Chapter-VI

Findings, Contribution and Managerial Implications, Conclusion and Recommendations for future research
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In order to identify the Impact of service quality dimensions on behavioral intentions of banking customers and to emerge with the new approach to the field of handling banking customers’ behavioral intention in management practices, the researcher made an extensive literature survey and with an appropriate methodology, researcher attempted an empirical study resulting in model development. This chapter summarizes the findings, contributions and implications and conclusions arrived at from this empirical study.

6.1. Summary Of Findings

The following findings are made on the basis of study which exhibits the Impact of service quality dimensions on behavioural intentions of banking customers who does personal banking with the following public(SBI), private(ICICI) and foreign banks(HSBC) located in Chennai metro, Tamilnadu, India.

Findings extracted through descriptive statistics (Frequency Analysis) of Demographic, service quality and behavioral intentions variables are discussed below:

6.1.1 Demographic or personal variables

> Respondents age classification reveals that 229 (28.6 %) respondents belong to the age category of 26-35 age group in SBI, 217 (33.9%) respondents belongs to the 26-35 age category in ICICI bank and similarly 200 (31.4%) respondents belongs to the same age category in HSBC bank also .It could be appropriate to say that most of the banking customers belong to the age category of 26-35, who are middle aged group irrespective of public, private and foreign banks.

> The Gender analysis of the respondents reveals that that 470 respondents (58.8%) belongs to male category in SBI bank, 380 respondents (59.4%) belongs to male category in ICICI bank and 389 respondents (61.2%) belongs to male category in HSBC bank. It is critically observed that male seems to be on the higher side that they normally prefer to transact with their bank in person.

> The classification of the education of the respondents reveals that 303 respondents (37.9%) belongs the category of graduates in SBI bank, 236 respondents (36.9%) belongs
the category of graduates in ICICI bank, 288 respondents (45.3%) belongs the category of graduates in HDFC bank. It is surprised to note that in all the three public, private and foreign banks, graduate category remains the most, because of the fact that they are middle aged and Chennai city life styles prompts them to go job immediately after graduation.

> The classification of respondents occupation clarify that 249 respondents (31.1%) belongs to the category of private sector employees in SBI bank, 212 respondents (33.1%) belongs to the category of private sector employees in ICICI bank, and similarly 156 respondents (24.5%) belongs to the category of private sector employees in HSBC. Chennai is flooded with mostly private companies which has a reflection that most of them respondents belongs to the private sector employees across public, private and foreign banks.

> The classification of respondents monthly earnings of banking respondents reveals that 265 respondents (26.5%) belongs to the category of earnings group of 25000-50000 in SBI bank, 234 respondents (36.6%) belongs to the category of earnings group of 25000-50000 in ICICI bank and 230 respondents (36.2%) belongs to the category of earning group 25000-50000 in HSBC bank. It is a matter of fact that the middle class populations who mostly work in private companies in Chennai fall under the category of 25000-50000 monthly earnings reflect the most across public, private and foreign banks.

> The classification of number of dependents shows that 318 respondents (39.8%) of SBI bank are having 3 dependents, 290 respondents (45.3%) of ICICI bank are having 3 dependents, and 305 respondents (48%) of HSBC bank are having 3 dependents. It is quite evident from the above table, most of the respondents(85.8 %) are living in a Nuclear family system with the maximum number of dependents is 3 and other majority lies within the range of 2-4 dependents. With most of respondents are living in nuclear family system, there are chances of their purchase decision confined to few family members having influenced by banking advertisement and persuasion.

> The classification of Savings of the respondents in a month evidenced that the 390 respondents (48.8%) belongs to the category who saves less than 5000 in a month in SBI bank. 251 respondents (39.2%) belongs to the category who saves less than 5000 in a month in ICICI bank, 233 respondents (36.6%) belongs to the category who saves less than 5000 in a month in HDFC bank.Inflation and cost of living in chennai city reflects and reason out that most of the respondents saves less than 5000 in a month .
The classification of the frequency of Transaction in a month depicts that the 361 respondents (45.1%) belongs to the category, who transacts less than 5 times in a month in SBI bank, 253 respondents (39.5%) belongs to the category who transacts 5-10 times in a month in ICICI bank, 280 respondents (44%) belongs to the category who transacts 5-10 times in a month in HSBC bank. Even in the advent of internet banking, Chennai city customers would like to do personal banking by visiting the bank personally on an average of 5-10 times in a month to get a real experience and secured feelings.

The classification of Types of account of the banking respondents reveals that 447 respondents (55.9%) belongs to the category of savings account holder in SBI bank, 280 respondents (43.8%) belongs to the category of savings account holder in ICICI bank, 227 respondents (35.7%) belongs to the category of savings account holder in HSBC bank. Considering the safety aspect and everyday need and future requirements most of the customers belong to private companies and middle aged groups who does personal banking. Hence, seems to be an obvious reasons most of the respondents of public, private and foreign bank belongs to the savings account category.

6.1.2 Service Quality Variables

The service quality variables namely diversity and range of services reveals that 173 respondents (21.6%) expressed as good in SBI bank, 181 respondents (28.3%) expressed as average in ICICI bank and 182 respondents (28.6%) expressed as slightly good in HSBC bank regarding the diversity and range of services. Where, banking customers always prefer to have wider range of financial services from the bank e.g. deposits, retirement accounts, loans for purchase of cars, houses, foreign exchange, traveller’s cheques, safe deposit lockers, etc.

Intensity and depth of services of service quality variables reveals that 221 respondents (27.6%) respondents expressed as slightly good in SBI bank, 181 respondents (28.3%) expressed as average in ICICI bank and 225 respondents (35.4%) respondents expressed as slightly good in HSBC bank regarding the intensity and depth of service. Banking customers prefer to have more number of options in every service/transaction, e.g. various fixed deposits or recurring deposit schemes with different interest rates, quick cheque cleiuing facility with a higher service charge, etc.

The respondents opinion about the service quality variable namely Service innovation reveals that 223 respondents (27.9%) expressed as slightly good in SBI bank, 204 respondents (31.9%) expressed as slightly good in ICICI bank and 229 respondents (36%) expressed as slightly good in HSBC bank with regard to the service innovation. Banking
customers expects banks to provide service innovations like information/details on a regular basis through post, SMS, emails, telephone/mobile banking, internet banking, ATM, Room service facility, cards for different benefits and usage, etc.

> The respondents’ opinion about Availability of most service operations clearly shows that 247 respondents (30.9%) expressed as average in SBI bank, 182 respondents (28.4%) expressed as average in ICICI bank and 197 respondents (31%) expressed as slightly good in HSBC bank with regard to the availability of most service operations in every branch of the department. Banking customers expects the availability of most service operations in every branch/department of the bank.

> The respondents opinion about convenient operating hours and days states that 215 respondents (26.9%) expressed as average in SBI bank, 186 respondents (29.1%) expressed as average in ICICI bank, 181 respondents (28.5%) expressed as slightly good in HSBC bank regarding the convenient operating hours and days. Banking customers prefer to have convenient operating hours and days e.g. working on Saturdays and Sundays, extended service hours during evenings, weekdays, etc.

> Classification of respondents’ opinion about providing service as promised reveals that 241 respondents (30.1%) expressed average in SBI bank, 184 respondents (28.8%) expressed as slightly good in ICICI bank and 169 respondents (26.6%) expressed as good in HSBC bank regarding providing services as promised. Banking customers expects the banks to provide the services as promised.

> Classification of the respondents’ opinion about effectiveness of the employees’ skills and ability in handling critical incident evidenced that 244 respondents (30.5%) expressed as slightly good in SBI bank, 184 respondents (28.8%) expressed as slightly good in ICICI bank and 148 respondents (23.3%) expressed as slightly good in HSBC bank with regard to the effectiveness of the employees’ skills and ability for actions whenever a critical incident takes place.

> Frequency distribution of the respondents opinion about Providing services right the first time shows that 231 respondents (28.9%) expressed as slightly good in SBI bank, 176 respondents (27.5%) expressed as slightly good in ICICI bank, 202 respondents (31.8%) expressed as slightly good in HSBC bank in providing services as per the promised schedule.

> It is clear from the analysis about providing services as per the promised schedule reveals that 237 respondents (29.6%) expressed their opinion as slightly good in SBI bank, 177 respondents (27.7%) expressed their opinion as slightly good in ICICI bank, and 185
respondents (29.1%) expressed their opinion as slightly good in HSBC bank in providing services as per the promised schedule.

> Apprising customers of the Nature and Schedule of services states that 230 respondents (28.8%) expressed their opinion as slightly good in SBI bank, 188 respondents (29.4%) expressed their opinion as slightly good in ICICI bank, 200 respondents (31.4%) expressed their opinion as slightly good in HSBC bank with regard to apprising the customers of the nature and schedule of services available in the bank.

> Respondents’ opinion about Prompt Service to customers reveals that 241 respondents (30.1%) expressed their opinion as slightly good in SBI bank, 187 respondents (29.2%) expressed their opinion as slightly good in ICICI bank and 191 respondents (30%) expressed their opinion as good in HSBC bank with regard to the prompt service given to the customers.

