Service Quality as a Mediator: Impact of Service Delivery on Customer Satisfaction in Lucknow's Mutual Fund Market

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ABSTRACT

Background: Mutual fund investment in India has grown significantly, with service-related factors playing a crucial role in determining investor satisfaction. In this context, both the effectiveness of service delivery and the overall quality of service are essential factors that shape customer satisfaction

Aim: This study aimed to evaluate how mutual fund investors in Lucknow perceive service delivery, service quality, and customer satisfaction, and to determine whether service quality acts as a bridge between service delivery and customer satisfaction.

Methodology: The study followed a descriptive, exploratory, and cross-sectional research design with a quantitative approach. Data were collected from 467 mutual fund investors in Lucknow using a self-designed questionnaire and purposive sampling. The analysis was conducted in SPSS and included reliability analysis, frequency analysis, and mediation analysis.

Results: The findings showed that a large portion of investors rated service delivery (48.0%) and customer satisfaction (46.7%) as high, with an even greater percentage (61.7%) giving high ratings to service quality. Mediation analysis further confirmed that service quality plays a significant role in linking service delivery to customer satisfaction.

Conclusion: The study concluded that service quality plays a crucial mediating role between service delivery and customer satisfaction, emphasizing the need for mutual fund providers to enhance service processes and client experience to retain investors.

Implications: The results have implications for financial service providers, suggesting a strategic focus on improving service quality as a lever to strengthen customer satisfaction and loyalty. This insight can inform policy-level decisions and marketing strategies for investor retention.

1 Introduction

Customer satisfaction has been widely recognized as a cornerstone of business success, particularly in service-oriented sectors such as financial services (Anderson et al,, 1994). In the mutual fund industry—where the products are intangible and investor choices are heavily shaped by trust and perceived value—both service delivery and service quality play a vital role in determining how satisfied and loyal customers feel (Zeithaml et al,, 1996). As India's mutual fund market continues to expand, particularly in growing urban centers like Lucknow, it becomes increasingly important to understand how these service aspects influence investor satisfaction.

Service delivery refers to how well the service is actually performed from the investor's perspective. It includes elements like timely execution, responsiveness, and transaction accuracy (Parasuraman et al,,1988). Service quality, on the other hand, is a broader evaluation—it reflects how well the overall service matches or exceeds investor expectations (Grönroos, 1984). Previous studies have shown that while service delivery has a direct impact on satisfaction, service quality can act as a bridge in this relationship by shaping how investors perceive their overall service experience (Kang et al,,2002). This mediating effect is important because it suggests that boosting service quality can enhance the benefits of good service delivery, leading to stronger satisfaction outcomes.

For mutual fund investors, satisfaction isn't just about returns—it's also shaped by the service experience around managing those investments. This includes factors like effective communication, timely resolution of problems, and the availability of personalized advice (Mittal & Kamakura, 2001). An investor's personal profile—such as their financial goals, risk appetite, and preferred fund types—also affects how service delivery and quality impact their satisfaction (Bettman et al,,1991). However, there's been little research into these dynamics in India's tier-2 cities like Lucknow, where investor behavior and financial awareness may differ from that in bigger metropolitan areas.

Past studies have consistently emphasized how crucial service quality is in financial services. For instance, Lee et al,, (2006) found that in the banking sector, service quality significantly influenced the relationship between service performance and customer satisfaction—meaning

that even if service delivery wasn't perfect, high perceived quality could still result in satisfied customers. Likewise, Ranaweera and Prabhu (2003) showed in the insurance industry that service quality could bridge the gap between operational performance and customer loyalty, which is closely linked to satisfaction. Applying these insights to the mutual fund space calls for a closer look at how investors in cities like Lucknow evaluate service delivery and quality, and how these perceptions affect their satisfaction.

With mutual funds becoming more popular across India, there's a rising demand for better service experiences. The Association of Mutual Funds in India (AMFI, 2023) reports steady growth in assets under management, showing that investors are not only more aware but also have higher expectations. Today's investors seek user-friendly digital platforms, personalized guidance, clear communication, and efficient transaction services. If service delivery falls short, investor trust can quickly decline—but high service quality can set a company apart and build lasting relationships (Rust & Zahorik, 1993).

