AN EMPIRICAL STUDY OF RELATIONSHIP BETWEEN CUSTOMER SATISFACTION AND BEHAVIORAL INTENTIONS SUCH AS LOYALTY AND COMPLAINING BEHAVIOUR IN RETAIL BANKING

YOGESH CHANDRAKANT FUNDE*; DR. SREEDHARANMENON**

**ASSISTANT PROFESSOR
ANIL SURENDRAMODI SCHOOL OF COMMERCE, NMIMS UNIVERSITY
Mumbai
Maharashtra
India.

*DIRECTOR
RAJEEV GANDHI COLLEGE OF MANAGEMENT STUDIES, GHANSOLI,
NAVI MUMBAI. AFFILIATED TO UNIVERSITY OF MUMBAI
Mumbai
Maharashtra
India.

ABSTRACT

Purpose:- The purpose of this paper is to investigate the links between customer satisfaction and behavioral intentions such as customer loyalty and complaining behavior in retail banking sector.

Design/Methodology:- The survey was administered on 273 retail banks customers selected using purposive sampling. The data was collected using questionnaire. The constructs customer satisfaction, customer loyalty and complaining behavior were drawn from literature. Customer satisfaction is measured using 7-point satisfaction scale based on ACSI (American Customer Satisfaction Index) whereas customer loyalty and complaining behavior are based on 7-point behavioral intention battery suggested by Zeithml. The relationships are tested using correlation and regression.

Findings: -The retail bank customers displays less than threshold level (5 on scale of 7) of satisfaction. The customer satisfaction is found to have positive impact on customer loyalty and explains about 47.2% variation in retail bank customer’s loyalty. However, no impact of customer satisfaction on complaining behavior is found.

Research Implications:-The study empirically corroborates the positive relationship between customer satisfaction and loyalty found in extant literature. However, as against traditional wisdom, it does not find any impact of customer satisfaction on complaining behavior. Thus, enhanced customer satisfaction is no assurance of customer tolerance in case of service deviations or service failures.

KEYWORDS: Customer Satisfaction, Behavioral Intention, Customer Loyalty, complaining behavior,
BIBLIOGRAPHY:


