Post Service Behaviour of Customers of Kerala Gramin Bank

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Abstract:- The present study investigates the post service behaviour of the Kerala Gramin Bank customers and its association with various socio-demographic profiles of the customers. Post service behaviour of KGB customers are taken as customers' trust, perceived value, customer satisfaction, customer retention and word of mouth referrals. The socio-demographic factors of the KGB customers taken as gender, age, educational qualification, occupation, experience with the bank and account in other banks for data analysis. The study found that all post service behaviour factors are moderate level and found a significant association among the various socio-demographic profiles of the bank customers and the level of post service behaviour of KGB customers. In addition to this, the study also assessed the socio-demographic difference among Gramin bank customers regarding the factors of post service behaviour of Kerala Gramin Bank customers.

Key Words: Post service behaviour, customers, trust, perceived value, customer satisfaction, customer retention and word of mouth referrals.

1. Introduction

The inclusive growth of an economy depends upon banking services because it is considered the backbone of the financial system. The banking industry holds the savings of the public for channelising it for the productive purposes of the borrowers. Rapid changes occurred in this sector in the post-independent era, such as technology, economic instability, tough competition, customers demand etc. Nowadays, in addition to the basic banking activities, they provide many value-added services for their customers (Lakshmi & K, 2017).

Regional Rural Banks

Regional Rural Banks have been in reality for around 47 years in the Indian economic prospect. The Regional Rural Banks (RRBs) was formed to meet the surplus request for institutional credit in the rural areas, particularly among the economically and socially marginalized sections. The Banking Commission (1972) recommended establishing an alternative institution for rural credit, and ultimately Government of India established Regional Rural Banks as an independent institution basically for rural credit based on the Working Group's recommendations under the Chairmanship of M. Narashimham. In order to deliver access to low-cost banking facilities to the poor, the Narashimham Working Group (1975) suggested the establishment of a new set of banks, as institutions which "combine the local feel and the familiarity with rural problems which the cooperatives possess and the degree of business organization, ability to mobilize deposits, access to central money markets and modernized outlook which the commercial banks have".

Subsequently, the Regional Rural Banks set up through the promulgation of the RRB Act of 1976. The RRBs Act, 1976 succinctly sums up this overall vision to sub-serve both the developmental and the redistributive objectives. The RRBs established "to develop the rural economy by providing, for development of agriculture, trade, commerce, industry and other productive events in the rural areas, credit and other facilities, particularly to small and marginal farmers, agricultural labourers, artisans and small entrepreneurs, and for matters connected therewith and incidental thereto". Their equity is held by the Central Government, Concerned State Government and the Sponsor Bank in the proportion of 50:15:35 respectively.

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Kerala Gramin Bank

Kerala Gramin Bank (KGB) is the one and only Regional Rural Bank of Kerala State, sponsored by Canara Bank, formed on 08.07.2013, under the Sub-Section (1) of Section 3 of the RRB Act 1976 (27 of 1976). The bank formed by combining the two RRBs of Kerala, namely South Malabar Gramin Bank and North Malabar Gramin Bank, through a notification by the government of India. Kerala Gramin Bank is a Regional Rural Bank in Kerala with enormous rural population. Even though the bank is a Regional Rural Bank, KGB provides all the primary financial services of a Public Sector Bank. The bank's primary focus is to initiate a proper intervention for overall economic upliftment and progression of the people of Kerala by generous financial support to the segments like Agriculture, Micro, Small and Medium Enterprises, education, housing, micro-credit, weaker sections, SC/ST communities etc.

KGB has engraved a niche for itself through its 40-year-old antiquity of devoted and modified service to the clientele by its ancestor RRBs. With 634 branches as on 31st March 2023, it is the second-largest bank in Kerala in terms of the branch network. Its wide-ranging branch network feasts into the deepest and farthest corners of Kerala. Kerala Gramin Bank covered 14 districts of the state through 53 rural branches, 543 semi-urban branches and 38 urban branches. KGB leads other Banks in the state to assist under Kisan Credit Card (KCC) and SME (Priority) schemes. For the past 40 years, the forerunner RRBs of the bank has succeeded in building a warm association with its customers. Now KGB's objective is to strengthen this relationship and thus emerge as a robust, vibrant and socially committed Kerala's Own Bank'.

