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Service Quality Dimensions and Their Impact on Customer Satisfaction in Mobile Banking: A Study of Public Vs. Private Banks in North Gujarat

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ABSTRACT

This paper investigates the quality aspects of mobile banking services in terms of customer satisfaction and comparatively on the banks operating in the public and the private sector in North Gujarat. As digital banking has strongly developed, and more people are consuming financial services that are mobile-based, it is necessary to know how customers perceive the quality of services. The dimensions of service quality that are identified in the study include reliability, responsiveness, security, ease of use, system efficiency and analyse their impact on the general customer satisfaction. The sample was obtained through primary data of mobile banking users of public sector banks, private sector banks and both the banks users. Analysis of variation in perception of service quality and its impact on satisfaction were done with the help of statistical instruments like One-way ANOVA and regression analysis. The results demonstrate that there is no significant difference between the perceived service quality of the banks of the public and the private sector. Nonetheless, the level of service quality was also reported to have strong and statistically significant positive effect on customer satisfaction. The article demonstrates the strategic value of optimizing the quality of mobile banking services to enhance customer satisfaction and maintain the adoption of digital banking in the region.

KEY WORDS: Service Quality Dimensions, Customer Satisfaction, Mobile Banking, Public Sector Banks, Private Sector Banks, North Gujarat

INTRODUCTION

The recent revolution in information and communication technology has drastically changed the nature of the banking industry and mobile banking is one of the most bright digital service delivery networks. Mobile banking provides customers with an opportunity to carry out a broad variety of financial operations at any place and any time, which increases convenience, speed and accessibility. In India, growing smartphone penetration, low cost internet services and government efforts to encourage digital payments have made the penetration of mobile banking services in both government and privatized sector banks faster.

The quality of the service is an important factor in identifying the acceptance, retention, and satisfaction of the customers on mobile banking services. However, as opposed to traditional banking, the quality of mobile banking services is highly technology-oriented and is determined by a variety of aspects including reliability, responsiveness, security, ease of use, efficiency, and system availability. The customers do not just rate mobile banking services in

terms of functional benefits but also in terms of their perceived service experience that will have a direct impact on the satisfaction, trust and loyalty on the bank.

The Indian banks in the public and the private sector vary significantly in their technological infrastructure, service innovation, customer orientation and speed of service delivery. The private banks are seen to have a greater technological base and be customer focused but on the other hand, the banks in the public sector have more customers and are highly trusted by the institutions. It is these differences, both in structure and operation, that render it necessary to comparatively analyze the impact of these dimensions of service quality on customer satisfaction in mobile banking between these two banking segments.

North Gujarat, which consists of urban and semi-urban areas, is a distinct location to investigate the adoption of mobile banking as it has a diverse socio-economic background, is experiencing more digital awareness, and is becoming more reliant on mobile-based financial services. Customer perceptions on this region can be effective in giving the banks the knowledge of improving their service delivery to customers, increase customer satisfaction, and reinforce digital banking initiatives.

Thus, the current paper will review the most important service quality attributes of mobile banking and investigate their effects on customer satisfaction, comparing the public and the private sector banks in North Gujarat.

LITERATURE REVIEW

The analysed literature shows that the quality of the services and technology-supported banking services can be considered as key predictors of the customer satisfaction in the cases of both the public and the private sector banks of developed and developing economies. The positive correlation between the dimensions of service quality, including tangibles, reliability, responsiveness, assurance, and empathy, and customer satisfaction is consistently high using the SERVQUAL framework (Singh 2013, Patel 2015, Antony et al. 2019, Ashish 2023, and Thakur and Devi 2025). In Indian studies, among other banks, the private banks have been found to be better than the public banks in their tangibles, responsiveness, empathy and technology adoption, and the public banks have maintained a relative advantage in reliability and trust more especially in the rural areas.

Studies that concentrate on digital and e-banking services, including Harish Kumar (2024), Behin et al. (2022), Monisha et al. (2024), Demeke (2025), Patterma and Srinivasa (2026), and Al-Imam (2025) note that online banking platforms, mobile banking applications, UPI, security, responsiveness, and system availability lead to a high level of customer satisfaction. Services that are technologically powered are now becoming decisive competitive instruments, responsiveness, security, and ease of use continue to appear as major factors of satisfaction.

These conclusions are supported by international evidence by Anjalika et al. (n.d.), Kazungu and Msuya (2026), and Al-Imam (2025), who find that the measures of tangibility, empathy, and responsiveness are influential determinants of satisfaction in Sri Lanka, Tanzania, and Sudan, even though they differ depending on the context between public and privately-owned banks.

Also, behavioural insights provided by Singh and Dixit (2025) highlight the increase in the significance of psychological considerations in the financial decision-making, which in turn indirectly points to the necessity of the banks to establish trust and assurance by means of quality service delivery. Altogether, the synthesized literature proves that the quality of services and digital banking facilities is a key to the improvement of customer satisfaction, loyalty, and competitiveness within the modern banking setting.

RESEARCH GAP

Even though a number of studies have been conducted to investigate mobile banking use and the quality of services offered in India, there is no empirical study that has been conducted and aimed at a comparative study between the banks in the public sector and the banks within the private sector, especially at the regional level. Current research usually is very general in outlook and lacks in the ability to reflect the differences by the region in terms of customer perception and service experience. Also, no specific study has been found that combines various dimensions of the quality of services and their direct effect on customer satisfaction in mobile banking. The North Gujarat region is an under-researched area in this respect, and, therefore, a research gap exists that the current study is aimed to fill by conducting a primary and comparative study.

RESEARCH OBJECTIVES

To examine whether there is a statistically significant difference in perceived service quality dimensions of mobile banking services among customers of public sector banks, private sector banks, and customers using both types of banks in North Gujarat.

To analyse the extent to which perceived service quality dimensions of mobile banking significantly influence overall customer satisfaction among users in North Gujarat.

To examine whether customer satisfaction with mobile banking services differs significantly among customers of public sector banks, private sector banks, and customers using both types of banks in North Gujarat.

RESEARCH METHODOLOGY

Research Design

- The study adopts a **descriptive and analytical research design** to examine service quality dimensions and their impact on customer satisfaction in mobile banking.

Nature of Study

- The research is **empirical in nature**, based on primary data collected directly from mobile banking users.

Area of Study

- The geographical scope of the study is **North Gujarat**, covering both urban and semi-urban regions.

Population of the Study

- The population consists of customers using mobile banking services of **public sector banks, private sector banks, and both types of banks.**

Sample Size

- A total of **96 respondents** were selected for the study.

Sampling Technique

- **Convenience sampling method** was used to select respondents due to accessibility and time constraints.

Data Collection Method

- Primary data were collected using a **structured questionnaire** based on service quality dimensions and customer satisfaction variables.

Variables of the Study

- Independent Variable: Service Quality Dimensions of Mobile Banking
- Dependent Variable: Customer Satisfaction

Statistical Tools Used

- Descriptive Statistics
- One-way ANOVA
- Tukey HSD Post-Hoc Test
- Simple Linear Regression Analysis

Software Used

- Data analysis was carried out using **SPSS**.

Hypothesis Testing

- Hypotheses were tested at a **5% level of significance** to determine statistical validity.

DATA ANALYSIS AND INTERPRETATION

Null Hypothesis (H_0): There is no statistically significant difference in the perceived service quality dimensions of mobile banking services among public sector banks, private sector banks, and customers using both types of banks in North Gujarat.

Alternative Hypothesis (H_1): There is a statistically significant difference in the perceived service quality dimensions of mobile banking services among public sector banks, private sector banks, and customers using both types of banks in North Gujarat.

ANOVA					
Service Quality Mean Score					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	1.513	2	.756	2.490	.088
Within Groups	28.248	93	.304		
Total	29.761	95			

Multiple Comparisons

Dependent Variable: Service Quality Mean Score						
Tukey HSD						
(I) Type of Bank Used for Mobile Banking	(J) Type of Bank Used for Mobile Banking	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound
Public Sector Bank	Private Sector Bank	-.33862	.19016	.182	-.7915	.1143
	Both	-.36040	.16333	.075	-.7494	.0286
Private Sector Bank	Public Sector Bank	.33862	.19016	.182	-.1143	.7915
	Both	-.02177	.13944	.987	-.3539	.3103
Both	Public Sector Bank	.36040	.16333	.075	-.0286	.7494
	Private Sector Bank	.02177	.13944	.987	-.3103	.3539

One- way ANOVA was used to test the difference in perceived service quality dimensions of mobile banking services among types of banks using service quality mean score as the dependent variable. The outcome of ANOVA indicates that the perceived difference between the mean service quality of banks in the public and in the private sector as well as between the mean service quality perception of the customers using both the types of banks is not statistically significant ($F = 2.490$, $p = 0.088$) because the significance value is greater than the 0.05 level. Besides, Tukey HSD post-hoc analysis is used to prove that each of the pairwise patterns between public and private banks, hospitals and both, or between private and both do not provide statistically significant differences in the means as all of the p-values are above 0.05 and the confidence interval contains zero. The findings obtained suggest that there is no significant difference in how customers rate the dimensions of service quality of mobile banking services of the two types of banks, both in the public and the private sector, in North Gujarat. As a result, the null hypothesis is accepted, and it implies that there is no significant difference in perceived mobile banking service quality between the public and the private sector banks.

Null Hypothesis (H_0): Perceived service quality dimensions of mobile banking do not have a statistically significant impact on overall customer satisfaction among users in North Gujarat.

Alternative Hypothesis (H_1): Perceived service quality dimensions of mobile banking have a statistically significant impact on overall customer satisfaction among users in North Gujarat.

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.776 ^a	.603	.599	.46847
a. Predictors: (Constant), Service Quality Mean Score				

ANOVA ^a					
Model	Sum of Squares	df	Mean Square	F	Sig.

1	Regression	31.328	1	31.328	142.747	.000 ^b
	Residual	20.630	94	.219		
	Total	51.958	95			

a. Dependent Variable: Overall, I am satisfied with the service quality of mobile banking in my bank.

b. Predictors: (Constant), Service Quality Mean Score

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.213	.396		-.537	.592
	Service Quality Mean Score	1.026	.086	.776	11.948	.000

a. Dependent Variable: Overall, I am satisfied with the service quality of mobile banking in my bank.

In order to test the relationship between perceived service quality dimensions of mobile banking and customer satisfaction on the whole, simple linear regression was performed using the mean score of service quality as the predictor variable. It is seen that the model summary shows that there is a strong positive correlation between service quality and customer satisfaction ($R = 0.776$), with 60.3% of the overall customer satisfaction variance explained by the model ($R^2 = 0.603$). The statistical significance of the ANOVA results ($F = 142.747$, $p < 0.001$) also proves the fact that the regression model is statistically significant and therefore there is a good fit of the model. The regression coefficient of service quality mean score is positive and statistically significant ($B = 1.026$, $t = 11.948$, $p < 0.001$) indicating that the increase in the perceived service quality results in the significant increase in the customer satisfaction. To emphasise the dominating role of the predictor variable, the predictor variable has a large standardised beta value ($\beta = 0.776$) though the constant term is not significant. On the basis of this, the null hypothesis is rejected, and the alternative hypothesis is accepted, and it is determined that the dimensions of perceived service quality of mobile banking significantly and positively affect the overall customer satisfaction of mobile banking users in North Gujarat.

Null Hypothesis (H_0): There is no statistically significant difference in customer satisfaction with mobile banking services among customers of public sector banks, private sector banks, and customers using both types of banks in North Gujarat.

Alternative Hypothesis (H_1): There is a statistically significant difference in customer satisfaction with mobile banking services among customers of public sector banks, private sector banks, and customers using both types of banks in North Gujarat.

ANOVA

		Sum of Squares	df	Mean Square	F	Sig.
Overall, I am satisfied with the	Between Groups	5.234	2	2.617	5.209	.007

service quality of mobile banking in my bank.	Within Groups	46.724	93	.502		
	Total	51.958	95			
I will continue using mobile banking services and recommend them to others.	Between Groups	.934	2	.467	1.058	.351
	Within Groups	41.055	93	.441		
	Total	41.990	95			

Multiple Comparisons

Tukey HSD

Dependent Variable	(I) Type of Bank Used for Mobile Banking	(J) Type of Bank Used for Mobile Banking	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
						Lower Bound	Upper Bound
Overall, I am satisfied with the service quality of mobile banking in my bank.	Public Sector Bank	Private Sector Bank	-.54762	.24456	.070	-1.1301	.0349
		Both	-.67799*	.21005	.005	-1.1783	-.1777
	Private Sector Bank	Public Sector Bank	.54762	.24456	.070	-.0349	1.1301
		Both	-.13037	.17933	.748	-.5575	.2968
	Both	Public Sector Bank	.67799*	.21005	.005	.1777	1.1783
		Private Sector Bank	.13037	.17933	.748	-.2968	.5575
I will continue using mobile banking services and recommend them to others.	Public Sector Bank	Private Sector Bank	-.33333	.22925	.318	-.8794	.2127
		Both	-.20609	.19690	.550	-.6751	.2629
	Private Sector Bank	Public Sector Bank	.33333	.22925	.318	-.2127	.8794
		Both	.12724	.16810	.730	-.2731	.5276
	Both	Public Sector Bank	.20609	.19690	.550	-.2629	.6751
		Private Sector Bank	-.12724	.16810	.730	-.5276	.2731

*. The mean difference is significant at the 0.05 level.

One-way ANOVA was used to test the difference between customer satisfaction with mobile banking services between the types of banks using two variables of customer satisfaction. The findings show that there is a statistically significant variance between the groups of banks on the overall satisfaction with the quality of mobile banking services ($F = 5.209$, $p = 0.007$),

which rejects the null hypothesis of this variable. HSD post-hoc analysis indicates that customers who use both public and private sector banks ($p = 0.005$) are much more satisfied than those who only use the public sector banks but the differences among the two banks (public and private) do not show any significant statistical difference. Conversely, the outcomes of ANOVA between continuance intention and recommendation behaviour have no significant difference between the types of banks ($F = 1.058$, $p = 0.351$), and the banks exhibit similar behaviour intention. On balance, the results imply that the type of the bank does have a certain effect on customer perceived satisfaction with the quality of mobile banking service, particularly among customers who use both industries, and the loyalty and recommendation intention are the same in both the public and the private sector banks in North Gujarat.

CONCLUSION

The current research was an in-depth exploration of the dimensions of perceived service quality of mobile banking, its effects on customer satisfaction and variations among the public sector banks, the private sector banks and the customers in the use of both types of banks in North Gujarat. The results give significant information on the assessment of mobile banking services by customers and their satisfaction behaviour.

The one-way ANOVA findings demonstrate that there is no statistically significant difference in the perceived service quality aspects of mobile banking services when comparing the customers to the banks in the public sector, the banks in the private sector, and those who use both categories of banks. The null hypothesis implicates that the customers consider the core dimensions of the mobile banking service quality, including reliability, responsiveness, ease of use, and security, at the same level regardless of the type of bank. This means that banks in North Gujarat have a similar service quality benchmark.

The regression analysis however provides a strong and significant positive relationship between perceived service quality and overall customer satisfaction. The findings are supported by over 60 percent of the variation in customer satisfaction being attributed to service quality; this indicates that increase in service quality leads to subsequent increase in the level of customer satisfaction. It puts the service quality as a decisive factor to the successful adoption and continued use of mobile banking.

Additionally, the customer satisfaction analysis in the different types of banks reveals that there is a substantial distinction in the general satisfaction, especially depicting that customers utilizing both the public and the private sector banks claim greater satisfaction in contrast to their counterparts using the private sector banks only. However, there is no major difference in continuance intention and recommendation behaviour, which indicates the same loyalty intentions by categories of banks.

On the whole, the research finds that the perceived service quality does not differ in the types of banks, its influence on the level of satisfaction is significant, and customer satisfaction

differs with a minor difference with banking exposure, which proves the significance of service quality improvement in mobile banking services in terms of strategy.

RECOMMENDATIONS

According to the results, the banks must focus on the ongoing improvement of the mobile banking service quality factors, especially, the user experience, the system reliability, and responsiveness since they have the strongest impact on customer satisfaction. The banks in the public sector especially must use the examples of the best practices by the private banks to enhance the level of satisfaction. The other thing that banks should aim at adopting is the incorporation of enhanced features and tailor-made service to maintain its customers who transact through more than one banking platform. It is suggested that to remain competitive, a regular customer feedback system and periodic service quality audits are mandatory. Lastly, customer satisfaction and trust in mobile banking services can be enhanced further through awareness programs and digital support initiatives to boost customer satisfaction and trust towards mobile banking services in North Gujarat.

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From 'Sir/Madam' To 'Hey, We Got You': How Artificial Intelligence is Making Banks More Personal in Gujarat

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ABSTRACT

This paper observes how Artificial Intelligence (AI) would improve the personalization of banking services in the selected banks in Gujarat. As more and more conventional, standardized banking interactions are replaced with customer-centric digital interactions, AI has become an important source of service transformation. The research underlying the study aims at determining the degree of the use of AI in customized banking services and the effect it has on the perception, satisfaction, trust, and loyalty of the customers. A total of 70 bank customers were used to gather primary data using a structured questionnaire. Data analysis was done using statistical tools i.e. one-sample t-test, Pearson correlation and multiple regression analysis. The results indicate that the AI use in personalised banking services is much more than the neutral level, which indicates that AI is widely used in the operation of Gujarati banks. Nevertheless, the findings also demonstrate that personalization with the help of AI does not have a significant effect on customer satisfaction or loyalty. This paper finds out that although AI is being implemented, its strategic effects on customer relationships are minimal.

KEY WORDS: Artificial Intelligence, Personalized Banking, Customer Experience, Digital Transformation, Smart Banking Services, Gujarat Banking Sector

INTRODUCTION

Over the past few years, Indian banking industry has experienced a tremendous change as it has transitioned to a very personalized technology-oriented customer delivery as compared to the formal and standardized service models. The title From Sir/Madam to Hey, We Got You is symbolic in displaying how artificial intelligence (AI) is transforming the type of customer interaction in the contemporary banking industry. Banks in Gujarat, one of the most economically progressive Indian states, are starting to use AI-powered tools to provide more responsive, customized, and customer-focused services.

Banking artificial intelligence has an extensive coverage of applications including chatbots, virtual assistants, predictive analytics, fraud detection systems, robo-advisory, as well as tailored product suggestions. Technology also helps the banks to analyze large volumes of customer data in real time and enable them to predict the needs of the customers as well as their behaviour and provide them with customized financial services. Contrary to the old-fashioned banking systems, where the process of engagement between customers and the organization was predominantly based on the rules and was rather impersonal, AI-based banking creates the feeling of familiarity, trust, and convenience in customers.

In Gujarat, digital literacy, smartphone adoption, and fintech adoption are expanding fast, which further boosted the adoption of AI in banks of the government and enterprises. The customers have become impatient and demand instant feedback, smooth online interactions, and customized services in various platforms like mobile app, internet banking, and social networks. To fulfill these expectations in a way that satisfies the customers, AI systems can assist banks in providing 24/7 support, lessening the time used in a service turnaround, and improving the quality of the decisions made.

Furthermore, AI-driven personalization is strategically significant to the banks, as it leads to better customer satisfaction, loyalty, and retention. By redefining customer relationships as contextual and relationship based over the generic and transactional interactions, the banks are not only enhancing the quality of the services, but also are acquiring a competitive edge in an ever saturated financial market. Thus, the exploration of the role of artificial intelligence in the personalization of banking services in Gujarat is timely and topical due to the dynamic banking sector of the state, as well as the changes in the expectations of the customers.

LITERATURE REVIEW

Walczak-Skaaleczna and Staniszewska (2025) discuss how artificial intelligence affects the CEO personal branding, pointing to the paradox between efficiency improvement and authenticity, credibility, and trust risks. Their results are consistent with greater worries of Author Unknown (n.d.), Ozili (2024), Tobing (2025) and Vera Hoyos and Cardenas Maran (2025) who also emphasize ethical openness, anthropocentrism and regulation as the key to a responsible adoption of AI. Positively, Mukhopadhyay (2017) and Mukhopadhyay and Mukhopadhyay (2020) place AI as a supplementary power that facilitates information-driven decision-making, productivity, and responsiveness of strategies, instead of human judgment.

Vasudevan et al. (2026), Sellali and Al-Bilawi (2025), Okafor and Eromosele (2024), Qarkaxhija et al. (2025) and Orjinta and Anetoh (2025) also reveal that AI uses such as expert systems and machine learning, fraud detection and transaction validation, significantly enhance the quality of decisions, security, efficiency and sustainable performance even in banking and financial services. Ardi et al. (2025) support these results with the help of a systematic review and conclude that AI can better predict, handle risks, ESG decision-making, and be more transparent, but it still raises certain ethical and governance issues.

Nevertheless, a customer-based-centric opinion is presented by Eberi-Kalu (2026), indicating that there is an expectation gap in Nigerian banks when AI investments are not translated into perceived performance advantages, which implies that the implementation of AI is mostly efficiency-focused. Chohra and van der Wal (2024) contribute to the conceptual elaboration of the discussion by incorporating emotional, personal, and social intelligence into computational frameworks, and claim that collectively making decisions is a process that cannot be done without the affective and social processing in addition to the cognition. All these studies lead to the same conclusion that AI can provide significant benefits in decision-

making and performance when used in an ethical, transparent, and human-centric way and as a tool of support instead of replacing human leadership and judgment.

