IOSR Journal of Economics and Finance (IOSR-JEF)
e-ISSN: 2321-5933, p-ISSN: 2321-5925, Volume 17, Issue 5 Ser. III (Sep. – Oct. 2026), PP 42-43
www.iosrjournals.org

An Empirical Study on Customer Satisfaction, Brand Recall, and CASA Deposit Performance in India's Retail Banking Sector

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Abstract
Current Account Savings Account (CASA) deposits remain the cornerstone of a cost-effective funding strategy for commercial banks in India. However, retaining and expanding this low-cost deposit base is increasingly dictated by shifting consumer expectations, digital transformation, and competitive brand positioning. This research article synthesizes empirical findings from retail banking operations, specifically examining customer acquisition strategies, market share distribution among private and public sector banks, and the core drivers of customer loyalty. The study evaluates how brand visibility, operational efficiency, and personalized customer engagement directly influence deposit retention and long-term banking relationships.

Date of Submission: 15-10-2026 Date of Acceptance: 28-10-2026
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I. Introduction

In India's fiercely competitive retail banking sector, the equilibrium between deposit acquisition and cost of funds is primarily managed through CASA ratios. CASA accounts offer a significantly cheaper source of capital compared to term deposits, providing banks with structural advantages for lending and margin expansion.

Despite these funding benefits, the modern retail banking consumer exhibits high sensitivity to service quality, transaction speed, digital reliability, and transparent fee structures. Furthermore, brand recall and institutional trust play pivotal roles in shifting consumer behavior away from private financial entities toward public sector alternatives or competing private institutions. This paper investigates the operational frameworks, consumer choice determinants, and marketing strategies governing retail banking performance, with a specific focus on Kotak Mahindra Bank and comparative industry players.

II. Research Methodology & Objectives

To understand the underlying drivers of consumer migration patterns and account opening behaviors, structured research was conducted using a hybrid methodology.

Research objectives: To analyze unique consumer and investor offerings within Kotak Mahindra Bank, evaluate public awareness of these financial products relative to competitors, and assess consumer attitudes toward retail banking services.

Data sources: Primary and secondary data were gathered via bank databases, structured questionnaires, internet-sourced institutional directories, and a direct marketing survey of 100 individuals.

Operational workflow: The sales and data collection process followed a multi-step engagement model:

Phone calling: Initial screening to assess yearly turnover, current banking satisfaction, and preferred communication languages.

Post-appointment preparation: Crafting custom written proposals on institutional letterheads detailing comprehensive service offerings.

Direct engagement: Conducting targeted group and personal appointments tailored to high-net-worth clients and institutional associations.

Sales process execution: Moving systematically through Prospecting and Qualifying, Reproach, Approach, Presentation and Demonstration, Handling Objections, and structured Follow-ups.

III. Market Analysis & Current Account Distribution

Market surveys tracking consumer distribution across current account providers highlight significant fragmentation and distinct institutional preferences.

Bank category / institution	Market share / preference (%)

Government / Public Sector Banks	31%
HDFC Bank	23%
ICICI Bank	16%
IDBI Bank	13%
Kotak Mahindra Bank	12%
Citibank (CITI)	5%

Key behavioral insights

Preference for public sector institutions: A leading 31% of current account preference tilts toward government banks. Consumers frequently exhibit a psychological resistance toward private sector banks, perceiving them as time-consuming or complex.

The power of brand recall: Major private players like ICICI and HDFC command higher brand retention due to extensive physical footprints (large showrooms), prominent hoardings, and frequent electronic and print media advertisements. Conversely, lower advertising frequency for brands like Kotak leads to weaker top-of-mind awareness among transient retail consumers.

IV. The Interconnection Between CASA and Customer Satisfaction

Deposit stability cannot be decoupled from customer engagement. The study reveals that transactional convenience alone is insufficient; digital failures, delayed refunds, and opaque charges quickly erode institutional confidence.

Active engagement vs. short-term acquisition: True banking success is measured not merely by the volume of newly opened accounts, but by active account usage, average balances, complaint resolution times, and long-term retention metrics.

The transition to partnership: Satisfied retail clients naturally evolve into engaged brand advocates who promote bank services organically, forming a sound commercial foundation for future growth.

V. Strategic Recommendations for Retail Banks

To optimize CASA ratios and maximize customer satisfaction, retail banks must adopt a holistic, customer-centric operating model.

Transparent communication: Clearly communicate account charges, product advantages, and terms prior to onboarding to eliminate friction.

Omnichannel consistency: Maintain dependable digital infrastructure alongside accessible human support, ensuring seamless experiences across mobile apps and physical branches.

Proactive relationship management: Utilize data analytics to detect early warning signs of account inactivity or declining balances, shifting focus away from aggressive cross-selling toward genuine problem resolution.

Integrity in execution: Adhere strictly to institutional promises ("do what you said you would do") to foster deep, lasting trust and protect the low-cost deposit base over time.

VI. Conclusion

The modern banking battle for deposits is ultimately a battle for trust and enduring loyalty. While low-cost CASA funds remain essential for funding margins and lending activities, long-term performance relies on the quality of the underlying client relationships. Banks that successfully bridge operational efficiency, robust brand visibility, and responsive customer care will secure a sustainable competitive advantage in India's evolving financial landscape.