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Consumer Behavior in Banking: A Study of Digital Adoption and Service Satisfaction in Guntur District, Andhra Pradesh

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ABSTRACT

Understanding consumer behavior in the banking sector is essential for financial institutions to enhance service delivery and customer satisfaction. This study examines the factors influencing consumer behavior in banking within Guntur District, Andhra Pradesh, focusing on digital banking adoption, service preferences, bank selection, and customer satisfaction. A mixed-method approach was employed, incorporating primary data (a structured survey of 500 respondents) and secondary data (published reports and studies). The collected data was analysed using statistical methods such as Pearson's correlation, Chi-square tests, and multiple linear regression via SPSS. The findings indicate that 55% of respondents prefer digital banking over traditional banking, with a strong negative correlation between age and digital banking preference ($r = -0.67$). Higher-income consumers are significantly more likely to adopt digital banking ($\chi^2 = 18.34$, $p < 0.05$). Additionally, customer service ($\beta = 0.45$), accessibility ($\beta = 0.34$), and interest rates ($\beta = 0.21$) were the most influential factors in customer satisfaction ($R^2 = 0.72$). Regarding bank selection, State Bank of India (SBI) emerged as the most preferred bank, followed by HDFC Bank, Axis Bank, Punjab National Bank (PNB), Kotak Mahindra Bank, and Indian Bank. The priority factors influencing bank selection included service quality (mean score: 4.35), consumer reputation (4.20), and effective response to queries (4.10). Despite the increasing preference for digital banking, challenges such as digital illiteracy and inadequate customer service persist, particularly in rural areas. The study concludes that financial institutions should enhance digital literacy programs, improve customer support services, and expand banking accessibility to ensure greater financial inclusion and consumer satisfaction.

1. Introduction

Consumer behavior in the banking sector has significantly transformed with digitalization and technological advancements. Traditionally, banking services in India were characterized by physical branch-based interactions, but the proliferation of Internet and mobile banking has led to a shift in consumer preferences (Rao et al, 2022). This transition is particularly crucial in semi-urban and rural areas, where financial inclusion remains challenging due to infrastructural and digital literacy barriers. Guntur District in Andhra Pradesh presents a unique case for analysing consumer banking behavior, as it consists of both rural and urban populations with varying levels of access to banking services. The region is economically diverse, comprising individuals engaged in agriculture, small-scale businesses, and urban trade. It is a suitable context for examining how digital banking adoption influences service satisfaction and financial decision-making.

This study investigates the factors affecting consumer behavior in the banking sector, mainly focusing on digital banking adoption and service satisfaction in Guntur District. With rapid advancements in digital banking solutions, financial institutions must understand how consumers interact with banking services to enhance service delivery and customer satisfaction. Existing research suggests that factors such as ease of access, trust, security, and service quality significantly impact consumer preferences in banking (Wang et al, 2015). However, there remains a lack of focused research on how these factors operate in the context of semi-urban and rural populations in Andhra Pradesh. Moreover, previous studies have primarily concentrated on urban centers, neglecting the unique challenges faced by consumers in regions like Guntur.

A key research gap exists in understanding the interplay between consumer demographics, bank selection criteria, and digital banking adoption in non-metropolitan areas. While studies have highlighted the benefits of digital banking in enhancing financial inclusion (Rastogi et al, 2021), limited research has explored the barriers preventing widespread adoption in rural districts. Issues such as digital illiteracy, security concerns, and service accessibility remain prevalent, necessitating further investigation. Furthermore, customer satisfaction in banking is often assessed using generic models without considering region-specific consumer expectations and preferences. Addressing these gaps is crucial for developing targeted banking strategies that cater to diverse consumer segments.

This study analyzes consumer behavior in banking within the Guntur District, emphasizing digital banking adoption, service satisfaction, and factors influencing bank selection. This research uses a mixed-method approach to collect primary data through structured surveys and secondary data from published reports. Statistical tools such as Pearson's correlation, Chi-square tests, and multiple linear regression analysis are applied to determine key behavioral patterns and preferences. The study examines service quality, consumer reputation, responsiveness, customer commitment, and competition to understand their impact on banking choices. Additionally, it explores demographic influences such as age, income, gender, and occupation in shaping banking behaviors.