RESEARCH GAP

Current literature on artificial intelligence in banking is generally under consideration of technological efficiency, cost reduction of operations and fraud management at a national or global scale. Nevertheless, there is not much empirical research on the specific contribution of AI to personalization of banking services in the eyes of the customer and especially in a regional level. On the one hand, regarding Gujarat, a certain gap may be observed in primary survey-based research examining the perception, satisfaction, and trust of customers in AI-driven personalized banking services. Moreover, comparative knowledge on the subject concerning various kinds of banks and demographics of customers are under-researched, which necessitates research on specific areas.

RESEARCH OBJECTIVES

1. To examine whether the level of use of Artificial Intelligence for personalization of banking services in selected banks of Gujarat is significantly higher than the neutral level.
2. To examine whether AI-driven personalized banking services significantly influence customers' perception and satisfaction towards banking services in Gujarat.
3. To examine whether AI-based personalized banking interactions, reflected through customer trust and confidence in AI systems, significantly influence customer loyalty towards banks in Gujarat.

RESEARCH METHODOLOGY

Research Methodology

- **Research Design:** Descriptive and analytical research design
- **Nature of Study:** Empirical study based on primary data
- **Study Area:** Selected banks in Gujarat
- **Population:** Bank customers using AI-enabled banking services
- **Sample Size:** 70 respondents
- **Sampling Technique:** Convenience sampling method
- **Data Collection Tool:** Structured questionnaire using a 5-point Likert scale
- **Type of Data:** Primary data
- **Statistical Tools Used:**
 - One-Sample t-test
 - Pearson Correlation Analysis
 - Multiple Regression Analysis
- **Software Used:** SPSS
- **Level of Significance:** 5 percent ($\alpha = 0.05$)

DATA ANALYSIS AND INTERPRETATION

H_0 (Null Hypothesis): The mean perception score regarding the use of Artificial Intelligence for personalization of banking services in selected banks of Gujarat is equal to the neutral value ($\mu = 3$), indicating no significant use of AI.

H_1 (Alternative Hypothesis): The mean perception score regarding the use of Artificial Intelligence for personalization of banking services in selected banks of Gujarat is significantly greater than the neutral value ($\mu > 3$), indicating significant use of AI.

One-Sample Statistics				
	N	Mean	Std. Deviation	Std. Error Mean
Mean Perception Score	70	3.7607	.55075	.06583

One-Sample Test						
	Test Value = 3					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Mean Perception Score	11.556	69	.000	.76071	.6294	.8920

One-Sample t-test was pegged to test whether the use of Artificial Intelligence to personalise banking services in the selected banks in Gujarat is significantly different than the neighbourhood value of 3. The results of analysing the responses of 70 clients of the bank indicate that the mean score of perception is 3.7607 and standard deviation is 0.55075. The t-test value of 11.556 (69 degrees of freedom) is statistically significant at the level of 5 percent ($p = 0.000$) that is to say that the obtained mean result is significantly higher than the test result. The reliability of the result is also supported by the mean difference (0.76071) and the 95 percent confidence interval (0.6294 to 0.8920). Thus null hypothesis is rejected, and the conclusion is that the application of the Artificial Intelligence to the personalization of banking services in the chosen banks of Gujarat is applied at a considerable level.

H_0 (Null Hypothesis): There is no significant relationship between AI-driven personalized banking services and customers' perception and satisfaction in Gujarat.

H_1 (Alternative Hypothesis): There is a significant relationship between AI-driven personalized banking services and customers' perception and satisfaction in Gujarat.

Correlations				
		AI-driven services have improved my overall banking experience.	I feel more satisfied with banks that offer AI-based personalized services.	AI-powered banking services make interactions feel more personal and friendly.
AI-driven services have improved my overall banking experience.	Pearson Correlation	1	-.159	.033
	Sig. (2-tailed)		.188	.787

	N	70	70	70
I feel more satisfied with banks that offer AI-based personalized services.	Pearson Correlation	-.159	1	.228
	Sig. (2-tailed)	.188		.058
	N	70	70	70
AI-powered banking services make interactions feel more personal and friendly.	Pearson Correlation	.033	.228	1
	Sig. (2-tailed)	.787	.058	
	N	70	70	70

The correlation analysis between AI-driven personalised banking services and customers perception and satisfaction in Gujarat was also analysed using Pearson correlation analysis. The findings indicate weak and statistically non significant correlations between variables that are chosen. The relationship between the enhancement of the overall banking experience due to AI-driven services and customer satisfaction is negative and insignificant ($r = -0.159$, $p = 0.188$) whereas the correlation between customer satisfaction and the opinion that AI-powered services make the interaction personal and friendly is weak and statistically insignificant ($r = 0.228$, $p = 0.058$). Moreover, the relationship between the overall experience of the banking improvement generated with the help of AI services and the perception of personal and friendly interaction is insignificant and unimportant ($r = 0.033$, $p = 0.787$). The null hypothesis is accepted since all the p-values are greater than the 5 percent level of significance. The conclusion, therefore, is that AI-based personalised banking services are not statistically significant in influencing the perception and satisfaction of the customers in Gujarat, as they continue to increase in the banking industry.

H_0 (Null Hypothesis): AI-based personalized banking interactions, including customer trust in AI systems and confidence generated through personalized services, do not have a significant influence on customer loyalty towards banks in Gujarat.

H_1 (Alternative Hypothesis): AI-based personalized banking interactions, including customer trust in AI systems and confidence generated through personalized services, have a significant influence on customer loyalty towards banks in Gujarat.

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.187 ^a	.035	.006	1.20191

a. Predictors: (Constant), Personalized AI services increase my confidence in my bank., I trust AI-based banking systems to handle my personal and financial information securely.

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	3.512	2	1.756	1.216	.303 ^b
	Residual	96.788	67	1.445		
	Total	100.300	69			

a. Dependent Variable: AI-driven personalization influences my decision to continue using the same bank.

b. Predictors: (Constant), Personalized AI services increase my confidence in my bank., I trust AI-based banking systems to handle my personal and financial information securely.

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	4.070	.642		6.344	.000
	I trust AI-based banking systems to handle my personal and financial information securely.	-.153	.126	-.147	-1.218	.227
	Personalized AI services increase my confidence in my bank.	.121	.115	.127	1.058	.294

a. Dependent Variable: AI-driven personalization influences my decision to continue using the same bank.

A multiple regression was done to evaluate the effects of AI-based personalised banking interactions on customer trust and loyalty in Gujarat. The model summary reveals that there is a low relationship between the independent variables and customer loyalty ($R = 0.187$) with $R^2 = 0.035$, meaning that trust in AI systems and confidence created by the personalised AI services have a combined influence on customer loyalty of only 3.5 percent. The ANOVA values indicate the overall regression model is not significant ($F = 1.216$, $p = 0.303$), and hence the model is not effectively used to explain the decision of customers to utilise the same bank. When further analysing the regression coefficients, it can be identified that neither trust in the AI-based banking systems ($\beta = -0.147$, $p = 0.227$) nor the confidence created by means of personalised AI services ($\beta = 0.127$, $p = 0.294$) can statistically affect the customer loyalty. The null hypothesis is accepted because all p-values are greater than five percent level of significance and the conclusion is that AI-based personalised banking interactions do not have significant effect in determining customer trust and loyalty to banks in Gujarat.

CONCLUSION

The current research was carried out to analyze the role and efficacy of the Artificial Intelligence (AI) in the personalized banking services among the selected banks of Gujarat concerning the intensity of usage, perception and satisfaction among customers, and loyalty of customers. The results contain a subtle insight into the use of AI in the banking industry.

The outcomes of the one-sample t-test reveal the clear indication that the degree of utilization of AI in terms of personalization of the banking services is much higher than the neutral

degree. Having a mean perception of 3.7607 with the t-value of 2.352 and a high level of confidence, a conclusion can be made that the banks in Gujarat have embraced AI-driven personalization at a significant level of operational cost. This is an expression of apparent AI-driven features of chatbots, recommendation systems, and automated service capabilities.

Nevertheless, even with such a relatively high-use of AI, the correlation analysis shows that the use of AI to provide personalized services does not have a significant impact on customer perception and satisfaction. The correlation between overall banking experience, satisfaction, and personalized artificial intelligence interactions showed no significance between the variables. This indicates that the customers could perceive the AI services as practical additions instead of emotionally involving or satisfaction-promoting aspects.

Equally, the regression analysis shows that AI-based personalized contacts such as trust in AI systems and confidence created by personalization do not play a major role in customer loyalty. Power of explanation The model had very low values and the trust and confidence did not come out as important predictors of loyalty. It means that the classic aspects of service quality, humanization, reliability, and support of the branches can continue to dominate the customer loyalty in Gujarat. In general, the use of AI in the banking personalization is evident, but its strategic influence on customer perception, satisfaction, and loyalty is not at the current level.

RECOMMENDATIONS

The Gujarat banks need to do more than being technologically smart but should also consider increasing the experiential value of AI-based services. Artificial intelligence systems are expected to be created to provide more user-friendly, clear, and emotional engagement to enhance customer satisfaction. Trust can be enhanced by paying more attention to educating customers about the benefits of AI and data security. Moreover, it can be possible to combine AI personalization and human support, thus forming a balanced service model. To be closer to customer expectations, banks need to constantly seek customer feedback on AI services and optimize personalization mechanisms, which will eventually translate the use of AI into improved customer satisfaction and the loyalty effect.

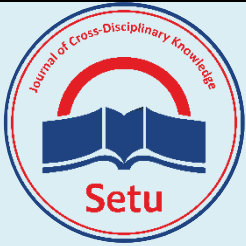
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Customer Perception of Risk Management Practices in the Textile Industry of Gujarat: A Primary Survey-Based Study

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ABSTRACT

The study analyses customer perception of Risk management practice in the textile industry in Gujarat under primary survey-based methodology. The textile industry is one of the most important industrial activities of Gujarat, and it has to deal with numerous threats in the fields of operations, financial welfare, supply chains, regulatory adherence and sustainability. In that regard, the competent risk management is something necessary not only to achieve the operational stability but also to improve the customer trust and satisfaction. The research involves the perception of customers with respect to the effect of the risk management practices adopted by the textile companies and how the same affect customer confidence and customer satisfaction. A total of 70 customers who are related to the textile industry were sampled and the data analysed using suitable statistical tools. The results show that the customers have a very high perception of risk management practices compared to the neutral level. Subsidiary analysis verifies that, upon successful risk management strategies, customer trust and satisfaction is highly and positively influenced whereas, there is no change in perception between various customer relationship types. The research offers useful information to textile companies to enhance risk management approaches that are customer-focused.

KEY WORDS: Customer perception, risk management practices, textile industry, operational risk, financial risk, supply chain risk, Gujarat

INTRODUCTION

One of the most important sectors the industrial development, rising rate of employment, and exportation in Gujarat is the textile industry. Gujarat is dominant in the textile value chain in India, which includes spinning, weaving, textile processing, garment manufacture and export of textile. Over the past few years, the industry has been subjected to various types of risk such as variations in prices of raw materials, supply-chain, regulatory turnover, environmental conformance compulsion, financial risks, and escalating customer demands in terms of quality and dependability. Proper risk management practices have thus emerged as a strategic essential and not an operational one.

