Customer Engagement and Loyalty Intentions of Customers from Employee perception in Indian banking sector

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Abstract

In the vital fact that the method of doing business is changing rapidly especially in the financial institutions where technology is driving business whereas human face remains the major customer attraction, this study is initiated.In a majority of service organisations, the relationship between employees and customers is the key to customer satisfaction which in turn affects the growth and profitability of the organisation. This is so because many service organisations provide intangible services and their products are not measurable. Hence, it is the employees that represent the organisation to the customers. The purpose of the current research is to understand customer engagement from employee perception in Indian private banks. The findings suggest that loyalty, trust, self – brand connection and emotional brand attachment are the factors that influence a customer's engagement levels to varying degrees. While customer loyalty is deeply influenced by the banks' techniques and strategies to mutually interrelate with the customers for greater engagement, the personal interactions between the bank's officials and customers help in sustaining strong emotional brand attachment in the customers resulting in greater engagement. Moreover, the findings also indicate that customers are able to experience greater self – brand connection with the banks when the brand's concepts and associated actions connect with the customer's personal expectations heavily influencing the services they undertake with the bank. It means that customers who are satisfied with employee's behaviour will be attracted to the same service organisation than the same customer would be attracted in similar organisations where they do not perceive employee engagement as attractive.

Key words: Customer engagement, Customer loyalty, Customer satisfaction, Trust, self brand connection,

Introduction:

Organisations, academicians and practitioners have accepted customer engagement and employee engagement as critical components of organisation's growth. While organisations are doing a lot to increase this aspect of work to increase productivity, profitability and market share,

researchers are exploring various new ways and/or modifying existing ways to achieve this objective and academicians are imparting this knowledge. Research on the impact of customer engagement and employee engagement as will be seen in the literature review of this study focus on customer engagement by study of customer satisfaction and employee engagement by studying the level of engagement in organisations. In this approach, there is dearth of study or literature on how employee perception of employee engagement impacts the productivity or effectiveness of the employee. This study aims at looking into this aspect of organisational knowledge and practices towards customer engagement and employee engagement."Engagement is a positive attitude where an individual goes above and beyond the call of duty, so as to heighten the level of ownership, and to further the business interest of the organisation as a whole. It is also a discretionary effort that practically affects employee morale, productivity, commitment, loyalty to internal and external customers, employee absenteeism and turnover in the organisation". (Khan opp. Cited)

There remains an academic knowledge gap in customer engagement literature, which continuously elicits the need for further empirical research in this area within diverse contexts and different demographic segments. Moreover, several studies on the subject of engagement focus the cognitive approach to the subject. Cognitive approach deals with mental processes as opposed to behaviourism which ignores mental processes. But according to Harter and co. (1), engagement means the "emotional attachment" of customers. Employees can become "involved and enthusiastic" in their workplaces when they have their basic needs met, have an opportunity to contribute, a sense of belonging, and chances to learn and grow. Customers can become "emotionally attached" to a business unit, its products, services, or brand when they perceive confidence, integrity, pride, and passion in their relationship with that brand. Customers can be influenced by employees and vice versa; however, the causal arrow moves more clearly from the employee to the customer than the reverse.

Literature Survey:
A satisfied customer is one that feels that the product service has met or surpassed his/her expectation. Many leaders of business today lay emphasis on customer satisfaction forgetting that satisfied customers can and do take their business loyalty to some other company. This results from lack of awareness of the intrinsic values of the product/service, better offerings in the competing environment or simply feeling excluded or ignored by the organisation.
Customer engagement on the other hand is about the connection between the organisation and its consumers/customers. This connection can come in the form of customer experience of product, interaction with employees etc. Engaged customers feel part of the team as it involves emotional connection with the organisation.
According to Vargo (2), Customer engagement refers to a broader 'transcending' relational perspective and described as an important strategy

for improving customer loyalty There is an increasing trend in companies trying to encourage their customers to involve in this kind of non-transactional behaviours that go beyond purchase intentions.

Chen et al (3) studied the impact of service innovation and customer engagement on the financial performance of organisations. It was discovered that customer characteristics, organisational support and characteristics of the service provided influences customer engagement which in turn impacts the financial performance of the organisation. According to the research, customer rapport motivates customer interaction and engagement cycles leading to positive impact on customer engagement.

Henderson et al. attempted to estimate the impact of customer engagement in the context of customer-organisation bonds and their impact on both expansion and defection of customers. It concluded that customer engagement may activate customer-dependency which in turn leads to customer loyalty – an indication that the organisation is not exploitative.

People Metrics (4) analysed the impact of improving customer engagement and customer experience in the trade sector. It also attempted to quantify the impact of customer engagement on the financial performance of the organisations studied. One of the findings included the fact that customer engagement is driven by the ability of the organisation employee to enhance the self-esteem of customers by providing reliable service quality, satisfying promises and valuing customers.

Dovalieneexamined the relationship between customer engagement and customer loyalty relative to value creation. In this work the researchers had isolated attitudinal loyalty from behavioural loyalty and concluded that the key for obtaining and retaining customer engagement include long-term relationships, active participation with deep connections with brand.