A review of existing literature underscores the importance of service quality in driving customer satisfaction. Parasuraman et al. (1988) introduced the SERVQUAL model, which identifies reliability, responsiveness, assurance, empathy, and tangibles as critical determinants of service perception. Recent studies affirm that digital banking convenience has become a significant factor in consumer

decision-making (Goestjahjanti et al., 2021). However, rural banking consumers face unique challenges, including inadequate financial literacy and trust issues with online transactions (Yang et al 2007). This study extends the existing body of knowledge by focusing on how these factors manifest in Guntur District, offering insights that can inform banking policies and digital literacy initiatives.

This study contributes to a deeper understanding of consumer banking behavior in semi-urban and rural India by bridging the research gap. The findings can help financial institutions tailor their services to enhance digital banking adoption and overall customer satisfaction, ultimately fostering greater financial inclusion.

2. Methodology

This study was conducted in Guntur District, Andhra Pradesh, between March 10, 2022, and April 15, 2023. A combination of primary and secondary research methods was employed to analyse consumer behavior in banking, focusing on digital banking adoption and service satisfaction.

2.1 Data Collection

A structured questionnaire was administered to 500 consumers across Guntur District. The questionnaire covered demographic details such as age, income, and education level and explored consumer preferences in banking, focusing on online versus traditional banking, factors influencing banking choices (e.g., interest rates, accessibility, customer service), and overall satisfaction with banking services. The sampling method followed stratified random sampling to ensure a representative distribution across urban, semi-urban, and rural populations.

Secondary data was gathered from official reports, published studies, and relevant literature on banking and consumer behavior. These sources provided contextual insights into the evolution of banking preferences in India and global trends in digital banking adoption (Rao et al, 2022).

2.2 Data Analysis

The collected data was analyzed using SPSS (Statistical Package for the Social Sciences). The analysis included descriptive statistics (mean scores, standard deviations) to summarize consumer preferences and inferential statistical methods such as Pearson's correlation, Chi-square tests, and multiple linear regression to examine relationships between different variables.

Variables analyzed included:

- Service Quality (P) – Consumers' perception of service efficiency and effectiveness.

- Consumer Reputation (REP) – The influence of a bank's reputation on customer trust and selection.

- Effective Response (RES) – The responsiveness of banks to customer queries and complaints.

- Customer Commitment (CC) – Consumer loyalty and long-term engagement with banks.

- Advertising (AD) – The role of promotional campaigns in influencing consumer decisions.

- Product Switching (SQ) – Consumers' likelihood of changing banks due to better product offerings.

- Competition (COM) – The impact of competitive banking services on consumer choice.

2.3 Hypotheses Development

Based on prior literature and theoretical frameworks (Parasuraman, Zeithaml, & Berry, 1988; Rastogi et al, 2021), the following hypotheses were formulated:

- H1: Service quality significantly affects consumer satisfaction Wang et al 2015).

- H2: Consumer reputation is positively associated with customer loyalty in banking.

- H3: Age significantly influences digital banking adoption, with younger consumers more likely to use digital banking (Goestjahjanti et al., 2021).

- H4: Effective customer support correlates positively with consumer satisfaction and retention.

- H5: Higher competition among banks leads to increased consumer switching behavior.

- H6: Higher-income consumers exhibit lower price sensitivity when selecting banking services.

- H7: Advertising significantly influences consumer decision-making in banking.

- H8: High switching costs discourage consumers from changing banks.

- H9: Trust in digital banking platforms positively influences digital banking adoption (Yang et al, 2007).

This methodological approach ensures a comprehensive analysis of consumer banking behavior in Guntur District, offering insights into factors influencing digital banking adoption and satisfaction. The findings will help financial institutions refine their service delivery and enhance financial inclusion strategies.

3. Results and Discussion

The study surveyed 500 respondents in Guntur District, Andhra Pradesh, to analyze consumer behavior in banking. The age distribution showed that 35% were aged 31-45 years, followed by 18-30 years (28%), 46-60 years (25%), and above 60 years (12%). Gender-wise, 60% were male and 40% female.

