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This Issue

Social media offers many opportunities for building brand relationships. One method of fostering relationships is to create a social media presence for the company spokes-character. Anecdotal evidence suggests that such a strategy can be very effective, though empirical research is needed. This paper reviews what is known and highlights a concern, based on analysis of the case of Louie the Fly and Mortein, that consumers may interact with characters as if they were separate to their parent brand. Hence positive associations with the character may not translate into positive brand outcomes. Following discussion, a model is proposed for testing.

The study explores strategies universities in Zimbabwe are implementing to wade off competition. There are currently fourteen universities, excluding non-university institutions. With stiff competition, institutions' survival is reliant on enrolments. This paper discusses universities' marketing strategies to attract and retain both students and staff. Through the RATER Model the research rates service quality in four selected universities. Findings reveal that competency of staff, efficient service delivery, accommodation, and availability of staff to assist students, all enhance rating of university's service quality. The study recommends continuous monitoring and improvement of service quality in a bid to make for competitiveness.

The paper discusses the results of a research made in a Central European country. Quantitative and qualitative methods were used to explore whether loyalty exists in the B2B markets, if yes, which are its most important dimensions, and how they have changed due to the recession. The survey unanimously proved that the recession has divided the reactions of the organizations in terms of loyalty. As far as the personal relations are concerned the results of the research showed certain contradictions: the interviews indicated an increasing importance of the personal relation in the time of recession, this phenomenon was however not totally supported by the results of the questionnaire survey.

Background music is one of the main retail atmospherics, as it stimulates emotions and cognition mainly when other cognitive cues are either absent or reduced. However, no studies have analyzed the effect of music notoriety on consumer behavior. This paper aims at analyzing the effect of the type of music, whether or not famous, on the retail patronage, thus covering a gap in the literature. Findings show that famous music reduces shoppers' cognitive activity. It distracts attention from store cues such as promotion messages. On the other hand, famous music enhances positive feelings that, in turn, enhance shoppers' patronage.

The Internet has become a vital part of people's daily lives. It has changed consumer behaviour in many ways, including financial transactions formerly requiring a visit to a bank branch to achieve. Commercial banks have been in the forefront in utilizing this to meet customer needs for on-demand financial services. This study focuses on factors that affect customer satisfaction with the use of online banking services provided by commercial banks. The American Customer Satisfaction Index Model and the Thailand Customer Satisfaction Index Model are applied to evaluate customer satisfaction. The findings can be used as guidelines to improve the quality of the online banking system.

This study aims to explain the effect of Word of mouth on purchase intention through brand image. The focus on cell phone brands specifically. The sample of this study consisted of university students residing in Turkey. Data were obtained with a questionnaire and the face to face method after briefing the participants. The results of the study showed that there is a significant positive relationship between the electronic word of mouth on brand image and purchase intention.

This study was undertaken to evaluate the contribution of CRM strategies in enhancing customer loyalty in the motor industry. The motor industry is facing intense competition both locally and internationally. The paper analyses trust and commitment as antecedents of customer loyalty, the benefits of database marketing and key account management, categories of loyalty, as well as challenges affecting the effective implementation of database marketing and key account management. The research design was descriptive and exploratory. A sample size of 297 respondents was used which included 150 business customers and 147 employees. The major finding was that trust and commitment have a role to play as they led to customer loyalty. It was therefore concluded that CRM contributes significantly towards customer loyalty in the motor industry, thus it was recommended that the motor industry could make optimum use of information technology in order to fully implement CRM strategies.

GUIDELINES FOR SUBMISSION

Journal of Marketing Development and Competitiveness
(JMDC)

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The *Journal of Marketing Development and Competitiveness* is a double blind peer reviewed journal that publishes thought-provoking, in-depth articles that cover the marketing arena and the interface between marketing and firm competitiveness. Articles in JMDC bridge the gap between theory and application. The journal is widely circulated with a diverse readership that includes practitioners and academics, profit and nonprofit organizations, and government institutions. Although the focus is on traditional marketing mix topics, it also draws on other disciplines including entrepreneurship, management, economics, and finance as well as any marketing issue in an international context. JMDC is committed to publishing a broad spectrum of conceptual and empirical articles that make a new theoretical and/or substantive contribution to the field.

The target acceptance bounds of JMDC run between 13% and 19%. All articles go through a double blind review process, and acceptance decisions are made within forty-five days of submission. Authors of unaccepted papers are free to submit their papers to another journal.

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Make main sections and subsections easily identifiable by inserting appropriate headings and sub-headings. Type all first-level headings flush with the left margin, bold and capitalized. Second-level headings are also typed flush with the left margin but should only be bold. Third-level headings, if any, should also be flush with the left margin and italicized.

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References must be written in APA style. It is the responsibility of the author(s) to ensure that the paper is thoroughly and accurately reviewed for spelling, grammar and referencing.

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I'm Friends with Louie the Fly, not Mortein: Conceptualising the New Brand Relationships on Social Media

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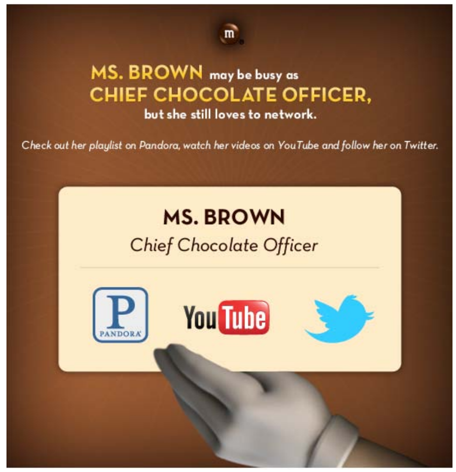
Social media offers many opportunities for building brand relationships. One method of fostering relationships is to create a social media presence for the company spokes-character. Anecdotal evidence suggests that such a strategy can be very effective, though empirical research is needed. This paper reviews what is known and highlights a concern, based on analysis of the case of Louie the Fly and Mortein, that consumers may interact with characters as if they were separate to their parent brand. Hence positive associations with the character may not translate into positive brand outcomes. Following discussion, a model is proposed for testing.

INTRODUCTION

Spokes-characters are '...animated beings or objects, created to promote a product, service or idea' (Phillips 1996, p.155). They were first used in the late 1800s when they emerged as registered trademarks, but the use of spokes-characters for marketing communications has since grown, owing to their ability to remind consumers about a product, transfer positive associations to a brand, and give a corporate company a more 'personal' face (Callcott & Lee, 1995). One example is the Michelin Man, who has served as spokes-character for Michelin tyres since 1898, after starting out in print advertising.

Spokes-characters have become important brand representatives, no longer seen as simply entertaining cartoons featured in television and magazine advertisements. Corporations have now extended their use to interactive, social media platforms, where a consumer can be 'friends' with a spokes-character via Facebook, read their comments on the latest iPhone release through Twitter, and watch their family histories being documented on YouTube (see Figure 1). The interactions that consumers once had with two-dimensional spokes-characters have undergone significant transformation in the digital space. With spokes-character Facebook pages achieving significant numbers of 'likes' and interactions with consumers, one question concerns whether this strategy is creating characters that are more engaging than the brands they represent, and what impact this has on brand outcomes.

FIGURE 1
MS BROWN'S SOCIAL MEDIA PRESENCE



INTERACTIVE SPOKES-CHARACTERS AND ANTHROPOMORPHISM

One of the great benefits of creating a social media presence for spokes-characters is that it allows characters to interact one-on-one with consumers, which can help foster relationships, particularly when anthropomorphism occurs. Based on the Theory of Mind, which describes the ability to attribute a 'mind' to someone or something (Frith & Frith, 2005), anthropomorphism is a cognitive bias exhibited by humans when they attribute human personality characteristics, free will or intentionality to non-human agents (Kwan & Fiske, 2008), such as cartoon characters. Character interactivity can trigger anthropomorphism (e.g., Kim & Sundar, 2012), leading to positive consumer responses. For instance, Phillips and Lee (2005) found that interactive spokes-characters on company websites positively increased perceived entertainment, social presence and website liking beyond what was achieved by static spokes-characters on such websites. Social media sites, however, make anthropomorphism more likely, as they facilitate not only interactivity, but also make it possible for one to see personality, free will or intentionality in a non-human agent (Kwan & Fiske, 2008). Consider for example the following tweet from Ms Green to Ms Brown of the M&M's spokes-characters, which shows personality, free will and intentionality:

"Red says he and Yellow are hanging out this weekend. @mmsbrown, you want a girls weekend?! :)"

When there is a shift from seeing brands as representations of impersonal corporations to characters full of life and personality, consumers may begin to interact with them as if they were human. A recent study conducted by LeBel and Cooke (2008) found that consumers participate in the narratives surrounding spokes-characters, by using their own imaginations to assign numbers of children or types of cars to spokes-characters they favour. Anthropomorphism can result in consumers seeing an agent (a spokes-character) as deserving of consideration and respect (Epley, Waytz & Cacioppo, 2007), leading to moral care and concern for the agent (Waytz, Cacioppo & Epley, 2010). Further, when brands are anthropomorphised, consumers may begin to emulate behaviours that they perceive as consistent with that brand personality (Aggarwal & McGill, 2012). Indeed, has been suggested that once a mind has been perceived in an object, the responses of an individual to this object may become just as complex as responses to another human being (Kim & McGill, 2012).

Recent research has indicated that the tendency to see characters and other non-human agents as 'real' may also be based around fulfilling social needs (Epley et al., 2008; Gardner & Knowles, 2008), which can be well-facilitated through social interaction over the internet (e.g., Shaw & Gant, 2002) and social media channels (e.g., Ryan & Xenos, 2011). These channels require no physical contact, hence consumers may have Facebook friends that they have never met in person, and never speak to in an offline context, yet they perceive these relationships as 'real', not purely 'virtual'. Similarly, these relationships may be fostered with spokes-characters who are more humanised in the online space.

As a result of the opportunities that social media channels like Facebook and Twitter offer for relationship-building with spokes-characters, there is a lot of discussion in the practitioner literature about the positive outcomes for brands. For example, comparethemarket.com claims its market share doubled after introducing meerkat character Aleksandr Orlov and his social media presence (Costa, 2010). They attribute Aleksandr Orlov with making the company one of the most recognised in the saturated insurance market (Costa, 2010), which tends to be characterised by low consumer engagement. But beyond anecdotal evidence, scarce attention has been given to empirical research that investigates what is likely to be a complex interplay of factors between the consumer, a spokes-character and the brand.

BRAND VERSUS CHARACTER ENGAGEMENT

The digital environment broadly, and interactive social media such as Facebook and Twitter specifically, allow consumers unprecedented choice in how they 'engage' with an object; or in other words, 'the level of an individual customer's motivational, brand-related and context-dependent state of mind characterised by specific levels of cognitive, emotional and behavioural activity in direct brand interactions' (Hollebeek 2011, p.790). In the context of social media, a consumer directly interacts across cognitive, emotional and behavioural levels. But consumers may choose to interact with the parent company, the brand, the character or any combination of these. Spokes-characters can be perceived as more 'real' as a result of interactivity and anthropomorphism, which can lead to greater imaginative engagement on the part of the consumer (e.g., LeBel & Cooke, 2008), but with the character.

When reading and commenting on status updates and tweets from Ms. Brown, the latest spokes-candy for M&M's, the consumer is interacting with Ms. Brown, not Mars Inc. There is a certain suspension of disbelief that occurs, whereby comments from Facebook friends and Twitter followers are directed straight to Ms. Brown, perhaps without conscious recognition by consumers that they are engaging with a brand representative through a fictitious spokes-character, and not with a 'real' friend. The cross-over between the real and the fictitious, especially as a result of anthropomorphism, increases the complexity of the engagement that occurs. As a result, the goodwill towards a spokes-character may not always translate to goodwill towards the brand itself.

One recent example to illustrate concerns Louie the Fly. In 2011, Mortein launched a social media campaign designed to encourage consumers to vote on whether to kill or save Louie: their iconic spokes-character that was 'born' in 1957 (Reckitt Benckiser, 2011). Consumers felt betrayed, and vented their emotions on Louie the Fly's Facebook page with comments, such as:

"NO Louie = NO Customers"
"Don't care about the product just love Louie...he 'made' mortein what it is today!!!!"
"Let's start a Facebook page 'Sack the CEO of Mortien to save Louie' who agrees?"

The comments were overwhelmingly in support of Louie (and not in support of Mortein), showing consumer engagement on an emotional and behavioural level with the character, but not with the brand. In this instance, Louie the Fly and Mortein had become separate entities in consumers' minds.

After being saved in early 2012, Louie has continued to interact with consumers via his Facebook page. It is also revealing to consider the Facebook likes (the equivalent of friends on a business page). At the time of writing, Reckitt Benckiser, the parent company of Mortein and other brands, has 75,451 likes. Mortein has only 121 likes and Louie the Fly has 273,866. This story is not an unusual one on social media. Popular spokes-character for comparethemarket.com, Aleksandr Orlov, has 811,195 Facebook likes, while his company does not have an official Facebook page at all. The M&M's characters share a

Facebook page which has 3,970,196 likes, while the parent company of M&Ms, Mars Inc, has only 6,745 likes.

Evidence suggests that consumers are engaging with brand *characters* via social media, but brand managers need to consider whether this engagement is transferring to the brand itself, and ultimately, leading to brand outcomes like loyalty and sales. Companies may be at risk of creating spokes-characters that are so engaging that consumers lose interest in the brand behind the character.

RESEARCH QUESTIONS

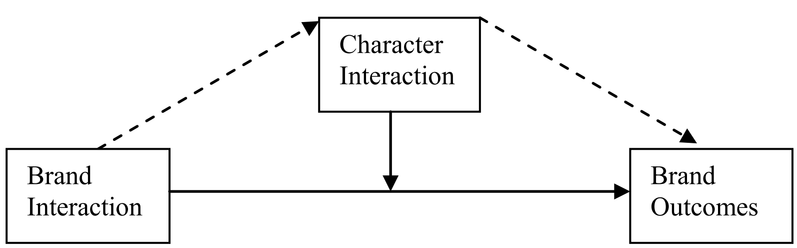
Limited research is available on how the aforementioned interactions occur, and whether they are actually of benefit to the brand represented by the spokes-character. While previous research on spokes-characters and how they operate is available (e.g., Garretson & Niedrich, 2004; Phillips & Lee, 2005), none have studied interactions on social media like Facebook and Twitter, and what this might mean for the brand.

The following research questions are proposed in order to begin to fill the gap in both theoretical and practical knowledge that has been left in the wake of rapid technological development:

1. How do consumers interact with spokes-characters on social media?
2. What value do online spokes-character interactions have for consumers?
3. How does spokes-character engagement influence brand outcomes?

We propose that technology may in fact create distance between brands and consumers through the very tool marketers are employing to try and foster relationships: spokes-characters. In order to test these questions, a multistage study is required, involving firstly observation of interactions between consumers and a character/brand on social media, followed by overt questioning of consumers to determine the value derived and subsequent brand outcomes. Given that consumers may be unaware that anthropomorphism has occurred, experimental research will be particularly appropriate to test these relationships. A proposed model is presented at Figure 2.

FIGURE 2
PROPOSED MODEL



CONCLUSION

Spokes-characters have long been used in traditional marketing communications as brand and product representatives, and have shown they have a high degree of longevity owing to their ability to change with current culture and technology. Technology potentially offers new opportunities to create engaging relationships between spokes-characters and consumers, but ultimately the over-arching goal to create positive brand outcomes must not be forgotten; spokes-characters are but a tool to try and facilitate these outcomes. It is not enough to create an engaging character that consumers care about, interact with and emulate in their attitudes and behaviours. Strong links between the brand and the character are just as important, if not more important, than the relationship between the character and the consumer. In a world where we have both human and cartoon ‘friends’ that we have never met, the line between fantasy and reality has become blurred. We propose that this presents both challenges and opportunities for brands, which require further study.

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Marketing: A New Strategy for State Universities in Zimbabwe

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The study explores strategies universities in Zimbabwe are implementing to wade off competition. There are currently fourteen universities, excluding non-university institutions. With stiff competition, institutions' survival is reliant on enrolments. This paper discusses universities' marketing strategies to attract and retain both students and staff. Through the RATER Model the research rates service quality in four selected universities. Findings reveal that competency of staff, efficient service delivery, accommodation, and availability of staff to assist students, all enhance rating of university's service quality. The study recommends continuous monitoring and improvement of service quality in a bid to make for competitiveness.

INTRODUCTION

Zimbabwe's higher education has grown at a fast rate since the country's attainment of independence in 1980 to date (2013). There are 14 universities of which six are state owned and the rest are private owned. At independence, Zimbabwe had one state university namely University of Zimbabwe. From the name one can infer that there were no plans for having another state institution. The major aim of the new government when it came into power in 1980 was "education for all" from primary level to higher education. The drive was supported by building of primary schools as well as polytechnics in each province. Later in the 1990's the government shifted to increasing the number of Universities. The justification for the increase in universities was to have skilled and professional workforce and hence improve productivity in the country. Like in other countries, the increase in numbers of universities has not matched government financial support (Jongbloed 2003). Considering the current numbers (as shown in Table 1 below) of universities, teachers' colleges and polytechnics in Zimbabwe, competition has become fierce as they fight for the same "A level" school leavers. This fight has resulted in brand names in the educational sector being the basis for university's ability to attract prospective students. This has imperatively led to Zimbabwe's higher educational sector acknowledging Keller's (2004) assertion that there comes a time when organisations now realise that brand names are a valuable asset making the services and products they offer to be linked with their brand names. The same notion is supported by Whilsman (2008) who suggests that to create strong brands organisations should deliver and maintain what they promise. Furthermore Foster and Hemsley (2001) also note that most universities are investing in marketing departments to try and get recognition of their brands. The marketing of higher learning services has been supported by Brown and Oplatka (2006) who have conclude that the marketing of universities is now a global phenomena. The high level of marketing in universities has also been experienced in other countries such as Australia and the UK, (Binsardi and Ekwulugo, 2003); Holland, (Jonbled,2003) and a number of countries in Africa (Ivy, 2001; Maringe and Foskett, 2002). The authors of this paper note that the benefits of marketing efforts in universities and their role in attaching students to their brands have not been fully explained. The purpose of this study is to therefore analyse the level of emotional marketing in state universities in Zimbabwe. The higher education sector in Zimbabwe has seen high growth rate. Table 1 below shows the establishment of universities which has been increasing year after year. The list shows even the latest upcoming universities like Gwanda and Mutare.

TABLE 1
ESTABLISHMENT OF UNIVERSITIES IN ZIMBABWE

Year of Establishment	Institution	Status
1894	Solusi University	Private
1955	University of Zimbabwe	State
1988	Harare Institute of Technology	State
1991	National University of Science and Technology	State
1992	Africa University	Private
1996	Bindura University	State
1999	Great Zimbabwe	State
1999	Catholic University	Private
2001	Chinhoyi	State
2002	Women University	Private
2005	Lupane	State
2012	Gwanda State	State
2013	Mutare	State

Of the selected universities are Midlands State University (MSU) established in 2000, but now boasting of more than 15000 students on record, followed by University of Zimbabwe (UZ) which has an estimated number of 8611 students which is 5389 less than that of MSU, a fairly new institution. UZ's enrolment has not been on the rise in the past years although lower than that of some of the fairly newly established universities despite it being the first state university in the country. National University of Science and Technology (NUST) and Chinhoyi University of Technology (CUT) have a total of 10018 which is 3982 less than that of MSU alone as at 2011 enrolment statistics. This study basing on the enrolment estimates would want to assess the level of emotional attachment of both students and staff to the brands of the different state universities in Zimbabwe.

TABLE 1.2
ESTIMATED ENROLMENT STATISTICS OF FOUR SELECTED ZIMBABWE'S STATE UNIVERSITIES

Year	Chinhoyi University of Technology	Midlands State University	National University of Science Technology	University of Zimbabwe
2000	-	1736	2049	7335
2005	2268	10508	4749	6521
2006	2598	11348	5503	7132
2007	3352	10733	5531	5784
2008	2493	10495	5070	4827
2009	3135	8458	4924	5241
2010	4079	9616	4549	7425
2011	4594	14000	5424	8611

The differences in enrolment figures demonstrate the need to differentiate one university from the other as competition intensifies. Based on these figures the researchers make an effort to establish if emotional attachment to a brand contributes to the university that students and staff would want to be associated with.

