






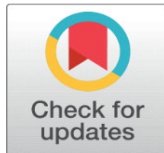
# THE DUAL ROLE OF DIRECT SELLING AGENTS: BALANCING BANK AND CUSTOMER NEEDS IN HOME LOAN SERVICES IN PUNJAB

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Received 26 February 2026

Accepted 22 April 2026

Published 11 May 2026

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## DOI

[10.29121/shodhkosh.v7.i9s.2026.8047](https://doi.org/10.29121/shodhkosh.v7.i9s.2026.8047)

**Funding:** This research received no specific grant from any funding agency in the public, commercial, or not-for-profit sectors.

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## ABSTRACT

**Purpose** The purpose of this study is to investigate the dual function of Direct Selling Agents in the home loan industry of Punjab, India. It examines how these intermediaries navigate the competing objectives of financial institutions.

**Design/methodology/approach** the research employs a mixed-methods, sequential explanatory design. Quantitative data was gathered through structured surveys from 392 DSA (87% response rate). This was followed by a qualitative phase involving semi-structured interviews with 20 DSA, 10 bank officials, and 15 home loan customers to explore operational realities and ethical challenges.

**Findings** reveal that while improve loan processing speed (78.3%), they operate in high-pressure environments characterized by conflicting interests. The top challenge identified is meeting sales targets while ensuring customer suitability. Results indicate that building trust and maintaining transparency are primary strategies for success, though navigating ethical dilemmas remains the most difficult aspect of the role.

**Originality** This paper contributes to the limited body of research on the socio-economic effects of financial intermediaries in the Indian housing market. It shifts the focus from simple sales figures to the quality and ethical standards of financial intermediation in regional emerging markets like Punjab.

**Research limitations/implications** the study's geographical focus on Punjab may limit the generalizability of the findings to the entirety of India.

**Practical implications** the study provides a roadmap for banks to refine management policies by implementing more stringent ethical oversight and balanced performance metrics that consider customer satisfaction alongside sales targets.

**Keywords:** Direct Selling Agents, Home Loans, Punjab, Banking, Customer Service, Financial Intermediation

## 1. INTRODUCTION

The home loan market in India has experienced significant growth in recent years, driven by rapid urbanization, increasing disposable incomes, and proactive government initiatives aimed at promoting affordable housing. Leading banks, housing finance companies, and other financial institutions have become increasingly competitive as a result of this expansion to implement novel strategies for gaining market share. The extensive use of Direct Selling Agents (DSAs) to increase customer reach and speed up loan disbursements has been a key strategy. DSAs bridge the gap between financial institutions and potential borrowers, making them an essential component of the home loan ecosystem. Their core responsibilities involve identifying potential clients, assisting with the complexities of loan applications, and

facilitating the overall approval process. However, the dual role inherent to DSAs—balancing the commercial interests of banks with the personal needs of customers—presents a complex array of challenges. These include managing conflicting priorities, navigating significant ethical dilemmas, and adhering to a constantly evolving regulatory framework.

Punjab, characterized by a robust housing loan market, has seen a steady rise in home loan demand over the last decade. Even though DSAs play a crucial role in maintaining this growth, very little research has looked into how these agents manage their dual responsibilities in the Punjabi region. Throughout the lending lifecycle, improving service quality and increasing customer satisfaction require an understanding of these localized dynamics. This study seeks to address several key research questions:

When providing services to both individual customers and financial institutions, how do DSAs in Punjab view and manage their dual roles? How specifically do these agents struggle to strike a balance between the frequently conflicting requirements and expectations of both parties? How specifically does the involvement of DSAs affect the home loan application process and customer satisfaction in the end? Which methods can be used to improve the overall quality of home loan services in Punjab and maximize the efficiency of DSAs? By addressing these inquiries, this research contributes to the expanding literature on the role of DSAs in the home loan sector, specifically within the state of Punjab. The purpose of the findings is to provide policymakers, financial institutions, and industry stakeholders with insights that they can use to improve the efficiency and ethical standards of the home loan service ecosystem.

