STUDY OF FACTORS INFLUENCING THE CHOICE OF MARKETING STRATEGIES TO INCREASE LOYALTY AND ATTRACT BANKING CUSTOMERS

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ABSTRACT

In the recent years, serious competition among banks and financial institutions can be seen about larger share of market. The purpose of the study is investigation factors affecting marketing strategies of bank services in order to respect customer loyalty and attract in Bank Mellat. This study is a descriptive survey and survey instrument was a questionnaire survey. Statistical society was all of the Bank Mellat personnel in Ahwaz of Iran and their customers. The sample size was determined based on Kerjesy and Morgans` table, so 103 persons from employees and 384 persons from customers were selected. After data collection, data analysis was performed using SPSS version 18. The results showed that customer satisfaction, credit factors, physical features, response factors, reassuring factors and sympathy factors had significant effect on customer loyalty and attraction.

Keywords: Marketing Strategies, Banking Services, Customer Loyalty and Attract, Bank Mellat

INTRODUCTION

Organization used to pay attention only about finding customers, and increasing the number of customers and keeping them was meaningless for them. Finding a new customer was considered a victory for organization and they didn't care about keeping customers. Nowadays, customers are basic and major factors for organizations determining all of goals, solutions, organizational resources and attracting customers depend on profitable customers. Creating loyalty in customers specially who are related to bank and its services is a concept that is more remarkable at the present time, since nowadays this loyalty is considered as the main factors of success for organizations in the interactions. No profession can last without loyal customers, except the ones which are organized by the government exclusively. In this paper, we examine the effective factors on selecting marketing strategies of bank services so as to obtain customer's loyalty and attract them to invest in Bank Mellat.

Previous Research

(vesadovan et al., 2012) researched about marketing, the appropriate behavior (seller's selection) and the relations between seller and buyer. The literature and results of this research implicate that managing customer's choosing behavior can cause benefits for the organization including keeping customers better.

(Morgan and Haunt, 2012) claim that satisfaction is the first step of commitment and it causes customers to buy again. So the effects of satisfaction on customers' decision is absolutely obvious.

(Morgan and Haunt, 2012) observed that satisfaction guarantee commercial relations. In addition, they found in some cases the customer won't follow another manufacturer even if he's not satisfied with a particular relation. It usually happens when changing costs are expensive for the customer. Thus, if the organization is able to manage choosing costs of its customers it can keep them even if they're not satisfied with presented services completely.

(Sherma & Peterson, 2014) express that commitment shows the comprehension of buyer about relation with a special manufacturer and contains the value of effort and investment to keep an unlimited relation.

(Ndubisi, 2013) consider satisfaction as the evaluation of customer about experienced services after buying. In literature of communication, satisfaction means positive effective situation about evaluating aspects organization performance versus other organizations.

(Claro, 2014) done a research named "Relation-oriented marketing strategies, when buyer and seller follow different strategies for improving function". The results of this research formed a suitable chart for realizing long term success in communications better. As most of successful manufacturers affected to choose difficult strategies for investment in special transactions and contributions, successful suppliers affected to choose mellower social methods emphasizing on confidence and flexibility in communications.

(Pillai & Sherma, 2013) in an article titled "Why communicational willingness are changed to transactional willingness in complete relations?" specified that one of basic relation-oriented marketing hypothesis is to increase this relation in accordance to relations with partners.

(Kalter, 2013) has defined relation with customer as creating a relation with each one of profitable customers through effective utilizing of customer data estimators. Besides, (Buttle 2008) considers this fact as one of basic doctrines of remaining organizations in competition environment.

(Omali, 2008) restates that the aims of managing relation with customer can be divided in three parts: cost saving, increasing income and strategic effects.

(Paulin, 2010) expressed four main goals for obtaining loyalty including awarding for loyal customers, informing, changing customers' satisfaction and expecting defensive tools against competitive plans.

In addition to mentioned cases, (Kalter, 2003) has identified more goals for improving loyalty plans such as customer's club. First, customers are able to decrease costs of purchase and marketing through this club. Another goal is to increase income through increasing the amount transactions with customers. Thus, the organizations can create effective qualities for serving customers such as creating customers; club. Finally, the organizations attempt to perform these plans in order to approach to developments of other organizations.