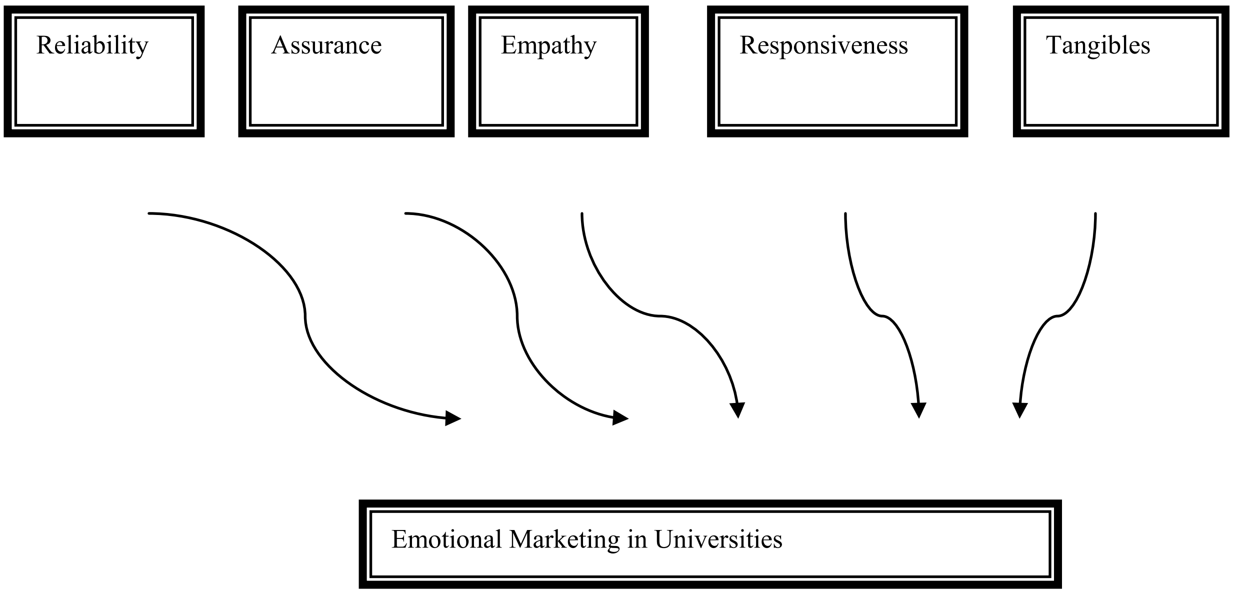
The need to create more distinct brand identities is emphasised by Durkin et al (2012). Foskett & Brown (2001) also note that most Universities are investing in marketing departments. However, Frank and Cook (1995) support the need for marketing activities in universities when they express that higher learning is now a business. Furthermore, the authors explain that small differences in brand perceptions give rise to enormous differences. The small differences could be a result of emotional marketing.

Arguments on the impact of marketing on the performance of universities have been put across by Baldwin and James, (2000). At the same time benefit of universities equipping themselves with information that gives them a competitive advantage has been expressed (Binsardi and Ekwulogo, 2003). It is the assumption in this study that emotional marketing is an important strategy to equip state universities with a competitive advantage. The basis for reputation has been linked to physical facilities which is quite developed in developed countries and might not be an important factor in less developed countries like Zimbabwe.

LITERATURE REVIEW

Universities by their nature are in the service industry and service encounters somehow have an impact on the way customers would perceive a brand. The way service providers are reliable, empathetic; respond to customers, give assurance of the quality of service to be received and the tangibles complementing the service being provided play a role in determining how customers will see a brand. Stakeholders therefore, develop emotional attachment based on the attributes of service quality by Zeithaml and Parasuraman (2006) which are reliability, assurance, empathy, responsiveness and tangibles.

FIGURE 1
CONCEPTUAL FRAMEWORK



EMOTIONAL MARKETING

Kohls (1998) says emotional marketing is the highest level of marketing, it is to win and occupy the hearts of customers, and yet Gaski (2004) views the concept as an organization's effort to add one element to its marketing strategy and having confidence it would differentiate to brand from competitor. These company efforts are supposed to lead to make customers loyal and increase profits, (Hunt, 2007). Emotional marketing has been widely linked to trading goods and not services; this has been a limitation of literature. Bejon (2005) argues that students must be considered just like any other customer, implying that emotional marketing must also be extended to institutions of higher learning. Moreover, the need for emotional marketing in higher education is emphasized by Emery et al (2003) who propose that the contract between universities and students is not that of a one off purchase but is a lifetime contact.

The authors of this paper here argue that while students might not become customers per se but in a way they are. This is because of the fact that Universities existence is influenced by the availability of students. From this basis it becomes important for institutions to ensure emotional marketing exists and is practised.

Kotler and Fox (1995) and Domino et al (2006) note the importance of marketing in universities for the purpose of making students loyal; but do not outline the marketing strategy to be utilised. The explanation seems to imply that students remain in universities forever like loyal customers. Durkin, McKenna and Cummins (2012) suggest that the issue of marketing is relatively new but they highlight the common marketing activities as; open days, advertising campaigns through various media, alumni events, engaging corporate, interfacing with international academic world, website development, outreach programs, newsletters, newspaper supplements and brochures. All these events are undertaken in order to ensure there is customer engagement. Thus universities are going out of their way to market their institutions. The heavy investment in various activities comes at a continuous cost thus it requires continuous / sustainable income. This can only be done through admission of students who are prepared to pay. However Emery et al (2003) say students should never be treated like customers who when they buy the price is linked and attached to value. Clayson and Haley (2005) also argue that after paying students should anticipate receiving higher grades in relation to what they would have paid. If students are considered as consumers of experience as suggested by Yunker and Yunker (2003) then universities should make efforts to make the experience a memorable one and thus create feature value for universities. This is supported by Scott , Grebennikov and Shah (1998) who say that special experience at a university gives the institution an edge over others. This suggests that challenges are always there with service provision (Palmer 2008, Assel 1985, Blankson and Kalatatis 2007).

MEASURING SERVICE QUALITY IN UNIVERSITIES

The quality of service experienced by university students can be measured through the use of service dimensions as suggested by Zeithmal (1990). The five dimensions are reliability, assurance, tangibles, empathy and responsiveness.

Reliability – it's when the firm provides its customers with the right services at the right time and without mistakes from the beginning.

Assurance – the customers believe in the firm and feel safe with the service provided. The employees are service minded and professional with sufficient knowledge.

Empathy – the firm tries to solve its customer's troubles in the best way and always acts in the best interest of its customers.

Responsiveness – the firm gives its customers proper service and is always service minded.

Tangible – the physical evidence of an institution.

Briggs (2006) and Choudbury et al (2008) believe that the service quality attributes build the reputation of a university, thus determining whether the university is good or bad.

METHODOLOGY

Participants and Setting

This study is based on Zimbabwe's higher education sector. Both staff and students' experiences during interaction with different institutions selected namely MSU, UZ, CUT and NUST. The research participants were former and current students as well as former employees and current employees as these were easy to locate. Moreover, due to the nature of the higher education product, that is, it is a voluntary step as most Zimbabweans do not go beyond the secondary education level. In this research staff members are defined as an individual or individuals that work or worked for any state university in the past eleven years. The students also include both masters and under graduates in their final year because these would have been with the institution for at least more than 12 months and have used almost all the facilities in the institution and have interacted with different university staff members during their learning period. Another argument for targeting post graduate students was that the probability for the group to have used same university facilities during undergraduate studies and coming back t the same institution for the post graduate studies thus making it possible for them to compare their university experiences. This would make the data obtained from the research reliable.

To complement the data from the university staff, the researchers also narrate their own experiences with universities they have or are working for.

Universities were chosen as the case portfolio for the research. These are MSU, UZ, CUT and NUST; employees were also selected to participate in the interviews that the researchers conducted.

Sample and Sampling Procedure

A total of 410 students responded to the questionnaire, whilst interviews were conducted with 16 university non academic staff and 80 academic staff. Judgmental sampling was initially used in selecting the universities. The criterion for selection was the estimate enrolment figures of universities. This technique was preferred because 14 universities were considered in the initial population. However, some of the universities had low enrolment numbers and were fairly new in the market thus staff members were also assumed to be new in the system so such participants were not part of the sample frame for this study. Snowball sampling was adopted when selecting staff participants. Researchers relied on references from chairpersons from various departments to select University Staff to participate in the research. Chairpersons had knowledge of those employees who had been at the university for a period of more than a year. The researchers made use of the departmental data base to identify undergraduate and postgraduate students. Convenient sampling was used to select these participants because those that were easily accessible and willing to participate in the study finally constituted the research sample.

Instrumentation

This paper is based on both quantitative and qualitative data derived from questionnaires distributed and in-depth, semi-structured interviews carried out with 16 non academic employees and 80 academic staff. The study used a collective case study approach, which investigated, through a questionnaire completed by students and discussions with university employees, the students' service experiences in universities.

The questionnaire was the major instrument in this research. The researchers adopted a questionnaire developed by Kandampully et al (2001) and adapted it in line with the objectives of the study thus allowing the researchers to measure levels of service quality in state universities in Zimbabwe. The instrument had 44 items addressing the 5 attributes of the RATER Model by Parasuraman, (1988). The questionnaire was divided into section A and section B. Section A measured the students' expectations of service delivery, whilst section B measured students' perceptions of the service delivery in the higher education sector. Interviews with staff were held as a follow up to getting clarification from the responses that students had provided through the questionnaires.

Data Analysis Procedure

Content analysis was used to analyze data from the interviews. Interviews were also analyzed to the attributes of the RATER Model. SPSS was used to analyse quantitative data from the questionnaires.

RESEARCH FINDINGS

Below is a summary of findings from the research:

Students' Experiences of University Emotional Marketing During Interaction

To analyse the higher education sector's students experiences the researchers determined the gap in emotional marketing. This enabled the researchers to clearly articulate the level of emotion that was being experienced by both staff. The results therefore, first present students expectations of the higher education sector, then the students' perceptions of the sector during interaction under the 5 attributes of modified Emotional Marketing by Parasuraman, (1988). Students ranked questionnaire items on a scale of 1-5 where 1=strongly disagree and 5=strongly agree. Using the Service Networks model by (Ghosh and Craig 1986) the emotional marketing gap is determined. We are accustomed to thinking about service providers individually. Nevertheless, in many service scenarios, an entire network of service providers is required to provide the complete service that the customer requires model modified to rate the level of emotional marketing.

Responsiveness

Responsiveness of staff was measured in terms of staff's knowledge to answer students' enquiries; university's operational hours, staff having students' best interest and their ability to understand students' needs. The table below gives the students' responses with respect to these staff characteristics.

TABLE 3
RESPONSIVENESS OF STAFF AT AN EXCELLENT STATE UNIVERSITY

	Staff Have Knowledge to Answer Students	University Has Convenient Hours to All Students	Staff Have Best Interests of Students at Heart	Understand Specific Needs of Students
Mean	4.3905	4.4905	4.3429	4.4190

The means for the four characteristics; staff knowledge, convenient operational hours, staff having students' best interests and understanding students' needs were 4.3905, 4.4905, 4.3429 and 4.4190 respectively giving an average mean of 4.410725. Students' expectations of responsiveness are highly rated.

The respondents' perceptions of the same attribute during interaction were different. The mean scores for the four characteristics give an average mean of 2.42855 (see Table 4 below). The findings from the discussions reveal that students would not always get a service any time only at specified times, but even during those specified hours staff might not be available or busy with something else. Other interviewees noted that "you find notices by the door- busy now" The majority of the chairpersons interviewed indicated that unavailability of staff was because of several responsibilities that are given to lecturers among them supervision of dissertation, work related learning students, actual teaching, research, resulting in staff that were available being overwhelmed by the amount of work that was available at the time.

TABLE 4
RESPONSIVENESS OF STAFF DURING INTERACTION AT STATE UNIVERSITIES

	Staff have knowledge to answer students	University has convenient operational hours to all students	Have best interests at heart	Understand specific needs of students
Mean	2.4619	2.5619	2.3190	2.3714

Furthermore, the interview results showed that staff was unable to respond to their requests satisfactorily and in some instances would tell them that the person that could attend to their queries and requests was unavailable. The interests of the students were not prioritized by staff. Some state universities have no adequate lecture rooms resulting in congestion and failure to give individualised attention. Consequently some interviewees pointed out that they had to do use outside shade rooms for discussions as students among themselves.

Assurance

Staff behaviour, courteousness when serving students and the students' feelings of safety when transacting with state universities, were the metrics that we used to determine the level of service assurance that students expect from universities. The respective mean scores were; 4.5; 4.6 and 4.3 suggesting that university students highly value this attribute in university service delivery (Table 5). The students' service experiences, during interaction, with respect to the different constructs of service assurance were contrary to their expectations. From the interviews held with the students, it was found that students were not safe transacting with university staff. This construct had a low mean score of 1.9. The interviewees expressed concern over the pricing of different modes of entry despite writing the same examination. They strongly felt that the prices charged for services were rather too exorbitant. Fees changes were noted every semester, items like ancillary fees did not satisfy the students.(building, medical aid, general purpose fees). The university staff mentioned that the fees levels were meant to compensate for government failure to fund timely or failure to fund during different semesters. It was therefore only through varying ancillary fees than to vary tuition fees which is government controlled.

TABLE 5
SERVICE ASSURANCE FROM STAFF AT EXCELLENT STATE UNIVERSITY

	Behaviour of staff instils confidence in students	Students feel safe in their transactions	Staff consistently courteous with students
Mean	4.5048	4.6429	4.3857

Moreover, interviewed students noted that their valuables and personal belongings were not safe at state university premises. Staff also confirmed these misfortunes that befell their students but indicated that the composition of the student body is so varied from the poorest to the richest hence the problem persist. To try and mitigate the thefts some state universities had secured services of security who have become localised to make them part of the university family.

The above students' experiences explain the ratings of the constructs displayed in table 6 below.

TABLE 6
SERVICE ASSURANCE FROM STAFF DURING INTERACTION WITH STATE UNIVERSITIES

	Behaviour of staff instil confidence in students	Students feel safe in their transactions	Staff consistently courteous with students
Mean	2.5095	1.9190	2.3048

Tangibles

Students' expectations of state university equipment, physical facilities, staff grooming and any other university materials were rated as shown in the table below.

TABLE 7
STUDENTS EXPECTATIONS OF STATE UNIVERSITY TANGIBLES

	Modern looking equipment	Physical facilities visual appealing	Staff appear neat	Materials associated with service
Mean	4.7381	4.8762	4.8857	4.5381

The mean scores for the four characteristics ranged from 4.5381 and 4.7381. The high rankings by research respondents show the importance that university students place on the construct of physical evidence.

Table 8 gives the mean scores of students' perceptions of their encounters with the four constructs of physical evidence we used to determine their experiences during interaction with state universities

TABLE 8
STUDENTS PERCEPTIONS OF TANGIBLES DURING INTERACTION WITH STATE UNIVERSITIES

	Modern looking equipment	Physical facilities visual appealing	Staff appear neat	Materials associated with service
Mean	2.7714	2.5857	2.8048	3.0952

The mean scores are above 2.5 for all the four variables. The appearance of buildings, equipment, staff and other university materials were mediocre. During interviews the interviewees highlighted that the some buildings were still in good condition but lacked maintenance, besides most of the buildings were being over stretched to accommodate large numbers yet they were meant originally to accommodate fewer students. The outside appearances were good around the administration blocks and poor in the rest of the premises. The lawns were now brown in colour; where there were air conditioners were not working and broken tiles on floors. Some students said some universities had been turned into mini schools as they were now accommodating students who were on bridging programmes. Other interviewees highlighted that the power outages resulted in dark hallways and rooms. One respondent noted that "candle lit" studies had become common in Zimbabwe because of the power outages.

Empathy

An average score of 4.45 was calculated for students expectations with respect to empathy (see table 8) whilst that for perceptions of whether university staff was empathetic during interaction was pegged at 2.26 (see table 9 under appendix)

TABLE 8
STUDENTS EXPECTATIONS OF EMPATHETIC STAFF

	Tell exactly when service will be offered	Give prompt service to students	Staff always willing to help students	Staff never too busy to respond	Staff give individualised attention	Staff give students personal attention
Mean	4.4667	4.6952	4.7048	4.3619	4.2810	4.1905

The mean figure for time service would be offered to students was the lowest at 1.65. This poor service experience also emerged from the interview results. “You would place an appointment for dissertation supervision and wait forever” narrated one respondent. Another respondent indicated that on one occasion he telephoned for work related learning supervision only to get supervision when his contract had expired.

Reliability

Ratings of students’ expectations for service reliability were rated high at above 4 (see table 10 under appendix). However, students’ experiences during interaction were rated as shown in table 11. Students’ perceptions had an average mean score of 2.10284

TABLE 8
STUDENTS EXPECTATIONS OF EMPATHETIC STAFF

	Promises to do something by a certain time	Show genuine interest in solving problems	Perform service right first time	Provide services at the time promised	Insist on error free service
Mean	2.0857	2.1952	1.9571	2.1524	2.1238

Findings from the interviews showed that many service errors were observed from university staff. Students were served reluctantly promises to deliver service at a certain time and as promised were not honoured.

CONCLUSIONS AND RECOMMENDATIONS

Based on the scores of the five attributes used to rate emotional marketing: Responsiveness (2.4) Assurance (1.9), Tangibles (2.5) Empathy (1.65), Reliability (2.10), giving an overall rating of 2.11 level of emotional marketing is still low in state universities, this is in line with Bunzel (2007) that some universities can be viewed as complacent when it comes to enhancing their brand image. However with the ranking of institutions which gives the push for brand recognition and brand visibility higher learning institutions need to initiate positive emotional rating through their staff. State universities equipment and matching with times and numbers thus there is need to use part of the fees to improve lecture rooms and accommodation facilities in order to improve the learning environment.

Whilst universities are making students pay for medical improvements a required in the general physical facilities, thus adequacy, availability especially accommodation to ensure d that good hygienic standards are maintained, whilst this was not a health research health concerns were expressed interviews.

It was concluded that communication was poor at some state universities resulting in students not getting service at the required or specified time.

The researchers recommend that

- Emotional marketing should be prioritised as advised by Oliva and Sterman (2001) who propose that service delivery depends heavily on employees' level of experience hence staff should be developed in this area.
- Tone of all staff need to be worked on as the tone affects the listener hence reducing the level of emotional marketing.
- The sense of caring should be found on all staff members, this might really need to be taught like in most service organisations.(banks , insurance companies do that)
- For staff to be confident in their service delivery continued self development is needed so that level of knowledge keeps improving this applies to both academic and non academic. Customer care refresher course would be very relevant to keep reminding all staff the importance of being good to students.
- Equipment and materials should meet global standards, this can be done through engaging the private sector for example a company can build and maintain a hall of residence or a block of lecture rooms.
- When accommodation is being allocated transparency should be exercised this can be done through an e learning soft ware which shows the available rooms and left after transacting.
- Communication should be improved through the use of all possible means, notices, e learning, and announcements.
- Workshops on the usage of e resources need to be frequent to ensure both staff and students keep abreast with trends.
- Students should also have a chance to communicate back for maybe through their e learning forum, through their class representatives and individually.
- Clear programmes and time tables need to be followed

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The Effects of Recession on B2B Loyalty

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The paper discusses the results of a research made in a Central European country. Quantitative and qualitative methods were used to explore whether loyalty exists in the B2B markets, if yes, which are its most important dimensions, and how they have changed due to the recession. The survey unanimously proved that the recession has divided the reactions of the organizations in terms of loyalty. As far as the personal relations are concerned the results of the research showed certain contradictions: the interviews indicated an increasing importance of the personal relation in the time of recession, this phenomenon was however not totally supported by the results of the questionnaire survey.

INTRODUCTION

The relations among organizations represent interactions with the goal of utilizing mutual advantages. While exploring the most important factors of inter organizational relations researches have focused mainly on perceived quality, satisfaction, trust, commitment (Morgan – Hunt, 1994), and fairness (Ganesan, 1994, Jambulingam et.al., 2011), but only few have raised the question whether loyalty exists on the B2B market and if yes, what are its features (Costabile, 2000, Rauyruen et.al. 2005). Many researchers refuse the existence of loyalty in the inter organizational contacts saying that the main objectives of an organization operating in the market are profit making and achieving growth, and since the notion of loyalty includes certain emotional commitment, there is no place of it here, so there is nothing to research on. In spite of these views both in theoretical and empirical researches there recently have been some clues, which indicate that there is place for researching on loyalty in the B2B context, there is a need for working on its definition and exploring its indicators. These researches have claimed that loyalty can be interpreted among the actors of the B2B market, and it is also possible to define it through different dimensions (Rauyruen et.al. 2005, Čater – Čater 2010). If the fact is accepted that loyalty exists in the organizational market, it is worthwhile to investigate how inter organizational relations have been altered by the economic recession, how handling of these relations has changed and in summary how the understanding of loyalty has been modified by the crisis.

The first part of the study discusses the theoretical background of the topic then it will list the hypothesis of the field research and will show the methodology of it. At the end the paper will summarize those dilemmas in terms of the determining factors of loyalty which have been influenced by the crisis of 2008 and which naturally inspire further research in this field.

THEORETICAL BACKGROUND

The theoretical and empirical analysis of inter-organizational relationships has gained priority in the past twenty years in fields like strategic management, innovation management and also in marketing. The basic value drivers affecting the success of inter-organizational relationships have been more or less revealed already. Researchers dealing with inter-organizational relationships are focusing more on the analysis of change, formation and manageability of these values.

The significance of relationship marketing has also opened new directions in B2B markets. Research emphasizing the essence of relationship marketing has actually begun with the analysis of B2B markets (Hakansson – Osteberg, 1975, Ford, 1980, Morgan – Hunt, 1994), but the theories of psychology (Thibaut – Kelley, 1959), economic sociology (Granovetter, 1992) and social networks (Burt – Minor, 1982, Burt, 1992) have also considerably influenced the defining of the long-term relationships determinants.