> Respondents’ opinion about Willingness to help customers and readiness to respond customers’ request states that 239 respondents (29.9%) expressed their opinion as slightly good in SBI bank, 178 respondents (27.8%) expressed their opinion as slightly good ICICI bank and 184 respondents (28.9%) expressed their opinion as slightly good in HSBC bank regarding the willingness to help customers and the readiness to respond to customers requests. Bank should always have the attitude of willingness to help customers and the readiness to respond to customers’ request to enhance customers’ favorable behavioral intentions.

> 276 respondents (34.5%) expressed their opinion as slightly good in SBI bank, 170 respondents (26.6%) expressed their opinion as slightly good in ICICI bank and 192 respondents (30%) expressed their opinion as slightly good in HSBC bank with regard to the extent to which the feedback from customers are used to improve service standards. Banks need to entertain and immediately react to the customers’ feedback and satisfy their requirements immediately, this kind of reactive management practices can help to improve service standards as well as help them to retain customers comfortably.

> 248 respondents (31%) expressed their opinion as slightly good in SBI bank, 177 respondents (27.7%) expressed their opinion as slightly good in ICICI bank and 179 respondents (28.1%) expressed their opinion as slightly good in HSBC bank with regard to apprising the customers about information on service quality and actual service performance versus targets in the organization.

> 252 respondents (31.5%) expressed their opinion as slightly good in SBI bank, 165 respondents (25.8%) expressed their opinion as slightly good in ICICI bank and 180
respondents (28.3%) expressed their opinion as good in HSBC bank with regard to employees who instil confidence in customers by proper behaviour.

> 261 respondents (32.6%) expressed their opinion as good in SBI bank, 170 respondents (26.6%) expressed their opinion as slightly good in ICICI bank and 178 respondents (28%) expressed their opinion as good in HSBC bank with regard to making customers feel safe and secure in their transactions. Banking customers expect their bank to provide feel safe and secure in their transactions.

> 287 respondents (35.9%) expressed their opinion as good in SBI bank, 190 respondents (29.7%) expressed their opinion as slightly good in ICICI bank and 203 respondents (31.9%) expressed their opinion as good in HSBC bank with regard to the employees who are consistently pleasing and courteous. Banking customers always expect bank employees who should be consistently pleasing and courteous to fulfill their service requirements.

> 265 respondents (33.1%) expressed their opinion as slightly good in SBI bank, 195 respondents (30.5%) expressed their opinion as slightly good in ICICI bank and 201 respondents (31.6%) expressed their opinion as slightly good in HSBC bank with regard to the knowledge and competence of the employees to answer customers’ specific queries and requests.

> 260 respondents (32.5%) expressed their opinion as average in SBI bank, 170 respondents (26.6%) expressed their opinion as average in ICICI bank and 194 respondents (30.5%) expressed their opinion as slightly good in HSBC bank regarding the effectiveness of grievance procedures and processes.

> 265 respondents (33.1%) expressed their opinion as slightly good in SBI bank, 204 respondents (31.9%) expressed as average in ICICI bank, 242 respondents (38.1%) expressed as slightly good in HSBC bank with regard to giving caring and individual attention to customers by having the customers’ best interests at heart.

> 371 respondents (46.4%) expressed their opinion as slightly good in SBI bank, 253 respondents (39.5%) expressed as slightly good in ICICI bank, 229 respondents (36.0%) expressed as slightly good in HSBC bank regarding the employees who understand the needs of their customers.

> 291 respondents (36.4%) expressed their opinion as slightly good in SBI bank, 197 respondents (30.8%) expressed as slightly good in ICICI bank, 186 respondents (29.2%) expressed as good in HSBC bank with regard to having highly standardized and
simplified delivery process so that services are delivered without any hassles or excessive bureaucracy.

- 245 respondents (30.6%) expressed their opinion as slightly good in SBI bank, 189 respondents (29.5%) expressed as slightly good in ICICI bank and 179 respondents (28.1%) expressed their opinion slightly good as well as good in HSBC bank with regard to having a highly simplified and structured delivery process so that the service delivery times are minimum.

- 231 respondents (28.9%) expressed their opinion as slightly good in SBI bank, 184 respondents (28.8%) expressed their opinion as slightly good ICICI in bank and 194 respondents (30.5%) expressed their opinion as good in HSBC bank regarding the enhancement of technological capability. Banking customers expect their bank should have enhancement of technological capability like computerization, networking of operations etc to serve customers more effectively.

- 261 respondents (32.6%) expressed their opinion as slightly good in SBI bank, 175 respondents (27.3%) expressed their opinion as slightly good in ICICI bank and 181 respondents (28.5%) expressed their opinion as good in HSBC bank with regard to the degree to which the procedures and processes are perfectly fool-proof.

- 254 respondents (31.8%) expressed their opinion as slightly good in SBI bank, 185 respondents (28.9%) expressed their opinion as slightly good in ICICI bank and 181 respondents (28.5%) expressed their opinion as good in HSBC bank regarding the adequate and necessary personnel for good customer service.

- 280 respondents (35.0%) expressed their opinion as slightly good in SBI bank, 185 respondents (28.9%) expressed their opinion as slightly good in ICICI bank and 191 respondents (30.0%) expressed their opinion as good in HSBC bank regarding the adequate and necessary facilities for good customer service.

- 261 respondents (32.6%) expressed their opinion as slightly good in SBI bank, 204 respondents (31.9%) expressed their opinion as slightly good in ICICI bank and 182 respondents (28.6%) expressed their opinion as good in HSBC bank regarding the ambient conditions such as temperature, ventilation, noise and odour prevailing in the bank’s premises.

- 252 respondents (31.5%) expressed their opinion as slightly good in SBI bank, 188 respondents (29.4%) expressed their opinion as slightly good in ICICI bank and 184 respondents (28.9%) expressed their opinion as slightly good in HSBC bank with regard
to the extent of physical layout equipment and other furnishings being comfortable for customers to interact with employees.

> 250 respondents (31.2%) expressed their opinion as slightly good in SBI bank, 198 respondents (30.9%) expressed their opinion as slightly good in ICICI bank and 183 respondents (28.8%) expressed their opinion as good in HSBC bank with regard to having housekeeping as priority and of the highest order in the organization.

> 274 respondents (34.2%) expressed their opinion as slightly good in SBI bank, 198 respondents (30.9%) expressed their opinion as slightly good in ICICI bank and 198 respondents (31.1%) expressed their opinion as slightly good in HSBC bank regarding the visually appealing signs, symbols, advertisement boards, pamphlets and other artifacts in bank.

> 277 respondents (34.6%) expressed their opinion as slightly good in SBI bank, 180 respondents (28.1%) expressed their opinion as slightly good ICICI bank and 212 respondents (33.3%) expressed their opinion as good in HSBC bank regarding neat and professional appearance of employees.

> 262 respondents (32.8%) expressed their opinion as slightly good in SBI bank, 191 respondents (29.8%) expressed their opinion as slightly good in ICICI bank and 191 respondents (30%) expressed their opinion as good in HSBC bank regarding the visually appealing materials and facilities associated with the service.

> 240 respondents (30%) expressed their opinion as good in SBI bank, 191 respondents (29.8%) expressed their opinion as slightly good in ICICI bank and 201 respondents (31.6%) expressed their opinion as good in HSBC bank regarding the equal treatment stemming from the belief that everyone, big or small, should be treated alike.

> 242 respondents (30.2%) expressed their opinion as slightly good in SBI bank, 185 respondents (28.9%) expressed their opinion as good in ICICI bank and 169 respondents (29.6%) expressed their opinion as good in HSBC bank regarding the “service transcendence” -making customers realize their unexpressed needs by giving more than what they expect.

> 278 respondents (34.8%) expressed their opinion as slightly good in SBI bank, 196 respondents (30.6%) expressed their opinion as slightly good in ICICI bank and 187 respondents (29.4%) expressed their opinion as good in HSBC bank with regard to giving good service at a reasonable cost, but not at the expense of quality.

> 253 respondents (31.6%) expressed their opinion as slightly good in SBI bank, 192 respondents (30%) expressed their opinion as slightly good in ICICI bank and 182
respondents (28.6%) expressed their opinion as good in HSBC bank with regard to having branch locations in most places convenient to all sections of the society e.g. villages, downtown, areas, etc.

> 233 respondents (29.1%) expressed their opinion as slightly good in SBI bank, 187 respondents (29.2%) expressed their opinion as slightly good in ICICI bank and 200 respondents (31.4%) expressed their opinion as good in HSBC bank with regard to a social responsibility characterized by deserving service to people belonging to all strata of the society e.g. giving loans to economically and socially downtrodden people, needy ones, entrepreneurs, etc with less rigid loan conditions associated with security, flexible repayment modality, and easy credit terms.

> 248 respondents (31%) expressed their opinion as good in SBI bank, 180 respondents (28.1%) expressed their opinion as slightly good in ICICI bank and 201 respondents (31.6%) expressed their opinion as good in HSBC bank regarding a sense of public responsibility among employees(in terms of being punctual, regular, sincere and without going on strikes).

