INTERNATIONAL JOURNAL OF RESEARCH IN COMMERCE, IT AND MANAGEMENT

CONTENTS

INTERNATIONAL JOURNAL OF RESEARCH IN COMMERCE, IT & MANAGEMENT ii

A Monthly Double-Blind Peer Reviewed Refereed Open Access International e-Journal - Included in the International Serial Directories

www.ijrcm.org.in

INTERNATIONAL JOURNAL OF RESEARCH IN COMMERCE, IT & MANAGEMENT iii

A Monthly Double-Blind Peer Reviewed Refereed Open Access International e-Journal - Included in the International Serial Directories

www.ijrcm.org.in

CALL FOR MANUSCRIPTS

We invite unpublished novel, original, empirical and high quality research work pertaining to recent developments & practices in the area of Computer, Business, Finance, Marketing, Human Resource Management, General Management, Banking, Insurance, Corporate Governance and emerging paradigms in allied subjects like Accounting Education; Accounting Information Systems; Accounting Theory & Practice; Auditing; Behavioral Accounting; Behavioral Economics; Corporate Finance; Cost Accounting; Econometrics; Economic Development; Economic History; Financial Institutions & Markets; Financial Services; Fiscal Policy; Government & Non Profit Accounting; Industrial Organization; International Economics & Trade; International Finance; Macro Economics; Micro Economics; Monetary Policy; Portfolio & Security Analysis; Public Policy Economics; Real Estate; Regional Economics; Tax Accounting; Advertising & Promotion Management; Business Education; Business Information Systems (MIS); Business Law, Public Responsibility & Ethics; Communication; Direct Marketing; E-Commerce; Global Business; Health Care Administration; Labor Relations & Human Resource Management; Marketing Research; Marketing Theory & Applications; Non-Profit Organizations; Office Administration/Management; Operations Research/Statistics; Organizational Behavior & Theory; Organizational Development; Production/Operations; Public Administration; Purchasing/Materials Management; Retailing; Sales/Selling; Services; Small Business Entrepreneurship; Strategic Management Policy; Technology/Innovation; Tourism, Hospitality & Leisure; Transportation/Physical Distribution; Algorithms; Artificial Intelligence; Compilers & Translation; Computer Aided Design (CAD); Computer Aided Manufacturing; Computer Graphics; Computer Organization & Architecture; Database Structures & Systems; Digital Logic; Discrete Structures; Internet; Management Information Systems; Modeling & Simulation; Multimedia; Neural Systems/Neural Networks; Numerical Analysis/Scientific Computing; Object Oriented Programming; Operating Systems; Programming Languages; Robotics; Symbolic & Formal Logic; Web Design. The above mentioned tracks are only indicative, and not exhaustive.

Anybody can submit the soft copy of his/her manuscript **anytime** in M.S. Word format after preparing the same as per our submission guidelines duly available on our website under the heading guidelines for submission, at the email addresses, **infoijrcm@gmail.com** or **info@ijrcm.org.in**.

GUIDELINES FOR SUBMISSION OF MANUSCRIPT

1.   **COVERING LETTER FOR SUBMISSION**:

                                                                                            DATED: _____

THE EDITOR

IJRCM

Subject: **SUBMISSION OF MANUSCRIPT IN THE AREA OF** _____**.**

               (e.g. Computer/IT/Finance/Marketing/HRM/General Management/other, please specify).

DEAR SIR/MADAM

Please find my submission of manuscript titled '_____' for possible publication in your journal.

I hereby affirm that the contents of this manuscript are original. Furthermore it has neither been published elsewhere in any language fully or partly, nor is it under review for publication anywhere.

I affirm that all author (s) have seen and agreed to the submitted version of the manuscript and their inclusion of name (s) as co-author (s).

Also, if our/my manuscript is accepted, I/We agree to comply with the formalities as given on the website of journal & you are free to publish our contribution to any of your journals.

NAME OF CORRESPONDING AUTHOR:

Designation:

Affiliation with full address & Pin Code:

INTERNATIONAL JOURNAL OF RESEARCH IN COMMERCE, IT & MANAGEMENT iv
A Monthly Double-Blind Peer Reviewed Refereed Open Access International e-Journal - Included in the International Serial Directories
www.ijrcm.org.in

Residential address with Pin Code:

Mobile Number (s):

Landline Number (s):

E-mail Address:

Alternate E-mail Address:

2.   **INTRODUCTION**: Manuscript must be in British English prepared on a standard A4 size paper setting. It must be prepared on a single space and single column with 1" margin set for top, bottom, left and right. It should be typed in 8 point Calibri Font with page numbers at the bottom and centre of the every page.

3.   **MANUSCRIPT TITLE**: The title of the paper should be in a 12 point Calibri Font. It should be bold typed, centered and fully capitalised.

4.   **AUTHOR NAME(S) & AFFILIATIONS**: The author (s) full name, designation, affiliation (s), address, mobile/landline numbers, and email/alternate email address should be in italic & 11-point Calibri Font. It must be centered underneath the title.

5.   **ABSTRACT**: Abstract should be in fully italicized text, not exceeding 250 words. The abstract must be informative and explain the background, aims, methods, results & conclusion in a single para.

6.   **KEYWORDS**: Abstract must be followed by list of keywords, subject to the maximum of five. These should be arranged in alphabetic order separated by commas and full stops at the end.

7.   **HEADINGS**: All the headings should be in a 10 point Calibri Font. These must be bold-faced, aligned left and fully capitalised. Leave a blank line before each heading.

8.   **SUB-HEADINGS**: All the sub-headings should be in a 8 point Calibri Font. These must be bold-faced, aligned left and fully capitalised.

