Shiv Shakti International Journal of Multidisciplinary and Academic Research
ISSN: 2278-5973 (Online) | Vol. 14, No. 4, (July 2026)
https://doi.org/10.5281/zenodo.21352582

Customer Ratio Enhancement through Ethical Selling Practices in Indian Banks

Mrs. Renuka Morani[1] and Prof. Sagar Thakare[2]
[1]PhD Scholar at Suresh Gyan Vihar University, Jaipur
[2]Assistant Prof. at Sterling Institute of Management Studies, Nerul

Abstract

Through ethical business practices the banking sector plays a significant role in maintaining customer trust, satisfaction and long-term relationships. In recent years, customer confidence in banks have negatively affected by ethical concerns such as mis-selling, lack of transparency and pressure-based selling. In the Indian Banking sector, this study examines the impact of ethical selling practices on customer satisfaction, trust and customer ratio enhancement. Using a structured questionnaire, the research is based on primary data collected from 200 banking customers. For collection of data convenience sampling technique was adopted. To analyse the data statistical tools such as correlation, regression, reliability and factor analysis were used through SPSS software. The findings of the study reveal that ethical selling practices significantly and positively influence customer trust and customer satisfaction. Further, customer trust and satisfaction contribute positively towards customer retention, loyalty, and overall customer ratio enhancement. The study highlights the importance of transparency, ethical conduct, and customer-centric strategies in strengthening long-term banking relationships. The research provides valuable managerial implications for banks to improve ethical standards, enhance customer confidence, and achieve sustainable growth in the competitive banking environment.
Keywords: Ethical Selling Practices, Customer Trust, Customer Satisfaction, Customer Retention, Indian Banking Sector, Banking Ethics, Customer Ratio Enhancement.

Introduction:

he banking industry, with its pivotal role in facilitating economic transactions and safeguarding individuals' and businesses' financial resources, stands as a cornerstone of modern economies. Within this industry, the practice of ethical customer care emerges as not merely a regulatory mandate but a fundamental pillar for building and maintaining trust, transparency, and enduring customer relationships. This research embarks on a comprehensive exploration of the intricate ethical dimensions that underlie customer care within the banking sector. he banking industry, with its pivotal role in facilitating economic transactions and safeguarding individuals' and businesses' financial resources, stands as a cornerstone of modern economies. Within this industry, the practice of ethical customer care emerges as not merely a regulatory mandate but a fundamental pillar for building and maintaining trust, transparency, and enduring customer relationships. This research embarks on a comprehensive exploration of the intricate ethical dimensions that underlie customer care within the banking sector. he banking industry, with its pivotal role in facilitating economic transactions and safeguarding individuals' and businesses' financial resources, stands as a cornerstone of modern economies. Within this industry, the practice of ethical customer care emerges as not merely a regulatory mandate but a fundamental pillar for building and maintaining trust, transparency, and enduring customer relationships. This research embarks on a comprehensive exploration of the intricate ethical dimensions that underlie customer care within the banking sector. The Indian Banking industry, stands as a cornerstone of modern economies with its pivotal role in facilitating economic transactions and safeguarding individuals ‘and businesses financial resources. Within the banking industry, the practice of ethical customer care emerges as a fundamental pillar for building and maintaining transparency, trust and enduring customer relationship not merely a regulatory mandate.

In an era, ethical considerations take center stage where financial institutions wield unparalleled influence over the lives and livelihoods of individuals. The promise to place the customer’s interests at the forefront

Corresponding Author: Mrs. Renuka Morani, renumorani16@gmail.com

lied at the heart of ethical customer care, ensuring that financial services are dispensed with fairness and integrity.

Interactions with customers are multifaceted in the banking industry's spanning from transparent communication of financial terms to secure management of sensitive personal data. Underlining the importance of forthright and honest communication with customers regarding terms, fees and conditions, transparency and disclosure stand as ethical touchstones.

Indian Banking Sector, since last decade is facing issues which have occupied the attention of the policy makers. New opportunities have been thrown up for the banking sectors with the applications of emerging new technologies and new business models. In the banking sector due to increasing number of ethical scandals the need of business ethics has gained prominent importance in the recent years. In raising corporate, public and scholarly understanding of corporate ethical concerns these scandals have played importance. It's the bank primary job that every conceivable danger in their capital is minimized and to guarantee that the savers' faith is maintained as bankers are generally supported by customers. By instilling values like as trust, honesty, responsibility, respect and fairness in all of its interaction, institutions must operate in a manner that promotes public trust and a positive image. It has its own set of issues in terms of moral behaviour, economic crisis and company management despite the fact that the banks business is generally controlled by Central Bank of India.

Doing what is morally right, right decisions and fair work practices these are the factors on which ethics is built. Perceptions on good conduct and general guidelines of groups, individuals and organizations as a whole was outlined by ethics. A burning topic for corporates and academicians worldwide is ethics and ethical issues. In the banking industry, ethics and ethical practices are all the most significant as the economy of a country is solely dependent on this sector.

Banks should function transparently and ethically not only competently so that the people can continue to have confidence in the banking system. Working with a high degree of transparency, honesty to customers and other stakeholders, trustworthiness are the banking ethics. Due to unethical banking activities a number of deficiencies are found in the banking system,

A number of deficiencies are found in the banking system due to unethical banking activities, which are evidenced by a number of studies conducted by various committees appointed by the government and RBI in India, such as Talwar Committee (1975), Goiporia Committee (1990), Tarapore Committee (2004), Sadasivan Working Group (2006), and so on.
Ethics in the banking sector have also explored by researchers across the globe.

Literature Review:

A crucial role has been played in shaping customer trust, satisfaction and long-term retention by Ethical practices in the banking sector. For maintaining strong customer relationships various studies highlighted that transparency, honesty and adherence to codes of conducts are very much essential. In banking transactions, Harris and Spence (2002) emphasized that trust and transparency is very important, while Yidawi (2005) identified key challenges affecting customer confidence are the unethical practices such as fraud and violation of regulatory guidelines. Further, Mzoughi et al. (2011) found that customer trust was significantly enhanced by by ethical selling behaviour which in turn leads to higher commitment and loyalty. Similarly, Chowdhury (2011) suggested that by improving customer satisfaction and overall performance ethical practices provide a competitive advantage. However, despite the presence of ethical frameworks, many banks fail to fully implement them, resulting in customer dissatisfaction and complaints. Overall, in the banking sector the literature shows that key driver of customer ratio enhancement is ethical selling practices, as they improve satisfaction, strengthen and foster long-term customer relationships.

In the banking sector, a critical role has been played in building and sustaining customer trust by ethical banking practices. Key determinant of customer confidence and loyalty has been identified such as transparency, governance quality, compliance and corporate social responsibility. Various studies show that customer trust was highly influenced by ethical practices, with strong empirical evidence showing ethical behaviour and trust outcome are having positive correlation. Research highlights that the most influential factors affecting customer trust is governance and transparency, followed by ethical compliance and risk management. Additionally, reputation and service innovation contribute to trust formation by enhancing customer satisfaction and perceived reliability. Consistent ethical behaviour fosters long-term relationships and customer retention was suggested under theoretical perspectives such as stakeholder theory and social exchange theory. However, fraud and weak governance which are ethical failures can severely damage institutional trust and financial stability. Overall, the literature establishes that ethical banking practices are strategic drivers of customer trust, retention and competitive advantage not merely the regulatory requirement in the Indian banking sector.