Review of Literature

The major factors which influence the customers' post purchase behaviour were perception, expectations and satisfaction. At the same time, factors such as external design, internal quality, reliability, service provision, and internal design do not influence post purchase behaviour. The manufactures can attract more customers by providing quality in the internal and external design of the cars (Charles, Kathireven, & Velaudham, 2016). Delivery services and successive discounts stimulate the customers to repeat the purchase. Negative word of mouth harms post purchase behaviour (Gera & Jain, 2020). The post purchase behaviour of customers does not influence customer loyalty. At the same time, post purchase behaviour of customers influences customer satisfaction, which mediates influence on customer loyalty. A positive evaluation of customers after purchase directly influences customer satisfaction, leading to loyalty (Hamza, 2014).

The cognitive dissonance may increase if the products not accepted by friends and relatives. Consumers' personality also plays a significant role in the dissonance. If the product has a unique or particular use or purpose, the level of post purchase dissonance will be high (Hasan & Nasreen, 2012). The post purchase regret had a direct influence on consumer behaviour. The amount of money spend on purchase had a negative relation with post purchase regret. There was no significant impact of gender on post purchase regret regarding online shopping. The return policies of the e-commerce site dad no influence on consumer behaviour. The negative reviews of the dissatisfied customers have a wide range of publicity through social media (Rajagopal, Mahajan, Sharma, & Udas, 2019). (Hasan & Nasreen, 2014)revealed that the income of the consumer influences post purchase dissonance. The level of dissonance created in impulse purchase was more than in the case of planned purchases. The consumer's ability and personality have an influence on consumer dissonance decides income.

Research Question

1. What are the factors affecting the post service behaviour of customers' of Kerala Gramin Bank?

2. Objective of the study

1. To investigate the post service behaviour of customers' of the Kerala Gramin Bank.

Significance of the study: The performance of a regional rural bank affects the growth and development of a state's rural and semi-urban area to a large extent. The customers of a financial institution satisfied only if they provide maximum quality through their services and financial products. In the highly competitive financial

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market, the regional rural banks struggling to cope with other banking institutions. The present study attempted to evaluate the post service behaviour of customers of Kerala Gramin Bank, hence significant too.

Scope of the study: The present study evaluated the post service behaviour of customers of Kerala Gramin Bank. The area of study limited to the retail customers of Kerala Gramin Bank in Kerala State. The factors such as customers' trust, perceived value, customer satisfaction, customer retention and word of mouth referrals of KGB customers are considered for evaluating the post purchase behaviour.

3. Methods

Source of data: Both secondary and primary data used for the present study. Secondary data collected from various published sources like journals, books, reports, websites etc. Primary data required for the present study was collected from 642 Kerala Gramin Bank customers through a structured and validated questionnaire.

Population: The population of the study comprised of retail customers of 634 branches of Kerala Gramin Bank in Kerala State.

Sample: A sample of 642 retail customers was required for the study. The data were collected from 642 customers of Kerala Gramin Bank by applying multi-stage sampling.

Sampling Technique: The researcher adopted multi-stage sampling method to measure post service behaviour of customers of Kerala Gramin Bank. In the first stage, districts of Kerala state were classified into three groups based upon the number of branches in each district. For this purpose, the number of branches of Kerala Gramin Bank was identified in each district. Then, quartiles based on the number of branches were calculated. The 14 districts of Kerala were classified into three strata such as district having lower number of branches, moderate number of branches and high number of branches.

From each of these strata, three districts such as Kollam, Thrissur and Kannur were selected through the lottery method. 64 branches were selected (10 percentage of 634 branches) in proportion to the number of branches in the selected three districts, which comprise 10 branches from Kollam district, 18 branches from Thrissur district and 36 branches from Kannur district by applying simple random sampling method. A total of 642 customers were selected proportionately, such as 100 from Kollam district (i.e. 10 customers from each of the selected branches), 180 from Thrissur district (i.e. 10 customers from each of the selected branches) and 362 from Kannur district (i.e. 10 customers from 34 branches and 11 customers from 2 branches).

Tools Used: The statistical tools like Quartile Deviation, Percentage Analysis, and Chi-Square tests employed. The relative ranking on various customers' post service behaviour factors and its socio-demographic differences among the customers of KGB also were assessed. It was measured using mean score, standard deviation, one sample t test, independent t test, ANOVA and Tukey HSD post hoc analysis.