Historically, the main aspect of risk management in the textile industry was the internal operational and financial risks. But as competition intensifies, as the world becomes globalized and as buyer pressures build up, customers are becoming more and more sensitive to the way companies deal with product quality risk, timely delivery risk, price stability risk,

ethical sourcing risk and environmental sustainability risk. The perception of risk management capability by a firm by customers is a key factor in determining trust, satisfaction and long term business relationship with the firm. The perceived risk mitigation practices might have a great impact in purchasing decisions in industries where buyers may have repeat transactions and other long-term contracts such as in the textile industry.

Quality control system, diversification of the supply chain, environmental standards, reduction of inventory risk, and financial risk hedging are some of the risk management practices that are becoming evident to customers in the Gujarat textile industry. Nevertheless, the practices can be viewed differently by the customers with the experience, knowledge, and contact with textile companies. Perception of customers offers a good information on whether the current risk management mechanisms are well communicated and in agreement with the customer expectations.

This research paper is aimed at exploring the perception of the customers towards risk management in the textile sector of Gujarat using primary survey methodology. The study will also evaluate the effectiveness of textile firms in managing and communicating risks as well as the effect of the practice on customer integrity and fulfilment by capturing the perspectives of the customers. The results will be useful to the textile managers and policymakers in enhancing the risk management strategies that are customer centrally oriented.

LITERATURE REVIEW

In the textile industry of Pakistan, Awais-E-Yazdan et al. (2025) emphasize the importance of management commitment, promotion of employees, and safety training to improve the safety performance of employees and safety knowledge, motivation of employees, and institutional pressure moderate the relationship. Patel and Shah (2023) consider the banking sector in Gujarat, which is shown with the help of the QFD method that the issues of service nature, including the behaviour of the employees, inconvenient hours, the absence of information and excessive complexity of the procedures are closely interrelated with the customer expectations. Cuevas-Vargas, Tenorio-Lara, and Vazquez-Juarez (2025) discuss the environmental practices in the textile industry of Guanajuato and the results indicate that process design, energy, and responsible sourcing practices have a great impact on the sustainability benefits, although the levels of adoption are moderate.

Santos, Ferreira, and Silva (2024) present a systematic review of the circular economy practices, which reported such practices like recycling, reuse, eco-design, and remanufacturing as the essential practices, with the regulation and environmental awareness as the driving forces and financial and technical constraints as the limiting factors. According to the conceptual study by a non-author author (2023), CRM is a technology-driven strategy, which is organization-wide, with a focus on digitalization, AI, and sustainability. Koley (2025) has empirically shown that CRM awareness and e-CRM programs have a remarkable positive impact on customer satisfaction and loyalty at SBI.

Mazić, Ristić, and Aleksic (2024) emphasize the strategic value of CRM in the textile industry and one of the related empirical studies with the data on 148 textile companies reveals that sustainable supply chain management has a positive effect on CRM, competitive advantage, and organizational performance. According to Gupta, Thanki, and Govindan, government efforts and social sustainability are the major factors that promote the integration of circular practices in Indian textiles (2025). Overall, the works by Adil et al. (2025), Tukamuhebwa and Akampurira (2025), Goet (2023), Gbamwuan Ngumini Winnie and Igyuve (2025), Zeleke and Hailemariam (2023), Thakkar and Tiwari (2019), Fitriana (2025), and Rahman and Hossain (2024) support the idea that integrated management practices, sustainability, quality,

RESEARCH GAP

Preexisting sources on risk management in the textile sector have been biased in their approach to risk by mostly developing an internal organizational viewpoint, which is based on operational effectiveness, financial risk, and resilience of the supply chain. Nonetheless, there is a dearth of empirical studies that look at the risk management practices as seen by the customer especially in as far as the textile industry in Gujarat. In addition, majority of the studies use secondary sources or responses of managers without considering the manner in which customers perceive risk mitigation in terms of quality assurance, reliability of delivery, and ethical aspects. This research fills this gap by carrying out a primary survey to examine the perception of the customers and hence providing a demand side approach to the issue of risk management effectiveness within the textile industry.

RESEARCH OBJECTIVES

- To assess whether customers in Gujarat perceive the risk management practices adopted by textile firms at a level significantly different from the average (neutral) perception benchmark.
- To examine the extent to which customers' perception of risk management practices influences customer trust and satisfaction in the textile industry of Gujarat.
- To examine whether customer perception of risk management practices in the textile industry of Gujarat differs significantly across different categories of customer relationships with textile firms.

RESEARCH METHODOLOGY

Research Design

- Descriptive and analytical research design was adopted.

Nature of Study

- Empirical study based on primary data.

Population of the Study

- Customers associated with the textile industry in Gujarat.

Sample Size

- A total of 70 respondents were selected for the study.

Sampling Technique

- Convenience sampling method was used.

Data Collection Method

- Primary data were collected using a structured questionnaire.

Measurement Scale

- Five-point Likert scale ranging from Strongly Disagree (1) to Strongly Agree (5).

Variables Studied

- Customer perception of risk management practices
- Customer trust and satisfaction
- Nature of customer relationship with textile firms

Statistical Tools Used

- One-Sample t-test
- Multiple Regression Analysis
- One-Way ANOVA
- Tukey HSD Post-hoc Test

Software Used

- Statistical analysis was performed using SPSS.

Scope of the Study

- Limited to the textile industry of Gujarat State.

Limitations

- Results are based on customer perceptions and limited sample size.

DATA ANALYSIS AND INTERPRETATION

Null Hypothesis (H_0): The mean customer perception score regarding risk management practices in the textile industry of Gujarat is not significantly different from the average perception level ($\mu = 3$).

Alternative Hypothesis (H_1): The mean customer perception score regarding risk management practices in the textile industry of Gujarat is significantly higher than the average perception level ($\mu > 3$).

One-Sample Statistics				
	N	Mean	Std. Deviation	Std. Error Mean
Risk Management Perception Index Mean	70	3.4571	1.08521	.12971

One-Sample Test						
	Test Value = 3					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Risk Management Perception Index Mean	3.524	69	.001	.45714	.1984	.7159

One-Sample t-test was used to test the hypothesis that the level of perception of risk management practises in the textile industry of Gujarat by the customers is significantly different to the average benchmark score of 3. The findings indicate that mean Risk Management Perception Index (Mean = 3.46, N = 70) is significantly greater as compared to the test value. The t-value obtained of 3.524 and the level of significance of $p = 0.001$ shows that the difference is statistically significant. In addition, the 95 percent confidence interval of the difference in means (0.20 to 0.72) is completely above the 0 that proves the consistency of positive deviation and its reliability. This leads to the rejection of the null hypothesis and the conclusion made that the customers consider the risk management practises embraced by textile companies in Gujarat as being significantly higher than the average risk level, as a general assessment of risk management practises in the textile industry.

Null Hypothesis (H_0): Customer perception of risk management practices does not have a statistically significant influence on customer trust and satisfaction in the textile industry of Gujarat.

Alternative Hypothesis (H_1): Customer perception of risk management practices has a statistically significant influence on customer trust and satisfaction in the textile industry of Gujarat.

Model Summary						
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate		
1	.644 ^a	.415	.406	.83630		
a. Predictors: (Constant), Effective risk management improves my overall satisfaction as a customer.						
ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	33.702	1	33.702	48.187	.000 ^b
	Residual	47.559	68	.699		
	Total	81.260	69			
a. Dependent Variable: Risk Management Perception Index Mean						
b. Predictors: (Constant), Effective risk management improves my overall satisfaction as a customer.						
Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.596	.286		5.575	.000
	Effective risk management improves my overall satisfaction as a customer.	.541	.078	.644	6.942	.000
a. Dependent Variable: Risk Management Perception Index Mean						

To determine the effect of the perceived risk management practises on customer trust and customer satisfaction in Gujarat textile industry, multiple regression analysis was made. According to the summary of the model, the variables have a strong positive correlation, with correlation coefficient ($R = 0.644$) and R^2 value of 0.415 and suggest that the effective risk management has delivered customer satisfaction that accounts to approximately 41.5 percent of the overall perception of the risk management practises as articulated by the customers. Results of ANOVA also support the overall model significantly because the F-value of 48.187 is significant at the 1% level ($p < 0.001$), which means that the model fits well. The analysis of the coefficient shows that customer trust and customer satisfaction are affected immensely and positively by effective risk management ($\beta = 0.644$, $t = 6.942$, $p < 0.001$). Considering that predictor variable has a strong and statistically significant effect, the null hypothesis is rejected. As such, it can be concluded that perception of customers in regard to best practises within the risk management is an important factor in promoting customer trust and satisfaction in the Gujarat textile industry.

Null Hypothesis (H_0): There is no statistically significant difference in customer perception of risk management practices across different categories of customer relationships with textile firms in Gujarat.

Alternative Hypothesis (H_1): There is a statistically significant difference in customer perception of risk management practices across different categories of customer relationships with textile firms in Gujarat.

ANOVA					
Risk Management Perception Index Mean					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	1.266	3	.422	.348	.791
Within Groups	79.995	66	1.212		
Total	81.260	69			

Multiple Comparisons						
Dependent Variable: Risk Management Perception Index Mean						
Tukey HSD						
(I) Nature of Customer Relationship with Textile Firm	(J) Nature of Customer Relationship with Textile Firm	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound
Retail Buyer	Wholesale Buyer	.31845	.32896	.768	-.5486	1.1855
	Industrial / Institutional Buyer	.17560	.32896	.951	-.6915	1.0427
	Export Buyer	-.02083	.59457	1.000	-1.5879	1.5463
Wholesale Buyer	Retail Buyer	-.31845	.32896	.768	-1.1855	.5486
	Industrial / Institutional Buyer	-.14286	.33975	.975	-1.0383	.7526

	Export Buyer	-.33929	.60060	.942	-1.9223	1.2437
Industrial Institutional Buyer	Retail Buyer	-.17560	.32896	.951	-1.0427	.6915
	Wholesale Buyer	.14286	.33975	.975	-.7526	1.0383
	Export Buyer	-.19643	.60060	.988	-1.7795	1.3866
Export Buyer	Retail Buyer	.02083	.59457	1.000	-1.5463	1.5879
	Wholesale Buyer	.33929	.60060	.942	-1.2437	1.9223
	Industrial / Institutional Buyer	.19643	.60060	.988	-1.3866	1.7795

A one-way ANOVA was to be used to establish whether customer perception of risk management practises is different with different forms of customer relationship with textile firms, that is, retail buyers, wholesale buyers, industrial/ institutional buyers, and export buyers. The results of ANOVA show that there are no statistically significant differences in means of the Risk Management Perception Index scores between these groups as the F-value (0.348) and p-value (0.791) are above the significance level (0.05). In order to further support this finding, Tukey HSD post-hoc test was used and all the pair-wise tests between the customer groups showed insignificant p-values with all confidence intervals containing zero. This is the confirmation that there is no particular customer group that varies considerably when compared to the other in terms of perception of risk management practises. In this respect, the null hypothesis is proved and a conclusion is drawn stating that the perception of risk management practises within the textile industry of Gujarat by the customers does not change in the customer relationship categories.