## **2. LITERATURE REVIEW**

### **1) The Role of Direct Selling Agents (DSAs) in Banking**

Direct Selling Agents (DSAs) play an essential role in the banking sector, especially in expanding outreach for retail products such as home loans, personal loans, and credit cards. Grog and Vriens (2019) emphasize that distributor networks like DSAs are integral to bridging the gap between financial institutions and end-users, even as ethical and legal dilemmas persist in such frameworks. The integration of banking and insurance services further underscores the importance of functional synergies, as noted by Nikki (2022), demonstrating how DSAs enable greater service alignment to enhance customer satisfaction.

### **2) Challenges in the Dual Role of DSAs**

The dual responsibility of DSAs to meet both bank targets and customer needs often results in conflicts of interest and ethical dilemmas. Studies by Babu et al. (2020) and Ravesia et al. (2024) highlight the tension DSAs experience in adhering to institutional policies while catering to customer expectations. Hasanuzzaman et al. (2024) draw parallels with other industries, where the agents' ability to navigate these competing demands can significantly affect service outcomes and satisfaction.

### **3) Impact on Customer Satisfaction and Service Quality**

Customer satisfaction has been a focal point in evaluating DSA effectiveness. Sireesha et al. (2020) and Shigli and Kumar (2019) identify trust and personalized engagement as critical factors influencing customer perceptions of service quality. Munshi and Thanki (2020) specifically examine the refinancing of home loans and note that DSAs' proactive approach often alleviates customer frustrations related to the application process. However, inconsistencies in service delivery, as highlighted by Krishnamoorthy and Shivkumar (2020), pose challenges to maintaining uniform satisfaction levels.

### **4) Ethical Considerations and Decision-Making**

The ethical responsibilities of DSAs are paramount, given their intermediary role. Ethical dilemmas, as noted by Chethan and Panigrahi (2018), arise when agents prioritize sales targets over customer needs, often leading to dissatisfaction and trust erosion. Zhang et al. (2019) and Zhang and Zhang (2020) extend this discussion by exploring how decision-making is influenced by asymmetric information, which can further complicate the agent-customer dynamic.

### **5) Technological Advancements and Evolving Roles**

The integration of technology has transformed the role of DSA making digital tools indispensable for service delivery. Studies by Pu et al. (2020) and Somasundaram (2018) reveal that digital platforms enhance DSA capacity to

manage customer relationships effectively. The shift toward technology-driven models, such as online portals for loan applications, has enabled agents to streamline processes, reduce errors, and improve transparency.

### 6) DSAs in Punjab's Banking Ecosystem

The role of DSAs in Punjab's banking sector is distinct due to regional dynamics. Deepak et al. (2024) explore the financial performance of the housing loan sector in Punjab and underscore the pivotal role of DSAs in driving market penetration. Similarly, Baghla (2020) emphasizes the impact of IT integration in rural Punjab, highlighting the transformative potential of DSAs in bridging service gaps.

### 7) Regulatory Framework and Best Practices

The Reserve Bank of India (RBI) has established guidelines for DSAs to ensure ethical conduct and customer protection. Datwani and Raman (2020) discuss the implications of data-sharing policies, which directly impact DSA ability to operate within compliant frameworks. Perwej (2020) and Vidani (2024) stress the need for robust regulatory oversight to mitigate risks and enhance the reliability of DSAs as intermediaries.

## 2.1. RESEARCH GAP

Existing studies emphasize the significant role of Direct Selling Agents (DSAs) in the banking and home loan sectors, highlighting their contribution to market expansion, customer satisfaction, and service quality. However, limited research explores the dual role of DSAs in balancing the competing interests of banks and customers, particularly in the context of regional dynamics such as Punjab. Furthermore, there is a lack of focused studies on the ethical challenges faced by DSAs, their decision-making strategies, and the evolving impact of technology on their roles. This gap necessitates a comprehensive examination of these aspects to enhance the effectiveness of DSAs in the home loan sector.

## 3. METHODOLOGY

This research employs a mixed-methods approach, combining quantitative and qualitative data collection and analysis techniques to provide a comprehensive understanding of the DSA dual role in Punjab's home loan sector.

### 3.1. RESEARCH DESIGN

The study utilizes a sequential explanatory design, consisting of two phases:

- 1) Quantitative Phase: A survey of DSAs operating in Punjab's home loan market.
- 2) Qualitative Phase: In-depth interviews with selected DSAs, bank officials, and home loan customers.