9.   **MAIN TEXT**: The main text should be in a 8 point Calibri Font, single spaced and justified.

10. **FIGURES &TABLES**: These should be simple, centered, separately numbered & self explained, and titles must be above the tables/figures. Sources of data should be mentioned below the table/figure. It should be ensured that the tables/figures are referred to from the main text.

11. **EQUATIONS**: These should be consecutively numbered in parentheses, horizontally centered with equation number placed at the right.

12. **REFERENCES**: The list of all references should be alphabetically arranged. It must be single spaced, and at the end of the manuscript. The author (s) should mention only the actually utilised references in the preparation of manuscript and they are supposed to follow **Harvard Style of Referencing**. The author (s) are supposed to follow the references as per following:

- All works cited in the text (including sources for tables and figures) should be listed alphabetically.
- Use (**ed.**) for one editor, and (**ed.s**) for multiple editors.
- When listing two or more works by one author, use --- (20xx), such as after Kohl (1997), use --- (2001), etc, in chronologically ascending order.
- Indicate (opening and closing) page numbers for articles in journals and for chapters in books.
- The title of books and journals should be in italics. Double quotation marks are used for titles of journal articles, book chapters, dissertations, reports, working papers, unpublished material, etc.
- For titles in a language other than English, provide an English translation in parentheses.
- The location of endnotes within the text should be indicated by superscript numbers.

PLEASE USE THE FOLLOWING FOR STYLE AND PUNCTUATION IN REFERENCES:

BOOKS
- Bowersox, Donald J., Closs, David J., (1996), "Logistical Management." Tata McGraw, Hill, New Delhi.
- Hunker, H.L. and A.J. Wright (1963), "Factors of Industrial Location in Ohio," Ohio State University.

CONTRIBUTIONS TO BOOKS
- Sharma T., Kwatra, G. (2008) Effectiveness of Social Advertising: A Study of Selected Campaigns, Corporate Social Responsibility, Edited by David Crowther & Nicholas Capaldi, Ashgate Research Companion to Corporate Social Responsibility, Chapter 15, pp 287-303.

JOURNAL AND OTHER ARTICLES
- Schemenner, R.W., Huber, J.C. and Cook, R.L. (1987), "Geographic Differences and the Location of New Manufacturing Facilities," Journal of Urban Economics, Vol. 21, No. 1, pp. 83-104.

CONFERENCE PAPERS
- Garg Sambhav (2011): "Business Ethics" Paper presented at the Annual International Conference for the All India Management Association, New Delhi, India, 19–22 June.

UNPUBLISHED DISSERTATIONS AND THESES
- Kumar S. (2011): "Customer Value: A Comparative Study of Rural and Urban Customers," Thesis, Kurukshetra University, Kurukshetra.

ONLINE RESOURCES
- Always indicate the date that the source was accessed, as online resources are frequently updated or removed.

WEBSITE
- Garg, Bhavet (2011): Towards a New Natural Gas Policy, Economic and Political Weekly, Viewed on July 05, 2011 http://epw.in/user/viewabstract.jsp

INTERNATIONAL JOURNAL OF RESEARCH IN COMMERCE, IT & MANAGEMENT   v
A Monthly Double-Blind Peer Reviewed Refereed Open Access International e-Journal - Included in the International Serial Directories
www.ijrcm.org.in

PERCEPTION AND RECEPTIVITY OF BRANDING BY BANKS BY CUSTOMERS OF SMALL SCALE INDUSTRIES IN BANGALORE: AN EMPIRICAL EVIDENCE

DR. S. JOHN MANOHAR
PROFESSOR & HEAD
DEPARTMENT OF MBA
DR. AMBEDKAR INSTITUTE OF TECHNOLOGY
MALATHAHALLI, BANGALORE – 560 056

N. S. RAVINDRA
FACULTY
DEPARTMENT OF MBA
DR. AMBEDKAR INSTITUTE OF TECHNOLOGY
MALATHAHALLI, BANGALORE – 560 056

ABSTRACT

The purpose of this research is to find out how Small Scale Enterprises in Bangalore perceive the value and brand of the bank they are using for the financial services of their business. An attempt has been made to find out how they perceive their banks and what underlying factors that affected their choice of bank the most in terms of receptivity. Quantitative research method has been used for this study. Hypotheses were created and tested on a sample population containing small scale enterprises in Bangalore. The data were analysed using SPSS. Analysis has been carried out with respect to the factors circling the brand phenomenon like awareness, association, attitude, loyalty and activity. The empirical findings were derived from the data collected from the survey among the sample population and the emphasis has been on the factors circling the brand phenomenon like awareness, association, attitude, loyalty and activity. The findings are explained in tables. The most significant finding in the study is the importance of personal contact at the bank, the enterprises' personal relation with one or more employees in the bank. Banks are not at all seen as unique in their supply of services, and hence the personal connection is found to be an important factor which leads to loyalty. The respondents are satisfied with the performance of their present banks since the supply of services covers their need. The enterprises do want the best possible solution to their specific situation; however, they do not seek for that optimal solution actively.

KEYWORDS
Brand activity, Brand association, Brand attitude, Brand awareness and Brand loyalty.

BACKGROUND

In the ever changing world where customers' preferences and behavior in making decisions about which product to buy or service to use, the selling company has to build and retain their brand in a way which makes it essential for the customers to stay with one company. Customers respond differently to company and brand images. Brand *image* is defined as perceptions about a brand as reflected by the brand associations held in consumer memory (Keller, 1993). Brand *identity* is the way a company aims to identify or position itself. The brand identity clearly specifies what the brand aspires to stand for (Konecnik and Go, 2008). An effective identity establishes the offering's characteristics and value perceptions, conveys the character in a distinctive way, and delivers an emotional power beyond a mental image. The identity must be conveyed through every communication vehicle and brand contact, including symbols, colors, slogans, atmosphere, media and special events (Kotler and Keller, 2007). It is further stressed that branding for services is different than branding for tangible products because it is the company which is the primary brand (Jones *et al*, 2002). The importance of strong branding is not surprising when the high-risk levels often associated with service purchase are considered (Dibb and Simkin, 1993).