It is the depth of experience in interaction, follow-up, follow-through as well as feeling of inclusiveness in the product/service delivery process. In the words of Ian Golding, CCXP at Customer Think,"Customer engagement [is] the representation of the relationship between your brand and your customer."The researcher would also want to explain what engaged and not engaged means from the employee point of view as used in this study.

CUSTOMER ENGAGEMENT	
ENGAGED CUSTOMER	**NOT ENGAGED CUSTOMER**
They buy and continue to buy the product and service of the organisation. **(LOYALTY)**	Do not have anything to say about a product/service either because they have not properly studied the product or they are simply unable to fall in love with the product.
They talk about the product/service and endeavour to persuade friends and relatives to buy the product/service. **(SATISFACTION)**	Actively disengaged customers who also try to woo others by spreading false news about the product and the organisation.
They are loyal to the brand and will find it	They are no repeat buyers and will do

difficult to use another brand of the same product/service. They are willing to wait until the stock is available. **(COMMITMENT & SATISFACITON)**	everything to prevent people from buying the product/service.
They constantly respond to the feedback request of the organisation and take part in product/service review. They provide authentic feedback to the organisation. **(SELF EXPRESSION)**	This dissatisfaction can be due to any factor ranging from product quality, service and price to the experience of the customer in obtaining and using the product/service.

(Words in bracket indicate the definition of the terms as used in the questionnaire)

Relationship between Engaged and Not Engaged employees/customers

Bargain hunting or discount shopping is not new in India or elsewhere. However, the rate at which the Indian customer is being armed with mobile apps and the emergence of online service facilities in almost every sector of the economy has resulted to new consumer behaviour patterns. Recently, this has gathered a frenzied pace as consumers move online. The Indian shopper today displays the traits of the new "consumer behaviour" recently defined by consulting firm McKinsey. As consumers, we are increasingly "pervasive", taking into cognizance both online and offline channels. We demand a "personalized "experience, and we are "participatory", seeking to make a mark in every purchase. Finally, we are "prescriptive" and want dominion over everything, ranging from groceries to gadgets. The success of any industry reliant on customer service, therefore, lies in acknowledging these traits for effective engagement.

Sashi, (5) examined customer engagement perception by exploring expert opinions and connecting the same to marketing theory and coordination, relationship advertising, customer involvement and customer engagement conditions. The research explored a prototype of customer engagement progression along with employee relationship, communication, contentment, engagement, loyalty etc.

Chieh et al (6) stated that in the earlier days, the studies about emotional contamination generally concentrated on the result of employee's smile on consumers' friendliness. Linking their research inquiry with emotional factors, they concluded that employee's emotional state does not have direct impact on customer fulfilment but that it will possibly influence consumers' fulfilment through customer and employee empathy.

Roderick, (7) examined the theoretical details of customer engagement and practice of term engagement and concluded that in the current highly active and communication-driven business atmosphere, the quality of assistance among employees and customers is very essential. Cecil, et al (8) expressed that in service units, emotionally capable employee can create customer engagement.

Cecil, et al (8) expressed that in service confronts, it is being proposed that emotionally capable employees are close to thrive in creating relationship

with their consumers, which frequently leads to consumer satisfaction and reliability. The main objective of this research is to examine the impacts of consumer professed employee emotional capability on fulfilment and reliability. The research also explores how and to what point relationship facilitates these influences. The degree to which consumers notice employees as emotionally proficient is connected to the growth of relationship, customer fulfilment, and reliability.

Willemijn, et al (9) examines the influence of consumer emotions and performance of an employee in generating confront and relationship contentment.

Ebru, (10) is of the opinion that acknowledging that consumer encounters add value to organisations, business are striving to find techniques that mutually integrate consumer satisfaction.Fabia et al (11) examined the impact of customer background on customer engagement. With data from 516 clients drawn from high and low contact assistances, the research concluded that the tendency to involve customer loyalty differed considerably between the backgrounds reviewed. The research however maintained that most loyalty intentions are interrelated in perspectives with consumers' proclivity to participate.

Jay, et al (12) studied customer loyalty to understand problems and challenges that are significant in affecting loyalty. The study concluded that intense transformation in the market including tourism and travel industry has caused experts to reinforce and strengthen customer loyalty. Shazali et al (13) concluded that a good quality working environment instigates better service provision to customers as it represents "a good culture, working with a good team, a good boss and good physical surroundings, job security sustainable compensation package". Logia Shujaat, et al (14) maintained that Career Development and related opportunities are significant determinants of employee satisfaction in the Banking sector.

According to IMI, (15), rapid multi-channel digital communication would improvise the banking experience, reduce the service costs and increase customer revenue. This is turn will lead to customer loyalty, reduced complexity in payment services, increase rate of collection, authentication for services, fraud detection and service security as customers are informed about their accounts and card activities.The banking sector specifically, is expected to lay an increased focus on ensuring customer satisfaction and loyalty Hossain and Leo, (16) for attaining a higher financial performance.