CONCLUSION

The current research will give empirical data of customer perception towards the practice of risk management in Gujarat textile industry and how these perceptions affect customer trust and satisfaction. The result of Objective 1 shows clearly that the risk management practices followed by textile firms are perceived by the customers much higher than the neutral point. The results of the one-sample t-test test prove that there is statistically significant positive deviation meaning that customers are generally ready to admit and value the attempts of the textile companies to handle operational, financial, and market-related risks. It is an indicator of a fairly developed risk-conscious atmosphere in the Gujarat textile industry.

Moreover, the analysis connected with the Objective 2 defines a significant positive impact on customer trust and satisfaction and makes the perceived risk management practices statistically significant. The regression outcomes indicate that effective risk management is a significant percentage contributor to the overall perception of customers, which is why it is extremely important in the creation of positive attitudes towards customers. The high explanatory power and high correlation of the model prove that the customers would correlate good risk management to reliability, stability and long term relationship value. Therefore, risk management is not just an internal control process but it is a strategic decision which makes customers have confidence in the textile industry.

Nevertheless, the results concerning Objective 3 suggest that there are no significant differences in the customer perception of risk management practices among the various categories of relationships with customers including retail, wholesale, industrial, and export buyers. This implies that there is a common understanding of the risk management standards being used in all the customer segments and as such, the industry practices and communication are consistent.

The research in general finds risk management practices are effective in increasing customer satisfaction and trust in the Gujarat textile industry, and perceptions are similar in all forms of customers, a fact that indicates standardized and widely agreed risk management models.

RECOMMENDATIONS

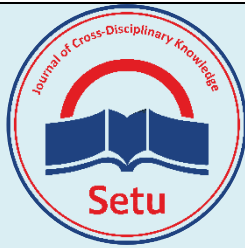
The textile companies in Gujarat are advised to keep on the process of refining and formalizing the risk managing structures and should pay more attention to open communication of the risk mitigation strategies of the company to the customers. The companies can incorporate risk management disclosure in a customer communication, branding and relationship management strategy, to further promote trust and satisfaction. It should engage in regular audits of risks, customer feedback systems, and technology-oriented risk monitoring systems to maintain efficiency. The industry associations and policymakers can also promote best-practice sharing and capacity-building programs to have a standard risk management throughout the textile value chain so that the confidence of customers and sustainability of the industry in the long term are sustained.

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Does CSR Communication Influence Purchase Intention? A Study of Consumer Responses in Urban India

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ABSTRACT

The paper focuses on how Corporate Social Responsibility (CSR) is reflected in the communication to consumers regarding purchase intention in urban India. As more consumers begin to think about ethical business operations, CSR has come to the fore as a significant strategy tool in the operation of any organization. The study is aimed at the evaluation of the level of awareness and perception of urban consumers towards CSR communication, the differences in the impact of CSR communication on consumers, as well as the correlation between the perceived credibility of CSR communication and consumer trust and attitudes to purchases. The following primary data were used to determine the needs of 70 urban consumers based on a structured questionnaire. The hypothesis testing was conducted using the statistical tools, including One-Sample t-test, One-Way ANOVA, and Pearson Correlation. The results indicate that city consumers have a very high awareness and positive attitude to CSR communication. But the educational qualification does not influence purchase intention significantly by the CSR communication, and view as credible communication is not significantly found to have a statistically significant relationship with consumer trust or purchase behaviour. The research paper has noted that there is a need to have better authentic and credible CSR communication strategies to enhance consumer trust and behavioural influence.

KEY WORDS: Corporate Social Responsibility (CSR), CSR Communication, Purchase Intention, Consumer Response, Urban India, Ethical Consumption, Brand Trust, Marketing Communication

INTRODUCTION

Corporate Social Responsibility (CSR) has in the past few years become more of a strategic marketing/communication tool that is embraced by organizations as a way of developing a positive brand image as well as ensuring a strong relationship with their consumers, as opposed to a voluntary philanthropic initiative. Consumers are becoming more and more aware of ethical practices of a given company, social programs and environmental responsibility as they base their buying decisions on their perceptions of how well a product is manufactured, its price or convenience in the marketplace. CSR communication, thus, is very important in forming the customers perception and attitude towards the brands.

When speaking about urban India, the blistering economic development, the increase in disposable income, the growth in educational levels, and the growing exposure to the digital media have had a great change in consumer awareness and expectations. The current urban

consumer is also more knowledgeable, socially aware and conscientious about subjects like sustainability, environmental conservation, employee welfare and development of the community. Due to the same, firms are proactively promoting their CSR activities via advertising, social media, corporate websites, sustainability reports, and cause based marketing campaigns to impact consumer trust and loyalty.

Good CSR communication might improve brand credibility, help to build emotional relations, and provide an impression of corporate transparency and accountability. Consumers may also have a positive impact on their purchase intention when CSR activities are perceived to be genuine and properly communicated as the brand values are correlated with their own and societal values. On the other hand, however, poorly communicated or perceived green washing programs can make people doubt and have a negative effect on consumer reactions.

Although India has a compulsory CSR system and more and more companies pay attention to social activities, the point of how the CSR message actually impacts consumer-buying decision, in particular, in urban markets, is the direction that the empirical research should explore further. Knowing how urban consumers perceive, believe, and react to CSR messages is crucial to the businesses that aim at combining the concept of social responsibility with long-term marketing. The paper seeks to investigate how CSR communication affects the purchase intention through the review of responses gathered among the consumers in the urban areas of India to help in contributing to the academic research as well as managers making decisions.

LITERATURE REVIEW

The available literature has shown repeatedly that corporate social responsibility (CSR) is a significant albeit indirect factor when it comes to influencing the purchase intentions of consumers in various markets, cultures and industries. Research like that by Jha et al. (2022) and Nguyen et al. (2025) finds that CSR has a little to no direct effect on purchase intention but rather the effect is achieved indirectly through the mediators of psychological satisfaction, price fairness, emotional engagement, and corporate image. This mediating effect can be observed especially among the Generation Z consumers as Nguyen, Tran, Le, and Pham, (2024) show that ethical and philanthropic CSR contribute a lot to brand attitude, which in turn leads to the purchase intention.

Some of the studies emphasize that brand trust and corporate image are the most prevailing mediators between CSR and consumer behaviour. The studies conducted by Ali, Zafar, and Mahmood (2023), Tran and Nguyen (2024), and Kang, Zhu, and Sun (2025) prove that CSR programs enhance trust, brand attitude, and self congruency, hence purchase intention, in particular, in socially conscious and collectivist cultures. Additionally, Zhang et al. (2023) prove the fact that consumer ethnocentrism may undermine the effectiveness of CSR, and it is vital to make sure that the cultural alignment is local.

CSR is enhanced even more when it comes to communication channels. Khan et al. (2024) and Krisch and Grabner-Krauter (2017) demonstrate that CSR communication via word of mouth

and advertisements can help improve consumer trust and purchasing intention substantially. In the meantime, Sen Gupta and Wadera (2020) and Aggarwal and Singh (2016) note that CSR fit and cause-related marketing are more effective in influencing consumer reactions in India than general CSR perceptions.

Altogether, the literature indicates that CSR is a strategic, value-creating resource (Vrchota et al., 2021) that should be successful due to autonomous execution, proper communication, cultural alignment and inter mediating consumer beliefs, and not interpretation alone.

RESEARCH GAP

In as much as previous research has investigated the relationship between CSR and consumer behaviour most research works have been carried out in the west or the developed countries and thus does not apply to the emerging economies such as India. Current studies on Indian people are usually interested in CSR awareness or corporate compliance and not in how specific CSR communication impacts purchase intention. Additionally, the urban consumers, having different consumption patterns due to digital exposure and ethical awareness have not been given much attention. Also, there is no empirical data that evaluates consumer trust, perceived authenticity, and communication channels as mediators. This paper fills these gaps through its theme of urban India and consumer based reactions to CSR communication.

RESEARCH OBJECTIVES

1. To examine whether urban consumers in India exhibit a statistically significant level of awareness and positive perception toward CSR communication by companies, as compared to a neutral benchmark level.
2. To examine whether the influence of CSR communication on consumers' purchase intention differs significantly across different educational qualification levels among urban consumers in India.
3. To examine whether perceived credibility of CSR communication is significantly associated with consumer trust and CSR-driven purchase-related attitudes among urban consumers in India.

RESEARCH METHODOLOGY

- **Research Design** The study adopts a **descriptive and analytical research design** to examine consumer responses toward CSR communication.
- **Nature of Data** The research is based on **primary data**, collected directly from respondents.
- **Study Area** The study is confined to **urban areas of India**, focusing on urban consumers.
- **Sample Size** A total of **70 respondents** were selected for the study.
- **Sampling Technique** **Convenience sampling method** was used to collect data from urban consumers.

- **Data Collection Tool** A structured questionnaire with Likert t-scale statements was used to measure perception, awareness, and purchase intention related to CSR communication.
- **Variables of the Study**
 - Independent Variable: CSR Communication
 - Dependent Variable: Purchase Intention
 - Mediating/Associated Factors: Awareness, Perception, Credibility, Trust
- **Statistical Tools Used**
 - One-Sample t-test
 - One-Way ANOVA
 - Pearson Correlation Analysis
- **Software Used** Data were analyzed using **SPSS** for accuracy and reliability.
- **Period of Study** The study was conducted during a **single time period**, making it a cross-sectional study.

DATA ANALYSIS AND INTERPRETATION

Null Hypothesis (H₀): The mean awareness and perception score of CSR communication among urban consumers in India is not significantly different from the neutral level ($\mu = 3$).

Alternative Hypothesis (H₁): The mean awareness and perception score of CSR communication among urban consumers in India is significantly higher than the neutral level ($\mu > 3$).

One-Sample Statistics				
	N	Mean	Std. Deviation	Std. Error Mean
Mean Perception Score	70	3.9886	.59064	.07059

One-Sample Test						
	Test Value = 3					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Mean Perception Score	14.003	69	.000	.98857	.8477	1.1294

One-Sample t-test was done to test whether urban consumers in India showed a high degree of awareness and perception of CSR communication with the neutral test value of 3. Findings indicate that the mean score of perception (Mean = 3.99, N = 70) is significantly larger compared to the test value with a t-value of 14.003 and a significant value of $p < 0.001$. This shows that the difference observed is not due to random variation but it is significant. More so, the 95% confidence interval of the mean difference (0.85 to 1.13) is wholly above the zero which supports the power and stability of the favourable perception. Thus, the null hypothesis is dismissed, and it can be concluded that urban consumers in India have a rather high degree of awareness and positive attitude toward CSR communication, which demonstrates the efficiency of the CSR messages in influencing consumer-based responses.