In the Indian banking private sector banks the study demonstrates that consultative selling, a problem-solving approach where salespersons act as expert consultants which significantly enhances customer satisfaction. Researchers found that four core dimensions by analysing 123 salespersons and 155 customers from ICICI, HDFC and Axis Bank, are need identification, effective communication, knowledge and expertise and problem solving have strong positive correlations with customer attentiveness. These findings suggest that banks by focusing on both individual attributes like skills and ethical values, and organizational supports like training and a consultative culture can mitigate unethical “mis-selling” practices and increase customer loyalty.

The study by Roman (2003) investigates how organizational support and perceived organizational support serve as critical predictors of a salesperson’s ethical behaviour and overall performance. As per grounded in social exchange theory, the research argues that sales professionals feel a sense of obligations to repay the firm through higher levels of ethical conduct and productivity if their organization as being fair in its procedures and outcomes. There is a significant positive impact on self- perceived ethical behaviour by both POS and justice dimensions has been revealed by the empirical analysis of 161 salespeople. Notably, the findings suggest that an unethical climate is often a by-product of a lack of perceived support; conversely, when a company demonstrates care for an employee's well-being, the salesperson is less likely to engage in deceptive practices or "shortcuts" to achieve targets.

In the banking sector ethics and ethical practices play a crucial role as they directly influence satisfaction, customer trust and overall financial stability. There is a negative impact of several ethical issues like inadequate ethics training, fraud, transparency and increasing competitive pressure on banking operations. Key factors have been identified affecting ethical behaviour in banks including internal conduct, ethical orientation, code of conduct and ethical lending practices in various studies. It has been indicated in various research that strong ethical practices lead to higher customer satisfaction, loyalty, trust and improved performance. Conversely, Conversely, unethical practices such as money laundering, favouritism, and non-adherence to regulatory guidelines contribute significantly to bank failures. Overall, for ensuring long-term profitability, customer retention and sustainability adherence to ethical standards and code of conduct is essential in the banking sector.

In banking sector ethical practices are essential for maintaining institutional reputation and long-term sustainability and customer trust. Ethical practices in banking are essential for maintaining customer trust, institutional reputation, and long-term sustainability. Recent studies highlight that increasing ethical scandals, frauds, and rising non-performing assets have intensified the need for ethical governance in the banking sector. Research on customer perception reveals that unethical practices are often linked to misleading marketing strategies, lack of transparency in terms and conditions, pressure selling by bank staff, and inadequate grievance redressal systems. The literature also emphasizes that ethical issues in banking services can be analysed through service marketing dimensions such as product, price, place, promotion, people, process, and physical evidence. Findings suggest that employee behaviour plays a crucial role in shaping customer perception, as unethical conduct like misrepresentation of information and concealment of charges negatively impacts trust and satisfaction. Therefore, maintaining ethical standards, transparency, and effective communication is critical for enhancing customer confidence and improving the overall image of the banking sector.

Due to increasing digitalization and globalization, ethics in modern banking has gained significant attention. According to Bagus and Howden (2013), from conflicts between profit maximization and moral responsibility ethical dilemmas arise in banking sector, highlighting the need in financial operations for accountability and transparency. Similarly, Fetiniuc and Luchian (2014), integrity, trust, fairness which are essential for maintaining customer confidence emphasized that banking ethics revolves around these core principles. With the rise of digital banking, new ethical challenges have emerged, particularly in the areas of data privacy and security. Dwivedi et al. (2019) discussed how artificial intelligence and digital technologies introduce both opportunities and ethical risks, including misuse of customer data. North-Samardzic (2020) further pointed out that biometric technologies, while enhancing security, raise serious concerns about privacy and consent.

Fraud, poor consent service and unfair practices which are ethical issues are continue to affect the banking sector in the Indian context. Herzog (2019), for improving professional conduct in banks aligning incentives with ethical responsibilities is very crucial. Connell (2017), within financial institutions strong governance frameworks help shape ethical culture and behaviour.

Overall, to sustain trust and long-term growth continues efforts are required to address ethical challenges, was suggested under existing literature that while regulatory frameworks and technological advancements have strengthened the banking system.

In banking sector a vital role has been played by ethics in maintaining transparency, trust and accountability in financial institutions. Unethical practices such as mis-selling, fraud and poor customer service negatively impact customer confidence and organizational reputation was highlighted in existing studies. New ethical challenges have emerged, particularly concerning cybersecurity, data privacy and misuse of customer information with the growth of digital banking. Overall, in the banking sector, ethical awareness, strong governance and technological safeguards is essential for sustainable growth was suggested under literature.

For ensuring trust and long-term sustainability in the banking sector ethics and customer-centric practices are critical. Studies shows it led to serious consequences if poor performance, lack of transparency and unethical decisions making such as financial distress and loss of investor confidence as seen in banking failures. At the same time, a key role has been played in retaining customers and improving performance by modern banking which emphasized relationship marketing. Literature suggests that to achieve sustainable growth and maintain stakeholder trust banks must balance ethical governance with customer-focused strategies.

In shaping customer trust and long-term organizational performance ethics in banking has become increasingly important. For building strong and lasting relationship with customers ethical sales are

essential such as honesty, transparency and professionalism. These practices contribute to a positive image of the bank and its products not only enhance customer trust.
Research further highlights in determining employee behaviour the role of internal organizational factors especially sales incentive system. Moreover, in the banking sector key determinant of customer behaviour is consumer perception. Ethical behaviour of sales personnel positively impacts both products and customer perception of the company was indicated by various studies which leads to improved retention and customer satisfaction. Therefore, in the banking industry, for sustainable growth and competitive advantage integrating ethical sales practices with effective human resource management policies is crucial.

Objectives of the Study

1. To examine the impact of ethical selling practices on customer trust in the Indian banking sector.
2. To analyse the relationship between ethical selling practices and customer satisfaction among bank customers.
3. To evaluate the effect of customer trust on customer ratio enhancement in banks.
4. To study the influence of customer satisfaction on customer ratio enhancement in the banking sector.

Hypothesis Development

H1: Ethical selling practices have a positive and significant influence on customer trust in banks.
H2: Ethical selling practices have a positive and significant influence on customer satisfaction in banks.
H3: Customer trust has a positive and significant influence on customer ratio enhancement.
H4: Customer satisfaction has a positive and significant influence on customer ratio enhancement.

Definition of Customer Ratio

A composite measure used to evaluate a bank's effectiveness in managing and expanding its customer base refers as customer ratio. Customer acquisition, relationship expansion and customer retention are the three dimensions. It reflects how to maintain long-term relationships with existing customers, how well a bank is able to attract new customers and increase the value derived from each customer through additional services and products.

Mathematically, Customer Ratio can be conceptualized as:
Customer Ratio = (Number of New Customers Acquired + Number of Customers Retained + Number of Cross-sold Products/Services) / Total Customer Base

By integrating both growth and sustainability aspects of customer management this measure goes beyond traditional performance indicators. A higher customer ratio indicates stronger customer engagement, trust, and satisfaction, which are often outcomes of ethical selling practices and customer-centric strategies. In the context of banking, improving the customer ratio is critical for enhancing profitability, competitive advantage, and long-term organizational success.

Structured Literature Review:

Wedatama and Sukaatmadja (2019) using Structural Equation Modeling (SEM) the impact of salesperson ethical behaviour on customer satisfaction, trust and loyalty has been investigated. Customer satisfaction and trust are positively influenced by ethical behaviour which in turn enhance customer loyalty was revealed under study. Furthermore, the relationship between ethical behaviour and trust was found to be mediated by customer satisfaction. A crucial role has been played by ethical selling practices in building long-term customer relationship. In the banking sector as they suggest that ethical practices can contribute to customer ratio enhancement through improved satisfaction, trust and retention.

These results are particularly relevant to the present study, as they suggest that ethical practices in the banking sector can contribute to customer ratio enhancement through improved trust, satisfaction, and retention.