Another stream of literature pertaining to customer engagement has dealt with an important factor of a self-brand attachment or connection among the customers of a product or service. Such literature has held the claim that the customer engagement has critical relational consequences including "commitment," "trust," "self-brand connection," "consumers," "emotional brand attachment" and "loyalty"(Brodie et al.) (17). Lisa et al (18), Printy et al (19),Geraldine, and Shaunae al (2007), (20) etc., have empirically demonstrated close association between the multi-dimensionality of engagement, especially cognitive and emotional engagements.

Employee Job Satisfaction Vs. Employee Engagement

Sagar, Rafat and Aggarwal (2012) Employee satisfaction is the terminology used to describe whether employees are happy and contented and fulfilling their desires and needs at work. Many measures purport that employee satisfaction is a factor in employee motivation, employee goal achievement, and positive employee morale in the workplace. Employee engagement on the other hand is said to be far deeper in the attitude to work of the employee than job satisfaction. While satisfaction is foundation on which employee engagement can grow and thrive, employee engagement is said to encompass Meaning, Autonomy, Growth, Impact and Connection (MAGIC) for the employee. Job satisfaction is seen as transactional as it brings only contentedness which is just enough for employee retention but not enough for increased productivity. Employee engagement on the other hand is Transformational as it involves the heart, spirit, mind and hands of the employee and thus promotes productivity.

Source: https://www.decision-wise.com/employee-engagement-survey-download/

There is therefore no doubt that organisations with authentic engaged staff will thrive in productivity, retention and customer satisfaction that organisations that have authentic job satisfaction only.

Customer Satisfaction Vs. Customer Engagement

Customer satisfaction is the term used to describe how consumers feel about the product or service of a company. It is an expression of customer's expectation vis-à-vis the product/service delivery. A satisfied customer is one

that feels that the product service has met or surpassed his/her expectation. Many leaders of business today lay emphasis on customer satisfaction forgetting that satisfied customers can and do take their business loyalty to some other company. This results from lack of awareness of the intrinsic values of the product/service, better offerings in the competing environment or simply feeling excluded or ignored by the organisation.

Customer engagement on the other hand is about the connection between the organisation and its consumers/customers. This connection can come in the form of customer experience of product, interaction with employees etc. Engaged customers feel part of the team as it involves emotional connection with the organisation. It is the depth of experience in interaction, follow-up, follow-through as well as feeling of inclusiveness in the product/service delivery process. In the words of Ian Golding, CCXP at CustomerThink,"Customer engagement is the representation of the relationship between your brand and your customer."

The researcher would also want to explain what engaged and not engaged means both from the employee and customer point of view as used in this study.

Need for the Study:

The major challenges for the banks are:

- To act as a trust centre with an extended proposition to work out on rapidly evolving customer needs.
- To ensure customers trust and engagement through efficiency, easy access and customer relevance.
- To provide enhanced services to improve customer's overall experience.
- To make advancement in the technology infrastructure and optimization of resources.
- To ensure prompt services through engaged and skilled workforce.

According to Rashmi et al (21) the financial services sector describes a significant share of economic activity in most countries. The sector is acknowledged for its involvement in long-term growth and efficiency in channelling resources to all sectors of the economy. This explains why 'Financial Inclusion' has become mandatory for all banks as instructed by the Reserve Bank of India.

The surge in individual and corporate income resulting from explosive economic boon in India in the last two decades has enhanced the need for banking services and this resulted to the emergence of new banks as well as of advanced technology, prompt communication system and conception of various banks to cope with multinational led environment. It requires engaged employees that create the customer stories which make the brand creditable. The Indian banking system is comprised of banks which are public and private, foreign and regional, rural and urban cooperative banks, as well as cooperative credit societies.

The researcher acknowledges the above expectations and opportunities in the banking sector and hence has decided to carry out this research to examine the customer engagement from employee s perception and their influence on the financial performance of private banks.

Research Gap:

Existing studies focus on customer engagement and the emotional factors relevant to customer engagement. However, there is dearth of literature to conclude. Not much work is done in the area of employee perception of customer engagement and the impact it has on the emotional wellbeing/work motivation of the employees. This research attempts to examine this relationship from the side of the employee alone, creating opportunity for further research from the customer's point of view. This research aimed to fill this gap and help future researchers to understand how employee-perception and/or customer-perception of engagement impacts financial organizations. Burke (22) identified that, success of business is performed by the engagement of customers and employees. Henderson et al (23) also predicted that customer engagement changes the financial performance. It is important to add this dimension of intrinsic motivation driven by employee's own perception of customer engagement and how it affects his/her emotional work willingness.

Statement of the problem:

1. The wave of Globalization and privatization is bringing radical changes in the way banks do their business. A striking balance is required between empowering employees and customer engagement in meeting end objectives which doesn't give room to subcultures, and that's the is the need of the hour.
2. The Government s new policies, regularizing unorganized jobs into organized, new taxes, giving license of banking to Micro finance companies, and specially demonetization has engulfed banks into grater responsibilities. According to Bank annual reports 50 60 percent of senior bank employees will retire by end of this decade. How to attract, retain and develop these employees to meet the growing needs of the customers is a challenge.

