

Loss aversion and complaint avoidance in the Indian banking grievance redressal mechanism: An empirical study

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Abstract

This study examines the role of behavioural biases, particularly loss aversion and perceived risk in shaping customers' complaint behaviour within banking grievance redressal mechanism, with evidence from Guwahati, Assam. Even in the presence of formal grievance redressal mechanisms such as the Banking Ombudsman Scheme, many customers choose to avoid, withhold, or fail to escalate their concerns. Against this backdrop, the study aims to investigate how loss aversion influences complaint avoidance or withdrawal, examines the relationship between perceived risk and complaint avoidance behaviour, and evaluates the impact of loss aversion on the likelihood of escalation to the Banking Ombudsman. The study adopted a cross sectional quantitative research design and collected primary data from 385 bank customers using a structured questionnaire. Binary logistic regression analysis was employed to examine the relationship between behavioural biases and complaint behaviour, particularly focusing on avoidance and escalation decisions. The findings revealed that one-unit increase in loss aversion was associated with a 34.5% increase in the odds of withdrawing or avoiding lodging complaints, indicating that loss aversion significantly increases complaint avoidance. Additionally, one unit increase in perceived risk was associated with 54.6 % increase in the odds of complaint avoidance. Higher loss aversion was also associated with approximately 51% lower odds of escalation to the Banking Ombudsman. These findings are consistent with the Prospect Theory, which suggests that individuals tend to overestimate potential losses relative to gains, leading them to perceive grievance procedures as risky, costly, and uncertain.

Keywords:: Loss Aversion, Perceived Risk, Complaint Avoidance, Banking Ombudsman, Behavioural Biases, Grievance Redressal

JEL Classification: D18, D81, D91

1. Introduction

The Indian banking sector has undergone significant shifts over the past few decades in terms of size, complexity and digitalisation of financial services. While these developments have improved customer accessibility and convenience, customer complaints relating to service deficiencies, transaction failures, procedural delays and issues in digital banking have also increased in terms of both frequency and complexity. It has become more evident that having a proper complaint handling mechanism is vital for protecting consumer interests, strengthening trust in financial institutions and ensuring accountability in modern financial systems. (Organisation for Economic Co-operation and Development, 2022) . In order to address the growing need for customer protection, the Banking Ombudsman Scheme was introduced in India in the year 1995(Annual Report on Banking Ombudsman Scheme - Reserve Bank of India, n.d.) (Reserve Bank of India, 2021). This scheme provides bank customers with an expeditious platform to resolve their complaints free of cost against deficiencies in banking services that remain unresolved at the branch level. The grievance redressal framework was further strengthened through Reserve Bank – Integrated Ombudsman Scheme (RB-IOS) (Reserve Bank of India, 2021), which unified multiple ombudsman schemes such as Banking Ombudsman Scheme 2006,Ombudsman Scheme for Non-Banking Financial Companies (NBFCs),2018 and Ombudsman Scheme for Digital Transactions, 2019, under one grievance redressal mechanism aimed at improving the accessibility, consistency and complaint resolution process (Reserve Bank of India, 2021)

Despite being in operation for several years now, the scheme is not widely utilised by customers even though it is customer-friendly. Many dissatisfied customers either discontinue their complaints , leave their complaints midway or do not pursue them beyond the bank’s initial level which leaves the grievances unresolved, leading to erosion of trust and confidence in the banking system. Previous studies have linked the underutilization of complaint redressal processes with various factors such as limited awareness, procedural complexity and delays in processing complaints (Indumathi & Chandrasekar, 2024; Sahoo & Swain, 2020). However, these explanations are not sufficient to explain why customers choose to remain silent even if their grievances are valid and when complaint redressal mechanisms are available.