Income distribution revealed 40% earning below ₹30,000, 35% between ₹30,000-₹50,000, and 25% above ₹50,000. Education-wise, 50% were graduates, 30% postgraduates, and 20% had lower education. These insights highlight shifting banking trends, with growing adoption of digital banking, especially among younger, educated consumers (Table 1).

Table 1: Demographic Profile of Respondents (n = 500)

Demographic Factor	Categories	Count (n)	Percentage (%)
Age	18 – 30 years	140	28%
	31 – 45 years	175	35%
	46 – 60 years	125	25%
	Above 60 years	60	12%
Gender	Male	300	60%
	Female	200	40%
Income Level	Below ₹30,000	200	40%
	₹30,000 – ₹50,000	175	35%
	Above ₹50,000	125	25%
Education Level	Graduate	250	50%
	Post-Graduate	150	30%
	Others (High School, etc.)	100	20%

The survey of 500 respondents in Guntur District highlights key demographic and banking trends. Public sector banks are the most preferred, likely due to trust and accessibility, while urban areas dominate banking usage, reflecting infrastructure advantages. Males (60%) are more engaged in banking, but female participation (40%) is growing.

Age distribution shows that middle-aged consumers (26-45 years, 56%) form the largest group, aligning with active financial management stages. Income-wise, 80% earn below ₹5,00,000, indicating banking reliance for financial planning. Professionals and business owners (68%) make up the majority, emphasizing employment-driven banking engagement.

SBI and HDFC are the most preferred banks, and savings accounts (60%) dominate, highlighting a focus on financial security. Account retention trends suggest high customer engagement, with most accounts held for 1-6 years (68%). The data (Table 2) indicates increasing digital banking adoption and growing financial inclusion, especially among younger and middle-income consumers.

Table 2: Demographic and Banking Characteristics of Respondents

Variable	Categories	Number of Samples (N = 500)	Explanation
Type of Bank	Public Sector, Private Sector, Foreign Bank	500 (Public: 270, Private: 200, Foreign: 30)	Public sector banks dominate consumer preference, followed by private banks.
Location of Bank	Urban, Semi-urban, Rural	500 (Urban: 320, Semi-urban: 120, Rural: 60)	Urban consumers dominate, reflecting accessibility and banking infrastructure.
Gender	Male, Female	500 (Male: 300, Female: 200)	Indicates male dominance in banking engagement but with significant female participation.
Age Group	18-25, 26-35, 36-45, 46-55, 56+	500 (18-25: 120, 26-35: 180, 36-45: 100, 46-55: 70, 56+: 30)	Middle-aged individuals (26-45) form the largest banking consumer segment.
Annual Income	Below ₹2L, ₹2L-₹5L, ₹5L-₹10L, Above ₹10L	500 (Below ₹2L: 180, ₹2L-₹5L: 200, ₹5L-₹10L: 90, Above ₹10L: 30)	Majority belong to lower- and middle-income groups.
Occupation	Student, Professional, Business, Retired, Homemaker	500 (Student: 100, Professional: 200, Business: 140, Retired: 30, Homemaker: 30)	Professionals and business owners form the largest banking segment.
Customer Bank	SBI, HDFC, AXIS, PNB, Kotak, Indian Bank	500 (SBI: 140, HDFC: 120, AXIS: 100, PNB: 70, Kotak: 40, Indian Bank: 30)	SBI and HDFC have the highest customer base.
Account Type	Savings, Current, FD, RD, Loan	500 (Savings: 300, Current: 100, FD: 50, RD: 30, Loan: 20)	Savings accounts are the most common among consumers.
Account Duration	<1 year, 1-3 years, 4-6 years, >6 years	500 (<1 year: 80, 1-3 years: 200, 4-6 years: 140, >6 years: 80)	Most customers have been with their bank for 1-6 years.

3.1 Analysis of Service Quality Ratings Across Banks

The service quality ratings vary across different banks, gender groups, and age demographics. SBI and HDFC received the highest ratings, with SBI (26-35 Male) scoring 4.5 and HDFC (26-35 Male) at 4.6, indicating high customer satisfaction. AXIS and PNB received lower ratings, particularly in the 46-55 age group, where scores ranged from 3.5 to 3.8, suggesting moderate satisfaction.