BRANDING AND FINANCIAL SERVICES BY BANKS

Service industries are playing an increasingly important role in the overall economy of any country (Cronin and Taylor, 1992). Interest in the measurement of service quality is thus understandably high and the delivery of higher levels of service quality is the strategy that is increasingly being offered as a key to service providers' efforts to position themselves more effectively in the marketplace (ibid). However, the problem inherent in the implementation of such a strategy has been expressively identified by several researchers. When discussing branding in a financial service context, the brand is related to the company or corporate image, which is the highest level in Keller's brand hierarchy. Product brands within financial services are relatively few and far between and the banking and financial services industry has long been characterized by monolithic identities (Debling, 2000). There is also a difficulty of achieving differentiation at the banking product level since the product attributes in this sector are very easy to copy. This means the service quality has become an increasingly important factor for success and survival in the banking sector. Provision of high quality service aids in meeting several requirements such as customer satisfaction and its consequent loyalty and market share, soliciting new customers, improved productivity, financial performance and profitability. It has also become an important research topic because of its important relationship to corporate marketing and financial performance (Cui, Lewis and Park, 2003).

OBJECTIVES OF THE STUDY
PRIMARY OBJECTIVE
The Primary objective of this study is to assess the different factors that affect the Small Scale Enterprises to choose a specific bank.
SECONDARY OBJECTIVES
The Secondary objectives of this study are
a)   To study the effect of Brand awareness on the choice of the Bank.
b)   To study the role of Brand association on the choice of the bank.
c)   To study role of Brand attitude in influencing the relationship between the bank and the customers.
d)   To study the role of Brand Loyalty on the choice of the bank.
e)   To study the role of Brand activity on the choice of the bank.

SMALL SCALE ENTERPRISES

For over a decade, small enterprises have been recognized as playing a very important role world-wide, making significant contribution to technological progress and increased competitiveness, the creation of new jobs and the economic revival of regions within countries where there has been structural unemployment

INTERNATIONAL JOURNAL OF RESEARCH IN COMMERCE, IT & MANAGEMENT 48
A Monthly Double-Blind Peer Reviewed Refereed Open Access International e-Journal - Included in the International Serial Directories
www.ijrcm.org.in

and the decline of traditional industries (Dutta and Evrard, 1999).

INDIAN BANKING SECTOR

The Indian retail banking market is undergoing substantial changes. Introduction of foreign firms, entry from other lines of business, and new technology have influenced the development on the Indian banking market for both producers and consumers. The opportunities to carry out bank services have increased strongly. Due to Government's LPG policy there has been a steady increase in new entrants in the bank market, such as insurance companies and firms in retail trading. Also foreign banks have entered the market through e.g. acquisitions. Although it has become easier to switch banks, partly due to the IT development, and the existence of many firms, consumers seem inflexible. Even though the large well known banks still have a strong position, this study shows that competition, after former deregulations and decreased barriers of entry, has become more intensified in retail banking.

BANK CUSTOMERS

The bank customer today is more demanding than he/she used to be. The information flow in the society today is faster than ever, and that affects the customer and the bank. The typical bank customer of today (Angelis *et al*, 2005):
- Is more demanding on issues of quality, since they possess a higher standard of living and educational level than previously,
- Is more informed since they have access to abundant information allowing immediate comparison of competitive products,
- Needs fast and easy service because of limited time
- Is less loyal to a specific bank and
- Is affected much more by the pricing policy of a bank than in the past.

HYPOTHESIS

The companies use their efforts to create a positive identity of their company, and thereby increase the value of the brand. The consumer responds to that identity by creating a picture of the company; this picture is referred to as the creation of a brand image. In the centre of this process we have the brand, and the factors that the companies can create/change/maintain in order to adapt the identity to consumer desires. The brand consists of different factors, which are summarized under five main subjects: *attitude*, *association*, *awareness*, *activity* and *loyalty*. This study aims to find out which of the surrounding factors that affect companies the most when they decide upon which bank to use for the ongoing business.

BRAND AWARENESS

Brand awareness refers to the strength of a brand's presence in consumers' minds. It is an important component of brand equity (Aaker, 1991; Keller, 1993). Aaker's (1991) four stages of brand awareness and the role of brand equity is dependent upon both the context and which level of awareness that is achieved.
H1: Brand awareness affects SSE's choice of bank in a positive way.

BRAND ASSOCIATIONS

A brand association is anything linked in memory to a brand (Aaker, 1991). The association not only exists, but it has a level of strength. A link to a brand will be stronger when it is based on many experiences or exposures to communications, rather than few. A brand image is a set of associations, usually organized in some meaningful way.
H2: Brand association plays an important role in the choice of bank.

BRAND ATTITUDE

Brand attitudes are important because they often form the basis for consumer behavior. One widely accepted approach to brand attitudes is based on a multi attribute formulation in which brand attitudes are a function of the associated attributes and benefits that are significant for the brand (Keller, 1993).
H3: The brand attitude influences the relationship (bank-SSE) in a positive way.

BRAND LOYALTY

Loyalty is a core dimension of brand equity. The perceived quality, the associations and the well-known name can provide reasons to buy and can affect use satisfaction (Aaker, 1991). A loyal customer base represents a barrier to entry, a basis for a price premium, time to respond to competitor innovations, and a fortification against harmful price competition (ibid).
H4: Loyalty is not an influencing factor when the SSEs decide upon bank.

