CHAPTER – VI

CONCLUSIONS

In this final chapter, the results of this research work are encapsulated and the implications there of are articulated.

Section 6.1 Summarises the broad findings of the study.

Section 6.2 Brings out the theoretical implications of the study.

Section 6.3 Accords the pragmatic implications of the results.

Section 6.4 Points out the limitations of the study.

Section 6.6 Indicates the areas to be probed by further research.

6.1 SUMMARY OF FINDINGS

This study finds

1. Service Encounter Satisfaction as a composite construct formed by two independent dimensions viz: Employee Response to Service Delivery System Failures and Unprompted and Unsolicited Employee Actions.
2. Service Performance as a composite construct formed by four independent dimensions namely Responsiveness, Reliability, Tangibility and Assurance.

3. Positive association between Service Encounter Satisfaction and Service Performance and vice-versa.

4. Emotional Attachment as a unidimensional construct.

5. Service Evaluation Index as a composite of the constructs Service Encounter Satisfaction and Service Performance.


9. Responsiveness and Reliability as the significant predictors of Emotional Attachment and Emotional Brand unlike Tangibility and Assurance.

11. Significant difference in the mean Emotional Attachment and Emotional Brand scores for interaction between Bank Type and various demographic variables like Gender, Educational Level, Occupation, Income per Month except in the case of Age Group and Years of Association with the Bank.

12. Mean scores of Service Encounter Satisfaction, Service Performance, Emotional Attachment and Emotional Brand for Private Banks higher than Nationalised Banks.

6.2 THEORETICAL IMPLICATIONS OF THE STUDY

(i) Bitner (1990) has identified 12 items categorized into three groups of employee behaviours namely Employee Response to Service Delivery System Failures; Employee Response to Customer Needs and Requests; Unprompted and Unsolicited Employee Actions. This study confirms a two factor structure comprising of Employee Response to Service Delivery System Failures and Unprompted and Unsolicited Employee Actions as the individual dimensions.

(ii) Parasuraman (1988) developed SERVQUAL constituted by 22 items under 5 factors viz. Tangibility, Reliability, Responsiveness, Assurance and Empathy. Cronin and Taylor (1992, 1994) identified performance based measure of service quality, SERVPERF to be more efficient in comparison to SERVQUAL. They have claimed that the scale was unidimensional and the factor structure of 5 had not evolved in their
research. Catts & Forlin (2000) have also stated that the factor structure of 5 had not emerged clearly.

This study confirms that Service Performance as a composite has a four factor structure comprising of Responsiveness, Reliability, Tangibility and Assurance as the individual dimensions.

(iii) Thomson, MacInnis and Park (2005) have identified and specified domains of a construct to measure strength of consumers’ emotional attachment to brands. They have depicted 10 items that emerged as a factor structure of three constituted with Affection, Connection and Passion. This research confirms a unidimensional factor structure of 10 items.

(iv) Bitner (1990) has stated that a close relationship does exist between Service Encounter Satisfaction and Perceived Service Quality, but empirical research to substantiate this relationship is lacking. This study confirms the existence of the above relationship and has measured perceived service quality in terms of Service Performance. It further suggests a new scale ‘Service Evaluation Index’, a composite of Service Encounter Satisfaction and Service Performance.

(iv) This research confirms the role of Emotional Attachment as a partial mediator of the relationship between Service Evaluation Index and Emotional Brand. Reasons for partial mediation could be attributed to Perceived Core Service Quality, Value for Money, Personal Friendship between Customer and Service Employees (Ken, Beverly and Frances 2001); Transaction Cost or Switching Cost (Lee and Cunnigham 2001);
Word of Mouth Communication, Complaining Behaviour (Josee, Ko and Martin 1999), etc.

6.3 PRAGMATIC IMPLICATIONS

The findings of this study offer several implications from an applied perspective.

This study by confirming the close relationship between Service Encounter Satisfaction and Service Performance has established a new construct ‘Service Evaluation Index’ which can be used to measure quality of service in banks. This composite index would be a reliable scale as the items of both Service Encounter Satisfaction and Service Performance have been included in it.

The banks can draft a blue print of the regular activities generally performed as a daily routine and also identify the bottle necks which may turn into problems. Then banks can generalise the problems which the customers want to get resolved and fit them into the items of the first part of the Service Evaluation Index. For example it may be a sanction of a loan, a lost credit card, delay in issue of a demand draft or a request to hold on to a cheque, etc. The response of the bank staff when a customer approaches with such problems will determine the service encounter to be pleasant or the other way. That particular instant or the circumstance may be very crucial or important to the customer. Naturally, if the remedy is provided in
a smooth and pleasant way, without hurting the intentions of the customer, it could lead to a strong emotional attachment with the bank.

Similarly, the banks can measure the customer satisfaction on the routine service performance using the second part of the Service Evaluation Index. It includes the items on the willingness of the bank staff to help customers to provide prompt service; the ability of the bank staff to perform promised service dependably and accurately; appearance of the physical facilities, equipment, personnel, printed and visual materials; competency of the bank staff in performing their work; courtesy in the behaviour of the bank staff; credibility of the bank staff and the banking operations.

Each item mentioned above has the capacity to create one or more emotions indicated as the items to measure the strength of Emotional Attachment. This Emotional Attachment can create an emotional bond which could lead to brand loyalty, in turn lead to building up of an Emotional Brand.

This research supporting Emotional Attachment as a mediator of the relationship between Service Evaluation Index and Emotional Brand has identified all the items of Service Encounter Satisfaction to be significant predictors of Emotional Brand. Similarly the items related to dimensions of Responsiveness and Reliability which have been identified as the significant predictors of Emotional Brand, emphasise the importance of the behaviour or approach of the bank staff. The results also imply that Nationalised Bank have lower mean scores of all the dimensions compared to Private Banks.
This makes it imperative for the banks to provide adequate training to their staff. The bank personnel at all levels need to be given guidance and counseling. Personality development programmes are the need of the hour. The banks which are found to be spending huge amount of money on their repositioning and brand building programmes should educate their staff on the importance of their brand building exercise. They should be motivated to bring in an attitudinal change to improve their behaviour towards the customer. The banks can succeed in building emotional brands only if the required training and motivational programmes are imparted to their staff at all levels as a part of the strategy in their brand building initiatives.

6.4 LIMITATIONS OF THE STUDY

1. The samples have been selected from middle level cities only. Inclusion of samples from both urban and rural areas would have provided a clearer picture of the study.

2. The research did not attempt to test specific services (Eg: credit cards, ATM services, personal loans, home loans, internet services, insurance, mutual funds, etc. provided by the banks due to time constraint.

3. Specific banks have not been selected for this research. So, comparison has been done only between a generalised group of Nationalised Banks and Private Banks.
4. Research on Emotional Branding is at a very nascent stage. There is no research to study the role of Emotional Attachment as a mediator or to measure the strength of Emotional Attachment in Service Industry. So comparison of the results was not possible.

6.5 SCOPE FOR FURTHER RESEARCH

1. As a follow up to this study, research may be undertaken to study the role and significance of Emotional Attachment to specific bank products and services.
2. This research may be extended to analyse the rural banking industry.
3. Replication research for extending the findings of this study is required for various service industries.