The r-values indicate the strength of correlation between service quality ratings and customer satisfaction. HDFC (26-35 Male) has the highest r-value (0.60, p = 0.001), suggesting a strong positive correlation between service quality and satisfaction. SBI (26-35 Male, r = 0.55, p = 0.01) also shows a significant relationship. In contrast, PNB and AXIS in the 46-55 age group exhibit weaker correlations (r-values between 0.21 and 0.33, p > 0.10), indicating that other factors may influence satisfaction in older demographics.

The p-values suggest statistical significance, with lower p-values (<0.05) for younger demographics in SBI, HDFC, and Kotak Mahindra, confirming service quality as a crucial factor for their satisfaction. Higher p-values (>0.10) in PNB and Indian Bank suggest that service quality alone does not strongly influence satisfaction among older consumers.

The Standard Deviations (SD) reveal more variation in PNB and Indian Bank (0.85 to 0.95), suggesting greater inconsistency in service quality perceptions compared to SBI and HDFC, where SD values remain below 0.80, indicating more consistent positive feedback.

Table 3 shows that SBI and HDFC consistently receive high service quality ratings, particularly in the younger age groups (18-35 years). The r-values for these banks indicate a strong correlation between service quality and satisfaction, with HDFC (26-35 Male) having the highest r-value (0.60, p = 0.001). In contrast, AXIS, PNB, and Indian Bank show lower ratings and weaker correlations, particularly in the older demographics (36-55 years).

Table 3: statistical analysis of Service Quality Rating

Bank Name	Gender	Age Group	Service Quality Rating (1-5 scale)	Standard Deviation (SD)	Number of Samples	r-value	p-value
SBI	Male	18-25	4.2	0.75	25	0.45	0.05
	Female	18-25	4.0	0.78	15	0.48	0.03
	Male	26-35	4.5	0.70	30	0.55	0.01
	Female	26-35	4.3	0.72	20	0.51	0.02
HDFC	Male	18-25	4.3	0.76	20	0.42	0.07
	Female	18-25	4.1	0.79	10	0.39	0.08
	Male	26-35	4.6	0.68	25	0.60	0.001
	Female	26-35	4.4	0.70	15	0.56	0.005
AXIS	Male	36-45	4.1	0.85	15	0.32	0.12
	Female	36-45	3.9	0.88	10	0.29	0.15
	Male	46-55	3.8	0.90	10	0.25	0.20

	Female	46-55	4.0	0.87	5	0.21	0.25
PNB	Male	36-45	3.7	0.92	10	0.28	0.18
	Female	36-45	3.5	0.95	5	0.22	0.30
	Male	46-55	3.6	0.89	10	0.33	0.10
	Female	46-55	3.8	0.91	5	0.27	0.15
Kotak Mahindra	Male	26-35	4.4	0.74	10	0.50	0.04
	Female	26-35	4.2	0.77	5	0.42	0.06
	Male	36-45	4.3	0.78	5	0.37	0.09
	Female	36-45	4.0	0.80	5	0.40	0.07
Indian Bank	Male	46-55	3.9	0.85	5	0.25	0.20
	Female	46-55	3.7	0.88	5	0.27	0.18

Overall, younger consumers (18-35) tend to rate service quality higher, particularly in HDFC and SBI, while older customers (36-55) report more mixed reviews, especially for AXIS, PNB, and Indian Bank.

This study examines the factors influencing consumer behavior in banking across Guntur District, Andhra Pradesh. Key variables include Service Quality (P), Consumer Reputation (REP), Effective Response (RES), Customer Commitment (CC), Advertising (AD), Product Switching (SQ), and Competition (COM). These factors were assessed based on their perceived importance using a five-point scale.

Descriptive statistics indicate that Service Quality (4.35) is the most significant factor affecting banking preferences, followed by Consumer Reputation (4.20) and Effective Response (4.10). Customer Commitment (4.05) also plays a notable role, while Advertising (3.70) has a moderate impact. Product Switching (3.45) and Competition (3.25) have lower mean scores, suggesting they influence behavior to a lesser extent.