This study aims at helping organisations explore some latest tools for engaging customers to achieve more than they think they can achieve.

Objectives of the Study:

This study will examine the relationship employee-perceived customer engagement and the influence of this relationship on the loyalty intentions of private financial institutes. Specifically, the study would look into direct relationship hypothesis of employee-perceived customer engagement measured by customer Loyalty, Satisfaction, Self-expression, and Commitment and Trust. The objectives of this study are therefore;

1. To identify the factors of customer engagement in banking sector
2. To analyze the emotional factors ofcustomer engagement
3. To examine the impact of customer engagement on loyalty intention.

Research Methodology:

The present research has adopted this quantitative approach to research. The research design for this study is a descriptive and interpretive study that is analysed largely through quantitative methods with a small qualitative component.

Further, the customer engagement index has been framed by combining the variables derived from different researches:

- Thus, the Customer Engagement Index (CEI) can be presented as:
- Customer Engagement Score = Tx + SBAx + EBAx + Lx

Where:

T   :   Trust (Van Doorn et al.,) (23)
SBC   :   Self-brand Connection (Escalas and Bettman, (24)
EBA   :   Emotional Brand Attachment (Thomson, MacInnis, and Park) (25)
L   :   Loyalty (Bowden,) (26)

Participants in the study:
The sampling unit is the private sector commercial banks which are financial firms by virtue of the majority of their work. Commercial banks have been chosen for this work from the fact that scarce research on the chosen topic has been conducted so far among such banks in India. The banks are chosen on the basis of the fact that they are on the 9 top ranking banks in India 2016 using number of clients as criteria for ranking. It means that the chosen banks cater to the major share of customer base in India.
The chosen banks for this study are:

1. HDFC
2. ICICI
3. Axis
4. Kotak Mahindra
5. Indus Ind
6. Yes bank
7. Federal bank
8. JK bank
9. KarurVysya bank
10. IngVysya bank

This research is not a comparative study/analysis of these banks, but an attempt to combine the findings from the various banks in response to the objectives of the study.
The subjects in this research are privately owned commercial banks that play major role in the banking system in India and which cover majority of the banking population in the country. Purposeful sampling technique is used. The primary data for the present research is collected by means of a specifically designed questionnaire constructed after going through different theories of engagement, perception and affection. The questionnaire consists of several items on employee-perception of customer engagement. Each of the broad questions contained a minimum of 5 sub-questions bringing the total number of questions to 35. The questions were framed following the Likert 1-5-point scale, where 1 = ''strongly disagree'' to 5 = "Five point Likert scale strongly Agree".

A total of 250 employees of the selected banks participated in the survey by willingly responding to the questionnaire. An analysis of variance (ANOVA) was applied to find the mean difference in customer engagement among the employees of different banks by using SPSS.

Hypothesis:

H1: There is a direct relationship between self-brand connection and customer Engagement

H2: There is a direct relationship between loyalty and customer engagement

H3: There is a direct relationship between emotional brand attachment and customer Engagement

H4: There is a direct relationship between trust and customer engagement

H5: There is a direct relationship between the provision of reliable and valuable services and customer engagement

Analysis and interpretation:

In this study, the researcher attempts to study the impact of employee perception of customer behaviour and how it affects employee engagement reflected in the behaviour of the employee, in serving the customer. There has been less research or no research in this area and this work has not dwelled completely into it but offers a perspective that has not been explored. By this, the study adds to new avenues for the research enthusiasts. Four perceptual areas (Trust, Self-brand Connection, Emotional brand attachment and Loyalty) have been studied .

An analysis of the primary data collected through survey method by questionnaires from the employees and customers of ten banks was conducted using SPSS to evaluate the impact of employee engagement and customer engagement on the financial performance of the banks. The results show that most of the employees and customers agreed to the fact that higher engagement levels lead to greater retention of employees as well as customers therefore, positively impacting the financial performance of the banks due to continued services for a larger and more loyal customer base and decreased employee turnover which in turn positively affects the organizational productivity and financial performance.

Interestingly, the percentage of participants remained almost the same for the three years thereby providing consistency of data from the survey. The selection of participants was a blend of different factors including age, gender, marital status, educational qualification, number of years of service in the same bank, and level of management.

Studies on customer engagement have always been undertaken from the customers' point of view, to elicit their satisfaction based on certain questions. The following table is the factor analysis done on the items used to collect data on customer satisfaction.