Traditional theories tend to base their assumptions on the notion that individuals make rational decisions by carefully weighing costs and benefits. However, real life decision making often deviates from the assumptions. The decision-making is often influenced by psychological and cognitive factors, causing individuals to deviate from rationality. (Von Neumann & Morgenstern, 1944; Thaler, 2016). Behavioural finance presents a different perspective by examining how psychological biases affect financial decision making under uncertainty (Thaler, 2016). One such bias is loss aversion , introduced by Kahneman & Tversky, 1979 in prospect theory which describes the idea that as human beings, we tend to lay more emphasis on potential losses than comparable gains (Kahneman & Tversky, 1979). In simple words, the pain induced by the

possibility of losing something is usually stronger than the satisfaction derived from the same value. Recent behavioural studies have shown that loss aversion remains a prominent factor in decisions involving uncertainty, risk perception and anticipated regret often influencing how individuals evaluate potential losses and gains (Greenfield & Garg, 2019). In the context of grievance escalation, customers may avoid escalating complaints due to perceived risk of additional losses be it in monetary terms, time constraints, emotional stress or fear of harming relationships with bank personnel. Previous studies suggested that anticipated regret and potential burden often discourage customers from raising their complaints (Zeelenberg & Pieters, 2004). Escalating a complaint not only includes the procedural aspects but also the behavioural factors because consumers usually try to evaluate what they might gain through escalation against what they will lose, what risks they may face, and the uncertain factors associated with the process. Hence, escalation decisions may not necessarily be rational and are often driven by psychological biases.

There have been previous studies that have examined the Banking Ombudsman Framework but limited attention has been paid to the behavioural determinants of complaint escalation. Existing literature has largely emphasized operational efficiency and effectiveness of the scheme. However the role of psychological biases in shaping complaint escalation behaviour remains largely underexplored particularly in the context of Indian Banking. Against this backdrop, the present study draws on insights from behavioural finance and banking grievance redressal literature to examine how loss aversion and perceived risk shape grievance behaviour in the context of Indian Banking. The present study mainly focuses on complaint avoidance behaviour in banking grievance redressal by examining the role of loss aversion and perceived risk. In the present study, complaint avoidance behaviour includes situations where customers avoid filing complaints, withdraw their complaints midway, or discontinue the complaint process altogether. Apart from complaint avoidance, the study also examines complaint escalation to the Banking Ombudsman as a separate behavioural outcome. Further, perceived risk is treated as an independent explanatory variable alongside loss aversion, rather than as a mediating factor, to understand how these behavioural factors influence customer complaint behaviour.

2. Literature Review

2.1 Banking Grievance Redressal and the Ombudsman Framework

The rapid expansion of India's banking sector has not only led to increased complexity in financial services but has also contributed to growing customer disputes. With the increased usage of digital banking, online transactions diversified financial products and unauthorised transactions have become more frequent and complex. To resolve and manage these disputes, the RBI established a grievance redressal mechanism whereby it encourages customers to first approach their bank's internal complaint redressal cell and then the unresolved cases can be escalated to Banking Ombudsman (Reserve Bank of India, 2021; Organisation for Economic Co-operation and

Development, 2022). Though the awareness of the Banking Ombudsman is growing, however its utilisation remains relatively low as compared to the volumes of complaints. Complicated paperwork, delays in procedures, complex documentation processes and preferences for settling complaints informally are some of the major factors that have been cited as barriers to escalation (Indumathi & Chandrasekar, 2024). Sahoo & Swain (2020) in their assessment of the effectiveness of the Banking Ombudsman Scheme as a customer grievance redressal mechanism in India, while it does play a vital role as an institution, it lacks effectiveness due to a low level of customer awareness and usage of the same. It can be inferred from their research findings that a large number of customers do not have adequate knowledge regarding the process of escalation or even fail to escalate their grievances at all. In a similar way, Rane (2023), in her critical analysis of the Banking Ombudsman process, mentioned various barriers in terms of process as well as operation that make customers refrain from escalating their complaints. Such barriers include complex documentation process, delay in addressing customers' complaints, and poor confidence about the results of the complaints as well.