> 292 respondents (36.5%) expressed their opinion as slightly good in SBI bank, 210 respondents (32.8%) expressed their opinion as slightly good in ICICI bank, 237 respondents (37.3%) expressed their opinion as good in HSBC bank with regard to extent to which the organization leads as a corporate citizen and the level to which it promotes ethical conduct in everything it does.

> 367 respondents (45.9%) expressed their opinion as slightly good in SBI bank, 245 respondents (38.3%) expressed their opinion as slightly good in ICICI bank and 251 respondents (39.5%) expressed their opinion as slightly good in HSBC bank with regard to the overall service quality.

6.1.3 Behavioural Intentions

* 272 respondents (34%) expressed their opinion as neutral in SBI bank, 208 respondents (32.5%) expressed their opinion as neutral in ICICI bank and 194 respondents (30.0%) expressed their opinion as slightly agree in HSBC bank with regard to the saying positive things about the bank to other people.

> 377 respondents (47.1%) expressed their opinion as slightly agree in SBI bank, 228 respondents (35.6%) expressed their opinion as slightly agree in ICICI bank, and 269
respondents (42.3%) expressed their opinion as slightly agree in HSBC bank with regard to recommending the bank to someone who seeks our advices.

• 314 respondents (39.2%) expressed their opinion as slightly agree in SBI bank, 264 respondents (41.2%) expressed their opinion as slightly agree in ICICI bank and 280 respondents (44.0%) expressed their opinion as slightly agree in HSBC bank regarding encouraging their friends and relatives to do business with their bank.

> 311 respondents (38.9%) expressed their opinion as slightly agree in SBI bank, 216 respondents (33.8%) expressed their opinion as slightly agree in ICICI bank and 240 respondents (37.7%) expressed their opinion as slightly agree in HSBC bank with regard to considering their bank as their first choice to buy/ transact services.

> 291 respondents (36.4%) expressed their opinion as slightly agree in SBI bank, 190 respondents (29.7%) expressed their opinion as slightly agree in ICICI bank and 213 respondents (33.5%) expressed their opinion as slightly agree in HSBC bank with regard to doing more business with their bank in the next few years.

> 221 respondents (27.6%) expressed their opinion as slightly agree in SBI bank, 211 respondents (33.0%) expressed their opinion as slightly agree in ICICI bank and 162 respondents (25.5%) expressed their opinion as slightly agree in HSBC bank with regard to doing less business with their banks in the next few years.

> 291 respondents (36.4%) expressed their opinion as slightly agree in SBI bank, 209 respondents (32.7%) expressed their opinion as slightly agree in ICICI bank and 243 respondents (38.2%) expressed their opinion as slightly agree in HSBC bank with regard to taking some of their transaction and deposits to a competitor bank that offers a better prices.

> 317 respondents (39.6%) expressed their opinion as slightly agree in SBI bank, 192 respondents (30%) expressed their opinion as slightly agree in ICICI bank and 187 respondents (29.4%) expressed their opinion as slightly agree in HSBC bank with regard to continuing to do business with their bank if its price increases somewhat also.

> 262 respondents (32.8%) expressed their opinion as slightly agree in SBI bank, 197 respondents (30.8%) expressed their opinion as slightly agree in ICICI bank and 204 respondents (32.1%) expressed their opinion as slightly agree in HSBC bank with regard to pay higher price than competitor’s charge for the benefits they currently receive from their bank.
> 322 respondents (40.2%) expressed their opinion as slightly agree in SBI bank, 181 respondents (28.3%) expressed their opinion as slightly agree in ICICI bank and 202 respondents (31.8%) expressed their opinion as slightly agree in HSBC bank with regard to switching to a competitor, if they experience a problem with their bank’s services.

> 293 respondents (36.6%) expressed their opinion as slightly agree in SBI bank, 186 respondents (29.1%) expressed their opinion as slightly agree in ICICI bank and 198 respondents (31.1%) expressed their opinion as moderately agree in HSBC bank with regard to complaining to other customers, if they experience a problem with their bank’s services.

> 301 respondents (37.6%) expressed their opinion as slightly agree in SBI bank, 188 respondents (29.4%) expressed their opinion as slightly agree in ICICI bank and 220 respondents (33.5%) expressed their opinion as slightly agree in HSBC bank with regard to complain to external bodies, such as RBI, OMBUDSMAN and other consumer protection bureau, if they experience a problem with their bank’s service.

> 291 respondents (36.4%) expressed their opinion as slightly agree in SBI bank, 222 respondents (34.7%) expressed their opinion as slightly agree in ICICI bank and 243 respondents (38.2%) expressed their opinion as slightly agree in HSBC bank with regard to complaining to their bank’s employees if they experience a problem with their bank’s services.

### 6.1.4. ANOVA- Analysis of variance test

Which examine the hypotheses that, if there is any significant difference between the respective demographic groups with that of behavioural intention dimensions of banking customers?

**Public Bank-State Bank of India**

> **Educational Qualification Vs Attitudinal Loyalty** - Group differences observed between diploma, graduate, postgraduate with that of professionally qualified and doctorate qualification.

> **Monthly Earnings Vs Attitudinal Loyalty** - There is a significant difference observed between 50000-100000 and 25000-50000 monthly earnings groups.
> **Educational Qualification Vs pay more** - There is a significant difference observed between school incomplete diploma, graduate, post graduate and professionally qualified, also differences observed between doctorate graduate and diploma.

> **Educational Qualification Vs Complaining Behaviour** - There is a significant difference observed between school in complete <-> diploma, graduate and postgraduate, also between graduate school incomplete, post graduate, professionally qualified, doctorate and others.

**Private Bank-ICICI Bank**

> **Educational Qualification Vs Attitudinal Loyalty** - There is a significant difference observed between graduate postgraduate, professionally qualified and doctorate.

> **Monthly Earnings Vs Attitudinal Loyalty** - There is a significant difference observed between 50000-100000 <-> 10000-25000, also differences observed between 10000-25000 <-> 25000-50000 and 5000-10000 and less than 5000.

> **Educational Qualification Vs Pay More** - There is a significant difference observed between graduate <-> diploma, post graduate and professionally qualified

> **Monthly Earnings Vs Pay More** - There is a significant difference observed between 25000-50000 <-> 5000-10000, 25000-50000^less than 5000, 10000-25000—50000-100000, 10000-25000—5000-10000 and 10000-25000-less than 5000.

> **Educational Qualification Vs Complaining Behaviour** - There is a significant difference observed between diploma graduate, graduate diploma, post graduate and professionally qualified.

**Foreign Bank-HSBC Bank**

> **Educational Qualification Vs Attitudinal Loyalty Behaviour** - There is a significant difference observed between graduate and post graduate, graduate and professionally qualified, graduate and doctorate, and post graduate and graduate.

> **Monthly Earnings Vs Attitudinal Loyalty Behaviour** - There is a significant difference observed between greater than 100000 25000-50000, and 10000-25000, between 50000-100000 ^25000-50000, and 10000-25000, 25000-50000 ^ greater than 100000, 50000-100000 and 5000-10000, also between 10000-25000 <-> greater than 100000, 50000-100000 and 5000-10000.
Monthly Earnings Vs Pay More Behaviour - There is a significant difference observed between 25000-50000 greater than 100000, 50000-100000 and 5000-10000, also between 10000-25000 and 50000-100000.

Educational Qualification Vs Pay More Behaviour - There is a significant difference observed between graduate school in complete and post graduate.

Educational Qualification Vs Complaining Behaviour - There is a significant difference observed between schools incomplete <-> diploma, graduate, post graduate, and professionally qualified, also differences observed between doctorate graduate.

6.1.5-Multivariate Analysis of Variance

Roy’s multivariate test for the effect of personal demographic factors on the behavioural intention dimensions in public bank - State Bank of India - The test describes, among the 6 personal factors of the respondents, the simultaneous effect of age, educational qualification, occupation, monthly earnings and Number of dependents on the dependent variables such as attitudinal loyalty, switching propensity, pay more and internal/external complaining behaviour were highly significant at one percent level respectively. Thus, age, educational qualification, occupation, monthly earnings and Number of dependents simultaneously influence the dependent items. Among the various personal factors, the attitudinal loyalty was influenced by educational qualifications, occupation, monthly earnings and number of dependents. Similarly, switching propensity is influenced by age and educational qualifications of the respondents. Pay more is influenced by the age, educational qualifications, occupation and number of dependents. The External and Internal Complaining Behaviour was also influenced by the, age, educational qualification, occupation, monthly earnings as well as number of dependents of the respondents.

Roy’s multivariate test for the effect of personal demographic factors on the behavioural intention dimensions in private bank ICICI - The test describes, among the 6 personal factors of the respondents. The simultaneous effect of educational qualification, occupation, monthly earnings, and Number of dependents on the dependent variables such as attitudinal loyalty, switching propensity, pay more and internal/external complaining behaviour were highly significant at one percent and five percent level respectively. Thus, educational qualification, occupation, monthly earnings and Number of dependents simultaneously influence the dependent items. Among the various personal factors, the attitudinal loyalty was influenced by
educational qualifications and monthly earnings. Similarly, switching propensity is influenced by occupation, monthly earnings, and number of dependents of the respondents. The External and Internal Complaining Behaviour was also influenced by the educational qualification as well as occupation of the respondents.