I feel if I outperform others (or my previously achieved target) in any work, my work gets appreciated.	0.725
The customers are provided with reliable service quality	0.767

A good proportion of the bank's customers have long-term relationships with the bank	0.674
The customers often rely on the bank employees to take decisions on their behalf	0.723
The customers are often happy on their promises being fulfilled by the bank officials	0.741
The bank ensures that customers are assured that there is no misuse of authority by the officials	0.61

The customers attach values and meanings to the services of the bank which are extremely personal to them	0.402
The customers prefer the personalized services and products provided by the bank	0.52
The brand's concept and associated actions are major influencer for encouraging taking prolonged service with the bank	0.58
The entire scheme of service is often claimed to be similar to the theme of life chosen by the customers (sense of self-presentation)	0.635
The bank and its services give confidence to the customers in being who they are and leading a self-directed life	0.527
The customers are found to be emotionally attached to the bank serving them for several years	0.504
The interactions of the customers with the bank officials are carefully and personally dealt with	0.469
The bank lays focus on the emotional bond between the employees and the customers	0.744
The customers are generally found to be involved in more than one service with the bank	0.403
The customers are more or less satisfied that they 'Get the right product' each time	0.418
The bank strives for techniques to interrelate with their consumers mutually	0.56

The Customer Engagement Index (CEI) for this study was developed using four variables – trust, self – brand connection, emotional brand attachment and loyalty. The first variable trust was related to the customer engagement levels with the statements such as 'The customers often rely on the bank employees to take decisions on their behalf' with the highest mean value of 4.43. This indicates that customers with higher engagement levels show enough trust in the bank employees to rely on them for taking decisions on customer's behalf. Also, the banks assure the customers that the officials do not misuse their authorities and ensure that the customers' interests are not adversely affected thereby strengthening the trust between the customers and banks. This factor has a high mean value of 4.42. Another factor with a high mean value of 4.39 is 'A good proportion of the bank's customers have long-term relationships with the bank'. This suggests that customers who have been associated with the banks for a longer time have deeper trust in the

banks and bank's employees and officials which in turn positively impacts their engagement levels. The demographic analysis of this study also indicated that majority of the respondents were associated with the banks for a period longer than six years as also evident from the analysis of trust variable on the Customer Engagement Index. The factors with the lowest mean value are 'The customers are often happy on their promises being fulfilled by the bank officials' with a mean of 4.26 and 'The customers are provided with reliable service quality' with a mean value of 4.27. The current analysis of the trust factor for the measurement of customer engagement levels show that customers with longer associations with the bank have more engagement levels due to greater trust in the bank employees and their services as they allow the bank employees to take decisions on their behalf and believe that the bank employees do not misuse their authorities. Service quality and promises being fulfilled by the bank officials do not indicate significantly high mean values in comparison to other factors. However, it can be asserted that there is a direct relationship between trust and customer engagement, although the relationship between reliable and valuable services and customer engagement was not very strong relatively in the current study.

The next variable used to measure the customer engagement level is self - brand connection. Two factors with highest mean values depicting the self – brand connectivity impacting the customer engagement levels are 'The brand's concept and associated actions are major influencer for encouraging taking prolonged service with the bank' (mean value of 4.41) and 'The bank and its services give confidence to the customers in being who they are and leading a self-directed life' (mean value of 4.40). This indicates that customers are more engaged with the bank and feel a greater association when they connect with the brand concept and the bank's services and business actions. Other factors with high mean values of 4.31 and 4.30 are 'The customers prefer the personalized services and products provided by the bank' and 'The entire scheme of service is often claimed to be similar to the theme of life chosen by the customers (sense of self-presentation)' respectively. According to these results it is stated that customers feel higher engagement through self- brand connectivity when the bank's services and schemes resonate the customer's preferences for personalized services and their preferred lifestyles and individual themes. As most of the respondents showed high self - brand connectivity for personalized services and branding concepts that match with the customers' individual life philosophies and concepts. Lowest mean value was observed for the factor 'The customers attach values and meanings to the services of the bank which are extremely personal to them' (mean value of 4.23). A direct relationship between self - brand connection and customer engagement has been established thus through the results of the current study.

Emotional brand attachment is the third variable used to develop the Customer Engagement Index (CEI) which represents the target specific emotion laden bond between a customer and a specific brand (Thomas, MacInnis and Park, 2005). The findings of this study show the highest mean value of 4.35 for the factor 'The interactions of the customers with the bank

officials are carefully and personally dealt with'. This shows the significance of personal interaction between the customers and bank officials and the emotional connect that builds between them affecting the engagement levels accordingly. Factors such as 'The bank lays focus on the emotional bond between the employees and the customers' and 'The social media is actively used by the bank for maintaining a regular contact with its customers and their life' also received a high mean value of 4.32. The above results suggest that banks connect with their customers emotionally using interactive platforms such as social media and focusing on building strong emotional bonds between the employees of the bank and their customers which positively impact the customer engagement levels due to emotional brand attachment. 'The customers are found to be emotionally attached to the bank serving them for several years' was the only factor with a low mean value of 4.22. This indicates that long association with banks is not a relatively strong factor for emotional brand attachment as compared to personal interactions with the bank officials which enables in developing a strong emotional bond between the customers and employees and the use of social media to further strengthen the connection and interpersonal communication between the customers and bank employees.