This design allows for the collection of broad, generalizable data through the survey, followed by a more nuanced exploration of the underlying factors and experiences through interviews.

### 3.2. SAMPLING

#### 3.2.1. QUANTITATIVE SAMPLE

For the survey, a stratified random sampling technique was employed to ensure representation from different regions of Punjab and various types of financial institutions. The sample size was determined using the following formula:

$$n = (Z^2pq) / e^2$$

Where:  $n$  = sample size  $Z$  = Z-score (1.96 for 95% confidence level)  $p$  = estimated proportion of DSAs in the population (0.5 used for maximum variability)  $q$  =  $1 - p$   $e$  = margin of error (0.05)

Using this formula, the calculated sample size was 384. To account for potential non-responses, the survey was distributed to 450 DSAs, with a final response rate of 87% (392 completed surveys).

### **3.2.2. QUALITATIVE SAMPLE**

For the qualitative phase, purposive sampling was used to select participants for in-depth interviews. The sample included:

- 20 DSAs (selected based on survey responses to represent diverse experiences)
- 10 bank officials (from different banks operating in Punjab)
- 15 home loan customers (who had recently interacted with DSAs)

### **3.3. DATA COLLECTION**

#### **3.3.1. QUANTITATIVE DATA COLLECTION**

A structured questionnaire was developed based on the research objectives and insights from the literature review. The questionnaire consisted of five sections:

- 1) Demographic information
- 2) Role perception and responsibilities
- 3) Challenges in balancing bank and customer needs
- 4) Strategies for managing dual roles
- 5) Perceived impact on home loan services

The survey was administered online using a professional survey platform, with options for paper-based completion for participants who preferred this method.

#### **3.3.2. QUALITATIVE DATA COLLECTION**

Semi-structured interviews were conducted with the selected participants. Interview guides were developed for each group (DSAs, bank officials, and customers) to ensure consistency while allowing for flexibility in exploring emerging themes. Interviews were conducted in person or via video conferencing, lasting approximately 45-60 minutes each. All interviews were audio-recorded with participant consent and later transcribed for analysis.

### **3.4. DATA ANALYSIS**

#### **3.4.1. QUANTITATIVE DATA ANALYSIS**

Survey data were analyzed using SPSS software. Descriptive statistics were used to summarize demographic information and response patterns. Inferential statistics, including chi-square tests and multiple regression analysis, were employed to examine relationships between variables and identify factors influencing DSA ability to balance their dual role.

#### **3.4.2. QUALITATIVE DATA ANALYSIS**

Thematic analysis was conducted on the interview transcripts using NVivo software. The analysis followed six-step process:

- 1) Familiarization with the data
- 2) Generating initial codes
- 3) Searching for themes
- 4) Reviewing themes
- 5) Defining and naming themes
- 6) Producing the report

### 3.5. ETHICAL CONSIDERATIONS

The research was conducted in accordance with ethical guidelines, including obtaining informed consent from all participants, ensuring confidentiality and anonymity, and providing the option to withdraw from the study at any time. The study protocol was approved by the institutional ethics committee prior to data collection.

## 4. RESULTS

### 4.1. QUANTITATIVE FINDINGS

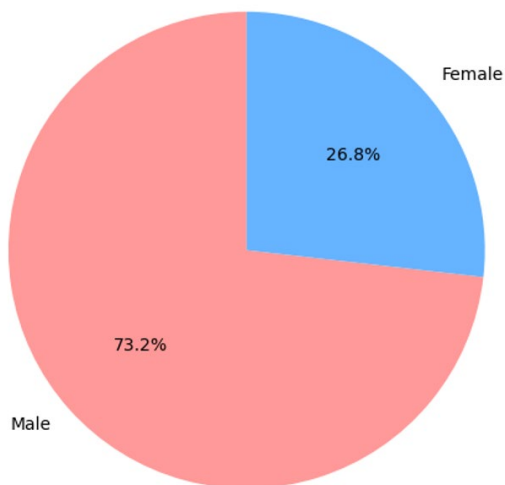
#### 4.1.1. DEMOGRAPHIC PROFILE OF DSAS

Table 1 presents the demographic characteristics of the surveyed DSAs.