Roy’s multivariate test for the effect of personal demographic factors on the behavioural intention dimensions in foreign bank HSBC-The test describes among the 6 personal factors of the respondents. The simultaneous effect of Age, sex, educational qualification, occupation, monthly earnings, and number of dependents on the dependent variables such as attitudinal loyalty, switching propensity, pay more and internal/external complaining behaviour were highly significant at one percent and five percent level respectively. Thus, age, sex, educational qualification, occupation, monthly earnings, and number of dependents simultaneously effects the dependent items. Among the various personal factors, the attitudinal loyalty was influenced by age, sex, educational qualifications, occupation, monthly earnings, and number of dependents. Similarly, switching propensity is influenced by educational qualifications and monthly earnings of the respondents. Pay more is influenced by age, educational qualifications, occupation, monthly earnings, and number of dependents. Finally, the External and Internal Complaining behavior was also influenced by the age, sex, educational qualification, occupation, monthly earnings, and number of dependents of the respondents.

6.1.6-Multivariate Analysis of Covariance

Roy’s multivariate test for the simultaneous effect of personal factors and covariates namely service quality dimensions on the behavioural intention dimensions in public bank State Bank of India-The test describes that independent factors such as age, number of dependents, core values of service and tangibles of service influence the attitudinal loyalty of banking customers. Educational qualification influence the switching propensity of banking customers. The dependent variable pay more is also get influenced by the independent variables like age, occupation, number of dependents, core values and social responsibility of service. Similarly, independent variables such as age, occupation, number of dependents, core values of service, human elements of service, systematization of
service delivery, Tangibles of service, social responsibility of service influence the external/internal complaining behaviour of banking customers.

> **Roy’s multivariate test for the simultaneous effect of personal factors and covariates namely service quality dimensions on the behavioural intention dimensions in private bank ICICI**-The test describes that the independent factors such as core values of service, human elements of service, tangibles of service, social responsibility influence the attitudinal loyalty of banking customers. Number of dependents, core values of service, human elements of service and social responsibility influence the switching propensity of banking customers. The dependent variable pay more is also get influenced by the independent variables like human elements of service, tangibles of service and social responsibility of service. Similarly, independent variables such as occupation, core values of service, systematization of service delivery, Tangibles of service, social responsibility of service influence the external/internal complaining behaviour of banking customers.

> **Roy’s Multivariate Test For The Simultaneous Effect Of Personal Factors And Covariates Namely Service Quality Dimensions On The Behavioural Intention Dimensions In Foreign Bank HSBC**-The test describes that the independent factors such as educational qualification, occupation, number of dependents, core values of service, human elements, and systematization of service and tangibles of service influence the attitudinal loyalty of banking customers. Educational qualification, monthly earnings and social responsibility influence the switching propensity of banking customers. The dependent variable pay more is also get influenced by the independent variables like age, number of dependents, core values, human elements, tangibles of service and social responsibility of service. Similarly, independent variables such as educational qualification, number of dependents, human elements of service, social responsibility of service influence the external/internal complaining behaviour of banking customers.

6.1.7- **Multiple Regression Analysis**

**Public Bank-State Bank of India**

> **Favorable behavioral intentions- service quality items impact on banking customers behavioral intentions-Service** quality specific features like diversity and range service that is having a wider range of financial services from the bank like
deposits, retirement accounts, loans for purchase of cars and houses, foreign exchange transaction, traveler’s cheque, safe deposit lockers etc ,intensity and depth of service that is bank should have higher number of option in every service / transaction, for example bank should provide various fixed deposits or recurring deposits schemes with different interest rates quick, check clearing facility with higher charges, service innovation like providing information/ details on a regular basis through mobile SMS, telephone banking ATM facility, core banking, different type of credit and debit cards, internet banking etc.

> **Favorable behavioral intentions**- **service quality items impact on banking customers**

**Attitudinal loyalty behavioral intentions** - Attitudinal loyalty also got influenced by the service quality features like bank should have most of the service operations in place of every branch of the bank, enhancement of technological capabilities to serve customers more effectively through computerization and networking operations, degree to which the procedure and process are perfectly fool proof and displaying of visualizing appealing sings, symbols, advertisement boards, pamphlets and artifacts in the bank, equal treatment stemming from the belief and practices that every one big or small should be treated alike, service transcendence-making customer their unexpressed needs by giving more than what they expect , behavior of the bank extent to which the bank leads as a corporate citizen and level to which it promotes ethical conduct in everything it does .

> **Unfavorable behavioral intentions**- **service quality items impact on banking customers switching propensity behavior** - The unfavorable behavior namely switching propensity is influenced by, if the bank fails to apprising customers of the nature and scheduling of services available in the bank, by not providing fool proof procedure and process, not providing service innovations, by not having scope to the extent to which the organization leads as a corporate citizen ,and the level to which it promotes ethical conduct in everything it does and failing to provide convenient operating hours and days i.e. working on Saturdays and Sundays extended service hours during evenings ,weekdays ,etc.

**Public Bank- ICICI**

> **Favorable behavioral intentions**- **service quality items impact on banking customers attitudinal loyalty behavior** - The regression results reveals that diversity
and range of services that is having a wider range of financial services from the bank (deposits, retirement accounts, loans for purchase of cars and houses, foreign exchanges, traveler's cheques, safe deposit lockers etc), service innovation, grievances procedures and processes and the extent of physical layout of equipment and other furnishing being comfortable for customers to interact with employees impacts the attitudinal loyalty of banking customers.

> **Favorable behavioral intentions- service quality items impact on banking customers pay more behavior** - The pay more behavioral intention got impacted by diversity and range of services, effectiveness of the employees skills and ability for actions whenever a critical incident takes place, extent to which the feedback from customers is used to improve service standards, employees who instill confidence in customers by proper behavior, the ambient conditions such as temperature, ventilation, noise, and odour prevailing in the banks premises, comfortable physical layout and employees who have neat and professional appearance.

> **Unfavorable behavioral intentions- service quality items impact on banking customers switching propensity behavior** - The switching propensity behavior of banking customers got impacted by the diversity and range of services, effectiveness of customer grievance procedures and processes and fool proof procedures and processes.

**Foreign Bank- HSBC BANK**

> **Favorable behavioral intentions- service quality items impact on banking customers’ attitudinal loyalty** behavior - Attitudinal loyalty got impacted by the service quality items like intensity and depth of services, availability of most services, nature and schedule of services, prompt service to customers, apprising
customer on service quality information, safety and security, grievances procedure and processes, standardized and simplified delivery process, simplified and structured delivery process, housekeeping, visually appealing materials and facilities. Reasonable cost, deserving service to all strata of society and public responsibility among employees.

> **Favorable behavioral intentions** - service quality items impact on banking customers’ pay more behavior. Similarly, service quality items like availability of most services, convenient operating hours, willingness and readiness, feedback, grievances procedure and processes, caring and individual attention, technological capability, housekeeping, visually appealing signs, symbols, near and professional appearance of employees, deserving service to all strata of society, public responsibility among employees and ethical conduct impacts the pay more behavioral intention.

> **Unfavorable behavioral intentions** - service quality items impact on banking customers switching propensity behavior. Service quality items such as availability of most services, convenient operating hours, handling critical incidents, willingness to help customers and the readiness to respond to customers requests, grievance procedure and processes, simplified and structured delivery, adequate facilities, ambient conditions, visually appealing signs, symbols, service transcendence and deserving service to all strata of society impacts the switching propensity of banking customers.

> **Unfavorable behavioral intentions** - service quality items impact on banking customers external and internal complaining behavior. Similarly, external and internal complaining behavior of banking customers got impacted by convenient operating hours and days, providing services right at that time, prompt service, willingness and readiness, employees instilling confidence, safety and security, pleasing and courteous employees, ambient conditions, reasonable cost and deserving service to all strata of society.

**6.1.8 Findings** Extracted Through Structural Equation Modeling

**Contribution of the Research towards the Conceptual Frame Work**

> The Structural Equation Modeling (SEM) analysis results emerged out of the conceptual frame work of this research study addresses the research gap and contributes towards the study by means of exploring the significant direct relationship between service quality dimensions developed by suresh chandar et.al
(2002) on behavioral intentions dimensions developed by zeithmal et.al (1991), which got depicted through the structural measurement model “BSQ—»BI”. The Hypotheses path examination through the SEM Model describes the possible significant supported path in the respective banks:

> In State bank of India the hypotheses path examination using SEM analysis reveals and concluded that the favorable behavior intentions namely the core service delivery significantly and directly influence the customers attitudinal loyalty behavioral intention, human element of service delivery significantly and directly influence the customers attitudinal loyalty, systematization of service delivery significantly and directly influence the customers attitudinal loyalty, social responsibility of service delivery significantly and directly influence the customers attitudinal loyalty .Similarly , favorable behavior where the core service delivery significantly and directly influence the customers Pay More behavioral intention, human element of service delivery significantly and directly influence the customers Pay More intention, systematization of service delivery significantly and directly influence the customers Pay More behavioral intention .Finally , social responsibility of service delivery significantly and directly influence the customers pay more behavioral intention.

