

# RELATIONSHIP AMONG CORPORATE IMAGE, INTANGIBLE PERCEIVED QUALITY, CHOOSING, HABIT AND CUSTOMER LOYALTY

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## *Abstract:*

*This study explores relationships among Corporate Image, Intangible Perceived Quality, Choosing, Habit and Customer Loyalty and investigates the pivotal role these variables play in establishing and maintaining healthy base of loyal customers. Data were collected from Pakistani bank account holders and the empirical findings showed that corporate image plays the most important role in establishing and maintaining customer loyalty in the markets. Organizations always look forward to long lasting success. In order to be successful in the long run, they need to keep abreast with all of their stakeholders. Out of the stakeholders, customers are considered to be the most important one. Customer Loyalty is a psychological motive which today's managers are considerate about. This study concludes that long-term success and sustainable reputation of an organization depends on customer loyalty.*

*Keywords: Corporate Image, Customer Loyalty, Customer satisfaction*

## **Introduction**

Customer loyalty is one of the most important issues organizations face today. Creating loyal customers has become more important due to significant increase in competition and concentrated markets. The world gradually has moved from satisfying customers to determining ways to a leap forward into making them loyal and the most important part of the current businesses. In the realm of fierce competition, research suggests that building long term relations with the customers is imperative for managers. The problem lies in identifying whether loyalty is an attitudinal or behavioral measure. Consumers are becoming more sophisticated in their requirements and they are increasingly demanding higher standards of service (Chen, Mei-Fang and Mau, Liang-Hung, 2009).

McGoldrick and Andre (1997) argues that the term loyalty is been used loosely and includes affection, fidelity or commitment. For this reason, customer satisfaction has been used as a measure of loyalty because it has been assumed that satisfaction affects buying intentions in a positive way. Reichheld (1994) finds that despite being satisfied or very satisfied many customers still defect. Such behaviour may be explained by the impact of other variables such as choice, convenience, price, and habit.

The subject of customer retention, loyalty, and defection is receiving much-needed attention in many industries (Matt Hasan, 2001). Building customer loyalty through loyalty marketing is a business strategy not just a marketing program, all businesses should seek to increase and maximize the share of

customers. Duffy (1998) and Fullerton (2003) states that the pursuit of customer loyalty is continuous and it is more of a journey than segmentation. The market is divided into several different segments that consist of groups of people with similar preferences within the groups rather than between the groups (Stewart, 1998). If a company practice loyalty marketing, they must first know who their loyal customers are, which a lot is easier for many business-to-business marketers than for most consumer goods marketers (Fox and Poje, 2002).

A bank has to create the customer relationship that delivers value beyond the provided by the core product. This involves added tangible and intangible elements to the core products, thus creating and enhancing the "product surrounding". Positioning is an attempt to distinguish the bank from its competitors along real dimensions in order to be the most preferred bank for a certain market segment or in other words, if a bank can position itself favorably within a particular marketplace, relative to competitors, that bank is a competitive one. Competitiveness means that a bank, in terms of its competitive position, its management and marketing strategies, its use of information technology, the quality of its products/services and its ability of managing long term customer relationship must be increasingly responsive to the market consideration and customer orientation (Olugbenga Jelil Ladebo, 2006).

In this environment naturally there are some customers who are using the banking services, and because of the similarity of the offered services by different banks, we consider the customers similar to each other.

### Research Questions

- Does customer habit influence the loyalty of the customer in the banking industry of Pakistan?
- Does choosing influence the

loyalty of the customer in the banking industry of Pakistan?

- Does Corporate Image influence the loyalty of the customer in the banking industry of Pakistan?

### Literature Review

Loyalty is essential intensity of customers towards sticking with or switching from their supplier and deciding to buy repeatedly from the same supplier. Loyalty can never be bought on the other hand, retention is the decision of the customer to stay with his/her current supplier. Retention is usually bought with the appropriate incentives or packages. The retention is subject to the product attributes, pecuniary switching costs, prices and internal loyalty is through customer care. The retention is also subject to advertisement strategies and the company has to offer some sort of external incentives. When the loyalty is increased, It actually means that the retention of the customer is increasing and on a rise.

Loyalty is somewhat internal to the customer it can only be changed through a shift in the value system and thinking pattern of the customer. Retention on the other hand can be increased by the firm through the application of incentives as well as rewards. Retention can never be ensured. Satisfied customers are usually retained and they maintain their relationship with the supplier. However, whenever the level of satisfaction decreases from the expectations, the customers start churning and look for better suppliers. The concept of providing complete satisfaction to the customer incurs heavy costs and is usually not investment friendly. In banking industry, just like other businesses, the costs of attracting new customers is quite high, e.g. costs of setting new accounts for customers; costs of attracting potential customers through advertisements and aggressive marketing campaign; costs of personal

selling and advertisement; costs of explaining the banking rules and procedures to the new customers; costs of orientation of the customers costs of charging minimal fee for selling up accounts etc (Berry 1995; Bendapudi and Berry 1997; Chaudhuri and Holbrook 2001). So, there is no doubt in acknowledging the importance of customer retention. It has a two-way advantage for banks. Firstly, the revenues increase through repeat purchase of the banks services throughout the life and secondly all the above mentioned costs decline to a minimal value. Thus customer retention has become a major tool for long-term success (Chang, Yao and Ying, 2009).