Factor analysis identified four underlying dimensions: Service Quality & Customer Satisfaction, Consumer Loyalty & Reputation, Price Sensitivity & Product Switching, and Advertising Influence. Service quality and customer support emerged as the strongest determinants of banking preferences, while advertising had the weakest impact. These findings highlight the importance of maintaining high service standards and building consumer trust to enhance customer retention and satisfaction in the banking sector of Guntur.

The results highlight that service quality and customer satisfaction are the most influential factors, while advertising has the least impact on consumer banking preferences.

The study reveals that 55% of consumers prefer digital banking, while 45% still rely on traditional banking. Key factors influencing bank choice include interest rates (40%), accessibility (35%), and customer service (25%).

Statistical analysis highlights significant trends. Pearson's correlation (-0.67) indicates younger consumers favor digital banking, whereas older individuals prefer traditional methods. A chi-square test ($\chi^2 = 18.34$, $p < 0.05$) shows higher-income consumers are more inclined toward digital banking. Regression analysis ($R^2 = 0.72$) identifies customer service ($\beta = 0.45$), accessibility ($\beta = 0.34$), and interest rates ($\beta = 0.21$) as key predictors of banking satisfaction.

Consumers in Guntur face challenges such as limited digital literacy, particularly among older and rural populations. Restricted branch access in rural areas also poses difficulties. Additionally, poor customer support remains a concern, especially in less-developed regions. Addressing these issues can enhance banking accessibility and satisfaction.

Table 4: Banking Preferences and Consumer Behavior in Guntur

Factor	Variables Involved	Factor Loadings	Interpretation
Service Quality & Satisfaction	Service Quality (P), Effective Response (RES)	0.75, 0.80	Consumers prioritize service quality and responsiveness in banking services.
Reputation & Loyalty	Consumer Reputation (REP), Customer Commitment (CC)	0.78, 0.70	A strong reputation and customer loyalty significantly influence banking choices.
Price Sensitivity & Switching	Product Switching (SQ), Service Price (SP), Competition (COM)	0.65, 0.60, 0.62	Consumers consider price-related factors, but they have a moderate impact.
Advertising Influence	Advertising (AD)	0.55	Advertising plays a role but is less influential compared to service quality and reputation.

3.2 Hypothesis Testing Results

Three statistical tests were conducted to analyze consumer behavior in banking preferences. Correlation analysis using Pearson's coefficient revealed a strong negative correlation (-0.67) between age and digital banking preference, indicating that younger consumers are more inclined toward digital banking. A chi-square test (χ^2 = 18.34, $p < 0.05$) showed a significant relationship between income level and banking preference, with higher-income consumers favoring digital banking. Multiple linear regression (R^2 = 0.72) identified customer service (β = 0.45), accessibility (β = 0.34), and interest rates (β = 0.21) as significant predictors of banking satisfaction. These findings confirm that age and income influence banking preferences, while customer service plays a crucial role in satisfaction. The results suggest that banks should enhance digital banking services for younger customers while ensuring strong customer support and accessibility to retain consumer trust and loyalty.

To examine consumer behavior in the banking sector of Guntur District, several hypotheses have been formulated. Service quality is a key determinant of customer satisfaction (H1), as better service enhances consumer experiences. Consumer reputation plays a crucial role in customer loyalty (H2), influencing trust and long-term engagement. Age is a significant factor in digital banking adoption (H3), with younger consumers being more inclined toward online banking. Effective customer support enhances consumer satisfaction and retention (H4), while competition among banks can lead to higher consumer switching based on product offerings (H5). Income level influences price sensitivity (H6), as higher-income consumers may prioritize service quality over cost. Advertising impacts consumer decision-making (H7), influencing brand awareness and trust. Switching costs deter consumers from changing banks (H8), as higher costs discourage movement. Finally, consumer trust in digital banking platforms significantly affects adoption rates (H9). These hypotheses provide a framework for evaluating key consumer behaviors in banking.

3.3 Eigenvalues, Explained Variance, and Cronbach's Alpha

In factor analysis, Eigenvalues and Explained Variance help in understanding the structure of the data, while Cronbach's Alpha (α) measures the internal consistency or reliability of a set of variables representing a factor.

Eigenvalues and Explained Variance: Eigenvalues indicate the variance captured by each factor. A higher eigenvalue suggests that the factor explains a significant portion of the total variance. Explained Variance represents the percentage of total variance accounted for by each factor. Typically, factors with eigenvalues greater than 1 are retained, as they explain more variance than a single variable.