Madhani (2014), emphasizing the strategic importance of ethical conduct in sales function, examined the relationship between ethical sales behaviour, sales compensation and customer lifetime value. The study shows that customer trust, satisfaction and loyalty significantly enhanced by sales behaviour, which ultimately contribute to higher customer lifetime value. It further explains that organizational compensation systems play a crucial role in shaping ethical behaviour among salespeople, where balanced incentive structures aligned with long-term customer relationships encourage ethical practices. This research highlights customer acquisition, retention and expansion through cross-selling and up-selling influenced by ethical selling positively, thereby improving overall customer profitability. Conversely, unethical sales practices were found to reduce customer trust, increase churn, and significantly lower CLV. So, in service sector such as banking ethical selling practices are essential for sustainable customer growth and customer ratio enhancement was strongly support the argument.

Madhani (2016) in enhancing firm valuation and building sustainable competitive advantages the role of marketing ethics has been examined. The study emphasizes, a critical role in developing and maintaining long-term customer relationships played by ethical marketing practices characterized by transparency, integrity and fairness. These practices significantly contribute to customer trust, satisfaction, and commitment, which in turn enhance customer lifetime value (CLV) and overall organizational performance. Furthermore, enabling firms to achieve competitive advantage through improved customer loyalty, increased financial performance and positive brand perception was highlighted that ethical reputation acts as a strategic asset. It can lead to loss of customer trust, reduced retention and declining firm value because of unethical marketing practices, thereby negatively impacting long-term sustainability. The importance of ethical marketing as a key driver of customer relationship strength and firm value was reinforced the importance of ethical marketing, which is highly relevant in the banking sector for enhancing customer ratios.

Avianti and Pitaloka (2025) in urban banking organizations, the role of sales ethics and its impact on customers was examined, focusing on the relationship between sales incentive systems, customer perceptions and ethical behaviour. The study found that salesperson reward system significantly influences ethical behaviour conducted on a sample of 231 respondents using Structural Equation Modeling (SEM). Furthermore, a key factor shaping customer perceptions of both the bank and its financial products was identified as ethical sales behaviour. The findings suggesting that organizational policies related to incentives and ethics directly affect customer perceptions and trust also highlight the strong interconnection between human resource management and marketing practices. This study shows that within banking institutions establishing ethical sales frameworks can enhance customer trust, perception and overall relationship quality, thereby contributing to improved customer ratio enhancement and customer retention.

The critical role of ethical selling practices in shaping relationships and enhancing long-term organizational performance was strongly emphasized by existing literature. Studies by P. M. Madhani (2014, 2016) highlight that ethical sales and marketing practices significantly contribute to customer satisfaction, trust, and loyalty, which ultimately enhance customer lifetime value (CLV) and firm valuation. Organizational factors such as compensation and incentive systems play a vital role in influencing ethical behaviour was indicated under research, where long-term customer relationships promoted by balanced reward structures, while aggressive target driven systems may encourage unethical practices. Similarly, P. B. Wedatama and I. P. G. Sukaatmadja (2019) using Structural Equation Modeling provide empirical evidence customer satisfaction and trust significantly positively impacted by salesperson ethical behaviour, both of which act as strong determinants of customer loyalty. A mediating variable that strengthens the relationship between ethical behaviour and trust was identified by customer satisfaction under study. W. Avianti and E. Pitaloka (2025) extending this perspective to the banking context, demonstrate that sales ethics, significantly affect customer perceptions and trsut in urban banking organizations influenced by organizational reward system. This theoretical linkage provides a strong foundation for the present study, which argues that ethical selling practices in Indian banks can serve as a key driver for customer ratio enhancement through improved customer retention and relationship quality.

Structured Literature Review on Customer Trust:

1.In the banking sector it has been widely emphasized in recent literature the role of digital transformation in enhancing customer trust and achieving competitive advantage. Pristiyono, Juliana, and Yudi Prayoga (2022) using a quantitative approach with Smart PLS analysis on 200 respondents examined the impact of digital banking transformation on customer trust. Customer trust significantly improved by digital transformation by enhancing accessibility, technological efficiency and transparency was found under study. Furthermore, in the banking sector a critical factor influencing customer satisfaction, loyalty and acquisition was identified as customer trust, thereby acting as a key driver of competitive advantage. The integration of information and communication technology facilitates stronger customer bank interactions, improves overall customer experience, reduce service complexity also highlighted in the findings. Importantly, theoretical frameworks such as Technology Acceptance Model and Trust Based Relationship Theory was supported by study, a crucial role in building customer trust has been played by ease of use, usefulness and system reliability. Collectively, the study establishes that digital transformation is a strategic tool not merely a technological advancement that strengthens customer trust and enhances long-term competitiveness, in the banking sector which is highly relevant for improving customer ratio and customer relationships.

2. In the retail banking context, the relationship between service quality, trust, satisfaction and loyalty has been extensively examined which highlights the growing importance of intangible factors in customer relationship management. Nagamani et al. (2024) investigated on a sample of 145 banking customers this relationship using quantitative approach and applied correlation and regression analysis. In banking relationships, a crucial role in influencing customer satisfaction is trust found under study which reinforcing its importance as a foundational element. However, the findings also reveal that when considered independently traditional service quality dimensions, as measured through the SERVQUAL model (reliability, tangibility, responsiveness, assurance and empathy) do not significantly impact customer satisfaction. In the modern banking environment, where customers increasingly expect a combination of personalized services and efficient digital experiences that conventional measures of service quality are insufficient. Furthermore, the study emphasizes, technological efficiency, communication quality, and trust-building mechanisms are the broader set of factors that shaped customer satisfaction and loyalty. To strengthen emotional connections and trust banks must balance human interactions with digital service delivery was highlighted under study. Overall, a critical determinant of customer satisfaction and loyalty remains trust, while service quality needs to evolve beyond traditional frameworks.

3. In bank-customer relationship management trust is a crucial element, significantly influencing loyalty, customer satisfaction and long-term engagement. A key driver of relationship marketing is trust was highlighted in prior studies by enhancing customer confidence and retention (Morgan & Hunt, 1994; Hollebeek & Macky, 2019). It is multidimensional, comprising cognitive aspects such as competence and reliability, and affective aspects such as emotional connection (Punyatoya, 2019). Further research shows that shaped by factors like regulatory frameworks and corporate reputation operates at both institutional and interpersonal level (Bachmann & Inkpen, 2011). In banking relationships empirical

evidence indicated that trust is significantly impacted by elements such as service quality, employee behaviour, communication and technological reliability. However, to ensure loyalty and sustained performance trust alone is insufficient it should be supported by customer satisfaction. Overall, in the banking sector a fundamental determinant of successful relationship management remains trust.

4. In the banking sector, service quality plays a significant role in building customer trust, in digital and competitive environment. Literature suggests that customers perceptions and confidence in banks are directly influenced by key dimensions of service quality, assurance, reliability, responsiveness and empathy. Customer satisfaction and trust are enhanced by responsiveness and prompt problem solving, reliance and error-free services reduce uncertainty. Assurance, reflected through employee competence and security measures, further strengthens confidence in financial transactions, whereas empathy helps build emotional connections with customers. Studies also indicate that service quality often impacts trust indirectly through mediators such as customer satisfaction and perceived value. Overall, in the banking sector, for fostering trust, loyalty and long-term relationships consistent and customer-focused service delivery is essential.

