

VILNIUS UNIVERSITY

JULIJA STAROSELSKAJA

**COMPETITION IN LITHUANIAN BANKING SECTOR AND
THE ANALYSIS OF THE DETERMINANTS AFFECTING
THE CHOICE OF A BANK**

Summary of doctoral dissertation

Social sciences, economics (04S)

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VILNIAUS UNIVERSITETAS

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**KONKURENCIJA LIETUVOS KOMERCINIŲ BANKŲ SEKTORIJE IR
BANKO PASIRINKIMĄ LEMIANČIŲ VEIKSNIŲ ANALIZĖ**

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INTRODUCTION

Relevance of the topic. Along with the augmenting global competition and intensifying larger-scale economic volatilities, the ability of banks to adapt to new circumstances, to retain their position in the market and to gain competitive advantage is important not only for their performance but also for the stability of the entire country's financial system and its economic growth. A bank gains a competitive advantage if its activities determine changes across the banking sector, which ensure consistent growth of that bank's market share. In particular, it facilitates potential clients' decisions on choosing a particular bank and establishing with it long-lasting relations.

The competition in the banking sector is one of the important factors in the development of market relations. A significant emphasis should be put on the analysis of the competition, since the competition is one of the factors ensuring economic growth of a country. Within the development of innovative financial technologies and the improvement of banking management system, competition in the banking sector encourages the decrease of the prices for banking products and services, as well as increases operational efficiency of commercial banks.

In today's business environment the success of many commercial banks depends on the ability to highlight their competitive advantages and to maintain competitiveness, which can ensure a strong position in the market. The ability of commercial banks to adapt, to survive in the market and to gain a competitive advantage is important, not only for the performance of a bank, but also for the stability of the financial system and economic growth of a country. Downsides of the activities conducted by commercial banks became apparent during the economic recession period, caused by the global crisis. The weakened confidence in the country's banking system resulted in a decrease of households' consuming capacity and investments of commercial structures, which in turn influenced competition of the country's commercial banks in the local market.

Taking into account the relevance of the banking for a modern society, the accelerating technological progress, the expanding scale of financial operations and their complexity, it is important to ensure a solid, stable and reliable banking system in our country.

Unfortunately, no theoretical background and research is currently available on appropriate reaction of the banks and on changing the lending policy in order to sustain businesses and economic development. That is why it is essential to provide an overview of the Lithuanian banking sector, to study competition in the Lithuanian banking market and to reveal the banks' development tendencies.

The scientists' focus on banking competition, the necessity for a comprehensive analysis of competitiveness in the banking sector, as well as the country's need for a competitive, well-operating and efficient banking sector have led to selection of the research topic, and formulation of research goals and objectives.

The research problem and the scope of research. The issues of competition between the country's commercial banks are not sufficiently researched in the scientific literature. So what is competition between banks and which factors determine its existence in the Lithuanian banking market? Most of the literature sources reviewed deal with competition between companies and the factors determining it, while little attention has been given to the analysis of the competition in the Lithuanian banking sector. Moreover, there is a lack of the evaluation and analysis of the competitive advantages of specific commercial banks.

Theoretical aspects of the competition and efficiency in the banking sector were studied by Beniušienė, Svirskienė (2008), Aleknevičienė, Deltuvaitė (2008), Bartkus, Kriaučiūnaitė (2007), Marčinskas, Diskienė (2001), Rinkauskaitė (2007), Vijeikis, Makštutis (2009), Keršienė (2009), who focused on the competitiveness of enterprises; Kuzmickas (1999), Titarenko (2000) emphasized the transparency of the Lithuanian commercial banks in their works; Deltuvienė, Gižienė (2007) and other scientists studied the competitiveness of the country's commercial banks.

Meanwhile, the following foreign scientists devoted much more attention to the issue of competition in the banking sector: Barney (2001), Berger, Demirgüç-Kunt, Levine, Haubrich (2003), Bikker, Groeneveld (2000), Bikker, Haaf (2002), Bikker, Jaap (2005), Cetorelli (2004), Bandt Davis (2000), Givi, Ebrahimi, Nasrabadi, Safari (2010), Harasim (2008), Yokoi-Arai, Yoshino (2006), Korobov (1996), Sinko (2007), Claessens, Laeven (2004), Molyneux, Lloyd-Williams, Thornton (1994), Mamaeva (2010), Moutinho, Philips (2002), Neven, Roller (1995), Chintrakarn, Jindapon (2012),

Lutoškina (2011), Shevchenko (2009), Suominen (1994) Anderson, Hyytinen, Snellman (2000), Vésale (2000), Yildirim, Philippatos (2007) and other foreign scientists.

Summing up the research conducted by the Lithuanian and foreign scientists, it can be concluded that Lithuanian scientists have conducted little and mostly just occasional research on competition between the country's banks, which does not provide a clear and accurate picture of the comparative aspects of competition between Lithuanian commercial banks.

Object of the research – the Lithuanian banking sector, encompassing the credit institutions operating in the country and conducting activities regulated by the country's legislation.

Purpose of the research – to investigate the competition and concentration in the Lithuanian banking market and to analyse the determinants affecting the choice of a bank.

In order to meet this purpose the following **tasks** were set:

- to reveal the stages of development of the modern banking and to identify the peculiarities of competition in the banking market;
- to identify the differences between competition in the banking market and competition in other sectors of the economy;
- to reveal the interrelation of banking competition and concentration in the banking market;
- to perform an analysis of competition in the Lithuanian banking sector;
- to conduct an empirical study in order to assess the degree of concentration intensity in the Lithuanian and the Baltic banking markets and to identify the essential differences;
- to observe the tendencies in the activities of the Lithuanian commercial banks, reflecting the current situation in the Lithuanian banking sector;
- to conduct an empirical study in order to determine the factors affecting the customers' choice of a particular commercial bank and to analyse such factors;
- to interpret the results, to justify conclusions and recommendations.

Completion of these tasks and meeting the major goal of the thesis will enable to provide a clear picture of the current situation in the banking sector, competition in the Lithuanian banking market and will reveal the factors influencing bank selection.

Research methods. The following methods were applied in order to achieve the purpose of the dissertation and to meet the research objectives: collection, grouping, systematizing, summarizing and comparative analysis of primary and secondary sources of scientific academic literature by Lithuanian and foreign authors. The statistical comparative analysis, absolute and relative size calculation, data cataloging, classification and graphical data representation methods were used for conducting empirical research on competition of the country's commercial banks and concentration in the banking market of the Baltic countries. The absolute and relative size calculation and graphical representation of the data were performed using Microsoft Office package software.

The questionnaire survey method was applied for identifying of the determinants affecting the customers' choice of a bank. Quantitative data processing and factor analysis were used for further analysis of the questionnaire survey results.

Factor analysis was conducted using quantitative data analysis software SPSS. One of the most common statistical data processing software package SPSS helped to process and to properly analyse the questionnaire survey data, as well as to provide the factor analysis results using generalized data representation techniques – in the form of tables and charts.

Research resources. The theoretical and practical research of the dissertation is based on the most significant academic studies of Lithuanian and foreign scientists, as well as on the works of bank analysts and practitioners. In order to meet the objectives set for this study it was necessary to analyse the activity of the Lithuanian commercial banks and the competition prevailing in the country's banking sector, in reference to the following key legal acts: the Law on Banks of the Republic of Lithuania, 2004; the Law on Competition of the Republic of Lithuania, 2000 and the Law on Financial Institutions of the Republic of Lithuania, 2012. It was also necessary to examine the performance of each commercial bank operating in Lithuania, reflected in the banks' financial statements, which are officially published and made available at the websites of the banks.

Published statistics of the commercial banks in Lithuania and the statistical data provided by the Association of Lithuanian Banks were used for the research of competition in the Lithuanian banking sector.

Statistical data and various indicators of the Associations of Lithuanian and Latvian Banks, statistics of the Estonian Financial Supervision Authority were used for the empirical research on competition and the current situation in the banking market of all the Baltic States. Moreover, statistical information from Lithuanian Statistics Department database was also used for the purposes of this research.

The following sources published by the Lithuanian and foreign scientists were mostly used for conducting a factor analysis and interpreting the obtained results: Pukėnas (2009), Čekanavičius, Murauskas (2002), Garson (2012), Jasienė (1977), Charman (1972), Savickaja (2002), Kim, Miuller, Klekka, Oldenderfer, Bleshfeld (1989) and others.

Defended propositions:

- The entry of Scandinavian capital banks to the Lithuanian market has provided access to advanced services and extensive financial resources, however this resulted in an unequal competition between commercial banks and high concentration in the Lithuanian banking sector.
- Lithuanian commercial banks compete under the conditions typical for the oligopolistic market structure.
- Competition in the Lithuanian banking sector is based on product offerings and service quality improvement, sales promotion and other non-price based tools.
- Lithuanian banking market is not the most concentrated in comparison to other Baltic banking markets.
- The main determinants affecting the choice of a bank are credibility of a commercial bank, the variety of the banking products and services offered and their price.

Theoretical significance and scientific novelty of the research. Competition in the Lithuanian banking sector has been studied by Lithuanian authors and scientists only occasionally, as compared to the research by foreign authors. The scientific novelty and the value of the research are obvious from the results of the main scientific studies:

- the author has revealed the importance of competition among the banks as one of the factors essential for ensuring the country's economic growth;
- a systemic analysis of Lithuanian and foreign academic literature and sources has been conducted, which has revealed the complexity of competition in the banking sector, as compared to other sectors of the economy;
- the author has carried out a comprehensive study on the factors determining the competitiveness of the commercial banks, has performed an analysis of its measuring techniques and has revealed the correlation of banking competition and market concentration.

Practical significance of the research:

- the analysis of the intensity of concentration in the Lithuanian and other Baltic countries' banking markets can be applied for a deeper analysis of banking sector in the Baltic region;
- the tendencies of enlargement in Lithuanian banking sector revealed by the author can be helpful in finding targeted actions of the commercial banks able to enliven the Lithuanian banking market;
- the factors affecting the choice of a commercial bank identified by the author can be used for targeted commercial banking activities aimed at improving customer loyalty and enhancing confidence in the bank;
- the material of this study can be useful to experts, members of the academic society, conducting studies on competition and concentration in the banking market.

Structure and scope of the study. The doctoral thesis consists of the introduction, three chapters, conclusions and recommendations, a list of references and annexes. The doctoral dissertation contains 129 pages without annexes, 11 tables and 18 figures; 178 references were used for the purposes of this thesis.



Fig. 1. Logical structure of the dissertation

Source: compiled by the author

The logical structure of the dissertation is presented in Fig. 1. It shows the consecutive realization of the study objectives.