This study thus aims to fill the research gap by analyzing the level-wise distribution of responses related to service delivery, service quality, and customer satisfaction among mutual fund investors in Lucknow. The study also takes into account the psychographic profiles of investors—factors like their attitudes, preferences, and motivations—which are essential for customizing how services are delivered. Most importantly, it explores how service quality acts as a middle link between service delivery and customer satisfaction. The insights gained from this research can help mutual fund companies fine-tune their service strategies, improve investor satisfaction, and boost investment flows in tier-2 cities like Lucknow.

In summary, the study is built on the idea that strong service quality is the key channel through which good service delivery leads to greater customer satisfaction. By uncovering how this connection works specifically for mutual fund investors in Lucknow, the research not only adds to academic understanding but also offers practical guidance for the financial services industry. As the mutual fund landscape continues to grow and evolve, understanding the deeper relationship between service factors and investor mindsets will be critical for firms aiming to build loyalty and achieve long-term success.

1.1 Objectives of the study

1. To analyze the level-wise distribution of responses across Service Delivery, Service Quality, and Customer Satisfaction among mutual fund investors.

2. To examine the psychographic profile of mutual fund investors, including investment objectives, risk perception, and scheme preferences.

3. To investigate the mediating role of Service Quality in the relationship between Service Delivery and Customer Satisfaction.

1.2 Need & Significance

In today's competitive financial services sector, especially within the mutual fund industry, understanding the factors influencing investor satisfaction is crucial for sustaining growth and loyalty. Service delivery and service quality are critical determinants of customer satisfaction, yet their dynamic relationship remains under-explored among mutual fund investors, particularly in emerging markets like Lucknow. Investigating the mediating role of service quality between service delivery and customer satisfaction helps financial institutions identify key leverage points to enhance investor experience, trust, and retention. Furthermore, understanding investor psychographics such as risk perception and investment objectives enriches the contextual relevance of service strategies. This study is significant as it bridges gaps in existing literature by focusing on mutual fund investors' perceptions in Lucknow, thereby providing actionable insights for mutual fund managers, marketers, and policymakers aiming to strengthen investor-centric service models.

2. Literature Review

2.1 Studies related to Psychographic Factors

Indian studies have consistently emphasized behavioral and attitudinal factors influencing mutual fund investments. Grewal et al. (2025) and Kakde et al. (2022) highlighted how perceived benefits, trust in brokers, risk preference, and return expectations drive investor choices. Shirke and Kumar (2025) underscored the role of distributors' personalized communication and trust in building investor loyalty through SIPs, while Jayaraj and Abhishek (2024) and Reena & Selvalakshmi (2024) revealed that long-term goals and past performance guide scheme selection, particularly for retirement planning and risk-averse investors. Several studies, including Kafila et al. (2024) and Sawant et al. (2023), demonstrated that risk appetite and performance perceptions significantly shape investment behavior, with preferences differing between short-term and long-term investors. Mohan and Bohra (2023) highlighted the increasing academic focus on performance evaluation, indicating growing investor awareness.

Internationally, psychographic and ESG-based preferences are gaining prominence. Johansson et al. (2025) and Choi et al. (2025) examined behavioral responses to smart beta and opaque bond instruments, identifying a trade-off between return-seeking and liquidity risk. Studies like Kammoun & Mrissa Bouden (2025) and Luo et al. (2024) emphasized ESG sensitivity, where investors preferred low-ESG-risk funds during crises, reflecting risk-avoidant and value-driven investment psychology. Further, Nofsinger & Varma (2023) and Agapova & Kaprielyan (2023) found that sustainability disclosures and fund family strategies impact investment decisions, suggesting that ethical alignment and portfolio diversification play a psychological role. International findings also caution that speculative behavior, as shown in Luo et al. (2024), may counteract intended ESG integration if not guided by informed investor understanding.

2.2 Studies related to Service Delivery

Recent studies highlight the transformative role of technology in mutual fund investments, enhancing decision-making, investor autonomy, and service delivery. Deb et al. (2025) showed that tech-enabled CRM supports informed investment decisions through real-time updates and service continuity, aligning with digital value co-creation. Santosh (2025) found AI-enabled ETFs outperform mutual funds in managing risk and cost, especially in volatile markets. Similarly, Tamara et al. (2022) linked e-service quality—portal design and security—to satisfaction and brand perception, though trust remained weakly influenced.

