

STRENGTHENING BANK MARKET PRESENCE BY MONITORING CLIENTS' SATISFACTION WITH DISTRIBUTION CHANNELS

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ABSTRACT

This paper aims to highlight the relationship between the customers' satisfaction with the banks' distribution channels and customer loyalty, predictors of a bank's position on the market. For this purpose, the authors present the findings of a research that tested a model which linkage satisfaction with distribution channels to repurchase behavior, the intention to recommend the bank services and to the behavior of having already recommended the bank services. The proposed model intentionally includes the satisfaction with distribution channels. On the one hand, customers are now less sensitive to price and accept to pay more if they feel comfortable when using the services of the bank and on the other hand, price can no longer lead to a competitive advantage since banks practice similar prices. Instead, customers may be interested in the number of services they may obtain through different distribution channels, in the speed with which services are performed or in the employees' attitude (where the case).

JEL classification: G21, J28

Keywords: Bank services, distribution channels, satisfaction-loyalty linkage

LITERATURE REVIEW

Banks are currently conducting their business in an extremely competitive environment and therefore, it is hardly anything that cannot be "stolen" or copied by the competitors. Since there is a real risk to lose customers who may chose the competitors' offer, a bank's priority should be nothing but "developing" loyal customers that do not only ignore the competitors' products but also adopt a repurchase

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ogy of brand, and b) observation of brand through BMS. We observe brand as a part of the added value which facilitates the differentiation. However, brand simultaneously becomes a cultural phenomenon. It influences consumers in terms of forming of opinions and organization of their lifestyles. The unquestionable values, the very essence of a brand, makes up 80% of success, and at the same time, the expenses make up 20% (De Chernatony & McDonald; 2005). Consequently, consumer loyalty is just the initial segment of brand management in brandsphere, because the dialogue between a 'living organism', i.e., a brand, leads to the evolution and 'religion' (De Chernatony;2002). Here, we are talking about neuromarketing.

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social-emotional behaviour will disbalance consumers' perception, and consumers will follow their emotions instead of cognition, when buying a certain product. Consumers accomplish the overall efficacy through subjective perception (Gobe; 2001). Brand goes beyond the sole definition of a product and its extended content is the very essence of a product. The decisions made in the process shopping are often based on emotions, and BMS, which implies the strategy of positioning, arbitrarily influences the decision-making. According to the principles of memory brand (Keller; 2008), the basic principle is derived from the concept of the emotional memory which represent a category of declarative memory, thus sharing many features with common, unemotional memory. Metaphoric brands have a starting point in consumers' perception. Since the very essence of a brand encompasses the 4-D model (Gad;2005), we analyze perception through the "punctum temporalis" matrix (Ponty-Merleau;1990), i.e. the observation mode. According to the consumers' psychology (Solomon et al;2006), perception integrates the process of choosing, organizing and interpreting of the incoming stimuli. Stimulus, thus, can be primary (the physical features of a product) and secondary (marketing communication). The power of marketing is placed in this observation mode, within the emotional component.

4. CONCLUSION

According to the the emotional component, consumer do not always behave rationally (Meler; 2005,70). Such irrational behaviour is a result of the 'social neighbourhood' which indirectly influences their choice. The environment, thus, becomes a cyclic spiral in which we have consumers and all the cultural and socio-economic surroundings. So, the symbolism of a brand, its metaphoric dimension, is not a new concept in economics (Karpati; 1992). However, the role of the very product which is manifested in its cultural value, is a new one. Since the added values of brands (Keller;2008) are based on the psycho-social patterns, with the development of neuromarketing, manufacturers can more quickly 'identify' consumers' motives or desires. The identity of a brand, its character (Lindstrom;2005) is formed when a brand acquires its personality. If we accept the structure of the character, we get the insight into consumers' awareness, i.e., into modern consumption, which is a result of desires, and not needs of modern consumers.

The implementation of brandsphere and essence of a brand encompasses two modules: a) understanding of the factors in the brandsphere and the phenomenol-

forming of a stance. The formed, salient beliefs represent the importance of getting an insight in consumers' stances. Such salient beliefs are still, by themselves, when isolated from the symbolic and metaporic dimension of a brand, not crucial when it comes to consumers' loyalty. In other words, consumers become aware of a brand, without special efforts, at the same time shutting out cognition, and shaping metaphors passively. Therefore, when analyzing BMS, manufacturer has to consider the principles of consumers' high and low level of involvement, not taking into account the marketing efforts, because a prototypical consumer is hyperfragmented by the choice of goods (Kotler & de Bes; 2003). One of the possible ways for finding the solution is, actually, the creation of brand's awareness, for that is what accelerates the process of identification. The creation of awareness, at the same time, represents the arbitration between high and low level of involvement, because consumers will base their perception of brand solely on its popularity.