BRAND ACTIVITY

When consumers' perceptions of service quality are high, consumers are willing to recommend the company to others; this means they develop positive WOM. The outcome of this communication process is used by individuals who are not familiar with either the service or the provider as signals of quality (Parasuraman, Zeithaml and Berry 1988).
H5: Activity plays an important role to decide which bank to use.

SAMPLING

In social survey research sampling constitutes a key step in the research process (Bryman and Bell, 2007). When finding a sample population one must have in mind the different types of probability samples that give different outcomes of the findings and in this survey systematic sampling is being used. With this type of sampling, you select units directly from the sampling frame – that is, without resorting to a table of random numbers.

DATA COLLECTION/QUESTIONNAIRE DESIGN

This study contains a self-completion questionnaire, which means that the respondents answer questions by completing the questionnaire themselves. The questionnaire contains 31 closed statements covering five hypotheses. The analysis will be made by using a Likert scale, with five levels with a range from Strongly Disagree (1) to Strongly Agree (5).

DATA ANALYSIS

The questionnaires were distributed to and collected from 96 small scale enterprises in Peenya Industrial Estate, one of the developed industrial areas in Bangalore. The hypotheses were tested with thirty one statements covering all the five factors namely, *attitude*, *association*, *awareness*, *activity* and *loyalty*. The outcome of the survey is presented.

PEARSON'S CORRELATION

Pearson's Correlation is used to calculate the linear relationship between two variables. The correlation can vary between -1 and 1, when below 0 there is a

INTERNATIONAL JOURNAL OF RESEARCH IN COMMERCE, IT & MANAGEMENT   49
A Monthly Double-Blind Peer Reviewed Refereed Open Access International e-Journal - Included in the International Serial Directories
www.ijrcm.org.in

negative correlation between the variables, which means that when one of the variables is moving in one direction the other variable moves in the opposite direction. When the correlation is zero there is no correlation between the variables, and when it is positive there is a positive correlation. If the relationship between the variables is not linear, then the correlation coefficient does not adequately represent the relationship between the variables (Körner and Wahlgren, 2002). With this method, it is possible to see if there are any connections between the different statements within each hypothesis. This will help us to see which statements that are more connected to each other, and it will give us a clue of which statements that have more impact than others on the respondents. Arithmetical mean was used when evaluating and analyzing the data from the survey. If the arithmetical mean is above three, there is a connection between the answers, and if the mean is above four, we assume that the connection is strong. Over 4.5 means there exists a very strong connection and agreement among the respondents. The statements can be found in appendix -1. The mean score as well as the standard deviations for the relevant statements pertaining to each of those brand factors are presented in Table – 1.

The second part in each section of the analysis also explains whether or not each hypothesis is accepted or rejected, with the help of Cronbach's alpha. If the Cronbach's alpha is above 0.7 it will be accepted. Based on this analysis, it has been generalized as to which brand related concerns that are most important when deciding upon bank. The Cronbach's Alpha of each Brand factor has been calculated and presented in Table – 2. The same method has been applied to the description of all five hypotheses.

BRAND AWARENESS (HYPOTHESIS 1)
The first hypothesis covered brand awareness and the hypothesis was formulated as follows:
H1: Brand awareness affects SSE's choice of bank in a positive way
The hypothesis was tested with five statements about brand awareness and the results pertaining to each statement is discussed in detail as given below:
S1: The bank was well-known for us.
The respondents strongly agree that the bank they use is well known to them, and that they are very aware of the existence of the particular bank. The mean is 4.56 which strengthen our findings that the respondents agree with this statement. Further on, the standard deviation was just 0.764 which is also an indicator that the variance between the respondents is low.
S2: We were more aware of the bank compared to its competitors.
There seems to be a split meaning of the knowledge about the particular bank and the banks' competitors. Some respondents seem to be more aware of the bank they use in comparison to its competitors, but there seems to be no agreement. The mean is above three (3.63) and the standard deviation is 1.092, which is an indicator that the majority of respondents agree with the statement but, it is not a strong agreement. Some respondents might use the bank for private services as well, making the awareness stronger.
S3: The bank is the first that appears in our mind when thinking of financial service.
There is an agreement that the first bank that is brought to mind when thinking about financial services is the respondent's current bank. However, the agreement is not strong since the mean is below four (3.78). The standard deviation is also quite low (1.111). However, the statement might be inaccurate and hard to estimate for the respondent.
S4: Earlier experience with the bank affected the choice of bank.
The respondents seem to have earlier experience, and mostly positive experience, from the contracted bank. Hence, some of the respondents do not agree at all, either that the earlier experience did not affect the decision, or that they did not have any earlier experience at all. The mean is 3.64 and the standard deviation is quite high (1.291), which is probably an influence of the high number of low answers. Most answers indicate that earlier experience does matter for their usage of bank.
S5: The advertising from the bank was an influencing factor for us.
None of the respondents made their decision based on the advertising from the bank. This is a complicated statement, and there is no perfect answer. The advertising might be a subconscious effect, and so not amendable to an honest answer being given. One reason for the answers being strongly centralized to 1 and 2 i.e. 1.88 might depend on that fact. Alternatively, the respondents simply did not make their decision primarily on advertising, but rather from other sources of information. Since the mean is 1.88 which is very low and the standard deviation is 1.068, there is no agreement between the respondents about this statement.

By looking at Cronbach's Alpha, the value is 0.765 which is above 0.7, and the hypothesis is accepted. The correlations between different items give us the impression that the most important issue when talking about brand awareness is to be "top of mind". This means that the most important thing for a bank is to be top of mind in the heads of their present customers, since dealing with customers in the banking industry is very much about keeping your customers and creating long term relationships.