2.2 Customer Complaint Behaviour in Banking

For many years, marketing and service management literature has focused on understanding how customers respond to dissatisfaction and service failures. (Allen, 2014) Exit, Voice, and Loyalty Framework established the framework by determining three primary responses: exiting the service relationship, voicing concerns through complaints or remain loyal despite receiving poor service (Allen, 2014). In the context of banking sector, studies by (Preko & University of Professional Studies, Accra, 2015) and (Srinivasa Rao, 2019) examined the factors that affect these behaviours including prior service recovery experiences, customer trust and perceived fairness of dispute resolution. Several studies, both earlier and recent have identified multiple factors influencing customer complaints behaviour within the banking sector. Among them are the perceptions of perceived fairness, trust, service recovery experience, and expected outcome of complaints (Tax et al., 1998; Morgeson III, 2020; Zeelenberg & Pieters, 2004). Typically, customers are motivated to lodge complaints when they feel the complaint resolution process is fair and there is a good chance that their complaints will be sorted out. On the other hand, when the complaint resolution process is not handled effectively or when customers lack trust in the whole process, they do not complain at all.

However, most of these studies use rational choice models that assume customers weigh costs and benefits while making decisions. This particular approach frequently tends to ignore the emotional and cognitive mechanisms that often influence the behaviour of the real-world. Further, recent empirical research into banking and finance also reveals that many dissatisfied customers opt for silence even if there are means of redressal available to them (Adzhigalieva et al., 2022). The reason for not lodging a complaint in such situations is usually not the lack of any actual grievance but rather the perceived stressfulness, tediousness, or futility of the process itself. Lack of faith in the

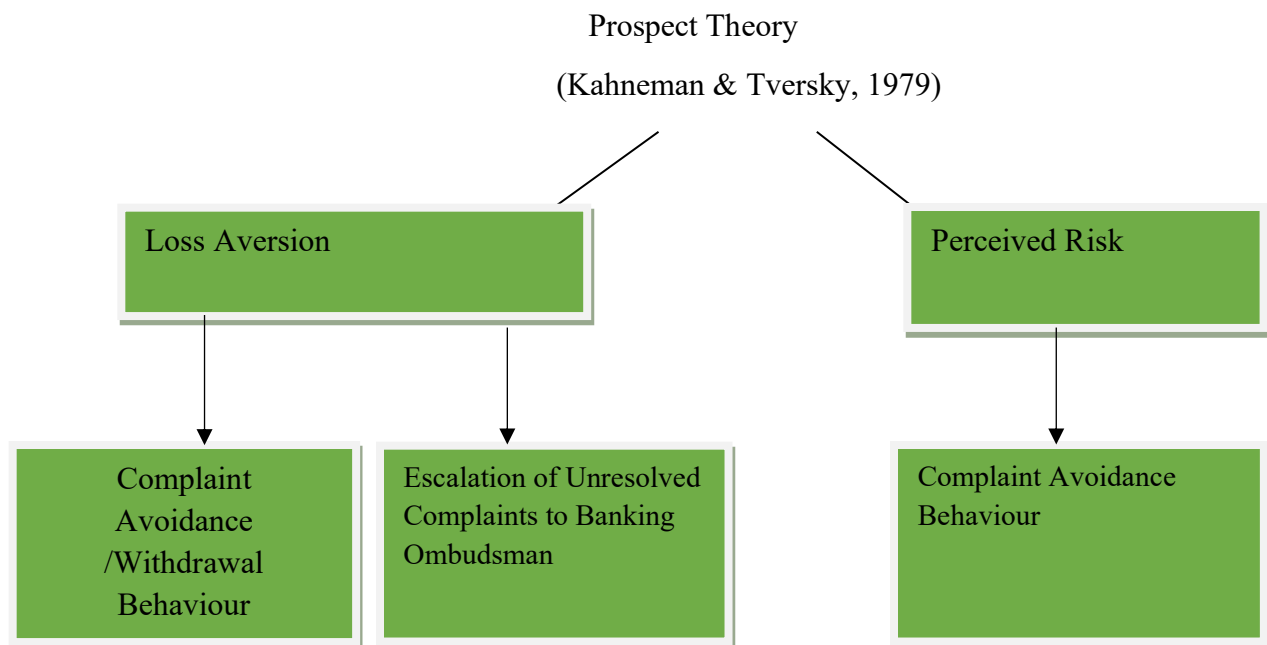
ability of the complaint handling process, lack of financial literacy, fear of conflict with service providers, and uncertainty about possible consequences are some of the reasons why customers do not escalate their grievances (Uppal, 2023). For example, customers might decide not to file a complaint not because their complaint is baseless but because they anticipate emotional distress or fear reprisals from bank employees. Understanding the underutilisation of formal grievance procedure like the Ombudsman, requires an understanding of these psychological factors.

