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Dimensions affecting customer satisfaction in Indian retail banking: a qualitative perspective

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Abstract

Customer satisfaction is essential for long-term success. In this study the construct of customer satisfaction with respect to Indian retail banking is studied from a qualitative perspective. Grounded Theory, a tool for qualitative analysis was applied. Depth interviews and focus groups of Indian retail banking customers were conducted. The interviews and focus groups were analyzed based on Grounded Theory. Open coding of the data was done and memos were written to understand the phenomena. Concepts were generated from the phenomena. Index card sorting was applied to segregate the concepts into different categories and sub-categories. Axial coding was done to relate the different categories and sub-categories. Finally, selective coding was done to determine the central or core category. The concepts generated based on open coding would determine the dimensions which might affect customer satisfaction. The dimensions would help practitioners and banking professionals to understand customer satisfaction in Indian retail banking better.

Keywords: customer satisfaction; grounded theory; qualitative research; retail banking; India.

1. Introduction

Customer satisfaction is the key to long term success of any organization^[1]. The application of the knowledge of customer satisfaction is imperative to establishing and maintaining a long-term relationship with customers and long-term competitiveness^[2]. Banks recognize the fact that delivery of quality service to customers is essential for success and survival in today's global and competitive banking environment^[3]. Researchers have found that customer satisfaction has a measurable impact on purchase intentions, on customer retention, and on a firm's financial performance^[4, 5, 6].

Customers' wants, needs, and expectations change quickly. Therefore, what would have delighted and surprised them a short while back might not satisfy them at present^[7]. Banks may not be able to provide superior services to the customers unless customer expectations are known^[8]. Customer expectations can be known through the knowledge of satisfaction levels of customers^[9]. This necessitates the measurement of customer satisfaction level. The measurement of customer satisfaction cannot be done unless the dimensions affecting customer satisfaction are determined. This necessitates an in-depth study about the dimensions affecting customer satisfaction.

1.1 Customer Satisfaction

Customer satisfaction is one of the important outcomes of marketing activity^[10, 11]. It links processes resulting in purchase and consumption with post-purchase phenomena such as attitude change, repeat purchase, and brand loyalty^[11]. Substantial research has been done in the field of customer satisfaction. Various researchers have defined customer satisfaction in different ways. Satisfaction can be broadly characterized as a post-purchase evaluation of product quality given pre-purchase expectations^[12].

Satisfaction is the consumer's response to and evaluation of the perceived discrepancy between prior expectations (or some other norm of performance) and the actual performance of the product as perceived after its consumption^[13].

Customer satisfaction is a person's feelings of pleasure or disappointment that result from comparing a product's perceived performance (or outcome) to their expectations^[14].

As evident from the above definitions of customer satisfaction, in order to measure satisfaction, it is necessary to measure both expectations at the time of purchase and reactions at some time after purchase. If actual consequences equal or exceed expected consequences,

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the customer is satisfied, but if actual consequences fall short of expected consequences, the customer is dissatisfied. From the above, satisfaction by the definitions seems to be attitude. For that it is necessary to measure customer expectations and their consequences.