To summarize the different approaches of the inter-organizational relations on the B2B market it is to conclude that the different researches included the following characteristics of stable, long-term relationships: perceived quality, satisfaction, commitment, trust, fairness. Nowadays there is a trend to deal with the role of personal relationships in this context, and to make loyalty researches on the B2B relations. In the following an overview is given about the different approaches of the dimensions of these relations.

Different Approaches of Dimensions of B2B Relationships

The definition of partner **loyalty** in organizational contacts is more sophisticated than in B2C relations. Among the theoretical models Costabile's dynamic model, which analyzes the phases of loyalty development is worth mentioning (Costabile, 2000). Some researchers' differentiate between behavioral and attitudinal loyalties and their results show that among the various factors the trust and the commitment (which can be affective or calculative) are in strong relation with loyalty (Rauyruen et.al. 2005, Čater – Čater 2010).

Co-operation presupposing mutuality is relevant in long term relations. Researches prove that attitude for co-operation depends on level of the **satisfaction** experienced through the set of transactions (Anderson & Narus, 1984, 1990).

Some authors (Hennig-Thuaru – Klee, 1997) analyse the effect of customer satisfaction and **relationship quality** in retaining customers. The central components of such a model are customer satisfaction, relationship quality, and their effect in retaining customer (on loyalty). In this model relationship quality can affect loyalty through commitment and trust but the effect is not unambiguous. In buyer-seller relationship **commitment** is defined as a kind of willingness of partners to maintain a continuous relationship with each other (Dwyer et.al., 1987), in more simple words, commitment means that the involved parties are motivated to maintain the relationship (Moorman et.al., 1992). Commitment has been divided into three components by Meyer and Allen (Meyer – Allen, 1991). The first component is an input expressing the fact that parties make some investments used only for the given relation. The second is a kind of attitude showing emotional commitment towards each other, and the third expresses the time dimension of the relation, that is their commitment stands only if both parties think in long term. In another approach Geyskens and Steenkamp created a two-components model: the first expressing how much parties want to maintain the relation, and the second relates to the rational of the relation – where not emotions but sound math makes the relation necessary (Geyskens – Steenkamp, 1995). According to Morgan and Hunt trust and commitment are important dimensions in successful relationships (Morgan – Hunt, 1994). In B2B relationships, commitment signifies a psychological attachment as well, which can also be defined as a "permanent desire to maintain an important relationship" (Costabile, 2000).

Organizations attract customers with promises, whilst customers' decisions are based on the ***trust*** that the given company will satisfy their needs. To develop commitment trust is needed, the first step of which is "advanced trust" based on perceived factors (Singh – Sirdeshmukh, 2000, Vollmer et.al., 2000). Dwyer, Schurr and Oh (1987) treat trust as a critical factor of the transition from discrete market transactions to steady relationships. The trust factor also plays a determining role in Costabile's (2000) dynamic model and according to him neither monadic nor dyadic loyalty can develop without trust.

In addition to the above factors, several studies deal with the role of **personal relations** in the analysis of inter-organizational relationships. Empirical researches prove the importance of personal relations, e.g. as the appreciated contact person moves to a new organization, the partner also leaves the supplier and they buy from the contact person's new company (Lindgreen, 2000, Reynolds – Beatty, 1999). Andersen and Kumar's (2006) researches highlight that the absence of a positive human relation hinders the development, moreover, often the maintenance of the relationship. Other authors' studies emphasize that personal relations can also have a considerable role in resolving conflict situations (Gedeon – Fearne, 2009).

According to others the role of **fairness** is also very important. Perception of fairness and parity is based on evaluation of inputs and outputs of the given exchange and if the rate is acceptable it can effect satisfaction positively. Low parity perception may evoke the feeling of opportunism in the partner, but if fairness and mutuality exist it may however not hurt satisfaction. Short term sacrifices may be compensated by long term fairness (Huppertz et.al., 1978, Swan – Mercer, 1981, Ganesan, 1994). Others studied the mediating role of trust as a governing mechanism in the fairness-loyalty relationship in the different structures of interdependence between suppliers and buyers. The results showed fairness and trust influence loyalty, strengthening relationships in different ways under different conditions of interdependence (Jambulingam et.al., 2011).

EMPIRICAL RESEARCHES

The next part of this paper describes the empirical researches conducted in a Central European country. The main aim of these researches was to explore whether loyalty exists in the B2B markets; which are its most important dimensions, and how they have changed due to the recession.

Before making the field research it was necessary to define the main notions. Loyalty was defined as follows: a loyal partner is committed to the company she is striving for long term relations, she is staying with the company in spite of smaller dissatisfactions and smaller price discounts offered by the competitors, besides the loyal partner recommends the company to others.

Crisis and recession used as synonyms were defined as the period of general economic decline, marked by high unemployment, stagnant wages, and fall in retail sales. Since no theoretical model has been found in the literature about the effect of recession on loyalty the Hungarian research was carried out in two phases. A pilot study was elaborated to explore the dimensions of partner loyalty in 2010. The aim of the second phase was to investigate the effects of recession on loyalty. This part of the research was made in 2011 and 2012.

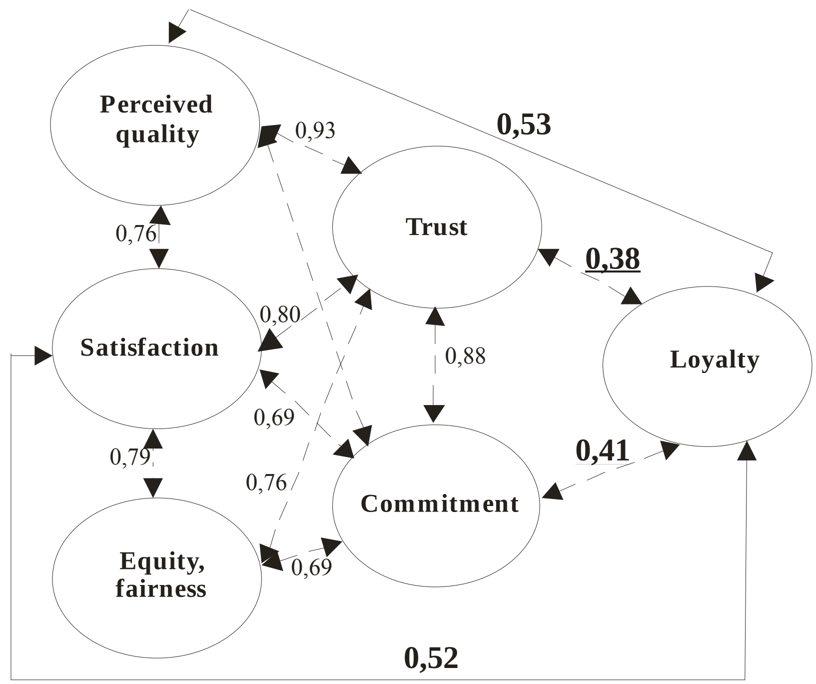
The Pilot Study

The main aim of the pilot study was to explore the dimensions of B2B loyalty and the correlation between these dimensions. Few studies have examined the relationship between perceived quality and satisfaction (Hennig-Thuaru and Klee, 1997), between fairness and loyalty (Jambulingam et.al., 2011), or between trust and loyalty in the buyer–supplier context (Schurr – Ozanne, 1985, Rauyruen, 2005, Čater – Čater 2010). Our hypotheses were the following:

- There is a correlation between perceived quality, satisfaction, trust and commitment.
- Satisfaction correlates with trust and commitment.
- Moreover correlation can be found between fairness, trust and commitment.
- Trust and commitment highly correlate with loyalty.

The interviews were conducted face to face, and the questionnaire analysis involved only 20 respondents from different sectors. The results are shown in the following figure (Figure 1.)

FIGURE 1
THE CORRELATIONS BETWEEN THE DIMENSIONS



The correlation values showed, that the main hypothesis was not verified. Correlations presumed before have not been found significant but some significant correlations have been found that were not presumed earlier. The earlier hypotheses could not be confirmed, because the correlation between loyalty, trust and commitment was very low and not significant.

The analysis of the results supported the presumption that the recession had altered the roles of trust and commitment in loyalty. The second phase of the research aimed to verify these presumptions.

The Effect of Recession on B2B Loyalty

The second stage of the research was conducted from 2011 to 2012 in Hungary. The study used both qualitative and quantitative methods.

Qualitative Study

The aim of the qualitative research was to understand how people interpreted loyalty and to find out how recession had affected loyalty.

The qualitative research was planned in two phases. First a focus group discussion was conducted with contact persons from different organizations. Although only eight people participated in this discussion, among them there were two from multinational firms, and the others represented medium and small enterprises (business). After the focus group 27 in-depth interviews were made in three steps. Firstly there were five interviews with the customers of a chemical company which was not really touched by the recession, secondly 16 interviews were made with leading managers in different industries, and thirdly six discussions were carried out with the key account managers of a leasing company suffering deeply from the recession.

The Results of the Qualitative Research

According to all participants of the qualitative research loyalty does exist in inter-organizational relations. Interesting result of the focus group and in depth interviews was that behavioral loyalty (rebuying) had not been mentioned. Another interesting result of focus group discussion was that there was a considerable difference between the opinion of buyers and suppliers, and we also found some differences of opinions of big and small companies in the issue of loyalty. According to interviews loyalty in B2B relationship was perceived as an endeavor to maintain relations, and as the main indicator of this "trust" was mentioned. The development of trust is a long process, in which the partners (customers or suppliers) prove their reliability, correctness, and fair behavior. Keeping personal relations also proved to be an important factor of trust. Beside attitudinal and affective loyalty the notion of calculative loyalty has emerged. It means that the partners consider emotional loyalty as an investment. As far as the recession is concerned, the respondents could be classified into three groups: those who refuse loyalty, those who are uncertain, and those who are supporting loyal relation also in recession. **Refusers** argued that profit was the only driving force in recession; there is no place for emotions („*Emotional factor is negligible in recession. Trust in our partner is useless, at the given moment everybody is interested in money").* The **uncertains** tended to maintain relations but they did not know what would happen in the future, so they did not trust in the partners or even not in themselves (*„Nowadays we have close relationships with our customers but the question is: whether we survive the crises or not?").* The **loyals** on the contrary believed that they could survive together better than alone, so both parties could benefit from mutual loyalty. According to them trust and fairness is even more valued in recession, giving the feeling that they can count on the partners („*Loyalty is based on trust in times of crisis, people help each other, they are stronger together!")***.** They thought that personal relationships were intensified in these times, and even top managers participated in the personal meetings („S*uccessful business needs „friends" instead of business partners since the crisis.").*

The results of qualitative research were contradictory, that is why a quantitative research was planned to control the qualitative results.

The Quantitative Research

In the next phase of the research an on-line questionnaire was sent out to the contact persons of 1265 different companies. Although reminding letters were sent out every two weeks the respond rate was rather low: altogether 130 questionnaires were completed. The sample was representative in terms of the number of employees and of the revenue, the distribution of the sample according to the industry branches however was only near to that of the basic pool.

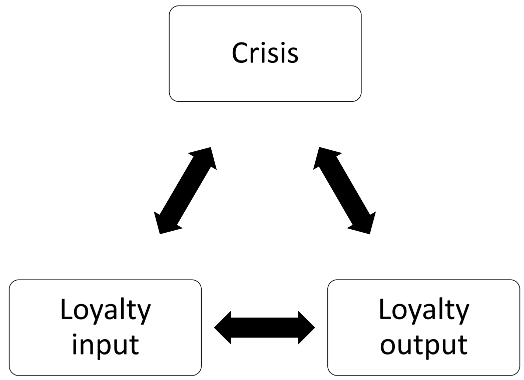
Questions and Method

The quantitative research aimed to explore three issues:

1. The opinion of the respondents about their own loyalty to her company's largest supplier.
2. The influencing dimensions of loyalty both on customer and supplier side.
3. The changes of loyal attitude due to recession.

The rational of the survey can be illustrated with a triangle model (Figure 2.).

FIGURE 2
THE TRIANGLE MODEL



According to the triangle model three issues had to be evaluated:

1. The output side of loyalty through the evaluation of the relation with the best supplier.
2. The input side of the loyalty through the evaluation of relations of suppliers and buyers.
3. The effect of recession on partner contacts.

The responses were measured with a Likert scale of 1 to 6 where the higher number indicated a better agreement with the statements.

RESULTS

The distribution of the responses was analyzed with the Friedman test, and the reliability of the scales was measured with Cronbach's alfa. Besides doing factor analysis the relations among factors were analyzed by a correlation model.

By analyzing the data of the 130 questionnaires the following result were obtained. 58% of the respondents answered, that there were some changes in the relations with the buyers after the crisis, about one-tenth is the number of those who felt a change on the supplier's side, and only 30% reported no change at all.

The Opinion of the Respondents about Their Own Loyalty to Her Company's Largest Supplier

The loyalty was measured with the well-known classical scales published also in the literature (Gronholdt et.al., 2000, Čater – Čater 2010).

TABLE 1
THE CHARACTERISTICS OF THE BEST SUPPLIERS' RELATIONS

Items	Mean rank
We stay with our partner if the price is the same, however the competitors offer slightly better other conditions	4.36
We used to recommend our partner to others	4.12
We stick to our supplier even in case of smaller mistakes	3.70
We stick to our partner in spite of the little bit better prices of the competitors	3.64
We co-operate with our partner in different fields of business	3.41
We stay with our partner even if the prices of the competitors are much better	1.78

The distribution and the Friedman test ($p<0.05$) showed that the respondent would stick to their best supplier even in case of smaller mistakes or little bit higher price. In case of higher price difference only 30% would maintain relation with its main supplier. 41% of the respondents totally agree with the statement that they used to recommend the supplier to others. The value of Cronbach's alfa was in this case 0.718, which shows that all the statements of the scale have a significant positive relation with the total sum of the points.

What factors influence loyalty? The results of dimensions of loyalty show (Table 2. and Table 3.) that trust, commitment and reliability are important for loyalty on both side, on the supplier's side and also on the buyer's side.

TABLE 2
THE DIMENSIONS OF LOYALTY IN THE SUPPLIERS' SIDE

Items	Mean rank
If they promise something we know they will do their best to keep it	4.90
They will never let us down when we are in trouble	4.30
We can trust their discretion (secrecy)	4.26
The partners treat each other as (an) equal	3.90
They would always tell the truth	3.64
I like to collaborate with the colleagues of the partner organization	3.60
We have a positive attitude towards (together) the partners even in case of newer mistake	3.40

TABLE 3
THE DIMENSIONS OF LOYALTY IN THE BUYERS' SIDE

Items	Mean rank
They will never let us down when we are in trouble	4.56
If they promise something we know they will do their best to keep it	4.40
We can trust their discretion (secrecy)	4.01
The partners treat each other as (an) equal	3.95
I like to collaborate with the colleagues of the partner organization	3.84
We have a positive attitude towards (together) the partners even in case of newer mistake	3.69
They would always tell the truth	3.55

On supplier side the share of the mostly agrees answers on the questions of meeting the promises, confidentiality, truthfulness, and fairness is at least 80%; while on the customer side of these answers on the questions of trust and fairness is at least 75% each. The value of Cronbach's alfa was in this case 0.886.

FIGURE 3
THE DISTRIBUTION OF ANSWERS ON THE SUPPLIER'S SIDE

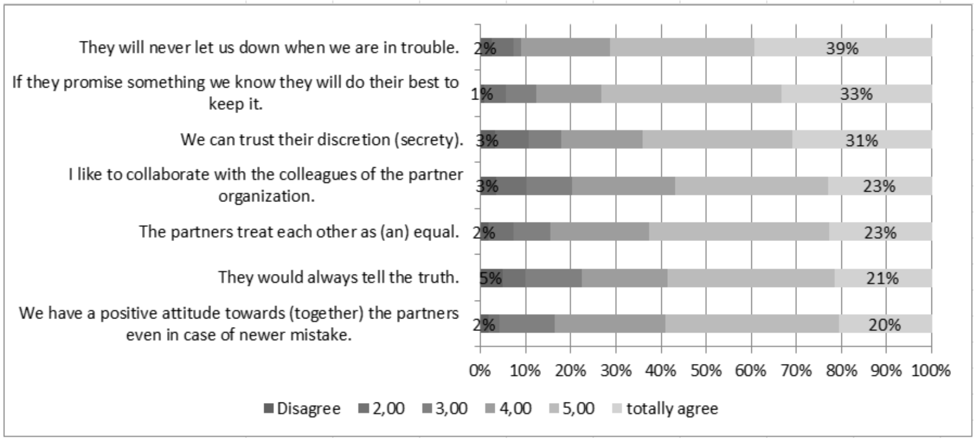


FIGURE 4
THE DISTRIBUTION OF ANSWERS ON THE BUYER'S SIDE

The value of Cronbach's alfa in case of these questions was 0.896.

How recession has influenced B2B loyalty? For measuring the effect of recession on B2B loyalty there were no studies publishes so far, so a new scale had to be created. The Cronbach's alfa in this case was 0.78. The distribution and the Friedman test ($p<0,05$) showed that the respondent shared the view that it was easier to overcome problems together with partners than alone. Price offers have become more important, price competition has increased, and many tried to make benefit from the deteriorated position of others. 75% of the respondents agreed that co-operation could help to overcome recession problems. The share of those who fully agreed was 48%, while 31% fully agreed with the statement that it would be incorrect to change partner just for short time advantages. The distributions also showed the conditions of business relations had become more severe (31% fully agreed with that statement).

With the help of factor analysis eight factors were identified:

- loyalty
- uncertainty

- quality control
- procurement price rationalization
- rationality
- willingness to change partner
- service quality
- business interest.

Some of these factors are worthwhile to feature: loyalty, uncertainty, and endeavor to rationalize. The factor *loyalty* is composed of items like fairness, trust, and co-operation each with high eigenvalues. The factor of *uncertainty* is composed of elements like defenselessness, severe conditions, unpredictability; whereas the factors of *quality control, price rationalization and rationality* can be described with items of efficiency, profit, and price war.

SUMMARY, CONCLUSIONS

The results of the qualitative and quantitative research proved that the actors of the B2B market interpret the notion of loyalty; they identify it as an endeavor for durable, long term relationships. The results harmonize with the findings of the international researches (Rauyruen et.al., 2005, Čater – Čater, 2010, Jambulingam et.al., 2011) in terms of the most important dimensions of loyalty. These are: trust, commitment and reliability. Summarizing the results is fair enough to state, that loyalty exists during the recession, but it is characterized by some uncertainty and more rationality. The focus group, the in-depth interviews and the questionnaire survey unanimously proved that the recession has divided the reactions of the organizations in terms of loyalty. The results of the quantitative research also called the attention to the fact that loyalty could exist in time of recession. In these times uncertainty, rationalizations and cost reductions became important and price and quality gain in importance. As far as the personal relations are concerned, the results of the research showed certain contradictions: the interviews indicated an increasing importance of personal relations during the recession; this phenomenon was however not totally supported by the results of the questionnaire survey.

The limitations of the research can be detected in the small size of the sample and in its regional scope. It would be interesting to extend the investigations to an international level, and to study how the role of personal contact will change in the future.

TABLE 4
THE MAIN FACTORS

Elements	loyalty	uncertainty	quality control	price rationalizatio n	rationality	change of partners	service quality	business interest
It would be unfair to switch partner because of the crisis	0.855							
We try to be loyal to our old partners	0.785							
We stick together tighter with our partners	0.707							
Price advantage lasts for only limited time	0.680							
I have to be loyal to my partners in order to expect our customers to stay loyal to me	0.572							
It’s easier to cope with the difficulties with well proven partners	0.522							
Some of the partners are in a defenseless situation		0.825						
The general market trust diminished		0.769						
The partners are making stricter standards		0.578						
During a crisis personal relations come to the front		0.502						
Quality control is more frequent during crisis			0.843					
Quality standards are stricter			0.656					
Crisis is about rationalizing				0.828				
Price advantage is critical during crisis				0.687				
Prices come to the front because of the crisis				0.621				
Price war became more important					0.794			
Efficiency became more important					0.720			
We switch partners frequently						0.624		
Frequent partner switching affects the product/service quality							0.842	
We established a cooperated system with our partners in order to reduce costs							0.504	
Many companies exploit their partners								0.838
The crisis changed the partner relationships								0.597

(KMO=0.643; explained variance 67.6%)

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“Hey Dee-Jay Let’s Play that Song and Keep Me Shopping All Day Long”: The Effect of Famous Background Music on Consumer Shopping Behavior

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Background music is one of the main retail atmospherics, as it stimulates emotions and cognition mainly when other cognitive cues are either absent or reduced. However, no studies have analyzed the effect of music notoriety on consumer behavior. This paper aims at analyzing the effect of the type of music, whether or not famous, on the retail patronage, thus covering a gap in the literature. Findings show that famous music reduces shoppers' cognitive activity. It distracts attention from store cues such as promotion messages. On the other hand, famous music enhances positive feelings that, in turn, enhance shoppers' patronage.

