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Chapter 7

Factors Influencing the Customer Loyalty in Kerala Gramin Bank

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7.1 Introduction

The present chapter deals with the fourth objective of the study to explore the influence of branch ambience, employees' behaviour and product quality on customer loyalty of Kerala Gramin Bank. This objective had attained by testing Co-variance Based Confirmatory Factor Analysis (CB-CFA) and Structural Equation Modelling (SEM) techniques. This chapter has three parts. Part one contains the Co-variance Based Confirmatory Factor Analysis (CB-CFA). Part two deals with the Structural Equation Modelling (SEM) techniques. Part three contains the socio-demographic difference

among the bank customers regarding branch ambience, employee behaviour, and product quality. The summary of hypotheses testing also provided at the end part of the present chapter.

7.2 Objective of the chapter

Objective IV: To identify the factors influencing the customer loyalty in Kerala Gramin Bank.

To achieve the present objective, Co-variance Based Confirmatory Factor Analysis (CB-CFA) and Structural Equation Modelling (SEM) techniques were adopted using IBM SPSS AMOS 21 software package. Besides this, mean, standard deviation, one sample t test, independent t test, ANOVA and Tukey HSD post hoc analysis used for analyzing the socio-demographic differences among the bank customers regarding the factors of branch ambience, employee behaviour and product quality

Part– A

7.3 Co-variance based confirmatory factor analysis for the reliability and validity for the research instrument

Confirmatory Factor Analysis for Branch ambience, employees' behaviour and product quality constructs

Figure 7.1: Confirmatory Factor Analysis for branch ambience, employees' behaviour and product quality constructs

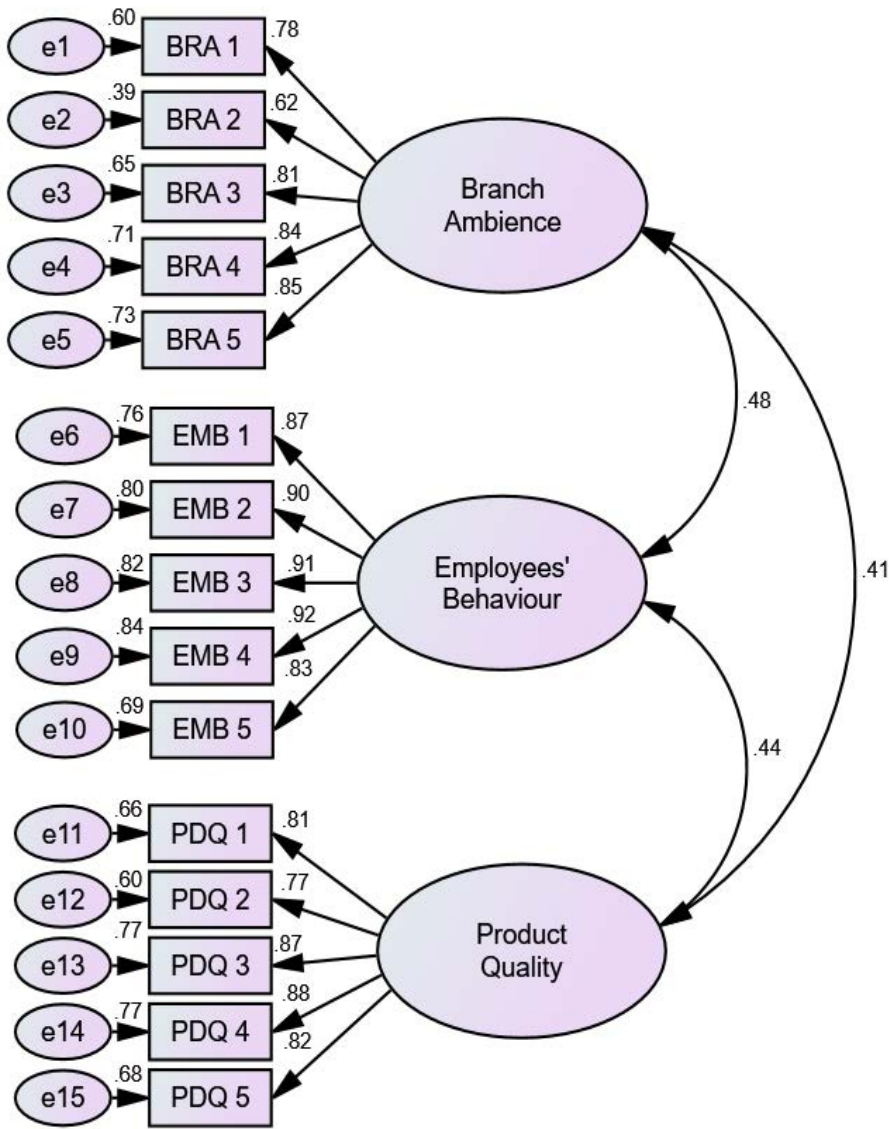


Table 7.1: Model fit indices for branch ambience, employees' behaviour and product quality CFA constructs

ATTRIBUTES	CMIN/DF	P-VALUE	GFI	AGFI	CFI	RMSEA
Study model	3.235	0.000	0.965	0.926	0.995	0.031
Recommended value	Acceptable fit [1-5]	Greater than 0.05	Greater than 0.9	Greater than 0.9	Greater than 0.9	Less than 0.08
Literature support	Hair et al., (1998)	Barrett (2007)	Hair et al. (2006)	Hair et al. (2006)	Hu and Bentler (1999)	Hair et al. (2006)

Table 7.1 represents the CFA model fit indices to assess the overall model fit. The value of Chi-Square to the degrees of freedom ratio for an acceptable model should be less than 5. In this case, the value is 3.235 which are very well within the suggested maximum value. The RMSEA score is 0.031, well below the accepted threshold score of 0.08. Moreover, the GFI and AGFI values are above 0.9 and CFI is above 0.9 for which 1.0 indicates exact fit. Thus, the model is a good fit and can be considered for further analysis.