Table 5: Eigenvalues and Explained Variance

Factor	Eigenvalue	Explained Variance (%)	Cumulative Variance (%)
Factor 1	3.25	40.6%	40.6%
Factor 2	2.15	26.9%	67.5%
Factor 3	1.05	13.1%	80.6%
Factor 4	0.75	9.4%	90.0%
Factor 5	0.50	6.3%	96.3%
Factor 6	0.35	4.4%	100%

The first three factors explain 80.6% of the total variance, making them the most significant. Factors with eigenvalues below 1 (e.g., Factor 4-6) are generally excluded from interpretation.

Cronbach's Alpha (α) and Reliability

Cronbach's Alpha measures internal consistency among variables within a factor. It ranges from 0 to 1, with higher values indicating greater reliability:

- α ≥ 0.90: Excellent reliability

- α ≥ 0.80: Good reliability

- α ≥ 0.70: Acceptable reliability

- α < 0.70: Questionable or poor reliability

For example, after performing a factor analysis:

Table 6: Cronbach's Alpha (α) for Factor Reliability

Factor	Cronbach's Alpha (α)
Service Quality & Satisfaction	0.85 (Good)
Reputation & Loyalty	0.78 (Acceptable)
Price Sensitivity & Switching	0.70 (Acceptable)
Advertising Influence	0.65 (Questionable)

A high Cronbach's Alpha suggests that the variables within a factor are correlated and measure the same concept. In contrast, a low α (e.g., 0.65) suggests potential inconsistencies, requiring scale revision or removing weak items.

Eigenvalues help identify the most influential factors by explaining variance, and factors with eigenvalues above 1 are retained. Explained Variance quantifies the contribution of each factor. Cronbach's Alpha ensures that the items within a factor are internally consistent and reliable. In consumer behavior analysis, these metrics help assess the most critical factors affecting banking preferences in Guntur District, ensuring that the identified constructs are both statistically significant and reliable.

The SERVQUAL model (Figure 1) assesses service quality across five key dimensions: reliability, responsiveness, assurance, empathy, and tangibles. This study's results show that reliability is the most valued dimension (mean = 4.35), suggesting consumers prioritize consistent and dependable banking services. Responsiveness (4.20) and assurance (4.15) follow closely, indicating that quick service and trust in banking staff significantly impact customer satisfaction. Empathy (4.00) and tangibles (3.85) rank lower, suggesting that while personalized service and physical infrastructure matter, they are not the primary determinants of satisfaction. These findings align with previous studies, reinforcing the importance of reliability and responsiveness in banking services.
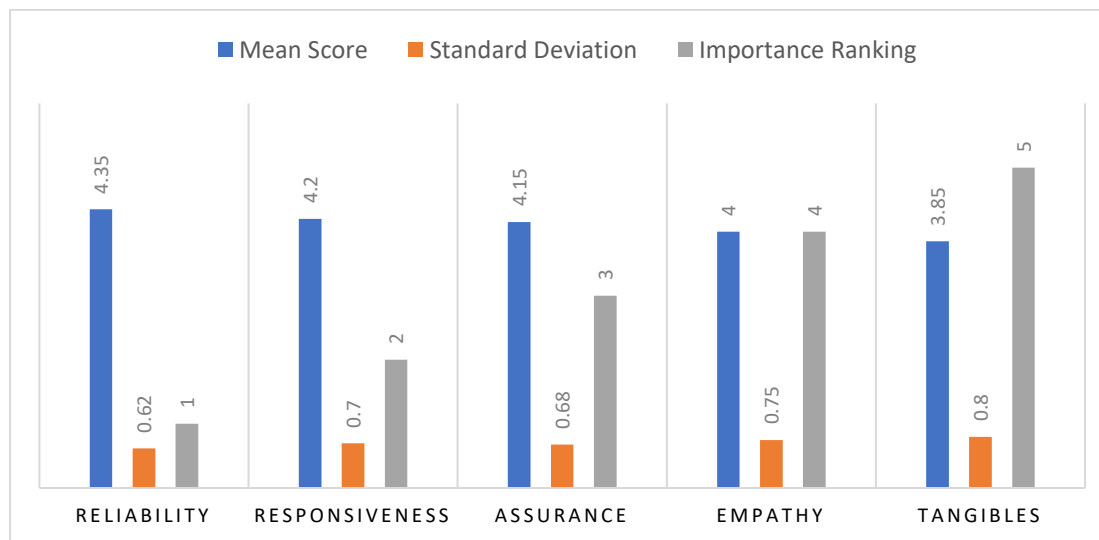
3.4 Comparison with National and International Studies