Hypothesis testing

The first hypothesis: Satisfaction of Bank Mellat customers influence attracting and loyalty of new customers positively. For testing this hypothesis simple regression and description coefficient determination are used. Satisfaction is considered as the independent variable and loyalty and attraction is considered as the dependent variable.

Table 1: processing regression model in accordance to data (A)

independent variable	Determination coefficient	"F" Chart		Latitude		Line gradient	
		amount	Meaningfulness level	amount	Meaningfulness level	amount	Meaningfulness Level
satisfaction	0.191	18.37	0.001	3.036	0.001	0.148	0.001

Table 2: processing regression model in accordance to data (B)

independent variable	Determination coefficient	"F" Chart		Latitude		Line gradient	
		amount	Meaningfulness level	amount	Meaningfulness level	amount	Meaningfulness Level
satisfaction	0.328	58.51	0.001	2.51	0.001	0.3089	0.001

Table 3: processing regression model in accordance to data (C)

independent variable	Determination coefficient	"F" chart		Latitude		Line gradient	
		amount	Meaningfulness level	amount	Meaningfulness level	amount	Meaningfulness level
satisfaction	0.522	182.12	0.001	1.77	0.001	0.514	0.001

Table 4: processing regression model in accordance to data (D)

independent variable	Determination coefficient	"F" Chart		Latitude		Line gradient	
		amount	Meaningfulness level	amount	Meaningfulness level	amount	Meaningfulness level
satisfaction	0.626	312.07	0.001	1.14	0.001	0.664	0.001

Table 5: processing regression model in accordance to data (E)

independent variable	Determination coefficient	"F" Chart		Latitude		Line gradient	
		amount	Meaningfulness level	amount	Meaningfulness level	amount	Meaningfulness level
satisfaction	0.242	30.17	0.001	2.64	0.001	0.241	0.001

Table 6: processing regression model in accordance to data (F)

independent variable	Determination coefficient	"F" Chart		Latitude		Line gradient	
		amount	Meaningfulness level	amount	Meaningfulness level	amount	Meaningfulness level
satisfaction	0.218	24.18	0.001	3.059	0.001	0.172	0.001

As you can see in the analysis and variance table (A) F chart confirms the meaningfulness of regression model (meaningfulness level is less than 0.05). Besides, amount of coefficient is 0.191 and it indicates a percent of dependent variable changes that is determined by supposed independent variable. Since the line gradient is positive, Satisfaction of Bank Mellat customers influence loyalty and attraction customers.

The second hypotheses: There is a relation between effective factors related to reliability of presented services by Bank Mellat and loyalty and attracting new customers. For testing this hypothesis simple regression and description coefficient determination are used. Reliability is considered as the independent variable and loyalty and attraction is considered as the dependent variable.
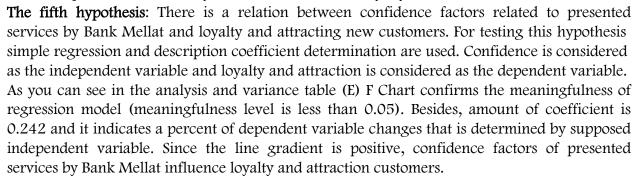
As you can see in the analysis and variance table (B) chart F confirms the meaningfulness of regression model (meaningfulness level is less than 0.05). Besides, amount of coefficient is

0.328 and it indicates a percent of dependent variable changes that is determined by supposed independent variable. Since the line gradient is positive, effective factors related to reliability of presented services by Bank Mellat influence loyalty and attraction customers.

The third hypothesis: There is a relation between physical facilities of presented services by Bank Mellat and loyalty and attracting new customers. For testing this hypothesis simple regression and description coefficient determination are used. Physical facilities are considered as the independent variable and loyalty and attraction is considered as the dependent variable. As you can see in the analysis and variance table(C), F chart confirms the meaningfulness of regression model (meaningfulness level is less than 0.05). Besides, amount of coefficient is 0.522 and it indicates a percent of dependent variable changes that is determined by supposed independent variable. Since the line gradient is positive, physical facilities of presented services by Bank Mellat influence loyalty and attraction customers.