BRAND ASSOCIATION (HYPOTHESIS 2)
The second hypothesis had to do with brand association and its importance in the branding process. This hypothesis was tested with ten statements, most of the hypotheses in this study, to cover a wide range of theory and previous research.
H2: Brand association plays an important role in the choice of bank
S6: Before the choice of banks we had heard a lot of positive things about the bank.
There is evidence when looking at the mean (3.41) that people talk about banks and, most often, the respondents have heard positive things about the bank they use. The Standard Deviation (1.070) tells us that there is a low variance among the answers from the respondents.
S7: We could connect to the bank thanks to similar values.
Shared values with the bank seem to have a positive impact, though not a strong one. The mean for this statement is (3.38), which is strong but not 100 percent proof for similar values.
S8: We found the bank unique.
The respondents do not see their bank as unique compared to other banks. This might be evident that the offerings from different banks are homogenous - they all offer more or less the same services. This is further proved when looking at the mean (2.67), which says that there is not an agreement among the respondents with the statement.
S9: The bank was the most suitable for us.
The respondents find their choice of bank to be suitable; even the score for being the most suitable is strong. It appears to be clear that the respondents find their bank is good for their business. There is a quite high agreement between the respondents but the mean is below four at 3.63, so we cannot say that there is a strong agreement with the statement.
S10: We compared the bank with other banks before taking the decision.
There is no evidence at all that the small scale enterprises search and compare information about the bank before they start doing business with them. The low agreement among the respondents by looking at the mean at 2.84 means that the respondents do not compare before deciding upon a bank and there is no agreement whatsoever between the respondents.
S11: We only had positive things in our minds when thinking of the bank.
The bank the companies use seems to be linked to something positive in their minds. Most of the respondents chose number four, and the mean of 3.78 is an indicator that most of the respondents agree with the statement. This can be an indicator that the banks perform well and take good care of their customers. The bank brand might be connected to something seen as positive in the minds of the respondents.

INTERNATIONAL JOURNAL OF RESEARCH IN COMMERCE, IT & MANAGEMENT 50
A Monthly Double-Blind Peer Reviewed Refereed Open Access International e-Journal - Included in the International Serial Directories
www.ijrcm.org.in

S12: The choice of bank was affected by earlier experiences.

The respondents seem to agree that earlier experience is something that affects the decision of which bank to use for a small scale enterprise. The mean (3.61) is on an acceptable level, yet not strong enough to say that there is a distinct connection. The answers are also spread over the different levels, which indicate that experience plays different roles in the minds of the small scale enterprises. Maybe the fact the study contains companies from different sectors affects the result of this statement. Different types of companies might be treated in different ways.

S13: The bank offered the services that we needed.

There is a strong agreement that the banks offer services and products that the companies demand and need. The banking industry is homogenous, which this statement might be a strong proof of. Most respondents agree that the bank offers necessary products for their business. Here, we have a very strong mean (4.38) and a very low standard deviation (0.760), which further strengthens the statement. Since we do not know which banks the respondents use, we can assume that all banks offer products needed by the small scale enterprises.

S14: The offerings from the bank were an influencing factor in the choice.

Most respondents agree that the products of the bank do not matter. However, some agree that the products do matter. There is no clear evidence here. The offerings are accepted, but they are not seen as unique. The mean is on a level (3.27) that we can say that the statement is affecting the brand association, but yet it is on such a low level that we cannot say that it affects the brand association strongly.

S15: An important thing for us was the perceived attributes when deciding upon the current bank.

The perceived attributes, the perception the respondent had on the bank, was a strong factor for the decision. A bank that seems to offer good services, and performs well in the market, should have a brighter picture in the mind of the customer. The majority of the answers lie between 3 and 5, which gives us an indication that the statement has an impact, but there are some who disagree with it, which overall has brought the mean to 3.68 and this weakens the conclusion that the statement has a strong impact on brand association.

The Cronbach's alpha is above 0.822 and hence we accept the hypothesis. Within brand association we found three correlations that were scoring higher than 0.5. These are statement one and two, three and four, as well as six and seven. Mutual values and positive feedback from others are strongly related. The perceived uniqueness and most suitable bank are correlated, and even positive thoughts and earlier experience from the bank were strongly connected.

BRAND ATTITUDE (HYPOTHESIS 3)

The third hypothesis covered brand attitude. It was tested with six different statements.

H3: The brand attitude influences the relationship (bank-SSE) in a positive way

S16: We have always had a positive feeling about the current bank.

The respondents agree that they always had a positive feeling about their bank. Some respondents seem to have a very negative picture though. The mean of 3.74 indicates a strong agreement but, at the same time, the Standard Deviation is neither high nor low at 1.215, which could be affected by the high number of low answers on the statement.

S17: The service from the employees on the current bank was an influencing factor in the decision.

The employees of the bank seem to be very important for the perception of the bank. The mean score is above four at 4.12 , and the Standard Deviation is low at 1.012. The services provided by the employees, who are the banks' first point of contact with the customers, seem to be very important.

S18: The perceived performance of the bank was an important factor in the decision.

The banks' performance, how well they live up to their reputation and deal with the customers, seems to be very important, which is supported by the score being close to four on mean at 3.93. Here, the respondents are also united and the Standard Deviation is low at 0.932.

S19: Our motivation was to find the best alternative to our situation.

The respondents strongly agree that they had the motivation to find the best bank alternative to their individual and unique situation. The mean is high at 4.37 and Standard Deviation is low at 0.082.

S20: The banks employees and their abilities has affected our choice of bank.