Hypotheses of the study: The hypotheses of the study are follows:

$H_0.1$: *The proportions of the level of customers' trust of the customers towards the Kerala Gramin Bank are equally distributed*

$H_0.2$: *The proportions of the level of customer satisfaction towards the services of Kerala Gramin Bank are equally distributed*

$H_0.3$: *The proportions of the level of perceived value getting from the services of Kerala Gramin Bank are equally distributed*

$H_0.4$: *The proportions of the level of customer retention in Kerala Gramin Bank are equally distributed*

$H_0.5$: *The proportions of the level of word of mouth referrals in Kerala Gramin Bank are equally distributed*

$H_0.6$: *There is no significant association between socio-demographic variables of customers and dimensions of post service behaviour*

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$H_0.7$: *There is no significant difference between socio-demographic variables of customers with respect to dimensions of post service behaviour*

Table No. 1: Reliability analysis (Internal consistency of five constructs)

SI. No.	Constructs	Cronbach's Alpha	No. of Items	No. of Items deleted
1	Customers' Trust	0.96	5	Nil
2	Customer Satisfaction	0.94	5	Nil
3	Perceived Value	0.96	3	Nil
4	Customer Retention	0.94	4	Nil
5	Word of mouth referrals	0.96	4	Nil

Cronbach's Alpha values of the full-scale study reveal that all Cronbach's Alpha values are above 0.80. It means all constructs are reliable in terms of their internal consistency. Generally, reliability coefficients of 0.70 or more are considered good (Nunnally, 1967). The coefficients 0.60 to 0.70 are desirable.

Table No. 2: Normality of data (distributional assumption)

Kolmogorov-Smirnov test was conducted to test whether the data are normally distributed or not (Sarstedt & Mooi, 2014).

SI No.	Constructs	Kolmogorov-Smirnov test		
		Statistic	**DF**	**Sig.**
1	Customers' Trust	0.016	642	0.200*
2	Customer Satisfaction	0.020	642	0.200*
3	Perceived Value	0.017	642	0.200*
4	Customer Retention	0.016	642	0.200*
5	Word of mouth referrals	0.017	642	0.200*

* This is a lower bound of the true significance

It can be inferred from the above table that all P values of the Kolmogorov-Smirnov test are greater than 0.05. It means that the data of each construct possess normal distribution properties.

Limitations of the Study: The study limited to the retail customers of the Kerala Gramin bank. The other category of customers wholly ignored. So the conclusions derived from the study may not be possible to generalize the entire customers. The opinion of the other groups of customers may vary from different dimensions such as time, place, types of service etc.

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4. Results and Discussion

Table No. 3: The level of attributes of post service behaviour of the customers towards the Kerala Gramin Bank

Attribute	Low level (Q1)	Moderate level (Q2)	High level (Q3)	Total	Chi-Square value	P value
Level of customers' trust factor	180 (28%)	240 (37.4%)	222 (34.6%)	642 (100%)	8.86	0.012
Level of the satisfaction of customers towards the services of KGB	164 (25.5%)	286 (44.5%)	192 (29.9%)	642 (100%)	38.16	<0.001**
Level of perceived value experienced by the customers of KGB	186 (29%)	260 (40.5%)	196 (30.5%)	642 (100%)	15.06	<0.001**
Level of customer retention factor	176 (27.4%)	288 (44.9%)	178 (27.7%)	642 (100%)	38.39	<0.001**
Level of word of mouth referral of customers in the KGB	166 (25.9%)	302 (47%)	174 (27.1%)	642 (100%)	54.43	<0.001**

Source: Primary data

*** indicates significant at 1% level*

Since the P value is <0.01, the proportions of level of perceived trust, level of satisfaction, perceived value factor, level of customer retention and level of word of mouth referral of the customers towards the Kerala Gramin Bank are not equally distributed. It indicates that there is significant difference regarding the level of factors affecting post service behaviour among the customers towards the services of Kerala Gramin Bank. It can be inferred that most of customers feel moderate level trust, satisfaction, value from the services, intention to retention with bank and intention to recommend the KGB to others.

It means the Kerala Gramin Bank provide moderate level honesty in their services, fairness in the transactions, and makes a sense of customers' feeling of trustworthy and customers consider, KGB services is moderate level in terms of worthiness of money spend in the KGB, offering quality services at a reasonable price, and superior value for products & services. It can be said that majority of customers intention to retention with bank is moderate level. It means that the customers have moderate level intention to continue to with bank, and their loyalty level and intention to keep the relationship with bank is also average and most of customers have moderate level intention to recommend the KGB to others. It means the customers' do not have high level intention to give the positive comments about the KGB.