> In case of unfavorable behavior intentions, it is concluded that systematization of service delivery and social responsibility of service delivery impacts the switching propensity behavior of banking customers. Similarly, core service, human element, systematization and social responsibility impact the external and internal complaining behavior of banking customers.

> In case of favorable behavior in ICICI Bank, core service, tangible of service and social responsibility of service delivery directly influence the attitudinal loyalty behavior of banking customers. Human element and systematization of service delivery directly influences the pay more behavioral intentions.

> In case of unfavorable behavior intentions, switching propensity behavior is influenced by all the five dimensions of service quality. Similarly, core service, tangibles of service and social responsibility directly impacts the external and internal complaining behavior of banking customers through the SEM path examinations.

> Finally in case of favorable behavior in HSBC Bank, Human element and systematization of service delivery directly influence the attitudinal loyalty behavior
of banking customers. Similarly, core service, human element and social responsibility directly influences the pay more behavioral intentions.

> At last, in case of unfavorable behavior intentions social responsibility directly impacts the external and internal complaining behavior of banking customers through the SEM path examinations.

Contribution’s and Managerial Implications

6.2.1 Contribution of the research towards State Bank Of India and their Managerial Implications

The Roy’s multivariate test used for the simultaneous effect of personal factors on behavioral intention dimensions reveals that state bank of India needs to give due care on the personal factors, which show significance on effecting the banking customer behavioral intentions i.e. among the various personal factors, educational qualifications, occupation, monthly earnings and number of dependents shows the significant differences within their groups. To substantiate further, personal factors which have significant differences between them has got identified specifically using Post hoc test. Hence, bank managers need to understand the reasons for those significant differences and then formulate service strategies towards these specific group needs. Further, the frequency analysis reveals the classification of the respondent groups which have high percentage representation and the groups which has less percentage representation observed in the research study. The groups which have high percentage representation need to be retained by delivering the below identified service quality features consistently and those groups which have less representation have to be explored further for their poor representations, through some future research study.

The goodness of Fit Index of the model. The Fit of the integrated model is compelling in explaining the direct impact of service quality attributes on behavioral intention dimensions in commercial banking industry. The model exhibits an explanatory power as indicated by the Goodness of Fit Index -GFI, RMSEA, AGFI, RFI, CFI, IFI, PNFI, and PGFI. The data set of State Bank of India using SEM analysis extracts GFI value of .725, which exhibits an adequate fit of the integrated model—“BSQ—»BI”. It seems, there are other decision constructs apart from the service quality construct needed to be added to this model in order to arrive at the excellent Goodness of Fit, which is not possible in this research since
the research objective is to check the direct impact of service quality construct on the behavioral intention dimensions.

The examination of overall hypotheses reveals that except for six causal paths, all the other hypothesized relationships appeared to be statistically significant (p-value < 0.05). Fourteen of the twenty relationships were in the hypothesized direction, and they were statistically significant and supported. However, none of the relationships between tangibles and selected dependent variables were statistically significant, offering little support for Cronin et.al (2000)’s suggestion, to include tangible quality as an additional decision making factor in the model.

The path between Core Service Delivery and loyalty, pay more, internal and external complaining behavior got supported by SEM Hypotheses Examinations. Adequately, using multiple regression analysis, in core service delivery domain variables namely diversity and range of services and intensity and depth of services become the significant variables in predicting the attitudinal loyalty of banking customers. Similarly, diversity and range of service also become the significant variable in estimating the pay more behavior. Finally, the diversity and range of service become the significant variable in estimating the external and internal complaining behaviors of banking customers.

The path between Human Element of Service Delivery and loyalty, pay more, and internal and external complaining behavior got supported by SEM Hypotheses Examinations. Adequately using multiple regression analysis, the Human Element of Service Delivery variables like employees who understand the needs of their customers become the significant variable in estimating the attitudinal loyalty. Similarly, Apprising the customers of the nature and schedule of services available in the bank significantly estimate the switching propensity, Making customers feel safe and secure in their transactions estimate the pay more behavior. Finally, external and internal complaining behavior got significantly estimated by the effectiveness of the employees skills and ability for actions whenever a critical incident takes place (i.e. when a problem arises), providing services right at the first time, providing services as per the promised schedule, making customers feel safe and secure in their transactions, and employees who understand the needs of their customers.

The path hypotheses examination using SEM suggests that systematization of service delivery significantly supports the path following towards all the behavioral dimensions of banking customers. Adequately the regression analysis reveals that the specific variables of systematization of service delivery namely technological capability, fool proof procedures and processes significantly contribute in the estimation of attitudinal loyalty.
Similarly, fool proof procedures and processes on switching propensity. Technological capability on pay more and fool proof procedure and processes on external and internal complaining behavior contributes in the estimation of their respective behavioral intention dimensions.

The examination of path hypotheses reveals that Tangible of service does not supports the path on any of the dimensions of behavioral intention significantly. The regression analysis reveals that visually appealing materials and facilities on attitudinal loyalty and pay more behavior, and Ambient conditions significantly predicts the external and internal complaining behavior of banking customers’.

The path hypotheses examination reveals that the Social responsibility significantly supports the path on all the dimensions of social responsibility. The regression analysis reveals that the equal treatment, service transcendence, ethical conduct predicts the attitudinal loyalty. Similarly, ethical conducts on switching propensity, deserving service to all strata of society on pay more behavior and external and internal complaining behavior were all contributes in the estimation of their mentioned behavioral intention dimensions.

Hence, it is mandatory for state bank of India managers to focus more and maintain service quality level, on the above said significant service quality variables to enhance favorable behavioral intentions. Also, bank managers need to show attention on other non significant variables for the enhancement of service quality level as well as to augment favorable behavioral intentions.

The contributing significant variables influencing banking customers favorable behavioral intentions are reasoned out and highlighted for bank managers to formulate the needed service strategies,

> Banking customers of state bank of India, because of their wide opportunity and various needs to fulfill their requirements, expect diversity and range of services (having wider range of financial services from the bank, e.g. deposits, retirement accounts, loans for purchase of cars, houses, foreign exchange, traveler’s cheques, and safe deposit lockers etc.,). Additionally, State Bank of India has to provide most of the financial services available at all branches such as fund transfers, third party payments, bill payments, opening bank accounts, closure of loan account, loan part payments, issue of demand draft and Non-financial services such as viewing account information, request for chequebook, issuing standing instructions etc to meet the contemporary requirements of banking customers.

> Customers expect bank should provide Intensity and depth of services(having a higher number of options in every service/ transactions ,e.g. various fixed deposits schemes
with different interest rates, quick cheque clearing facility with a higher service charge, etc.) which helps to ensure that they are able to access services in a way suits them appropriately. Hence, managers need to design their products and services with intensity and depth by product design and features like as well as new capabilities such as person-to-person payments, or more options for online and mobile payments. Recent initiatives by some banks to implement payment hub technologies that act as a central point of coordination between the point of payment initiation and execution.

- A customer expects the bank employees to understand the needs of their customers and render services accordingly. Hence, bank managers need to give adequate training to the employees on consumer orientations based on taking periodic feedback interactions and research probing about the service and products expected from banking customers.

- Bank managers need to make the customers feel safe and secure in their transactions by putting place secure and effective systems to mitigate the risks from the bank's end. Educating customers about the need to take little effort from their side, in maintaining their safe and secure channel by proper handling of username and passwords and the overall safety of the system at the user end. Adequately bank need to deploy appropriate safety measures to protect customers by educating them periodically the control and precautionary measures to be followed in their banking transactions.

- Enhancement of technological capability can be consistently maintained by banks with the help of computerization, networking of operations, internet banking, mobile banking, standing instructions, e-pay systems etc to serve customers more effectively and efficiently.

- Bank managers need to maintain visually appealing materials and facilities associated with the service as attractive as well as informative i.e. pamphlets, brochures, statements and other service materials to be kept visually appealing for users of the banking service to facilitate better service delivery.

- Banking customers expect equal treatment stemming from the belief that everyone, big or small, should be treated alike. Not only equally, but also fairly. For example, where a customer to suffer a loss through no fault of their own, the bank quite rightly had an obligation to put it right. This also extended to other customers in the same situation, so bank managers need to educate their employees about this philosophy and make it mandatory in practice irrespective of whatever circumstances and designation they are.
“Service transcendence”—making customers realize their unexpressed needs by giving more than what they expect, bank managers need to interact with the customers and exploring their unexpressed needs and execute consistent research on customers’ expectations, provide feedback systems and suggestion box either physically or online to understand their unexpressed needs, and deliver products and services meeting their unexpressed needs contemporary needs.