5. In mobile banking services customer trust plays a critical mediating role in determining customer satisfaction. Studies indicate that the level of trust among users was significantly influenced by key factors such as system quality, information quality and service quality. Trust which is acting as a bridge through which these quality dimensions indirectly affect satisfaction outcomes has a strong positive impact on customer satisfaction. Improvements in reliable information, digital banking systems and efficient service delivery reduce perceived risk and enhance user confidence was confirms by the use of structural equation modelling. Moreover, particularly in developing economies where concerns about security and reliability remain prominent, for the adoption and continued use of mobile banking trust is essential. Overall, in the mobile banking sector, for increasing customer satisfaction and promoting financial inclusion the literature establishes that strengthening trust through quality improvements is vital.

Structured Literature Review: Retention or Loyalty

1.In recent studies, the role of customer loyalty and retention in internet banking as key determinants of customer satisfaction has been increasingly emphasized. Dahiya and Singh (2024) using a quantitative research design examined this relationship with a sample of 600 internet banking users and to evaluate the interrelationships among variables applied correlation and regression analysis. A significant positive relationship between satisfaction and customer loyalty revealed by the findings, indicating that satisfied customers are more likely to remain loyal to their banking platforms. Furthermore, in digital banking environments highlighting the importance of trust and reliability, customer retention was found to be strongly influenced by factors such as transaction security and service efficiency. Overall, the research establishes drivers of customer satisfaction that customer loyalty and retention are not merely outcomes, reinforcing their critical role in sustaining long-term customer relationships. These findings in the banking sector support the argument that enhancing customer trust, loyalty, retention can significantly improve customer ratio in the banking sector.

2. In the banking sector, the evolving dynamics of customer relationships has been highlighted under recent literature, emphasizing the interconnected roles of trust, loyalty, satisfaction and retention. Studies by Dahiya and Singh (2024) demonstrate that in internet banking customer loyalty and retention are significant drivers of customer satisfaction not merely outcomes, with factors such as service efficiency, transaction security playing a crucial role in strengthening long-term relationships. Similarly, research by Nagamani et al. (2024) reinforce a foundational element influencing satisfaction and loyalty is customer trust, while traditional service quality dimensions alone may not sufficiently capture modern customer expectations. Pristiyono et al. (2022) highlight in the context of digital transformation highlighted that customer trust enhanced by technological advancements by improving accessibility, service efficiency

and transparency, thereby contributing to competitive advantage. Complementing these findings, studies by P. M. Madhani (2014, 2016) emphasize customer satisfaction, loyalty and trust significantly enhanced by ethical sales and marketing practices, ultimately leading to higher customer lifetime value and firm performance.

3. In the banking sector, a critical role has played by ethics and compliance in shaping performance, customer trust and brand value. Ethical decisions making is essential is essential for maintaining transparency and institutional credibility was highlighted under case studies from global banks. Employee behaviour and organizational outcomes (Mitonga-Monga & Flotman, 2021; Akwaowo & Obulor, 2025) was positively influenced by a strong ethical climate and corporate culture. Satisfaction and loyalty were significantly enhanced customer centric ethical practices, including corporate social responsibility and fair treatment. (Senthikumar et al., 2011; Samarathunga & Karunathilaka, 2023). Additionally, a strategic tool for branding compliance has emerged, where adherence to regulations strengthens competitive advantage and brand equity. (Aaker, 1996; Bhatia & Kashiramka, 2018; Ghosh & Vikram, 2023). Overall, the literature suggests that it is vital for sustainable banking performance and long-term stakeholder trust to integrate ethics, compliance and governance mechanisms.

4. In a highly competitive and technology-driven environment customer retention has emerged as a critical factor for sustainability and profitability of banks. In the banking sector, studies indicate that the key determinants of retention are customer satisfaction, loyalty and relationship management. Research highlights that loyalty and long-term relationships significantly influenced by customer satisfaction, which in turn reduce customer switching behaviour. Similarly, a vital role in understanding customer needs and enhancing engagement has been played by customer relationship management, thereby improving retention rates. Furthermore, service quality, employee behaviour and trust are strongly linked to customer loyalty, which collective contribute to a positive banking experience. In the Indian context, it is making retention strategies essential because of increasing competition and technological advancements have intensified customer churn factors such as convenience

5. Particularly in small and medium banks which are operating in competitive and technology-driven environments personalized banking services have emerged as a key determinant of customer retention. The study shows that customer trust, satisfaction and commitment are significantly enhanced by customised services such as AI-based financial advice, tailored loan offerings and real-time personalized interactions. Nearly 70% of customers are more likely to remain with a bank when they receive personalized services was indicated under empirical findings, highlighting a strong positive relationship between retention and personalisation. Additionally, customer trust further strengthened by security features and fraud detection mechanisms, which acts as a critical mediator in maintaining long-term relationships. Supported by advanced technologies like AI and CRM systems, the research also emphasizes that digital personalization, enables banks to better understand deliver value-added services and customer needs. Overall, in the banking sector the literature concludes that personalized banking serves as a strategic tool for increasing loyalty and reducing customer churn not only improves customer experience.

Structured Literature Review: Banking in India

1.Evolving from traditional banking practices to a modern technology driven system, the Indian banking industry has undergone significant transformation over time. Krishna A. Goyal and Vijay Joshi (2012) within Indian banking sector examined the key challenges and opportunities, it faces increasing complexity due to technological advancements, globalization and rising customer expectations highlighted that while the industry has demonstrated growth and resilience. The study identifies from global banks major challenges such as employee retention, risk management, customer retention and competition. At the same time, in areas such as financial inclusion, rural market expansion and the adoption of information technology significant opportunities exists in these areas, which has revolutionized banking operations and customer service delivery. In the banking system the author emphasizes that despite rapid changes, the fundamental pillar was remain trust and confidence. Overall, the study suggests to sustain competitive advantage banks must focus on innovative products, effective marketing strategies and customer centric approaches. Within banking sector, they underline the importance of ethical practices, retention, customer trust in enhancing customer ratio, these insights are highly relevant to the present study.

2. Driven by technological advancements, changing customer expectations and regulatory reforms the Indian banking industry has witnessed significant transformation and growth. Goud (2021) analysed in the Indian Banking sector the trends and progress using secondary data sources such as research papers, RBI reports and online resources. In India, the banking system has evolved into a diversified structure comprising public, foreign, private and regional rural and cooperative banks was highlighted under study with the Reserve Bank of India playing a central regulatory role. The current banking landscape has significantly shaped by key transformational milestones such as bank nationalization, Banking Regulations Act (1949) and financial sector reforms of the 1990s. The research further identifies emerging trends which have enhanced customer operational efficiency and convenience including digital banking services such as electronic fund transfers, ATMs and real-time gross settlement and internet banking. Additionally, the study emphasizes pointing out challenges such as risk management, competition and the need for improved customer service and opportunities in areas like rural banking expansion, retail banking and multi-channel service delivery. Overall, in the Indian Banking sector for sustaining growth and competitiveness the study concludes that customer-centric approaches, technological innovation and service quality are essential, which is highly relevant for enhancing customer relationships and customer ratio in banks.

3. During 2006-07 the retail banking landscape in India underwent a transformative shift from traditional corporate-focused banking toward a diversified, consumer-led model fuelled by a burgeoning middle class, technological advancements like Core Banking Solutions and ATMs. Insurance products and housing loans are emerged as primary growth drivers, between customer expectations and actual service delivery a significant gap persisted, particularly regarding transparency in pricing, staff attitude and communication. Consequently, by digital channels despite the sector’s profitability and the convenience offered, that banks faced the dual challenge of reorienting their frontline workforce to be more customer centric the study highlights, while simultaneously expanding financial inclusion to reach the vast underserved segments of the population.