2. Literature Review

Different researchers have studied the dimensions which might affect customer satisfaction with respect to retail banking. Estiri *et al.* performed a review of the set of attributes which are capable of being incorporated in the measure of customer satisfaction for Islamic banks [15]. Later, the possibility was posed of grouping these attributes into dimensions of quality, proceeding to value various alternative structures by means of confirmatory factor analysis methodology and testing their reliability and validity. The findings from this study reveal that customer satisfaction in Islamic retail banking depends on two major dimensions, value proposition quality and service delivery quality. Singh and Kaur determined the dimensions that have an impact on customer satisfaction as regards the working of select Indian universal banks [16]. The study was conducted using the survey method. Data were collected through a well-structured questionnaire from a sample of respondents. The major findings of the study showed that customer satisfaction is influenced by seven dimensions – employee responsiveness, appearance of tangibles, social responsibility, services innovation, positive word-of-mouth, competence, and reliability. The results of multiple regression showed that three variables: social responsibility, positive word-of-mouth, and reliability have major influences on the overall satisfaction of the customer. Ganguli and Roy studied the dimensions affecting customer satisfaction in the Indian retail banking sector [17]. Online structured questionnaire developed to determine the dimensions for customer satisfaction was distributed among the respondents. The dimensions were identified using an exploratory factor analysis (EFA). Next the reliability and the validity of the dimensions for customer satisfaction were established through confirmatory factor analysis (CFA). The paper identified four generic dimensions in the technology-based banking services – customer service, technology security and information quality, technology convenience, and technology usage easiness and reliability. It was found that customer service and technology usage easiness and reliability have positive and significant impact on customer satisfaction. The dimensions affecting customer satisfaction in the Malaysian retail banking sector was conducted by Ndubisi and Wah [18]. A field survey of bank customers in Malaysia was conducted using a structured questionnaire. The data were factor-analyzed to determine the key dimensions of customer satisfaction. The results showed that five key dimensions, namely competence, communication, conflict handling, trust, and relationship quality, were the major determinants of customer satisfaction. The dimensions of customer satisfaction in the Chinese retail banking sector was studied by Zhou [19]. The existing model of SERVPERF was used to determine the dimensions contributing to customer satisfaction. The dimensions found were empathy or responsiveness of the employees, reliability or assurance

from the bank, and tangibility of services. The dimensions influencing customer satisfaction in the retail banking sector of Pakistan were investigated by Jamal and Naser [20]. The analysis was done based on data collection of a structured questionnaire survey, which looked into determinants of customer satisfaction in the retail banking sector of Pakistan. Service quality was found to be an important determinant of customer satisfaction. Research was also conducted by various other researchers to determine the dimensions affecting customer satisfaction in retail banking. Some of the notable investigations are by Sadeghi and Hanzae, Abdulkarim and Alhemoud, Herington and Weaven, Kanning and Bergmann, Casalo *et al.*, Molina *et al.*, Pikkarainen *et al.*, Jamal and Naser, Lassar *et al.*, Johnston, Levesque and McDougall, and Moutinho and Brownlie [21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, and 32]. Most of the above studies applied existing models to find the dimensions affecting customer satisfaction in retail banking [15, 21, 22, and 26]. The existing models of customer satisfaction were reviewed or validated to determine the dimensions affecting customer satisfaction. In some other cases, research was done based on primary data collected through structured questionnaire [16, 17, 18, 20, 25, 27, 28, and 31]. Sometimes, convenience sampling was used to receive responses from the banking customers [23]. The approach needed for generating dimensions for a construct like customer satisfaction need to be based on exploratory research and qualitative analysis [33]. The techniques that are typically productive in exploratory research, including literature searches, experience surveys, and insight-stimulating examples, are generally productive here [34]. The literature should indicate how the variable has been defined previously and how many dimensions or components it has. The experience survey would not be a probability sample but a judgment sample of persons who can offer some ideas and insights into the phenomenon. Critical incidents and focus groups also need to be analyzed for the generation of dimensions. A large number of scenarios describing specific situations could be made up and a sample of experienced customers would be asked about the specific behaviors which would create customer satisfaction or dissatisfaction [35, 36]. This indicates that primary research based on the qualitative analysis of critical incidents, focus groups, and depth interviews need to be performed to generate the dimensions for customer satisfaction. So, item generation only through literature review or responses through structured questionnaire would not suffice. None of the previous studies performed to determine the dimensions leading to customer satisfaction in retail banking have followed the approach of qualitative analysis in finding the dimensions for customer satisfaction. The phenomenon of customer satisfaction in retail banking, and finding the dimensions for customer satisfaction in Indian retail banking in particular, have not yet been studied with the application of qualitative analysis. This indicates a research gap in the existing literature regarding the determination of dimensions for customer satisfaction in Indian retail banking. This leads us to the major objective of the study:

Exploration of the dimensions affecting customer satisfaction in Indian retail banking with the help of qualitative tools.