Investor behavior is shaped by perceived benefits, awareness, and demographics. Chhetri and Kandel (2025) noted that despite awareness, investors in Nepal often prefer brokers, with younger users gravitating toward digital closed-ended funds. Jagtap (2024) found SIPs appealing in regional India for their simplicity and accessibility. Kasemharuethaisuk and Samanchuen (2023) emphasized that trust and perceived usefulness drive adoption of digital investment tools, while ease of use has diminished influence amid growing digital familiarity. Structural barriers to inclusion persist. Ahluwalia and Guptab (2024) advocated for targeted outreach in semi-urban and rural India, aligning with Prasad and Sharma (2022), who stressed the role of financial advisors in guiding novice investors. Critically, Nilsson et al. (2024) warned that investors often misjudge long-term fund costs due to cognitive biases, calling for clearer disclosures. Lemeunier (2021) argued that active funds remain viable due to sophisticated investor behavior and regulatory checks. Parker et al. (2023) introduced the concept of public value destruction, urging scrutiny of how service designs may unintentionally erode value. From

a broader lens, Okwu et al. (2025) and Ojok and Kiwanuka-Tondo (2024) demonstrated how technology and communication improve service delivery in public institutions. Similarly, Tunde et al. (2024) highlighted governance challenges impacting public financial services, suggesting a need for administrative reforms to strengthen inclusion.

2.3 Studies related to Service Quality

Studies focusing on Indian investors highlight that service quality in mutual funds encompasses multiple dimensions including responsiveness, reliability, assurance, empathy, and tangibles (Grewal et al., 2025; Kakde et al., 2022). These dimensions align with the SERVQUAL model, which has been widely adopted to assess financial service sectors. For Lucknow-based investors, personalized attention from fund distributors, clarity in communication, and prompt handling of queries have been found critical (Shirke & Kumar, 2025). Research by Jayaraj and Abhishek (2024) emphasized that trust and transparency provided by mutual fund companies significantly influence investor confidence. This is especially relevant in Lucknow's context where many investors are risk-averse and rely heavily on distributor advice for their scheme selection and systematic investment plans (SIPs). The presence of local branch offices and customer service centers also contributes to perceived service quality by reducing the information asymmetry prevalent in smaller cities (Reena & Selvalakshmi, 2024). Further, Sawant et al. (2023) found that investors in emerging urban centers like Lucknow prioritize after-sales service such as regular portfolio updates and easy redemption processes. These factors enhance the overall service experience and encourage sustained investments. Moreover, Mohan and Bohra (2023) pointed out that technological integration—like mobile apps and online portals for transaction ease—though still nascent in tier-2 cities, is gradually becoming a vital component of service quality perception. Despite improvements, gaps remain in investor education and the availability of comprehensive advisory services tailored for Lucknow's demographic diversity, which includes a significant segment of first-time and small-scale investors. Thus, mutual fund companies focusing on Lucknow need to strengthen not only the functional aspects of service but also foster emotional connections through trust-building and transparent communication (Kafila et al., 2024).

2.4 Studies related to Customer Satisfaction

Several national and international studies have examined the determinants of consumer satisfaction in mutual fund investments. Dam and Kulkarni (2025) found that investor experience moderated the influence of prospect theory on how statutory disclaimers are interpreted, suggesting the need for psychologically attuned disclosures. Khan et al. (2024) emphasized safety as a top investor concern in India, recommending transparency, cost reduction, and education to enhance trust. Internationally, Friesen and Nguyen (2025) revealed that alpha-chasing behavior led to poor timing and reduced returns, with negative alpha autocorrelation compounding losses. Silva et al. (2025) found investor sentiment significantly predicted alpha in U.S. markets but not in Brazil, underscoring the need for localized sentiment models. Chen et al. (2024) showed that mutual fund investors often misread high returns as skill, supporting the naive money hypothesis. Hanif et al. (2024) highlighted that perceived enjoyment boosted trust via satisfaction in app-based investing, while Hutagaol and Basbeth (2021) demonstrated that perceived value mediated the effect of service quality on satisfaction among Jakarta's millennials. Collectively, these studies underline the crucial roles of investor psychology, transparency, service quality, and sentiment in shaping satisfaction.