INTRODUCTION

Atmospherics affect consumer behavior (e.g., Turley and Milliman, 2000), in particular sales due to odor (Herrmann et al. 2013), product evaluation due to lighting (Ballantine, et.al., 2010); patronage intentions due to store layout (Jacobs, et.al., 2010), price perception due to colors and lighting (Babin, et.al., 2003), purchase intentions due to merchandise arrangement (Law, et.al., 2012). Atmospherics impact in-store behavior through the mediation of emotions and attitudes (Wirtz and Mattila, 2007; Vaccaro, et.al., 2009; Puccinelli, et.al., 2007). For example, slow tempo music compared to fast-tempo music produces affective responses and consequently positive outcomes such as satisfaction, positive disconfirmation of expectations and relaxation (Oakes, et.al., 2003). Moreover, music induced pleasure was found to affect store evaluation, by the mediation of the attitudes toward the servicescape and the sales personnel (Dube and Morin, 2001).

Music, among atmospheric cues, is a powerful emotional stimulus, an efficient and effective means for triggering moods and shaping retail experience (Jain and Bagdare, 2011). Music can alter moods, which alters behaviors (Donovan, et.al., 1994; Oakes, 2000); in particular, music likeability (valence) exerts a positive influence on consumers’ mood (Grewal, et.al., 2003). Most studies have analyzed emotional (Alpert and Alpert, 1990; Grewal, et.al., 2003; Morrison and Beverland, 2003) and behavioral (Broekemier, et.al., 2008; Cameron et.al., 2003; Morin et.al., 2007) responses rather than cognitive ones (Areni, 2003; Oakes, 2003; Sweeney and Wyber, 2002).

Music has been manipulated both in its structural characteristics such as time (rhythm, tempo, phrasing); pitch (melody, mode, harmony) and texture (timbre, orchestration and volume), and in its affective elements such as valence (liking), familiarity and types (Jain and Bagdare, 2011). However, no studies have yet analyzed the notoriety of the music and its effect on consumer behavior. Some papers have considered familiarity as a proxy of notoriety (Garlin and Owen, 2006; Yalch and Spangenberg, 2000); however, familiarity does not imply notoriety and vice versa. Notoriety is an objective experience, that is, a music track is famous when it has been widely recognized as such. This means that the chance individuals have been previously exposed to the music is high, so that it could imply that they could be familiar with the music. However, familiarity, like originality, is a subjective experience. It is function of the tempo, tone and melody. People could not know or be familiar with the famous music, as well as they could know non-famous music since they could have been exposed to it before. Moreover, the familiarity effects easily fade over time. Therefore, music to be familiar has to be heard before, due either to actual prior experience, or to context effects, which create a feeling of familiarity. Generally multiple exposures to background music have proven to lead to increase in liking and recognition, as demonstrated Szpunar et.al. in 2004. But the mere exposure could have negative effects too since people could dislike the music they have repeatedly heard (Zajonc, 1980).

Contrary to advertising research (e.g., Pieters, et.al., 2002) familiar music attracts much attention than unfamiliar one because it rapidly recalls memories. On the other hand, notoriety affects both cognition (negatively or positively) and emotions (positively).

This paper aims at analyzing the effect famous-vs-non famous music on retail patronage. Three questions are addressed: 1) Does famous (vs non famous) music cognitively impact patron's behavior?; 2) Does the notoriety of the music impact consumers' affective feelings?; 3) Does famous (vs non famous) music contribute to consumers' identification with the mall?

THEORETICAL BACKGROUND

Atmospherics guide consumers preference towards immediate choice, enhance consumer experience in retail (Puccinelli, et.al., 2009), increase purchase level (Morin, et.al., 2007), shopping time (Yalch and Spangenberg, 2000) and expenditure patterns (Guéguen and Petr, 2006).

Atmospherics or some elements of it, such as music and odor, can negatively impact consumer decision making process (Shankar, et.al., 2000). Cognitive psychology studies show that low cognitive activity reduces the strength of the relation between stimulating cues and attitudes (e.g., Mick, 1992). Consequently the presence of atmospheric cues is likely to cause either decision postponement (Chernev, 2003) or negative emotions, such as anxiety, frustration and stress, which leads to dissatisfaction and reduces the likelihood to purchase (Iyengar and Lepper, 2000). This could cause confusion in the customer overwhelmed by atmospheric cues, leading to an unpleasant shopping experience and dissatisfaction (Jacoby and Morrin, 1998).

Background music is a major element of retail atmospherics (e.g., Garlin and Owen, 2006; Milliman, 1982, 1986; Morrison, et.al., 2011). It increases sales and positive attitudes toward the store. Music has been shown to stimulate emotions (e.g., Chebat, et.al., 1993, Dubé, et.al., 1995, Lin, 2010) and cognition mainly when other cognitive cues are either absent or significantly reduced (e.g., Chebat, et.al., 2001). Prior research across various disciplines such as marketing (e.g., Demoulin, 2011), psychology (e.g., Webster and Weir, 2005) and music (e.g., Husain et al., 2002) have found a range of cognitive, affective and behavioral consumer responses stimulated by music. The main and common result is that background music directly impact shopping experience by influencing the purchase needs, overall affective evaluations and financial returns in terms of value of sales, repeat purchase, items purchased, rate of spend, quantity purchased, and gross margin (e.g., Herrington and Capella, 1996; Garlin and Owen, 2006; Oakes and North, 2008). Moreover, background music contributes to creating or enhancing retail and brand images, managing time perception, liking or disliking the store and its assortment, increasing purchase intentions (Areni, 2003; Morin, et.al., 2007).

Most prior work examines music effects as a result of the elicitation and transfer of affects, in line with typical Stimulus-Organism-Response (S-O-R) models that dominate environmental psychology (Mehrabian and Russell, 1974). Music has been found to affect emotional states, especially pleasure and arousal (Garlin and Owen, 2006). In fact, a pleasant music influences more favorable attitudes toward the servicescape and/or the provider (Dube and Morin, 2001), more affective responses to waiting (Oakes, 2003), an increased desire to affiliate and more favorable service outcomes like evaluation, patronage intentions and behaviors (Herrington and Capella, 1996; Hui, et.al., 1997). Whereas an arousing music pushes consumers to carry out their activities more quickly (Caldwell and Hibbert, 2002). Indeed, music enhances varied responses, such as expectations, perceptions, attitudes and quality evaluation, which are processed by cognitive activity (Jain and Bagdare, 2011). For example, variations in tempo and genre affect cognitive processing in terms of quality perceptions and consequently determine intended approach behavior, such as enjoyment of shopping, time spent browsing and exploring, willingness to affiliate, tendency to spend more than anticipated, likelihood of returning to the store, willingness to buy, likelihood of recommending the store (Sweeney and Wyber, 2002).

Among the number of desirable consumers' positive outcomes, patronage is one of the most effective in indicating a proficient long-term relationship; consumers who frequently visit the mall and for longer durations will likely spend more (Yavas and Babakus, 2009). All the atmospheric cues and the retail managers' efforts are aimed at increasing mall patronage (Parsons, 2003; Parsons and Ballantine, 2004). Music has been found to positively affect patronage both through its liking component (Vaccaro, et.al., 2011) and through the simple presence (Garlin and Owen, 2006).

Mall patronage depends on a number of dimensions (e.g. price and promotions, merchandise quality and variety, accessibility) summarized in the concept of mall image (Chebat, et.al., 2010). In fact, a mall with a highly defined image is likely to attract shoppers that may identify themselves with the kind of shoppers that patronize the mall; in other words the concept of self-congruity (Sirgy, 1982). The self-congruity affects patronage; shoppers select cues from a store environment (e.g., music) and infer from these cues the personal characteristics of the typical shoppers. They then compare store/mall image with their own self-images. Thus, the selected cues help shoppers to experience self-congruity. In turn, self-congruity influences consumers attitude and behavior. The greater the fit between the mall image and the consumer self-concept, the more favorable the attitude toward the store. As behavior is consistent with the self-concept, consumers patronize stores that reflect their own images and make them feel comfortable during shopping. Marketing and consumer behavior literatures demonstrate the effects of self-congruity on brand preference, choice, satisfaction, and loyalty (e.g., Sirgy, et.al., 1991, 2000). Despite self-congruity experience affects patronage, there is a lack of research analyzing the relationship between musical cues, self-congruity and patronage intentions. Congruency between the self-concept and the image of the music itself could provide insights in explaining the relationship between musical cues, self-congruity and patronage intentions.

Although previous theoretical patronage models (i.e., Hassan, et.al., 2010; Chebat, et.al., 2010) often recognize an important role for atmospherics and retail environment effects in general, they do not acknowledge a construct representing the extent to which everything seems to work together.

RESEARCH HYPOTHESES AND THE MODEL

Numerous studies have demonstrated the influence of atmospherics on store evaluation, patronage and loyalty (Babin and Attaway, 2000; Grewal, et.al., 2003; Michon, et.al., 2003); when consumers are exposed to an environmental cue that they like, such as background music, they transfer their positive feelings to store evaluation and to in-store behavior (Gorn, 1982). This means that music preference is a valid explanation of the effects of music on behavior; consequently selecting music that fits with the service provider's image is one effective tool to obtain long term benefits (Oakes and North, 2008; Vida, et.al., 2007).

The notoriety feature of the stimulus (music) could increase or decrease the potential to change attitudes or beliefs (Wilson and Shereell, 1993). Indeed, pleasant music, as compared with less pleasant music, is associated with more favorable service outcomes like evaluation, patronage intentions and behaviors (Caldwell and Hibbert, 2002; North and Hargreaves, 1996). Therefore, it has been hypothesized that:

H1: The more famous the music the stronger the patronage

Studies in music psychology show relevant but not convergent findings on the attentional effects of music (Allan, 2006; Jiang, et.al., 2011; Di Muro and Murray, 2012). While authors agreed on music cognitive effects, they do not agree on the optimal arousal level. On the one hand, some authors (e.g., Chebat, et.al., 2001; Mc Connell and Shore, 2011) have found that the higher the arousal, the deeper the attention; while, on the other hand, others (e.g., Jefferies, et.al., 2008) found opposite results, that is, highly arousing music may hamper information processing and soothing music helps concentration on the task.

Previous research in advertising found that famous endorsers have a higher degree of attention and generate more favorable affective responses than non famous ones; while the ad credibility increases with non famous spokespersons (Pieters, et.al., 2002). Erdogan (1999) found that famous endorsers are more effective in influencing attitude towards the advertisement, brand and purchase intention. However, Mehta (1994) has maintained that there was no significant difference for the concepts of attitude towards advertising, brand, and purchase intention for endorsed brands by celebrities and those endorsed by non-celebrities.

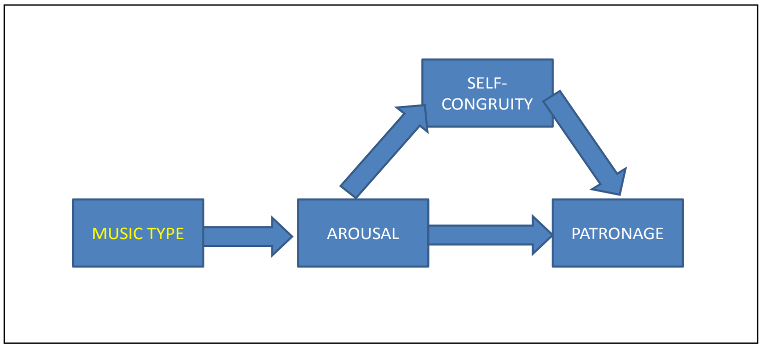
Since music-induced pleasure has been shown to have significant cognitive effects (e.g., Chebat, et.al., 1993; Morin, et.al., 2007), it is hard to say if the effects of soothing music found in the music psychology literature are due to its high pleasure component or to its low arousal component. Mano (1992, 1994) shows that arousal directly influences attention and that an increase in arousal produces a narrowing of attention. When arousal passes this threshold, individuals tend to focus their attention on a more limited number of objects. Sanbonmatsu and Kardes (1988) suggest that highly aroused consumers are more likely to use simpler decision rules because their capacity to process information is reduced. Their findings are generally indicative that high arousal reduces the amount of available processing capacity. Dube and Morin (2001) explore the possibility that music pleasantness does not influence store evaluation through a direct affect transfer but alternatively – or complementarily – by first altering consumer attitudes toward the environment, which then influence consumers' store evaluation.

H2: The more famous the music the higher the affective response and the lower the cognitive activity

Music needs to fit with the image of the store or service provider: consumers perceive more congruent fast loud music in a dance club or a bar, whereas slower, softer music is preferred in health spa (Caldwell and Hibbert, 2002). Fit or consistency will be more effective in positively influencing consumer behavior in stores and servicescapes (Morrison and Beverland, 2003; Oakes and North, 2008). Sirgy et al (2000) maintain that the effects of store environments on retail patronage are mediated by self-congruity. According to them, atmospherics significantly affect retail image and the general context within which consumers decide to patronize. Self-congruity, in fact, operates through a psychological mechanism by which shopper's match their self-concept to the retail patron image. The more appropriate the environmental cue the more effective the influence on consumer behavior. As self- congruity correlates with preferences (Branaghan and Hildebrand, 2011), consumers more favorably patronize stores perceived as congruent with their self-image. Therefore, it has been hypothesized that:

H3: Consumer self-congruity mediates the music effect on patronage.

FIGURE 1
THE MODEL



EXPERIMENTAL DESIGN

The proposed model was tested during a mall intercept through background music manipulation in a real shopping context. The experimental design compares famous vs. not famous music conditions. 200 famous and not famous songs selected from a pool by an independent performing right organization formed 2 playlists of 100 tracks for each condition. These original pop and rock songs from the 1970s to 2010 were relatively homogeneous in terms of style and genre; they were global hits across generations according to their performance in the hit charts. The playlists have equal duration, which clearly exceeded the maximum shopping duration of individual customers (that is 90 minutes in Knoferle, et.al., 2011). Both sets of famous vs. non famous music pieces have the same tempo, in order to control for arousal which is related to tempo (Balch and Lewis, 1996; Chebat, et.al., 2001; Husain, et.al., 2002; Kellaris and Kent, 1994). For each playlist half of the songs have BPM values between 85 and 125, 25 songs have BPM values lower than 85 and the rest higher than 125 BPM. The track mood was mild, with neither energetic/aggressive nor ambient/atmospheric peaks. The two playlists were balanced in relation to melody, tone, vocals, instruments, production, and other some specific features such as solos, riffs, grooves, vibratos and crescendos. Due to the algorithm with which the songs were played, each track were performed every 5 hour within the same day in order to avoid/minimize the probability of repeated exposure of any customer to the same song. Moreover, the two playlists were played at the same moderate volume in order to avoid any volume effect (Babin, et.al., 2004).

The experiment was conducted in a large, urban shopping mall in Italy during the openings hours (from 9 a.m. to 8 p.m.). The mall's sound system was used to play the selected songs. Mall management allowed the systematic manipulation of the music in the mall over the course of two weeks in November 2011 in order to avoid season's and bank holidays as well as to minimize the effect of other contextual variables that might influence consumers' perception and attitudes, such as the presence of events and/or promotions within the mall. Managerial constraints limited treatment implementations to 2 days per week. Data were collected in two different waves, the same days, at the same hours, in order to minimize the effects of the circadian rhythms. Trained interviewers invited shoppers to participate in the study. During the experiment, consumers were asked to state their perceptions of the mall's environment. The questionnaire focused on mall image, affective states, mall attitude, consumer profile, and consumers' shopping experience. All scales, primarily drawn from the literature, included multiple items, as respondents were asked to rate their perceptions of the mall and the moods in the shopping environment.

The Positive and Negative Affect Schedule (PANAS) scale was used to investigate the effects of musical cues on consumer emotional responses, instead of PAD (Baker, et.al., 1992; Chebat, et.al., 1993; Yalch and Spangenberg, 1990), since it is a finer-grained measure of affective response. As regards the mall atmosphere, interviewees were asked to assess their perception of the mall atmosphere, using the Chebat et al. (2010) adaptation of Ailawadi and Keller (2004). The mall patronage was measured through a two 7-point scale in response to the question: "How do you often come to the mall X?" (Chebat et al. 2010) and finally the self-congruity was measured through Sirgy et al. (1997) scale.

Music notoriety, which indicates the hit/non hit status was manipulated. These musical excerpts were controlled in tempo, which is related to the music arousing properties, and pretested in terms of familiarity, which measures the exposure, tempo, which is related to the music arousing properties, and notoriety, which indicates the hit/non hit status. 20 graduate and undergraduate students were exposed to the two different playlists, asking them whether they recognize or not the music. As a result, the notoriety of the music ($F = 11.401$; $p = .003$) was positive for the famous playlist ($M = 4.3$) and negative for the not famous one ($M = - 4.8$).

304 consumers participated in the study after their shopping and were willing to complete the questionnaire. The sample has an average age of 39.5 years ($SD = 1.49$) and is composed of 55.9% females, over 75% with at least a high school level of education, and about 45% employed.

FINDINGS

In order to verify the effects of famous music on consumer patronage, as stated in H1, we proposed PANAS factors (negative feelings, pleasure and arousal) as mediators, because we hypothesized that consumer affective states should explain the psychological mechanism through which music notoriety affects patronage intentions. Mediation analysis results are shown in the tables.

First of all (table 1) music significantly affects only two of the proposed mediators: pleasure ($p < .01$) and only marginally arousal ($p < .10$), but not the negative feelings ($p = .18$). Music variation in notoriety does not influence the negative affect; maybe because the kind of music we chose for the experiment is generally used for commercial settings, therefore it is appropriate for the mall environment too. On the contrary music variation in notoriety significantly affects the positive affective states: our findings suggest that when consumers listen to a famous music during their shopping activity feel less pleasure as compared to a not-famous music ($\beta = -1.04$, $p < .01$). This could be due to the overexposure effect that leads to a decrease in positive feelings. What is important to observe is that consumers are significantly more aroused because of the famous music effect ($\beta = .20$, $p < .10$), due to the recognition effect and to the memories associated to the famous musical tracks.

All affective states significantly influence mall patronage (table 2), suggesting that consumers' intention to return to the mall is strictly related to their feeling during shopping activity. Consumers' negative moods (β= -.57, $p < .01$), whether or not music induced, reflect on their intention to not return to the mall for their future purchases, the more the negative affect the less the likelihood consumers will return to the mall. Arousal exerts a positive influence on patronage (β= .29, $p < .05$), even though with a lesser intensity than pleasure ($\beta = .55$, $p < .01$). In fact when consumers are in a positive mood as excitement or pleasure, the likelihood they will return to the mall is strengthened.

The total and direct effect (table 3) of music notoriety on mall patronage has a positive sign (β= .09, $p = .65$). This means that consumers' desire to return to the mall for their future purchases could be enhanced by famous music that makes the atmosphere more comfortable and pleasant. However the coefficient is not significant. This means that the music effect is not enough to explain the mechanism that leads individuals to come back to the same mall, since the direct relation between background music and patronage has not been verified. However the c' prime path is significant suggesting that the mediation successfully occurred. Music has an effect on store patronage only through positive feelings. Consistently with Zhao et al (2010), pleasure proves to be a mediator (Table 4): when background music enhances positive states, mall patronage is strengthened. The negative sign (β= -.5754, $p < .01$) suggests that a competitive mediation occurs, that is, additional mediators should be involved. Famous music contributes to enhancing the consumer likelihood of patronizing the mall when it is perceived as pleasant. Therefore, H1 is partially verified.

Focusing on the effect of music notoriety on affective states and cognitions, music does not significantly stimulate negative feelings ($p = .18$). Since music in both conditions is perceived as not irritating and annoying, it is likely to be perceived as congruent with the mall atmosphere. Music notoriety was found to significantly influence the pleasure and the arousal level; in particular the more the notoriety, the less the pleasure (β = - 1.04, $p < .01$) and the stronger the arousal (β = 0.20, $p < .10$). Famous music activates consumers during their browsing into the mall, while not famous music makes more comfortable and pleasant their stay. Specifically, famous music proves to be more arousing than not famous one, which has been ranked as relaxing and calming.

The notoriety of the music is reasoned to be playing a stimulating role on cognitive activity. ANOVA shows that not famous music proves to foster cognitive activity more than the famous music (F = 16.899; p = .004). Consistently with the literature on the attentional effects of music, consumers under the famous music condition proved to be distracted by the music they recognized, while under the non-famous condition they were more relaxed and concentrated on their shopping tasks, thus confirming H2.

Finally, we were expecting a mediation role of self-congruity on patronage since a perceived congruity between the individual self-image and the mall image is more likely to attract customers and keep them as patrons. However, the findings do not result as significant as a mediator. On the other hand self-congruity by itself affects mall patronage (β = .703, $p < .05$**)**. This means that consumers do not identify themselves with the mall from the music, maybe because of the different type of shopping, due to the great variety of product sold, grocery and household products with apparel stores, and the mall image where the experiment took place that in turn could be function of the type of stores in the mall and the consumers' shopping style. However self-congruity effect on patronage is neither a music-induced effect nor a mediation one. H3 is not verified.