3. Methodology

The methodology included two primary steps:

i. Specifying the Domain of the Construct

The domain of the construct, customer satisfaction needed to be specified clearly. It needed to be understood what is included in the definition of customer satisfaction and what is excluded in the definition. The domain of the construct, customer satisfaction follows directly from the definitions of customer satisfaction already mentioned above.

Customer satisfaction by its definitions seems to be attitude of the customers [12, 13, 14]. Further, in order to measure customer satisfaction, it is necessary to measure the expectations of the customers before the purchase and actual use of the product and reactions of those customers after the purchase and after the actual use of the product. If actual consequences equal or exceed expected consequences, the customer is satisfied, but if actual consequences fall short of expected consequences, the customer is dissatisfied. So, the domain of the construct of customer satisfaction include pre-purchase expectations of the customers, perception of the customer about the product or service during the actual use, and the evaluation of the product or service after its use. If the post-purchase evaluation exceeds the pre-purchase expectations, the customer is satisfied. If the post-purchase evaluation falls short of the pre-purchase expectations, the customer is dissatisfied. It is also necessary to consult the existing literature to conceptualize the construct of customer satisfaction and specifying its domain.

ii. Exploration of the Dimensions affecting Customer Satisfaction

After the domain of customer satisfaction was specified, it was necessary to explore the dimensions which capture the specified domain of customer satisfaction. In this situation, exploratory research becomes helpful. Generation of dimensions was done by conducting depth interviews, focus groups, and critical incident methods. Qualitative analysis of the interviews and the focus groups was done. One of the qualitative tools available for this type of analysis is Grounded Theory.

3.1 Grounded Theory

Glaser and Strauss developed the idea of Grounded Theory (GT) out of an urgent need in the field of social research to discover theories as opposed to merely testing existing theories [37]. In the particular case, GT was considered as the most suitable approach because it is more suitable to researching problems that do not allow for pre-conceptualized theory [38]. GT is also a suitable approach in generating dimensions for different constructs [39].

Grounded Theory as an inductive process is guided by specific guidelines as outlined by Corbin and Strauss [40]:

1. Data collection and analysis are interrelated and concurrent processes. Collecting data first, as in other methods of research, violates the core foundation of GT.

2. Concepts are the basic units of analysis. Conceptualization of data rather than description is the central emphasis of GT.
3. Categories must be developed and related. Concepts are grouped together to form categories, and must be of theoretical significance to contribute to the development of categories.
4. Sampling in GT proceeds on theoretical grounds. Sampling is guided by ideas generated from the phenomena under study.
5. Analysis makes use of constant comparisons. The comparison of incidents results in the development of concepts. Comparisons are drawn throughout the research process and as concepts are grouped into categories. The process provides verification as the researcher compares concepts and categories with new data.
6. Patterns and variations in data are accounted for.

4. Analysis based on Grounded Theory (GT)

Application of GT principles and procedures consist of use of theoretical memos, open coding, axial coding, and selective coding. Theoretical memos are written throughout the process of data analysis.

The first step in theory building is conceptualizing. A concept is a labeled phenomenon. Concepts are the building blocks of theory. Phenomenon may be defined as the central ideas in the data represented as concepts. Phenomenon is an abstract representation of an event, object, or action/interaction that a researcher identifies as being significant in the data. The purpose behind naming a phenomenon is to enable researchers to group similar events, happenings, and objects under a common heading or classification. Although events or happenings might be discrete elements, the fact that they share common characteristics or related meanings enables them to be grouped.

Depth interviews (20 in number) and focus groups (four in number) were conducted to understand the concept of customer satisfaction in Indian retail banking. Grounded Theory emphasizes the idea of emergence of concepts based on the responses of the respondents. So, standard structure of questionnaire which is usually followed for collecting data in other types of research is not followed in Grounded Theory. In the present context, the questions asked depended on the responses given by the respondents. Also the analysis and the collection of data through interviews and focus groups were done simultaneously. This was done because Grounded Theory emphasizes the concept of emergence. From each and every interview and focus group, certain concepts emerged which were analyzed before the next interview or focus group was conducted. This allowed for the understanding of the dimensional gaps which needed to be filled in the subsequent interviews and focus groups. This also allowed looking for the concepts which were still not developed. This helped in the approach of conducting the interviews and focus groups by giving cues to the respondents to fill those dimensional gaps which were still