Null Hypothesis (H₀): There is no significant difference in the influence of CSR communication on consumers' purchase intention across different educational qualification levels among urban consumers in India.

Alternative Hypothesis (H₁): There is a significant difference in the influence of CSR communication on consumers' purchase intention across different educational qualification levels among urban consumers in India.

ANOVA						
		Sum of Squares	df	Mean Square	F	Sig.
CSR communication improves my overall perception of a brand.	Between Groups	3.240	3	1.080	.921	.436
	Within Groups	77.403	66	1.173		
	Total	80.643	69			
CSR communication plays an important role in my final purchase decision.	Between Groups	1.783	3	.594	.388	.762
	Within Groups	101.088	66	1.532		
	Total	102.871	69			

In order to examine the impact of educational qualification on the effect of CSR communication on the consumer purchase intention, the one-way ANOVA was used in two important statements about brand perception and final purchase decision. The results indicate that for the statement "CSR communication improves my overall perception of a brand," the F-value (F = 0.921) is statistically insignificant at the 5% level (p = 0.436). Similarly, for the statement "CSR communication plays an important role in my final purchase decision," the obtained F-value (F = 0.388) with a significance value of p = 0.762 also indicates no statistically significant difference across educational qualification groups. The null hypothesis is accepted since the p-value of the two variables exceeds 0.05. This implies that CSR communication has a similar effect on the purchase intention and brand perception irrespective of the level of education and thus it can be inferred that the CSR message has a similar appeal across the various levels of education in urban India.

Null Hypothesis (H₀): There is no statistically significant relationship between the perceived credibility of CSR communication and consumer trust and CSR-related purchase attitudes toward brands in urban India.

Alternative Hypothesis (H₁): There is a statistically significant relationship between the perceived credibility of CSR communication and consumer trust and CSR-related purchase attitudes toward brands in urban India.

Correlations				
	I prefer purchasing products from brands	CSR communication positively influences my	I am willing to switch brands if another	CSR communication plays an important role

		that actively communicate CSR efforts.	purchase intention.	brand communicates stronger CSR initiatives.	in my final purchase decision.
I prefer purchasing products from brands that actively communicate CSR efforts.	Pearson Correlation	1	-.014	-.030	.050
	Sig. (2-tailed)		.908	.805	.681
	N	70	70	70	70
CSR communication positively influences my purchase intention.	Pearson Correlation	-.014	1	.215	-.142
	Sig. (2-tailed)	.908		.075	.242
	N	70	70	70	70
I am willing to switch brands if another brand communicates stronger CSR initiatives.	Pearson Correlation	-.030	.215	1	-.078
	Sig. (2-tailed)	.805	.075		.523
	N	70	70	70	70
CSR communication plays an important role in my final purchase decision.	Pearson Correlation	.050	-.142	-.078	1
	Sig. (2-tailed)	.681	.242	.523	
	N	70	70	70	70

The Pearson correlation was done as a test to show the correlation between the perceived credibility of CSR communication and the attitude of consumer with regard to trust in purchase among the urban consumers in India. The findings underscore that all the correlation coefficients among CSR communication credibility variables and purchase related trust variables are not statistically significant at the 5% level. Precisely, brand preference to buy brands that actively communicate CSR yields an insignificant and low correlation with CSR-based purchase intention ($r = -0.014$, $p = 0.908$), intention to change brand to purchase more powerful CSR ($r = -0.030$, $p = 0.805$) and influence of CSR in final purchase decision ($r = 0.050$, $p = 0.681$). On the same note, the correlation between CSR communication, which has a positive impact on purchase intention and willingness to change brand is only weakly

correlated and statistically insignificant ($r = 0.215$, $p = 0.075$). The null hypothesis is accepted as all the p-values are greater than 0.05. These results indicate the possibility of a discrepancy between CSR communication and profound consumer trust formation in urban India as these findings imply that even though consumers might recognize CSR communication, the perceived credibility fails to produce a statistically significant degree of trust-based behavioral relationship.

CONCLUSION

The current paper explored the awareness, perception, and behavioral attitudes of urban consumers on the issue of CSR communication by companies in India, through the right statistical methods. The results of Objective 1 are clear and evident that urban consumers are characterized by the considerably high degree of awareness and positive attitude to CSR communication. The outcomes of the One-Sample t-test show that the mean score of the perception is significantly greater than the neutral level, which means that the urban consumers notice and assess the CSR messages successfully. This is an indication that CSR communication has been affixed to the corporate image development and consumer awareness in urban India.

Nonetheless, the findings in terms of Objective 2 show that educational qualification does not have a significant impact on the effects of CSR communication on the purchase intention or brand perception of consumers. The results of the ANOVA test indicate that there were no statistically significant differences between educational groups, which means that CSR messages are as appealing regardless of the level of education. This depicts the broad use and overall acceptance of the communication of CSR among the consumers in the urban areas, which cut across the educational lines.

In addition, the analysis in the framework of Objective 3 also brings out a certain crucial point: perceived credibility of CSR communication does not demonstrate statistically significant correlation with consumer trust or with the attitude towards CSR-based purchase. Despite considering the CSR communication, consumers do not necessarily convey the recognition to the trustful behavioral changes, including switching brands or making purchase decisions. This shows that there exists a perception difference between CSR awareness and its more profound effect on consumer trust and action.

In general, the study finds that although CSR communication in urban India is successful in creating awareness and positive perceptions, it has a low level of building trust based on credibility, and negative impact on the purchase behaviour. This highlights the importance of businesses shifting away from more of a symbolic CSR communication to more genuine and open interactions.

RECOMMENDATIONS

Business organizations are encouraged to concentrate on improving the credibility and authenticity of CSR reporting through presentation of clear and evidence-oriented

information instead of advertisement statements. Consumer trust can be enhanced by integrating the CSR initiatives and measurable social impact reporting. Storytelling and stakeholder engagement approach should also be implemented by the firms in order to make CSR activities more relatable and believable. Credibility may be further strengthened through regular third party audits and certifications. Lastly, communication of CSR must remain in line with the core brand values and long term investment into social responsibility as opposed to being a panacea to a short term marketing strategy.

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“Brand Loyal or Budget Royal?” - A Primary Study on Whether Indian Consumers Truly Love Brands or Just Hate Paying More

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ABSTRACT

The current research project is titled Brand Loyal or Budget Royal? which is the exploration of the question whether Indian customers show real brand loyalty or are the price sensitive consumers. Consumers in a marketplace that is becoming more and more competitive and more open in terms of prices are exposed to many branded and low-end products. The study examines the comparative effect of brand loyalty and price consciousness on the buying behaviour of participants using a primary survey of 70 participants. One-Sample t-tests show that Indian consumers exhibit the statistically significant degree of brand loyalty (Mean = 3.7143) and price sensitivity (Mean = 3.6829). Nevertheless, the results of One-Way ANOVA show that there are no significant differences between the monthly income groups. The results imply that the Indian consumers strike a balance between feelings to brands and price judgment. The research makes important inferences that marketers can use the strategies that combine emotional branding and competitive pricing to maintain long-term relationships with the consumers in the Indian market.

KEY WORDS: Brand Loyalty, Price Sensitivity, Consumer Behaviour, Budget Orientation, Indian Consumers, Purchase Decision, Income Groups, Primary Survey, Brand Attachment, Value Perception

INTRODUCTION

The contemporary marketplace is highly competitive, and its prices are transparent, which exposes the Indian consumers to an unprecedented variety of branded and low cost alternatives in the product categories. Conventional wisdom of a strong emotional bond on consumers to brands is becoming doubtful in the age of regular discounts, own label, online price checking, and increasing inflationary pressures. This evolving environment poses an important question, do Indian consumers really stick to brands or are they mere practical consumers who want best value of money? The given research is called Brand Loyal or Budget Royal and aims to investigate this issue by conducting a primary research on the topic of Indian consumer behaviour.

Brand loyalty has been viewed as a key asset of a firm as it lowers marketing expenditures, improved the repurchase rates and customer relationship are established in the long term. Nevertheless, the increased popularity of price-based advertising, online stores and low-end brands has changed the pattern of purchases. Consumers in India are very sensitive to price, are highly aware and make rational decisions where they can switch brands where the price is

favorable and the brand value is perceived to be less. This change of behaviour is especially noticeable in the fast-moving consumer goods, attire, electronics and daily-use products.

Besides, socio-economic heterogeneity, income differences, and changing lifestyle ambitions drive the consumer choices in India even more. Whereas consumers identify with brand quality, trust, and social status, others without that attribute prefer perceiving it in terms of affordability, utility, and getting instant savings. The Indian market is a unique complex phenomenon worthy of empirical exploration because of this duality.

It is against this background that the current study tries to explore whether emotional attachment and trust is the determinant of brand loyalty of Indian consumers or it is dominated by cost considerations and price sensitivity. Through a primary survey analysis, the research tries to comprehend the relative significance of brand image as compared to price sensitivity in formulating purchase-decisions. This research study is likely to have a rich contribution to the marketer, brand manager, and policymaker in the design of pricing strategy, positioning as well as consumer-focused marketing strategies within the Indian setting.

LITERATURE REVIEW

The body of knowledge on consumerbrand relations has gone beyond the conceptualization of traditional models of satisfaction-loyalty, to emotionally expressive models, which include brand love, brand hate, engagement, and technological intervention. Deari, Ferati and Saliu (2016) provide a empirical groundwork by establishing a positive strong connection between consumer satisfaction and brand loyalty of a global brand in Macedonia and that the drivers of brand loyalty include quality, image and reliability in a developing economy. To further advance their argument past satisfaction, Batra, Ahuvia, and Bagozzi (2012) identify brand love as an evaluative emotional connection, dynamic and influenced by self-brand integration together with long term commitment, and not blind attachment.

Emotional branding becomes especially important in the emerging markets. Indeed, Kang (2015) and Kostritsa et al. (2020) affirm that Indian consumers are nurturing a high-level brand love towards smartphones and luxury brands, respectively, and are consequently loyal, eager to give excellent word of mouth and willing to pay a premium price. Nevertheless, Robertson et al. (2022) warn that brand love and loyalty are different constructs since high love may not be utilized into recurring purchase behavior. Zhou et al. (2020) emphasize the strength of the brand love during periods of constraints, demonstrating that emotional attachment will decrease brand switching even in the period of financial stress.

The digital revolution increases the level of emotional involvement. Sharma and Jha (2025) illustrate that emotional ties and loyalty are strengthened with the help of AI-driven personalization among Indian millennials, whereas the study by the unnamed [Author(s), 2025] demonstrates that emotional brand love is a key driver of content creation and advocacy in the social media ecosystem. Meanwhile, negative emotions are also dangerous. Bairagi and Singh (2021) and Patel and Jain (2021) affirm that brand hate, which is different

to dissatisfaction, contributes to avoidance and subsequent rejection of the brand in the long term in India.