The abilities of the employees of the bank have a high importance. The respondents agree upon this statement, the mean is 4.09 and the Standard Deviation among the answers is low at 0.980.

S21: The personal relationship with the bank has influenced the perception positively.

A personal relationship with the bank is very important for the small scale enterprises. The mean is 4.09 and 50 percent of the respondents agree on the highest score. A personal contact is crucial for the perception of the bank.

The Cronbach's alpha is over 0.826 and hence, the hypothesis is accepted. Almost all statements correlate with each other, and this part of the survey has the strongest internal correlation. The highest correlation is between statement two and three, which means that there is a connection between the welcoming from the employees and perceived performance of the bank. This is an indicator that the employees are very important within the banking industry. To conclude, this hypothesis has the strongest alpha, which gives us an indication that brand attitude might be the most important aspect in branding.

BRAND LOYALTY (HYPOTHESIS 4)

The fourth hypothesis had to do with brand loyalty. The phenomenon was tested with six statements to cover up the theory.

H4: Loyalty is not an influencing factor when the SSEs decide upon bank

S22: The services of the bank are performed so well that we are willing to pay a higher price.

This statement is something that the respondents do not agree upon. Some appear to be not willing to pay more for the services, whilst others would accept a higher price. The mean is very low (2.35), and most respondents will not accept a higher price.

S23: We constantly compare our bank's offerings with other banks'.

The mean score is very low (2.50), and the answers are divided quite equal except for a major proportion of the answers in the lowest alternative. Most small scale enterprises do not compare different options on a regular basis to see which offer suits their company the best.

S24: Our current bank is constantly out-competing other banks when it comes to our needs.

This statement is something that the respondents are neutral to or negative, since the mean is 2.70. Yet again the homogenous market for banks tends to appear. The bank offerings on the bank market might be perceived as the same. Maybe the respondents do not see their bank as unique, and they perceive the performance of other banks as being quite the same.

S25: Leading characters (within the company) private choice of bank is influencing the choice of bank.

The small scale enterprises seem to have different ways of choosing their banks. Some are affected by leading characters' own choice of bank. Some enterprises do not decide upon their bank at all in relation to leading characters. The high standard deviation (1.546) further proves this reasoning.

S26: Leading characters private relationships to specific bank influenced the company's decision upon bank.

Leading characters' private relations to a specific bank tends to be important in some cases, yet not important at all in other cases. The standard deviation is very high (1.495), and the mean of 3.13, is just above the limit to accept the statement.

S27: We feel satisfied with the financial services contracted.

Most respondents agree that they are satisfied with the bank they use. The mean is high (4.13) and the standard deviation is rather low.

This hypothesis scores under 0.618 on Cronbach's alpha, which means that the hypothesis is to be rejected. In this case, the hypothesis is written in a reverse manner, which means that we reject the hypothesis that says that loyalty is not an influencing factor, which in other words means that we accept that loyalty

INTERNATIONAL JOURNAL OF RESEARCH IN COMMERCE, IT & MANAGEMENT   51
A Monthly Double-Blind Peer Reviewed Refereed Open Access International e-Journal - Included in the International Serial Directories
www.ijrcm.org.in

has some degree of influence on the decision upon bank.

BRAND ACTIVITY (HYPOTHESIS 5)

The last part in the study about branding will be about brand activity. The hypothesis is tested among four statements.

H5: Activity plays an important role to decide which bank to use

S28: Opinions from third-party had a great impact on the decision of bank.

There seems to be split meanings about opinions from third-party. Most respondents are neutral or negative. The mean is 2.52, which is under the accepted limit and the Standard Deviation is rather high, which indicates that there are different opinions among the respondents about this statement.

S29: We continually seek out information about the current bank and their offerings.

The respondents do not seem to seek out information from the bank, as most of them are neutral. The mean is low (2.46) and Standard Deviation is quite high. There seems to be no agreement since it appears that the respondents' deals with the statement in different ways.

S30: The service given from the current bank has lived up to our expectations.

Most of the respondents accept, or are very positive about, the service of their bank and feel that their bank lives up to their expectations. The mean is high, with a score of 3.93, and the statement will be considered as an important part of brand activity. Also, the Standard Deviation further proves that the respondents are united in their opinions about the statement with a score of 0.963, which is rather low.

S31: The service is good in comparison to the price we pay for it.

The mean is just above 3.5, which is good and shows that most of the respondents agree with the statement to a certain extent. Most respondents find the price acceptable in comparison to the level of the service provided by the bank. The Standard Deviation is quite high, which can be explained by the fact that some of the respondents have opted for one of the two lowest numbers on this statement. This statement will be seen as a contributing factor the brand activity.

In this case, the Cronbach's alpha score is 0.442, which means that we will reject this hypothesis. The respondents are satisfied with the quality of the service that they are provided with from their bank, and they feel that the price they pay is in accordance with the service.

CONCLUSION

The purpose of this research was to find out how SSEs perceive the value and brand of the bank they are using for the financial services of their business. An attempt has been made to find out how they perceive their banks and what underlying factors that affected their choice of bank the most. The most important factors for customer satisfaction are related to the awareness, associations and attitude towards the brand of the bank. A personal relationship with the customers is the most important part according to the findings in this research. However, the bank sector of today is moving further away from a personal relationship with their customer. One of the reasons is the introduction of internet banking. This means that the customers feel less connected and loyalty to the bank, since the personal relationship is slowly disappearing. For marketers to alter perceptions and create consumer preference for a particular bank calls for much the same branding strategy employed by traditional packaged goods marketers.

However, the results in this survey show that the most important factor when it comes to brand association, is the employees, and the relation created between the company and the employees at the bank. The personal relation demanded and desired by the respondents could also be seen as a form of loyalty, since a strong personal relation to a specific bank decreases the will to change to another bank. As this study shows, the companies do want the optimal solution to their specific situation. However, since small businesses often are very busy doing more important things, they do not have the time to find that solution.