TABLE 1
EFFECTS OF MUSIC ON PANAS 1, 2 AND 3 (A PATHS)

	COEFF	SE	T	P
NEGATIVE FEELINGS	-.1151	.0861	-1.3367	.1823
PLEASURE	-1.0382	.0844	-12.3021	.0000
AROUSAL	.2013	.1052	1.9141	.0565

TABLE 2
DIRECT EFFECTS OF PANAS ON PATRONAGE (B PATHS)

	COEFF	SE	T	P
NEGATIVE FEELINGS	-.5714	.1297	- 4.4056	.0000
PLEASURE	.5543	.1378	4.0222	.0001
AROUSAL	.2979	.1230	2.4209	.0161

TABLE 3
TOTAL EFFECT OF IV ON DV (C PATH)

	COEFF	SE	T	P
CONDITION	.0888	.1958	.4537	.6504

TABLE 4
DIRECT EFFECT OF IV ON DV (C-PRIME PATH)

	COEFF	SE	T	P
CONDITION	.5385	.2310	2.3314	.0204

TABLE 5
INDIRECT EFFECTS THROUGH PROPOSED MEDIATORS (AB PATHS)

	EFFECT	SE	Z	P
TOTAL	-.4497	.1829	-2.4581	.0140
NEGATIVE FEELINGS	.0658	.0513	1.2818	.1999
PLEASURE	-.5754	.1496	- 3.8467	.0001
AROUSAL	.0600	.0398	1.5069	.1318

TABLE 6
BOOTSTRAP RESULTS FOR INDIRECT EFFECTS

	DATA	BOOT	BIAS	SE
TOTAL	-.4497	-.4538	-.0041	.1902
NEGATIVE FEELINGS	.0658	.0668	.0010	.0544
PLEASURE	-.5754	-.5787	-.0033	.1626
AROUSAL	.0600	.0581	-.0018	.0398

CONCLUSION

Background music effect on consumers mall patronage has been demonstrated. Music has proven to be an effective tool to make consumer return to the mall for new purchases because of its effect on pleasure. Music notoriety proves to have both positive and negative effects on shoppers. Famous music increases arousal, while not famous music increases pleasure.

This study provides several managerial implications. The role of atmospherics has an increasingly intuitive appeal for management to generate positive emotions and positive patronage intentions. The choice of the right level of music notoriety should be made as the reflection of the retailers' strategic objectives. Should they want shoppers to pay attention to their promotion and process the information, non-famous music is the appropriate choice. Should they want shoppers to make impulse buying through emotional reaction to music, famous music should be the appropriate choice.

One research limitation is due to the relationships between background music and other elements of atmospherics. Therefore the results provide ground for more research focusing on the interactive effects of music with other atmospheric variables such as color and scent, thus providing a more solid theoretical foundation for managerial decision-making by retailers.

Moderators in the relationship between atmospherics and patronage intentions should be added too, for example results could be analyzed according to specific consumer shopping style or to the involvement with products purchased, or better music notoriety could be analyzed according to the branding, especially in the matching of music notoriety and brand notoriety.

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Factors Affecting Customer Satisfaction in Online Banking Service

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The Internet has become a vital part of people's daily lives. It has changed consumer behaviour in many ways, including financial transactions formerly requiring a visit to a bank branch to achieve. Commercial banks have been in the forefront in utilizing this to meet customer needs for on-demand financial services. This study focuses on factors that affect customer satisfaction with the use of online banking services provided by commercial banks. The American Customer Satisfaction Index Model and the Thailand Customer Satisfaction Index Model are applied to evaluate customer satisfaction. The findings can be used as guidelines to improve the quality of the online banking system.

INTRODUCTION

Today, an enormous variety of things can be done online depending on the user's goal, from access to information, entertainment and shopping to financial transactions that formerly required a visit to the bank. According to the Use of Information Technology and Communication in Households Survey conducted by the National Statistical Office, the number of internet users has been increasing constantly. A survey conducted in 2011 showed that of the approximately 62.4 million population aged 6 years and above, 14.8 million or 23.7% were internet users compared to 12% in 2005, the first year the survey was conducted (Thailand National Statistical Office, 2011). Thus, the internet can be considered an important channel by which to access information from all areas, including commercial transactions. This channel also has the benefit of convenience, as anyone can access it from any place and at any time they have an internet connection.

Thailand's banks are increasingly aware of the importance of the internet as seen in the rapid growth of internet users and also the desire of the populace to gain access to what they want when they want. This has led Thai banks to offer financial services via the internet or "internet banking" or "online banking" as they respond to the needs of bank customers. These platforms allow customers to perform financial transactions and use other services offered by the bank much as they could if they visited the bank in person. The great convenience has seen the number of internet users to increase exponentially.

As there are a variety of online banking systems offered by banks in Thailand, each bank needs to take into account customer satisfaction by measuring and evaluating their opinions and use this data to improve the quality of the system. This will help to bring clients back repeatedly to the bank's site and by implication increase the number of financial transactions with it.

This study was conducted to examine factors that may affect customer satisfaction in the use of online banking provided by banks in Thailand by applying the American Customer Satisfaction Index (ACSI) Model and the Thailand Customer Satisfaction Index (TCSI) Model and use the data obtained to develop a quality measurement tool and improvement in the online banking system.

The study focuses on the commercial banking sector in Thailand, as this sector is the engine of growth for the country's economy. Financial transactions are a part of daily life - whether done through a bank branch or by way of other online channels. The scope of the study is limited to top six commercial banks in Thailand with the highest transaction fees. The respondents need to do transactions through online channels including fund transfers between accounts both within the bank and different banks, bill payment, credit card payment, utilities payment and also configuring the initial set up for access to such services.

Benefits expected to be received from this research include the development of a quality measurement tool to evaluate the online banking system of commercial banks in Thailand to see whether it is consistent with factors that affect customer satisfaction and how it could be improved to make it align with these factors. Additionally, guidelines will be developed to improve the online banking system of commercial banks in Thailand by focusing on customer satisfaction, which will lead to an effective and efficient use of the system. Finally the results from this study will assist in competitiveness in the online banking service of commercial banks in Thailand to be able to compete with commercial banks from foreign countries and thus lead to loyalty to the bank.

LITERATURE REVIEWS

The American Customer Satisfaction Index Model (ACSI Model) was developed in 1994 by Dr. Claes Fornell as a director of the National Quality Research Center, a research unit within the University of Michigan, in cooperation with the American Society for Quality (ASQ) and the Customer Feedback Insights Group (CFI Group) in the United States of America (Fornell et al. 1996). The ACSI was based on the Swedish Customer Satisfaction Barometer (SCSB), a model designed for a measurement of the Swedish economy by measuring consumer satisfaction (Fornell, 1992). The ACSI is aimed at the United States economy and can be applied to economics at both the macro and micro levels. As the model can measure customer satisfaction based on their actual experiences, therefore it is used to measure product and service quality at organisation and industry levels. It also can be applied to marketing to enable it to reach more consumers. It is also applied in public sectors (Fornell, 2001)

The structure of the economy has changed over time. The organisations within each industry previously competed in terms of manufacturing, i.e. emphasizing large-scale production or services that resulted in economies of scale or production efficiency. This led to a higher profit margin without much consideration of the needs of the market or consumers since the manufacturer was the one who controlled the market. However, after the market began change and communication technology allowed consumers to have better access to information, the decision-making involved in purchasing goods or receiving services became far more complicated. Industries that formerly focused solely on manufacturing have had to change to meet consumers' desires. As a result, markets that once were manufacturer-centric have become consumer-centric. This has created the need to study and measure customer satisfaction in order to adapt to the changing market and create competitiveness within industry.

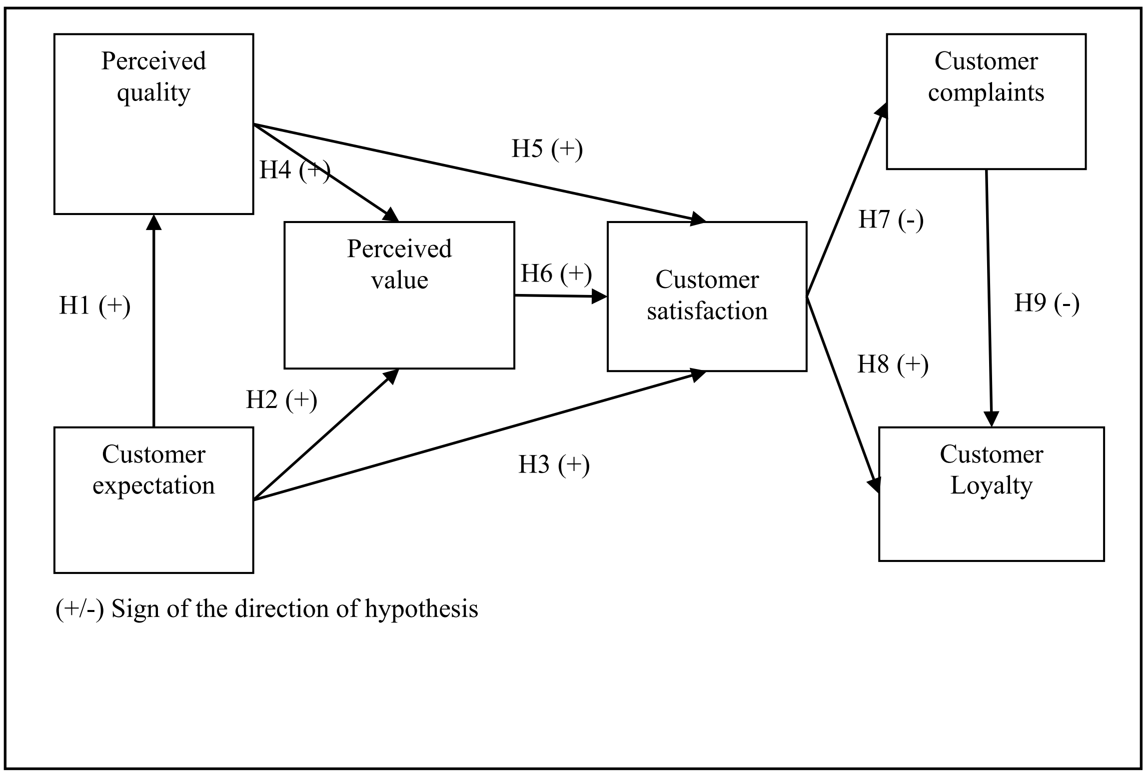
Many organisations have applied the ACSI model in their marketing in order to assess customer satisfaction towards their products and services. A key point of the model is the ability to use similar types of questions to measure customer satisfaction towards a variety of products and services as well as the ability to compare the results. This means the results can be applied at the micro level in order to ascertain customer satisfaction and as a resource to create the ability to compete, as well as at macro level - from industry sectors to encompass the country as a whole. The model can also be used to analyse factors affecting consumer behaviours, which can be applied to develop and improve the effectiveness of an organisation.

Another ability of this model is the ability to predict business outcomes (Fornell et al., 1996; Johnson et al. 1995). Many studies have shown a correlation between results from application of the model and business outcomes (see for examples, Fornell et al, 1995; Ittner and Larcker, 1996; Martin, 1998; Mazvancheryl et al, 1999)

Many countries around the world have started paying more attention to measuring customer or consumer satisfaction at the national level, including Africa, America, Asia and Europe. Countries that have adopted the ACSI model and developed it to suit the context of their own country include New Zealand and Taiwan (Fornell et al., 1996), Austria (Hackl et al. 1996), Norway (Andreassen and Lervik, 1999; Andreassen and Lindestad, 1998) and Thailand (TCSI) (Thailand Productivity Institute, 2012).

The current study used ACSI and TCSI as a model for analysis. Therefore, an important question for the current study is whether the ACSI and TCSI model can explain customer behaviour in the use of online banking as provided by Thai commercial banks in the same way as it has for other countries that have used the ACSI model. Thus, the researcher came up with a conceptual model comprised of nine hypotheses in order to find the answer, as shown in Figure 1. The hypotheses are as follows.

FIGURE 1
CONCEPTUAL MODEL



Hypothesis 1 (H1): *There is a positive relationship between customer expectation and perceived quality on the use of online banking service offered by the commercial banks.*

Hypothesis 2 (H2): *There is a positive relationship between customer expectation and perceived value on the use of online banking service offered by the commercial banks.*

Hypothesis 3 (H3): *There is a positive relationship between customer expectation and customer satisfaction on the use of online banking service offered by the commercial banks.*

Hypothesis 4 (H4): *There is a positive relationship between perceived quality of the service and perceived value on the use of online banking service offered by the commercial banks.*

Hypothesis 5 (H5): *There is a positive relationship between perceived quality of the service and customer satisfaction on the use of online banking service offered by the commercial banks.*

Hypothesis 6 (H6): *There is a positive relationship between perceived value of the service and customer satisfaction on the use of online banking service offered by commercial banks.*

Hypothesis 7 (H7): *There is a negative relationship between customer satisfaction and customer complaint on the use of online banking service offered by the commercial banks.*

Hypothesis 8 (H8): *There is a positive relationship between customer satisfaction and customer loyalty on the use of online banking service offered by the commercial banks.*

Hypothesis 9 (H9): *There is a negative relationship between customer complaints and customer loyalty on the use of online banking service offered by the commercial banks.*

If the TCSI model, which was adjusted from the ACSI model, can explain consumer behaviour as hypothesized previously then we can use the TCSI model in calculating customer satisfaction level on the use of online banking of the commercial banks in Thailand.

RESEARCH METHODOLOGY

This study was limited to the use of services via the internet through various devices such as smartphone, personal computer, laptop and tablet PC. As each commercial bank in Thailand has its own online banking system, in order to select the banks to represent commercial banks in Thailand, non-interest income will be considered. This non-interest income will exclude income from Acceptance, Aval, and Guarantee since these incomes are generated from customers taking loans from the bank, not from using the online service. In 2011, there were 32 commercial banks in Thailand including foreign commercial banks with branches in Thailand with total non-interest income of 109,856 million baht (Bank of Thailand, 2012). When calculating the non-interest income in the form of market share and selecting the bank with the highest market share to be used on the customer satisfaction survey on online banking, it was found that six major banks held the largest market share: Siam Commercial Bank, Kasikorn Thai Bank, Bangkok Bank, Krung Thai Bank, Bank of Ayudhya, and Thai Military Bank, in that order. Together, these banks hold 83.22% of the market, which makes them good representatives of commercial banks in Thailand for this study.

After selecting the commercial banks that would be included in the study, the sample size to be used in the study was determined, using as a foundation a survey conducted by the Thailand Productivity Institute (Thailand Productivity Institute, 2012), which in turn based its study on similar surveys conducted in the United States and South Korea where the sample size was 278 samples per product brand. The Thailand Productivity Institute set its sample size at 300 samples per bank, as its study was a pilot project that drew population samples from the greater Bangkok Metropolitan Area, as well as surrounding provinces Pathum Thani, Nonthaburi and Samut Prakan.

Given the limitations of time and budget, this study will utilize a total of 400 samples. The samples were apportioned to be representative of the Thai population as a whole, using data from the National Statistical Office based on a population survey (Thailand National Statistics Office, 2012). This provided the researcher with the proportionate population in Thailand's various regions to use as a criterion in the survey sample.

The survey developed by Thailand Productivity Instituted formed the basis for this study. The original survey used by the Institute was developed by the United States, with some changes made to reflect the context of Thailand and some questions added in order to supplement future analysis. The survey was undertaken via direct interview with users at service counters of six selected financial institutions. This research, however, conducted the survey via both an interview and an online questionnaire. The general guidelines required that the respondent had used the services in question within the past three months, must be between 18-59 years of age and not employed by a financial institution, or a marketing research or advertising firm. The age selection was done to allow the survey to reflect Thailand's population structure as of 2011, using population information from the Thailand National Statistics Office (Thailand National Statistics Office, 2012).

This study has adapted questions from TCSI, which is originally based on ACSI model. The ten-level Likert scale is used to measure customer satisfaction, ranging from the least likely (1) to the most likely (10). An exception is the variable on customer complaints, where a ratio scale is used. The questions are based on questions in the TCSI model by Thailand Productivity Institute, adjusted to make it applicable to this survey. Details are shown in Table 1.

TABLE 1
VARIABLES AND QUESTIONS USED IN THE SURVEY ADAPTED FROM TCSI

Variable	Question
Customer Expectation	How do you perceive the overall quality of the bank's online banking service?
	How well do you expect the bank's online banking service to respond to your personal needs?
	How often do you expect the bank's online banking service to have an error or defect in the service?
Perceived Quality	Which level of quality did you think you receive from the overall service of online banking?
	How well did the bank's onling banking service respond to your personal needs?
	How often did the bank's online banking service produce errors or defects?
Perceived Value	When compared with the quality of the service that you received, do you think that the service fees or transaction fees for online banking is appropriate?
	When compared with the cost, do you think that the quality of online banking service that you received is appropriate?
Customer Satisfaction	Level of overall satisfaction with using the bank's online banking service.
	Do you think that the overall service of online banking you received is better or worse than your expectation?
	How does the level of service you received compare with what you expected from online banking?
Customer Complaint	How many times have you ever officially complained or expressed dissatisfaction regarding the bank's online banking service?
	How many times have you ever unofficially complained or expressed dissatisfaction regarding the bank's online banking service?
Customer Loyalty	Would you recommend other people to use the online banking service offered by the bank?
	Will you continue using the online banking service from the bank?

This study used questionnaires given both in person and online. The 10-point Likert scale is generally used to measure satisfaction, both in the ACSI and the TCSI, the latter of which this study used as a prototype. The questions and measurement scale are standard and accuracy and reliability have been tested.

After data collection, descriptive statistics was used to describe the demographic characteristics of the sample. Later Structural Equation Model (SEM) technique was used to test the model. This method was also previously applied in ACSI and TCSI model.

RESULTS

Out of 310 returned questionnaires, only 305 responses were able to be used in the analysis. Those responding were 48.06% male, with 14.84% single, 32.51% married and 0.71% divorced. 51.94% were female, of whom 39.22% were single, 21.37% were married and 0.35% were divorced.

In terms of age, within the range of 18-59 years of age, the majority of respondents who used online banking were 30 to 39 years of age, accounting for 39.99%, with 29.17% aged between 25 to 29 years.

Regarding educational level, majority of respondents had a bachelor's degree (56.82%) while 39.99% had a master's degree. By employment, 43.94% were employees in private companies, 18.94% were business owners and 13.64% were government and or state enterprise employees.

It was also found that 40.15% of respondents had an income level of above 45,000 Thai Baht, the income of 24.62% of respondents was between 15,000–25,000 Thai Baht and 14.02% had income of less than 15,000 Thai Baht.

The questionnaires also showed that the top three banks used by the respondents most often in the prior three months were Siam Commercial Bank (31.32%), Kasikorn Thai Bank (30.60%), and Bangkok Bank (17.44%).

As for official complaints, there were 140 official complaints; it was found that 52.86% had made no complaint on the official complaint channel. The top three channels used to make official complaints were bank call centres (19.53%), employees at bank branches (12.12%), and email (7.41%).

There were 271 unofficial complaints, with 52.86% of the respondents making no official complaints. Of the respondents, 16.61% voiced their complaints to employees at bank branches; 8.49% made their complaints on social networks.

The respondents were asked to rank the features of online banking services from the services they used the most to those used the least. The greatest number of respondents (51.60%) used the online service to check their balances, with 33.45% using the service to transfer funds within the bank and 28.11% using the services to pay their bills.

Test of Model

The model has two estimation models: the measurement model and the structural model. The measurement model estimates the loading values of the observed variables in order to investigate how well each observed variable represents the latent variable. The structural model on the other hand estimates the path coefficients of the latent variables and shows the causal relationship between the latent variables.

Measurement Model

Loading values were obtained through an analysis of the data. Most of loading value of an observed variable are greater than 0.7, reflecting well on what it will measure. Loading values are shown in Table 2 below.