**Table 1**

| Table 1 Demographic Profile of Direct Selling Agents (N=392) |                         |           |            |
|--------------------------------------------------------------|-------------------------|-----------|------------|
| Characteristic                                               | Category                | Frequency | Percentage |
| Gender                                                       | Male                    | 287       | 73.20%     |
|                                                              | Female                  | 105       | 26.80%     |
| Age                                                          | 18-25 years             | 78        | 19.90%     |
|                                                              | 26-35 years             | 163       | 41.60%     |
|                                                              | 36-45 years             | 98        | 25.00%     |
|                                                              | 46+ years               | 53        | 13.50%     |
| Education                                                    | High School             | 45        | 11.50%     |
|                                                              | Bachelor's Degree       | 218       | 55.60%     |
|                                                              | Master's Degree         | 129       | 32.90%     |
| Experience as DSA                                            | Less than 1 year        | 62        | 15.80%     |
|                                                              | 1-3 years               | 147       | 37.50%     |
|                                                              | 4-6 years               | 108       | 27.60%     |
|                                                              | 7+ years                | 75        | 19.10%     |
| Primary Bank Affiliation                                     | Public Sector Bank      | 183       | 46.70%     |
|                                                              | Private Sector Bank     | 156       | 39.80%     |
|                                                              | Housing Finance Company | 53        | 13.50%     |

**Figure 1**



**Figure 1** Demographic Profile of DSAs

The demographic profile of DSAs shows that the majority are male (73.2%) and belong to the 26–35 years age group (41.6%), reflecting a young workforce. Most DSAs hold at least a bachelor's degree (55.6%) and have 1–3 years of experience (37.5%), indicating a moderately experienced and educated group. Public sector banks employ the largest share of DSAs (46.7%), followed by private sector banks (39.8%) and housing finance companies (13.5%).

#### 4.1.2. PERCEPTION OF DUAL ROLE

DSAs were asked to rate their agreement with statements regarding their dual role on a 5-point Likert scale (1 = Strongly Disagree, 5 = Strongly Agree). Table 2 summarizes the results.

Table 2

| Table 2 DSA Perception of Dual Role (N=392)                                 |      |      |
|-----------------------------------------------------------------------------|------|------|
| Statement                                                                   | Mean | SD   |
| I understand my responsibilities to both the bank and customers             | 4.32 | 0.76 |
| Balancing bank targets and customer needs is challenging                    | 3.89 | 0.92 |
| I prioritize customer interests over meeting bank targets                   | 3.41 | 1.05 |
| I feel pressure to push products that may not be suitable for all customers | 3.22 | 1.18 |
| My dual role allows me to provide better service to customers               | 3.78 | 0.88 |

Figure 2

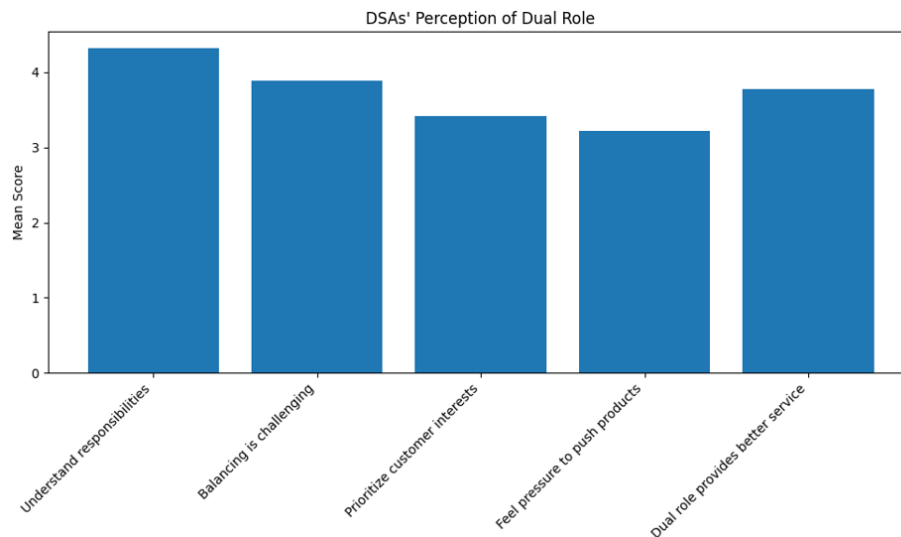


Figure 2 Perception of Dual Role

The survey results indicate that DSAs have a strong understanding of their dual responsibilities (mean = 4.32), but find balancing bank targets and customer needs challenging (mean = 3.89). While they moderately prioritize customer interests over targets (mean = 3.41), some feel pressured to promote unsuitable products (mean = 3.22). Despite these challenges, DSAs believe their dual role enhances customer service (mean = 3.78).