Extent to which the organization leads as a corporate citizen and the level to which it promotes ethical conduct in everything it does i.e. a bank concerned with the social and environmental impacts of its investments and loans. Ethical banks are part of a larger societal movement towards more social and environmental responsibility in the financial sector. This movement includes: ethical investment, socially responsible investment, corporate social responsibility, and is also related to such movements as the fair trade movement, ethical consumerism, etc. State bank of India should practice and provide loans with transparency and social and/or environmental aim. An ethical bank sometimes expected to work with narrower profit margins than traditional ones.

The result of the research findings and data analysis suggest that, it is the sole responsibility of State Bank of India managers to enhance the service quality variables which influence unfavorable behavioral intentions. Negligence on these service quality variables will dilute the level of service quality and induce unfavorable intentions among banking customers. The contributing variables towards unfavorable behavioral intentions were bank managers expected to give special attention which are as follows.

Diversity and range of services (having wider range of financial services from the bank, e.g. deposits, retirement accounts, loans for purchase of cars, houses, foreign exchange, travellers cheques, safe deposit lockers.

Apprising the customers of the nature and schedule of services available in the bank.

Effectiveness of employees’ skills and ability for actions whenever critical incident takes place (i.e. when a problem arises).

Providing services right at the first time.

Providing services as per the promised schedule.

Making customers feel safe and secure in their transactions.

Employees who understand the needs of their customers.

Degree to which the procedures and processes are perfectly fool-proof.
> The ambient conditions such as temperature, ventilations, noise and odour prevailing in the bank’s premises.
> Extent to which the organization leads as a corporate citizen and the level to which it promotes ethical conduct in everything it does.
> A social responsibility characterized by “deserving service” to people belonging to all strata of the society (e.g. giving loans to economically and socially downtrodden people, needy ones, entrepreneurs etc. with less rigid loan conditions associated with security, flexible repayment modality, and easy credit terms).

### 6.2.2 Contribution of the research towards ICICI Bank and their Managerial Implications

The Roy’s multivariate test used for the simultaneous effect of personal factors on behavioral intention dimensions reveals that ICICI Bank needs to give due care on the personal factors, which show significance on effecting the banking customer behavioral intentions and the tests between subject-effects elucidate that the educational qualification, occupation, monthly earnings and number of dependents, simultaneously influence the dependent items, to be specific among the various personal factors, the attitudinal loyalty was influenced by educational qualifications and monthly earnings. Similarly, switching propensity is influenced by occupation, monthly earnings and number of dependents of the respondents’. The External and Internal Complaining Behaviour was also influenced by the educational qualification as well as occupation of the respondents.

To substantiate further, personal factors which have significant differences in between them has got identified using Post hoc test and managers need to identify the reasons for these specific group differences by probing them personally.

The goodness of Fit Index of the model. The Fit of the integrated model is compelling in explaining the direct impact of service quality attributes on behavioral intention dimensions in commercial banking industry. The model exhibits an explanatory power as indicated by the Goodness of Fit Index - GFI, RMSEA, AGFI, RFI, CFI, IFI, PNFI, and PGFI. The data set of ICICI bank using SEM analysis extracts GFI value of .800, which exhibits an adequate fit of the integrated model-“BSQ-->BI”. It seems, there are other decision constructs apart from the service quality construct needed to be added to this model in order to arrive at excellent Goodness of Fit, which is not possible in this research since the
research objective is to check the direct impact of service quality construct on the behavioral intention dimensions.

The examination of overall hypotheses reveals that except for seven causal paths, all the other hypothesized relationships appeared to be statistically significant (p-value < 0.05). Thirteen out of the twenty relationships were in the hypothesized direction, and they were statistically significant.

The path between Core Service Delivery and attitudinal loyalty, switching propensity, external and internal complaining behavior got significantly supported by SEM hypothesis examination. Multiple regression analysis reveals that features pertaining to core service delivery domain namely diversity and range of services, significantly estimate the attitudinal loyalty; pay more and external and internal complaining behavior.

The path between Human element of service delivery and switching propensity, pay more behavior got significantly supported by SEM hypothesis examination. Specific service quality features of Human element service delivery domain like grievance procedures and processes become the significant variable in estimating the attitudinal loyalty, apprising customer on service quality information, and safety and security significantly estimate the switching propensity. Employees’ skills and ability, feedback, employees instilling confidence significantly estimate the pay more behavior, grievance procedure and processes significantly estimate the external and internal complaining behavior.

The path hypotheses examination using SEM reveals and supports the following path between Systematization of service delivery and switching propensity, systematization and pay more. The multiple regression analysis extracts the following significant variables namely adequate facilities on switching propensity and fool proof procedures and processes on external and internal complaining behavior.

The path hypotheses examination using SEM reveals and supports the following path between Tangibles of services and attitudinal loyalty, switching propensity and external and internal complaining behavior. Multiple regression analysis reveals that the specific features of Tangibles of service delivery domain namely comfortable physical layout significantly estimate the attitudinal loyalty, visually appealing materials and facilities significantly estimate the switching propensity and ambient conditions, comfortable physical layout, neat and professional appearance of employees significantly estimate the pay more behavior of banking customers.
The path hypotheses examination using SEM reveals and supports the following path between Social responsibility and attitudinal loyalty, switching propensity and external and internal complaining behavior. In case of specific service quality features of social responsibility domain service transcendence, branch location at most places estimate the attitudinal loyalty and finally, public responsibility among employees significantly estimate the switching propensity behavior of banking customers.

Hence, It is mandatory for ICICI bank managers to focus more and maintain service quality level, on the above significant service quality variables to enhance favorable behavioral intentions. Also, bank managers need to show attention on other non significant variables for the enhancement of service quality level as well as to augment favorable behavioral intentions.

The contributing significant variables influencing banking customers favorable behavioral intentions are reasoned out and highlighted for bank managers to formulate necessary service strategies,

> Banking customers of ICICI bank, because of their wide opportunity and various needs to fulfill their requirements expects diversity and range of services (having wider range of financial services from the bank, e.g. deposits, retirement accounts, loans for purchase of cars, houses, foreign exchange, traveler’s cheques, and safe deposit lockers etc,.). Additionally, ICICI Bank has to provide most of the services available at all branches and financial services such as fund transfers, third party payments, bill payments, opening bank accounts, closure of loan account, loan part payments, and issue of demand draft and Non-financial services such as viewing account information, request for chequebook, issuing standing instructions.

> ICICI bank should provide effectiveness in handling customer grievance procedures and processes through, transparent, accessible to customers and easy to invoke; fair and impartial as between both parties (i.e., between customers/complainants and ICICI, including their staff); consistent in their approach to the provision of redress; flexible, simple and prompt; efficient, with appropriate and measurable minimum performance standard type of customer grievance redressed mechanism.

> Extent to which the feedback from customers is used to improve service standards i.e. banks need to receive and review the feedback from the customers seriously through the execution of management quality committee to check the worthiness of the
feedback and incorporating those feedback in service strategy formulation for the enhancement of service standards.

> Bank management need to give consistent service standard improvisation and service quality attitude development training programmes to employees, which will inculcate professional behavior among them in delivering service. Hence, because of these training programmes employees can able to instill confidence in banking customers by their consistent empathetic behaviour.

> Banks need to provide physical layout, advanced equipments and other furnishings being comfortable for customers to interact with employees for execution of smooth banking transactions.

> Banks need to provide ambient conditions such as temperature, ventilations, noise and odour conducive to the banking customers.

> Banks need to insist on Neat and Professional appearance of employees, which serves as an important business purpose and is an essential part of the way they represent the bank image. Professional attire conveys a favourable impression and reinforces positive morale. Bank wants to maintain a professional image; employees are expected to adhere to a reasonable standard of business casual attire. During business hours, employees always should present a professional appearance which will significantly reflect on the quality enhancement exercise.

> Bank should practice the culture of Service transcendence i.e. making customers realize their unexpressed needs by giving more than what they expect

> Banks need to provide Branch location at most places convenient to all sections of the society (e.g. villages, down town areas, etc) for their better accessibility.

The result of the research findings and data analysis suggest that, it is the sole responsibility of ICICI Bank managers to enhance the service quality variables which influence unfavorable behavioral intentions. Negligence on these service quality variables will dilute the level of service quality and induce unfavorable behavioral intentions among banking customers. The significant contributing variables towards unfavorable behavioral intentions, where bank managers expected to give special attention and focus are as follows.

> Diversity and range of services (having wider range of financial services from the bank, e.g. deposits, retirement accounts, loans for purchase of cars, houses, foreign exchange, travelers cheques, safe deposit lockers.
> Regularly apprising the customers about information on service quality and actual service performance versus targets in the organization.
> Making customers feel safe and secure in their transactions.
> Effectiveness of customer grievance procedures and processes.
> Adequate and necessary facilities for good customer service.
> Degree to which the procedures and processes are perfectly fool-proof.
> The ambient conditions such as temperature, ventilations, noise and odour prevailing in the bank’s premises.
> Visually appealing materials and facilities associated with the service.
> Extent of the physical layout of equipment and other furnishings being comfortable for customers to interact with employees.
> Employees who have a neat and professional appearance.
> A sense of public responsibility among employees (in terms of being punctual, regular, sincere, and without going on strikes).