The fourth hypothesis: There is a relation between responsibility factors related to presented services by Bank Mellat and loyalty and attracting new customers. For testing this hypothesis simple regression and description coefficient determination are used. Responsibility is considered as the independent variable and loyalty and attraction is considered as the dependent variable. As you can see in the analysis and variance table (D) t F chart confirms the meaningfulness of regression model (meaningfulness level is less than 0.05). Besides, amount of coefficient is 0.626 and it indicates a percent of dependent variable changes that is determined by supposed independent variable. Since the line gradient is positive, responsibility factors of presented services by Bank Mellat influence loyalty and attraction customers.

The fifth hypothesis: There is a relation between confidence factors related to presented services by Bank Mellat and loyalty and attracting new customers. For testing this hypothesis simple regression and description coefficient determination are used. Confidence is considered as the independent variable and loyalty and attraction is considered as the dependent variable. As you can see in the analysis and variance table (E) F Chart confirms the meaningfulness of regression model (meaningfulness level is less than 0.05). Besides, amount of coefficient is 0.242 and it indicates a percent of dependent variable changes that is determined by supposed independent variable. Since the line gradient is positive, confidence factors of presented services by Bank Mellat influence loyalty and attraction customers.

The sixth hypothesis: There is a relation between sympathy factors related to presented services by Bank Mellat and loyalty and attracting new customers.

For testing this hypothesis simple regression and description coefficient determination are used. Sympathy is considered as the independent variable and loyalty and attraction is considered as the dependent variable. As you can see in the analysis and variance table (F) F Chart confirms the meaningfulness of regression model (meaningfulness level is less than 0.05). Besides, amount of coefficient is 0.218 and it indicates a percent of dependent variable changes that is determined by supposed independent variable. Since the line gradient is positive, sympathy factors of presented services by Bank Mellat influence loyalty and attraction customers.

CONCLUSIONS

As it was indicated, satisfaction of Bank Mellat customers influences loyalty and attracting them positively.

Professional managers, personnel and the ones who are in charge of serving customers often agree that solving customers' problems is an important factor for keeping customers' loyalty. So they try to obtain their satisfaction. As we analyzed the results, reliability factor influences loyalty and attraction of customers positively.

Nowadays, the final goal of human resources policies is based on association of bank personnel and its customers. Therefore, bank managers always try to increase their capability in innovation and bank services while keeping their fame. As it was indicated, physical facilities related to presented services by bank influence loyalty and attraction of customers positively. Loyalty is obtained through increasing income, decreasing cost of acquiring new customers, decreasing customer's sensitivity to price and reducing cost of familiarizing customers about dealing methods in order to increase profiting. As we analyzed the results, responsibility factors influence loyalty and attraction of customers positively.

Personnel who present services are the most important factors of marketing services, because they are the first level of organization ad they perform a major role in loyalty and attraction of customers.

As it was indicated, confidence factors influence loyalty and attraction of customers positively. In competitions f today, banks should pay most of their attention to customers' necessities, comments and complaints about bank services. As we analyzed the results, sympathy factors related to presented services by bank influence loyalty and attraction of customers positively. In competitive world of today, even the smallest differ in presenting services may cause large transfers in industry. Thus traditional banks should change their strategies to become like customer-oriented banks.

We suggest banks:

1. To attempt to obtain satisfaction, composure and acquiescence of customers in order to attract them and obtain their loyalty more.
2. To increase their reliability by available methods as well as they can and avoid activities which ruin the reliability of an organization.
3. To prepare all of substructures and facilities needed for banking at the present time so as to achieve customer's convenience more.
4. To set up special courses for their managers and personnel in order to accomplish responsibility factors better.
5. To accomplish factors which cause customers' confidence more.
6. To prepare customers' necessities with enough patience and sympathy.
7. To utilize strategies related to personnel (choosing, education, provocation, training and assay).

Finally, the banks should be directed using systems that are needed for attracting customers. The strategy of bank for being customer-oriented begins with a main basis: "Everything begins from customer and ends to customer" It should become a thought and culture for banks.

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