vacant. In the beginning, questions were asked based on the perception of the respondent about customer satisfaction in Indian retail banking. As the interviews progressed, the responses provided by the past respondents acted as a guide for the questions to be asked to the future respondents. This process helped in reaching saturation along the dimensional ranges and helped in the generation of more concepts. The analysis of the interviews and focus groups were stopped once it was felt that saturation along the dimensional ranges were taking place and no new dimensions were getting generated from the analysis of fresh interviews and focus groups.

Below are excerpts from the transcripts of the interviews conducted to understand customer satisfaction in Indian retail banking scenario. Primary labeling was done on the data and from them the phenomenon was understood.

The employees of banks should be thorough about the banking operations. Employees should be trained so that their knowledge is up-to-date. Only employees who are effective and efficient should work.

Primary labeling was done based on the objects which were identified as being significant in the data. The labeled portions were highlighted.

*The employees of banks should be **thorough about the banking operations**. Employees should be **trained** so that their **knowledge is up-to-date**. Only employees who are **effective and efficient** should work.*

Here, the respondent talked about those characteristics of the employees which might cause customer satisfaction with respect to retail banking. Open coding was done on the data to identify the concepts. The codes which were generated from the above labeling are *thoroughness of the employees with banking operations, training of the employees, updated knowledge of the employees, effectiveness of the employees and efficiency of the employees*.

Memos: *Thoroughness of the employees with banking operations* was coded because the respondent felt that the employees of a bank should be thorough about the banking operations. Similarly, *training of the employees* and *updated knowledge of the employees* were coded because the respondent felt that the employees need to be trained so that they have updated knowledge. Also, *effectiveness of the employees* and *efficiency of the employees* were coded because the respondent felt that only effective and efficient employees should be allowed to work.

The concepts which were generated from the open coding above are *employee proficiency with banking operations, employee training, updated employee knowledge, and employee effectiveness and employee efficiency*.

The concepts generated from the above open codes pertain to a single category and on further analysis through index card sorting method (discussed later), the category was named as **Employees**. Another transcript of an interview is shown below:

Basic amenities like drinking water need to be there. There should be proper seating arrangement for the customers. The bank premises need to be calm, quiet and clean. Refreshments should be served to the customers while they are waiting. There might be a private place or room for

counting money. Rules and regulations e.g. switching off of mobile phones need to be there inside the bank premises.

Primary labeling was done based on the objects which were identified as being significant in the data. The labeled portions were highlighted.

*Basic amenities like **drinking water** need to be there. There should be **proper seating arrangement** for the customers. The bank premises need to be **calm, quiet and clean**. **Refreshments** should be served to the customers while they are waiting. There might be a private **place or room for counting money**. **Rules and regulations** e.g. switching off of mobile phones need to be there inside the bank premises.*

Here, the respondent talked about those characteristics of the ambience in the bank premises which might cause customer satisfaction for the respondent. Open coding was done on the data to identify the concepts. The codes which were generated from the above labeling are *basic amenities inside bank premises, seating arrangement inside bank premises, refreshments served to customers inside bank premises, and rules and regulations inside bank premises*.

Memos: The above codes were identified from the transcript because the respondent felt that bank premises should have these attributes. These are the facilities which are expected by the respondent inside any bank premises. These might cause customer satisfaction for the respondent.

The concepts which were generated from the open coding are *amenities inside bank premises, seating arrangement, refreshments served, and rules and regulations*.

The concepts generated from the above open codes pertain to a single category and on further analysis through index card sorting method (discussed later), the category was named as **Ambience in the bank premises**. Transcript from another interview is shown below:

There needs to be a helpdesk for the customers. There needs to be a waiting room for the customers. The layout inside the bank needs to be spacious. The operations and the services of the bank should be streamlined viz. the related counters need to be close to each other.

Primary labeling was done based on the objects which were identified as being significant in the data. The labeled portions were highlighted.