Theoretical aspects of competition in the banking sector, competitiveness, relationship between competition and concentration

The existence of any country's economy is impossible without an effective banking system. Banks of different levels actively influence the economic processes. However, one of the important factors in the development of economy is the existence of competition. Competition is an inherent attribute of a free market economy and is the key to efficiency improvement and the country's economic growth as a whole. The restriction of competition leads to stagnation of the economy, as commercial entities lose the incentive to improve their performance.

Banking competition is the process of rivalry between commercial banks and other credit institutions, which seek to secure a strong position in the banking market. The existence of competition ensures the development of choice of the banking services. Moreover, competition encourages commercial banks to move towards more efficient ways of selling their products and services, as well as provides a favourable environment for their growth and development. However, it should be noted that the development of the new products alone does not guarantee a competitive advantage if the wishes and needs of potential customers are not considered when developing the new products.

There are two types of competition – price and non-price. Price competition means changing the prices of products and services. Meanwhile, non-price competition is based on the characteristics of the product and quality improvement.

Competition in the banking sector is more complex, as compared to other economic sectors. The peculiarities of competition in the banking sector are determined according to the number of participants in the banking market, the specifics of banking products and services, the forms of competition and its effect on other areas of the economy. The differences of banking competition from competition in other sectors of the economy are as follows:

- higher intensity and limitation of the competition “tool” – competitors in the banking sector can only compete on banking products and services;

- commercial banks can compete with competitors of different categories: universal commercial banks compete with specialized banks, other financial institutions or non-financial entities;
- banking products and services practically have no competitive external alternatives, which lead to more intense level of competition in the banking market;
- the restrictions of prices of banking products and services lead to the growth of quality-based competition in the banking market;
- oligopoly, which often dominates in the banking market, leads to mergers and acquisitions of commercial banks.

The right to fair competition is protected by the Law on Competition of the Republic of Lithuania, which prohibits monopolisation of the production and of the market. The necessity to regulate competition of the banks is based on the fact that commercial banks hold a large share of the financial sector and contribute to its effective functioning. In that case participation of authorities in the financial markets is essential for avoiding the event of default.

The major participants of banking competition are commercial banks. Other, not less active, participants in banking competition are other financial institutions, which are not classified as commercial banks, but also provide banking products and services or offer its customers similar products and services. Leasing, insurance companies, pension funds, investment funds are assigned to other financial institutions. The third group of banking market participants consists of non-financial entities, whose primary activity is not related to financial transactions, but which nevertheless provide separate banking services. This is the post office, shopping centres and other non-financial entities.

Banking competition is inseparable from competitiveness of products and services. Competitiveness is a part of the competition concept. Bank competitiveness is defined by making a comparison between the quality and prices of the products offered, i.e. it is necessary to make a comparison between the characteristics of a particular bank's product and other competitive products represented in the market according to the prices of such products and their ability to satisfy public needs. Foreign and Lithuanian scientists define bank competitiveness as an ability to withstand the competitive

pressures of similar objects and to remain in the banking market for a longer period of time, as the ability to act and react in a competitive environment.

Earlier, the highest impact on the competitiveness of commercial banks was made by material resources, such as financial situation of a bank, low operating costs, a wide range of products and services. However, since the ninth decade of XX c. the factors making an increasingly high impact on the competitiveness of banks changed to intangible resources, such as a bank's image, brand, product and service quality and other resources.

Competition in the market is directly related to concentration. Concentration in the banking industry means concentration of funds in a small number of large and major banks. Being developed in accordance with the same laws as concentration of the industry, it inevitably leads to monopoly. Foreign authors describe concentration in the banking industry as a situation when major banks, playing a decisive role, prevail over smaller banks in one or another way. During the competition process many smaller banks go bankrupt and simply cease to exist. Other smaller banks formally retain their independence, in fact, obeying the power of larger banks. Finally, many smaller banks are included into the sphere of influence of the big banks and eventually lose their independence, becoming prime offices or branches of the larger ones.

Concentration of the bank capital is primarily based on centralization of production: large industrial companies usually deposit and keep their available cash capitals in large banks, which strengthens their positions and contributes to a displacement of small banks. Concentration of the bank capital leads to competition in the banking industry, where large banks have a decisive advantage over smaller ones. First of all, investors prefer to put their funds into larger, more solid and stable banks, rather than into smaller banks, which often fail. Secondly, large banks, in comparison with smaller banks, serve their customers using a wide branch network and attracting contributions from various localities. Thirdly, large banks are by far more superior in organizational and technical terms.

For the purposes of disclosing concentration and measuring it in the Lithuanian banking industry, the calculation of concentration indicators is described below. Building upon the calculated proportion of the commercial banks operating in the

banking market, the indicators characterizing the degree of market concentration can be defined. Consider the most famous of them:

- a) Concentration factor or concentration ratio (CR) is described as the proportion of the fixed number of banks in the market ranked by size and is measured as the sum of market shares of major commercial banks operating in the market:

$$CR_i = \sum_i d_i \tag{1}$$

d_i – the market share,
 i – the number of banks for which the figure is calculated.

This indicator shows the relative size and number of banks “living” in the market. The smaller number of banks is operating in the market, the higher the level of concentration is. The smaller the size difference between the market participants, the lower the concentration level is. The level of concentration affects the behaviour of commercial banks in the market: the higher the concentration is, the more the banks are dependent on each other. The level of concentration also affects the propensity of banks to compete or to cooperate: the smaller are the banks operating in the market, the more they realise their mutual dependence on the each other and the sooner they will cooperate. Therefore, it can be assumed that the higher concentration is, the less competitive a market will be.

The level of the three largest commercial banks operating in the banking market is defined as follows:

- From 0 to 35 percent – low concentration level;
- From 35 to 70 percent – average concentration level;
- From 70 to 100 percent – high concentration level (see Fig. 2).

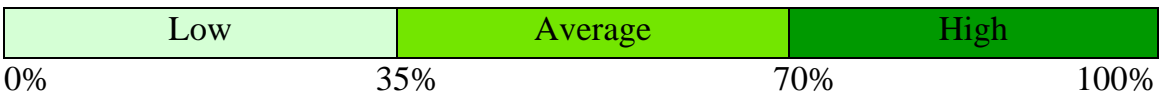


Fig. 2. The intensity of concentration by CR₃
 Source: compiled by the author.

b) Herfindahl-Hirshman index (HHI) is fairly widespread in the international practice and is indicated as:

$$HHI = \sum_{i=1}^n d_i^2 \quad (2)$$

d_i – the market share of bank i in the market,

n – the total number of banks operating in the market.

If the HHI value:

- is close to zero, the banking market is perfect – there are many small banks where each of them controls a negligible sphere;
- is in the range from 1000 to 1800 – market is considered to be average concerned;
- exceeds 1800 – market is considered to be highly concerned (see Fig. 3).

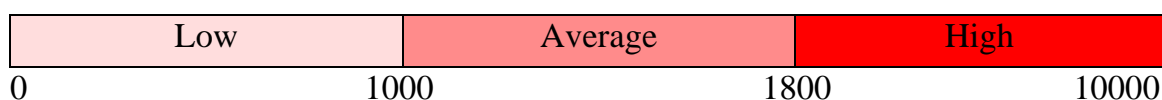


Fig. 3. The intensity of concentration by HHI

Source: compiled by author.

Herfindahl-Hirschman index helps to determine the intensity level of concentration and includes all of the banks operating in the banking sector. It is important to note that this index assigns weight to all commercial banks individually.

Empirical study on competition and concentration in Lithuania and other Baltic countries

Commercial banks are the most important participants in the financial system, whose main goal is to be a financial intermediary and to provide a range of financial products and services. Other financial institutions, like credit unions, insurance and leasing companies, capital market participants and pension funds also operate in the market quite successfully, however the most significant part of financial market is shared

among commercial banks, foreign bank branches and foreign banks representative offices (see Fig. 4)

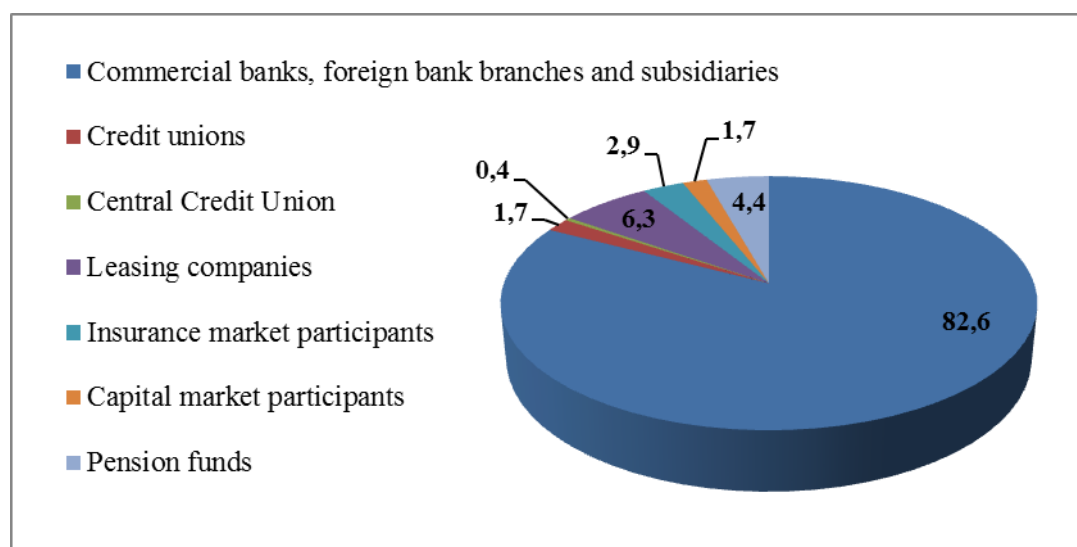


Fig. 4. The participants of the Lithuanian financial system, grouped by management of a certain share of the assets in the market, as of the end of 2011, in percentage points

Source: compiled by the author based on data provided by the Central Bank of the Republic of Lithuania.

Currently, 8 commercial banks are holding a license from the Bank of Lithuania, 12 foreign bank branches and subsidiaries, 2 foreign banks representative offices, 255 EU banks are providing cross-border services in the Republic of Lithuania without a branch operating in the country.

The Lithuanian banking sector can be divided into three segments:

- the segment of the large commercial banks;
- the segment of the small and medium-sized commercial banks;
- the segment of foreign bank branches and foreign banks representative offices¹.

Such matching or allocation is quite conditional, as Lithuanian commercial banks are not big in comparison to West European countries.

¹ The segment of the large commercial banks consists of: AB SEB bankas, “Swedbank” AB and AB DnB bankas; meanwhile AB Ūkio bankas, Citadele Bank, AB Šiaulių bankas, UAB Medicinos bankas and AB bankas “Finasta” belong to the segment of small and medium-sized commercial banks; the segment of foreign bank branches and foreign banks representative offices consists of Danske Bank A/S Lithuania Branch, Nordea Bank Finland Plc Lithuania Branch and AS “UniCredit Bank” Lithuania Branch.

The major part of the Lithuanian banking market belongs to the largest segment consisting of the country's biggest commercial banks, which operates the largest market share of the assets, serves the largest number of the customers and has a very wide range of banking products and services.

The segment of Lithuania's largest commercial banks consists of the three major commercial banks. Together they control more than 68 percent of the assets market, 69 percent of the loans market and 70 percent of the deposit market (2011). The leader of the Lithuanian banking market, provides a wide range of banking products and services to private and corporate clients and performs all banking operations mentioned in the Law on Banks of the Republic of Lithuania: accepts deposits, provides loans, carries out money transfers, provides settlement services to its customers, changes currency, provides financial trade operations, invests and trades in the securities market and performs other operations. The range of the operations and services offered by the largest commercial banks is very extensive. They also provide a range of financial services, motivate physical and legal entities to use these services, form a positive image of the bank and also provide support to individuals and to individual areas with particular focus on education, culture and art.

Small and medium commercial banks are more oriented towards a specific economic sector or a class of customers. Medium and small-sized commercial banks are owned by foreign and local capital commercial banks, whose main objective is the development of small and medium business in the country. The range of their products and services is not as wide as that of the largest commercial banks, but small and medium commercial banks specialize according to the market needs and customer expectations.

Foreign banks branches and subsidiaries operating in Lithuania mainly specialize in financial entities, investment management, deposit products and traditional banking areas. The customers of these foreign banks branches and subsidiaries of the third segment are either the companies registered in Lithuania or international companies operating in Lithuania. Foreign bank branches and subsidiaries operating in Lithuania are based on financial resources derived from their parent banks, rather than from the Lithuanian market. This means that foreign bank branches and subsidiaries have an unequal competitive position in the Lithuanian banking sector. In addition, foreign bank

branches and subsidiaries operating in Lithuania are supervised by a bank supervisory authority, which belongs to the country of their origin. The Central Bank of the Republic of Lithuania is only responsible for the liquidity ratio enforcement of foreign bank branches and subsidiaries; it monitors and analyses financial indicators for internal control and carries out periodic inspections.

Such an obvious gap between the largest commercial banks and other commercial banks obliges smaller commercial banks to make an effort in order not only to survive in the market but also to attract new customers. Small and medium commercial banks try to remain in the market and to increase the number of existing customers by offering new products, improving their quality, reducing the prices and improving the operational quality of customer service. However, the gap is too large for the major banks to become worried.

The competition between commercial banks in the Lithuanian banking market takes place in two ways: separately between the smaller and the medium-sized commercial banks and separately between the largest commercial banks. The smaller and the medium-sized commercial banks are active in the fight for a higher position in the banking market, while the largest commercial banks compete with each other in order to occupy the larger part of the Lithuanian banking market. The competition between commercial banks operating in the Lithuanian banking industry is quite high – some of commercial banks try to keep their position in the market, while others try to entice customers by providing them better conditions for acquiring products and services.

If we compare the range of banking products and services provided by the Lithuanian commercial banks, we will see that the range of the large commercial banks is much higher and wider, their products and services are quite complex and better meet the needs of the modern customers, as compared to the range of products and services of the small and the medium-sized commercial banks. The country's largest banks expand the range of products and services seeking to increase their novelty and profitability, they also try to attract additional contributions from shareholders and investments from other commercial banks for further development of the products and services they provide. On the contrary, the small commercial banks are more focused on the reduction of services fees, but in the author's opinion, this strategy is not very helpful. It can only

help to attract customers to use such an opportunity for a limited period of time, but if banking operation fees rise, the number of customers will decrease at the same pace as it has increased.

The current situation in the Lithuanian banking sector, which basically consists of the three major commercial banks managing approximately 70 percent of the market, threatens perfect competition among the banks. The problem of concentration is also relevant to the Lithuanian banking market. In such situation, the smaller commercial banks are powerless, they find it difficult to compete in the market and they have actually no chance of becoming market leaders in banking.

Table 1. The indexes of concentration in the Lithuanian banking sector in 2005-2012, as of the end of the year

	2005	2006	2007	2008	2009	2010	2011	2012*
HHI								
Assets	1.888	1.950	1.862	1.756	1.718	1.605	1.881	2.006
Loans	2.035	2.131	1.941	1.802	1.753	1.708	1.923	1.919
Deposits	2.134	2.122	2.079	1.901	1.797	1.677	2.024	2.117
CR₁								
Assets, %	30	32	31	29	29	26	30	32
Loans, %	33	34	31	30	29	28	30	30
Deposits, %	32	30	28	27	25	21	26	29
CR₃								
Assets, %	67	69	68	66	64	61	68	70
Loans, %	71	73	70	67	66	64	69	68
Deposits, %	71	70	70	66	62	58	70	73

Source: compiled by the author based on the data provided by the Association of Lithuanian Banks

* February 2012

Lithuanian banking market in 2005-2006 was highly concentrated (see Table 1). During this period, the Lithuanian banking sector was changing due to the development of information technology. Technological modernization increased the number of distribution channels of the banks' products and services, the introduction of new technologies led to their high accessibility.

The level of concentration in the Lithuanian banking sector gradually decreased from 2006 to 2010. This was caused by a foreign bank branches and branch policies, which redistributed the loans, assets and deposits in the market. The financial crisis of

2008 also had an impact on the intensity of concentration in the market and led to further decrease of concentration from 2008 to 2010.

In 2010, the situation was the same – a moderately concentrated market and a gradual decline of the level of concentration. However, the situation in the Lithuanian banking sector changed again in 2011, when one of the banking sector participants went bankrupt (AB Snoras Bank), thus causing the increase of the concentration indices and the banking market returned to a very concentrated state (see Table 1, Fig. 5).

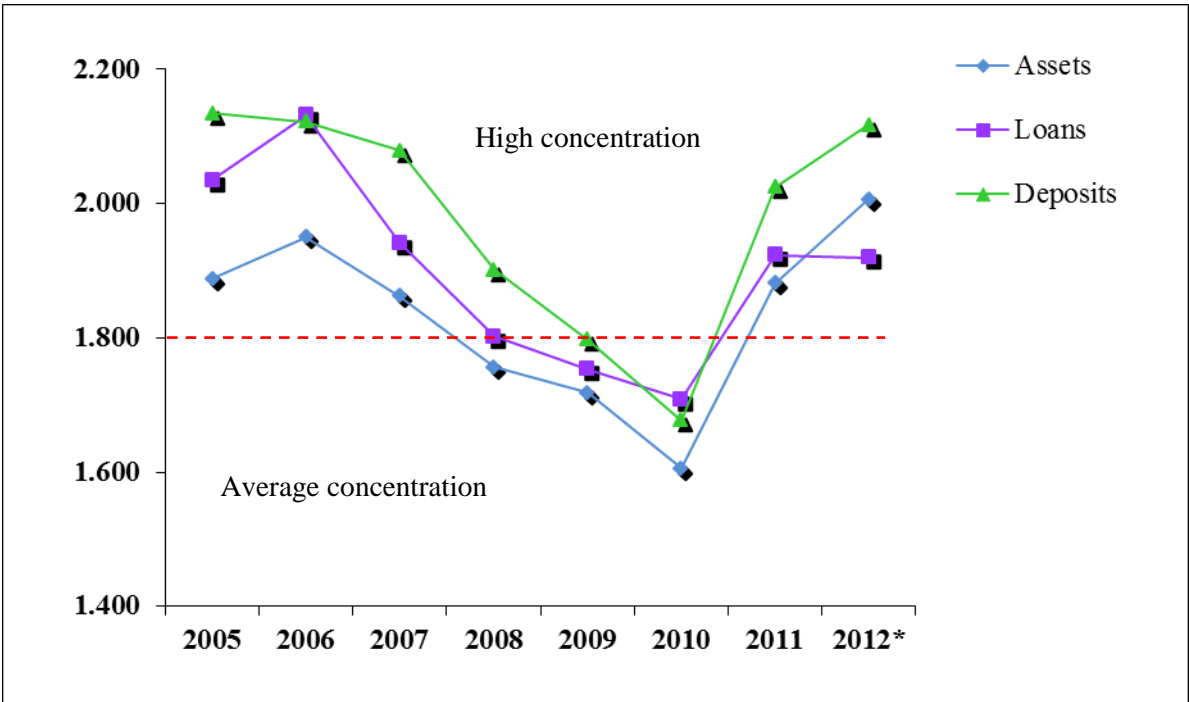


Fig. 5. The movement of the Herfindahl-Hirschman index (HHI) in the Lithuanian banking market from 2005 to 2012

Source: compiled by the author based on the data provided by the Association of Lithuanian Banks

* February 2012

The situation in other Baltic countries’ banking markets is a little bit different. In particular, the number of participants in the Latvian banking sector is almost three times higher, as compared to Lithuania – 31 banks, of which 9 are foreign bank branches and subsidiaries. The most active players in the Latvian banking market are Swedbank, which manages 17.7 percent of assets, SEB Bank, which owns 12.9 percent and the Latvian branch of Nordea Bank Finland, which owns 10.4 percent of assets.

Comparing to Lithuania, the largest asset and deposit market participants in Latvia are different. Meanwhile, the Lithuanian banking leaders occupied all the markets – asset, loans and deposits.

Based on the calculated Herfindahl-Hirschman index movements in the Latvian banking market from 2005 to 2011, the Latvian market is not highly concentrated (see Fig. 6). On the contrary, the Latvian banking sector is experiencing average concentration of assets and loans and low concentration of deposits.