2.3 Behavioural Finance and Cognitive Biases

Behavioural finance raises questions about the assumption that financial decisions are always rational (Badola, 2023). This study uncovered various cognitive biases such as confirmation bias, loss aversion and overconfidence bias have been found to have an adverse effect in the financial behaviour and financial decision making. These biases have been observed in numerous contexts such as retirement planning, purchase of insurance policies and other investment decisions (Badola, 2023; Jain et al., 2021). Though much of the previous research have focused on market behaviour but these cognitive biases are not limited to investment decisions only. In addition, they have the potential to impact how customers interact with financial institutions and respond to poor service if received and whether or not they seek grievance resolution. Insights about cognitive biases can contribute to more comprehensive understanding of consumer protection issues when they are considered in researches about grievance redressal (Jain et al., 2021)

The likelihood of people to avoid taking actions that might result in loss, even if the same action would lead to equivalent or even greater gains is termed as loss aversion. (Kahneman & Tversky, 1979). This phenomenon has been confirmed by numerous behavioural economists and psychologists. Loss aversion could also prevent customers from pursuing their complaints to the next level of escalation in grievance redressal. Many people consider that formal complaint process is risky as it could consume a lot of time and may also lead to emotional anguish, unexpected costs or may even damage the relationship with the bank. Thus, customers may prefer to settle down the issue by accepting partial or inadequate resolution rather than filing a complaint with the higher authorities that they perceive will lead to unsuccessful outcome. Research in the field of consumer behaviour (Zeelenberg & Pieters, 2004) also presented the idea that one of the crucial elements that often prevents customers from exhibiting their dissatisfaction is the anticipation of regret and conflict avoidance. Existing studies on grievance redressal mechanisms have mainly focussed on customer satisfaction and service quality. There has been relatively less emphasis on behavioural determinants behind customers' willingness to lodge complaints, withdrawal from complaints and escalation of complaints to appropriate authorities. More specifically, limited empirical literature is available on the impact of loss aversion and risk perception shaping complaint behaviour and their decision to escalate such complaints. Here, the present study seeks to address the gap by exploring the influence of such behavioural determinants on customer complaint behaviour the context of Indian Banking sector.

Figure 1. Conceptual Framework of the Study



Source: Author's own conceptualisation based on the relevant literature and the proposed relationships in the study.

This framework is based on the Prospect theory developed by Kahneman & Tversky (1979). It explains the decision making when dealing with uncertainty and possible losses. This framework assumes that customers with higher loss aversion tend to perceive greater risks involved in complaints such as uncertainty, time and effort; therefore such customers are likely to avoid complaints or abandon them. Moreover, the framework also suggests that customers with higher loss aversion might not escalate their complaints to the Banking Ombudsman if their complaints remain unresolved at the branch level. Hence, loss aversion and perceived risk are considered as important behavioural bias influencing customers' complaint behaviour during grievance redressal process. This study aims to answer the following research questions:

RQ1: Does loss aversion influence customers' tendency to avoid or withdraw complaints during the banking grievance redressal process?

RQ2: Does perceived risk of complaining influence customers' complaint avoidance behaviour?

RQ3: Does loss aversion influence customers' likelihood of escalating unresolved complaints to the Banking Ombudsman?

In particular, this study aims to achieve the following objectives:

a. To examine the effect of loss aversion on complaint avoidance behaviour.

- b. To examine the effect of perceived risk on complaint avoidance behaviour.
- c. To ascertain how loss aversion affects customers' tendency to escalate their complaints to the Banking Ombudsman.

The following hypotheses are developed:

H1: Customers with higher loss aversion are more likely to avoid or withdraw complaints.

H2: Customers who perceive higher risks of complaining are more likely to avoid complaints.

H3: Customers with higher loss aversion are less likely to escalate unresolved complaints to the Banking Ombudsman.

