

## BEHAVIOURAL INTENTION & CUSTOMER SATISFACTION IN BANKING SECTOR: A SEM APPROACH

**DR. K. RAJAMANI\***

**DR. R.S. LEKSHMI\***

**DR. A. NIRMALRAJ\*\***

\*ASSISTANT PROFESSOR, DEPARTMENT OF MANAGEMENT SCIENCES, VELAMMAL ENGINEERING COLLEGE, CHENNAI, INDIA.

\*\* PROF & HEAD, DEPARTMENT OF MANAGEMENT SCIENCES, VELAMMAL ENGINEERING COLLEGE, CHENNAI, INDIA.

---

### ABSTRACT

This study investigates customer satisfaction as the most important factor behind Behavioural Intentions of customers in banking sector. Various studies show that satisfaction plays an important role to establish loyal customer base. This study points out that satisfaction and loyalty relationship is critical for banking sector. The objective of this study is to examine the relationship between Behavioural Intention and Overall Satisfaction of the customers in Banking Sector. The study was conducted in Chennai district with a large and diverse population. Questionnaires were self-administered to customers of the banking sectors. The research has been carried out through primary research. Survey method has been used for primary research. Personal contact approach through questionnaire has been introduced to conduct the survey. A total of 600 customers were contacted. The advanced Software's like AMOS (Analysis of Moment Structure) and SPSS 19 are used for analysis and interpretation of primary data. The findings reveal that Loyalty dimension is a main predictor of overall satisfaction in Banking Sector.

**KEYWORDS:** Behavioural Intention, Overall Satisfaction, AMOS, SEM.

---

### REFERENCES

- Akhtar, J. (2011). Determinants of Service Quality and Their Relationship with Behavioural Outcomes: Empirical Study of the Private Commercial Banks in Bangladesh. *International Journal of Business and Management*, 6(11). Asian Social Science, Canadian Center of Science and Education, Vol. 8, No. 1, Pp.73 – 80.
- Bandyopadhyay, S. & Martell, M. (2007). Does attitudinal loyalty influence behavioural loyalty? A theoretical and empirical study. *Journal of Retailing and Consumer Services*, 14, 35–44.
- Bloemer, Ko de Ruyter, Martin Wetzels, (1999) "Linking perceived service quality and service loyalty: a multi-dimensional perspective", *European Journal of Marketing*, Vol. 33 Iss: 11/12, pp.1082 – 1106

- Boulding, William, Ajay Kalra, Richard Staelin, and Valarie A. Zeithaml (1993). A Dynamic Process Model of Service Quality: From Expectations to Behavioral Intentions. *Journal of Marketing Research*, 30 (February), 7-27.
- Cronin, Jr., and Taylor, S. S. (1992). An Investigation into the Determinants of Customer Satisfaction. *Journal of Marketing Research*, 19, 491.
- Dabholkar, P. A., Thorpe, D. I., and Rentz, J. O. (1996). A Measure of Service Quality for Retail Stores: Scale Development and Validation. *Journal of the Academy of Marketing Science*, 24(1), 3-16.
- Evangelos Tsoukatos and Maria Koulentaki (2011). A structural equations approach to assessing alternative service quality metrics within an extended service quality, customer satisfaction, customer loyalty model. *Global Business and Economics Review*, Volume 13, Number 3-4 / 2011, pp 222 – 239
- Gronroos, (1984) "A Service Quality Model and its Marketing Implications", *European Journal of Marketing*, Vol. 18 Iss: 4, pp.36 - 44.
- Jayaraman Munusamy, Shankar Chelliah and Hor Wai Mun (2010). Service Quality Delivery and Its Impact on Customer Satisfaction in the Banking Sector in Malaysia. *International Journal of Innovation, Management and Technology*, Vol.1, No.4, October 2010, pp.398-404.
- Johnson, M. & Gustafsson, A. (2000). Improving customer satisfaction, loyalty, and profit. San Francisco, CA : Jossey-Bass.
- Luarn, P. and Lin H-H. (2003). A Customer Loyalty Model for e-service context. *Journal of Electronic Commerce Research*, 4(4), 156-167.
- Rajat Gera (2011) Modelling the antecedents of behavioural outcomes in Indian life insurance services: a SEM approach. *International Journal of Business Innovation and Research*. Volume 5, Number 5 / 2011, pp. 526-545.
- Saad M Norma (2012), "Comparative Analysis of Customer Satisfaction on Islamic and Conventional Banks in Malaysia",
- Schneider, B., & White, S. S. (2004). *Service quality: Research perspectives*. Thousand Oaks, CA: Sage.
- Singh, J. and Wilkes, R.E. (1996). When Consumers Complain: A Path Analysis of the Key Antecedents of Consumer Complaint Response Estimates. *Journal of the Academy of Marketing Science*, 24(4),350-365.
- Sudhahar, J.C., D. Israel and M. Selvam, 2006. Banking service loyalty determination through SEM technique. *J. Applied Sci.*, 6: 1472-1480.
- Vavra, G.T. (1997). *Improving your Measurement of Customer Satisfaction: A Guide to Creating, Conducting, Analyzing and Reporting Customer Satisfaction Measurement Programs*. ASQ Quality Press, Milwaukee, Wisconsin
- Zeithaml, Valarie A., Leonard L. Berry, and A. Parasuraman (1996). The Behavioral Consequences of Service Quality. *Journal of Marketing*, 60 (April), 31-46.