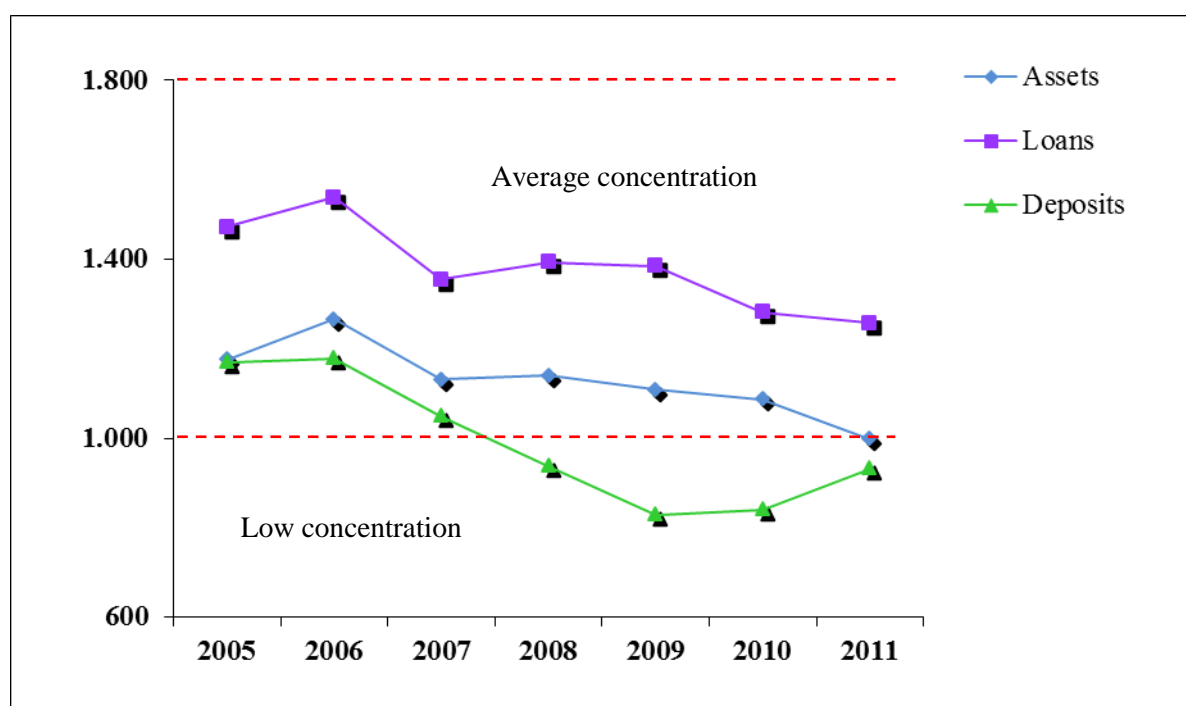


Fig. 5. The movement of the Herfindahl-Hirschman index (HHI) in Latvian banking market from 2005 to 2011

Source: compiled by the author based on the data provided by the Association of Latvian Banks

The level of concentration in the Latvian banking market is quite constant and this is explained by a larger number of banking market players. During the period of 2005 to 2011, the number of participants has increased from 23 to 31.

Despite the fact that the deposit market during the period of 2008 to 2011 was not concentrated, the level of concentration intensity started rising in 2011. This increase was due to the changes in the Latvian banking sector, when Latvijas Krajbanka went bankrupt. However, Latvijas Krajbanka, as compared to AB Bank Snoras, was not so popular in the Latvian banking market.

The calculated CR₃ index (see Table 2) shows that the Latvian banking market from 2005 to 2011 was moderately concentrated in all areas – assets, loans and deposits. The value of CR₃ exceeding 35 percent during the research period shows average concentration in the Latvian banking market.

Table 2. The concentration indexes in the Latvian banking sector in 2005-2011, as of the end of the year

	2005	2006	2007	2008	2009	2010	2011
HHI							
Assets	1.176	1.265	1.131	1.139	1.108	1.088	998
Loans	1.472	1.538	1.355	1.394	1.385	1.281	1.258
Deposits	1.170	1.178	1.049	938	829	841	932
CR₁							
Assets, %	20	24	22	24	23	22	19
Loans, %	25	29	26	26	26	24	22
Deposits, %	20	20	18	18	16	16	15
CR₃							
Assets, %	54	55	50	49	47	47	44
Loans, %	59	59	53	54	56	54	53
Deposits, %	52	53	48	43	39	39	43

Source: compiled by the author based on the data provided by the Association of Latvian Banks

The Estonian banking sector was more similar to the Lithuanian. The Estonian banking market consists of seven licensed commercial banks and 10 foreign bank branches and subsidiaries, however only five of them actively participate in the market. Nowadays the Estonian banking market is not large, however the number of participants in the Estonian banking market has tripled since 2002.

The largest part of the Estonian banking sector is shared by two commercial banks – Swedbank AS and AS SEB Pank. 43.1 percent of market assets are managed by Sewdbank AS; 20.0 percent – under AS SEB Pank (2011). The third place is taken by Nordea Bank Finland Plc Estonian filial, which manages 14.2 percent of assets and conducts business activities in the Estonian banking market.

Basing on the Herfindahl-Hirschman index movements in the Estonian banking market from 2006 to 2011, the Estonian market concentration intensity is gradually decreasing since 2006 (see Fig. 6). However, this decline is relative, as the degree of

concentration in Estonia is very high comparing with other Baltic countries, whereas the Estonian banking market actually consists of just two commercial banks.

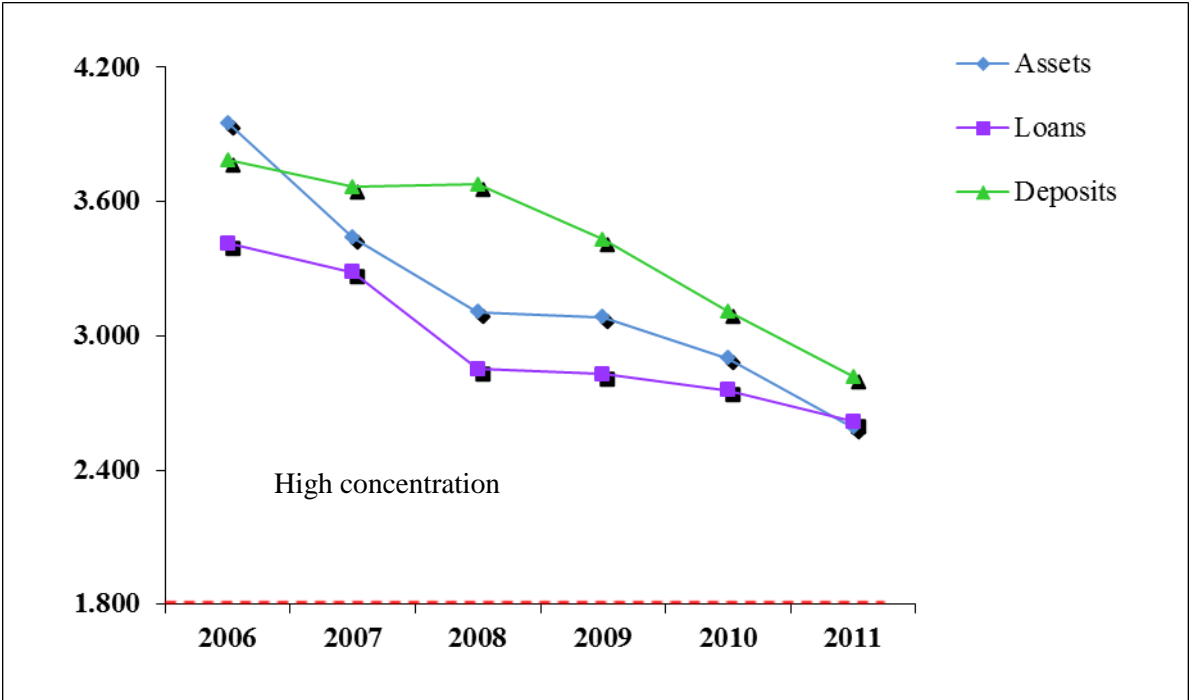


Fig. 5. The movement of the Herfindahl-Hirschman index (HHI) in Estonian banking market from 2005 till 2011

Source: compiled by the author based on the data provided by the Association of Estonian Banks and Financial Supervision Authority

The level of concentration in the Estonian deposit market from 2006 to 2008 has remained unchanged, the market has been run by only two commercial banks – Swedbank AS and AS SEB Pank. However, since 2008 the level of concentration began to decline. This change is related to the global financial crisis of 2008, which resulted in growth of bank customers’ distrust. Accordingly, the level of concentration began to decline in the deposit market.

Calculated CR₃ index (see Table 3) shows that from 2005 to 2011 the Estonian banking market was highly concentrated in all areas – assets, loans and deposits. The value of CR₃ exceeding 70 percent during the research period shows high concentration in the Estonian banking market.

To sum up, the analysis of the concentration level in the Baltic countries has revealed that the most concentrated banking market is the Estonian market, which is mostly managed by just two commercial banks.

Table 3. The indexes of concentration in the Estonian banking sector in 2005-2011, as of the end of the year

	2006	2007	2008	2009	2010	2011
HHI						
Assets	3.952	3.440	3.107	3.083	2.900	2.590
Loans	3.414	3.284	2.850	2.830	2.758	2.617
Deposits	3.785	3.666	3.677	3.429	3.108	2.818
CR₁						
Assets, %	58	53	49	49	47	43
Loans, %	48	49	44	44	43	41
Deposits, %	55	54	55	53	50	46
CR₃						
Assets, %	89	85	82	82	81	77
Loans, %	87	86	81	82	82	81
Deposits, %	89	88	88	85	82	80

Source: compiled by the author based on the data provided by the Association of Estonian Banks and Financial Supervision Authority

Meanwhile, the Latvian banking market consists of 31 participants and the level of concentration in the Latvian banking sector is not high. According to concentration intensity, the Lithuanian banking market takes the place between the Estonian and the Latvian banking markets.

Empirical study on the determinants affecting the choice of a bank

Most commercial banks do not tend to compete on price and the Lithuanian commercial banks are not an exception. The biggest part of their competitive activities is based on improving the quality of products and services. This situation creates some difficulties in choosing a commercial bank, so it is very important to properly identify the determinants which influence customers' choice of a bank. The selection of legal entities has been already reviewed and analysed by the Lithuanian scientists, however the choice of physical entities has not been analysed at all. Therefore, this research is focused on an individual's choice of a bank.

A questionnaire survey has been conducted in order to identify and to analyse the determinants influencing the decision of individuals to choose a particular commercial bank. According to the survey results, the choice of a bank does not depend on one determinant, on the contrary – several or more determinants can influence the decision of

an individual. The main determinants influencing the choice of a commercial bank are shown in the figure below (see Fig. 6).