Table 7.2: Final Reliability and Validity of CFA Model for branch ambience, employees' behaviour and product quality CFA constructs

CFA constructs	Item code	Factor loading	Cronbach's Alpha Final	AVE	Composite Reliability
Branch Ambience (BRA)	BRA 1	0.78**	0.88	0.62	0.89
	BRA 2	0.62**			
	BRA 3	0.81**			
	BRA 4	0.84**			
	BRA 5	0.85**			
Employees' Behaviour (EMB)	EMB 1	0.87**	0.95	0.78	0.95
	EMB 2	0.90**			
	EMB 3	0.91**			
	EMB 4	0.92**			
	EMB 5	0.83**			
Product Quality (PDQ)	PDQ 1	0.81**	0.92	0.70	0.92
	PDQ 2	0.77**			
	PDQ 3	0.87**			
	PDQ 4	0.88**			
	PDQ 5	0.82**			

Source: Extracted from the model

** denotes significant at 1% level

From Table 7.2 it can be observed that all the factor loadings are above the recommended threshold values of 0.5 which establishes the item validity of the constructs. The researcher has performed the Cronbach's Alpha reliability test after the full scale data collection. The final values of Cronbach's Alpha are found to be higher than 0.9 which confirms the reliability of the construct. The Composite Reliability values are found to be higher than 0.9 which shows that all the constructs have a high level of internal consistency reliability. The Average Variance Extracted (AVE) values are also found to be above the accepted threshold value of >0.5. Thus, it can be said that the constructs have high levels of convergence. As all the parameters meet the recommended value, the data is appropriate for further analysis and model building.

Table 7.3: Discriminant Validity for branch ambience, employees' behaviour and product quality constructs

Constructs	BRA	EMB	PDQ
BRA	(0.79)		
EMB	0.48	(0.88)	
PDQ	0.41	0.44	(0.84)

Source: Extracted from model

Table 7.3 displays the square root of Average Variance Extracted values and inter construct latent variable correlations. Values in brackets are the square root of AVE scores which should be greater than the inter construct latent variable correlation values to establish the non-existence of any relationship. From the above table, it can be inferred that no relationship exists among the constructs and discriminant validity for Branch ambience, employees' behaviour and product quality constructs are established.

PART – B

7.4 Co-variance based structural equation modeling

Table No. 7.4: The Hypotheses for model building

Hypotheses No.	Hypotheses of model building
SM.H 7.1	Branch ambience has a positive effect on customer loyalty
SM.H 7.2	Employees' behaviour has a positive effect on customer loyalty
SM.H 7.3	Product quality has a positive effect on customer loyalty

SM.H 7.1 to SM.H 7.3 indicates Structural Model Hypotheses

Figure 7.2: Hypothesized conceptual model for the influence of branch ambience, employees' behaviour and product quality on customer loyalty of Kerala Gramin Bank

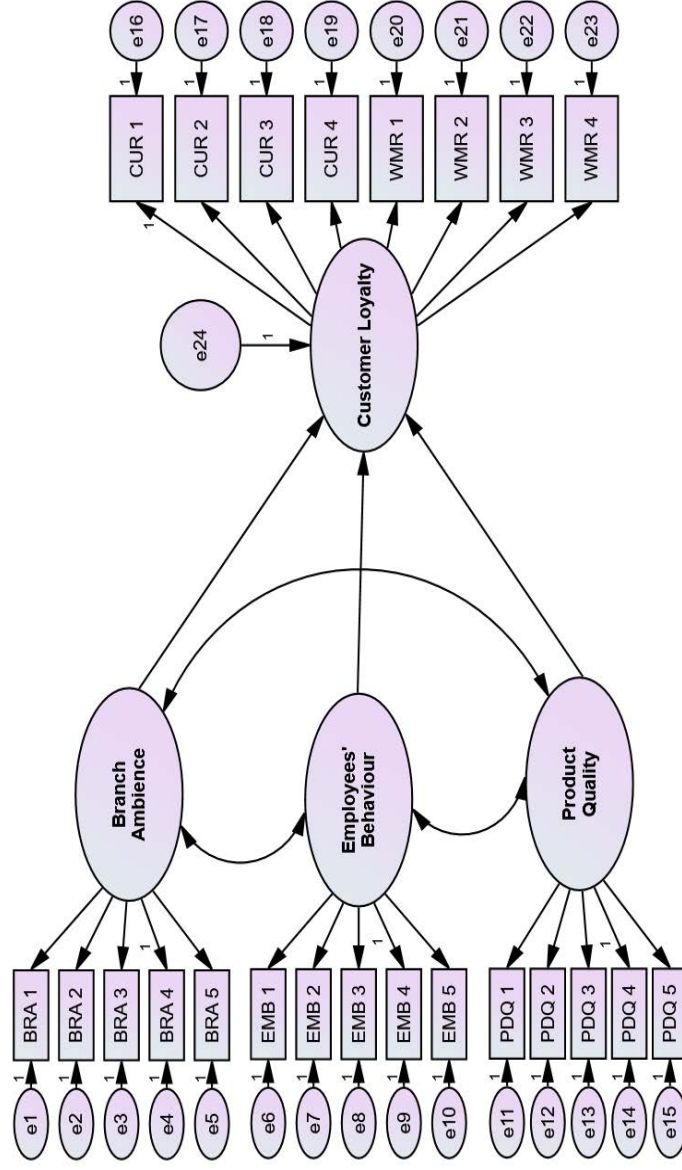


Figure 7.3: Structural Equation Model for the influence of branch ambience, employees' behaviour and product quality on customer loyalty of Kerala Gramin Bank

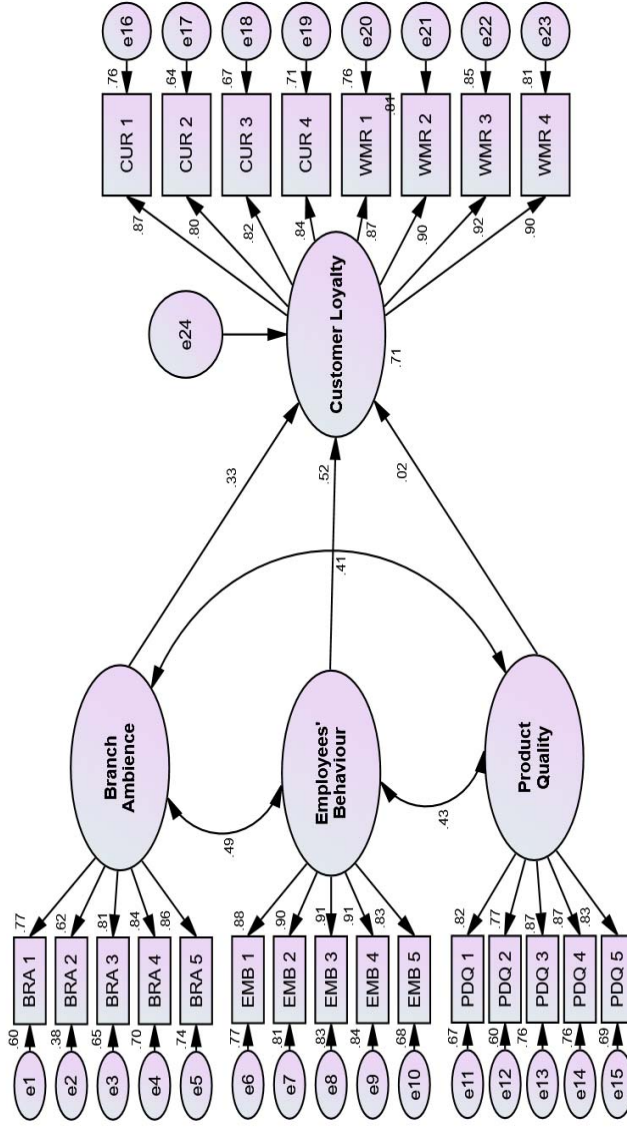


Table 7.5: Model fit indices for the influence of branch ambience, employees' behaviour and product quality on customer loyalty

MODEL	CMIN/DF	P-VALUE	GFI	AGFI	CFI	RMSEA
Study model	3.415	0.000	0.959	0.918	0.989	0.042
Recommended value	Acceptable fit [1-5]	Greater than 0.05	Greater than 0.9	Greater than 0.9	Greater than 0.9	Less than 0.08

Table 7.5 represents the SEM model fit indices to assess the model fit. The value of Chi-Square to the degrees of freedom ratio for an acceptable model should be less than 5. In this case, the value is 3.415 which are very well within the suggested maximum value. The RMSEA score is 0.042, below the accepted threshold score of 0.08. Moreover, the GFI and AGFI values are above 0.9 and CFI is above 0.9 for which 1.0 indicates exact fit. Thus, the SEM model is a good fit.

7.5 Path analysis

Table 7.6: Values of path analysis and R² for the influence of branch ambience, employees' behaviour and product quality on customer loyalty

Constructs path index			Standardize d co-efficient (Beta)	R ² Value	Critical Ratio	P value
Customers Loyalty	←	Branch Ambience	0.33	0.71	3.15	<0.001**
Customers Loyalty	←	Employees' Behaviour	0.52		6.75	0.002**
Customers Loyalty	←	Product Quality	0.02		0.226	0.821 ^{NS}

Source: Extracted from the model

** indicates significant at 1% level, NS denotes Non-Significant

7.6 Results of path analysis and hypotheses testing

SM.H 7.1: Branch ambience has a positive effect on customer loyalty

The standardized beta coefficient of branch ambience on customer loyalty is 0.33 represents the partial effect of branch ambience on customer loyalty, holding the other path variables as constant. The estimated positive sign implies that such effect is positive and customer loyalty would increase by 0.33 for every unit of standard deviation increase in branch ambience of the bank and this coefficient value is significant at 1% level.

SM.H 7.2: Employees' behaviour has a positive effect on customer loyalty

The standardized beta coefficient of employees' behaviour on customer loyalty is 0.52 represents the partial effect of employees' behaviour on customer loyalty, holding the other path variables as constant. The estimated positive sign implies that such effect is positive and customer loyalty would increase by 0.52 for every unit of standard deviation increase in behaviour of bank employees and this coefficient value is significant at 1% level.

SM.H 7.3: Product quality has a positive effect on customer loyalty

The standardized beta coefficient of product quality of Kerala Gramin bank on customer loyalty is 0.02 with non-significant p value. It indicates that the product quality does not have positive effect on customer loyalty

7.7 Explanations of R² values

The coefficient of determination for customer loyalty, R² is 0.71. This value implies that about 71% of the variation in customer loyalty explained by branch ambience, and employees' behaviour constructs. This value leads to the conclusion that other independent variables are necessary for predicting customer loyalty besides these independent constructs. The

remaining 29% of the variation in customer loyalty is not explained by these independent constructs.

Table No. 7.7: Result summary of hypothesis testing

Hypotheses No.	Hypotheses of the model developed	Result of Hypotheses testing
SM.H 7.1	Branch ambience has a positive effect on customer loyalty	<i>Supported</i>
SM.H 7.2	Employees' behaviour has a positive effect on customer loyalty	<i>Supported</i>
SM.H 7.3	Product quality has a positive effect on customer loyalty	<i>Not Supported</i>

SM.H 7.1 to SM.H 7.3 indicates Structural Model Hypotheses

PART – C

7.8 Socio-demographic difference among the customers regarding the factors of customer loyalty in Kerala Gramin Bank

The following socio-demographic factors are considered for the analysis

- 1. Gender*
- 2. Age*
- 3. Educational qualification*
- 4. Occupation*
- 5. Experience with bank*
- 6. Account in other banks*

7.8.1 Gender-wise difference among the Kerala Gramin bank customers regarding the factors of customer loyalty

H0.7.4: There is no significant difference between male and female customers with respect to the factors of customer loyalty

Table 7.8: t test for significant difference between male and female customer with respect to the factors of customer loyalty

Factors	Gender wise					
	Male		Female		T value	P value
	Mean	SD	Mean	SD		
Branch ambience	3.35	0.94	3.60	0.88	3.428	0.001**
Employee behaviour	3.62	1.03	3.85	0.92	3.020	0.003**
Product quality	3.43	0.96	3.67	0.90	3.286	0.001**

Source: Primary data

Note : ** denotes significant at 1% level

Since P value is less than 0.01, null hypothesis is rejected at 1% level with regard to the factors branch ambience, employee behaviour and product quality. Hence, there is significant difference among male and female customers regarding the attraction of factors like branch ambience, employee behaviour and product quality.

Based on mean score, it is clear that female customers are more attracted to the factors branch ambience, employee behaviour and product quality than male customers. Mean score indicates that, male customers feel more interest in the factor employee behaviour (3.62) followed by product quality (3.43) and branch ambience (3.35). In the case of female customers, employee behaviour (3.85) is the most attracted factor followed by product quality (3.67) and branch ambience (3.60).

7.8.2 Age-wise difference among the Kerala Gramin bank customers regarding the factors of customer loyalty

H0.7.5: There is no significant difference among the various age groups of customers with respect to the factors of customer loyalty

Table 7.9: ANOVA test for significant difference among the various age groups of customers with respect to the factors of customer loyalty

Factors	Age group				F value	P value
	Below 25 years	26 to 35 years	36 to 50 years	Above 50 years		
	Mean (SD)	Mean (SD)	Mean (SD)	Mean (SD)		
Branch ambience	3.27 (0.94)	3.50 (0.90)	3.60 (0.91)	3.60 (0.91)	4.45	0.004**
Employee behaviour	3.57 (0.99)	3.79 (0.94)	3.70 (1.08)	3.99 (0.86)	3.81	0.010*
Product quality	3.31 (0.93)	3.63 (0.90)	3.60 (0.91)	3.73 (1.00)	5.74	0.001**

Source: Primary data

Note : 1. ** denotes significant at 1% level

2. * denotes significant at 5% level

3. SD in brackets

Since the p value is less than 0.01, the null hypothesis is rejected at 1 percent level with regard to the factors namely branch ambience and product quality. It shows there is a significant difference between age group of bank customers regarding the factors like branch ambience and product quality.

Since the p value is less than 0.05, the null hypothesis is rejected at 5 percent level with regard to the factor employee behaviour. That means, there is difference among various age group customers in enjoyment of the factor employee behaviour.

Table: 7.10: Post Hoc Test for significant difference among the age groups of customers with respect to the factors of customer loyalty

Constructs	Age (I)	Age (J)	Mean difference (I-J)	Std. error	P value
Branch ambience	Below 25 years	26 to 35 years	-0.229	0.092	0.062 ^{NS}
		36 to 50 years	-0.321	0.099	0.007**
		Above 50 years	-0.321	0.119	0.037*
	26 to 35 years	36 to 50 years	-0.091	0.096	0.781 ^{NS}
		Above 50 years	-0.091	0.117	0.865 ^{NS}
	36 to 50 years	Above 50 years	0.000	0.123	1.000 ^{NS}
Employee behaviour	Below 25 years	26 to 35 years	-0.215	0.098	0.129 ^{NS}
		36 to 50 years	-0.127	0.106	0.626 ^{NS}
		Above 50 years	-0.411	0.128	0.007**
	26 to 35 years	36 to 50 years	0.087	0.103	0.831 ^{NS}
		Above 50 years	-0.196	0.125	0.403 ^{NS}
	36 to 50 years	Above 50 years	-0.284	0.131	0.136 ^{NS}
Product quality	Below 25 years	26 to 35 years	-0.311	0.093	0.005**
		36 to 50 years	-0.288	0.100	0.022*
		Above 50 years	-0.420	0.121	0.003**
	26 to 35 years	36 to 50 years	0.022	0.098	0.996 ^{NS}
		Above 50 years	-0.109	0.119	0.798 ^{NS}
	36 to 50 years	Above 50 years	-0.131	0.124	0.716 ^{NS}

Source: Primary data

Note : 1. ** denotes significant at 1% level

2. * denotes significant at 5% level

3. NS denotes non-significant

Based on Tukey HSD post hoc test, the following significant difference found among the age groups of customers with respect to the factors branch ambience, employee behaviour and product quality. Below 25 years age group customers are significantly differed with 36 to 50 years age

group customers and above 50 years age group customers regarding the factor branch ambience. Also below 25 years age group customers are significantly differed with above 50 years age group customers regarding the factor employee behaviour. Whereas, Below 25 years age group customers are significantly differed with 26 to 35 years age group customers, 36 to 50 years age group customers and above 50 years age group customers regarding the factor product quality.

Mean score portrays, 36 to 50 years age group customers and above 50 years age group customers feel more influenced in the factor branch ambience than below 25 years age group customers. Also above 50 years age group customers feel more attraction to the factor employee behaviour than below 25 years age group customers. Beside these, 26 to 35 years age group customers, 36 to 50 years age group customers and above 50 years age group customers feel more attracted in the factor product quality than below 25 years age group customers.

Based on mean score, it is understood that below 25 years age group customers feel more interest in the factor employee behaviour (3.57) followed by product quality (3.31) and branch ambience (3.27). Customers in the age group 26 to 35 years feel more happiness in the factor employee behaviour (3.79) followed by product quality (3.63) and branch ambience (3.50). 36 to 50 years age group customers realize more interest with the element employee behaviour (3.70) followed by product quality (3.60) and branch ambience (3.60) equally. Customers in the age group above 50 years are much interested with the factor employee behaviour (3.99) followed by product quality (3.73) and branch ambience (3.60) .

7.8.3 Educational qualification-wise difference among the Kerala Gramin bank customers regarding the factors of customer loyalty

H0.7.6: There is no significant difference between educational qualifications of customers with respect to the factors of customer loyalty

Table 7.11: ANOVA test for significant difference between educational qualifications of customers with respect to the factors of customer loyalty

Factors	Educational Qualification						F value	P value
	Below SSLC	SSLC	Higher Secondary	Graduation	Post Graduation	Professional / Diploma		
	Mean (SD)	Mean (SD)	Mean (SD)	Mean (SD)	Mean (SD)	Mean (SD)		
Branch ambience	3.31 (1.15)	3.53 (0.85)	3.83 (0.71)	3.37 (0.93)	3.38 (0.86)	3.33 (1.23)	5.05	<0.001**
Employee behaviour	3.35 (1.30)	3.79 (0.97)	4.05 (0.88)	3.60 (1.02)	3.72 (0.80)	3.72 (1.18)	4.40	0.001**
Product quality	3.51 (1.13)	3.60 (0.94)	3.88 (0.72)	3.47 (0.94)	3.40 (0.90)	3.36 (1.16)	4.44	0.001**

Source: Primary data

Note : 1. ** denotes significant at 1% level

2. SD in brackets

Since the p value is less than 0.01, the null hypothesis is rejected at 1 percent level with regard to the factors branch ambience, employee behaviour and product quality. It shows there is a significant difference between educational qualification of bank customers regarding attraction of the factors branch ambience, employee behaviour and product quality.

Table: 7.12: Post Hoc Test for significant difference among educational qualification of bank customers with respect to the factors of customer loyalty

Constructs	Educational qualification (I)	Educational qualification (J)	Mean difference (I-J)	Std. error	P value
Branch ambience	Below SSLC	SSLC	-0.214	0.184	0.854 ^{NS}
		Higher secondary	-0.519	0.177	0.041*
		Graduation	-0.054	0.168	1.000 ^{NS}
		Post-Graduation	-0.065	0.174	0.999 ^{NS}
		Professional/Diploma	-0.015	0.204	1.000 ^{NS}
	SSLC	Higher secondary	-0.305	0.128	0.166 ^{NS}
		Graduation	0.159	0.115	0.737 ^{NS}
		Post-Graduation	0.148	0.124	0.837 ^{NS}
		Professional/Diploma	0.198	0.163	0.831 ^{NS}
	Higher secondary	Graduation	0.465	0.104	<0.001**
		Post-Graduation	0.454	0.113	0.001**
		Professional/Diploma	0.503	0.156	0.016*
	Graduation	Post-Graduation	-0.010	0.099	1.000 ^{NS}
		Professional/Diploma	0.038	0.145	1.000 ^{NS}
Post-Graduation	Professional/Diploma	0.049	0.152	1.000 ^{NS}	
Employee behaviour	Below SSLC	SSLC	-0.442	0.197	0.220 ^{NS}
		Higher secondary	-0.701	0.190	0.003**
		Graduation	-0.250	0.180	0.733 ^{NS}
		Post-Graduation	-0.375	0.186	0.337 ^{NS}
		Professional/Diploma	-0.372	0.219	0.533 ^{NS}
	SSLC	Higher secondary	-0.258	0.137	0.415 ^{NS}
		Graduation	0.191	0.123	0.632 ^{NS}
		Post-Graduation	0.066	0.132	0.996 ^{NS}
		Professional/Diploma	0.070	0.175	0.999 ^{NS}
		Graduation	0.450	0.112	0.001**

	Higher secondary	Post-Graduation	0.325	0.122	0.083 ^{NS}
		Professional/Diploma	0.329	0.167	0.362 ^{NS}
	Graduation	Post-Graduation	-0.124	0.106	0.849 ^{NS}
		Professional/Diploma	-0.121	0.156	0.971 ^{NS}
	Post-Graduation	Professional/Diploma	0.003	0.163	1.000 ^{NS}
Product quality	Below SSLC	SSLC	-0.091	0.187	0.997 ^{NS}
		Higher secondary	-0.367	0.181	0.328 ^{NS}
		Graduation	0.041	0.171	1.000 ^{NS}
		Post-Graduation	0.111	0.177	0.989 ^{NS}
		Professional/Diploma	0.150	0.208	0.979 ^{NS}
	SSLC	Higher secondary	-0.275	0.131	0.287 ^{NS}
		Graduation	0.132	0.117	0.871 ^{NS}
		Post-Graduation	0.203	0.126	0.594 ^{NS}
		Professional/Diploma	0.242	0.166	0.695 ^{NS}
	Higher secondary	Graduation	0.408	0.106	0.002 ^{**}
		Post-Graduation	0.479	0.116	0.001 ^{**}
		Professional/Diploma	0.518	0.159	0.015 [*]
	Graduation	Post-Graduation	0.070	0.101	0.982 ^{NS}
		Professional/Diploma	0.109	0.148	0.977 ^{NS}
	Post-Graduation	Professional/Diploma	0.039	0.155	1.000 ^{NS}

Source: Primary data

- Note :
1. ** denotes significant at 1% level
 2. * denotes significant at 5% level
 3. NS denotes non-significant

Based on Tukey HSD post hoc test, the following significant difference found among the educational qualification of bank customers with respect to the factors branch ambience, employee behaviour and product quality. Customers with qualification below SSLC are significantly differed with customers having higher secondary qualification about the factors branch ambience and employee behaviour. And customers having higher

secondary qualification are significantly differed with customers having graduation degree, post graduation degree and professional degree or diploma regarding the factors branch ambience and product quality. On the other hand, customers having higher secondary qualification are significantly differed with customers having graduation degree concerning the factor employee behaviour.

Mean score portrays. Customers with higher secondary qualification feel more interested in the factor branch ambience than customers having qualification below SSLC, customers having graduation degree, post graduation degree and professional degree or diploma. Also customers having higher secondary qualification are more attracted to the factor employee behaviour than customers having qualification below SSLC and graduation degree. Beside these, customers with higher secondary qualification feel more influenced in the factor product quality than customers having qualification below SSLC, customers having graduation degree, post graduation degree and professional degree or diploma.

Based on mean score, it is understood that customers having qualification below SSLC feel more attracted with the factor product quality (3.51) followed by employee behaviour (3.35) and then branch ambience (3.31). In case of customers with SSLC qualification, employee behaviour (3.91) is the most attracted factor followed by product quality (3.60) and branch ambience (3.53). Among customers with higher secondary qualification, employee behaviour (4.05) is the most influenced factor followed by product quality (3.88) and branch ambience (3.83). It can also be interpreted that graduated customers feel more enjoyment with the factor employee behaviour (3.60) followed by product quality (3.47) and branch ambience (3.37). Among post graduated customers, employee behaviour

(3.72) is the most attracted factor followed by employee behaviour (3.81), product quality (3.40) and branch ambience (3.38). Customers qualified with professional degree or diploma feel more interest in the factor employee behaviour (3.72) followed by product quality (3.36) and branch ambience (3.33).

7.8.4 Occupation-wise difference among the Kerala Gramin bank customers regarding the factors of customer loyalty

H0.7.7: There is no significant difference between occupation of customers with respect to the factors branch ambience, employee behaviour and product quality

Table 7.13: ANOVA test for significant difference between occupation of customers with respect to the factors of customer loyalty

Factors	Occupation						F value	P value
	Govt. sector	Private sector	Self-employed	Student	House wife	Others		
	Mean (SD)	Mean (SD)	Mean (SD)	Mean (SD)	Mean (SD)	Mean (SD)		
Branch ambience	3.63 (0.97)	3.30 (0.84)	3.44 (0.89)	3.33 (0.96)	3.87 (0.68)	3.40 (1.11)	5.96	<0.001**
Employee behaviour	3.90 (0.95)	3.70 (0.85)	3.62 (1.05)	3.53 (1.04)	4.12 (0.82)	3.59 (1.17)	5.11	<0.001**
Product quality	3.72 (0.89)	3.50 (0.88)	3.55 (0.92)	3.33 (0.98)	3.84 (0.73)	3.40 (1.20)	4.26	0.001**

Source: Primary data

Note : 1. ** denotes significant at 1% level

2. SD in brackets

Since the P Value is less than 0.01, the null hypothesis is rejected with 1% significance level with the factors branch ambience, employee behaviour and product quality. It means there is a significant difference

between occupation of bank customers concerning the factors branch ambience, employee behaviour and product quality.

Table: 7.14: Post Hoc Test for significant difference among occupational status of the bank customers with respect to factors of customer loyalty

Constructs	Occupation (I)	Occupation (J)	Mean difference (I-J)	Std. Error	P value
Branch ambience	Govt. sector	Private sector	0.333	0.120	0.064 ^{NS}
		Self-employed	0.185	0.127	0.692 ^{NS}
		Student	0.295	0.123	0.160 ^{NS}
		House wife	-0.243	0.134	0.456 ^{NS}
		Others	0.228	0.149	0.646 ^{NS}
	Private sector	Self-employed	-0.147	0.112	0.780 ^{NS}
		Student	-0.038	0.108	0.999 ^{NS}
		House wife	-0.576	0.120	<0.001**
		Others	-0.105	0.137	0.973 ^{NS}
	Self-employed	Student	0.109	0.116	0.935 ^{NS}
		House wife	-0.429	0.127	0.010*
		Others	0.042	0.143	1.000 ^{NS}
	Student	House wife	-0.538	0.123	<0.001**
		Others	-0.067	0.139	0.997 ^{NS}
House wife	Others	0.471	0.149	0.020*	
Employee behaviour	Govt. sector	Private sector	0.190	0.129	0.679 ^{NS}
		Self-employed	0.271	0.136	0.349 ^{NS}
		Student	0.360	0.132	0.072 ^{NS}
		House wife	-0.226	0.143	0.616 ^{NS}
		Others	0.306	0.160	0.395 ^{NS}
	Private sector	Self-employed	0.081	0.121	0.985 ^{NS}
		Student	0.169	0.116	0.689 ^{NS}
		House wife	-0.416	0.129	0.016*
		Others	0.115	0.147	0.970 ^{NS}
	Self-employed	Student	0.088	0.124	0.981 ^{NS}
		House wife	-0.498	0.136	0.004**
		Others	0.034	0.153	1.000 ^{NS}
	Student	House wife	-0.586	0.132	<0.001**
		Others	-0.054	0.150	0.999 ^{NS}
	House wife	Others	0.532	0.160	0.012*

Product quality	Govt. sector	Private sector	0.220	0.123	0.474 ^{NS}
		Self-employed	0.170	0.130	0.780 ^{NS}
		Student	0.382	0.126	0.031*
		House wife	-0.126	0.137	0.942 ^{NS}
		Others	0.321	0.152	0.287 ^{NS}
	Private sector	Self-employed	-0.049	0.115	0.998 ^{NS}
		Student	0.161	0.111	0.691 ^{NS}
		House wife	-0.346	0.123	0.057 ^{NS}
		Others	0.101	0.140	0.979 ^{NS}
	Self-employed	Student	0.211	0.119	0.482 ^{NS}
		House wife	-0.296	0.130	0.205 ^{NS}
		Others	0.150	0.146	0.909 ^{NS}
	Student	House wife	-0.508	0.126	0.001**
		Others	-0.060	0.143	0.998 ^{NS}
House wife	Others	0.447	0.152	0.041*	

Source: Primary data

Note : 1. ** denotes significant at 1% level

2. * denotes significant at 5% level

3. NS denotes non-significant

Based on Tukey HSD post hoc test, the following significant difference found among the occupation of bank customers with respect to the factors branch ambience, employee behaviour and product quality. Customers employed in private sector are significantly differed with house wife customers about the factors branch ambience and employee behaviour. Also self employed customers and student customers are significantly differed with customers under house wife group regarding the factors branch ambience and employee behaviour. On the other hand, customers under house wife group are significantly differed with customers engaged in other employment about factors branch ambience, employee behaviour and product quality. Government sector employed customers are significantly differed with student customers regarding the factor product quality. Beside these, Student customers are significantly differed with house wife customers about the factor product quality.

Mean score portrays, customers under house wife group feel are more influenced in the factor branch ambience than private sector employed customers, self employed customers, student customers and customers engaged in other employment. Also customers under house wife group are more attracted to the factor employee behaviour than private sector employed customers, self employed customers, student customers and customers engaged in other employment. Beside these, Government sector employed customers are more happy with the factor product quality than student customers. And customers under house wife group are more attracted to the factor product quality than student customers and customers engaged in other employment.

Mean score indicates that, in case of customers employed in government sector, employee behaviour (3.90) is the most attracted factor followed by product quality (3.72) and branch ambience (3.84). It can also be observed that customers employed in Private Sector shows more interest in the factor employee behaviour (3.70) followed by product quality (3.50) and branch ambience (3.30). In case of self employed customers, employee behaviour (3.62) is the most attracted factor followed by product quality (3.55) and branch ambience (3.44). Under student community, employee behaviour (3.53) is the most influenced factor followed by product quality (3.33) and branch ambience (3.33) equally. However, In case of customers under house wife group, employee behaviour (4.12) is the most attracted factor followed by branch ambience (3.87) and product quality (3.84). Beside these, it can be interpreted that, customers engaged in other employment feel more influenced in the factor employee behaviour (3.59) followed by product quality (3.40) and branch ambience (3.40) equally.

7.8.5 Experience-wise difference among the Kerala Gramin bank customers regarding the factors of customer loyalty

H0.7.8: There is no significant difference between customers' experience with bank with respect to the factors of customer loyalty

Table 7.15: ANOVA test for significant difference between customer's experiences with bank with respect to the factors of customer loyalty

Factors	Year				F value	P value
	1 – 3 years	4 – 5 years	6 – 10 years	Above 10 years		
	Mean (SD)	Mean (SD)	Mean (SD)	Mean (SD)		
Branch ambience	3.36 (0.90)	3.54 (0.88)	3.68 (0.88)	3.47 (1.18)	3.37	0.018*
Employee behaviour	3.53 (1.00)	3.89 (0.86)	3.94 (0.97)	3.91 (1.14)	7.97	<0.001**
Product quality	3.36 (0.90)	3.71 (0.88)	3.79 (0.92)	3.55 (1.14)	8.06	<0.001**

Source: Primary data

Note : 1. ** denotes significant at 1% level

2. * denotes significant at 5% level

3. SD in brackets

Since the P Value is less than 0.01, the null hypothesis is rejected at 1% significance level for the factors employee behaviour and product quality. It means there is a significant difference among experience of customers with bank concerning the factors employee behaviour and product quality.

Since the p value is less than 0.05, the null hypothesis is rejected at 5 percent level regarding the factor branch ambience. This illustrates, there is a significant difference between customers having experience in bank with respect to the factor branch ambience.

Table: 7.16: Post Hoc Test for significant difference among experience of bank customers with respect to factors of customer loyalty in Kerala Gramin Bank

Constructs	Years (I)	years(J)	Mean difference (I-J)	Std. error	P value
Branch ambience	1 – 3 years	4 – 5 years	-0.173	0.085	0.179 ^{NS}
		6 – 10 years	-0.321	0.108	0.017*
		Above 10 years	-0.107	0.132	0.847 ^{NS}
	4 – 5 years	6 – 10 years	-0.148	0.116	0.578 ^{NS}
		Above 10 years	0.065	0.138	0.965 ^{NS}
	6 – 10 years	Above 10 years	0.213	0.153	0.507 ^{NS}
Employee behaviour	1 – 3 years	4 – 5 years	-0.354	0.090	0.001**
		6 – 10 years	-0.412	0.115	0.002**
		Above 10 years	-0.381	0.139	0.033*
	4 – 5 years	6 – 10 years	-0.058	0.122	0.964 ^{NS}
		Above 10 years	-0.026	0.146	0.998 ^{NS}
	6 – 10 years	Above 10 years	0.031	0.162	0.997 ^{NS}
Product quality	1 – 3 years	4 – 5 years	-0.348	0.086	<0.001**
		6 – 10 years	-0.426	0.109	0.001**
		Above 10 years	-0.193	0.133	0.467 ^{NS}
	4 – 5 years	6 – 10 years	-0.077	0.116	0.910 ^{NS}
		Above 10 years	0.155	0.139	0.681 ^{NS}
	6 – 10 years	Above 10 years	0.232	0.154	0.436 ^{NS}

Source: Primary data

- Note : 1. ** denotes significant at 1% level.
 2. * denotes significant at 5% level.
 3. NS denotes non-significant.

Based on Tukey HSD post hoc test, the following significant difference found among the customers having experience with bank regarding the factors employee behaviour, branch ambience and product quality. Customers having experience between 1–3 years with bank are significantly differed with customers having experience for 6-10 years about the factor branch ambience. And customers with experience for 1–3 years are significantly differed with 4-5 years, 6-10 years and above 10 years experienced customers with respect to employee behaviour. Customers

having experience 1–3 years are significantly differed with 4-5 years and 6-10 years experienced customers regarding the factor product quality.

Mean score demonstrates, Customers having 6-10 years of experience with bank feel more attracted to the factor branch ambience than 1-3 years experienced customers. Customers with 4-5 years, 6-10 years and above 10 years of experience with bank are more interested in the factor employee behaviour than customers with experience of 1-3 years. However, customers having 4-5 years and 6-10 years of experience with bank feel more attraction to the factor product quality than 1-3 years experienced customers.

Based on mean score, it is understood that among customers having 1-3 years of experience with bank feel employee behaviour (3.53) as the most important factor in KGB followed by branch ambience (3.36) and product quality (3.36) equally. It can also be observed that customers having 4-5 years of experience with bank shows more interest in the factor employee behaviour (3.89) followed by product quality (3.71) and branch ambience (3.54). However, among customers having experience with bank for 6-10 years, employee behaviour (3.94) is the most influencing factor followed by product quality (3.79) and branch ambience (3.68). Beside these, it can be interpreted that, among customers having experience with bank for above 10 years, employee behaviour (3.91) is the most pleasing factor followed by product quality (3.55) and branch ambience (3.47).

7.8.6 Customer-wise difference in terms of customers having and not having account with other bank regarding the factors of customer loyalty

H0.7.9: There is no significant difference between customers having and not having account with other bank with respect to the factors of customer loyalty

Table 7.17: t test for significant difference between customers having and not having account with other banks with respect to the factors of customer loyalty

Factors	Account in other bank				T value	P Value
	Yes		No			
	Mean	SD	Mean	SD		
Branch ambience	3.38	0.97	3.71	0.72	4.072	<0.001**
Employee behaviour	3.64	1.02	3.99	0.84	4.026	<0.001**
Product quality	3.45	0.98	3.80	0.75	4.295	<0.001**

Source: Primary data

Note : 1. ** denotes significant at 1% level.

Since the P value is less than 0.01, the null hypothesis is rejected at 1 percent level with regard to the factors namely branch ambience, employee behaviour and product quality. It shows there is a significant difference between customers having account with another bank and customers not having account with another bank regarding the factors branch ambience, employee behaviour and product quality.

Based on mean score, it can be inferred that customers not having account with another bank feel more interest in the factor branch ambience than customers having account with another bank. Also customers not having account with another bank feel more happiness in the factor employee behaviour than customers having account with another bank. Beside these, customers not having account with another bank feel more interest in the factor product quality than customers having account with another bank.

Mean scores portray, customers having account with another bank shows employee behaviour (3.64) as the important influenced factor followed by product quality (3.45), and branch ambience (3.38). It is also understood that, customers not having account with another bank shows more interest in the factor employee behaviour (3.99) followed by product quality (3.80), and branch ambience (3.71).

7.9 Conclusion

In the present chapter, three hypotheses were tested, and a model for the influence of branch ambience, employees' behaviour and product quality on customer loyalty of KGB were developed based on the results of the hypotheses testing. The first two hypotheses were supported in this model, and the study does not support the final hypothesis that product quality has a positive effect on customer satisfaction. The fit indices reveal that both CFA and SEM models are a good fit. Comparative analysis was also made between various socio-demographic factors of the bank customers and the loyalty related factors of Kerala Gramin Bank, such as branch ambience, employees' behaviour and product quality.