When not providing personal relations, the price becomes more important for the customer, and the loyalty will disappear more and more due to lack of integration. The findings in this study reveals that the customers do not want to pay a price premium. It is important to highlight that for many banks the term "customer value" is used solely to refer to the value that the customer generates for them, rather than the value that they can offer their users. How customers are treated will, in the future, become even more important than it is today, and failing in this respect will harm the business.

FURTHER RESEARCH

Further research could be in the area of only service companies, to study how they finance their business, and how they make their decision upon which bank to chose. The issue might even be interesting from the other point of view, the bank perspective. Service companies lack tangible resources, and more attention and value is put into the employees of the company. It would be interesting to see how banks value the competence of a company's employees.

To conduct the research on individual customers could also be a suggestion for further research, since individuals and companies probably have different needs and wants when it comes to products and services they expect from a bank. The outcome of a study on individual customers will most certainly give a lot of different answers and results.

Another study that we think would be interesting is to look only at the perceived service quality received from the bank. Since the result of our study is pointing towards service quality, and the importance of that, a study within that specific field would be interesting.

REFERENCES

1. Aaker, David A. (1991). *"Managing Brand Equity – Capitalizing in the Value of a Brand Name"*. The Free Press: A division of Macmillan Inc.
2. Angelis, Vasilis A., Lymperopoulos, Constantine and Dimaki, Katerina (2005). "Customers' perceived value for private and state-controlled Hellenic banks". *Journal of Financial Services Marketing*, Jun 2005; 9, 4; ABI/INFORM Global pg. 360
3. Bryman, Alan and Bell, Emma (2007). *"Business research methods"*. 2nd edition, Oxford University Press
4. Cronin, Joseph J. and Taylor, Steven A. (1992). "Measuring Service Quality: A Reexamination and Extension". *Journal of Marketing*, Jul 1992; 56, 3; ABI/INFORM Global pg.56
5. Cui, C. Charles; Lewis, R. Barbara and Park, Won (2003). "Service quality measurement in the banking sector in South Korea". *International Journal of Bank Marketing*, 21/4 (2003), pg. 191-201; ISSN 0265-2323
6. Debling, Fiona (2000). "On-brand banking: An examination of the factors contributing to effective branding and brand development through direct marketing in the consumer financial services sector". *Journal of Financial Services Marketing*, vol. 5, 2, pg 150-173, Henry Stewart Publications, ISSN: 1363-0539
7. Dibb, Sally and Simkin, Lyndon (1993). "The strength of branding and positioning in services". *International Journal of Service Industry Management*, Vol. 4, No. 1, PP. 25-35 ABI/INFORM Global pg. 25
8. Dutta, Soumitra and Evrard, Philippe (1999). "Information Technology and Organization within European Small Enterprises". *European Management Journal,* Vol. 17, No. 3, pg. 239- 251, ISSN 0263-2373
9. Jones, Peter; Shears, Peter; Hillier, David and Clarke-Hill, Colin (2002). "Customer Perceptions of Services Brands: A Case Study of J.D Wetherspoons". *British Food Journal*, vol. 104 no. 10/11 pg. 845-854, ABI/INFORM GLOBAL
10. Keller, Lane Kevin (1993). "Conceptualization, Measuring, and Managing Customer-Based Brand Equity". *Journal of Marketing*, Jan 1993; 57, 1; ABI/INFORM Global pg. 1
11. Konecnik, Maja and Go, Frank (2008). "Tourism Destination Brand Identity: The Case of Slovenia". *Brand Management*, Vol. 15, No. 3, pg. 177-189
12. Körner, Svante and Wahlgren, Lars (2002). "*Praktisk statistik*". Studentlitteratur.
13. Kotler, Philip and Keller, Kevin L. (2007). "*A Framework for Marketing Management*". 3rd edition. Pearson/Prentice Hall
14. Parasuraman, A; Zeithaml, A Valarie and Berry, L Leonard (1988). "Servqual: A Multiple- Item Scale for Measuring Consumer Perceptions of Service Quality". *Journal of Retailing*, Spring 1988; 64, 1; ABI/INFORM Global pg. 12

INTERNATIONAL JOURNAL OF RESEARCH IN COMMERCE, IT & MANAGEMENT 52

A Monthly Double-Blind Peer Reviewed Refereed Open Access International e-Journal - Included in the International Serial Directories

www.ijrcm.org.in

APPENDIX

APPENDIX 1: QUESTIONNAIRE

1)   What is the name of your company? (Optional): ....

The following statements consist of five levels of your agreements starting from Strongly Disagree to Strongly Agree. Tick the ones that best suits your company.

(1- Strongly Disagree, 2- Disagree, 3-Neither Disagree nor Agree, 4-Agree and 5 – Strongly Agree)