3. Research Methodology

The present study adopts a cross-sectional quantitative research design which helps capture a snapshot of customers' behavioural tendencies and complaint patterns as they existed during the study period. The study follows a behavioural finance framework that incorporates psychological biases using established models of customer complaint behaviour. The study specifically develops and evaluates three binary logistic regression models. The main independent variables are loss aversion and perceived risk, while dependent variables include complaint avoidance behaviour (including complaint withdrawal) and complaint escalation to the Ombudsman, treated as binary outcomes where: Yes = 1, No = 0. The target population consisted of individual retail banking customers in Guwahati, Assam who had experienced service - related grievances in banks. A purposive sampling technique was adopted for selecting respondents for the present study. Only customers who had experienced banking - related grievances were considered for this study. A total of 450 questionnaires in offline mode were distributed across the selected bank branches in Guwahati city out of which, 385 valid responses were accepted

A structured and self-administered questionnaire was constructed in order to collect data for the present study. The questionnaire included items relating to demographic details of the respondents. It also contained questions relating to behavioural factors such as loss aversion and perceived risk, which were the main behavioural variables investigated in the study. The items used for measuring these behavioural constructs were adapted from relevant literature on behavioural finance and complaint behaviour. Additionally, the questionnaire included questions related to respondents' complaint behaviour, knowledge regarding the Banking Ombudsman Scheme and if they had ever used the scheme. It also looked into the reasons for non-usage if any wherever applicable. Loss aversion and Perceived Risk variables were measured on a five-point Likert scale, which ranged from Strongly Disagree to Strongly Agree (1-5), while complaint behaviour and Ombudsman utilization variables were measured using binary responses, where Yes = 1 and No = 0. Before the actual implementation, a pilot study was conducted with a small group of respondents in Guwahati to ensure that all items would be considered understandable and relevant to the target group.

Reliability of the behavioural constructs was evaluated using Cronbach's Alpha where the loss aversion scale and Perceived Risk scale consisting six items each indicated a value of 0.798 and 0.814 respectively, thus indicating internal consistency of the scales.

Data was collected and analysed with the help of SPSS. Binary logistic regression was used in order find out if loss aversion predicted the likelihood availing the Banking Ombudsman Scheme or avoiding the usage of the same.

4. Results and Discussions

H1: Customers with higher loss aversion are more likely to avoid or withdraw complaints.

Table 1. Binary logistic regression predicting complaint avoidance behaviour

Variable	B	S.E.	Wald	df	P value	Exp(B)	95% CI
LossAversion_Score	0.296	0.124	5.732	1	.017	1.345	1.055 – 1.714
Constant	-1.409	0.404	12.139	1	.003	0.244	—

The results of the binary logistic regression analysis are presented in Table 1. Here, binary logistic regression was used for the purpose of finding out whether customers with higher loss aversion were likely to avoid or withdraw complaints. For analysis, complaint avoidance behaviour was considered a binary dependent variable where customers who either avoided filing complaint or withdrew their complaints before resolution were coded 1, while customers who neither avoided filing complaints nor withdrew their complaints before resolution were coded 0. The omnibus test of model coefficients was found to be statistically significant with the results $\chi^2 = 5.828$, $p = 0.016$. The Hosmer and Lemeshow test was found to be non-significant where $\chi^2 = 4.536$, $p = 0.716$. It indicated that the model's fit to the observed data was satisfactory. The model explained a relatively small proportion of variance in complaint avoidance behaviour, with Cox and Snell $R^2 = 0.015$ and Nagelkerke $R^2 = 0.020$. The results further revealed that complaint avoidance behaviour was significantly positively predicted by loss aversion score where $B = 0.296$, $S.E. = 0.124$, $Wald = 5.732$, $p = 0.017$. The odds ratio $Exp(B)$ was 1.345 with 95% confidence interval ranging from 1.055 to 1.714. This indicated that for every one-unit increase in loss aversion score, the odds of complaint avoidance increased by approximately 34.5%. Thus, it was suggested that customers with high loss aversion were more likely to either to avoid or withdraw complaints.

H2: Customers who perceive higher risks of complaining are more likely to avoid complaints.