4. A strategic convergence of digital transformation, proactive regulatory oversight and fintech collaboration is being catalysed with the rapid evolution of the Indian Banking sector. Traditional operations have been revolutionized by the innovations in artificial intelligence, big data and blockchain, improve credit risk assessment and enabling 72% of banks to integrate fintech-driven solutions that reduce transaction costs by 25%. While the Pradhan Mantri Jan Dhan Yojana which is a landmark initiative have successfully integrated over 500 million unbanked individuals into the formal system, the Reserve Bank of India necessitating stringent security framework and introduction of Digital Rupee to reduce cash dependency as the ecosystem continues to navigate a 40% rise in cyber threats. Ultimately, the transition toward a "digital-first" and "green banking" model, exemplified by platforms like SBI YONO and sustainable financing initiatives, is repositioning the sector as a highly efficient, inclusive, and environmentally conscious pillar of India's economic growth.

5. For analysing Indian Public Sector Banks Structure-Conduct-Performance paradigm serves as the foundational theoretical framework, establishing a causal chain where market attributes determine bank behaviour and subsequent efficiency. The declining concentration ratios and dominance of the State

Bank of India defined by market structure under this model which creates a competitive landscape that directly influences bank conduct, specifically in areas like advertising expenditure, technological adoption and the management of Non-performing Assets. Since liberalization the performance and productivity of PSBs have improved with public banks maintaining a cost efficiency of approximately 73.4%, regarding their ability to balance traditional social welfare objectives they still face ongoing scrutiny with the profit-driven models of private and foreign competitors.

Research Gaps:

The positive impact of ethical selling practices on satisfaction, customer trust and loyalty has been extensively highlighted under existing literature, comparatively particularly in the Indian Banking context limited attention has been given to the adverse effect of mis-selling. Mis-selling involves the promotion of inappropriate or misleading products to meet short-term sales targets and ethical selling emphasizes honesty, transparency and suitability of financial products based on customer needs. In banking incidents of mis-selling have significantly eroded customer trust and damaged long-term relationships such as the forced sale of insurance or investment products. Fair practices and customer protection to address such issues have increasingly emphasized by the regulatory bodies like Reserve Bank of India, empirical research integrating mis-selling with customer relationship outcomes remains limited. Moreover, most studies without examining the contrasting impact of unethical practices on customer ratio and customer retention focuses on the positive dimensions of ethical behaviour. So, for developing a balanced and realistic framework understanding both ethical and unethical selling behaviours is essential and that creates a critical research gap. Therefore, in the Indian Banking sector it implicitly addressing how the absence of such practices i.e. mis-selling can negatively influence satisfaction, trust and ultimately customer ratio enhancement, not only emphasizing the role of ethical selling.

Conclusion:

In conclusion, in the banking sector, ethical selling practices have emerged as a fundamental driver of sustainable customer relationships highlighted in the extensive review of literature. Ethical behaviour which is characterized by transparency, honesty and customer centricity consistently contributes to higher levels of customer satisfaction, trust and loyalty which are critical for long-term profitability and retention. Satisfaction reinforces loyalty and repeat engagement and trust acts as a central mediating variable linking ethical practices to positive customer outcomes was further established by literature.

Banking services, enhancing accessibility, efficiency and transparency has significantly reshaped with the growing role of digital transformation, thereby further strengthening customer trust and experience. Modern banking environments demand ethical integrity combined with technological competence to meet evolving customer expectations not only high service quality. At the same time, to ensure customer satisfaction the review identifies that traditional dimensions of service quality alone are no longer sufficient, as customer increasingly value personalized services, transparent communication and seamless digital experiences. The interaction between ethical selling and digital banking thus becomes crucial, as ethical practices in digital platforms—such as data privacy, fair product disclosure, and responsible selling—play a significant role in maintaining customer confidence.

The literature reveals important gaps despite these significant contributions. Most studies giving limited attention to the adverse effects of mis-selling and unethical practices but focus predominantly on the positive impact of ethical selling, which can erode trust, reduce customer retention and negatively impact long-term relationships. In the Indian banking context, this gap is particularly relevant, where instances of mis-selling and aggressive sales targets have raised concerns regarding customer protection. There remains a lack of integrated empirical frameworks that simultaneously examine ethical selling, trust, digital transformation and customer ration enhancement, although regulatory bodies like the Reserve Bank of India introduces guidelines to promote fair practice and transparency.

Furthermore, in existing literature the concept of customer ration which encompassing customer retention, acquisition and relationship expansion, despite being a critical indicator of banking performance. It presents a clear research gap the absence of a holistic model that connects ethical behaviour with both relational and performance outcomes. Therefore, to better understand their combined impact on customer ratio, there is a need for a comprehensive approach that integrates ethical selling practices with digital innovation, trust building mechanisms and customer centric strategies.
In the banking sector, the identified gap seeks to bridge by developing an integrated framework that links ethical selling practices with customer trust, loyalty, satisfaction and retention, ultimately leading to enhanced customer ratio.

By doing so, the study aims to contribute both to academic literature and to practical banking strategies, offering insights into how ethical and customer-focused approaches can ensure sustainable growth, competitive advantage, and long-term success in an increasingly dynamic and technology-driven banking environment.

Reliability Analysis:

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.594	.610	11

Interpretation: To evaluate the internal consistency of the questionnaire items the reliability analysis was conducted using Cronbach's Alpha. The obtained Cronbach's Alpha value is **0.594**, while the standardized alpha value is **0.610** for the 11 items included in the scale. The alpha value indicates a moderate level of reliability among the variables. Although the value is slightly below the commonly recommended threshold of 0.70, it may still be considered acceptable for exploratory research and preliminary academic studies. The results suggest that the questionnaire items demonstrate a reasonable level of consistency in measuring the underlying constructs related to customer perceptions and banking services.

Descriptive Analysis:

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation	Skewness		Kurtosis	
	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
VAR00001	200	17	45	28.52	7.254	.582	.172	-.925	.342
VAR00003	200	1	5	3.58	1.309	-.532	.172	-.869	.342

VAR00004	200	1	5	3.72	1.135	-.577	.172	-.499	.342
VAR00005	200	1	5	3.56	1.172	-.430	.172	-.675	.342
VAR00006	200	1	5	2.49	1.326	.518	.172	-.829	.342
VAR00007	200	1	5	3.07	1.376	-.115	.172	-1.194	.342
VAR00008	200	1	5	2.61	1.291	.246	.172	-1.062	.342
VAR00009	200	1	5	3.73	1.156	-.689	.172	-.223	.342
VAR00010	200	1	5	3.75	1.248	-.696	.172	-.533	.342
VAR00011	200	1	5	3.69	1.197	-.578	.172	-.606	.342
VAR00012	200	1	5	3.86	1.089	-.685	.172	-.372	.342
VAR00013	200	1	5	3.83	1.199	-.709	.172	-.537	.342
Valid N (listwise)	200								

Interpretation: To analyse the responses of 200 participants descriptive statistics were conducted. The mean values indicating moderate to high levels of agreement among respondents as the variables ranged from 2.49 to 3.86. Variables such as I will continue (Mean = 3.86) and (Mean = 3.83) I will recommend this bank showed strong positive perceptions, while variables like I was forced to buy (Mean = 2.49) indicated relatively lower agreement, suggesting potential areas of concern. Reflecting moderate variability and consistency in responses as the standard deviation values ranged from 1.08 to 1.37. Furthermore, skewness values were within the acceptable range of -1 to +1, indicating normal distribution of data, while negative kurtosis values suggest a relatively flat distribution. Overall, the data is suitable for further statistical analysis such as correlation and regression.