**6.2.3 Contribution of the research towards HSBC Bank and their Managerial Implications**

The Roy’s multivariate test used for the simultaneous effect of personal factors on behavioral intention dimensions reveals that HSBC Bank need to give due care about the personal factors which show significance on effecting the banking customer behavioral intentions. Among the various personal factors, the attitudinal loyalty was influenced by age, sex, educational qualifications, occupation, monthly earnings, and number of dependents. Similarly, switching propensity is influenced by educational qualifications and monthly earnings of the respondents. Similarly, Pay more is influenced by age, educational qualifications, occupation, monthly earnings and number of dependents. Finally, the External and Internal Complaining Behaviour was also influenced by the age, sex, educational qualification, occupation, monthly earnings, and number of dependents of the respondents.

To substantiate further, personal factors which has significant differences between them has got identified using Post hoc test, bank managers need to identify the reasons for the significant differences by probing these specific groups and formulate service strategies addressing their specific requirements.

The goodness of Fit Index of the model. The Fit of the integrated model is compelling in explaining the direct impact of service quality attributes on behavioral intention

261
dimensions in commercial banking industry. The model exhibits an explanatory power as indicated by the Goodness of Fit Index -GFI, RMSEA, AGFI, RFI, CFI, IFI, PNFI, and PGFI. The data set of HSBC bank using SEM analysis extracts GFI value of .856, which exhibits an adequate fit of the integrated model-“BSQ—»BI”. It seems, there are other decision constructs apart from the service quality construct needed to be added to this model in order to arrive at excellent Goodness of Fit, which is not possible in this research since the research objective is to check the direct impact of service quality construct on the behavioral intention dimensions.

The examination of overall hypotheses reveals that only six causal paths are statistically significant and supported and all the other hypothesized relationships appeared to be statistically not significant (p-value < 0.05). Fourteen of the twenty relationships were not in the hypothesized direction, and they were statistically not significant. However, none of the relationships between tangibles and selected dependent variables were statistically significant, offering little support for Cronin’s et.al (2000) suggestion, to include tangible quality as an additional decision making dimensions in the model.

The path between Core Service Delivery and pay more only got supported by SEM Hypotheses Examinations. The Multiple regression analysis reveals that diversity and range of services, availability of most services significantly estimate the attitudinal loyalty. Similarly availability of most service and convenient operating hours estimate the switching propensity, Availability of most services and convenient operating hours and days significantly estimate the pay more behavior. Finally, convenient operating hours and days significantly estimate the external and internal complaining behavior of banking customers.

The path between Human elements of service delivery and loyalty and pay more behavior got supported by SEM Hypothesis Examinations. In multiple regression analysis where specific service quality feature namely providing as per promised scheduling, prompt service ,appraising customer on service quality information, safety and security, grievance procedures and processes estimate the attitudinal loyalty behavior .Employees skill and ability feedback, grievance procedures and processes estimate the switching propensity behavior. Willingness and readiness, feedback, grievance procedures and processes, carrying and individual attention significantly estimate the pay more behavior and external and internal behavior was significantly influenced by critical incident, prompt service, willingness and readiness, employee instilling confidence, safety and security, and pleasing and courteous employees.
In case of path between systematization of service delivery and attitudinal loyalty got supported by SEM Hypothesis Examinations. The multiple regression analysis reveals that in case of specific features of service quality domain standardized and simplified delivery process and simplified and structured delivery process influence the attitudinal loyalty. Simplified and structured delivery process and adequate facilities influence the switching propensity behavior. Finally, Technological capability among the systematization of service delivery significantly influence the pay more behavior.

None of the path between tangibles of services and behavioral intention dimensions got supported in SEM Hypothesis Examinations. The specific items of the tangibles of service got significance value in predicting the attitudinal loyalty are only housekeeping. Switching propensity is significantly predicted by visually appealing signs, symbols, etc. Pay more behavior got significantly predicted by housekeeping, visually appealing signs, symbols etc, and Neat and professional appearance of employees. Finally, ambient conditions significantly predicts the external and internal complaining behavior.

The path between social responsibility and switching propensity, pay more, external and internal complaining behavior got supported by SEM Hypotheses Examinations. Multiple regression analysis reveals that the service quality features namely reasonable cost, deserving service to all strata of society, public responsibility among employees estimate the attitudinal loyalty significantly. Switching propensity significantly got estimated by service transcendence, deserving service to all strata of society. Similarly, pay more behavior got significantly estimated by deserving service to all strata of society, public responsibility among employees and ethical conduct. Finally, external and internal complaining behavior significantly got estimated by reasonable cost and deserving service to all strata of society.

Banking customers of HSBC bank, because of their wide opportunity and various needs to fulfill their requirements expects diversity and range of services (having wider range of financial services from the bank, e.g. deposits, retirement accounts, loans for purchase of cars, houses, foreign exchange, traveler’s cheques, and safe deposit lockers etc,.). Additionally, HSBC Bank has to provide most of the services available at all branches. Financial services such as fund transfers, third party payments, bill payments, opening bank accounts, closure of loan account, loan part payments, PPF transactions and issue of demand draft and Non-financial services such as viewing account information, request for chequebook, issuing standing instructions etc through internet banking.
> HSBC bank should make sure that the availability of most service operations in every branch/department of the bank to facilitate favorable behavioral intentions.

> Extended hours give customers the ability to bank when it's convenient for them. Hence, HSBC bank should have convenient operating hours and days to satisfy the personal banking customers who want to transact physically on even Sundays and in late evenings after the office hours, for these kind of customer segments HSBC bank should provide extended working hours to fulfill their physical transactions apart from their internet banking and mobile banking which already got 24 hours a day 7 days a week service.

> HSBC banking customers expect the bank to provide services as per the promised schedule; hence, banks need to provide services as per the promised schedule.

> Prompt service, HSBC Bank in India always brought an explanation about the prompt services to customers and customers expect the same kind of promptness consistently and sometimes promptness becomes the significant factor in selection of banks among banking customers.

> HSBC bank needs to regularly apprise customers about information on service quality and actual service performance versus targets in the organization.

> HSBC bank need to periodically upgrade security systems, which will equip customers with additional banking functionality, improved security measures and financial freedom. HSBC bank should reflect enhanced platform which should be a part of HSBC commitment to provide customers with convenient, safe and secure in their banking transactions

> HSBC bank should provide effectiveness in handling customer grievance procedures and processes through adopting comprehensiveness in their coverage, transparent, accessible to customers and easy to invoke; fair and impartial as between both parties (i.e., between customers/complainants and HSBC, including their staff); consistent in their approach to the provision of redressal; flexible, simple and prompt; efficient, with appropriate and measurable minimum performance standards.

> HSBC bank should always have the willingness to help customers and the readiness to customers’ requests. The foundation of banks is to show courtesy, caring, willingness to serve, and an attitude that lets their customers know that banks they matter—and that banks care. There are skills and technologies that can help banking employees put it all into practice, hence, banking employees should be given training on these skills and technologies.
In today's highly competitive marketplace satisfying customers has never been more challenging. They are extremely demanding and insist on being treated as an individual with specific needs. They want to be made to feel that the offering is personally addressed to them. Banks needed to address issues like, how can they ensure long-term loyalty from its high-value customers? How can they attract and retain different types of customers and what additional product to sell? What rewards to target at its profitable customer? Having the relevant data through feedback system and periodical research helped banks to target the right offers at the right time and make changes as and when required throughout the customer lifecycle. Hence, HSBC bank should make use of Feedback and research information on service quality from customers to improve service standards through formulation of customized service strategy.

HSBC bank should provide caring and individual attention to customers by having the customers’ best interest at heart.

HSBC bank customers expect simplified and structured delivery systems and processes with standardization. Hence, bank managers need to provide simplified delivery systems and processes with standardization, which enable HSBC bank to deliver differentiated products and services to customers more effectively, thus maximizing organic and nonorganic growth.

HSBC Bank has to provide Technological capability focused mainly on the contemporary provision and requirements of Electronic Banking(EB) services; Cash dispenser (CD), Automatic Teller Machine (ATM), Point of sale (POS), Remote banking (RB), Home banking (HB), and Corporate banking (CB) etc., to facilitate superior bank transactions and services towards banking customers.

HSBC bank needs to consistently provide housekeeping as a priority and of the highest order in the organisation.

Visually appealing materials and facilities associated with the service like signs, symbols, advertisement boards, pamphlets, and other artifacts in the bank to be maintained and enhanced periodically while delivering services to the banking customers.

HSBC Bank needs to insist on neat and professional appearance of employees, which serves as an important business purpose and it is an essential part of the way they represent the bank image. Professional attire conveys a favourable impression and reinforces positive morale. Since, the bank wants to maintain a professional image; employees are expected to adhere to a reasonable standard of business casual attire. During business hours,
employees always should present a professional appearance in order to attract more business and to enhance service quality.

> HSBC bank should provide good service at a reasonable cost, but not at the expense of quality.

> HSBC bank should always exhibit social responsibility characterized by “deserving service” to people belonging to all strata of the society (e.g. giving loans to economically and socially downtrodden people, needy ones, entrepreneurs etc with less rigid loan conditions associated with security, flexible repayment modality, and easy credit terms).