#### 4.1.3. CHALLENGES FACED BY DSAS

Respondents were asked to rank the top challenges they face in balancing bank and customer needs. Table 3 presents the results.

Table 3

| Table 3 Ranking of Challenges Faced by DSAs (N=392) |           |    |
|-----------------------------------------------------|-----------|----|
| Challenge                                           | Mean Rank | SD |

|                                                            |      |      |
|------------------------------------------------------------|------|------|
| Meeting sales targets while ensuring customer suitability  | 2.14 | 1.23 |
| Managing customer expectations vs. bank policies           | 2.37 | 1.18 |
| Staying updated on product information and market trends   | 3.26 | 1.35 |
| Handling customer complaints and maintaining relationships | 3.42 | 1.29 |
| Navigating ethical dilemmas in sales practices             | 3.81 | 1.41 |

Figure 3

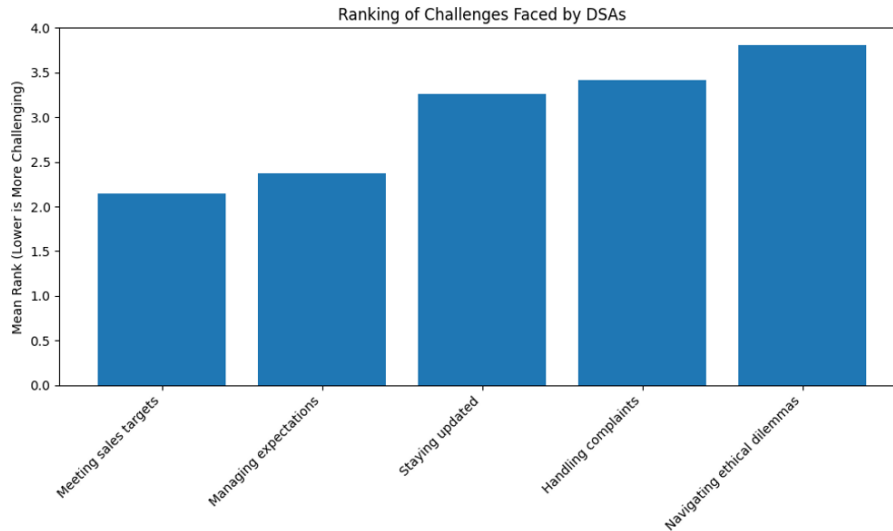


Figure 3 Challenges Faced by DSAs

The top challenge faced by DSAs is meeting sales targets while ensuring customer suitability (mean rank = 2.14), followed by managing customer expectations versus bank policies (mean rank = 2.37). Staying updated on product information (mean rank = 3.26) and handling customer complaints (mean rank = 3.42) are moderate challenges, while navigating ethical dilemmas ranks as the most difficult (mean rank = 3.81), reflecting the complexity of their role.

#### 4.1.4. STRATEGIES FOR MANAGING DUAL ROLE

DSAs were asked to indicate the frequency of using various strategies to manage their dual role on a 5-point scale (1 = Never, 5 = Always). Table 4 summarizes the findings.

Table 4

| Strategy                                                        | Mean | SD   |
|-----------------------------------------------------------------|------|------|
| Transparent communication with customers about product features | 4.18 | 0.82 |
| Regular training and self-education on products and policies    | 3.95 | 0.94 |
| Building long-term relationships with customers                 | 4.23 | 0.79 |
| Seeking clarification from bank officials on complex issues     | 3.87 | 0.98 |
| Focusing on customer needs rather than pushing products         | 3.72 | 1.06 |

DSAs frequently use strategies like building long-term customer relationships (mean = 4.23) and transparent communication about product features (mean = 4.18) to manage their dual role effectively. Regular training and self-education (mean = 3.95) and seeking clarification from bank officials (mean = 3.87) are also common practices. Focusing on customer needs rather than pushing products (mean = 3.72) highlights their commitment to customer-centric approaches.