Brand emotions are also complicated by boycotts and ethical situations. Nurkhalisa and Daulay (2025) and Diyani and others (2026) show that avoidance behavior is influenced more by negative word of the mouth, with religiosity and moral values, rather than just emotional hostility. Kaur et al. (2021) associate environmental responsibility with brand love and hate, whereas Kashif et al. (2021) and Aro and Suomi (2024) demonstrate the existence of brand love and hate at the same time, which is caused by identity, values, and social expression. Put together, these studies emphasize that contemporary brand relationships are more emotionally charged, culturally endowed and are more digital and ethically charged.

RESEARCH GAP

Existing literature on consumer behaviour largely examines brand loyalty and price sensitivity as separate constructs, with limited studies integrating both dimensions in a single empirical framework, particularly in the Indian context. Moreover, many studies rely on secondary data or focus on specific product categories, overlooking consumers' overall purchasing mindset across brands and budgets. There is a noticeable gap in primary, perception-based studies that directly question whether Indian consumers' loyalty is genuine or merely conditional on price advantages. This study addresses this gap by empirically examining the interplay between brand attachment and budget consciousness among Indian consumers through a structured primary survey.

RESEARCH OBJECTIVES

- To examine whether Indian consumers exhibit a significant level of brand loyalty in their purchasing decisions.
- To examine whether price sensitivity significantly influences Indian consumers' brand choice decisions.
- To examine whether brand loyalty and price sensitivity differ significantly across different monthly income groups.

RESEARCH METHODOLOGY

- **Research Design:** Descriptive and analytical research design was adopted.
- **Nature of Study:** Primary empirical study based on perception analysis.
- **Data Source:** Primary data collected through a structured questionnaire.
- **Sampling Method:** Convenience sampling technique.
- **Sample Size:** 70 respondents (Indian consumers).
- **Measurement Scale:** 5-point Likert Scale (1 = Strongly Disagree to 5 = Strongly Agree).
- **Studied Variables:**
 - Brand Loyalty Index
 - Price Sensitivity Index
 - Monthly Income (Demographic Variable)

- **Statistical Tools Used:**
 - Descriptive Statistics (Mean, Standard Deviation)
 - One-Sample T-test
 - One-Way ANOVA
- **Software Used:** SPSS (Statistical Package for Social Sciences).
- **Level of Significance:** 5% (0.05 significance level).

DATA ANALYSIS AND INTERPRETATION

H₀ (Null Hypothesis): The mean brand loyalty score of Indian consumers is equal to the neutral level ($\mu = 3$), indicating no significant brand loyalty.

H₁ (Alternative Hypothesis): The mean brand loyalty score of Indian consumers is significantly higher than the neutral level ($\mu > 3$), indicating significant brand loyalty.

One-Sample Statistics				
	N	Mean	Std. Deviation	Std. Error Mean
Brand Loyalty Index Mean	70	3.7143	.61131	.07307

One-Sample Test						
	Test Value = 3					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Brand Loyalty Index Mean	9.776	69	.000	.71429	.5685	.8600

One-Sample t-test was performed to find out whether Indian consumers have a high brand loyalty when compared to the neutral benchmark value of 3. The findings reflect that the average Brand Loyalty Index score will be 3.7143 with a standard deviation of 0.61131. The t-value of 9.776 calculated with 69 degrees of freedom is statistically significant at 5% level ($p = 0.000$). The p-value (0.04) is lower than 0.05, therefore, the null hypothesis is rejected. The overall average difference of 0.71429 and the 95 percent confidence interval (0.5685 -0.8600) also prove the fact that the average brand loyalty score is very high as compared to the neutral value. Hence, it can be inferred that there is statistically significant and positive brand loyalty among Indian consumers in their buying decisions.

H₀ (Null Hypothesis): The mean price sensitivity score of Indian consumers is equal to the neutral level ($\mu = 3$), indicating that price does not significantly influence brand choice.

H₁ (Alternative Hypothesis): The mean price sensitivity score of Indian consumers is significantly higher than the neutral level ($\mu > 3$), indicating that price significantly influences brand choice.

One-Sample Statistics				
	N	Mean	Std. Deviation	Std. Error Mean
Price Sensitivity Index Mean	70	3.6829	.46500	.05558

One-Sample Test							
Test Value = 3							
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference		
					Lower	Upper	
Price Sensitivity Index Mean	12.286	69	.000	.68286	.5720	.7937	

One-Sample t-test was used to identify whether price sensitivity plays a significant role in brand choice of the consumers or not versus the neutral benchmark value of 3. The findings indicate that the standard deviation of 3.6829 is the average Price Sensitivity Index score having a standard deviation of 0.46500. The t-value of 12.286 divided by 69 degrees of freedom is below the level of significance at 5 percent ($p = 0.000$). As the p-value value is less than 0.05, the null hypothesis is rejected. The average deviation of 0.68286 and 95 percent confidence interval (-0.5720 to -0.7937) of difference prove that the average score is far much higher than the mark of neutrality. Thus, one may conclude that the price sensitivity and budget concerns affect the choice of a brand of Indian customers statistically significantly and positively.

H₀ (Null Hypothesis): There is no significant difference in brand loyalty and price sensitivity across different monthly income groups.

H₁ (Alternative Hypothesis): There is a significant difference in brand loyalty and price sensitivity across different monthly income groups.

ANOVA						
		Sum of Squares	df	Mean Square	F	Sig.
Brand Loyalty Index Mean	Between Groups	.359	3	.120	.311	.818
	Within Groups	25.427	66	.385		
	Total	25.786	69			
Price Sensitivity Index Mean	Between Groups	1.023	3	.341	1.619	.193
	Within Groups	13.897	66	.211		
	Total	14.919	69			

One-Way ANOVA was used to test the relationship between brand loyalty and price sensitivity and different monthly income groups to determine whether they differ significantly. In the case of Brand Loyalty, F-value is equal to 0.311, which has a significant value of 0.818, which is not smaller than 0.05. Likewise, in case of Price Sensitivity F-value stands at 1.619 and the significance at 0.193, which is also more than 0.05. The null hypothesis is accepted since the p-values of the two variables are greater than the level of significance of 5%. This shows that there is no significant difference in brand loyalty and price sensitivity between the various

income groups that are found to be statistically significant. Thus, monthly income is not a strong factor that affects brand loyalty and budget orientation in determining consumer purchase behaviour.

CONCLUSION

The present study aimed to examine the level of brand loyalty among Indian consumers, the influence of price sensitivity on brand choice, and whether these factors differ across monthly income groups. The findings provide meaningful insights into contemporary consumer purchase behaviour in India.

The results of the One-Sample t-test for **Brand Loyalty** clearly indicate that Indian consumers exhibit a statistically significant and positive level of brand loyalty. The mean score (3.7143) is significantly higher than the neutral benchmark value of 3, and the p-value (0.000) confirms the rejection of the null hypothesis. This demonstrates that Indian consumers tend to prefer specific brands and remain committed to them in their purchasing decisions. Brand attachment, trust, and perceived value likely contribute to this loyalty behaviour.

Similarly, the analysis of **Price Sensitivity** reveals that price plays a statistically significant role in influencing consumers' brand choices. The mean score (3.6829) is significantly above the neutral value, and the p-value (0.000) confirms that consumers are sensitive to pricing and budget considerations while making purchase decisions. This suggests that even brand-loyal customers evaluate price before finalizing their buying decisions, indicating a balanced approach between emotional loyalty and rational evaluation.

However, the One-Way ANOVA results show that neither brand loyalty nor price sensitivity differs significantly across various monthly income groups. The p-values for both variables (0.818 and 0.193 respectively) are greater than 0.05, leading to acceptance of the null hypothesis. This implies that income level does not substantially influence consumers' loyalty behaviour or price sensitivity patterns.

Overall, the study concludes that Indian consumers demonstrate both strong brand loyalty and notable price consciousness, but these behaviours are relatively consistent across income categories.

RECOMMENDATIONS

Companies should focus on strengthening brand relationships through consistent quality, emotional branding, and customer engagement strategies. At the same time, competitive pricing and value-based offerings should be maintained, as consumers remain price sensitive. Promotional strategies such as discounts, loyalty programs, and bundled offers can effectively attract and retain customers. Since income level does not significantly alter loyalty or price sensitivity, marketers can adopt broadly targeted strategies rather than strictly income-segmented approaches. Brands should aim to balance emotional connection with rational value propositions to sustain long-term consumer loyalty in the competitive Indian market.

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Play First, Buy Later: Are Sports Brands Turning Customers into Gamers to Build Brand Equity?

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ABSTRACT

This paper explores the argument of whether gamification measures embraced by the sports brands have a substantial impact on customer interaction, brand equity perception, and intention to purchase. As more and more game based features like rewards, challenges and interactive digital experiences are integrated into marketing strategies, sports brands are striving to make passive consumers active participants. It is based on primary data, which has been compiled with 70 respondents, and relies on the measurement techniques such as Pearson correlation, simple linear regression, and one-way ANOVA. The results indicate low and non-significant variations between gamification and customer engagement. Moreover, the regression analysis shows that gamified brand experiences can only explain 1.6% of the difference in the brand equity perception, and do not significantly predict brand equity. Also, there is no significant difference between purchase intention based on gamification with the income groups. Altogether, the research findings can be summed up in the statement that the existing gamification policies of sports brands are not so effective regarding the reinforcement of engagement, brand equity, and purchasing intention.

KEY WORDS: Gamification, Sports Brands, Brand Equity, Consumer Engagement, Digital Marketing, Interactive Experiences, Purchase Intention

INTRODUCTION

With the current competitive landscape in the sports and lifestyle industry, brands are no longer just relying on conventional methods of advertising to capture the interest of the consumers in a more active and engaging manner. Another new marketing technique is gamification, which introduces the components of game design, i.e., points, challenges, rewards, and virtual competitions, into marketing efforts. The Play First, Buy Later idea demonstrates a current trend where athletic brands are providing consumers with a chance to engage with the brand via games, applications, fantasy league, fitness challenges, and virtual experiences before deciding on a purchase. This change puts the emphasis on the fact that consumers are not the passive receivers of the brand messages anymore but the active participants in brand experiences.

Sports brands work in an area that inherently involves play, competition, and success, and gamification is one of the potent tools to attract the audience, and develop an emotional bond. Brands require the ultimate customization of customers into the gamers to increase engagement and build loyalty, as well as enhance brand equity. Mobile applications, augmented reality games, online challenges, and reward based fitness programs enable the

consumer to identify fun, achievement and social recognition with the brand. The experiences attained tend to create a feeling of belonging and long term attachment that goes beyond the functional product characteristics such as price or quality.