However, with the acceptance of the behavioral approach to economy, two problems occur: firstly, behaviour does not influence the free will completely. Secondly, the stimulative characteristics which come along with an appropriate reward, allude to the perception of sense and action that is unpredictable and depends on the free will. It is noteworthy that the largest number of consumers' needs and desires are never satisfied (Schiffman & Kanuk; 2004,70). Consumers' response to the entire environment is based on their perception of that same environment, and not on the objective state of affairs concerning the environment. In other words, consumers respond to their perception of a brand. The very essence of the perception is manifested in the mediating between a stimulus and cognition (Kesić; 1997,50). Buying the same brand represents the high level of involvement on the part the consumers (Rocco;2000), for it reflects consumers' perception. By analyzing the level of consumers' involvement, we indirectly evaluate and appreciate brands. In other words, perception is determined by objective stimuli, i.e., we give them a meaning based on our previous knowledge, memory, expectations, opinions and motives. From what has been said, we can conclude that the basis of perception rests upon automatism and that consumers' behaviour can be rational, emotional or combined (Meler; 2005,70).

Neuromarketing points out the relevance of the limbic concept because of the emotional component of a brand. The multiple paradigms of the limbic concept refer to the analysis of consumers' memory, emotions, olfactory and visual stimuli due to the domination of amygdala. Amygdala's influence is essential in the process of learning of the so-called 'safety signals'. The effects of these 'safety signals' in a

In the postmodern marketing, symbolic shopping plays a significant role, but at the same time, it demands of the market to shift the focus of the expected value. So, Levitt's four-circle model is the best indicator of the modern tendencies of brands which, from the basic premise develop into expected, extended and, ultimately, into the potential ones. But, the process can also go in the opposite direction. That means that a brand can easily, from a potential premise, become extended or expected, if consumers' 'added values' (their desires) are neglected. However, shopping out of habit must not be equated with symbolic shopping. Habit is a form of a recurrent behaviour which are an inseparable part of consumers' partial or absent-minded seeking for information, and the valuing of other brands. Habit, as such, is formed through learning, and shopping through reinforcement. Symbolic shopping represents brand's metaphor. In the case of shopping with a high level of involvement, through a brand, consumers project the source of self-recognition, and therefore, the notion of 'similarity', which is, in most cases based on a label, will not be a decisive factor. In fact, differences make up the very essence of a brand (Meler; 2005,279). The other three factors that make up brandsphere (distribution, macro environment and competition) can be observed through the concept of brand identity. Namely, the concept of brand identity are based on the principles of marketing communications in a broader sense of the word. Kapferer's hexagon of brand's identity (Kapferer;2001) gives a contribution to the defining of a brand's essence and its prism. Therefore, we associate the relationship with the clients, i.e. the symbolic, emotional and the social one (Vranešević;2007,40) with a brand. Furthermore, the reflection of a brand helps to create consumers' perception and image. In fact, it is self-expression that leads to the self-acknowledgement.

3. THE ESSENCE OF A BRAND

Let us mention the phenomenon of consistent buying of the same brand, which is a consequence of a positive stance towards that same brand. Here, we are talking about the loyalty which is reflected through repeated purchasing of the same brand as an indicator of a connection between purchasing and satisfaction, and according to the theory of learning (Milas;2007), the more frequent the purchasing, the support is greater. The correlation between beliefs and the overall valuing of a brand does not necessarily condition the taking of a stance towards different brands. Over the process of forming a stance, perception and the symbolic shopping, consumers integrate their own experiences and the knowledge about brands. Consumers' cognitive capacity is limited, and for this reason, only some beliefs will influence the

2.2. The emotional component

The paradox between satisfying the needs of both, consumers and employees is reflected in the development of brandsphere. Even though the value of a brand is expressed through the sum of, both, the value of the relation between a corporation and the current clients and the value of potential relations with potential clients, the value, mostly depends on the coefficient of the consumer loyalty. Of course, that coefficient cannot be expressed through mathematics, for it is dependent upon consumer's emotional component.