*There needs to be a **helpdesk for the customers**. There needs to be a **waiting room for the customers**. The **layout** inside the bank needs to be **spacious**. The **operations** and the **services** of the bank should be **streamlined** viz. the related counters need to be close to each other.*

Here, the respondent talked about those characteristics of the ambience in the bank premises which might cause customer satisfaction for the respondent. Open coding was done on the data to identify the concepts. The codes which were generated from the above labeling are *helpdesk for the customers, waiting place for the customers, spacious layout, and streamlined banking operations*.

Memos: The above codes were identified from the transcript because the respondent felt that a banking environment needs to have these basic facilities and the respondent expects those facilities. These facilities might create customer satisfaction for the respondent. The concepts which were generated from the open coding are *customer helpdesk, customer waiting*

room, spacious layout, and streamlined banking operations. The concepts generated from the above open codes pertain to a single category and on further analysis through index card sorting method (discussed later), the category was named as **Service Delivery**. Transcript for an interview of a respondent is shown below:

The features which I desire in a savings account are locker facilities, provision of zero balance account, high interest rates, and ATM facilities. Errors in cheque bouncing (caused by reasons other than insufficient funds) should be minimum. There should be facilities for online currency conversion while transferring money to foreign accounts. The customer should not have to physically visit specified branches for currency conversions.

Primary labeling was done based on the objects which were identified as being significant in the data. The labeled portions were highlighted.

*The features which I desire in a savings account are **locker facilities, provision of zero balance account, high interest rates, and ATM facilities.** Errors in cheque bouncing (caused by reasons other than insufficient funds) should be minimum. There should be facilities for **online currency conversion** while transferring money to foreign accounts. The customer should not have to physically visit specified branches for currency conversions.*

In the above transcript the respondent talked about features of the products and services provided by the bank and their characteristics. Open coding was done on the data to identify the concepts. The codes which were generated from the above labeling are *locker facilities, provision of zero balance account, interest rates, ATM facilities, and online currency conversion*.

Memos: The above codes were identified from the transcript because the respondent felt that the products or services provided by banks should consist of these features. The respondent expected these features in the products and services provided. These features might lead to customer satisfaction for the respondent. The concepts which were generated from the open coding are *locker facilities in savings account, provision of zero balance in savings account, interest rates in savings account, ATM facilities, and online currency conversion*.

The concepts generated from the above open codes pertain to a single category and on further analysis through index card sorting method (discussed later), the category was named as **Core Products/Services**. In the above manner, concepts were created based on open coding and creation of memos for all the interviews and the focus groups which were conducted. Concepts were also gathered from the existing literature. This resulted in around 400 concepts. The next step was the segregation of the concepts into various categories and sub-categories. The formulation of categories and sub-categories gives distinct identity to the concepts.

Categories might be defined as concepts that stand for phenomena. Sub-categories are also categories which are defined as concepts that pertain to a category, giving it further clarification and specification.

Index card sorting method was applied for the formation of categories and sub-categories from the concepts which have been already developed.

4.1 Index Card Sorting for the Formation of Categories and Sub-categories

Index card sorting is a method for determining how users mentally group the concepts into categories and sub-categories [40]. It is useful when the concepts have already been developed. Card sorting can be done with anyone, but ideally it is done with potential or actual users, as they possess better knowledge about the concepts and a clearer idea of how the concepts might be related and what is the top-level, second-level etc. In this case, banking experts were also consulted to verify the card sorting done by the users. Opinions were taken from the experts after the preliminary card sorting was done by the users.

In this method six to seven users are requested to sort the concepts independently into different categories and sub-categories. After the sorting is done, patterns are found in the sorting. Six to seven users were used because more users will provide more data, but once the number of users is more there are diminishing returns.

Card sorting can be of two types – exploratory card sort and confirmatory card sort.

Exploratory card sort is also called an open card sort. It takes a bottom-up approach. It determines the way in which the different concepts group together. Its use is best when the concepts are there and the concepts need to be segregated into different categories and sub-categories.

Confirmatory card sort is also called a closed card sort. It takes a top-down approach. It is applicable when the categories and sub-categories have already been determined and the concepts need to be fitted into those pre-determined categories and sub-categories.