The next variable on the Customer Engagement Index (CEI) to measure customer engagement levels for this study is loyalty. Loyalty of the customers towards the bank and its services is measured across four parameters such as the number of services used by the customers from the same bank, number of new customers referred by the old ones, repeated satisfaction levels and targeted interactions with customers. Our of these the statement 'The bank strives for techniques to interrelate with their consumers mutually' has the highest mean of 4.34 indicating that when the banks use various techniques and services to mutually and personally interact with the customers, it promotes customers' loyalty and thus positively impact the engagement levels. Customers' involvement with more than one service of the bank did not emerge to be a very strong factor for indicating the customer's loyalty and engagement levels with a low mean of 4.18. Other strong factors which depict high customer loyalty and therefore significantly exerting an impact on the customer engagement levels are 'The customers are more or less satisfied that they 'Get the right product' each time' with a mean of 4.28 and 'The bank is often visited by customers referred from older clients of the bank' with a mean of 4.24. It is evident from the results that customer loyalty has an impact on the customer engagement levels and there is a direct relationship between loyalty and customer engagement.

To conclude the above discussion evaluating the impact of different factors on the customer engagement levels, the findings suggest that loyalty, trust, self – brand connection and emotional brand attachment are the factors that influence a customer's engagement levels to varying degrees. While customer loyalty is deeply influenced by the banks' techniques and strategies to mutually interrelate with the customers for greater engagement, the personal interactions between the bank's officials and customers help in sustaining strong emotional brand attachment in the customers resulting in

greater engagement. Moreover, the findings also indicate that customers are able to experience greater self – brand connection with the banks when the brand's concepts and associated actions connect with the customer's personal expectations heavily influencing the services they undertake with the bank. Also, bank customers experience higher engagement levels with the bank when they share deeper trust with the bank employees whom they rely on for decision making. Hence, it is asserted in this study that customer engagement has a direct relationship between trust, loyalty, self – brand connection and emotional brand attachment. The findings correspond with previous studies which also pointed out that customer interactions impact customer engagement (Chen et al., 2013) and customer loyalty and dependency activates customer engagement (Henderson et al., 2014). People Metrics (2008) established the significance of trust factor in positively influencing the customer engagement levels by depicting the impact of reliable service quality and satisfying promises and valuing customers on the engagement levels in the retail industry. Similarly, Patterson and Yu (2006) found a relationship between loyalty, service quality and customer satisfaction on the customer engagement levels. Banyte and Dovaliene (2014) asserted that customer engagement can be obtained and retained with the help of long term relationships, deep brand connection, interaction and participation to support and promote customer loyalty and value creation.

TESTING OF HYPOTHESIS

Hypothesis 1

Table H1: There is a direct relationship between self-brand connection and customer engagement

Coefficients[a]

Year	Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
			B	Std. Error	Beta		
2014	1	(Constant)	3.610	.156		23.156	.000
		Self-brand connection	.164	.035	.282	4.631	.000
2015	1	(Constant)	3.546	.159		22.242	.000
		Self-brand connection	.175	.037	.290	4.778	.000
2016	1	(Constant)	3.565	.151		23.631	.000
		Self-brand connection	.166	.035	.291	4.788	.000
a. Dependent Variable: Customer engagement							

The beta value corresponding to the association between the customer engagement and self-brand connection was 0.282 and its corresponding p value was 0.000>0.05. Since the p value was more than 0.05, we can

conclude that there is no significant association between the customer engagement and self-brand connection in the year 2014.

The beta value corresponding to the association between the customer engagement and self-brand connection was 0.29 and its corresponding p value was 0.000>0.05. Since the p value was more than 0.05, we can conclude that there is no significant association between the customer engagement and self-brand connection in the year 2015.

The beta value corresponding to the association between the customer engagement and self-brand connection was 0.291 and its corresponding p value was 0.000>0.05. Since the p value was more than 0.05, we can conclude that there is no significant association between the customer engagement and self-brand connection in the year 2016.

Hypothesis 2

Table H2: There is a direct relationship between loyalty and customer engagement

Coefficients^a

Year	Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
			B	Std. Error	Beta		
2014	1	(Constant)	3.480	.126		27.524	.000
		Loyalty	.197	.029	.394	6.753	.000
2015	1	(Constant)	3.235	.125		25.806	.000
		Loyalty	.250	.029	.478	8.569	.000
2016	1	(Constant)	3.288	.126		26.067	.000
		Loyalty	.234	.030	.450	7.929	.000
a. Dependent Variable: Customer engagement							

The beta value corresponding to the association between the customer engagement and loyalty was 0.394 and its corresponding p value was 0.000<0.05. Since the p value was less than 0.05, we can conclude that there is a significant association between the customer engagement and loyalty in the year 2014.

The beta value corresponding to the association between the customer engagement and loyalty was 0.478 and its corresponding p value was 0.000<0.05. Since the p value was less than 0.05, we can conclude that there is a significant association between the customer engagement and loyalty in the year 2015.

The beta value corresponding to the association between the customer engagement and loyalty was 0.45 and its corresponding p value was 0.000<0.05. Since the p value was less than 0.05, we can conclude that there is a significant association between the customer engagement and loyalty in the year 2016.