3. Methodology of the study

The study employed a descriptive, exploratory, and cross-sectional research design using a quantitative methodology. Primary data were gathered through a self-designed questionnaire that included demographic and psychographic variables, along with constructs related to Service Delivery, Service Quality, and Customer Satisfaction. The questionnaire consisted of closed-ended items measured on a 5-point Likert scale, ranging from 1 (Strongly Disagree) to 5 (Strongly Agree). A total of 467 mutual fund investors from Lucknow were selected using purposive sampling. The collected data were analyzed using SPSS, applying statistical techniques such as reliability analysis, frequency analysis, and mediation analysis.

The levels of the studied dimensions were determined as follows—

Table 1-Level Determination

Dimension	N	Min	Max	Range	Class Interval	VLL	LL	ML	HL	VHL
Service Delivery	3	3	15	12	2.4	3.00–5.40	5.41–7.81	7.82–10.22	10.23–12.63	12.64–15.00
Service Quality	3	3	15	12	2.4	3.00–5.40	5.41–7.81	7.82–10.22	10.23–12.63	12.64–15.00
Consumer Satisfaction	6	6	30	24	4.8	6.00–10.80	10.81–15.61	15.62–20.42	20.43–25.23	25.24–30.00

4. Data Analysis & Interpretation

4.1 Demographic Profile

Table 2-Demographic Profile

Variable	Category	Freq.	%
Gender	Male	379	81.2%
	Female	88	18.8%
Age	18–25	46	9.9%
	26–35	201	43.0%
	36–45	132	28.3%
	46–60	88	18.8%
Education	Intermediate	23	4.9%
	Graduation	45	9.6%
	Post-graduation	157	33.6%
	Technical/Professional	220	47.1%
	Other	22	4.7%
Profession	Private Job	135	28.9%
	Government Job	110	23.6%
	Business	156	33.4%
	Other	66	14.1%
Income	Below ₹2.5 lakh	66	14.1%
	₹2.5–5 lakh	45	9.6%
	₹5–10 lakh	135	28.9%

	Above ₹10 lakh	221	47.3%
Marital Status	Single	112	24.0%
	Married	355	76.0%
Investor Experience	Novice	89	19.1%
	Some Experience	267	57.2%
	Experienced	111	23.8%
Location	Urban	313	67.0%
	Semi-Urban	88	18.8%
	Rural	66	14.1%
Family Type	Joint	267	57.2%
	Nuclear	200	42.8%
Earning Members	One	177	37.9%
	Two	290	62.1%

4.2 Reliability Analysis

Table 3- Reliability Analysis

Reliability Statistics		
Scale	Cronbach's Alpha	N of Items
Service Delivery to the Investors	.767	07
Service Quality	.874	08
Consumer Satisfaction	.883	06

Interpretation- The Cronbach alpha of all three scales was more than 0,70 which signifies high internal consistency.

4.3 Level-wise Distribution of Responses across Service Delivery, Service Quality, and Customer Satisfaction (N = 467)

Interpretation- The majority of respondents rated Service Delivery (48.0%) and Customer Satisfaction (46.7%) at a High Level (HL), while Service Quality received the highest responses at High Level (61.7%). A significant portion also rated Very High Level (VHL) for Service Delivery (42.4%) and Customer Satisfaction (43.5%), though fewer did so for Service

Quality (24.2%). Lower levels (VLL, LL, ML) showed minimal responses across all three variables, indicating overall positive perceptions with slightly lower ratings for Service Quality at the highest level.

Table 4- Level-wise Distribution of Responses across Service Delivery, Service Quality, and Customer Satisfaction

Level	Service Delivery Frequency (%)	Service Quality Frequency (%)	Customer Satisfaction Frequency (%)
VLL	14 (3.0%)	13 (2.8%)	15 (3.2%)
LL	7 (1.5%)	6 (1.3%)	6 (1.3%)
ML	24 (5.1%)	47 (10.1%)	25 (5.4%)
HL	224 (48.0%)	288 (61.7%)	218 (46.7%)
VHL	198 (42.4%)	113 (24.2%)	203 (43.5%)
Total	467 (100.0%)	467 (100.0%)	467 (100.0%)

