 10, yielded a total utility of 3.289. This result emerged from the constant value (3.092) combined with the utilities for location near the market (-0.037), ATM card only for savings instrument (0.038), a queuing system with number signaling (0.029), banking on weekdays only (0.239), and a slight negative utility for value-added services (-0.014). The lower utility values in this combination, particularly for location and banking days, indicated a less favorable preference among depositors. This preference or lack thereof reflects the sentiments expressed by Deb and Paul (2015) regarding depositors' decisions being influenced by the perceived returns on their investment, such as convenience and accessibility. Cámara, Tuesta, and Urbiola (2015) also emphasized the importance of extended banking hours, including weekend services, which this least preferred combination lacks.

4. CONCLUSION

The research conducted on the banking preferences of depositors in Digos City has produced valuable findings regarding the primary factors that impact banking choices. The findings underscore the notable importance placed on the ease of the bank's location, namely the inclination towards banks located within shopping malls. This highlights the significance of accessibility and ease in the current financial environment, aligning with the changing demands of customers who prioritize efficient and quickly reachable banking services.

Moreover, the study uncovered a substantial inclination for banks that provide a blend of ATM and passbook choices in their savings products. This choice reflects a propensity for adaptability and a combination of conventional and contemporary banking approaches, indicating that depositors appreciate a wide array of transactional methods.

The significance of having extended banking hours, which includes providing services on weekdays and a half-day on Saturdays, has been identified as a critical component. This phenomenon reflects the evolving lifestyle and requirements of depositors, who are progressively seeking financial services that are compatible with their hectic schedules and unconventional working hours.

Notably, while innovative approaches in banking, including e-banking and m-banking, are usually seen as favorable, the reception to the implementation of specific technological breakthroughs, such as queuing systems, is more complex. Depositors' cautiousness regarding certain banking advances indicates the importance for banks to find a balance between old service methods and current technological advancements.

The study also noted that value-added services, including perks and rewards, play a significant role in depositor satisfaction. These services not only improve client experience but also function as a successful approach for cultivating consumer loyalty and creating relationships.

To summarize, the results of this study provide significant insights for banks operating in Digos City and other comparable metropolitan locations. In order to effectively meet the requirements and desires of their customers who make deposits, banks should concentrate on branches that are strategically positioned, provide a combination of conventional and contemporary banking tools, extend their service hours, and thoughtfully incorporate technological advancements that improve the customer experience without overwhelming them. Moreover, the integration of value-added services can also amplify client contentment and allegiance. These insights are crucial for banks seeking to maintain competitiveness and adaptability to the changing demands of their customer base in a dynamic banking landscape.

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BIOGRAPHIES OF AUTHORS

Krissa Mae Alagano-Tanio (MBA) is currently connected at the Davao del Sur Field Office of the National Food Authority (NFA) as Cash Clerk III. She finished her bachelor's degree in Business Administration majoring Financial Management from UM Digos College in Digos City and her Master in Business Administration from the Professional Schools of University of Mindanao, Davao City.

John Vianne Murcia (PhD) is an expert in analytics research and a College Professor 1 of the University of Mindanao. He has master's degrees in Business Administration (USeP) and in Predictive Analytics (Curtin University) and a PhD in Development Research and Administration (USeP).