Hypothesis 3

Table 3: There is a direct relationship between emotional brand attachment and customer engagement

Coefficients^a

Coefficients^a

Year		Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
			B	**Std. Error**	**Beta**		
2014	1	(Constant)	3.777	.155		24.378	.000
		Emotional brand attachment	.129	.036	.222	3.586	.000
2015	1	(Constant)	3.793	.162		23.393	.000
		Emotional brand attachment	.119	.037	.197	3.173	.002
2016	1	(Constant)	3.822	.152		25.173	.000
		Emotional brand attachment	.108	.035	.191	3.062	.002
a. Dependent Variable: Customer engagement							

The beta value corresponding to the association between the customer engagement and emotional attachment was 0.222 and its corresponding p value was 0.000<0.05. Since the p value was more than 0.05, we can conclude that there is no significant association between the customer engagement and emotional brand attachment in the year 2014.

The beta value corresponding to the association between the customer engagement and emotional attachment was 0.197 and its corresponding p value was 0.002<0.05. Since the p value was more than 0.05, we can conclude that there is no significant association between the customer engagement and emotional brand attachment in the year 2015.

The beta value corresponding to the association between the customer engagement and emotional attachment was 0.191 and its corresponding p value was 0.000<0.05. Since the p value was more than 0.05, we can conclude that there is no significant association between the customer engagement and emotional brand attachment in the year 2016.

Hypothesis 4

Table 4: There is a direct relationship between trust and customer engagement

Coefficients^a

Coefficients^a

Year		Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
			B	**Std. Error**	**Beta**		
2014	1	(Constant)	4.030	.144		28.037	.000
		Trust	.069	.033	.132	2.100	.037
2015	1	(Constant)	4.137	.159		25.972	.000

		Trust	.039	.037	.067	1.061	.290
2016	1	(Constant)	4.279	.172		24.834	.000
		Trust	.001	.040	.002	.038	.970
a. Dependent Variable: Customer engagement							

The beta value corresponding to the association between the customer engagement and trust was 0.132 and its corresponding p value was 0.037<0.05. Since the p value was less than 0.05, we can conclude that there is a significant association between the customer engagement and trust in the year 2014.

The beta value corresponding to the association between the customer engagement and trust was 0.067 and its corresponding p value was 0.29>0.05. Since the p value was more than 0.05, we can conclude that there is no significant association between the customer engagement and trust in the year 2015.

The beta value corresponding to the association between the customer engagement and trust was 0.002 and its corresponding p value was 0.97>0.05. Since the p value was more than 0.05, we can conclude that there is no significant association between the customer engagement and trust in the year 2016.

Hypothesis 5

Table 5: There is a direct relationship between the provision of reliable and valuable services and customer engagement

Coefficients[a]

Year		Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
			B	Std. Error	Beta		
2014	1	(Constant)	4.275	.086		49.583	.000
		I feel higher CE results in increased customer retention (continued services)	.012	.019	.042	.656	.512
2015	1	(Constant)	4.236	.092		46.075	.000
		I feel higher CE results in increased customer retention (continued services)	.016	.020	.049	.767	.444
2016	1	(Constant)	4.257	.094		45.126	.000
		I feel higher CE results in increased customer retention (continued services)	.006	.021	.020	.311	.756
a. Dependent Variable: Customer engagement							

The beta value corresponding to the association between the customer engagement and reliable and valuable services was 0.042 and its corresponding p value was 0.512>0.05. Since the p value was more than 0.05, we can conclude that there is no significant association between the customer engagement and reliable and valuable services in the year 2014.

The beta value corresponding to the association between the customer engagement and reliable and valuable services was 0.049 and its corresponding p value was 0.767>0.05. Since the p value was more than 0.05, we can conclude that there is no significant association between the customer engagement and reliable and valuable services in the year 2015.

The beta value corresponding to the association between the customer engagement and reliable and valuable services was 0.02 and its corresponding p value was 0.756>0.05. Since the p value was more than 0.05, we can conclude that there is no significant association between the customer engagement and reliable and valuable services in the year 2016.

Analysis of Variance (ANOVA)

Analysis of variance (**ANOVA**) is "collection of statistical models used to analyze the differences among group means and their associated procedures" (such as "variation" among and between groups). Here the tool has been applied to analyse the differences between different banks.

i. Customer engagement

An analysis of variance was applied to find the mean difference in customer engagement among the employees of different banks by using SPSS.

tABANOVA

Table 6.6: Customer engagement

Year		Sum of Squares	df	Mean Square	F	Sig.
2014	Between Groups	1.064	8	.133	6.349	.000
	Within Groups	5.050	241	.021		
	Total	6.115	249			
2015	Between Groups	1.055	8	.132	5.360	.000
	Within Groups	5.931	241	.025		
	Total	6.986	249			
2016	Between Groups	1.042	8	.130	5.182	.000
	Within Groups	6.057	241	.025		
	Total	7.099	249			

The F value corresponding to the mean difference in customer engagement between the employees of different bank was 6.349 and its corresponding p value was 0.000<0.05. Since the p value was less than 0.05, we can conclude that there was a significant mean difference in customer engagement among the employees of different banks in 2014.