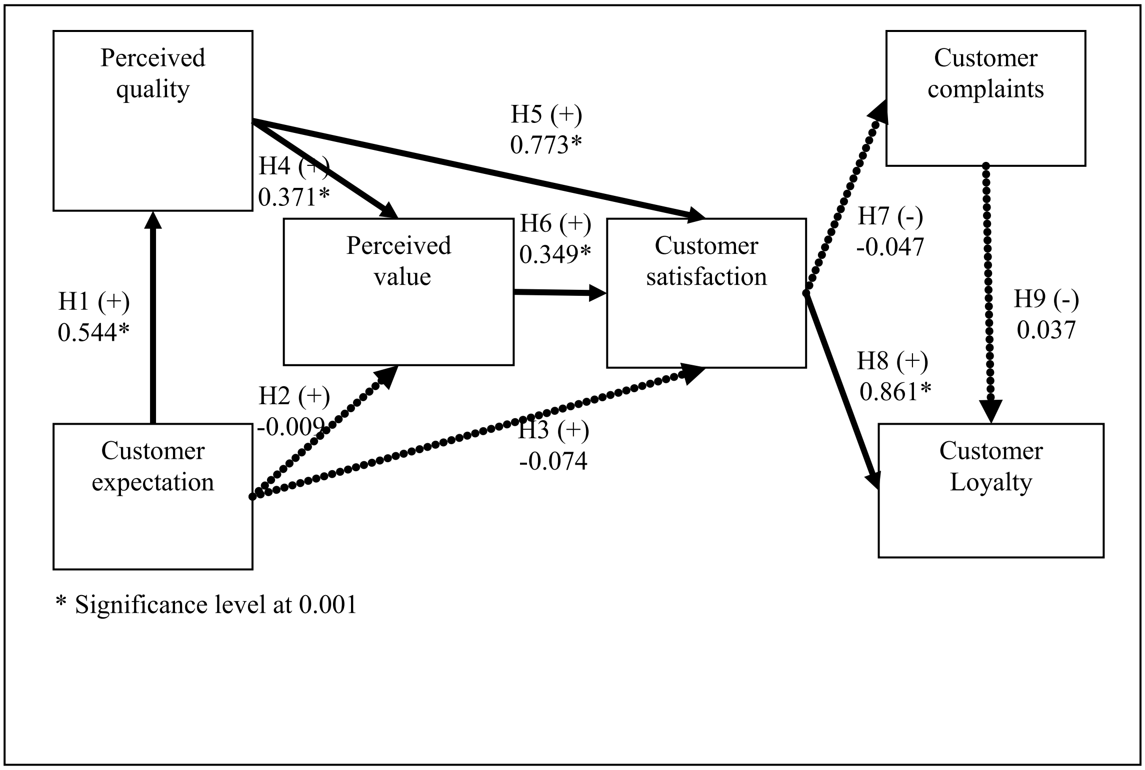
TABLE 2
LOADING VALUES OF MEASUREMENT MODEL

Variables	**Loading values**
Customer Expectation	
How high are your expectations of the overall quality of the bank's online banking service?	0.875
How well do you expect the online banking service to respond to your personal needs?	0.900
How often do you expect the online banking service to have errors or defects?	-0.234
Perceived Quality	
What level of quality do you receive overall from the online banking services?	0.859
How well does the online banking service respond to your personal needs?	0.881
How often does the online banking service produce errors or defects?	-0.143
Perceived Value	
When compared with the quality of services received, do you think that the service fees or transaction fees of online banking are appropriate?	0.842
When compared with the cost, do you think the quality of online banking services that you receive is appropriate?	0.911
Customer Satisfaction	
Level of overall satisfaction from using the online banking service provided by the bank	0.910
Is the overall service of online banking better or worse than your expectation?	0.818
How good is the bank's online banking service compared to what you expect from online banking?	0.813
Customer Complaint	
How many times have you made an official complaint to the bank or expressed dissatisfaction regarding its online banking services?	0.646
How many times have you made an unofficial complaint to the bank or expressed dissatisfaction regarding its online banking service?	0.561
Customer Loyalty	
Would you recommend the bank's online banking service to others?	0.702
Will you continue using the online banking service from the bank?	0.793

Structural Model

Relationship between latent variables can be measured by path coefficients as shown in Figure 2 below.

FIGURE 2
RELATIONSHIP BETWEEN LATENT VARIABLES



Data from the respondents supports the model created for this study. The model has chi-square/df value = 2.942, GFI = 0.923, NFI = 0937 and RMSEA = 0.08. These values fall within an acceptable range (Byrne, 2010), indicating that this model is suitable for the data received from the study.
In the analysis of the structural model, four hypotheses (2, 3, 7 and 9) are rejected and the remaining five (1, 4, 5, 6 and 8) are accepted. Details are as follows.

Hypothesis 1 (H1): There is a positive relationship between customer expectation and perceived quality on the use of online banking service offered by the commercial banks.
The model test found that the regression coefficient between customer expectation and perceived quality of the service is 0.544, a positive relationship and statistically significant. This is consistent with the hypothesis that indicates that customer expectations are positively correlated with the perceived quality of the service. Those who have high expectation in online banking service tend to be those who gain more perceived quality of the service.

Hypothesis 2 (H2): There is a positive relationship between customer expectation and perceived value on the use of online banking service offered by the commercial banks.
The regression coefficient between customer expectations and perceived value of online banking services is not statistically significant. This is contrary to the previous hypothesis. It means that customer expectations had no influence on the perceived value of the services. Respondents with either high or low expectation perceived the value of service in the same way.

Hypothesis 3 (H3): There is a positive relationship between customer expectation and customer satisfaction on the use of online banking service offered by the commercial banks.

The relationship between customer expectations and customer satisfaction is not statistically significant. This is inconsistent with the hypothesis that customer expectation is related to customer satisfaction. However, when estimating the total effect, it was found that there is an indirect effect through variables of perceived quality and perceived value of the services provided. This total effect is similar to a study of customer satisfaction on financial and insurance institutions in the United States that applied the ACSI model (Fornell et al, 1996), which found that customer expectations do not have a direct effect on customer satisfaction.

Hypothesis 4 (H4): There is a positive relationship between perceived quality of the service and perceived value on the use of online banking service offered by the commercial banks.
The regression weight between perceived quality and perceived value of the service is 0.371, which is a positive and statistically significant. This indicates that perceived quality is related to perceived value of the service. This suggests that commercial banks need to improve their online banking service quality as this will impact the perceived value of their services.

Hypothesis 5 (H5): There is a positive relationship between perceived quality of the service and customer satisfaction on the use of online banking service offered by the commercial banks.
The regression weight between perceived quality of service and customer satisfaction is 0.773, which is positively related and statistically significant. Thus this finding is consistent with the hypothesis that the perceived quality of the online banking services has a strong effect on customer satisfaction. In addition, not only does the perceived quality of the service have a high direct impact on customer satisfaction, it also has a high indirect impact via the perceived value of the service.

Hypothesis 6 (H6): There is a positive relationship between perceived value of the service and customer satisfaction on the use of online banking service offered by commercial banks.
The results of the model test show a positive and statistically significant relationship between perceived value of the service and customer satisfaction of 0.349. This is consistent with the hypothesis that perceived value of the service has a direct impact on customer satisfaction.

Hypothesis 7 (H7): There is a negative relationship between customer satisfaction and customer complaint on the use of online banking service offered by the commercial banks.
The relationship between customer satisfaction and customer complaints is not statistically significant and thus not consistent with the hypothesis that customer satisfaction affects customer complaints. It also indicates that customers in Thailand are unlikely to file a complaint with the bank even though they perceive the service as unsatisfactory.

Hypothesis 8 (H8): There is a positive relationship between customer satisfaction and customer loyalty on the use of online banking service offered by the commercial banks.
Customer satisfaction and customer loyalty has a regression weight of 0.861, thus positively related and statistically significant. It is consistent with the hypothesis that satisfied customers are loyal customers. They will continue using the service and suggest others use it as well.

Hypothesis 9 (H9): There is a negative relationship between customer complaints and customer loyalty on the use of online banking service offered by the commercial banks.
The final hypothesis, the relationship between customer complaints and customer loyalty, is not statistically significant and thus disproves the hypothesis. That is, customer complaints have no effect on customer loyalty or their use of the bank’s online banking service. This is probably due to the ease of access and the difficulty in changing to another bank’s online services. Hence, customer complaints do not affect customer loyalty towards the use of online banking services.

DISCUSSIONS AND CONCLUSIONS

The overall findings on the factors affecting customer satisfaction with online banking services show that customer expectations towards the quality and value of the service have an effect on their satisfaction and loyalty. These factors are consistent with the previous findings as well as the related models, i.e. the ACSI and the TCSI models.

The findings also show that the model can help determine the factors that affect other important factors, making it possible to use those factors to develop and improve a bank's online banking services.

The expectation factor suggests that providing information and creating customer awareness – which leads to customer expectations – may not directly affect customer satisfaction but may affect this indirectly through perceived quality and perceived value. This would mean that emphasising service quality, its convenience and ease of fund transfers between accounts in the same bank or even cross-bank transfers, a wide range of bill payment alternatives and guaranteed accuracy with clear help windows, has an impact on the perceived value of the service.

The value given to customers, such as reasonable transaction fees, no charge for transfer of funds within the bank or a lower fee for cross-bank transfers within the same area has a significant effect on customer satisfaction. A more satisfied customer means a more loyal customer, which eventually flows through to the bank's profit (Reichheld and Sasser, 1990). Combined these are key to operating a successful service business. Satisfied customers rarely file complaints and are overall more loyal to the bank.

This study gives a greater understanding of the factors that are important to development of an effective online banking system and meets customer needs and expectations. This will in turn result in customer satisfaction and loyalty.

Using these factors to further develop a bank's online banking system would not be a waste of resources, since commercial banks would see clearly the factors that would lead to meeting customer needs and thus customer satisfaction. Moreover, the study can be used as an indicator to assess whether the existing system meets customer needs and the level of customer satisfaction, leading to greater competitiveness in the online banking service arena.

At the same time, development of the online banking system cannot be limited to just the factors in this study, but needs to consider other items that are correlated with the customer satisfaction model in order to maximize customer benefit and further develop the industry. As a general rule, the model should be run once a year in order to ascertain current customer satisfaction levels on online banking services. The researcher trusts that the findings of this study will be useful for the business sector and aid them to achieving greater success in their business operations.

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The Effect of Electronic Word of Mouth on Brand Image and Purchase Intention: An Application Concerning Cell Phone Brands for Youth Consumers in Turkey

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This study aims to explain the effect of Word of mouth on purchase intention through brand image. The focus on cell phone brands specifically. The sample of this study consisted of university students residing in Turkey. Data were obtained with a questionnaire and the face to face method after briefing the participants. The results of the study showed that there is a significant positive relationship between the electronic word of mouth on brand image and purchase intention.

INTRODUCTION

One of the biggest challenges for both marketing researchers and practitioners is to solve complex consumer behaviors. Products, product specifications, brands and shopping atmosphere which has different messages affect consumer perceptions in various ways. While the messages sometimes could be appealing to some consumers they are irritating to others. How consumer percept each message also affect buying decisions (Bambauer & Mangold, 2011). Similarly source of the messages is another impact factor that affects consumer perceptions.

Advertisements and peoples' thoughts such as product reviews, user comments or suggestions affect consumer perceptions in different ways. Some studies showed that consumers think word of mouth is the most reliable source of information (Bickart & Schindler, 2001; Trusov et al., 2009).

The widespread use of the internet globally has started spreading of electronic word of mouth (Jalilvand, 2012). Prominent information sources such as forums, sharing sites, blogs and customer reviews raised the importance of electronic word of mouth. Today consumers try to find information about products they are interested in on the internet before they make purchasing decisions. However electronic word of mouth is one of the most favorite information source for consumers (Adjei et al., 2009; Zhu & Zhang, 2010).

In parallel with the increase of internet users in the world it is estimated that the number of internet users in Turkey is about 32 million (TUIK, 2013). In this context, understanding the effects of electronic word of mouth on purchasing decisions could be useful in analyzing consumer behaviors.

CONCEPTUAL FRAMEWORK

The studies on purchase intention have been widely investigated by marketers considering the cost of gaining new customers (Maxham III, 2001). It also has been studied in the marketing literature about the relationship between purchase intention and Word of mouth. (Dichter, 1966; Arndt, 1967; Litvin, et.al., 2008). Consumers consider other consumers' reviews and obtain information about products in purchasing process. Word of mouth represents an informal and suggestive communication style. Word of mouth that is commercial, interactive, rapid and unbiased communication type has a strong impact on consumers' decisions (East et.al., 2008).

The studies demonstrated that Word of mouth has a critical role on consumers' preferences and behavioral intentions (Kiecker & Cowles, 2001; Sen & Lerman, 2007; Xia and Bechwati, 2008). These studies also indicated that Word of mouth is more effective than other communication methods due to perceived high reliability (Chatterjee, 2001; Mayzlin, 2006).

Internet has led Word of mouth to be simultaneously ubiquitous and removed necessity of being physically present anywhere (Chatterjee, 2001; Godes & Mayzlin, 2004; Xia & Bechwati, 2008). This new trend is named as the electronic word of mouth and it has a big potential in spreading consumers' ideas. (Bickart &Schindler, 2001; Godes & Mayzlin, 2004; Jalilvand, 2012). Electronic Word of mouth is also more effective compared to the traditional Word of mouth due to widespread access resources (Chatterjee, 2001).

Electronic Word of mouth can be described as a communication way that provides information to consumers about sellers and usage of products and services through internet-based technologies (Westbrook, 1987). Some sources for electronic word of mouth are blogs, virtual communities, newsgroups, product review websites, fan clubs, e-mail, etc.

Product reviews on the internet prior to purchase and consumers` consideration of these reviews is the most important aspect of communication by word of mouth. Therefore, electronic word of mouth critically affects consumers` product reviews and their purchase intention (Zhu & Zhang, 2010; Bambuer-Sachse & Mangold, 2011).

Brand image is important for companies' future profit and their long-term cash flow, companies' coalition and acquisition decisions, their stock price, sustainable competitive advantage and their success in the market (Yoo & Donthu, 2001). The brand image is referred as the sum of connotations accumulated by perceptions regarding a product that is formed in the consumers' mind (Keller, 1993). For that reason, brand image includes consumers' experience and evaluations related to brand (Wang & Yang, 2010; Bian & Moutinho, 2011).

Cellular phones have become one of the main devices and an indispensable element in our daily lives. Cell phone technologies have been improving dramatically and thus create rigorous competition among companies. As a result, cellular phones became one the important product that attracts consumers' attention and so their reviews regarding the product.

THE PURPOSE, SIGNIFICANCE AND HYPOTHESES OF THE STUDY

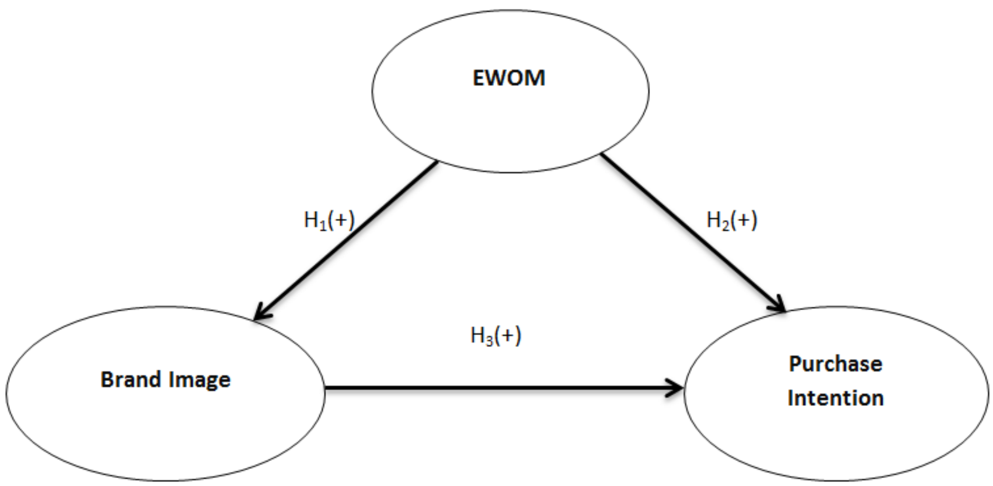
This study aims to analyze the effect of Word of mouth on purchase intention through brand image. Previous studies in the literature were limited and no previous study had examined these variables in a

Turkish context at the time of this study. The following are the research hypotheses derived from the review of the relevant literature:

> *H_1: Electronic word-of-mouth has a positive impact on brand image.*
> *H_2: Electronic word-of-mouth has a positive impact on purchase intention.*
> *H_3: Brand image has a positive impact on purchase intention.*

The following is the research model of this study formed based on the above hypotheses. The research model, in a sense, applies Jalilvand's (2012) studies in the context of Turkey.

FIGURE 1
CONCEPTUAL FRAMEWORK



POPULATION AND SAMPLING

This study was conducted in Eskisehir, a commercial and industrial city in the Midwest of Turkey with an approximate population of 800.000. The study population consisted of university students living in Eskisehir, Turkey. About 50.000 students live in Eskisehir from all over the Turkey. Convenience sampling method, one of the non-probability sampling methods, was used in this study. A total of 265 people were initially included in the study. However, the analyses were carried out on 248 questionnaires because 17 of them were either incomplete or contained or incorrect data.

DATA COLLECTION METHOD AND TOOL

Data collection part of this study was done through face-to-face methodology. The researchers used a questionnaire consisting of two sections. In the first part of the questionnaire, we used Bambauser-Sachse & Mangold's (2001) scale to measure electronic word of mouth; Shukla's (2009) scale to measure the brand image, and Shukla's (2010) scale to measure purchase intention. In the second part of the questionnaire, we gathered demographic information about participants.

Data were collected based on the principles of 5-point Likert scale ranging from "Strongly agree" to "Strongly disagree". The data were then analyzed using central distribution and variability measures. The scales were tested for validity using translation-back translation method and expert opinions and then the final version of the scale was completed in the light of a pilot application. The reliability of the scales was tested using Cronbach's Alpha coefficient.

FINDINGS AND INTERPRETATION

Table 1 shows participants' gender, monthly income and age categories.

TABLE 1
DEMOGRAPHICS OF PARTICIPANTS

Gender	**Frequency**	**%**
Male	144	58.1
Female	100	40.3
Unspecified	4	1.6
Monthly Income		
750 TL* and below	100	40.3
751-1500 TL	64	25.8
1501-2250 TL	42	16.9
2251 TL and above	35	14.1
Unspecified	7	2.8
Age		
20 and below	61	24.6
21-24	108	43.5
25-28	47	19.0
29-32	10	4.0
32 and above	22	8.9

*1 $ approximately equals to 1,98 TL

As shown in the Table 1, 58.1% of the participants were male. When we look at the participants' income, 40.3% of them has 750 TL and below. In addition, most of the participants (43.5%) are at the age of 21-24 as indicated in the Table 1.

TABLE 2
INTERNAL CONSISTENCY OF THE SCALES

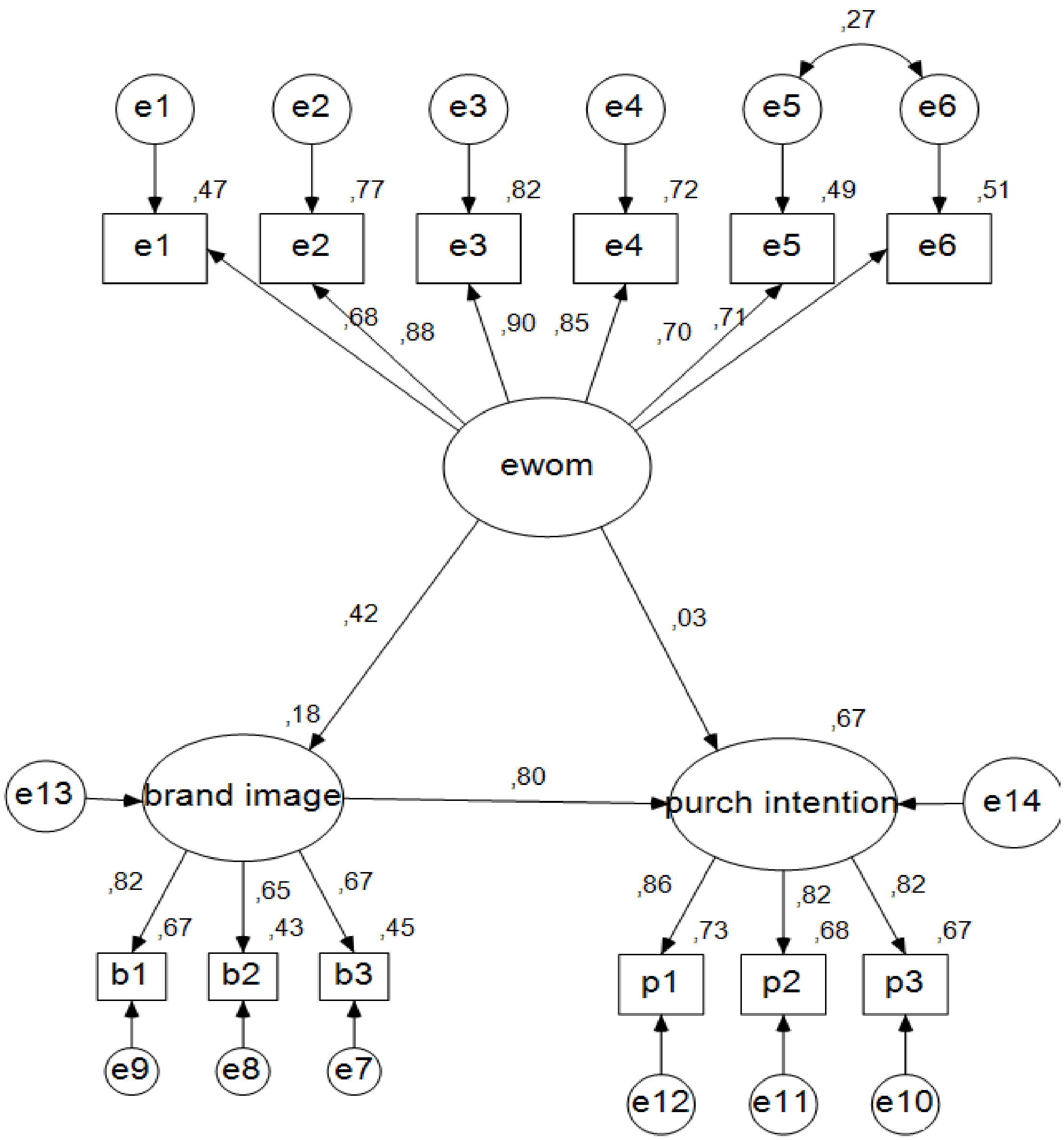
Scales	**Items**	**Cronbach's Alpha**
Electronic Word of Mouth	6	.915
Brand Image	3	.749
Purchase Intention	3	.871

Table 2 shows the scale's Cronbach Alpha Coefficient values for "Electronic Word of Mouth", "Brand Image" and "Purchase Intention". As indicated in the table 2, these values are within the acceptable levels.