In this case, exploratory card sort was followed separately for each and every interview and focus group conducted as the categories and the sub-categories were not known before and they needed to be identified based on the segregation of the concepts by the users performing the card sorting process.

Exploratory card sorting maintained the following process:

1. Creation of primary groups from the concepts generated from each interview or focus group
2. Labeling of the primary groups
3. Creation of secondary groups
4. Labeling of the secondary groups
5. Creation of final categories and sub-categories

The major categories and sub-categories which emerged from the exploratory card sorting are shown below:

The major categories generated were:

Core Products/Services

Service Delivery

Employees

Ambience in the bank premises

Sub-categories were generated under each category as below: (The items in bold indicate the categories)

Core Products/Services

Credit Card/Debit Card Facilities

Features in Products/Services

Service Delivery

Service Quality
Service Delivery Process
Customer Services
Online Banking
ATM Services

Employees

Ambience in the bank premises

4.2 Axial Coding

Axial coding was done to relate the different categories and sub-categories which are generated based on exploratory card sorting. Axial coding is the process of relating categories to their sub-categories. The coding is termed "axial" because coding occurs around the axis of a category, linking categories at the level of properties and dimensions [40].

The process of axial coding as proposed by Corbin and Strauss involved the following steps [40]:

1. Laying out the properties of a category and their dimensions, a task that begins during open coding.
2. Identifying the variety of conditions, actions/interactions, and consequences associated with a phenomenon.
3. Relating a category to its sub-categories through statements denoting how they are related to each other.
4. Looking for cues in the data that denote how major categories might relate to each other.

Axial coding for the different categories and sub-categories is shown below:

The respondents have talked about the various characteristics of core products and services. Here, core products and services is the category. In one particular case, the sub-categories were fast processing, proper security checks, minimal documentation, and interest rates. The above are the sub-categories under core products and services because they are directly related to core products and services and they define core products and services. Fast processing, proper security checks, and minimal documentation may be considered as processes and actions or interactions of the respondents with banks. Fast processing will also come under the category, service delivery. So, the two categories, core products/services and service delivery get linked with each other. Better and faster is the processing of services better is the perception about the service delivery. Also, since fast processing is also a property of the category, core products/services, the two categories – core products/services and service delivery, get linked with each other. Better is the fast processing of services better will be the perception about the characteristics of core products/services. The consequence might be higher customer satisfaction for the respondents.

Fast processing, proper security checks, and minimal documentation are also related to another category, service delivery. Faster the processing better might be the delivery of services. Proper security checks are also related to delivery of services. It seems that better the security measures inbuilt in the core products and services, better will be the sense of

security about the delivery of services in the mind of the respondents and higher will be the faith about the delivery of services provided by the bank in the minds of the respondents. Similar logic applies to the amount of documentation required for opening accounts. Lesser the documentation better is the perception about the delivery of services in the minds of the respondents. The dimensional range of processing of services varies from fast to slow. The dimensional range of security checks varies from highly secured to unsecured and the dimensional range of documentation varies from minimum to maximum. The dimensional range of delivery of services will vary from poor to best. All the above sub-categories will dimensionally cut service delivery. Here the consequence is better customer satisfaction for the respondents.

The general working conditions and the delivery of services in banks have also been talked about. Delivery of services may be regarded as a process and also an action or interaction of the respondents with banks. In one particular case, the respondent talks about the delivery process in details with respect to waiting line and waiting time for any customer. The dimensional ranges of waiting line and waiting time will vary from shorter to longer. Shorter the waiting line and the waiting time better will be the perception about the delivery of services in the mind of the respondent. Fast delivery of services has also been talked about. The management of the service delivery also needs to be considered. Proper management of standard forms supports the argument. Consequences of the above might be higher customer satisfaction for the respondents. So, customer satisfaction and delivery of services intersect each other dimensionally. Better the delivery of services, higher is expected to be the customer satisfaction for the respondents.