In addition, younger, digitally savvy consumers have increased the speed of the uptake of gamified marketing practices. The consumers cherish experiences, customization, and interactivity, and are more prone to react well to punitive brand engagements. Consequently, the sports brands are strategically investing on game-like experiences in order to direct consumer attitudes, brand recollection, and purchase behaviors. Knowing whether and how these gamified strategies actually help in building brand equity is of paramount importance to marketers. This research paper attempts to discuss how gamification is being used to turn customers into active participants, and how gamification can be used to develop a strong and a sustainable brand equity of sports brand.

LITERATURE REVIEW

In various sectors, geographies, and paradigms of operation, past studies have continuously confirmed that brand equity is one of the key processes via which companies have managed to create and maintain brand loyalty. Prior cross-national studies by Ko et al. (2009) within the benefits of sports footwear industry and market prove brand equity as a cross-country, cross-lifestyle, and cross-cultural universal loyalty predictor, in addition to revealing that predictors of brand equity differ by country, lifestyle, and cultural setting. This reasoning is also applied in subsequent work on service and community-based environments. Taghipourian and Noormohammadan (2017) and Coudounaris et al. (2024) affirms that perceived quality, trust, commitment, and emotional attachment have a more significant effect than brand uniqueness in enhancing brand resonance and brand overall equity.

Simultaneously, Godey et al. (2016), Robul et al. (2019), and Ziaei Qochan Atigh et al. (2022) also indicate that brand awareness, brand identity, and loyalty are greatly promoted by relational value creation, which occurs through the growing power of social media and online interaction and participation. Brand equity is also supported by event-based and experience strategies as shown by Zhang (2024) in sports event marketing and by Keshkar (2025) in international sports retail settings.

The focus on integrative and contemporary views also takes precedence in the recent studies. Diniso and Duh (2025) and Gautam et al. (2023) unveil that the connection between the dimensions of brand equity and loyalty is mediated by satisfaction, lifestyle congruence, and emotional bonds. Such a study as sustainable research conducted by Ramanda (2025) addresses the increased significance of green practices and attachment in brand equity. On the inside, Chatzipanagiotou et al. (2026) put forward the brand equity discussion, with employees as tactical brand resources. Together these studies highlight the point that brand equity is a context-sensitive, multidimensional, relational concept, which must be approached through combined external, internal, and digital strategies in order to attain a lasting brand loyalty.

RESEARCH GAP

Even though the digital marketing and consumer interaction have been addressed in context of sports industry, there is scant empirical evidence in the gamification as a strategic tool in building brand equity. Most of the past studies concentrate on short term outcomes such as user interaction or intention to purchase without considering long term brand value generation. Furthermore, there are no region and consumer oriented, primary and in-depth studies, that explore the mediating effects of game based interaction on brand association and brand loyalty as well as, perceived value. The paper addresses this gap by looking at the relationship between gamified brand experiences and brand equity as perceived by the consumer.

RESEARCH OBJECTIVES

- To examine the relationship between gamification strategies of sports brands and customer engagement.
- To examine the effect of gamified brand experiences on consumers' perception of brand equity of sports brands.
- To examine whether consumers' purchase intention towards sports brands, influenced by gamification-based customer engagement, differs across income groups.

RESEARCH METHODOLOGY

- **Research Design:** Descriptive and analytical research design was adopted.
- **Nature of Study:** Quantitative research based on primary data.
- **Data Collection Method:** Structured questionnaire using 5-point Likert Scale.
- **Sample Size:** 70 respondents.
- **Sampling Technique:** Convenience sampling method.
- **Studied Variables:**
 - **Independent Variable:** Gamification Strategies
 - **Dependent Variables:** Customer Engagement, Brand Equity Perception, Purchase Intention
 - **Moderating Variable:** Income Group
- **Statistical Tools Used:**
 - Pearson Correlation Analysis
 - Simple Linear Regression
 - One-Way ANOVA
- **Software Used:** Statistical analysis conducted using SPSS.
- **Level of Significance:** 5% (0.05 level).

DATA ANALYSIS AND INTERPRETATION

H₀ (Null Hypothesis): There is no significant relationship between gamification strategies adopted by sports brands and customer engagement.

H₁ (Alternative Hypothesis): There is a significant relationship between gamification strategies adopted by sports brands and customer engagement.

Correlations					
		I frequently interact with sports brands through games, challenges, or reward-based activities.	Gamified features of sports brands make the brand more interesting to me.	Playing games or challenges offered by sports brands increases my engagement with the brand.	Gamification helps me spend more time interacting with sports brands online.
I frequently interact with sports brands through games, challenges, or reward-based activities.	Pearson Correlation	1	.144	.068	-.033
	Sig. (2-tailed)		.233	.575	.784
	N	70	70	70	70
Gamified features of sports brands make the brand more interesting to me.	Pearson Correlation	.144	1	.031	.040
	Sig. (2-tailed)	.233		.796	.742
	N	70	70	70	70
Playing games or challenges offered by sports brands increases my engagement with the brand.	Pearson Correlation	.068	.031	1	.184
	Sig. (2-tailed)	.575	.796		.128
	N	70	70	70	70
Gamification helps me spend more time interacting with sports brands online.	Pearson Correlation	-.033	.040	.184	1
	Sig. (2-tailed)	.784	.742	.128	
	N	70	70	70	70

The Pearson correlation test was done to test gamification strategies of sports brands and customer engagement in relation to the customer engagement of 70 respondents. The findings show that the correlation coefficients among all the variables that are related to gamification are weak and statistically non-significant. The relationship between perceived

brand interest gained with frequent interaction through games ($r = 0.144$, $p = 0.233$), engagement through games ($r = 0.068$, $p = 0.575$), and time spent online ($r = -0.033$, $p = 0.784$) were not significant. On the same note, the perceived brand interest showed insignificant relationships with engagement by games ($r = 0.031$, $p = 0.796$) and duration of online activity ($r = 0.040$, $p = 0.742$). Even though there was observed a slight positive relationship between interaction in the form of games and time spent online ($r = 0.184$), it was also not statistically significant ($p = 0.128$). On the whole, the results indicate that the customer engagement of gamification strategies is not significantly affected, and this is why the null hypothesis is accepted, and the alternative hypothesis is rejected.

H_0 (Null Hypothesis): Gamified brand experiences do not have a statistically significant effect on consumers' perception of brand equity of sports brands.

H_1 (Alternative Hypothesis): Gamified brand experiences have a statistically significant effect on consumers' perception of brand equity of sports brands.

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.125 ^a	.016	.001	.49653
a. Predictors: (Constant), Gamification Score Mean				

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	.266	1	.266	1.078	.303 ^b
	Residual	16.765	68	.247		
	Total	17.031	69			
a. Dependent Variable: Brand Equity Score Mean						
b. Predictors: (Constant), Gamification Score Mean						

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	4.046	.309		13.096	.000
	Gamification Score Mean	-.087	.084	-.125	-1.038	.303
a. Dependent Variable: Brand Equity Score Mean						

To determine the impact of gamified brand experiences on the perception of brand equity among consumers, a simple linear regression analysis was carried out to test the effect among 70 respondents. The model indicates that the explanatory power of the model is very low since the R^2 value is 0.016 which means that gamification can only explain 1.6 percent of the change in brand equity perception. The results of the ANOVA indicate that the total regression model is insignificant ($F = 1.078$, $p = 0.303$), which means that brand equity is not significantly predictable by gamification. Moreover, the regression coefficient of gamification score mean is

negative and statistically insignificant ($\beta = -0.125$, $t = -1.038$, $p = 0.303$), which means that gamified brand experiences do not have a significant impact on perception of brand equity of sports brands. Thus, the null hypothesis is accepted and the alternative hypothesis is rejected. H_0 (Null Hypothesis): There is no significant difference in consumers' purchase intention towards sports brands, generated through gamification-based customer engagement, across different income groups.

H_1 (Alternative Hypothesis): There is a significant difference in consumers' purchase intention towards sports brands, generated through gamification-based customer engagement, across different income groups.

ANOVA		Sum of Squares	df	Mean Square	F	Sig.
Playing brand-based games motivates me to consider purchasing sports brand products.	Between Groups	4.437	3	1.479	1.739	.168
	Within Groups	56.135	66	.851		
	Total	60.571	69			
I am more likely to buy from sports brands that engage me through games or challenges.	Between Groups	2.746	3	.915	.874	.459
	Within Groups	69.097	66	1.047		
	Total	71.843	69			

It utilised one-way ANOVA to test the hypothesis that gamification-based engagement can result in a difference in purchase intention of consumers towards sports brands depending on income group. For the statement "Playing brand-based games motivates me to consider purchasing sports brand products," the results reveal no statistically significant difference among income groups ($F = 1.739$, $p = 0.168$). Similarly, for the statement "I am more likely to buy from sports brands that engage me through games or challenges," the ANOVA results also indicate an insignificant difference across income levels ($F = 0.874$, $p = 0.459$). As the significance value of both statements are more than the 0.05 mark, it becomes clear that income is not a contributing factor in the distinction of income-generating purchase intention by gamification in consumers. Thus, there is acceptance of the null hypothesis and rejection of the alternative hypothesis.

CONCLUSION

The current work covered the correlation between the gamification strategies embraced by sports brands and different aspects of customer engagement, brand equity perception, and purchase intention between income groups. The results always show that gamification strategies did not reflect statistically significant effects on the observed variables.

The Pearson correlation analysis showed that the interaction through games, perceived brand interest, engagement levels and hours spent online showed weak and non-significant

relations. Though there were few positive associations with some of them, which were not statistically significant. This would imply that games, challenges, and reward-based features, which are being gamified, are not particularly affecting customer engagement among the respondents.

In addition, the regression model that gauged the effects of gamified brand experiences on brand equity perception revealed that the explanatory power was very low ($R^2 = 0.016$). The regression line was not statistically significant, and thus, the gamification line predicts only a small percentage of change in the perception of the brand equity by consumers. Also, the negative and unimportant regression coefficient validates that the gamified experiences do not significantly contribute to the brand equity perceptions.

Besides, the outcomes of the one-way ANOVA indicated that the purchase intention based on gamification is not significantly different among income groups. The degree of income does not seem to moderate the interaction between gamification-based engagement and buying intention.

On the whole, the paper finds that gamification strategy used by sports brands in their current forms have no significant effects on customer engagement, brand equity perception, and purchase intention. Thus, the null hypotheses are accepted in all objectives, which means low efficiency of gamification in the given context.

RECOMMENDATIONS

Gamification strategies implemented by sports brands need to be redesigned so that they can be more personalized, engaging, and value-based. The brands might not simply rely on simple games that are reward based but can include interactive digital experiences, augmented reality features, and social competition aspects to improve engagement. Emotional bond and storytelling ought to be included in order to enhance brand equity. Brands also need to carry out more extensive market segmentation to know the type of motivation of customers other than income. Gamified features can be refined with the help of continuous feedback systems and data analytics. Lastly, gamification can be combined with loyalty programs and influencer marketing that can result in a more effective level of engagement and purchase intention in the consumer population.

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