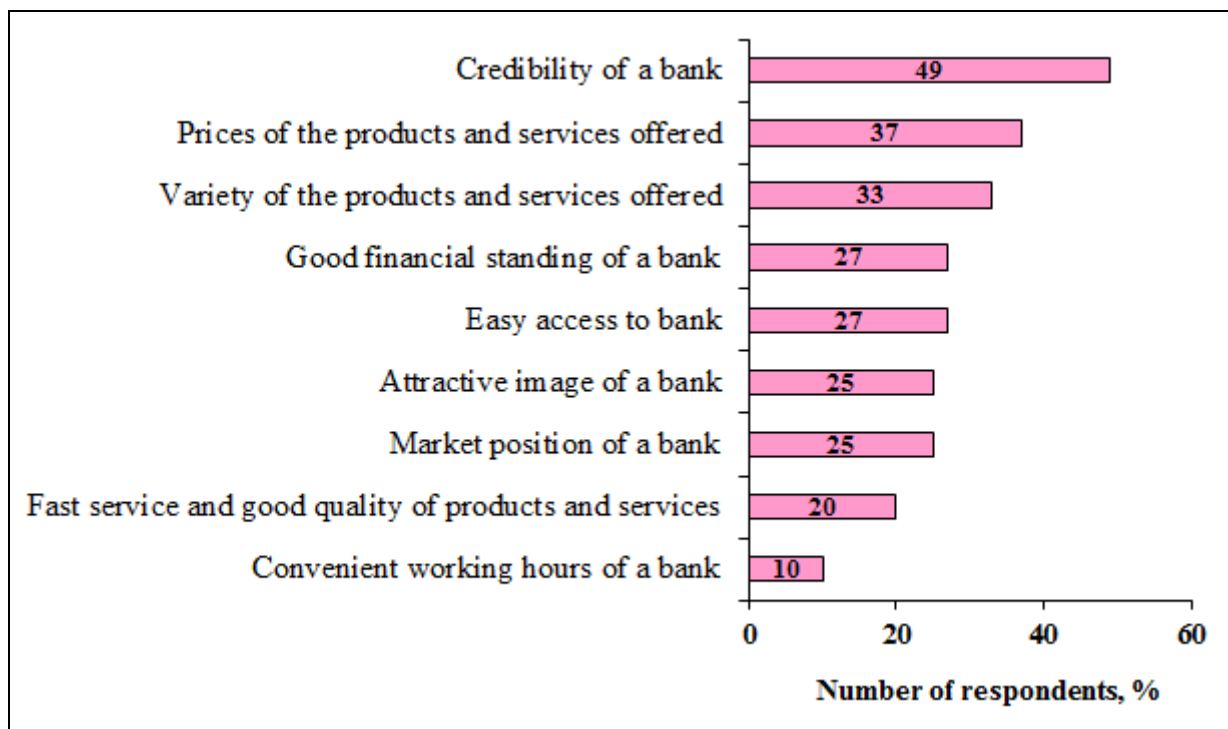


Fig. 6. The determinants affecting the choice of a bank, 2010

Source: compiled by the author

The main determinants affecting the choice of a commercial bank, according to the respondents, are the credibility of a bank, prices and variety of the banking products and services offered.

Further results of the survey show that a customer’s choice might also be affected by such determinants as recommendations of employers, advice of family members, friends and acquaintances, favourable services provision terms, less complicated procedures, wide network of automated teller machines and service-providing units, the quality of online banking, etc.

In order to systematize the survey data to be processed, the author has conducted a factor analysis using the quantitative data analysis software SPSS. The determinants studied in the first part of this research were described as observed variables, which were used for further factor analysis. All the steps of the factor analysis are described in the doctoral dissertation, while the following table represents only the final results of the analysis (see Fig. 7).

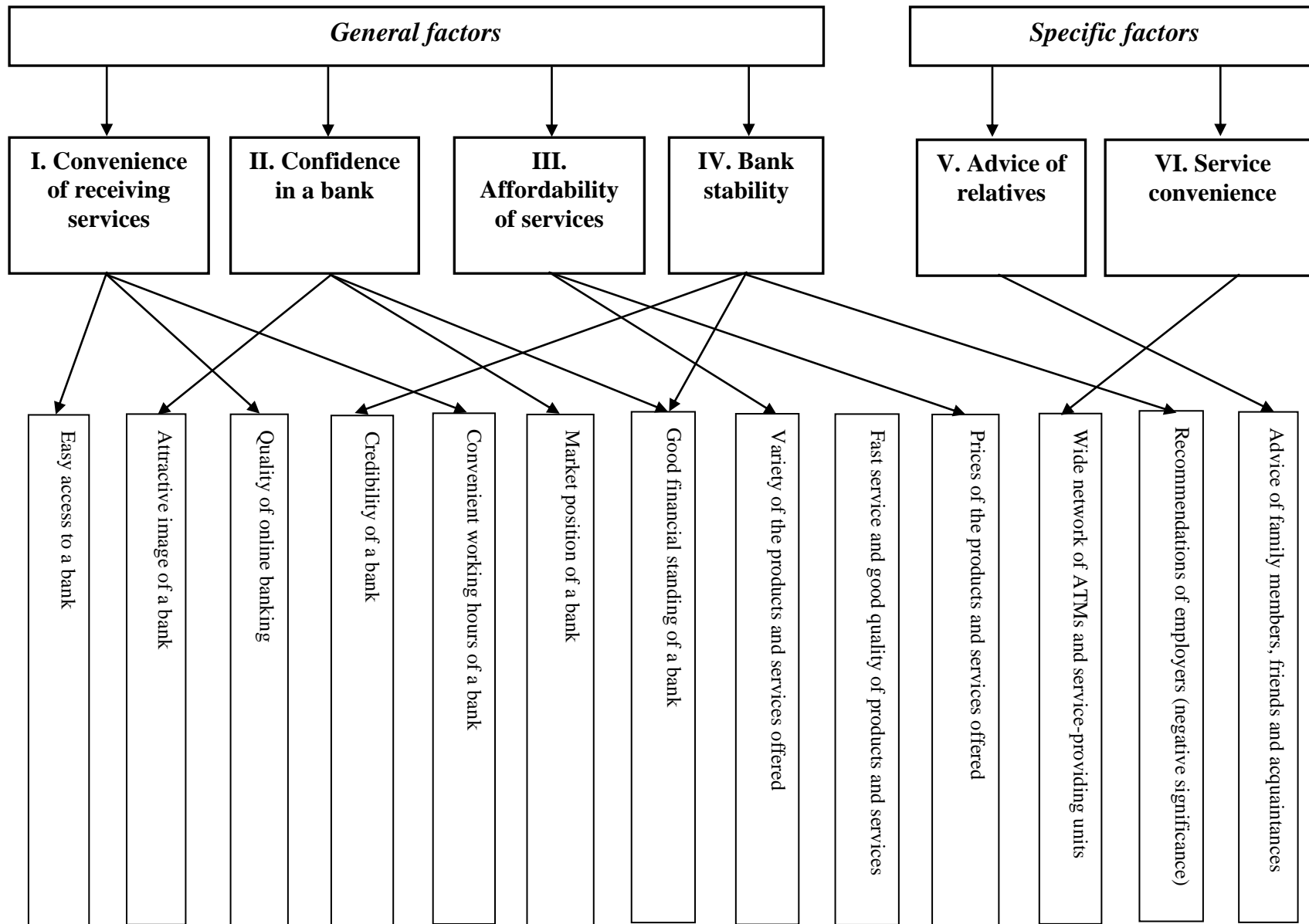


Fig. 7. The factor analysis results
 Source: compiled by the author

The factor analysis grouped the thirteen observed variables into six common factors set, so the information became more concentrated and generalized. The first factor “The convenience of receiving service” is related to the spatial location of commercial banks. The second factor “The confidence in a bank” is associated with the image of a commercial bank, its financial stability and position in the market. The third factor “Affordability of services” includes the variety of banking products and services and their prices. A good financial condition of a bank and bank credibility belong to the fourth “Bank stability” factor. The fifth and sixth factors – “Advice of relatives” and “Service convenience” – are attributed to specific factors, because each of them consists of only one variable, which has a large significance in each of the factors.

Conclusions and recommendations. Upon the analysis of the competition in the Lithuanian banking sector, followed by an empirical analysis of the intensity of the concentration in Lithuania and other Baltic countries, the factor analysis of the customers’ choice of a commercial bank and the assessment of the current situation in the Lithuanian banking sector, the following *conclusions* have been made:

1. The creation of the modern banking in the independent Lithuania started in March 1990 with the development of the National monetary and banking system. The establishment of the first commercial banks, which built their activities on the basic product and service offerings (loans, deposits and etc.), started since October 1990.
2. The commercial banks’ development phase resulted in apparent changes in commercial banking activities, such as an increase of the number of commercial banks’ employees, progress of banking technologies, improvement of customer service quality and introduction of new banking products and services, which led to significant changes in the banking market.
3. The prevailing competition in the banking sector is more complex and intense, as compared to other sectors of the economy. Banking market participants can compete only with the players of this market and only by offering banking products and services. Banking competition is an integral part of the competitiveness of the products and services offered – it

- encourages banks to operate efficiently and thereby to contribute to the country's economic growth.
4. The concentration of the bank capital in the banking sector, where large banks have a decisive advantage, impedes economic growth of the country. These large banks can offer their clients large customer service network and a wide range of banking products and services in today's rapidly changing banking market. They also have a stronger capital base, which allows to take more risks and to provide more services at the same time increasing competition in the banking market. However, such situation reduces competition in the banking market, as its participants are not able to compete on equal terms.
 5. The smaller the number of participants operating in the market is, the higher is the level of concentration. The level of concentration affects the behavior of participants in the market: the higher the concentration, the more commercial banks are dependent on each other. The concentration intensity depends on the size of a commercial bank and the size of a market, where the commercial bank operates. The larger a commercial bank is, as compared to the size of the market, the higher is the level of concentration in the market itself.
 6. The analysis of competition in the Lithuanian banking sector has revealed that the Lithuanian banking industry can be divided into three segments: the segment of the large commercial banks, the segment of the small and medium-sized commercial banks and the third segment consisting of foreign bank branches and subsidiaries. The first group has occupied about 70 percent of the market according to its assets, loan portfolio and deposit volumes. This means that the banks of Lithuania compete under the conditions typical for the oligopolistic market structure.
 7. The major part of the Lithuanian banking market belongs to the largest segment, which serves the largest number of customers and has a very wide range of banking products and services, so it is quite difficult for smaller banks to attract or lure customers due to a lack of such products and services. The major commercial banks belong to the group of foreign capital banks which receive resources from Scandinavian parent banks and therefore can dictate terms in the local market. Due to their relatively low capital base

smaller commercial banks are unable to handle large-scale customers. Medium and small commercial banks, which primarily aim at small and medium business development in the country, are more focused on a particular economic activity or a customer group, while branches and divisions of foreign banks, representing the third group of the Lithuanian banking sector, mainly specialize in financing economic entities, investment management, savings and traditional banking products and services.