The result of the confirmatory factor analysis indicated that all statements had displayed a sufficient commitment to the relevant dimension. Also, results of goodness of fit values have proven to be at a sufficient level (χ^2/df=2. 377, CFI=0. 960, RMSEA=0. 075).

The result of the analysis of the study model was further analyzed with Amos 16.0 and its path diagram is shown in the figure 2 below.

FIGURE 2
RESEARCH MODEL PATH DIAGRAM



The goodness of fit indices of the research model were at acceptable levels (χ^2/df=2. 107, CFI=0, 968, RMSEA=0, 067). The result of the analysis of the structural equation model indicated that electronic word of mouth has a meaningful effect on brand image. The results also indicated that the perceived brand image has a meaningful effect on purchase intention. However electronic word of mouth has not meaningful effect on purchase intention in this study. In the research model, independent variables explain 67% (R^2=0, 67) of variability of purchase intention. The regression coefficients obtained through the model formed the hypotheses and its results were reported in the table 3 below.

TABLE 3
HYPOTHESIS TEST RESULTS

Hypothesis	Standardized Estimates	Results
$H_{1:}$ Electronic word-of-mouth has a positive impact on brand image	0.421**	Supported
H_2: Electronic word-of-mouth has a positive impact on purchase intention	0.033	Not Supported
H_3: Brand image has a positive impact on purchase intention	0.803**	Supported

**p<. 01

As the research results indicated that H_1 and H_3 hypotheses were supported, H_2 hypothesis was not. Hypotheses testing results are evaluated on the results and discussion section.

LIMITATION OF THE STUDY

This study has some limitations. The sample of this study consists of university students in a state university in Turkey. This situation limits the generalizability of the findings. Additionally, since this study was conducted on cell phone brand, the results cannot be generalized to other products. Future studies are recommended to investigate the issue with different products and different groups of consumers.

CONCLUSION, DISCUSSION AND RECOMMENDATION

This study aims to investigate the effect of electronic word of mouth on purchase intention through a model in which brand image is assigned as mediating variable. Traditional word of mouth has been widely investigated in the literature. Literature showed that word of mouth has a significant effect on purchase intention. As the result of advancement of internet-based technologies, not only traditional word of mouth, but also electronic word of mouth started to have an impact on purchase intention in recent years. For this reason, it is valuable to investigate how it differs in different cultures and regions not only as critical information for marketing practitioners, but also the extension of the related literature. Understanding consumers’ profile in developing countries is especially important for practitioners. In this respect, it is reasonable to conduct research in an economically developing country such as Turkey since Turkish consumers differ from other nations’ consumers both culturally and geographically.

When we look at the result of the study, the effect of electronic word of mouth on purchase intention can be explained through brand image. The results showed that there is a significant impact of brand image on purchase intention. Another conclusion can be drawn from the study that brand image has a decisive role on purchase intention regarding cell phone brands through electronic word of mouth. In a study related to another brand, Jalilvand (2012) constructed a model that the effect of electronic word of mouth with purchase intention as brand image being partial mediator variable. He also reported similar findings that brand image is a full mediator on purchase intentions. Additionally, Jalilvand`s (2012) found that electronic word of mouth has a positive impact on brand image.

Consumers consider the reviews obtained from electronic word of mouth channels and use these reviews in forming brand image perception. On one hand, brand image, depending on product groups, is more effective on purchase intention compared to word of mouth and this shows that our results are meaningful. On the other hand, we can assert that brand image, when compared to word of mouth, is more effective on consumers’ purchase intention of cellular phones.

It has emerged from this study that electronic word of mouth does not have a direct significant impact on consumers' purchase intention. This result can be occurring because of the study sample. Furthermore, traditional word of mouth can have an effect on purchase intention; this can be another reason for that result. Since this study has cultural context, it is suggested for future studies to be extended including traditional word of mouth. In this respect, this study has importance for Turkish consumers' decision about whether traditional or electronic word of mouth is more effective on their purchase intention. It should be noted that further studies investigating not only brand image, but also value given to brand variable would be a meaningful contribution to the relevant literature.

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Contribution of CRM Strategies in Enhancing Customer Loyalty

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This study was undertaken to evaluate the contribution of CRM strategies in enhancing customer loyalty in the motor industry. The motor industry is facing intense competition both locally and internationally. The paper analyses trust and commitment as antecedents of customer loyalty, the benefits of database marketing and key account management, categories of loyalty, as well as challenges affecting the effective implementation of database marketing and key account management. The research design was descriptive and exploratory. A sample size of 297 respondents was used which included 150 business customers and 147 employees. The major finding was that trust and commitment have a role to play as they led to customer loyalty. It was therefore concluded that CRM contributes significantly towards customer loyalty in the motor industry, thus it was recommended that the motor industry could make optimum use of information technology in order to fully implement CRM strategies.

INTRODUCTION

The automotive industry is facing new and pressing challenges: digitalization and increasing competition are changing the face of the industry (IBM, 2004). Despite the automotive industry spending vast amounts on advertising and despite a record number of new products launches (Phillips, 2007), customer loyalty is decreasing and brand differentiation is more difficult to achieve (Koslowski and Hagemeyer, 2006). As a consequence Bondar *et al.,* (2007), suggests that it is worthwhile to revisit the question posed by business author and Professor Gary Hamel: "On the road to the future, who will be the windshield, and who will be the bug? According to Collins (2002), with the rise of the internet as a selling tool in the late 1990s, many traditional retail channels were branded as "Dinosaurs" and were thought to be facing extinction.

Auto retailers were listed among those considered "doomed" by the internet as a result increased competition from online car-selling services and even more important and challenging is that customers want to tailor their options to what they want, where they want it, and how they want it (Collins, 2002). Capgemini (2009) argues that under the guiding principle of profitable growth, the automotive industry has long identified CRM as an indispensible practice. Original equipment manufacturers (OEMs) have discovered the CRM potential and have designed strategies to seize the expected benefits of customer loyalty.

The motor industry in Zimbabwe is a complex and very competitive environment, which is dominated by many big and small players ranging from assemblers, assembling plants, dealers and services. Players in the motor industry include AVM Africa, Tandem Limited, Motec Holdings, Willowvale Mazda Motor Industries, Toyota motor city, Toyota Zimbabwe, Croco Motors, AMTEC, AMC, Puzey and Payne, Quest Motors, Dulys. Toyota Japan, Zimmoco, BMW, Ford, Land Rover, and General Motors (USA), to name but a few. Competition in Zimbabwe has progressively intensified on both the international and domestic markets as tariff and non-tariff barriers have gradually come down. Operating in such an environment requires players in the motor industry to understand all the factors of relationship marketing that affect their success and market share.

Levitt (1983) deems the most valuable asset of a company to be its relationship with its customers. Customers seem not to be loyal to the local car dealers and especially prefer to browse the web for cars instead of physically visiting the showroom. Poor service quality has also contributed to customers not making repeat purchases or servicing of their vehicles. This is due to the fact that the motor industry has been hit by a wave of brain drain as employees have "skipped" the border to neighboring countries where they are offered better remuneration and working conditions. However besides offering the same services, some motor car dealers are failing to retain their loyal customers especially the corporate customers because they may not have much knowledge of their customers' needs and wants.

Altran (2010) suggests that companies with solid CRM processes and technologies in place will better keep their existing customer base and relationships and suffer relatively less from the consequences of economic crisis. The motor industry was not spared during this global financial crisis especially in Zimbabwe where customers were now opting for cheap grey imports from Japan (Motor Trader, 2006) and as substitutes for the zero mileage (brand new) automobile in the showroom. This left the local car dealers in Zimbabwe jostling for the few most valuable customers with a potentially longer life-time-value.

Some Car dealers in Zimbabwe use key account management (KAM) as well as manual and computerized database marketing in order to retain customers. IBM (2004) states that size is no longer a guarantee of success, only companies that find new ways (such as CRM) to create value will prosper in the future. Barclay quoted in Carlson Relationship Builder, a research report by Carlson marketing and Peppers and Rogers group (2007) supports the IBM view by arguing that "in today's automotive market, achieving competitive advantage on service quality or service features alone is increasingly challenging. Manufacturers who understand the importance of building 1to1 relationships will have the edge".

Customer Relationship Management

CRM has attracted such great attention because of the emphasis that it can give mutual benefit to both the customer and the company (Gronroos, 1996). The term customer relationship management (CRM) gained widespread recognition in the late 1990s. Researchers and practitioners both in the academic area and the business field enthusiastically have shared their viewpoints and experiences in applying CRM (Swift, 2001; Barnes, 2001; Greenberg, 2001). Dimitriadis and Stevens (2008) also agree to the fact that there is no doubt that customer relationship management over the past years has been and still is a topic of high interest for both academics and practitioners.

Chen and Popovich, (2003) view CRM as a combination of people, processes and technology that seeks to understand a company's customers, while others (Ryals *et al.,* 2001; Gummesson, 2002) view CRM as management approach that manages the relationships with customers, with particular emphasis on customer relationships turned into practical application. Schierholz *et al.*, (2007) define CRM as a complex set of interactive processes that aims to achieve an optimum balance between corporate investments and the fulfilling of customer needs in order to generate maximum profit.

Unlike the authors above, strategically Schierholz *et al.*, (2007) consider CRM as viewing customer relationships as an investment that will contribute to the organization's bottom line; that is strengthening an enterprise's competitive position by increasing customer loyalty. Their view ultimately positively links CRM with customer loyalty. Bose (2002) defines CRM as an essential and vital function of customer oriented marketing, which is to gather and accumulate related information about customers in order to provide effective services. Bose's (2002) definition therefore goes to show that the main thrust of Customer Relationship Management is to build and maintain relationships with customers. The discussion above shows that CRM can be defined in different ways. This diversity of definitions is a result of differences in perspectives. It can be established that although CRM is concerned with relationship building, these relationships can be enhanced with technology which will help in better understanding customers.

For the purpose of this study, the following definition has been proposed: *CRM is a technology based strategy that integrates the front office and back office functions with customer contact points.* The definition was proposed owing to the literature which supports the fact that CRM is enhanced by technology, thereby giving mutual benefit to both the company and the consumer.

Why Customer Relationship Management

As the world economy becomes globalized, competition has intensified and the differences in products have faded. Consequently, businesses have become fixated on CRM as it has become a central orienting point in academia and business environment with organizations increasingly focusing on managing customer relationships as a strategy to achieve market leadership and profits (Kubi and Doku 2010). Acquiring new customers is much more expensive than keeping them (Reichheld and Teal, 1996; Goodman *et al*., 2000), thus it costs 2 to 20 times as expensive to get a new customer as to retain an existing one. The arguments by Kubi and Doku (2010) that CRM has become the center of focus owing to the world economy that has become globalised with intense competition, and Reichheld and Teal (1996); Goodman *et al.,* (2000) who are of the view that organizations have diverted their focus to CRM due to the fact that it is expensive to get a new customer that retain an existing one, show that different organizations are implementing CRM strategies due to different reasons such as market leadership, profits, and cost effectiveness.

The IDM Guide to CRM Mastery (2002) shares the same views with Kubi and Doku (2010) by suggesting that CRM emerged as a way to leverage the new channels and encourage long term relationships and as a result it can create enhanced shareholder value through lower costs and higher profitability a view also shared by Reichheld and Teal (1996); Goodman *et al.,* (2000). CRM is viewed as important because of the changes occurring in the competitive environment; nearly all brands need high technology solutions (IDM Guide to CRM Mastery, 2002; Sue and Morin, 2001). CRM is relevant to all businesses as it is about understanding who your customers are, what they want, and how best to meet their needs, (Longworth and Rogers 2004, and Meakins 2003), CRM strategies can be applied to vehicles, a concept that is being referred to as Vehicle Relationship Management (VRM).

Interestingly Longworth and Rogers (2004), argue that CRM has suffered a backlash and has failed to make head way among small and mid-sized businesses, hence it has resulted in the low take-up of CRM strategies and IT systems. Meakins (2003) goes on to state that VRM works in conjunction with CRM to create an understanding of individual vehicles throughout their lifecycles and in addition to benefiting consumers of second hand cars with more reliable and trustworthy information, the greater depth of information gives dealers a powerful tool for managing pricing in one of the more profitable sectors of the industry.

Database Marketing

There is a great deal of similarity between database marketing (DBM) and direct marketing (Cooke, 1994; Fletcher *et al.,* 1992), today's direct marketers see the database as a vital element in their strategies and the two are inseparable. In reference to direct marketing, database marketing may be defined as "the advertiser maintaining an active list of customers and prospects which is updated on a regular basis with information about the customers' response to the message (Hughes1993). However, more specifically, database marketing has been defined by Jutkins, (1994) as gathering, saving and using the maximum amount of useful knowledge about your customers and prospects to their benefit and your profit". When it comes to direct marketing, Hughes, (1993) suggests that database marketing may be explained as "the advertiser maintaining an active list of customers and prospects which is updated on a regular basis with information about the customers' response to the message". Hughes (1993) and Jutkins (1994) share the same view that the advertiser collects information about customers, saves it and uses it to the benefit of the customer as well as that of the organization.

Hughes (1993) and Jutkins (1994), in their definitions of database marketing did not emphasis on the importance of technology or the role it plays in enhancing relationships via database marketing. Rapp (1989), however defines database marketing as using technology to enhance relationships, while DiTienne and Thompson (1996), proposed the following definition of database marketing, “database marketing is the process of systematically collecting in electronic or optical form, data about past, current and/or potential customers, maintaining the integrity of the data by continually monitoring customer purchases and/or by inquiring about changing status and using the data to formulate marketing strategy and foster personalized relationships with customers”.

DeTienne and Thompson (1996) and Rapp (1989) are of the view that database marketing aims at building a profitable individual relationship with each customer through the use of technology. This relationship should make the customer feel that he/she is recognized and should receive personalized service and attention. DeTienne and Thompson’s definition has been identified by the researcher as having its strengths which make it the most suitable definition for database marketing because of its processual perspective, its action bias and emphasis on customer relationship building. The three primary activities in DiTienne and Thompson’s (1996) definition i.e. collecting, maintaining and using the data, though basic constitute the necessary and sufficient components to comprise a database marketing approach.

Key Account Management

Key account management (KAM) also known as strategic account management (SAM) has evolved across the world as an approach to handling issues raised by very large customers (Piercy and Lane, 2006; Al-Husan and Brennan, 2009) and has attracted growing attention from both academics and from sales and marketing in recent years. Millman and Wilson (1995) describe key account management as a “seller-initiated type of strategic alliance” and defined a key account as “a customer in a business-to-business market identified by a selling company as of strategic importance”. Diller (1992), describes key account management as a management concept, including both organizational and selling strategies, to achieve long-lasting customer relationships, while McDonald *et al.* (1997) define key account management as an approach adopted by selling companies aimed at building a portfolio of loyal key accounts by offering them, on a continuing basis, a product/service package tailored to their individual needs.

Other authors (Millman and Rogers, 1997; Ojasalo, 2001) argue that key account management can be said to be typically associated with the business-to-business context, and most of the Key account management literature deals with industrial relationships. Despite being associated with business-to-business relationships, key account management has potential in any kind of business relationship. After all, most business relationships include both tangible and service elements (Gronroos, 1990). Although key account management has been defined as a way of achieving maximum sales from a identified specified group of external and internal customers (Wnek, 1996), a gap exists where authors (Millman and Rogers, 1997; Ojasalo, 2001) argue that key account management can be characterized as a relationship oriented marketing management approach focusing on dealing with major customers in the business-to-business market.

The discussion shows that Wnek, (196) considers key accounts as stemming from both external and internal customers while most authors disagree with this view. The strongest argument therefore shows that key account management’s thrust is on relationships with business-to-business customers.

Customer Loyalty

Loyalty has a far wider connotation than just customer behavior. Rayner (1996) describes two dimensions of loyalty: one referring to the emotional side, for example faithfulness and allegiance, and the other based on the behavioral side, such as being constant i.e. frequently occurring behavior. Rayner (1996) defines customer loyalty as the commitment that a customer has to a particular supplier. According to Bothe (1996), customer loyalty means that customers are so delighted with a company’s product or service that they become enthusiastic word-of-mouth advertisers. However Reichheld, (2003) views customer loyalty as the willingness of someone- a customer, an employee, a friend- to make an investment or personal sacrifice in order to strengthen a relationship.

From the above definitions of customer loyalty, it can be deduced that loyalty is much more than just repeat purchases as inertia, circumstances, or exit barriers erected an organization may trap customers to continue buying its products and services.

Categories of Loyal Customers

Rowley (2005) proposed a model which seeks to further subdivide the category defined as loyals by Dick and Basu (1994) in their loyalty categorization. Organizations have the opportunity to develop life-long relationships with customers in this group, and may therefore benefit from the lifetime business associated with that customer. These customers are those who have a high relative attitude and a high relative behavior. Rowley (2005) proposed that since the loyalty category is key in customer development and profitability, it is important to understand the loyalty condition for this category in more detail, and to use this understanding to develop further the relationship with customers in the loyal category.

Increasing attitude strength is seen to be more predictive of behavior (Krosnick and Petty, 1995) in the sense that it describes the attitude's durability and impact. Table 1 summarizes the four conditions related to loyalty as postulated by Dick and Basu (1994).

TABLE 1
CATEGORIES OF LOYALTY

		Repeat patronage	
Relative attitude		High	Low
	High	Loyalty	Latent loyalty
	Low	Spurious loyalty	No loyalty

Source: Dick and Basu (1994)

The model in Table 2 below therefore, differentiates between positive loyalty, and inertial loyalty according to Rowley (2005).

TABLE 2
SEGMENTING LOYALS

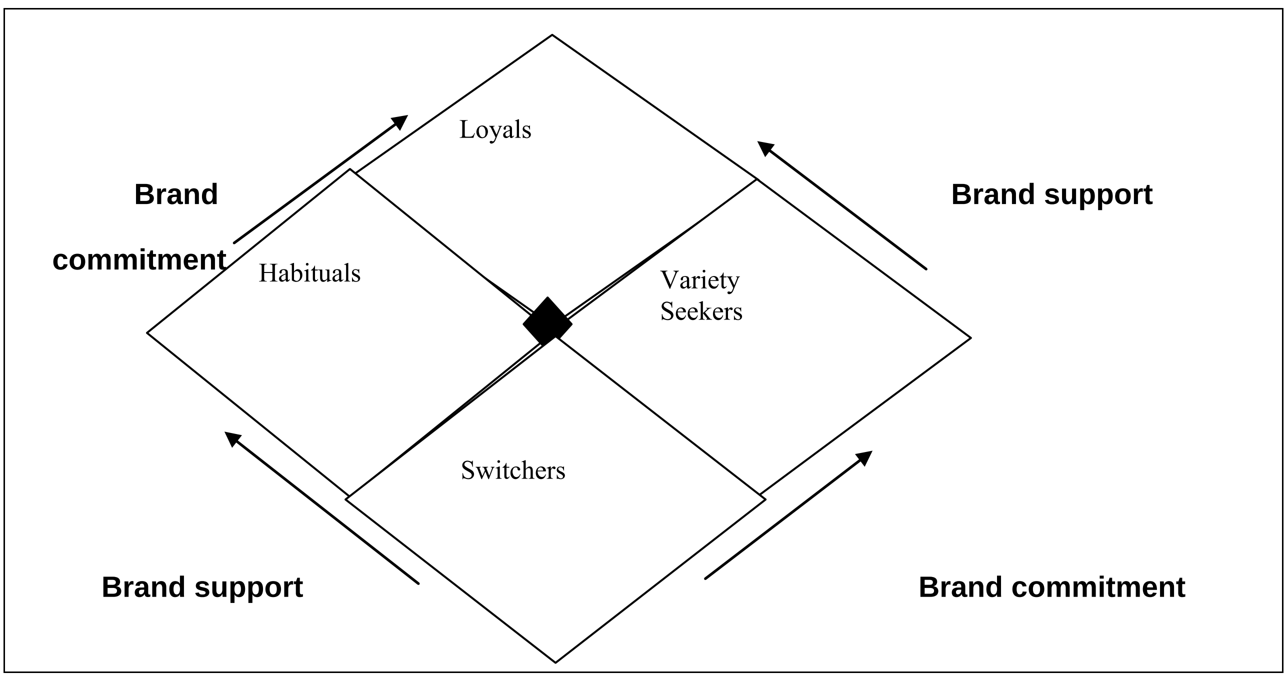
		Attitude	
		Inertial	Positive
Behaviour	Inertial	Captive	Contented
	Positive	Convenience-seeker	Committed

Source: Rowley (2005)

Rowley (2005) asserts that inertial loyalty on either dimension is associated with loyals who are neutral about their loyalty; they are consistent in behavior, but the fact that they do not switch does not signal any affinity for the business or brand. Table 2.2 identifies four categories of loyalty orientation: captive, contented, convenience-seekers, and committed. These all according to Rowley (2004) apply to customers who are loyal in both attitude and behavior to the brand, but the introduction of inertial and positive as ends of a scale in relation to both attitude and behavior, yield some categories which assist in thinking about the nature of loyalty. Rowley (2005) further argues that this is a speculative model at this stage of development, which is intended to provoke further thought about the nature of loyalty.