4.4 Psychographic Profile of Mutual Fund Investors (N = 467)

Table 5- Psychographic Profile of Mutual Fund Investors

Psychographic Variable	Category	Frequency (%)
Investment Objective	Regular Income	27 (5.8%)
	Capital Appreciation	18 (3.9%)
	Income and Growth	413 (88.4%)
	Tax Planning	9 (1.9%)
Source of Income for Investing	Current Income	367 (78.6%)
	Past Savings	73 (15.6%)
	Both	27 (5.8%)
Scheme Preference	Open-ended Scheme	172 (36.8%)
	Closed-ended Scheme	190 (40.7%)
	Both	105 (22.5%)
Investment Duration	Less than 1 year	141 (30.2%)
	1 year to 3 years	275 (58.9%)

	4 years to 7 years	34 (7.3%)
	More than 7 years	17 (3.6%)
Perceived Risk	Moderate Risk	34 (7.3%)
	High Risk	188 (40.3%)
	Very High Risk	245 (52.5%)
Systematic Investment Behavior	Regularly (monthly/quarterly)	52 (11.1%)
	Whenever I have surplus funds	313 (67.0%)
	Primarily during Jan–March (tax planning)	68 (14.6%)
	Other	34 (7.3%)
Invest in Sector-specific Funds	Yes	211 (45.2%)
	No	256 (54.8%)
Invest in Equity-oriented Funds	Yes	209 (44.8%)
	No	258 (55.2%)
Invest in Balanced or Hybrid Funds	Yes	277 (59.3%)
	No	190 (40.7%)
Invest in Debt-oriented Funds	Yes	204 (43.7%)
	No	263 (56.3%)
Invest in Money Market / Liquid Funds	Yes	204 (43.7%)
	No	263 (56.3%)
Invest in Other Schemes	Yes	86 (18.4%)
	No	381 (81.6%)

Interpretation-Most investors aimed for income and growth (88.4%) and relied on current income (78.6%) for investing. Preferences were split between closed-ended (40.7%) and open-ended schemes (36.8%), with a majority favoring a 1–3 year duration (58.9%). Over half perceived very high risk (52.5%), and most invested when surplus funds were available (67%).

Balanced or hybrid funds were most preferred (59.3%), while fewer invested in equity, debt, or money market funds, reflecting moderate diversification with a high-risk appetite.

4.5 Mediating role of Service Quality (SQL) in the relationship between Service Delivery (SD) and Customer Satisfaction (CS)

The below hypothesis was formulated and model was proposed as per it

- **H_0 1:** Service Quality (SQL) does not significantly mediate the relationship between Service Delivery (SD) and Customer Satisfaction (CS)

Figure 1- Mediation Effect Model 1: Mediating effect of Service Quality (SQL) on the Service Delivery (SD) and Customer Satisfaction (CS) relationship.
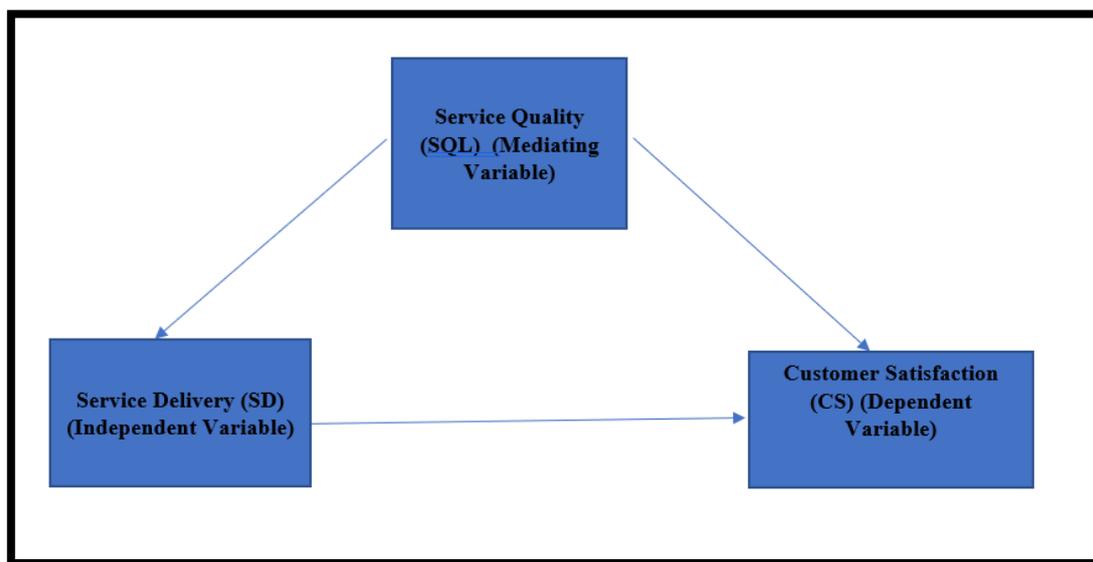