Correlations

		VAR00003	VAR00004	VAR00005	VAR00006	VAR00007	VAR00008	VAR00009	VAR00010	VAR00011	VAR00012	VAR00013
VAR00003	Pearson Correlation	1	.376**	.274**	.040	-.221**	-.011	.245**	.309**	.232**	.392**	.325**
	Sig. (2-tailed)		.000	.000	.578	.002	.881	.000	.000	.001	.000	.000
	N	200	200	200	200	200	200	200	200	200	200	200
VAR00004	Pearson Correlation	.376**	1	.137	-.145*	-.090	.017	.290**	.265**	.238**	.273**	.319**
	Sig. (2-tailed)	.000		.052	.040	.203	.814	.000	.000	.001	.000	.000
	N	200	200	200	200	200	200	200	200	200	200	200
VAR00005	Pearson Correlation	.274**	.137	1	.017	-.024	-.032	.277**	.339**	.348**	.196**	.236**
	Sig. (2-tailed)	.000	.052		.816	.731	.649	.000	.000	.000	.006	.001
	N	200	200	200	200	200	200	200	200	200	200	200
VAR00006	Pearson Correlation	.040	-.145*	.017	1	.278**	.234**	-.118	-.003	-.070	-.102	-.134
	Sig. (2-tailed)	.578	.040	.816		.000	.001	.096	.966	.324	.151	.059
	N	200	200	200	200	200	200	200	200	200	200	200
VAR00007	Pearson Correlation	-.221**	-.090	-.024	.278**	1	.324**	-.171*	.005	-.066	-.024	-.188**
	Sig. (2-tailed)	.002	.203	.731	.000		.000	.015	.949	.354	.740	.008
	N	200	200	200	200	200	200	200	200	200	200	200
VAR00008	Pearson Correlation	-.011	.017	-.032	.234**	.324**	1	-.157*	.109	-.032	-.054	-.121
	Sig. (2-tailed)	.881	.814	.649	.001	.000		.026	.126	.651	.449	.087
	N	200	200	200	200	200	200	200	200	200	200	200
VAR00009	Pearson Correlation	.245**	.290**	.277**	-.118	-.171*	-.157*	1	.146*	.224**	.225**	.198**
	Sig. (2-tailed)	.000	.000	.000	.096	.015	.026		.039	.001	.001	.005
	N	200	200	200	200	200	200	200	200	200	200	200
VAR00010	Pearson Correlation	.309**	.265**	.339**	-.003	.005	.109	.146*	1	.393**	.365**	.280**
	Sig. (2-tailed)	.000	.000	.000	.966	.949	.126	.039		.000	.000	.000
	N	200	200	200	200	200	200	200	200	200	200	200
VAR00011	Pearson Correlation	.232**	.238**	.348**	-.070	-.066	-.032	.224**	.393**	1	.209**	.134
	Sig. (2-tailed)	.001	.001	.000	.324	.354	.651	.001	.000		.003	.058
	N	200	200	200	200	200	200	200	200	200	200	200
VAR00012	Pearson Correlation	.392**	.273**	.196**	-.102	-.024	-.054	.225**	.365**	.209**	1	.351**
	Sig. (2-tailed)	.000	.000	.006	.151	.740	.449	.001	.000	.003		.000
	N	200	200	200	200	200	200	200	200	200	200	200
VAR00013	Pearson Correlation	.325**	.319**	.236**	-.134	-.188**	-.121	.198**	.280**	.134	.351**	1
	Sig. (2-tailed)	.000	.000	.001	.059	.008	.087	.005	.000	.058	.000	
	N	200	200	200	200	200	200	200	200	200	200	200

**. Correlation is significant at the 0.01 level (2-tailed).
*. Correlation is significant at the 0.05 level (2-tailed).

Interpretation: To examine the relationships among the study variables Pearson correlation analysis was conducted. Most of the variables are significantly and positively correlated at the 0.01 level was indicated under the result, suggesting strong associations among trust, satisfaction, ethical selling practices and customer-related outcomes. For instance, bank staff clearly explain all terms and conditions shows a significant positive relationship with I will continue with this bank ($r = 0.392$, $p < 0.01$), while I am satisfied with services is strongly correlated with Bank is transparent ($r = 0.393$, $p < 0.01$). These findings imply that improvements in ethical practices are associated with higher levels of trust and satisfaction among customers. However, certain variables exhibit significant negative correlations, such as bank staff clearly explain all terms and conditions charges were not clearly explained ($r = -0.221$, $p < 0.01$), indicating that some factors may negatively influence customer perceptions, possibly reflecting unethical practices or dissatisfaction. Overall, the results confirm that ethical selling practices are positively linked with key customer relationship variables, while negative factors can adversely impact these relationships.

Correlation Analysis:

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.783	.197		9.073	.000
	VAR00003	.175	.038	.292	4.630	.000
	VAR00004	.194	.042	.282	4.601	.000
	VAR00005	.185	.039	.277	4.696	.000

a. Dependent Variable: customer ratio

Interpretation: To examine the impact of independent variables on customer ratio multiple regression analysis. The result indicates that all three variables ethical selling($\beta = 0.292$, $p < 0.05$), trust ($\beta = 0.282$, $p < 0.05$), and satisfaction ($\beta = 0.277$, $p < 0.05$), have a statistically and positive significant effect on customer ratio. This suggests that improvements in these factors lead to an increase in customer retention, loyalty, and overall relationship strength. Among all variables ethical selling has the highest influence on customer ratio. In the banking sector, the regression model confirms that ethical and relational factors play a crucial role in enhancing customer outcomes.

ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	45.039	3	15.013	38.269	.000[b]
	Residual	76.891	196	.392		
	Total	121.930	199			

a. Dependent Variable: customer ratio
b. Predictors: (Constant), VAR00005, VAR00004, VAR00003

Interpretation: With an F-value of 38.269 and a significance level of $p<0.001$ the ANOVA results indicate that the regression model is statistically significant. This confirms that the independent variables collectively explain a significant portion of the variation in customer ratio. The regression sum of squares (45.039) indicates the explained variation, while the residual sum of squares (76.891) represents unexplained variation, suggesting that although the model has strong explanatory power, other factors may also influence customer behaviour. Overall in the banking sector the findings validate that ethical selling, satisfaction and trust are significant predictors of customer ratio.

Factor Analysis:

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.989	27.173	27.173	2.989	27.173	27.173
2	1.608	14.618	41.791	1.608	14.618	41.791
3	1.039	9.448	51.239	1.039	9.448	51.239
4	.902	8.196	59.434			
5	.850	7.731	67.166			
6	.791	7.190	74.355			
7	.698	6.343	80.699			
8	.636	5.782	86.481			
9	.565	5.140	91.621			
10	.508	4.616	96.237			
11	.414	3.763	100.000			

Extraction Method: Principal Component Analysis.

Interpretation: Based on the criterion of eigenvalue greater than 1 the results of factor analysis reveal that three significant factors were extracted, indicating that these factors capture substantial information from the original variables. It is considered acceptable in social science research together these three factors explain 51.239% of the total variance, as it reflects a satisfactory level of data reduction and explanatory power. Among these, the first factor accounts for the highest proportion of variance at 27.173%, suggesting that it represents the most dominant underlying dimension influencing the dataset. The second factor explains 14.618% of the variance, while the third factor contributes 9.448%, indicating additional but comparatively smaller dimensions of influence.

The cumulative variance explained by these three factors demonstrates that more than half of the variability in the observed variables can be effectively summarized through a reduced number of underlying constructs. By grouping related variables into meaningful clusters this reduction enhances the interpretability of the data. Furthermore, the extraction of three factors supports the multidimensional nature of the study, indicating that customer-related outcomes are influenced by multiple underlying aspects rather than a single factor. Within the banking context, the factor analysis results confirm that the data structure is suitable for further analysis, such as regression, and provide a strong foundation for identifying key constructs like trust, ethical selling and customer satisfaction.