Sl No	Factors/Statements	1	2	3	4	5
Brand Awareness						
S1	The bank was well-known for us					
S2	We were more aware of the bank compared to its competitors.					
S3	The bank was the first one that came up in our minds when thinking of financial services.					
S4	Earlier experience with the bank affected the choice of bank.					
S5	The advertising from the bank was an influencing factor for us.					
Brand Associations						
S6	Before the choice of banks we had heard a lot of positive things about the bank.					
S7	We could connect to the bank thanks to similar values.					
S8	We found the bank unique.					
S9	The bank was the most suitable for us.					
S10	We compared the bank with other banks before taking the decision.					
S11	We only had positive things in our minds when thinking of the bank.					
S12	The choice of bank was affected by earlier experiences.					
S13	The bank offered the services that we needed.					
S14	The offerings from the bank were an influencing factor in the choice.					
S15	An important thing for us was the perceived attributes when deciding upon the current bank.					
Brand Attitude						
S16	We have always had a positive feeling about the current bank.					
S17	The service from the employees on the current bank was an influencing factor in the decision.					
S18	The perceived performance of the bank was an important factor in the decision.					
S19	Our motivation was to find the best alternative to our situation.					
S20	The banks employees and their abilities have affected our choice of bank.					
S21	The personal relationship with the bank has influenced the perception positively.					
Brand Loyalty						
S22	The services of the bank are performed so well that we are willing to pay a higher price.					
S23	We constantly compare our bank's offerings with other banks.					
S24	Our current bank is constantly outcompeting other banks when it comes to our needs.					
S25	Leading characters (within the company) private choice of bank is influencing the choice of bank.					
S26	Leading characters private relationships to specific bank influenced the company's decision upon bank.					
S27	We feel satisfied with the financial services contracted.					
Brand Activity						
S28	Opinions from third-part had a great impact on the decision of bank.					
S29	We continually seek out information about the current bank and their offerings.					
S30	The service given from the current bank has lived up to our expectations.					
S31	The service is good in comparison to the price we pay for it.					

INTERNATIONAL JOURNAL OF RESEARCH IN COMMERCE, IT & MANAGEMENT 53
A Monthly Double-Blind Peer Reviewed Refereed Open Access International e-Journal - Included in the International Serial Directories
www.ijrcm.org.in

TABLES

TABLE – 1: ANALYSIS Mean Scores and Standard Deviation

Sl No.	Brand Awareness	Mean	Std. Devn
S1	The bank was well-known for us	4.56	0.764
S2	We were more aware of the bank compared to its competitors.	3.63	1.091
S3	The bank was the first one that came up in our minds when thinking of financial services.	3.78	1.111
S4	Earlier experience with the bank affected the choice of bank.	3.64	1.291
S5	The advertising from the bank was an influencing factor for us.	1.88	1.068
	Brand Associations		
S6	Before the choice of banks we had heard a lot of positive things about the bank.	3.41	1.070
S7	We could connect to the bank thanks to similar values.	3.38	1.156
S8	We found the bank unique.	2.67	1.135
S9	The bank was the most suitable for us.	3.63	0.996
S10	We compared the bank with other banks before taking the decision.	2.84	1.390
S11	We only had positive things in our minds when thinking of the bank.	3.78	0.933
S12	The choice of bank was affected by earlier experiences.	3.61	1.214
S13	The bank offered the services that we needed.	4.38	0.760
S14	The offerings from the bank were an influencing factor in the choice.	3.27	1.090
S15	An important thing for us was the perceived attributes when deciding upon the current bank.	3.68	1.128
	Brand Attitude		
S16	We have always had a positive feeling about the current bank.	3.74	1.215
S17	The service from the employees on the current bank was an influencing factor in the decision.	4.12	1.012
S18	The perceived performance of the bank was an important factor in the decision.	3.93	0.932
S19	Our motivation was to find the best alternative to our situation.	4.37	0.082
S20	The banks employees and their abilities have affected our choice of bank.	4.09	0.980
S21	The personal relationship with the bank has influenced the perception positively.	4.09	1.208
	Brand Loyalty		
S22	The services of the bank are performed so well that we are willing to pay a higher price.	2.35	1.334
S23	We constantly compare our bank's offerings with other banks.	2.50	1.383
S24	Our current bank is constantly outcompeting other banks when it comes to our needs.	2.70	1.167
S25	Leading characters (within the company) private choice of bank is influencing the choice of bank.	2.96	1.546
S26	Leading characters private relationships to specific bank influenced the company's decision upon bank.	3.13	1.494
S27	We feel satisfied with the financial services contracted.	4.13	0.968
	Brand Activity		
S28	Opinions from third-part had a great impact on the decision of bank.	2.52	1.288
S29	We continually seek out information about the current bank and their offerings.	2.46	1.137
S30	The service given from the current bank has lived up to our expectations.	3.93	0.962
S31	The service is good in comparison to the price we pay for it.	3.52	1.209

TABLE – 2: CRONBACH'S ALPHA FOR BRAND FACTORS

Sl No	Brand Factors	Cronbach's Alpha
1	Brand Awareness	.720
2	Brand Associations	.821
3	Brand Attitude	.825
4	Brand Loyalty	.617
5	Brand Activity	.441

INTERNATIONAL JOURNAL OF RESEARCH IN COMMERCE, IT & MANAGEMENT 54
A Monthly Double-Blind Peer Reviewed Refereed Open Access International e-Journal - Included in the International Serial Directories
www.ijrcm.org.in

REQUEST FOR FEEDBACK

Dear Readers

At the very outset, International Journal of Research in Commerce, IT and Management (IJRCM) acknowledges & appreciates your efforts in showing interest in our present issue under your kind perusal.

I would like to request you to supply your critical comments and suggestions about the material published in this issue as well as on the journal as a whole, on our E-mails i.e. **infoijrcm@gmail.com** or **info@ijrcm.org.in** for further improvements in the interest of research.

If you have any queries please feel free to contact us on our E-mail **infoijrcm@gmail.com**.

I am sure that your feedback and deliberations would make future issues better – a result of our joint effort.

Looking forward an appropriate consideration.

With sincere regards

Thanking you profoundly

Academically yours

Sd/-

Co-ordinator

INTERNATIONAL JOURNAL OF RESEARCH IN COMMERCE, IT & MANAGEMENT　55

A Monthly Double-Blind Peer Reviewed Refereed Open Access International e-Journal - Included in the International Serial Directories

www.ijrcm.org.in