

# An Empirical Study: The Variables Influencing to Loyalty Reward Points of Customer of State Bank Of India

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## ABSTRACT

*State Bank Rewards is the Enterprise-wide Loyalty Program for State Bank customers that award them with Reward Points for various transactions across many banking services. Use your accumulated Reward Points to pay for a wide range of redemption options such as movie tickets, mobile/DTH recharge, air tickets, apparel, electronics, home appliances, SBI gift card and more. State Bank Rewards is State Bank Group's Loyalty Program for its valued customers. These initiatives would help customers several opportunities to earn Reward Points and earn many times faster at Max Get More partner outlets. These Reward Points can be redeemed for full or partial payments to get products & services online as well as from Max Get More partner outlets. The study is based on the formulation of the following hypotheses: **H<sub>0</sub>**: Mean number of loyalty reward points of different occupation of SBI customer is same. We study the comparison of loyalty reward points of SBI customers using ANOVA. As per the study, we should use digital services and it is the vision of PM Shree Narendrabhai Modi's Digital India.*

**Key Words:** loyalty reward points.

## INTRODUCTION

G.S. Sureshchandar (2002) has studied the relationship between service quality and customer satisfaction – a factor specific approach. They view customer satisfaction as a multi dimensional construct. Service quality and customer satisfaction are inarguably the two core concepts that are at the crux of the marketing theory and practice (Spreng and Mackoy, 1996). Sergio Zani, Lara Berzieri (2008) has studied the measuring customer satisfaction using ordinal variables: an application in a survey on a contact center. In today's world of intense competition, the key to sustainable competitive advantage lies in delivering high quality service that will in turn result in satisfied customers (Shemwell et al., 1998). The overall satisfaction may be measured by a single direct question or by several manifest variables relating to the different domains of satisfaction (Montinaro and Chirico, 2006). This paper deals with the problem of measuring the perception of public service quality of SBI.

## OBJECTIVES OF THE STUDY

The main objectives of the present study are as follows:

1. To develop a profile of SBI Customers of Gujarat
2. To do detailed frequency analyses of Customers
3. To do comparison among five job category of customer's

## METHOD OF DATA COLLECTION:

The study depends on primary data. Questionnaires have been used to collect the needed particulars. Questions related to the objectives have been framed after consulting experts. Based on the information gathered through a pilot study, the structure of the questionnaire has been restructured.

## Selection of Sample Customers for Opinion Survey:

This study has attempted to elicit the effect of demographic variables on SBI Customers of the Gujarat. We collected primary data from the customer's living in Gujarat during the period Dec 1, 2016 to Jan 31, 2017 through a Structured Questionnaire. At random, a nominal number of 100 customers were identified though it forms an inadequate sample size. Finally their socio economic profiles were examined besides eliciting and analyzing their opinions on the SBI. Out of the 130 respondents selected, 10 respondents did not respond and the balances of 120 were included in the study. Out of the 120 respondents selected 52 were females and 68 males. They represent different socio-economic backgrounds. All the respondents selected under convenient sampling method were interviewed with a simple questionnaire during the period from Dec 1, 2016 to Jan 31, 2017.

Occupation is the main source of income and it is also a major factor that Influences the type of transaction Method selected by SBI Customer. In order to study occupation impact on the reward points of SBI

Customer's. It is classified as government or public sector, private sector, business and Housewife or retired. The frequency distribution for above classification is presented in the table 1.

**Table-1: Occupation**

Occupation	Frequency	Percent
Govt. or public sector	24	20.0
Private sector	29	24.2
Business	27	22.5
retired	40	33.3
	120	100

Source: primary data

SBI Customer get rewarded for various transactions across various banking relationships with SBI. Our selected SBI customer's are using different transaction mode and it is classified into three category namely (1) Internet Banking, (2) Mobile Banking and (3) Debit Card and its frequency distribution in the following table-2.

**Table-2: Transaction Type**

Occupation	Frequency	Percent
Internet Banking	40	33.33
Mobile banking	38	31.67
Debit Card	42	35
	120	100

Source: primary data

### Personal Reward Points per month of SBI Customers.

The researcher has categorized four group classifications namely Reward Points of less than 100, 100 to 200, 200to 300 and above 300. The frequency distribution is presented in the following table -3.

**Table-3: Personal Reward Points per month of SBI Customers**

Personal Reward Points per month of SBI Customers	Frequency	Percent
Less than Rs. 100	24	19.92
Rs. 100-Rs. 200	32	26.56
Rs. 200-Rs 300	26	21.48
Above Rs. 300	38	32.03
Total	120	100

Source: primary data

### ANOVA:

Analysis pertaining to find out the comparison of Mean number of loyalty reward points of different occupation of SBI customer is same.

The objective is to find out the comparison of Mean number of loyalty reward points of different occupation of SBI customer is same among different Occupation groups of respondent customers. Results are given in following Table-5. These comparisons carried using one way ANOVA.

H0: Mean number of loyalty reward points of different occupation of SBI customer is same.

**Table-5: ANOVA**

Reward points	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	2.796E7	4	6990654.072	1.846	.001
Within Groups	4.356E8	115	3787649.829		
Total	4.635E8	119			

We found F(4, 115) statistic (=1.846 at 0.05 level of significance) and the significant value 0.001. Hence above H0 rejected which indicates that Mean number of loyalty reward points of different occupation of SBI customer isn't same.

### REFERENCES

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