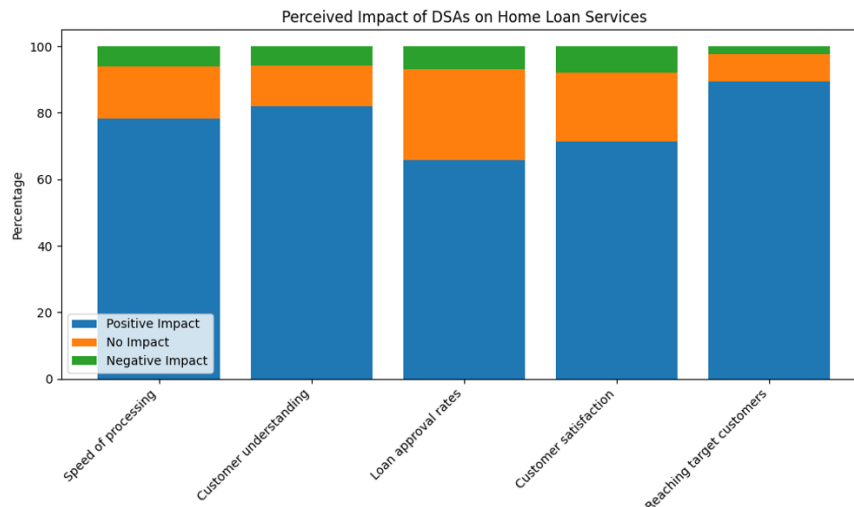
### 4.1.5. PERCEIVED IMPACT ON HOME LOAN SERVICES

DSAs were asked to rate the impact of their role on various aspects of home loan services. Table 5 presents the results.

**Table 5**

| Table 5 Perceived Impact of DSAs on Home Loan Services (N=392) |                 |           |                 |
|----------------------------------------------------------------|-----------------|-----------|-----------------|
| Aspect                                                         | Positive Impact | No Impact | Negative Impact |
| Speed of loan processing                                       | 78.3%           | 15.6%     | 6.1%            |
| Customer understanding of loan terms                           | 82.1%           | 12.2%     | 5.7%            |
| Loan approval rates                                            | 65.8%           | 27.3%     | 6.9%            |
| Customer satisfaction with overall process                     | 71.4%           | 20.7%     | 7.9%            |
| Bank's ability to reach target customers                       | 89.5%           | 8.2%      | 2.3%            |

**Figure 4**



**Figure 4** Perceived Impact on Home Loan Services

DSAs have a significant positive impact on banks' ability to reach target customers (89.5%) and improve customer understanding of loan terms (82.1%). They also enhance the speed of loan processing (78.3%) and overall customer satisfaction (71.4%). However, their influence on loan approval rates is relatively lower, with only 65.8% perceiving a positive impact, suggesting limitations in this aspect of their role.

## 4.2. QUALITATIVE FINDINGS

Thematic analysis of the interview data revealed several key themes related to the dual role of DSAs in Punjab's home loan sector. These themes are presented below with illustrative quotes from participants.

### 4.2.1. BALANCING ACT: NAVIGATING COMPETING INTERESTS

DSAs consistently described their role as a delicate balancing act between meeting bank targets and serving customer needs. Many expressed the challenges involved in managing these sometimes-conflicting priorities.

"It's like walking on a tightrope. On one side, you have the bank pushing for numbers, and on the other, you have customers who trust you to guide them. Finding the right balance is crucial but not always easy." - DSA, 5 years of experience

Bank officials acknowledged the pressure placed on DSAs but emphasized the importance of ethical conduct:

"We understand that DSAs face pressure to meet targets, but we expect them to prioritize customer interests and maintain the bank's reputation. It's a challenging role, but crucial for our business." - Bank Manager, Private Sector Bank

#### **4.2.2. BUILDING TRUST AND LONG-TERM RELATIONSHIPS**

A recurring theme among successful DSAs was the emphasis on building trust and long-term relationships with customers, rather than focusing solely on short-term sales targets.