8. The largest share of assets, loan portfolio and deposits held by the country's three largest commercial banks causes a high level of concentration in the Lithuanian banking market, which in turn leads to decrease of competition among the banks.
9. The analysis of the concentration intensity in the Baltic States has revealed that the most concentrated banking market is in Estonia, which is mostly shared by only two commercial banks. Meanwhile, more than 30 banking market players operate in Latvia and the level of concentration in the Latvian banking sector is not high.
10. Before the collapse of AB Snoras Bank Lithuanian banking sector was characterized by a number of displacements: competition among the country's small and medium-sized commercial banks was getting more intense, the banks were taking active actions to help their clients to meet their financial liabilities, followed a more flexible price policy, continued to strengthen non-price competition and to develop personal banking and to improve the quality of consulting services and customer service, as well as management of customers' monetary resources, the banks also used to distribute more various information on their activities, financial standing and other indicators.
11. Bankruptcy of one banking market player resulted in a decrease of confidence in the country's banking system and a drop in the number of the banks' customer service branches, which led to further development of online banking. Slow economic recovery and tighter bank credit policy have contributed to a low loan portfolio growth rate – both physical and legal entities became much more cautious about assuming new liabilities. Credit institutions began to intensively strengthen their capital base, as the Basel

Committee tightened capital requirements on banking supervision. To succeed in the market, commercial banks regularly monitor, evaluate and manage potential risks, as risk management is an essential process for a commercial bank's activities, which provides a competitive advantage for the banks seeking to increase their efficiency and to survive the competition battle, as well as ensures favourable activity results.

12. The main factors determining the choice of a bank are the following: credibility of a bank, variety and prices of the products offered, financial standing of a bank and the share of the market held, fast and high-quality service, easy access and convenient working hours. Moreover, the choice might also be affected by such factors as recommendations of employers, advice of family members, friends and acquaintances, favourable service provision terms, less complicated banking procedures, wide network of ATMs and customer service branches, online banking quality, etc.
13. The factor analysis conducted by the author has grouped the determinants affecting the choice of a bank into particular groups of general factors, so that the information obtained by means of a survey became more concentrated and generalized. Thirteen determinants influencing the choice of a bank have been transformed into six common factors set. The first factor "The convenience of receiving services" is related to the spatial location of the commercial banks. The second "The confidence in a bank" factor is associated with the image of a commercial bank, its financial stability and position in the market. The third factor, interpreted by the author as a "Affordability of Services", includes the variety of banking products and services and their prices. A good financial condition of a bank and credibility of a bank represent the fourth "Bank stability" factor. The fifth and sixth factors – "Advice of relatives" and "Service convenience" – are attributed to specific factors, because each of them consists of only one variable, which has a large significance in each of the factors.

Recommendations:

14. The data of the survey on competition in the Lithuanian banking sector can be used in forecasting the changes of the banking sector structure.
15. The analysis of the intensity of concentration in the Lithuanian and other Baltic countries' banking markets can be used for a deeper analysis of the banking sector in the Baltic region.
16. The analysis of the banking sector tendencies can enliven the activity of the country's banking sector, providing that the banks will purposefully select marketing activities, conduct market monitoring and adapt to changes of its participants' needs, invest into banking products' and services' quality improvement, develop and provide to the market new products and services based on modern banking technologies. Larger bank customer loyalty can be achieved through active marketing and proper customer loyalty promotion system.
17. The identification of the determinants affecting the choice of a bank and their analysis can be used in the activities of the Lithuanian commercial banks in order to improve customer loyalty and to enhance confidence in the bank.

Approbation and dissemination of the scientific research results. The main statements and results of the scientific research were published in five academic publications, of which two articles have been published in academic journals and three articles in academic conference publications.

Articles in academic journals:

1. Jasienė, M., Staroselskaja, J. (2010). Lietuvos bankų konkurencingumas ir banko pasirinkimas. *Pinigų studijos*, Nr. 2. ISSN 1392-2637, p. 29–41.
2. Staroselskaja, J. (2011). The Influence of Concentration on the Competition in the Banking Industry. *Economics and Management*, Nr. 16. ISSN 1822-6515, p. 373–379.

Articles in academic conference material:

3. Staroselskaja, J. (2011). Advantages and Disadvantages of the Concentration in the Banking Industry. 11th International Scientific Conference: „Management Horizons in Changing Economic Environment“. *Proceedings of the Conference*. ISSN 2029-8072, p. 571–580.
4. Staroselskaja, J. (2010). Competitiveness of commercial banks and the influence of concentration. International Conference: „The Global Challenges for Economic Theory and Practice in Central and Eastern European Countries“. *Conference proceedings*. ISBN 978-9955-33-594-8, p. 340–346.
5. Старосельская Ю. (2011). Проблема концентрации в банковском секторе. XIV Международная научная конференция аспирантов, магистрантов и студентов: „Человек, психология, экономика, право, управление: проблемы и перспективы“. *Материалы конференции*. ISBN 978-985-490-765-7., с. 68.

The results of the research have been presented at the following scientific conferences:

6. International Scientific Conference “The Global Challenges for Economic Theory and Practice in Central and Eastern European Countries”, 16-17 September 2010, Vilnius (Lithuania).
7. XVI International Scientific Conference “Economics and Management 2011”, 27-29 April 2011, Brno (Czech Republic).
8. XIV International Conference “Man, Psychology, Economics, Law, Management: Problems and Prospects”, 19 May 2011, Minsk (Belarus).
9. XI International Scientific Conference “Management Horizons in Changing Economic Environment: Visions and Challenges”, 22-24 September 2011, Kaunas (Lithuania).

About the author

Julija Staroselskaja was born on 24 August 1984, Vilnius (Lithuania).

Education

- 2002 – 2006 Bachelor of Economics, Vilnius University
- 2006 – 2008 Master of Economics, Vilnius University
- 2008 – 2012 Doctoral studies at Vilnius University, Social Sciences: Economics.

Professional Background

- 2012 – currently First Treasury A/S, Consultant
- 2009 – currently Vilnius University, Lecturer
- 2010 – 2012 UAB ERP, SAP TR Consultant
- 2007 – 2010 UAB FORBIS, Treasury Analyst
- 2006 – 2007 AB Citadele Bank, Treasury Accountant
- 2005 – 2006 AB DNB Bank, Economist

DISERTACIJOS SANTRAUKA

Temos aktualumas. Konkurencija bankų sektoriuje yra viena iš svarbiausių šalies ekonominio vystymosi sąlygų. Išsamus konkurencijos, kaip vieno iš svarbiausių ekonomikos teorijos klausimų, būtinumo nagrinėjimas aiškintinas tuo, kad konkurencija yra vienas iš veiksnių, užtikrinančių šalies ekonominį augimą. Besivystant pažangioms finansinėms technologijoms ir gerėjant bankinio verslo valdymo sistemai, bankų konkurencija skatina bankinių produktų ir paslaugų įkainių mažinimą, didina bankų veiklos efektyvumą.

Šiandieninėje verslo aplinkoje vis labiau reiškiantis globalizacijos procesams, daugelio bankų sėkmė tampa priklausoma nuo to, kaip jie sugeba išryškinti savo konkurencinius pranašumus ir išlaikyti konkurencingumą, taip užtikrindamos tvirtą poziciją rinkoje. Bankų gebėjimas prisitaikyti, išlikti rinkoje ir įgyti konkurencinį pranašumą yra svarbus ne tik paties banko veiklos rezultatams, bet visos šalies finansinės sistemos stabilumui ir ekonomikos augimui. Ekonominio nuosmukio, sukulto pasaulinės krizės, laikotarpiu išryškėjo komercinių bankų veiklos trūkumai. Smukęs pasitikėjimas šalies bankų sistema sumažino namų ūkio vartojimą ir komercinių struktūrų investicijas, kas įtakojo šalies bankų konkurenciją rinkoje.

Suvokiant bankininkystės aktualumą šių laikų visuomenei, vis spartėjant technologinėms naujovėms, plečiantis finansinių operacijų mastui ir joms sudėtingėjant, yra svarbu užtikrinti vientisą, stabilią ir patikimą bankinę sistemą mūsų šalyje.

Deja, teorinio pagrindimo ir tyrimų, kaip turi reaguoti bankai ir keisti kreditavimo politiką siekiant palaikyti verslą ir ekonominę plėtrą, nėra. Būtent todėl yra svarbu apžvelgti šalies bankų sektorių, ištirti konkurenciją Lietuvos bankininkystės rinkoje ir atskleisti bankų plėtros tendencijas. Mokslininkų dėmesys bankų konkurencijai, išsamaus konkurencingumo bankų sektoriuje nagrinėjimo būtinumas bei šalies poreikis turėti konkurencingą gerai ir efektyviai veikiančią bankų sektorių paskatino mokslinio tyrimo temos pasirinkimą, tikslų ir uždavinių formulavimą.

Mokslinė problema ir jos ištyrimo lygis. Šalies komercinių bankų konkurencijos klausimai mokslinėje literatūroje mažai nagrinėti. Kas gi yra bankų konkurencija ir kokie veiksniai sąlygoja jos egzistavimą Lietuvos bankininkystės rinkoje? Dauguma apžvelgtų literatūros šaltinių nagrinėja šalies įmonių konkurenciją,

tuo tarpu konkurencijos Lietuvos komercinių bankų sektoriuje analizei dėmesio skirta mažai, pasigendama konkrečių komercinių bankų konkurencinių pranašumų įvertinimo ir analizės.

Teorinius konkurencijos ir efektyvumo aspektus bankų sektoriuje tyrė Beniušienė, Svirskienė (2008), Aleknevičienė, Deltuvaitė (2008), įmonių konkurencingumui daugiausia dėmesio skyrė Bartkus, Kriaučiūnaitė (2007), Marčinskas, Diskienė (2001), Rinkauskaitė (2007), Vijeikis, Makštutis (2009), Keršienė (2009), Lietuvos komercinių bankų veiklos skaidrumą savo darbuose išskyrė Kuzmickas (1999), Titarenko (2000), šalies bankų sektoriaus konkurencingumą tyrė Deltuvienė, Gižienė (2007) ir kiti.

Tuo tarpu užsienio šalių mokslininkai vien konkurencijos nagrinėjimui bankų sektoriuje skyrė daugiau dėmesio. Iš jų reikėtų išskirti: Barney (2001), Berger, Demirgüç-Kunt, Levine, Haubrich (2003), Bikker, Groeneveld (2000), Bikker, Haaf (2002), Bikker, Jaap (2005), Cetorelli (2004), Bandt, Davis (2000), Givi, Ebrahimi, Nasrabadi, Safari (2010), Harasim (2008), Yokoi-Arai, Yoshino (2006), Korobov (1996), Sinko (2007), Claessens, Laeven (2004), Molyneux, Lloyd-Williams, Thornton (1994), Mamaeva (2010), Moutinho, Philips (2002), Neven, Röller (1995), Chintrakarn, Jindapon (2012), Lutoškina (2011), Shevchenko (2009), Suominen (1994), Anderson, Hyytinen, Snellman (2000), Vesala (2000), Yildirim, Philippatos (2007) ir kiti užsienio šalių mokslininkai.