Table 6- Mediation Model Summary: SD → SQL → CS

Path	Effect	SE	t / F	p-value	95% CI / R²	Interpretation
SD → SQL (Path a)	0.5292	0.0356	14.88	0.0000	R² = 0.3226	SD explains 32.26% variance in SQL. Strong, significant positive effect.
SQL → CS (Path b)	0.4016	0.0497	8.09	0.0000		SQL significantly predicts CS positively.

SD → CS (Direct) (Path c′)	0.2971	0.0463	6.42	0.0000		Direct effect remains significant after accounting for SQL.
SD → CS (Total) (Path c)	0.5096	0.0406	12.54	0.0000	R² = 0.3451	Combined effect of SD on CS, including mediation.
Indirect Effect (a × b)	0.2125	0.0416	—	Bootstrapped	CI: [0.1310, 0.2960]	Indirect path via SQL is significant (CI does not include 0).

Interpretation- The analysis confirmed that Service Quality (SQL) partially mediates the relationship between Service Delivery (SD) and Customer Satisfaction (CS), as both the direct effect of SD on CS ($\beta = 0.2971$, $p < 0.001$) and the indirect effect through SQL (a × b = 0.2125, 95% CI [0.1310, 0.2960]) were statistically significant. The model explained 32.26% of the variance in SQL and 34.51% in CS, indicating that SD positively influences SQL, which in turn enhances CS. Since the indirect effect's confidence interval did not include zero, the null hypothesis (H_0 1) was rejected, confirming a significant mediating role of Service Quality in the SD–CS relationship.

5 Conclusion

The present study aimed to investigate the mediating role of service quality in the relationship between service delivery and customer satisfaction among mutual fund investors in Lucknow. Utilizing a structured quantitative research design, the study analyzed responses from 467 investors to evaluate how effectively various aspects of service influence overall satisfaction. The level-wise distribution discovered that most respondents rated Service Delivery and Customer Satisfaction at a High Level (48.0% and 46.7% respectively), representing that mutual fund providers are generally successful in meeting investor expectations. Notably, Service Quality saw the highest percentage of responses (61.7%) at a High Level, but fewer respondents (24.2%) rated it at a Very High Level, suggesting scope for further enhancement in perceived service quality.

The psychographic profiling of mutual fund investors in the study provided valuable insights into their behaviors and preferences. A significant majority (88.4%) pursued a dual investment objective of income and growth, with 78.6% depending primarily on their current income to

fund these investments. Most investors (58.9%) favored short-term investment horizons of one to three years. While a high level of risk tolerance was evident—over 92% perceived either high or very high risk—67% of respondents reported investing only when they had surplus funds, suggesting a more opportunistic than systematic approach. Investment preferences leaned toward balanced or hybrid funds (59.3%), with lower participation in equity, debt, or money market instruments. These findings indicate a moderately diversified investor base characterized by a strong appetite for risk, but lacking consistency in investment behavior. The mediation analysis offered strong statistical support for the central hypothesis, confirming that service quality plays a significant role in mediating the relationship between service delivery and customer satisfaction. The path analysis results demonstrated that Service Delivery significantly influenced Service Quality ($\beta = 0.5292$, $p < 0.001$), which, in turn, had a significant effect Customer Satisfaction ($\beta = 0.4016$, $p < 0.001$). Furthermore, Service Delivery had a direct positive impact on Customer Satisfaction ($\beta = 0.2971$, $p < 0.001$), and the total effect including the mediation path was also statistically significant ($\beta = 0.5096$, $p < 0.001$). The indirect effect through Service Quality ($\beta = 0.2125$) was confirmed as significant through bootstrapped confidence intervals [0.1310, 0.2960], which did not include zero, thereby confirming the presence of partial mediation.