"I've learned that if you take care of the customer's needs, the numbers will follow. Building trust is key – it leads to referrals and repeat business." - DSA, 8 years of experience

Customers who reported positive experiences with DSAs often cited the agent's commitment to their long-term financial well-being:

"Our DSA didn't just help us with the home loan; he advised us on financial planning and even helped us understand how to improve our credit score for the future." - Home Loan Customer

#### **4.2.3. KNOWLEDGE AND TRANSPARENCY AS TOOLS FOR SUCCESS**

Both DSAs and customers emphasized the importance of product knowledge and transparency in facilitating successful interactions and building trust.

"Staying updated on products, policies, and market trends is crucial. When you can explain things clearly to customers and answer their questions confidently, it builds trust and makes the process smoother." - DSA, 3 years of experience

Customers appreciated DSAs who provided clear, honest information:

"What I valued most was how our DSA explained everything in detail, including the pros and cons. He didn't try to hide anything or push us into a decision." - Home Loan Customer

#### **4.2.4. ETHICAL DILEMMAS AND DECISION-MAKING**

Many DSAs reported facing ethical dilemmas, particularly when bank targets conflicted with what they believed was best for the customer.

"There are times when you know a certain product might not be the best fit for a customer, but there's pressure to meet targets. It's in these moments that your ethics are really tested." - DSA, 6 years of experience

Some DSAs described strategies for handling such situations:

"I always try to put myself in the customer's shoes. If I wouldn't recommend the product to my family member, I won't push it on a customer, regardless of the targets." - DSA, 4 years of experience

#### **4.2.5. IMPACT OF TECHNOLOGY AND CHANGING CUSTOMER EXPECTATIONS**

Both DSAs and bank officials noted the increasing impact of technology on their role and customer expectations.

"Customers today are more informed thanks to the internet. They come with specific questions and expect quick responses. It's changed how we approach our job." - DSA, 2 years of experience."

Bank officials highlighted the need for DSAs to adapt to these changes:

"We're investing in digital tools to support our DSAs. The role is evolving – it's not just about selling anymore, but about being a knowledgeable advisor in a fast-paced, digital environment." - Bank Manager, Public Sector Bank

### **5. DISCUSSION**

The findings of this study shed light on the nuanced role of Direct Selling Agents (DSAs) in Punjab's home loan sector, emphasizing the challenges they face and the strategies they adopt to balance the expectations of banks and customers.

## 5.1. PERCEPTION AND MANAGEMENT OF DUAL ROLE

The results reveal that DSAs possess a clear understanding of their dual responsibilities but grapple with the inherent tension of meeting bank targets while ensuring customer satisfaction. As highlighted by Chethan and Panigrahi (2018), DSA intermediary role often places them in a position of conflict, balancing customer needs with institutional goals. This aligns with the findings of Babu et al. (2020), who point out the difficulties DSAs face in meeting organizational expectations while upholding customer-centric approaches.

The qualitative insights further reveal the emotional and professional strain DSAs endure, describing their work as a "balancing act." This tension underscores the need for structured support mechanisms within financial institutions to help DSAs manage competing priorities more effectively.

## 5.2. STRATEGIES FOR SUCCESS

Despite these challenges, DSAs demonstrate adaptability by employing strategies that enhance their effectiveness. Trust-building and long-term relationship management emerged as the most effective strategies, echoing findings from Grog and Vriens (2019), who emphasize the role of ethical and transparent practices in building sustainable customer trust.

Transparency about product features and regular updates on market trends also play a significant role in maintaining customer confidence (Krishnamoorthy & Shivkumar, 2020). The ability to provide clear and reliable information fosters trust, reduces customer anxiety, and encourages repeat engagements.

## 5.3. KNOWLEDGE AND ETHICAL DECISION-MAKING

The study highlights the importance of DSA product knowledge and ethical judgment in navigating their dual responsibilities. As Datwani and Raman (2020) discuss, the rapidly changing regulatory environment in India's banking sector necessitates continuous learning and adherence to ethical frameworks.

The ethical dilemmas described by DSAs, particularly when balancing profitability and customer suitability, resonate with the challenges outlined by Nikki (2022). This underscores the critical need for banks to provide regular ethical training and create supportive structures to aid DSAs in making customer-first decisions without compromising institutional goals.

## 5.4. IMPACT ON HOME LOAN SERVICES

DSAs are pivotal in improving customer understanding of loan terms and expediting loan processing. Studies like those by Deepak et al. (2024) and Sireesha et al. (2020) confirm that DSAs act as effective bridges between banks and customers, ensuring smoother loan approval processes and reducing bottlenecks. However, the limited influence of DSAs on final loan approvals, as identified in this study, highlights the need for better-defined roles and clearer communication between DSAs and customers regarding the boundaries of their influence.