Apibendrinant Lietuvos ir užsienio autorių atliktus tyrimus, galima daryti išvadą, kad šalies bankų konkurencija Lietuvos mokslininkų buvo tirta mažai ir daugiausia tik epizodiškai, kas neleidžia susidaryti aiškaus ir tikslaus vaizdo apie Lietuvos bankų konkurencingumo lyginamuosius aspektus.

Tyrimo objektas – Lietuvos bankų sektorius, apimantis šalyje funkcionuojančias kredito įstaigas, kurių veikla yra reglamentuota šalies teisiniais aktais.

Tyrimo tikslas – ištirti konkurenciją bei koncentraciją Lietuvos bankininkystės rinkoje ir atlikti banko pasirinkimą lemiančių veiksnių analizę.

Darbo tikslui pasiekti keliami darbo **uždaviniai**:

- atskleisti šiuolaikinės bankininkystės raidos etapus ir nustatyti konkurencinės kovos ypatumus bankininkystės rinkoje;
- identifikuoti bankų konkurencijos skirtumus nuo konkurencijos kituose ekonomikos sektoriuose;

- atskleisti bankų konkurencijos ir rinkos koncentracijos tarpusavio ryšį;
- atlikti konkurencijos analizę šalies bankų sektoriuje;
- atlikti empirinį tyrimą, įvertinant koncentracijos intensyvumo laipsnį Lietuvos ir kitų Baltijos šalių bankininkystės rinkose ir nustatant esminius skirtumus;
- atskleisti šalies bankų sektoriaus plėtros tendencijas, atspindinčias dabartinę situaciją Lietuvos bankų sektoriuje;
- atlikti empirinį tyrimą, nustatant veiksnius, lemiančius klientų sprendimą pasirinkti tam tikrą komercinį banką, ir atliekant jų analizę.
- atlikti rezultatų interpretavimą, pateikti išvadas ir rekomendacijas.

Atlikus minėtas užduotis ir pasiekus pagrindinį šio darbo tikslą, galima bus sudaryti aiškų vaizdą apie dabartinę bankų sektoriaus situaciją, bankų konkurenciją Lietuvos bankininkystės rinkoje ir veiksnius įtakojančius banko pasirinkimą.

Tyrimo metodai. Disertacijos darbo tikslui pasiekti bei iškeltiems uždaviniams spręsti šiame darbe buvo naudoti Lietuvos ir užsienio autorių mokslinės literatūros pirminių ir antrinių šaltinių rinkimo, grupavimo, sisteminimo, apibendrinimo ir lyginamosios analizės metodai.

Atliekant šalies komercinių bankų konkurencijos ir koncentracijos Baltijos šalyse tyrimą buvo taikomi statistinių duomenų lyginamosios analizės, absoliutinių ir santykinų dydžių skaičiavimo, duomenų sisteminimo ir grupavimo bei grafinių duomenų atvaizdavimo metodai. Absoliutinių ir santykinų dydžių skaičiavimas bei grafinis šių duomenų atvaizdavimas buvo atliktas naudojant Microsoft Office paketo programas.

Klientų banko pasirinkimą lemiantiems veiksniams nustatyti buvo naudotas anketinės apklausos metodas, įgalinęs gauti pačių banko klientų nuomonę apie banko pasirinkimą įtakojančius kriterijus. Tolimesniam apklausos būdu gautų rezultatų analizei buvo naudoti kiekybinių duomenų apdorojimo ir faktorinės analizės metodai.

Faktorinė analizė buvo atlikta naudojant kiekybinių duomenų analizės programą SPSS. Vienas labiausiai paplitusių statistinės informacijos apdorojimo programinis paketas SPSS padėjo tinkamai apdoroti ir išanalizuoti gautos anketinės apklausos duomenis bei faktorinės analizės būdu gautus rezultatus pateikti apibendrinto duomenų atvaizdavimo metodais – lentelių ir paveikslų pavidalu.

Tyrimo šaltiniai. Šiame darbe analizuojami Lietuvos ir užsienio šalių mokslininkų mokslo darbai bei taip pat remiamasi bankų analitikų ir praktikų darbais. Darbe iškeltam tikslui pasiekti bei uždavinių sprendimui buvo būtina išnagrinėti Lietuvos komercinių bankų veiklą ir šalies bankų sektoriuje vyraujančią konkurenciją remiantis šiais svarbiausiais teisės aktais: Lietuvos Respublikos bankų įstatymą (LRS 2004), Lietuvos Respublikos konkurencijos įstatymą (LRS 2000) bei Lietuvos Respublikos finansų įstaigų įstatymą (LRS 2012). Taip pat buvo būtina išnagrinėti kiekvieno Lietuvoje veikiančio komercinio banko veiklos rezultatus atspindinčias finansines ataskaitas, kurios yra oficialiai skelbiamos ir viešai prieinamos bankų interneto puslapiuose.

Konkurencijos Lietuvos komercinių bankų sektoriuje tyrimui atlikti daugiausia buvo naudojami Lietuvos komercinių bankų bei Lietuvos bankų asociacijos skelbiami statistiniai duomenys – bendra bankų sektoriaus informacija, pagrindiniai bankų veiklos rodikliai ir pelno (nuostolio) ataskaitos (LBA 2012).

Lietuvos ir kitų Baltijos šalių esamos padėties bankininkystės rinkoje palyginimui taip pat buvo naudojami Latvijos ir Estijos bankų asociacijų (Latvijos bankų asociacija, EBA 2011), Estijos finansų priežiūros institucijos (FSA 2011) skelbiami statistiniai rodikliai bei visų trijų Baltijos šalių centrinių bankų skelbiama informacija (LB, Latvijas banka, BA 2012). Atliekant šį tyrimą, naudoti ir Lietuvos statistikos departamento teikiami duomenys (LSD 2012).

Faktorinei analizei atlikti ir gautiems rezultatams interpretuoti daugiausia buvo naudojami šie Lietuvos ir užsienio mokslininkų publikuoti šaltiniai: Pukėnas (2009), Čekanavičius, Murauskas (2002), Garson (2012), Jasienė (1977), Charman (1972), Savickaja (2002), Kim, Miuller, Klekka, Oldenderfer, Bleshfield (1989) ir kiti.

Ginamieji disertacijos teiginiai:

- Skandinaviško kapitalo bankų atėjimas į Lietuvos rinką sudarė galimybes naudotis pažangiomis paslaugomis ir gausiais finansiniais ištekliais, tačiau sąlygojo nelygios konkurencijos ir aukštos koncentracijos atsiradimą Lietuvos bankininkystės rinkoje;

- Lietuvos komerciniai bankai veikia oligopolinei rinkos struktūrai būdingomis sąlygomis;
- Lietuvos bankų sektoriuje konkurencija grindžiama siūlomų produktų ir teikiamų paslaugų kokybės gerinimu, pardavimo skatinimu ir kitomis ne kainų kitimu pagrįstomis priemonėmis;
- Lietuvos bankininkystės rinka nėra labiausiai koncentruota iš trijų Baltijos šalių rinkų;
- pagrindiniai banko pasirinkimą lemiantys veiksniai yra banko veiklos patikimumas, siūlomų produktų ir paslaugų asortimentas bei jų kaina.

Darbo mokslinis naujumas ir teorinė reikšmė. Mokslinį darbo naujumą rodo tai, kad konkurencija Lietuvos komercinių bankų sektoriuje Lietuvos autorių ir mokslininkų, lyginant su užsienio autoriais, buvo tirta tik epizodiškai, todėl autorės atlikti tyrimai reikšmingi ekonomikos mokslo plėtrai šiais aspektais:

- autorė atskleidė bankų konkurencijos, kaip vieno iš veiksnių, užtikrinančių šalies ekonominį augimą ir lemiančių vienu rinkos dalyvių konkuravimą su kitais, reikšmę;
- atlikta sisteminė Lietuvos ir užsienio šalių mokslinės literatūros ir šaltinių analizė atskleidė konkurencijos sudėtingumą bankų sektoriuje lyginant su kitais ekonomikos sektoriais;
- autorė atliko išsamią bankų konkurencingumą lemiančių veiksnių ir jų matuojančių metodų analizę bei atskleidė bankų konkurencijos ir rinkos koncentracijos tarpusavio ryšį.

Praktinė darbo reikšmė:

- autorės atlikta Lietuvos ir kitų Baltijos šalių koncentracijos intensyvumo analizė gali būti panaudota gilesniam Baltijos regiono bankų sektoriaus tyrimui;
- atskleistos Lietuvos bankų sektoriaus plėtros tendencijos galėtų padėti ieškant kryptingų komercinių bankų veiksmų siekiant pagyvinti Lietuvos bankininkystės rinką;

- autorės nustatyti banko pasirinkimą lemiantys veiksniai ir atlikta jų analizė gali būti tikslingai panaudota komercinių bankų veikloje klientų lojalumui gerinti bei pasitikėjimui banku stiprinti;
- šios disertacijos medžiaga gali būti naudinga ekspertams, akademinės visuomenės nariams, nagrinėjantiems bankų konkurenciją ir koncentracijos problemą šalies bankininkystės rinkoje.

Darbo struktūra ir apimtis. Disertaciją sudaro įvadas, trys dalys, išvados ir pasiūlymai, literatūros ir šaltinių sąrašas, priedai. Disertacijos apimtis – 129 puslapiai, joje pateikta 11 lentelių, 18 paveikslų ir 3 priedai.

Išanalizavus konkurenciją Lietuvos bankų sektoriuje, atlikus išsamų Lietuvos ir kitų Baltijos šalių koncentracijos intensyvumo tyrimą, nustatčius veiksnius, lemiančius potencialių klientų sprendimą pasirinkti tam tikrą komercinį banką ir įvertinus dabartinės šalies bankų sektoriaus plėtotės tendencijas, galima daryti tokias **išvadas**:

- 1.Šiuolaikinės bankininkystės kūrimasis nepriklausomoje Lietuvoje prasidėjo nacionalinės pinigų ir bankų sistemos kūrimu 1990 m. kovo mėn. Nuo 1990 m. spalio mėn. pradėjo steigtis pirmieji Lietuvos komerciniai bankai, kurių veikla buvo grindžiama elementarių produktų ir paslaugų pasiūla (paskolos, indėliai ir kt.).
- 2.Komercinių bankų vystymosi etapas sąlygojo akivaizdžius pasikeitimus komercinių bankų veikloje – komercinių bankų darbuotojų augimas, bankinių technologijų pažanga, klientų aptarnavimo kokybės gerinimas bei naujų bankinių produktų ir paslaugų atsiradimas lėmė didelius pokyčius bankininkystės rinkoje. Bankininkystė per gana trumpą laiką patyrė didelius pokyčius ir gana greitai tapo šiuolaikinė.
- 3.Bankų sektoriuje vyraujanti konkurencija, lyginant su kitais ekonomikos sektoriais, yra sudėtingesnė ir intensyvesnė. Bankininkystės rinkos dalyviai gali konkuruoti tik su šios rinkos dalyviais ir tik bankiniais produktais ir paslaugomis. Bankų konkurencija yra neatsiejama nuo jų teikiamų produktų

ir paslaugų konkurencingumo – jis skatina bankus veikti efektyviai ir taip prisidėti prie šalies ekonominio augimo.