Results of Hypothesis Testing:

H1: Ethical selling practices have a positive and significant influence on customer trust in banks. **Result:** Accepted. A positive and significant relationship between ethical selling practices and customer trust ($p < 0.05$) has been revealed by the regression and correlation analysis.

H2: Ethical selling practices have a positive and significant influence on customer satisfaction in banks. **Result:** Accepted. Among banking customers, the findings indicate that ethical selling practices significantly improve customer satisfaction levels.

H3: Customer trust has a positive and significant influence on customer ratio enhancement. **Result:** Accepted. The analysis showed that higher customer trust contributes significantly to customer retention, loyalty, and overall customer ratio enhancement.

H4: Customer satisfaction has a positive and significant influence on customer ratio enhancement. **Result:** Accepted. The results confirm that satisfied customers are more likely to continue banking relationships and recommend the bank to others, thereby enhancing customer ratio.

Conclusion

The research concludes, in the Indian Banking sector that ethical selling practices which is defined by transparency, honesty and customer centricity are fundamental drivers of sustainable customer relationship and long-term profitability. Customer satisfaction, loyalty and trust consistently leads by ethical behaviour with trust acting as a central mediating variable that links ethical practices to positive customer outcomes and repeat engagement. By improving accessibility and efficiency digital transformation has significantly reshaped the banking industry, to meet evolving customer expectations modern banking requires a combination of ethical integrity and technological competence. The study identifies a critical research gap regarding the adverse effects of mis-selling and the lack of a holistic model that connects ethical conduct with the "customer ratio" a metric encompassing acquisition, retention, and relationship expansion.

Ultimately, the paper proposes an integrated framework to bridge these gaps, suggesting that a strategic focus on ethical selling is essential for banks to achieve a competitive advantage and sustainable growth.

Managerial Implications

The findings of the study provide several important managerial implications for banks and financial institutions. First, to ensure transparency, honesty, and customer-centric behaviour during customer interactions banks should focus on training employees in ethical selling practices Proper ethical training can help employees better reduce the chances of unethical practices such as mis-selling and understand customer needs.

Second, as aggressive target systems often encourage unethical behaviour among employees, banking institutions should reduce excessive pressure-based sales targets. Instead, banks should design balanced performance evaluation systems rather than short-term sales achievements that promote long-term customer relationships and satisfaction.

Third, in digital banking services banks should improve transparency by clearly communicating charges, terms and conditions, privacy policies, and product-related information. Transparent communication enhances customer trust and reduces confusion and dissatisfaction among customers.

Fourth, for maintaining customer confidence strengthening grievance handling mechanisms is essential. To address customer issues effectively and improve overall satisfaction banks should establish quick, responsive, and customer-friendly complaint resolution systems

Finally, by integrating ethical values, digital innovation, and relationship management practices banks should adopt customer-centric strategies. Such initiatives in the banking sector can improve customer trust, loyalty, retention, and ultimately enhance customer ratio and long-term profitability.

Limitations of the Study

1. It may not fully represent the entire banking population in India, as the study is limited to a sample size of 200 respondents.
2. The study focuses only on selected variables such as ethical selling practices, customer trust, and customer satisfaction, while other factors influencing customer ratio may not have been considered.
3. It may involve personal bias, as the data collected is based on respondents' perceptions and opinions.
4. The study is limited to the Indian banking sector and may not be applicable to other financial institutions or countries.
5. The research is cross-sectional in nature, as data was collected at a single point in time and may not reflect changes in customer behaviour over time.
6. Future Scope of the Study

1. In the banking sector the present study provides a foundation for understanding the role of ethical selling practices in enhancing customer ratio, however several avenues remain open for future research. First, by incorporating primary data through interviews and surveys future studies can extend this research to gain deeper insights into customer perceptions of unethical and ethical selling practices. The findings from secondary sources with such an approach would help validate and strengthen.
2. Second, further research can explore in banking ethical selling practices impacted by emerging technologies such as artificial intelligence, data analytics and chatbots. A new era of investigation was presented with the increasing digitalization of services, ensuring ethical conduct in digital and automated interactions. Additionally, future studies can examine how digital transparency and data privacy concerns influence customer trust and decision-making.
3. Third, comparative studies can be conducted to identify variations in ethical practices and customer relationships outcomes between urban and rural customer, as well as between public and private sectors banks. This would help in developing targeted strategies and provide a more nuanced understanding of the Indian Banking landscape.
4. Fourth, future research, to better understand the relationship between customer ratio and ethical selling can introduce additional variables such as customer awareness, financial literacy and perceived fairness as moderating factors. This would enhance the robustness of the conceptual framework and provide deeper analytical insights
5. Finally, future research can further examine the effectiveness of regulatory frameworks and guidelines issued by the Reserve Bank of India in controlling mis-selling and promoting ethical behaviour in banks. Evaluating policy implementation and its real-world impact can provide valuable recommendations for both regulators and banking institutions.

References:

Adams, A. A. (2012). Ethics and professionalism in banking services. *Basic Research Journal of Business Management and Accounts, 1*(1), 1–5.

Adeyanju, O. D., & David, O. (2014). Code of ethics and professionalism: Implication for bank failure in Nigeria. *Research Journal of Finance and Accounting, 5*(19), 75–86.

Agrawal, R. K. (2017). Do ethical climates impact trust in management? A study in Indian context. *International Journal of Organizational Analysis, 25*(5), 804–824.

Asif, F., Chakraborty, A., Ragul, G. R., & Khazi, I. N. (2026). Ethical banking practices and customer trust: Evidence from Indian banks. *Journal of Research and Review in Accounting, Business & Finance Management, 3*(2), 26–40.

Avianti, W., & Pitaloka, E. (2025). Establishing sales ethics and its impact on customers in urban banking organizations. *Eqien: Jurnal Ekonomi dan Bisnis, 14*(4). https://doi.org/10.34308/eqien.v14i04.2219

Avianti, W., & Pitaloka, E. (2025). Establishing sales ethics and its impact on customers in urban banking organizations. *Jurnal Ekonomi dan Bisnis, 14*(4), 1150–1159.

Bagus, P., & Howden, D. (2013). Some ethical dilemmas of modern banking. *Business Ethics: A European Review, 22*(3), 235–245. https://doi.org/10.1111/beer.12025

Belás, J. (2012). Social responsibility and ethics in the banking business: Myth or reality? *Economic Annals, 57*(195).

Belás, J. (2013). The impact of the financial crisis on business ethics in the banking sector: A case study from Slovakia. *Review of Economic Perspectives, 13*(3), 111–131.

Bhatia, A., & Kashiramka, S. (2018). The impact of compliance on brand equity in the Indian banking industry. *Journal of Financial Services Marketing, 23*(3–4), 167–178.

Biswas, A., Jaiswal, D., & Kant, R. (2022). Investigating service innovation, bank reputation and customer trust: Evidence from Indian retail banking. *International Journal of Quality and Service Sciences, 14*(1), 1–17.

Boatright, J. R. (2013). *Ethics in finance*. Wiley.

Božović, J. (2007). Business ethics in banking. *Economics and Organization, 4*(2), 173–182.

Bugandwa, T. C., Kanyurhi, E. B., Bugandwa Mungu Akonkwa, D., & Mushigo, B. H. (2021). Linking corporate social responsibility to trust in the banking sector. *International Journal of Bank Marketing, 39*(4), 592–617.

Chatterjee, D., Sekhar, S. C., & Babu, M. K. (2022). A review on customers' experience concerning relationship marketing practices in Indian banks. *Korea Review of International Studies, 15*(Special Issue 02), 58–71.

Chowdhury, H. M. M. (2011). Ethical issues as competitive advantage for bank management. *Humanomics, 27*(2), 109–120.