The findings also reinforce the potential of DSAs in mitigating customer frustrations, as observed in Munshi and Thanki (2020). By addressing information asymmetry and providing tailored guidance, DSAs play a significant role in enhancing customer satisfaction. Himani and Kant (2025)

## 5.5. EVOLVING ROLE IN A DIGITAL AGE

Technological advancements and increasing digital literacy among customers are reshaping the role of DSAs. Pu et al. (2020) and Somasundaram (2018) emphasize the growing reliance on digital tools for loan applications and customer interactions, which has transformed the traditional DSA role into one that increasingly resembles an advisory position.

As banking services in Punjab become more digitized (Baghla, 2020), DSAs must embrace these changes to remain relevant. Leveraging digital platforms can help DSAs provide faster, more efficient services while meeting the expectations of tech-savvy customers. This shift, while challenging, also presents opportunities for DSAs to redefine their value proposition and strengthen their role as customer advocates in the financial ecosystem.

## 6. CONCLUSION AND RECOMMENDATIONS

This study provides a comprehensive examination of the dual role played by Direct Selling Agents in Punjab's home loan sector, offering insights into the challenges they face and the strategies they employ to balance the needs of banks and customers. The findings highlight the complex nature of the DSA's position and its significant impact on the home loan service ecosystem.

### 6.1. KEY CONCLUSIONS FROM THE RESEARCH INCLUDE

- 1) DSAs generally understand and strive to fulfill their dual responsibilities, but face significant challenges in balancing competing interests.
- 2) Building trust, maintaining transparency, and focusing on long-term customer relationships are crucial strategies for success in the DSA role.
- 3) Product knowledge and ethical decision-making skills are essential for DSAs to navigate their dual role effectively.
- 4) DSAs perceive their role as having a largely positive impact on home loan services, particularly in improving customer understanding and expediting processes.
- 5) The DSA role is evolving in response to technological advancements and changing customer expectations, requiring adaptation and new skills.

Based on these findings, the following recommendations are proposed for various stakeholders:

#### **For Banks and Financial Institutions:**

- 1) Develop comprehensive training programs for DSAs that focus not only on product knowledge but also on ethical decision-making and customer relationship management.
- 2) Implement balanced performance metrics that consider both sales targets and customer satisfaction indicators.
- 3) Provide DSAs with advanced digital tools and support to enhance their effectiveness in an increasingly tech-savvy market.
- 4) Establish clear guidelines and support systems for DSAs to manage ethical dilemmas and conflicts of interest.

#### **For Direct Selling Agents:**

- 1) Prioritize building long-term relationships with customers over short-term sales targets.
- 2) Invest in continuous learning to stay updated on products, market trends, and regulatory changes.
- 3) Develop strong ethical frameworks to guide decision-making in challenging situations.
- 4) Embrace technology and digital tools to enhance service delivery and meet evolving customer expectations.

#### **For Policymakers and Regulators:**

- 1) Strengthen and enforce guidelines for banks' engagement with DSAs, focusing on ethical practices and customer protection.
- 2) Consider developing a certification or licensing system for DSAs to ensure minimum standards of knowledge and ethical conduct.
- 3) Promote financial literacy initiatives to help customers make informed decisions and better understand the role of DSAs in the home loan process.

#### **For Future Research:**

- 1) Conduct longitudinal studies to examine the long-term impact of DSA involvement on customer financial outcomes and satisfaction.
- 2) Investigate the effectiveness of different training and support models for DSAs in improving their ability to balance dual responsibilities.

- 3) Explore the potential of technology-driven solutions to enhance the DSA's role and address challenges in balancing bank and customer needs.

In conclusion, while the dual role of DSAs in Punjab's home loan sector presents significant challenges, it also offers opportunities for enhancing the quality and accessibility of home loan services. By addressing the identified issues and implementing the proposed recommendations, stakeholders can work towards a more effective, ethical, and customer-centric home loan ecosystem in Punjab and beyond.

## CONFLICT OF INTERESTS

None.

## ACKNOWLEDGMENTS

None.

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