So, let us compare the values of the relations:

$$W_{\text{brand}} = W_{\text{cc}} + W_{\text{pc}}$$

In which case:

W_{brand} = the value of a brand,

W_{cc} = the value of current clients,

W_{pc} = the value of potential clients

From these formulas concerning the financial and the relational values, we can conclude that the value of a brand cannot be encompassed with classical formulas, and, as a result, the model of emotional branding has been introduced (Gobe;2001, Lindstrom;2005, Pavlek;2008). The notion of emotional branding is a relatively new and it first appeared in the works of Aaker (Aaker;1991), Kapferer (Kapferer;2001), Gobe (Gobe;2001, Gobe;2002), Keller (Keller;2008), Gada (Gad;2005), Lindstrom (Lindstrom;2005), Kotler (Kotler & Keller;2007), and in Croatia, primarily in the works of Pavlek (Pavlek;2008), and a little less in the works of Vranešević (Vranešević;2007). Emotional branding is based on the principles of symbolic shopping, that is, on the metaphors and objects of a brand (Karpati;1988). During the process of symbolic shopping, consumers rely on the emotional criterion, i.e. they form the image about themselves, pay the price of the symbolic value. Therefore, we are talking about the shopping that includes a high level of involvement, for it reflects consumers' self image. Accordingly, we can conclude that valuing rests upon expected emotions and experiences, which would be triggered by the consumption of such a product, and the rational criterion is completely neglected. Why is it so?

is the strongest. The most important segment of the unquestionable values is the influence of a brand. The first factor that influences the development of brandsphere (de Chernatorny;2006,185-222) is corporation. However, the influence of a corporation takes on paradoxical dimensions, for it is often in contradiction with management in the Republic of Croatia. It is sufficient to compare the postulates of the educational management (Staničić,2006) and the studies which confirm general happiness among the service providers (Radeka & Sorić;2006,165) in non-profit organizations. According to the survey on the happiness among employees in educational management, the number of those who consider their life standard good is extremely low (7,36%), very good (0,22%) and 70% percent is unsatisfied.

Table 1. Brand corporation enhancement methods

METHODS	SYMPTOMS	INDICATORS
Co-ordination	The lack of communication between employees and some departments	KM
Values	The value of the staff is does not match the value of a brand.	Herzberg's motivation
Employees' understanding	The employees do not fully understand the marketing strategy	Communication
Departments' cultures	Cultural, subcultural and the cross-cultural differences	Exploration of market
Heritage	Negligence towards traditional values	Sociological and anthropological representations
Communications	A brand develops from a potential product into an expected one	Re-designing and emotional branding
Distinctive capabilities	Non-existence of the added value of a brand	Levitt's concept
Employees' identification	Unidentified employees with a vision and brand strategy	Management of the clients' happiness
Brand citizenship behaviour	Unhappy employees with an inappropriate stance towards and a bad perception of a brand	Kaizen method, TQM
Relationships with stakeholders	The rivalry among the executives, which damages the image of a brand	Chain of values

Source: author

consumers' credibility, which is in fact a set of positive information. Based on that, the following formula can be formed:

$$F_v = \sum \frac{\Delta y}{\Delta x}$$

In which case

F_v = the financial value of a brand

Δy = means of familiarization

Δx = means of trust

It is important to mention that familiarization means and means of trust complement each other, and thus occurs the process of the so-called accumulation, reproduction and 'creativity' (Vicari;1995). According to the resource based management (Predovic;2007), we can present the financial value of a brand. The goal of lateral marketing (Kotler & de Bes;2003) is to learn all about consumer's needs and about the valuing of a brand's influence in a consumer's subconscious. Of course, marketing wants to value and monitor the level of consumers' loyalty, i.e. the level of popularity. However, as Keller says, the value of a brand is placed in consumers' subconscious, that is, it is conditioned by PTM- the emotional component. The value is shown through the future income, so it is expressed as follows:

$$\sum_{t=1}^{\infty} \frac{FC_t}{(1+k)^t}$$

In which case

FC_t = income over a period of time t

k = discount rate equal to the financial outlay

From the above mentioned, it follows that the formula for the value of a brand cannot precisely define the very phenomenon of brand and its 4-D. Of course, it is well-known that the expected value is based on the fact that the costs of a shopping/purchase decision are not based on the general well-being. It is often the case that consumers act irrationally (Meler;1999). The cognition value falls into a subjective domain, and as such, it is reflected in the unquestionable values where its influence