The F value corresponding to the mean difference in customer engagement between the employees of different bank was 5.36 and its corresponding p value was 0.000<0.05. Since the p value was less than 0.05, we can conclude that there was a significant mean difference in customer engagement among the employees of different banks in 2015.

The F value corresponding to the mean difference in customer engagement between the employees of different bank was 5.182 and its corresponding p value was 0.000<0.05. Since the p value was less than 0.05, we can conclude that there was a significant mean difference in customer engagement among the employees of different banks in 2016.

Conclusion:

World today is one marketplace and globalization has largely impacted Indian economy with many multinational companies entering India. As a result, markets are shrinking getting fragmented day by day. To survive in such a competitive market, one certain factor of having loyal customers can turn out crucial for organization's survival. Its always better to hold on to existing customers than looking for new ones.One of the growing tactics of customer attraction and retention which would at the same ensure maximum productivity is Engagement. The engagement is not only about customers, it's also about employees as both are required for maximum effectiveness of organizations operations.

The researcher acknowledges the above expectations from and challenges in the banking sector and hence decided to carry out this research to examine the customer engagement from the point of view of the employee and their influence on the financial performance of private banks.

Five hypotheses on customer engagement were tested for the purpose of this study. The findings of the current study depict the impact of different factors on the customer engagement levels. The findings suggest that loyalty, trust, self – brand connection and emotional brand attachment are the factors that influence a customer's engagement levels to varying degrees. While customer loyalty is deeply influenced by the banks' techniques and strategies to mutually interrelate with the customers for greater engagement, the personal interactions between the bank's officials and customers help in sustaining strong emotional brand attachment in the customers resulting in greater engagement. Moreover, the findings also indicate that customers are able to experience greater self – brand connection with the banks when the brand's concepts and associated actions connect with the customer's personal expectations heavily influencing the services they undertake with the bank. Also, bank customers experience higher engagement levels with the bank when they share deeper trust with the bank employees whom they rely on for decision making. Hence, it is asserted in this study that customer engagement has a direct relationship between trust, loyalty, self – brand connection and emotional brand attachment. The findings correspond with previous studies which also pointed out that customer interactions impact customer engagement and customer loyalty and dependency activates customer engagement . People Metrics established the significance of trust factor in positively influencing the customer engagement levels by depicting the

impact of reliable service quality and satisfying promises and valuing customers on the engagement levels in the retail industry. Similarly, Patterson and Yu found a relationship between loyalty, service quality and customer satisfaction on the customer engagement levels. Banyte and asserted that "customer engagement can be obtained and retained with the help of long term relationships, deep brand connection, interaction and participation to support and promote customer loyalty and value creation". However, descriptive statistics reveal that there is significant relationship between customer Engagement and emotional characteristics of customers from employee's perception.

An analysis of variance (ANOVA) was applied to find the mean difference in customer engagement among the employees of different banks by using SPSS. It was discovered that the p value was less than 0.05 for the 3 years covered in this study, hence it is concluded that there was a significant mean difference in customer engagement among the employees of different banks in 2014, 2015 and 2016.

Managerial implications:
Every economy today is a global economy, and this has made huge impact on the way business is done in all fields of industry. If carefully observed, successful organizations have been modest implementing continuous level of change. Last decade has been marked by significant business and talent survival tactics in response to challenging economic conditions. In the case of banks, electronic money and cashless economy, demonetisation and introduction of GST, merger of all SBI arms, etc, have sought to transform their strategies ahead of, or in response to, changing economic scenarios. Regardless of how the change occurs, the associated loss of status, certainty, control and familiarity as the outcome of this change, may not be embraced from employees. This uncertainty from the environment may lead to terrible role conflict within the organization. This role conflict inside any organization may result in increased turnover, with new or added job responsibilities. This subsequently delays the accomplishment of goals specially when new decision processes and budgets are developed. During such transition phase, it can be difficult for employees to simply keep their heads above water and remain productive. Generally, a large number of organizational change efforts fail in meeting their objectives. A clear understanding on how customers think, feel and behave during these transformational periods offers useful insights toemployees. Ensuring customers remain engaged amidst of such organizational transformation is a key element in the success of a change initiative.

Scope for Further Research:
During the time of this study, a new trend was introduced into the financial system of the nation – Demonetisation and Goods and Service Tax (GST) – and had tremendous impact on the functioning of the banks. This study has not covered this recent trend as it was deeply underway when these were introduced. This provides scope for similar study with an eye on the impact

of the new financial policies on the impact of customer engagement on the financial performance of organizations with special references to private commercial brands as done in this study. Further, several researches have been done on the importance of both engagements, methods and strategies for enhancing both the strategies and how the enhancement of these two aspects of business can improve the financial performance of firms. Even in these works, the approach has been one of eliciting information from both employees and customers through surveys and other methods. A study that focuses on the impact of perceived customer engagement on the productivity and effectiveness of employees has not been well represented in the research arena. This provides another opportunity for further research on the subject.

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