The employees working in banks have also been talked about. Clear communication, attitude, outlook and the behaviour of the employees are the properties of the category, employees. They are expected to affect the delivery of services. So, they might be considered as causal conditions for delivery of services. Here, the two categories – delivery of services and employees get linked with each other. Consequence might be higher customer satisfaction for the respondents.

General ambience in the bank premises is another category. Basic amenities like air-conditioners, drinking water facilities and proper seating arrangement for customers are the properties of the category, ambience in the bank premises. They might lead to better customer satisfaction for the respondent. Ambience in the bank premises might affect the perception in the minds of the respondents about the service delivery provided by banks. The dimensional range of service delivery might vary from excellent to worst whereas the dimensional range of ambience in the bank premises might vary from excellent to poor. The two categories, service delivery and ambience in the bank premises might intersect each other dimensionally if the customer feels that the service delivery is poor due to the ambience in the bank premises and vice-versa.

Online banking services and ATM services are sub-categories under the category, service delivery. Online banking and ATM services are processes here. Emergency

customer services inside ATMs have also been talked about by respondents. So here, ATM services and customer services get linked with each other. Both will be positively related to each other along their respective dimensional ranges. The consequence might be higher customer satisfaction for the respondents.

4.3 Selective Coding

Selective coding was done on the data to find the central category. Selective coding is the process of integrating and refining the theory. The central category (sometimes called the core category) represents the main theme of the research. The criteria followed for choosing the central category as proposed by Corbin and Strauss was as follows:^[40]

The category must be central; that is, all other major categories can be related to it.

It must appear frequently in the data. This means that within all or almost all cases, there are indicators pointing to that concept.

The explanation that evolves by relating the categories is logical and consistent. There is no forcing of data.

The name or phrase used to describe the central category should be sufficiently abstract that it can be used to do research in other substantive areas, leading to the development of a more general theory.

The above logic was applied to the axial coding shown above. It was noticed from the analysis of the categories and sub-categories based on axial coding, the category **Service Delivery** links with all the other categories along the dimensional ranges. Also, it was found from the interviews and focus groups that service delivery is central to the satisfaction of Indian retail banking customers. So the category, Service Delivery was selected as the central category.

Based on the above process, concepts were developed from the transcripts of the interviews and focus groups. The concepts were then segregated into categories and sub-categories based on exploratory card sorting. Axial coding was done to relate the categories and sub-categories. Finally, selective coding was applied to determine the central or core category. The concepts generated represent the dimensions affecting customer satisfaction in Indian retail banking.

5. Limitations of the Study and Further Research

The more diverse the profiles of the respondents more will be the insights into the construct of customer satisfaction for the Indian retail banking sector. While conducting the interviews and the focus groups, care was taken so that the respondents included a wide range of segments of Indian retail banking customers. But it could not be emphasized with certainty that all the different segments of Indian retail banking customers were included. Conducting the interviews and the focus groups were stopped when saturation along the dimensional ranges of the properties for different categories and sub-categories were reached and no new information was getting generated from the data. If the profiles of the respondents were more diverse, more insights into customer satisfaction for Indian retail banking sector might have been received from the interviews and the focus groups. More

dimensions leading to customer satisfaction might have been generated.

Similar approach might be undertaken in future to understand customer satisfaction in retail banking under different situational contexts viz. customer satisfaction in the case of service failure and also post-service recovery customer satisfaction. This will enable the banks to handle the delivery of their different services better.

6. Conclusions

Customer satisfaction is one of the major parameters for the service providers in the Indian retail banking sector. Indian retail banks would be able to face the competition better if the requirements and the expectations of the customers are known. This necessitates the understanding of the dimensions contributing to customer satisfaction. In this paper an attempt was made to understand the construct of customer satisfaction in Indian retail banking and to explore the dimensions which might affect customer satisfaction. The qualitative approach adopted based on Grounded Theory Method has enabled to understand the concept of customer satisfaction starting from the basic principles. In our view, this study is the first attempt to understand the construct of customer satisfaction and the dimensions affecting customer satisfaction in Indian retail banking through a qualitative approach. It is expected that the study would help to understand customer satisfaction in Indian retail banking better.

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