According to Knox (1996) to understand the dimensions of brand loyalty, managers must be cognizant of both the commitment and purchasing support shown by consumers towards their particular brand. Using these measures as necessary and sufficient conditions for brand loyalty to exist, a market model was developed by Rowley, (2005) from which the purchasing styles of consumers can be categorized and brand loyalty examined. However, the diamond of loyalty by Knox (1996) shows that customer groups have been designated as loyals, habituals, variety seekers and switchers, which reflects their purchasing motivations assessed by cross-tabulating the switching triggers of individual consumers within each group. Rowley (2006) shares the same insights of customer loyalty as Knox, (1998), in his diamond of loyalty model. The category, described as loyals (see figure 2), exhibits high customer involvement, and the brand is responsible for a high relative share of their purchasing. Dick and Basu (1994) agree to the fact that loyalty also involves a level of psychological commitment to a brand which is why they display the importance of loyals in their categorization. There is agreement among the authors that loyals are important for the future of the business, and that this category is deserving of special attention.

FIGURE 1
DIAMOND OF LOYALTY



Source: Knox (1996)

Knox (1996) argues that habituals are more likely to defect to other brands of purchasing their routine is disrupted for some reason, and in a sense, variety seekers are loyal purchasers that are polygamous – they simply buy from a wide portfolio of brands for differing usage occasions. Switchers, on the other hand, are motivated by price deals and promotional tactics, so their brand allegiances are transitory. Looking at the three models by Dick and Basu (1994); Rowley (2005); and Knox (1996) respectively, it can be noted that loyals are viewed as committed customers who show a positive attitude and behavior towards a company’s brands.

Further breaking down the loyalty category as shown in the model by Rowley (2005) helps marketers know who their customers are and be able to segment them according to their loyalty. In the diamond of loyalty (Knox, 1998), the category, described as loyals, exhibits high customer involvement, and the brand is responsible for a high relative share of their purchasing. Therefore since this category is key in customer development and profitability, it is important to understand the loyalty condition for this category in more detail and to use this understanding to develop further the relationship with customers in the loyal category. Rowley's (2005) categorization of loyalty is more self-exploratory as it further breaks down Dick and Basu's (1994) model and is an improvement of Knox's (1996) diamond of loyalty which does not give more detail on loyalty.

Indicators of Customer Loyalty

As relationship marketing shifts the focus of the marketing exchange from transactions to relationships, it is important for marketers to note factors that drive customer loyalty. Two major indicators and/or determinants of customer loyalty have been identified and these are; trust and commitment.

Trust

Trust is the willingness to rely on an exchange partner in whom one has confidence (Moorman *et al.,* 1993). This definition of trust is in contrast with that of Ganesan (1994) who argues that trust consists of two distinct dimensions: credibility and benevolence. Credibility refers to the extent to which the buyer or supplier believes that the other party has the required expertise to perform the job effectively and reliably i.e. an ability of the partner to deliver as promised (Ganesan, 1994). Prasarnphanich (2007) suggests that benevolence refers to the extent to which the buyer is genuinely interested in the other partner's welfare and motives to seek joint gain. The definition of trust given by Ganesan (1994) gives more insight by further breaking down trust into components which vary according to individuals. For example one can earn credibility trust by delivering the promised goods/service as promised, and one can have benevolence trust on their supplier if they show concern over their welfare by consistently keeping in touch.

The benevolence dimension according to Prasarnphanich (2007) is consistent with the issue of privacy and security concerns that vendors do their best efforts to protect customers' personal information and prevent any personal losses due to their interaction with the vendors. The benevolence dimension of trust can exist even when the objective credibility of vendors is less than perfect (Ganesan, 1994), for example, customers might feel that the vendor is still concerned with their personal welfare, even though the vendor's services are somewhat unreliable. Morgan and Hunt (1994) suggest that trust is the determinant of commitment, and commitment leads directly to cooperative behaviors and this enduring desire to maintain a valued relationship should, in turn, impact loyalty (Chow and Holden, 1997).

It is believed that building trust in a long-term customer relationship is a critical factor for gaining customer loyalty (Prasarnphanich, 2007), thus as an advantage, the Internet is considered a powerful means to building a long-term relationship with customers through the employment of one-to-one marketing initiatives. Several researchers have found strong relationships between trust and customer loyalty (Chow and Holden, 1997; Morgan and Hunt 1994; Prasarnphanich, 2007). Trust is considered the most important factor for gaining customer loyalty in online business (Prasarnphanich 2007). This statement therefore means that organizations with CRM practices should be able to instill trust in their customers especially due to the fact that IT is a major enabler of successful CRM. Since privacy and security concerns are major barriers to the Internet channel, without trust customers will not be able to give personal information.

Commitment

Commitment implies unwillingness to consider other partners other than those in the current relationship (Moorman *et al.,* 1992) as well as the enduring desire to maintain a valued relationship. Commitment has been defined as the parties' intentions to act and their attitudes towards interacting with each other (Storbacka *et al.,* 1994; Liljander and Strandvik, 1995). Morgan and Hunt (1994) share the same opinion with Moorman *et al.,* (1992) by characterizing commitment as follows: an exchange partner believing that an ongoing relationship with another is so important as to warrant maximum efforts at maintaining it; that is the committed party believes the relationship is worth working that it endures infinitely. However there is a gap between the definitions of commitment, however the definition which brings out a clear explanation is the one by Moorman *et al.,* (1992) which shows that there is an enduring desire to consider maintain a valued relationship between the parties involved.

Findings in research conducted by Strandvik and Liljander (1995) indicate that a customer may not even consider other alternatives as long as the current relationship is satisfying. From empirical examinations (Weinberg 1998) that the loyal behavior increases with age, is supported by the inclination to habits, and can be stabilized by an emotional conditioning. In the form of customer loyalty, brand loyalty or company loyalty, the business relationship can be influenced positively with strategies of customer commitment (e.g., the influencing of trust and loyalty). Strandvik and Liljander (1995) and Weinberg (1998) seem to share the same sentiments that as much as a customer may be loyal to an organization, it is possible though for a customer to be committed to a specific person in the company without being committed to the company per se.

The more the customer commitment, aimed directly at the person, the more it fits to the individual's value system (Weinberg, 1998). Customer commitment to the vendor has been found to mediate the effects of a number of transactional background variables such as quality, shared values, communication, and trust on a number of consumer behavioral intentions, including customer retention, advocacy, and acquiescence (Morgan and Hunt 1994). This implies that customer commitment to the service provider would be a very important driver of customer loyalty in services industries. Marketing scholars and practitioners have recognized that customer commitment is a complex, multidimensional construct that includes at least an affective and continuance component (Gruen *et,al.,* 2000;Harrison-Walker 2001). The existence of a moderating relationship between components of commitment may also explain the mixed effectiveness of customer loyalty enhancement programs in services industries (Bolton *et al.,* 2000; Deighton, 2000; Rigby *et al.,* 2002).

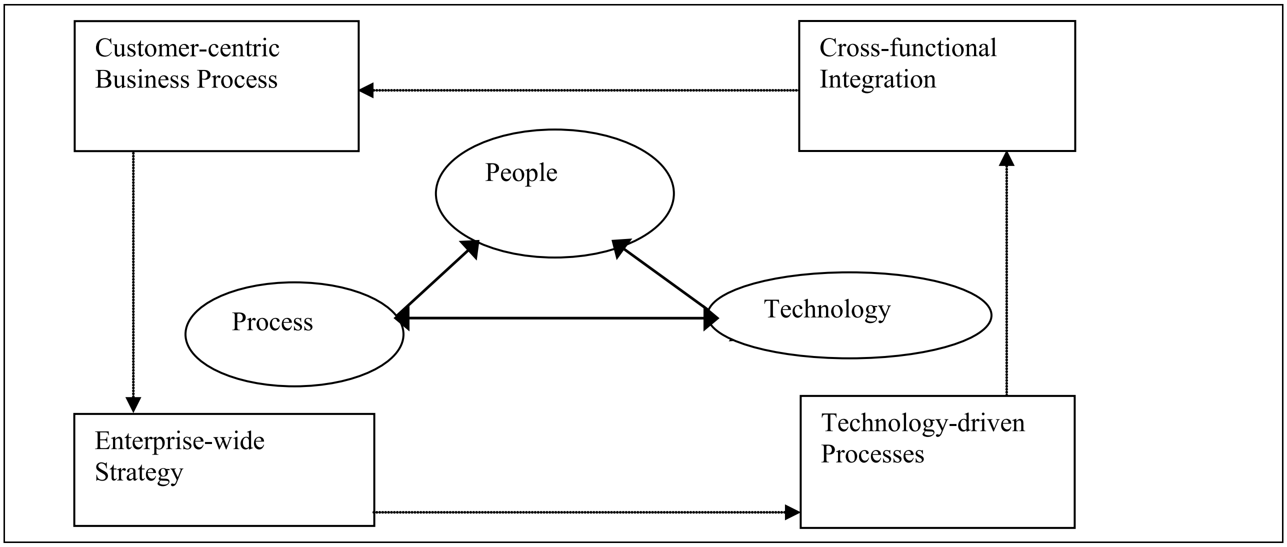
Despite the fact that commitment is a central construct in the area of relationship marketing, there is little agreement on the nature of the construct. Frequently, commitment is defined as a desire to maintain a relationship (Moorman *et al.,* 1992; Morgan and Hunt 1994). Sometimes it is conceptualized as a "pledge of continuity" from one party to another (Dwyer *et al.,* 1987). Others have put forward that the root of commitment lies in sacrifice or the potential for sacrifice that a party faces in the event that the relationship ends (Anderson and Weitz 1992) or the forsaking of alternative options (Gundlach *et al.,* 1995).

Successful Customer Relationship Management Implementation

Kovacs (2006) indicates that often, intelligent IT projects are doomed because of people problems. Bose (2002) agrees with Kovacs (2006) by arguing that CRM implementation may involve major IT and business process changes that all users must fully understand. Implementation of enterprise technology, such as CRM and ERP requires changes to organizational culture (Al-Mashari and Zairi, 2000). Consequently as suggested by Adebanjo (2003), the selection of CRM applications needs to be strategic and based on relevant criteria for implementation and stand a chance of success.

In support of the above views Chen and Popovich (2003) proposed a CRM implementation model that integrates the three dimensions of people, process and technology within the context of an enterprise-wide customer driven, technology integrated, cross functional organization. Figure 2 shows the CRM implementation model.

FIGURE 2
CRM IMPLEMENTATION MODEL



Source: Chen and Popovich (2003)

Information technology (IT) has long been recognized as an enabler to radically redesign business processes in order to achieve dramatic improvements in organizational performance (Davenport and Short, 1990). IT assists with the re-design of a business process by facilitating changes to work practices and establishing innovative methods to link a company with customers, suppliers and internal stakeholders (Hammer and Champy, 1993). Chen and Popovich (2003) argue that CRM systems accumulate, store, maintain, and distribute customer knowledge throughout the organization, thus they share the same views with Peppard, (2000) who also argues that information is critical for product tailoring, service innovation, consolidated views of customers and calculating customer lifetime value. In their model, Chen and Popovich (2003) argue that as more and more firms entered the market, mass marketing and mass marketing techniques where the goal was to sell what manufacturing produced started to lose effectiveness. Target marketing, or segmentation shifts a company's focus to adjusting products and marketing efforts fit customer requirements.

However there is a divergence of views between Kovacs (2006) who indicates that people problems inhibit IT project, and Al-Mashari and Zairi, (2000) who argue that organizational culture needs to be changed for enterprise technology such as CRM to be a success. This shows that although IT is the major enabler of successful CRM implementation, there are other CRM strategies which require different factors such as change in organizational culture, people, and processes for their success.

METHODOLOGY

A combination of descriptive and exploratory research methods were used in order to come up with more realistic findings. Both qualitative and quantitative studies were conducted. Qualitative questions were asked in order to allow free response to questions, as they have no predetermined answers. Quantitative questions were also asked out to avoid too much variation in responses because the questions asked had predetermined answers, thus business customers and employees had to choose their response from these predetermined answers.

Exploratory Research

Exploratory studies are undertaken to better comprehend the nature of the problem, since very few studies might have been conducted in that area (Sekaran, 2000). The problem in this case is that the automotive industry in Zimbabwe is facing intense competition both locally and internationally.

The researcher conducted an exploratory research in order to investigate why car dealers were using only database marketing and key account management as CRM strategies and benefits derived from them. Exploratory research was conducted as a preliminary research in order to find out if the area of study was indeed researchable, although subsequent research was later conducted in order to provide conclusive evidence. It was also undertaken because not much information was available to the researcher concerning the contribution of CRM strategies implemented in the Zimbabwe motor industry toward customer loyalty, thus the study helped to gain familiarity with the strategies being used and their benefits. Due to the fact that exploratory research was conducted as a preliminary research, the researcher found it necessary to conduct a descriptive research which gave more insight to the CRM strategies.

Descriptive Research

According to Sekaran (2000) a descriptive study is undertaken to ascertain and be able to describe the characteristics of the variables of interest in a situation. The researcher found descriptive research to be important as it provided the researcher with more information on CRM strategies offered by car dealers as well as the categories of loyalty for business customers in the industry. The descriptive study helped identify the business customers, as well as the front and back office employees who interact with customers as well as the methods of communication used in the motor industry such as e-mail, telephone, and direct mail together with the frequency of communication between the employees and business customers. Descriptive research helped in understanding the benefits of database marketing and key account management as CRM strategies in the motor industry.

Population and Sampling

The population constituted players in the motor industry and their key customers. A sufficient number of elements were selected from the population so that by studying the sample, it would be possible to generalize the characteristics of the population elements. The sample constituted 150 business customers and 147 employees including front and back office employees were included in the sample, which resulted in 297 respondents a the sample size. The sampling frame constituted of main branches and head offices of the car dealers in the three major cities. Business customers interviewed were those in and around the above mentioned cities**.** Non-probability sampling was used in order to obtain some preliminary information in a quick and inexpensive way; hence convenience and judgment sampling techniques were used.

Convenience sampling was chosen which had the most accessible population members. This sampling technique was chosen based on business customers and employees who were deemed appropriate for the study taking into consideration the accessibility of both employees and business customers and their willingness to co-operate. Convenience sampling was used especially in the exploratory phase of the research project. It was also used during the research as a way of getting some information on how the motor industry is implementing database marketing and key account management.

Instead of obtaining information only from those who are most conveniently available, the researcher found it necessary to obtain information from business customers and employees through judgmental sampling. Here the sampling was confined to specific types of people who were able to provide the desired information and these people were employees in the car dealers' main branches as well as their major business customers. The researcher used judgment sampling as it involves the choice of subjects who are in the best position to provide the information required.

Research Instruments

Questionnaires

Questionnaires were used as the main research instrument because of flexibility and also because they are the most common instrument used to collect primary data. The researcher used a combination of dichotomous, open ended and likert scales. The scales helped the researcher to try and fully get the research problem answered. The researcher used undisguised questionnaires meaning that the purpose of the research was made known to both employees and business customers.

Interviews

Unstructured interviews were conducted whereby the researcher entered the interview setting without a planned sequence of questions which were asked to employees. This was so because structured questions were already asked in the questionnaires. Unstructured interviews helped to uncover some preliminary issues and this helped the researcher decide on variables which needed further investigation. These interviews were undisguised as the employees were enlightened on the purpose of the research.

FINDINGS AND CONCLUSIONS

The Role of Trust And Commitment As Indicators of Customer Loyalty

It can be concluded that trust being the willingness to rely on an exchange partner in whom one has confidence in, has a role in enhancing customer loyalty as evidenced in citations by Morgan and Hunt (1994) who argue that trust is the determinant of commitment and commitment leads directly to co-operative behaviors which in turn impact loyalty. The major finding is that business customers agree that their car dealer is trustworthy when it comes to employing one-to-one marketing initiatives. Such a positive response entails that trust has a positive role to play as an indicator of customer loyalty.

It can also be concluded that despite general customers buying their vehicles across the borders where they are cheap, business customers who agree to their car dealer being trustworthy still buy brand new vehicles from reputable car dealers. This stems from the CRM strategies (i.e. database marketing and key account management) their car dealers use, as well as the frequency of communication and mode of communication used.

Benefits of Database Marketing and Key Account Management

Employees were given an option to choose from what were considered benefits of database marketing and the options were: customer loyalty, increase in sales, customer satisfaction and competitive advantage. The most popular benefit of using database marketing was customer loyalty. It can be concluded that customer loyalty is the major benefit of database marketing. It can also be concluded that a significant percentage of employees however viewed competitive advantage as another benefit of database marketing.

In the case of key account management, the most preferred benefit among the car dealers is increased profit margin. The next most realized benefit of key account management is relationship building. This finding therefore shows that key account management has contributed toward an increase in profit margins for car dealers.

Categories of Loyalty

AMC employees consider their customers as committed meaning that AMC employees view their customers as those who barely consider other brands and are prepared to add value to the AMC brand. It can be concluded that commitment towards the AMC brand can be attributed to their frequency of communication with business customers as well as their ability to deliver product and services as promised.

Comparing the views from business customers and employees, it can be concluded that some do not have a positive correlation, for example the majority of respondents consider their customers as committed while a majority of these customers when asked referred to themselves as convenience seekers. For the car dealers whose results do not correlate with those of customers the researcher concludes that there is deviation somewhere along the lines of CRM strategies being implemented and interpersonal communication between the parties.

Challenges Faced In Effective Implementation of Database Marketing and Key Account Management

From the interviews conducted it can be concluded that the major challenge in the effective implementation of database marketing is lack of information technology (IT)and all car dealers are lagging behind in modern IT. It is concluded that the cost of setting up CRM systems is expensive thus it proves to be another challenge for database marketing effective implementation. It can also be concluded that co-ordination has emerged as the major challenge for effective implementation of key account management.

The researcher found out that one fundamental problem for these car dealers is to obtain co-operation from other organizational members without having formal authority over them and this co-operation is needed for the success of key account management. The car dealers do not have key account managers save a customer service department at the car dealers' head office. Poor Communication was also cited by most car dealers as a challenge in converting a business customer into a key account as it lengthens the process. The researcher concludes that this poor communication and lack of management commitment in spearheading the key account management process is mainly attributed to the employees who are not knowledgeable enough to handle the business customers' needs and therefore poses as a challenge for effective key account management implementation.

RECOMMENDATIONS

The researcher recommends that car dealers could continue to improve on the medium of communications they use, taking advantage of modern information technologies. These technologies could in turn help in employing their 1-to-1 marketing initiatives.

It is recommended that to maintain commitment, car dealers could mediate on a number of transactional background variables such as service quality, shared values, and communication.

Other CRM Strategies

It is recommended that the CRM strategies be fully implemented in order to increase benefits to the company. There are other benefits which cannot be established from database marketing and key account management alone. Information Technology and 1-to-1 marketing have become popular by the day as a result of increased competition thus the motor industry could secure a new system with more CRM strategies for today and tomorrow in tune with the evolving needs of customers as they take advantage of new technologies and media.

Such strategies as sales force automation (SFA), personalization and e-mail marketing have been recommended. The researcher recommends SFA to all car dealers because it enables sales people to file regular reports electronically without having to travel to the central/ head office in person, thereby improving efficiency and productivity and also when a customer encounters a problem or has a query, they can interact with the organization via electronic means i.e. through SFA. It is recommended that all players in the motor industry could implement personalization as a CRM strategy due to the fact that it treats each visitor on the company website as an individual, recognizing them when they revisit the site and serving them based on their explicit or implicitly stated preferences, thus personalization is about building customer loyalty by building a meaningful 1-to-1 relationship.

E-mail marketing is also a recommended CRM strategy car dealers could adopt as it has a potential for maintaining customer loyalty. E-mail marketing offers potential for targeted and personalized communication and that e-mail marketing helps marketers keep in touch with their customers on a regular basis at a low cost.

Due to intense competition the researcher recommends that car dealers work toward having their customers in the committed category as it entails that their customers will barely consider other brands. This could be achieved through good customer relations and interpersonal communication with customers, and this will create a sense of belonging to customers thereby encouraging them to eventually see no reason to switch service providers.

In principle Zimbabwe car dealers claim to have adopted CRM strategies but on the ground it is something else. Although car dealers say that they use database marketing and key account management as CRM strategies, most of their database marketing is manually done and some of them do not even have websites that are functional, yet they say they use database marketing as a strategy. It is therefore recommended that they could use the following recommendations:

- Car dealers could adopt changes in information technology and make optimum use of new technologies in order to effectively implement CRM strategies.
- Internal marketing strategies such as HR training on the use of new technologies and incentivizing employees, by giving them better remuneration and working conditions could assist in effective implementation of CRM strategies.
- Effective implementation of enterprise technology such as CRM require changes to organizational culture, therefore top management could set the stage in CRM initiatives for leadership, strategic direction and alignment of vision and business goals in order to create a fit between organizational culture and CRM strategies.
- Car dealers could adopt solid CRM processes and technologies to better keep their existing customers and they could also build in checks and measures to continuously improve their systems.
- Car dealers could redesign their front and back offices and examine information flows between the front and back therefore top management commitment is expected to be apparent and plausible.
- Business processes could be redesigned by facilitating changes to work practices and establishing innovative methods to link a company with its customers, suppliers and internal stakeholders.

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