4. Bankų kapitalo koncentracija stabdo ekonominį augimą. Šalies bankų sektoriaus galia yra sutelkta tik didžiuosiuose komerciniuose bankuose, kurie turi lemiamą pranašumą. Jie siūlo savo klientams platų klientų aptarnavimo tinklą, didelį produktų ir paslaugų asortimentą greitai besivystančioje šiuolaikinėje bankininkystės rinkoje. Jie taip pat turi stipresnę kapitalo bazę, kuria naudodamiesi gali prisiimti didesnę riziką, suteikti daugiau paslaugų, tačiau visa tai mažina konkurenciją bankininkystės rinkoje, nes tokia situacija sąlygoja rinkos dalyvių nelygybę ir pabrėžia, kad bankai negali konkuruoti tarpusavyje vienodomis sąlygomis.
5. Autorės pastebėta, kad kuo mažesnis rinkoje veikiančių dalyvių skaičius, tuo didesnis rinkos koncentracijos lygis. Koncentracijos lygis turi įtakos dalyvių elgesiui rinkoje: kuo didesnė koncentracija, tuo daugiau komerciniai bankai yra priklausomi vienas nuo kito. Koncentracijos intensyvumas priklauso nuo komercinio banko dydžio bei rinkos dydžio, kuriame veikia komercinis bankas. Kuo didesnis komercinis bankas, palyginti su rinkos mastu, tuo didesnis koncentracijos lygis pačioje rinkoje.
6. Atlikta konkurencijos Lietuvos komercinių bankų sektoriuje analizė parodė, kad Lietuvos bankų sektorių sudaro trys bankų grupės – didieji komerciniai bankai, vidutiniai ir mažieji komerciniai bankai, užsienio bankų skyriai ir filialai. Pirma bankų grupė užima apie 70 procentų rinkos pagal valdomą turtą, paskolų portfelį ir indėlių apimtį. Vadinasi, Lietuvos bankai veikia oligopolinės rinkos struktūros sąlygomis.
7. Buvo išanalizuota, kad didžiausių šalies užsienio kapitalo šalies komercinių bankų atliekamų operacijų ir teikiamų paslaugų asortimentas yra labai platus, todėl mažesniems bankams pritraukti ar pervilioti klientus dėl nepakankamai plataus pastarųjų siūlomų produktų ir paslaugų asortimento yra ganėtinai sunku. Didžiųjų komercinių bankų grupei priklausantys užsienio kapitalo bankai išteklius gauna iš patronuojančių Skandinavijos bankų ir todėl gali diktuoti sąlygas vietinėje rinkoje. Dėl sąlyginai nedidelės kapitalo bazės mažesniems komerciniams bankams yra sunku aptarnauti

stambius klientus. Vidutiniai ir mažieji komerciniai bankai, kurių pagrindinis tikslas yra smulkaus ir vidutinio verslo plėtra šalyje, labiau orientuojasi į tam tikrą ekonominę veiklą arba klientų grupę, o užsienio bankų skyriai ir filialai, sudarantys trečią Lietuvos bankų sektoriaus grupę, daugiausia specializuojasi ūkio subjektų finansavimo, investicijų valdymo, indėlių ir tradicinių bankininkystės produktų bei paslaugų srityse.

8. Trijų didžiausių šalies komercinių bankų valdoma rinkos dalis sąlygoja aukštą koncentracijos lygį Lietuvos bankininkystės rinkoje, o tai lemia tarpbankinės konkurencijos mažėjimą. Nuo 2005 iki 2012 m. koncentracijos intensyvumo laipsnis šalies bankininkystės rinkoje ne visada buvo aukštas. Pastebėta, kad nuo 2008 iki 2010 m. užsienio bankų skyrių ir filialų politika perskirstė paskolų, turto ir indėlių kiekį rinkoje, kas sąlygojo koncentracijos intensyvumo mažėjimą.
9. Autorės atlikta Baltijos šalių bankų sektorių koncentracijos intensyvumo analizė parodė, kad daugiausiai koncentruota rinka yra Estijoje, kurią valdo beveik tik du komerciniai bankai. Herfindahl-Hirschman indekso judėjimas Estijos bankininkystės rinkoje nuo 2006 iki 2011 metų parodė, kad nuo 2006 metų Estijos rinkos koncentracijos intensyvumas palaipsniui mažėja, tačiau šis mažėjimas yra sąlyginis, nes Estijoje, palyginti su kitomis Baltijos šalimis, koncentracijos laipsnis yra labai aukštas dėl mažo aktyvių rinkos dalyvių skaičiaus. Tuo tarpu Latvijoje veikia daugiau nei 30 bankininkystės rinkos dalyvių, ir koncentracijos lygis bankų sektoriuje nėra didelis.
10. Iki AB banko „Snoras“ žlugimo Lietuvos bankų sektoriui buvo būdingi tam tikri poslinkiai: intensyvi konkurencija tarp vidutinių ir mažųjų komercinių bankų, aktyvios bankų pastangos padėti savo klientams vykdyti turimus finansinius įsipareigojimus, lankstesnė bankų siūlomų produktų ir paslaugų kainų politika, nekaininės konkurencijos didinimas, asmeninės bankininkystės plėtojimas, konsultacinių paslaugų ir klientų aptarnavimo gerinimas, klientų piniginių išteklių valdymas, įvairesnės informacijos apie bankų veiklą, jų finansų būklę ir kitus rodiklius sklaida.
11. Bankrutavus vienam iš bankininkystės rinkos dalyvių, pasitikėjimas šalies bankų sistema smuko, sumažėjo bankų klientų aptarnavimo padalinių

skaičius, sąlygojęs internetinės bankininkystės plėtrą. Lėtas ekonomikas atsigavimas bei griežtesnė bankų kredito politika lėmė silpną paskolų portfelio augimo tempą – tiek fiziniai, tiek juridiniai asmenys pastaruoju metu kur kas atsargiau prisiima naujus įsipareigojimus. Kredito institucijos pradėjo intensyviai stiprinti kapitalo bazę, nes Bazelio bankų priežiūros komitetas sugriežtino kapitalo reikalavimus. Norėdami sėkmingai veikti rinkoje, bankai nuolat stebi, vertina ir valdo galimas rizikas, nes rizikos valdymas komercinio banko veikloje yra labai svarbus procesas, suteikiantis pranašumą siekiant dirbti efektyviau ir norint išlikti konkurencingoje kovoje, užtikrinantis palankius veiklos rezultatus.

12. Autorės atlikta šalies komercinio banko pasirinkimą lemiančių veiksnių analizė parodė, kad renkantis tam tikrą banką klientams didžiausią poveikį daro banko veiklos patikimumas, siūlomų produktų ir paslaugų asortimentas bei kaina, banko finansų būklės stabilumas, užimama pozicija rinkoje, patogi geografinė padėtis, greitas ir aukštos kokybės aptarnavimas, patogus darbo laikas. Įtakos taip pat turi darbdavių rekomendacijos, šeimos, draugų, pažįstamų patarimai, palankios produktų ir paslaugų teikimo sąlygos, ne per daug sudėtingos bankinės procedūros, platus klientų aptarnavimo padalinių ir bankomatų tinklas, elektroninės bankininkystės kokybė ir kiti veiksniai.
13. Autorės atlikta faktorinė analizė gautus rezultatus suskirstė į tam tikras bendrųjų faktorių grupes, gauta tyrimo informacija tapo labiau koncentruota ir apibendrinta. Banko pasirinkimą lemiančių trylikos veiksnių aibė buvo transformuota į pagrindinių komponentų metodu išskirtų šešių bendrųjų faktorių rinkinį. Pirmas faktorius „Paslaugų gavimo patogumas“ yra susijęs su komercinių bankų teritoriniu išsidėstymu. Antrasis „Pasitikėjimo banku“ faktorius susijęs su komercinio banko įvaizdžiu, finansiniu stabilumu ir jo pozicija rinkoje. Trečiasis faktorius, autorės interpretuotas kaip „Paslaugų prieinamumas“, apima banko produktų ir paslaugų įvairovę bei jų kainas. Gera banko finansų būklė ir banko patikimumas sudaro ketvirtąjį „Banko stabilumo“ faktorių. Penktasis ir šeštasis faktoriai – „Artimųjų patarimai“ ir „Aptarnavimo patogumas“ – yra priskiriami prie specifinių faktorių, nes kiekvienas iš jų susideda tik iš vieno kintamojo, kuris turi didelį svorį

kiekviename iš faktorių. Šiems faktoriams priklausantys kintamieji yra nesusiję su kitais faktorinės analizės kintamaisiais.

Pasiūlymai:

14. Atlikto konkurencijos Lietuvos komercinių bankų sektoriuje tyrimo duomenys gali būti panaudoti atliekant bankų sektoriaus struktūros pokyčių prognozę.
15. Autorės atlikta Lietuvos ir kitų Baltijos šalių koncentracijos intensyvumo laipsnio nustatymo analizė gali būti panaudota gilesniam Baltijos regiono bankų sektoriaus tyrimui.
16. Atliktas bankų sektoriaus plėtros tendencijų išskyrimas ir jų analizė gali pagyvinti šalies bankų sektoriaus veiklą, jei bus kryptingai parenkami rinkodaros veiksmai, atliekamas nuolatinis rinkos stebėjimas ir prisitaikymas prie jos dalyvių poreikių kaitos, daromos investicijos į banko produktų ir paslaugų kokybės gerinimą, bus kuriami ir pateikiami rinkai nauji šiuolaikines bankines technologijas atitinkantys produktai ir paslaugos. Didesnį banko klientų lojalumą galima pasiekti naudojant aktyvią rinkodarą ir tinkamą klientų lojalumo stiprinimo sistemą.
17. Autorės nustatyti banko pasirinkimą lemiantys veiksniai ir atlikta jų analizė gali būti panaudota šalies komercinių bankų veikloje klientų lojalumui gerinti bei pasitikėjimui banku stiprinti.

Mokslinio tyrimo rezultatų aprobavimas ir sklaida. Pagrindiniai mokslinio tyrimo teiginiai ir rezultatai paskelbti 5 mokslinėse publikacijose, iš kurių 2 straipsniai paskelbti mokslo žurnaluose ir 3 straipsniai mokslinių konferencijų recenzuotuose leidiniuose. Mokslinio tyrimo teiginiai ir rezultatai taip pat pristatyti 4 tarptautinėse mokslinėse konferencijose.