> HSBC bank should have a sense of public responsibility among employees (in terms of being punctual, regular, and sincere in everything it does).

> HSBC bank has to consistently demonstrate and lead as a corporate citizen, and the level to which it promotes ethical conduct in everything it does.

The result of the research findings and data analysis suggest that, it is the sole responsibility of State Bank of India managers to enhance the service quality variables which influence unfavorable behavioral intentions. Negligence on these service quality variables will dilute the level of service quality and induce unfavorable intentions among banking customers. The contributing variables towards unfavorable intentions were bank managers expected to give special attention are as follows.

> Availability of most service operations in every branch and department of the bank
> Convenient operating hours and days (e.g. working on Saturdays and Sundays, extended service hours during evenings, weekdays, etc.).
> Effectiveness of the Employees’ skills and ability for actions whenever a critical incident takes place (i.e. when a problem arises).
> Extent to which the Feedback from customers is used to improve service standards
> Effectiveness of customer Grievance procedures and processes
> Whenever a Critical incident takes place (i.e. when a problem arises), the degree to which the organization succeeds in bringing the condition back to normality by satisfying the customer.
> Prompt service to customers.
> Willingness to help customers and the readiness to respond to customers requests
> Employees who instill confidence in customers by proper behavior
> Making customers feel safe and secure in their transactions.
> Employees who are consistently pleasing and courteous.
Having highly simplified and structured delivery processes so that the service delivery times are minimal.

Adequate and necessary facilities for good customer service.

The ambient conditions such as temperature, ventilations, noise and odour prevailing in the bank’s premises.

Visually appealing materials and facilities associated with the service.

"Service transcendence" making customer realize their unexpressed needs by giving more than what they expect.

A social responsibility characterized by “deserving service” to people belonging to all strata of the society (e.g., giving loans to economically and socially downtrodden people, needy ones, entrepreneurs etc. with less rigid loan conditions associated with security, flexible repayment modality, and easy credit terms).

Giving good service at a reasonable cost, but not at the expense of quality.

In case of Favorable and Unfavorable Customer Intentions, Customers display favorable intentions such as praising the firm, expressing preference, increasing purchasing volume, paying premiums willingly, saying positive things about the firm to others, making recommendations to others, and continuing purchasing when they are satisfied (Zeithaml et al., 1996). Satisfied customers stay loyal longer with an organization, pay less attention to the competition, are less price sensitive, offer service ideas to the organization and require fewer costs for the organization to service them (Weinstein et al., 1999d).

When dissatisfied, customers display unfavorable intentions such as eagerness to leave the organization, decreasing spending patterns, complaining to the seller, complaining to others outside of the firm, taking legal action such as reporting to the Better Business Bureau, and decreasing the amount of business they do with the organization (Zeithaml et al., 1996). When customers do leave an organization, sometimes they do it silently with the intent to get even with the firm by later making negative comments to others (Tax and Brown, 1998a).

Analyzing defection / problem is vital. Properly identifying disloyal customers and understanding why they left can be valuable tools for implementation of a customer retention program. Strategies must be implemented to overcome non-loyal purchasing behavior (Weinstein et al., 1999e). As soon as an organization acquires a new customer, retention efforts should be set in place. The organization should try to learn what the customer’s needs are, make sure to provide fast response, make sure that the customer felt needs are cared for, and resolve any complaints quickly (Weinstein et al., 1999f). There are many ways to build
loyalty to increase favorable behavioral intentions. Organizations could send sales people to work at the offices of their best customers, participate in their customers events, interview the customers, have a retreat with major customers to share best practices, invite customers to participate in training seminars, develop a preferred customer pricing strategy, reward customers for referring new business, develop a three to five year business plan with customers, and even partner with key accounts on industry research projects (Weinstein et al., 1999g).

6.3 Conclusion

In banking industry, service quality and customers behavioral intentions are the cornerstones to organizations success; hence this study developed and tested a model that dealt with service quality dimension and its attributes which determine the direct impact on banking customers’ behavioral intentions. The model fit was proved to be an adequate fit as per the goodness of fit index statistical values. The study sought to identify the most important attributes/cues in public, private and foreign banks settings, which may be used to review characteristics of the banks as experienced by customers and its impact on favorable and unfavorable behavioral intentions of banking customers. It is critically observed that, the impact on behavioral intentions vary according to the different banks due to the varying degree of banking customers opinion on service quality level. These results actually go along anticipated lines as there is bound to be significant differences among the three banks from the view point of customer, because the three banks are fundamentally different with respect to the nature and scope of their operations and management of the same. Hence, an empirical study that focused on the relationship between service quality and customer behavioral intentions was investigated (Zeithaml et al., 1996). Favorable and unfavorable customer intentions were discussed.

Substantially, the service quality index (SQI) for the three banks have shown that the foreign bank perform well in all the service quality dimensions compared to public sector and private sector banks. This again may be due to the experience and expertise they already have in other countries. Having competed with world class banks in other countries, the foreign banks, no wonder, are able to deliver top class service. Foreign bank because of the global expertise they extremely do well in systematization of service delivery, Tangibles of service and social responsibility, as a matter of fact foreign bank bound to realise the importance of social responsibility, since it is the expectation of customers from bank to deliver socially responsible service to the society in which they serve.
The public sector bank with their wide network of branches, serving as a guiding mechanism for the socio-economic metamorphosis of the country, are naturally perceived to have high social responsibility by the customers followed by tangibles of service with high SQI score, since the recent infrastructural development and investments on physical evidence in state bank of India shoot up the perception on tangibles of service delivery among the banking customers (The concept of single window system physical setup is encouraged well among customers i.e. customers can transact any transactions in any counter to save time). But their SQI score for the other three factors are not encouraging, since on those three dimensions state bank of India have been taking the customers for granted as there were not many alternatives available to the customers. Hence, in future SBI need to invest and develop on core service delivery, human element of service delivery and systematization of service delivery in order for them to achieve global excellence and to overwhelm competition from foreign banks and private banks.

Finally, as witnessed about the dilution of service quality in ombudsman scheme report about private bank ICICI, it is critically observed using SQI score that none of the dimensions can be compared on par with public or private bank due to the high end quality service provided by the foreign bank and massive developmental and customized strategies adopted by public bank (SBI). Indian customers have now given more options to choose from, in addition, the customers tend to compare the services offered by private sector banks with the counterparts in the public sector banks and foreign categories, thereby giving a poor rating to private sector banks on these dimensions.

This study also explains about the service quality specific dimensions directly impacting on customers’ behavioral intentions. To substantiate it, the path hypotheses examination done with structural measurement integrated model “BSQ→BI” using SEM analysis reveals that in public bank core service delivery, Human element of service delivery, systematization of service delivery and social responsibility significantly supports the path on loyalty and pay more behavior. Similar observation got observed in private bank and foreign bank, but with an exception of an extra dimension tangibles got reflected in supporting the path on loyalty and pay more behavior in private bank.

To conclude in nutshell customer service is such an important aspect of the banking industry that if organizations tend to overlook it, it may prove disastrous for them. But a lot seems to be desired in terms of delivering quality service when compared to the excellent services that are provided by world class banks and by doing so will ultimately enhance favorable behavioral intentions among banking customers. Organizations have a chance to
learn from their customers. The more customers teach the company, the more effective it becomes at providing exactly what they want and the more difficult it is for competitors to lure them away from the organization (Pine II et al., 1995). Learning about customers is what this whole behavior intentions topic is about. The customers tell the organization what to do to keep them. The strategy is for the organization to learn how to listen and respond.

6.4. Recommendations for future research

Several issues associated with the limitations inherent in this study require further research considerations. Future research should concentrate on improving the model fit by taking more number of banks in Chennai from each banking sector and by replicating the proposed model with more number of banks in different districts of Tamilnadu, also across India and with different service industry. Although this study provided encouraging preliminary results, additional studies are needed to evaluate the model stability and applicability across different market segments. Replications are needed particularly, because the result of this study failed to reject the null hypotheses concerning the relationship between certain service quality dimensions and certain dependent factors (Behavioral intentions).

Additional decision making variable should also be considered to include in this model and to develop a richer model that incorporates other constructs used in this study and explore their interactive effects.

The research work has been carried out in Chennai, India (which is a developing economy), and hence there is a possibility of cultural bias playing a role in the outcome of the study as quality management practices in developing economies may vary significantly from those of developed economies. For example, the study has established that the technological factors seem to be the differentiating factor among the three banks as far as customer perceptions of service quality are concerned. This finding highlights the unstable nature of these facets in developing economies, which may not be true in developed economies. Therefore there is a need to duplicate this study in developed economies as well. Such transnational studies across different nations and economies are indispensable for a clear understanding of the criticality of the various factors of the customer-perceived service quality across different cultures and their direct impact on behavioral intentions dimensions. This is even true given the fact that the research issues with respect to service quality have been extensively researched in developed economies, while there is a scarcity of such research works (especially empirical) in developing economies of this nature of study. The
present study therefore attempts to add value to the topic of bank service quality and its direct impact on behavioral intentions, especially in a developing economy, from the perspective of the customers.