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Table No. 4: Summary of level of post service behaviour of Kerala Gramin Bank customers

SI. No.	Constructs	Level of post service behaviour of the bank customers
1	Customers' Trust	_Moderate level_
2	Perceived Value	_Moderate level_
3	Customer Satisfaction	_Moderate level_
4	Customer Retention	_Moderate level_
5	Word of mouth referrals	_Moderate level_

Source: Primary data

Table No. 5: Summary of level of post service behaviour across various socio-demographic variables of the Kerala Gramin Bank customers

Constructs	Levels	Gender	Age	Educational Qualification	Occupation	Experience with Bank	Account in other bank
Level of customers' trust	Low level	NS	<25 years	Graduation	Private sector	1-3 years	Account in other bank
	High level	NS	> 50 years	Higher Secondary	House wife	6-10 years	Account not in other bank
Level of customer satisfaction	Low level	NS	<25 years	Below SSLC	Student	1-3 years	Account in other bank
	High level	NS	> 50 years	Higher Secondary	House wife	6-10 years	Account not in other bank
Level of perceived value	Low level	NS	<25 years	Graduation	Student	1-3 years	Account in other bank
	High level	NS	> 50 years	Higher Secondary	House wife	6-10 years	Account not in other bank
Level of customer retention	Low level	Male	<25 years	Graduation	Other occupations	1-3 years	Account in other bank
	High level	Female	> 50 years	Higher Secondary	House wife	Above 10 years	Account not in other bank
word of mouth	Low level	NS	<25 years	Graduation	Student	1-3 years	Account in other bank

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	High level	NS	> 50 years	Below SSLC	House wife	Above 10 years	Account not in other bank

Source: Primary data

NS denotes Non-Significant

There is no significant association between gender of the customers and level of customers' trust, level of customer satisfaction, level of perceived value and word of mouth referral among the customers of Kerala Gramin Bank. There is significant association between gender of the customers and level of customer retention. There is association among various socio-demographic profiles of the bank customers such as age, educational qualifications, occupation of the customers, customer's experience with bank and customers having and not having account with other bank, and level of customers' trust, level of customer satisfaction, level of perceived value, level of customer retention and word of mouth referral of the customers of Kerala Gramin Bank.

Table No. 6: Summary of significant difference between various socio-demographic variables of the customers' of the Kerala Gramin Bank with respect to dimensions of post service behaviour of customers

Dimensions of post service behaviour of customers	Test Results (P value and Decision regarding H_0)					
	Socio-Demographic factors					
	Gender	Age	Qualifications	Occupation	Experience	Account in another bank
Customers' trust	0.011* Rejected	<0.001** Rejected	0.005** Rejected	<0.001** Rejected	<0.001** Rejected	<0.001** Rejected
Customer satisfaction	0.002** Rejected	0.014* Rejected	0.026* Rejected	0.004** Rejected	<0.001** Rejected	<0.001** Rejected
Perceived value	0.051^{NS} Accepted	0.002** Rejected	0.014* Rejected	0.002** Rejected	<0.001** Rejected	<0.001** Rejected
Customer retention	0.002** Rejected	0.010* Rejected	0.029* Rejected	0.022* Rejected	<0.001** Rejected	<0.001** Rejected
Word of mouth referral	0.023* Rejected	0.015* Rejected	0.023* Rejected	0.002** Rejected	0.010* Rejected	<0.001** Rejected

Source: Primary data

*** denotes significant at 1% level*

** denotes significant at 1% level*

NS denotes non significance

There exists a significant difference between male and female customers regarding the factors of post service behaviour of Kerala Gramin bank customers such as customer satisfaction, customer retention, customer trust and word of mouth referral. Whereas there exists no significant difference between male and female customers regarding the perceived value. There exists a significant difference between various socio-demographic variables

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of bank customers regarding the factors of post service behaviour of Kerala Gramin Bank such as customers' trust, perceived value, customer satisfaction, customer retention and word of mouth referral.

Scope for further research: Any research work not completed because of the limited scope of the study. The present study also not an exemption from this limitation. The scholars can conduct research works on customer service quality provided by the Kerala Gramin Bank. The study also could conduct research work on the post service behaviour of the current account holders of the bank. A comparative analysis of the post service behaviour of retail customers and current account holders also relevant.

Conclusion

The present study dealt with the objective of the research to investigating the post service behaviour of the Kerala Gamin Bank customers. The level of post service behaviour factors of customers such as customers' trust, perceived value, customer satisfaction, customer retention and word of mouth referrals was measured and its association among the socio-demographic profiles of the bank customers such as gender, age, educational qualification, occupation, year of experience with bank and account in another bank also examined. The study found that all post service behaviour factors are moderate level and found a significant association among the various socio-demographic profiles of the bank customers and the level of post service behaviour of KGB customers. In addition to this, the study also assessed the socio-demographic difference among Gramin bank customers regarding the factors of post service behaviour of Kerala Gramin Bank customers.

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