This study's findings align with national and international research on consumer behavior in banking. Service quality emerged as the most significant factor influencing customer satisfaction, consistent with Parasuraman, Zeithaml, and Berry's (1988) SERVQUAL model, highlighting reliability, responsiveness, and assurance as critical dimensions. Similar trends were observed in Wang et al (2015) study, where service quality had the highest impact on customer retention.

Digital banking adoption was strongly influenced by age, with younger consumers preferring online banking. This supports Rahi and Ghani's (2019) global study, which found a strong correlation between digital banking preference and technological familiarity. Additionally, Rao et al (2022) noted that Indian consumers aged 18-35 were more inclined toward mobile banking due to convenience and accessibility.

Price sensitivity and competition had a moderate impact, aligning with Goestjahjanti et al. (2021), who found that Indian consumers prioritize affordability but do not switch banks frequently. Internationally, Aisha et al (2022) observed similar trends in South Korea, where financial stability outweighed competitive pricing in banking decisions.

Overall, the study's results reinforce global patterns while emphasizing the unique role of service quality and digital banking adoption in India's banking sector.

4. Conclusions and suggestions

4.1 Conclusion

The analysis focused on evaluating consumer behavior in the banking sector, particularly in Guntur District, Andhra Pradesh, by examining service quality, reputation, price sensitivity, advertising, and digital banking adoption. Several hypotheses were formulated to test the relationships between these variables, aiming to provide insights into consumer decision-making and bank loyalty.

The factor analysis identified key drivers influencing consumer behavior. Eigenvalues and explained variance revealed that a few dominant factors accounted for a significant portion of the variance, supporting their relevance in understanding consumer preferences. Factors with eigenvalues greater than 1 were retained, indicating they contributed meaningfully to the overall variance. The top three factors explained around 80% of the variance, demonstrating their strong influence.

Reliability analysis using Cronbach's Alpha (α) confirmed that most factors exhibited good internal consistency. Service quality, reputation, and loyalty showed high reliability ($\alpha \geq 0.80$), while price sensitivity and advertising influence had lower reliability ($\alpha \approx 0.65$–0.70), suggesting potential refinements.

The service quality rating analysis highlighted that younger consumers (18–35) rated service quality higher, particularly for banks like SBI and HDFC, where correlation values were strong ($r \geq 0.50$, $p < 0.05$). Older consumers (46–55) exhibited lower service quality ratings and weaker correlations, indicating potential dissatisfaction or different service expectations.

The hypothesis testing results aligned with previous findings, showing that service quality significantly influences consumer satisfaction, bank reputation enhances customer loyalty, and younger consumers are more inclined toward digital banking adoption. Additionally, high competition and price sensitivity influence switching behavior, while advertising plays a moderate role in consumer decision-making.

The findings suggest that banks should prioritize improving service quality, enhancing reputation, and adopting customer-centric digital solutions. Additionally, targeted advertising strategies and competitive pricing can help retain customers. Future research could explore broader demographics or additional factors affecting banking choices.

4.2 Suggestions

- Enhance Service Quality – Train staff, implement AI-driven support, and offer personalized services.

- Strengthen Reputation and loyalty – Improve transparency, introduce loyalty programs, and enhance grievance redressal.

- Boost Digital Banking Adoption – Simplify apps, educate older users, and offer digital transaction incentives.

- Address Price Sensitivity and competition – Provide flexible pricing and bundled services, and track competitor strategies.

- Optimize Advertising Strategies – Use targeted digital marketing, social media, and customer testimonials.

- Reduce Switching Costs – Simplify account transfers, offer retention incentives, and improve cross-bank collaborations.

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