These findings highlight that service quality serves as a vital intermediary in converting effective service delivery into higher levels of customer satisfaction. The statistical model explained 32.26% of the variance in service quality and 34.51% in customer satisfaction, underscoring the importance of consistently improving service interactions, reliability, and responsiveness. Given the high expectations and strong risk appetite of mutual fund investors in Lucknow, it becomes essential for fund managers and service staff to focus on enhancing service attributes such as empathy, assurance, and dependability.

These insights are particularly valuable for financial institutions and mutual fund companies operating in rapidly evolving urban markets like Lucknow, where investor expectations are rising and competition is intensifying. Maintaining a consistent and high-quality service experience is essential for building long-term investor relationships. This study offers a framework for rethinking and strengthening customer service models to boost investor satisfaction and loyalty.

Additionally, the analysis of investor profiles revealed significant untapped opportunities, especially in promoting more systematic investment behaviors and encouraging diversification.

Financial service providers can use this knowledge to craft more targeted educational programs and outreach initiatives—particularly aimed at high-risk, opportunistic investors—to guide them toward more disciplined and diversified investment strategies. As digital platforms continue to play a central role in investment services, refining digital service delivery will also be crucial in shaping positive service perceptions.

In conclusion, the study confirms that service quality functions as a partial but meaningful link between service delivery and customer satisfaction. For financial institutions to sustain investor satisfaction and loyalty in a growing and competitive mutual fund market, it is imperative to focus not just on operational efficiency, but also on delivering high-quality, investor-centric service experiences.

6. Suggestions

1. Focus on enhancing service reliability, responsiveness, and assurance to improve perceived service quality among mutual fund investors.

2. Implement continuous training programs for customer-facing staff to strengthen empathy, communication, and problem-solving skills.

3. Promote the adoption of Systematic Investment Plans (SIPs) to encourage more disciplined and consistent investment behavior.

4. Develop personalized investment portfolios based on investor psychographics, including risk tolerance, preferred schemes, and investment duration.

5. Improve digital service delivery by upgrading online platforms and mobile apps for a more seamless, transparent, and efficient user experience.

6. Launch investor education initiatives such as workshops and awareness campaigns to improve financial literacy and promote informed decision-making.

7. Establish regular feedback mechanisms to identify service gaps and proactively address investor concerns.

8. Continuously monitor and evaluate service-related key performance indicators (KPIs) to optimize customer service strategies.

7. **Practical Implications:**

The findings of this study hold meaningful implications for mutual fund service providers, especially in enhancing customer satisfaction through strategic improvements in service

delivery and quality. The level-wise distribution results indicate that most investors hold a favorable view of the services received, reflected in high ratings for both service delivery and customer satisfaction. However, the relatively lower proportion of respondents who rated service quality at a very high level points to a clear opportunity for enhancement. This underscores the need for financial institutions to refine their service quality frameworks through targeted training for frontline staff, streamlined service processes, and the integration of technology to ensure timely, transparent, and consistent service experiences. Given that service quality plays a significant mediating role between service delivery and customer satisfaction, focused improvements in this area can further strengthen the positive impact of efficient service delivery. Additionally, the psychographic profiling suggests that investors are primarily motivated by income-growth objectives and favor flexible investment durations, particularly in balanced or hybrid funds. Therefore, mutual fund providers should align their communication strategies, risk-based segmentation, and investor education programs with these behavioral patterns. By addressing investor concerns around risk and promoting more systematic investment behaviors, financial institutions can build greater trust and encourage sustained investor participation.

8. Limitations and Future Scope:

While this study offers valuable insights, it is subject to certain limitations. The use of a cross-sectional research design limits the ability to observe changes in investor behavior and satisfaction over time. Additionally, reliance on self-reported data introduces the possibility of response bias, as participants may have over- or under-reported their experiences. The sample was also restricted to a single geographic region, which may not fully capture the diversity of mutual fund investors across different socio-economic or cultural contexts in India. To strengthen future research, a longitudinal approach could be employed to track evolving investor perceptions and the sustained effects of service quality improvements. Expanding the study to include participants from multiple cities or states would improve the generalizability of the findings. Furthermore, incorporating qualitative methods such as interviews or focus groups could provide richer insights into the underlying motivations and attitudes that influence investor satisfaction. Future studies could also investigate the moderating influence of factors like digital literacy or financial awareness on the relationship between service quality and

customer satisfaction, offering more nuanced guidance for developing targeted strategies in India's dynamic mutual fund landscape.

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