Table 2. Binary logistic regression predicting complaint avoidance behaviour from perceived risk

Variable	B	S.E.	Wald	p-value	Exp(B)	95% CI
PerceivedRisk_Score	.436	.120	13.213	<0.001	1.546	1.222 – 1.956
Constant	-.589	.247	5.696	<0.001	0.168	—

The results of the binary logistic regression analysis are presented in Table 2. Here, a binary logistic regression was conducted in order to find out whether perceived risk anticipated complaint avoidance. Thus, a binary dependent variable was created where customers who avoided filing complaints or withdrew complaints before resolution, were coded as 1 while customers who neither avoided filing complaints nor withdrew their complaints before the resolution process were coded as 0. The omnibus test of model coefficients was found statistically significant where $\chi^2 = 13.73$ and $p < 0.001$. The Hosmer and Lemeshow test was non-significant ($\chi^2 = 7.511$, $p = 0.378$), implying that the model is well fitted. The model accounted for only a small variance in complaint behaviour with the values of Cox and Snell R^2 equal to 0.035 and Nagelkerke R^2 to 0.048. The results further revealed that customers' tendency to avoid filing complaints or withdraw complaints before resolution was predicted positively by perceived risk score where $B = 0.436$, $S.E. = 0.120$ and $Wald = 13.213$, $p < 0.001$. The odds ratio $Exp(B)$ was 1.546 with 95% CI ranging from 1.222-1.956 indicated that for every one unit of increase in perceived risk score- the odds of avoiding or withdrawing complaints increased approximately by 54.6% approx. this suggested that high perceived risk scores were more likely to avoid or withdraw complaints during the grievance redressal process. Thus, H2 is supported.

H3: Customers with higher loss aversion are less likely to escalate unresolved complaints to the Banking Ombudsman.

The results of the binary logistic regression analysis are presented in Table 3. To test this hypothesis, loss aversion score was taken as independent variable and escalation of complaints to the Banking Ombudsman was considered as the dependent variable where respondents who escalated their complaints were coded as 1 and those who did not escalate were coded 0. Binary logistic regression was used to examine whether customers with higher loss aversion were less likely to escalate the unresolved complaints to Banking Ombudsman.

Table 3. Binary logistic regression predicting escalation to the Banking Ombudsman

Variable	B	S.E.	Wald	df	P value	Exp(B)	95% CI
LossAversion_Score	-0.712	0.210	11.565	1	0.001	0.490	0.325-0.739
Constant	-0.059	0.593	0.010	1	0.920	0.943	—

It was found that the Omnibus test of model coefficient was statistically significant as $\chi^2 = 12.604$, $p < 0.001$ whereas the Hosmer and Lemeshow test was non-significant where $\chi^2 = 9.199$, $p = 0.239$. It indicated that the model was fit to be acceptable. The model explained a minimal percentage of the variance in escalatory behaviour where the Cox and Snell $R^2 = 0.032$, Nagelkerke $R^2 = 0.065$. the results also revealed that escalation behaviour was significantly negatively predicted by loss aversion score where $B = -0.712$, $S.E. = 0.210$, $Wald = 11.565$, $p = 0.001$. The odds ratio $Exp(B)$ was 0.490 (95% CI: 0.325–0.739) indicated that a unit increase in loss aversion decreases the likelihood of complaint escalation by about 51 %.

5. Conclusion, Implications, Limitations, and Future Research Directions

From this study, it can be concluded that loss aversion and perceived risk are two critical behavioural determinants that are linked with customer grievance behaviour in Indian Banking Sector. the findings revealed that high loss averse customers were much likely to avoid escalating their complaints to Banking Ombudsman and even preferred avoiding and withdrawing of complaints. Also, customers those who perceived higher risks of complaining were more inclined towards complaint avoidance. Therefore, these findings highlighted that grievance redressal is not only an issue that is structural or procedural but it is also a behavioural challenge. Dealing with these challenges not only requires policy level reforms to be performed by regulators but also some practical steps are needed to be undertaken by banks to reduce perceived costs, increase trust, thereby encouraging the customers to seek grievance redressal without fear.

