

# Generation Y: Behavior and Attitudes towards Retail Banking Services in India

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**Abstract:** Recent research on financial services has focused its attention on the young consumers and their decision making in the choice of financial products and financial service providers. Research has also highlighted the need to further explore underlying motives of the young consumers in order to create long term relationships in this influential consumer segment.

India is a fast growing and a major emerging economy. Official sources state that nearly 65% of its population is under the age of 35 years and the Generation Y cohort constitutes nearly 1/3<sup>rd</sup> of its total workforce. From a business and marketing perspective it is important, therefore, to understand the consumer behavior of this cohort and use this information to optimally tap into this segment.

This paper studies the behavior of generation Y cohort (generation born in the 1980s and 1990s) in India and explores the attitudes of these consumers towards retail banking services. Conducted on a sample of 200 respondents from urban India it seeks to highlight the more enduring motives for generation Y's personal banking choices and contributes to the theoretical discussion on factors influencing consumer behavior in the retail financial services sector. The implications of the study point towards more changes in the marketing strategy of the retail banks of the country and a stronger attempt to both attract and retain the generation Y consumers for long term relationships with the organizations.