Connell, M. (2017). The challenge of assessing and shaping bank conduct, ethics, and culture: Insights from the social sciences. *Journal of Risk Management in Financial Institutions, 10*(1), 89–98.

Dahiya, M., & Singh, M. (2024). Examining customer loyalty and retention as drivers of satisfaction in internet banking. *International Journal of Scientific Research in Science, Engineering and Technology, 11*(3), 428–443. https://doi.org/10.32628/IJSRSET24113152

Dwivedi, Y. K., Hughes, L., Ismagilova, E., Aarts, G., Coombs, C., Crick, T., Duan, Y., Dwivedi, R., Edwards, J., Eirug, A., Galanos, V., Ilavarasan, P. V., Janssen, M., Jones, P., Kar, A. K., Kizgin, H., Kronemann, B., Lal, B., Lucini, B., & Williams, M. D. (2019). Artificial intelligence (AI): Multidisciplinary perspectives on emerging challenges, opportunities, and agenda for research, practice and policy. *International Journal of Information Management, 57*, 101994. https://doi.org/10.1016/j.ijinfomgt.2019.08.002

Fetiniuc, V., & Luchian, I. (2014). Banking ethics: Main conceptions and problems. *Annals of the University of Petroşani, Economics, 14*(1), 91–102.

Goswami, K. C., & Sinha, S. (2019). Consultative selling and its impact on customer satisfaction in banks: An empirical study on Indian private sector banks. *UNNAYAN: International Bulletin of Management and Economics, X*, 203–213.

Goud, K. L. (2021). An analytical study on trends and progress of Indian banking industry. *International Journal of Creative Research Thoughts (IJCRT), 9*(9), a347–a354.

Goyal, A. K., & Joshi, V. (2011). A study of social and ethical issues in banking industry. *International Journal of Economics, 2*(5), 49–57.

Goyal, K. A., & Joshi, V. (2012). Indian banking industry: Challenges and opportunities. *International Journal of Business Research and Management, 3*(1), 18–28.

Harris, L., & Spence, J. L. (2002). The ethics of e-banking. *Journal of Electronic Commerce Research, 3*(20), 59–66.

Herzog, L. (2019). Professional ethics in banking and the logic of "integrated situations": Aligning responsibilities, recognition, and incentives. *Journal of Business Ethics, 156*, 531–543. https://doi.org/10.1007/s10551-017-3562-y

Jasevičienė, F. (2012). The ethics of banking: Analysis and estimates. *Ekonomika, 91*(13).

Kaur, J. (2017). Exploring relationships among ethical climate types and organizational commitment. *Journal of Indian Business Research, 9*(1), 20–40.

Kour, M. (2020). Ethics and ethical practices in banks: A review of literature. *International Journal of Business Ethics in Developing Economies, 9*(2), 27–32.

Kour, M., & Khurana, S. (2017). A comparative study of ethical practices in Indian public and private sector banks. *Journal of Management Research, 17*(1), 3–8.

Kumar, K. M., & Devaraju, N. (2025). Impact of personalised banking services on customer retention in small and medium banks. *RVIM Journal of Management Research, 17*(2). https://doi.org/10.70599/rvim/2025/390

Madhani, P. M. (2014). Compensation, ethical sales behavior and customer lifetime value. *Compensation & Benefits Review, 46*(4), 204–218. https://doi.org/10.1177/0886368714560286

Mathenge, D. G. (2013). The value system of commercial banking in Kenya: An ethical perspective. *International Journal of Business and Social Science, 4*(1), 153–163.

Mitchell, J. W., Lewis, P. P., & Reinsch, L. N. (1992). Bank ethics: An exploratory study. *Journal of Business Ethics, 11*, 197–205.

Murthy, G. (2018). Ethical considerations in banking: Case studies from global banks. *International Journal of Research and Analytical Reviews (IJRAR), 5*(1).

Murthy, K. V. B., Singh, A. K., & Kaushik, S. (2022). Public sector banks in India: A review of literature. *Intellectual Resonance, DCAC Journal of Interdisciplinary Studies, 5*, 109–125.

Mzoughi, M. N., M'Sallem, W., & Bouhlel, O. (2011). The perceived ethical behavior of bankers. *Australian Journal of Business and Management Research, 1*(2), 45–54.

North-Samardzic, A. (2020). Biometric technology and ethics: Beyond security applications. *Journal of Business Ethics, 167*, 433–450. https://doi.org/10.1007/s10551-019-04143-6

Patel, R. H. (2019). A study of customers' perception towards ethical issues in banking products and services: With special reference to selected banks. *Journal of Emerging Technologies and Innovative Research (JETIR), 6*(3).

Paulet, E. (2011). Banking ethics. *Corporate Governance: The International Journal of Business in Society, 11*(3), 293–300.

Pristiyono, P., Juliana, J., & Prayoga, Y. (2022). Measuring customer trust through digital transformation of banking as a competitive advantage. *Jurnal Ekonomi Bisnis dan Kewirausahaan, 11*(2), 214–229. https://doi.org/10.26418/jebik.v11i2.51986

Ramesh, K., Rakesh, R., & Seenivasan, E. (2025). Assessing how service quality influences customer trust in the banking sector. *Journal of Marketing & Social Research, 2*(10), 169–173.

Roman, S. (2003). The impact of perceived organizational support on salesperson ethical behavior and performance. *Journal of Marketing Management, 19*(9–10), 933–956.

Rouf, M. A., Begum, H., & Babu, M. A. (2024). Customer trust and satisfaction: Insights from mobile banking sector in Bangladesh. *International Journal of Science and Business, 34*(1), 117–131.

Safakali, O. V. (2005). Measuring service quality of commercial banks. *Journal of Yasar University, 2*(8), 827–839.

Said, J., Alam, M. M., Ramli, M., & Rafidi, M. (2017). Ethical values and fraud prevention in banking. *Journal of International Studies, 10*(2), 170–184.

Samarathunga, A. I., & Karunathilaka, B. P. (2018). *Customer care ethics in the banking industry: A comprehensive study.*

Samarathunga, A. I., & Karunathilaka, B. P. (2023). *Customer care ethics in the banking industry: A comprehensive study.* SSRN.

Sani, K. F., Gbadamosi, A., & Al-Abdulrazak, R. (2021). Examining the impact of trust on bank-customer relationship management: Evidence from Nigeria. *Proceedings of the 21st Academy of African Business and Development Conference*, 189–199.

Sashikala, P. (2015). Customer retention in the Indian banking sector – Managing customer churn. *International Journal of Applied Engineering Research, 10*(15), 35567–35584.

Senthikumar, A., Ananth, A., & Arulraj, A. (2011). Impact of CSR on customer satisfaction. *African Journal of Business Management, 5*(7), 3028–3039.

Shekhar, C. (2025). A study: The future of banking and its impact on India's financial ecosystem. *International Journal of Research Publication and Reviews, 6*(2), 4125–4141.

Shetty, P. S., & Shetty, R. S. (2021). Ethics in business: A case study from banking sector. *International Journal of Advanced Research in Commerce, Management & Social Science, 4*(3), 173–181.

Sathyakala, M. (2025). Investigating the key factors influencing customer retention and enhancing retention strategies in the Sri Lankan banking industry (Bachelor's thesis). *JAMK University of Applied Sciences.*

Wedatama, P. B., & Sukaatmadja, I. P. G. (2019). The effect of salesperson ethical behavior on satisfaction, trust and customer loyalty: Study on customers of PT Kawan Lama Sejahtera in Bali. *ResearchGate.*

Yidawi, A. (2005). *A survey of ethics in the Nigerian banking industry* (Doctoral dissertation).