5.1 Practical Implications

To strengthen the grievance redressal framework and reduce behavioural barriers to complaint escalation, the following policy-level measures are suggested:

A. Policy-Level Implications- The findings of the study indicated that improving the banks grievance redressal network requires policy level interventions through reduction of procedural obstacles and increasing customer awareness and confidence in the redressal scheme. As such, some of the following recommendations are proposed -

- a. The Reserve Bank of India (RBI) and Banks should increase the awareness of the Banking Ombudsman through nationwide campaigns with the help of print, digital, and social media to make the required information about grievance redressal channels more visible and accessible to their customers by prominently displaying prominently in bank branches, mobile applications, and official websites to ensure ease of access.
- b. Escalating complaints to higher authorities often involves complex procedures, discouraging many customers from pursuing redress. To address this, RBI should develop standardized and simplified escalation formats for use across all banks. Introducing one-click digital escalation features within mobile banking and internet banking platforms would further reduce procedural barriers.
- c. Grievance redressal education should be embedded into RBI's broader financial literacy and inclusion initiatives. Educating customers about the Ombudsman Scheme, their rights as consumers, and the long-term benefits of escalation will help counter behavioural biases such as loss aversion and complaint avoidance.

B. Practical Implications for Banks and Frontline Managers: The banking institutions should also take the behavioural aspects into account while developing the grievance redressal systems since the findings indicated that customer complaint behaviour depends not only on procedural aspects but also on behavioural issues like loss aversion and perceived risk. Hence , some suggestions are recommended:

- a. Instead of waiting for customers to escalate, banks should adopt proactive monitoring of customer dissatisfaction via feedback forms, call centers, or digital surveys to intervene early..
- b. Banks should make complaint submission as simple and convenient as possible by offering options such as WhatsApp-based complaint numbers, mobile app grievance modules, and dedicated kiosks within branches. By reducing paperwork and offering multiple user-friendly channels, banks can lower both the psychological and procedural costs that often discourage customers from lodging complaints. Simplified access reassures customers that voicing their grievances will not be burdensome, thereby reducing avoidance behaviour.
- c. It is advisable for banks to ensure that complaints are resolved within well-defined time limits and customers are provided with periodic updates on the progress of their complaints from time to time. This will make it easier for customers not to feel frustrated, uncertain or discouraged.
- d. Branches should actively organize periodic awareness sessions on grievance procedures and customer rights. When customers are well-informed about the available redressal mechanisms, they gain confidence in the system and are less likely to withdraw or avoid complaints. Educating customers at the grassroots level ensures that they are aware of their entitlements, as well as the proper channels for addressing grievances, which can enhance trust in the banking system

e. Complaints should be systematically tracked with built-in measures of staff accountability to ensure fairness and transparency in the resolution process. By holding staff responsible for the handling and closure of complaints, banks can reduce customers' fear of bias, neglect, or retaliation.

5.2 Limitations of the Study

a. The study was limited to Guwahati region only, thus the findings cannot be generalized to all Indian Banking customers. Also, since the respondents were selected on the basis of a screening based question non-probability sampling, the sample may not be a true representative of the entire banking population of customers in Guwahati region.

b. Since the study adopted cross cultural research design, hence the findings indicate associations rather than definite causality. It prevents strong causal claims.

c. Since the study relied on self reported behavioural responses, it may be subject to recall bias/ social desirability biases.

d. Although, two major behavioural constructs were examined – loss aversion and perceived risk, lack of full construct validation may reduce precision of measurement.

e. Complaint behaviour may differ by-

- type of bank used (public or private sector),
 - age,
 - digital literacy,
 - financial literacy,
 - severity of grievance, and
 - previous complaint experience,
- which were not examined in greater detail in the present study.

f. The use of binary logistic regression simplified the behavioural process into discrete outcomes and may not fully capture the complexity of customer grievance behaviour.

5.3 Future Research Directions

The possible future directions may be:

a. Future research may be extended beyond the geographical scope of Guwahati. It may include multiple states or all India sample for generalizability.

b. Comparative studies may also be executed across different banking segments such as: public sector banks, cooperative banks, regional rural banks, foreign banks – to examine the differences in complaint behaviour.

- c. A study between actual complainants versus non-complainants may also be studied separately.
- d. Additional behavioural biases such as status quo bias, confirmation bias, regret aversion, mental accounting, inertia may also be studied to develop a broader behavioural framework.
- e. Advanced analytical techniques such as SEM / Path Analysis may also be used for richer behavioural modeling.
- f. Qualitative interviews may also be conducted to provide deeper insights as to why customers withdraw complaints.

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