If the customers start leaving, the revenues start declining the business decision makers must understand and know that customer defection is really important to tackle. The more the customer defection, the greater is the loss in profits. In today's globalised world, it is quite demanding to retain a customer. The customers have so many banks to choose from and each bank allures the customer with some differentiating features. The customers can defect at anytime. so, encouraging customers to stay stuff but the managers have to try hard because they know that keeping an existing customer is go more beneficial, cost effective and profitable than acquiring a new one.

The customer loyalty does not only help in generating revenues and profits but it also helps achieve other benefits like advocating the process in which loyal customers become the advocates of the providers' goods and services.

This will help in generating new businesses and further expand the market range of the provider. Many researchers (Rust, Zahorik and Keiningham 1995; Trafimow 2000) emphasized that the share of wallet come from studies attempting to tickle down the effect from service quality programs upon the satisfaction, loyalty

and profitability of the customers. This chain is termed as service-profit chain by Burnham and Mahajan in 2003. These results suggest that quality improvements help both customer acquisition and customer retention. New customers are attracted and endorsed from existing customers about quality products. Existing customers are encouraged by their banks to remain committed which will result in the higher retention and automatically lower defection rates. Such customers devote a greater share of wallet to their banks. Reichland (1996) has shown in his research that minimal increase in retention rates result in considerable effects on profitability.

Corporate image is another important factor in the overall evaluation of service quality. Corporate image is defined as the perception of an organization that customers' hold in their memories. Because it works as a filter through which a company's whole operation is perceived, a corporate image reflects a company's overall reputation and prestige. Aydin and Ozer (2005) claim that a corporate image emerges from a customer's net consumption experiences; hence, perceptions of service quality affect corporate image. Brown and Dacin (1997) claim corporate image derives from customers' perceptions of capability and social responsibility.

Corporate capability refers to the company's expertise in delivering product and service offerings, such as effective innovation and high service quality, while corporate social responsibility refers to the company's management of social issues. Corporate image thus impacts a customer's evaluation of service quality, satisfaction and loyalty (Andreassen and Lindestad, 1998; Zins, 2001). Signaling theory provides a framework for explaining the empirical link between corporate image and customer loyalty (Erdem and Swait, 2004). According to this theoretical view, the institution's

communications, developed to build its reputation for social responsibility and capability, create a repository of credible information signals. Customers use these cues to ascertain the quality and value of the intangible services the firm provides (Teas and Agarwal, 2000). Moreover, much research that applies signaling theory to an online environment finds that reputation plays an important role for consumers when determining the product quality of an online retailer (Chen and Dubinsky, 2003; Kwon and

Lennon, 2009). In other words, consumers who develop a positive mental schema of a brand will tend towards higher satisfaction and loyalty (Brodie et al., 2009; Hartman and Spiro, 2005). Therefore, a positive corporate image appears to encourage customer loyalty to the service provider.

Even though there is no consensus about conceptualizing and measuring service quality (Carman, 1990). Aydin&Ozer (2005) assumed service quality to be "the consumer's judgment about the overall excellence or superiority of a service" (Zeithaml, 1988). In order to have a better understanding about service quality, they also mentioned that the attributes of service quality are as follow: services are intangible; services are heterogeneous, meaning that their performance often varies with respect to the provider and the customer; services cannot be placed in a time capsule and thus be tested and re-tested over time; and the production of services is likely to be inseparable from their consumption. Because of the attributes of services, the evaluation of service quality is more difficult than the evaluation of product quality. Also, the evaluation may be connected with the service delivery process, along with output (Gustavsson, Lundgren, 2005).

In the relationship existing between the different factors and loyalty, the degree of elaboration which is followed in the decision-making

process can have a moderating influence. Elaboration is a construct based on the information processing theory (Petty and Cacioppo, 1997) and is determined by the motivation and the ability of a consumer to elaborate on the brand choice (Bloemer and Ruyter, 1998). Motivation can be operationalised by bank choice involvement and ability can be operationalised by bank choice deliberation. (Beerli, Quintana, Martin, 2004). Choosing varies according to the cultures of different countries. This is a very important factor to be considered in analyzing the loyalty of the customers. Zeithami (2000) highlighted on the point that customers perceive service in terms of their satisfaction and the quality of the service provided to them. Kotler et al. (1998) emphasized the importance of effective interaction between service providers and customers to create superior value during service encounters. Studies on well-managed companies show that good customer service can set one business apart from other competitors. These companies possess distinctive strategies for satisfying customer needs that win customer loyalty. In addition, it can result in attracting new customers through word-of-mouth influence. Hence, customers' perception towards service quality is influenced by price, image, and quality.

Despite the fact that motivation and the ability of a consumer to elaborate on the choice can be high if the consumer does not perceive differences among brands, the degree of elaboration in the decision-making process may be low. Therefore the perceived distinction between different brands is important (Teck-Yong and Kim, Eun Jin, 2006).

Therefore, loyalty is a concept that goes beyond simple purchase repetition behavior since it is a variable which basically consists of one dimension related to behavior and another related to attitude where commitment is the

essential feature (Day, 1969; Jacoby and Kyner, 1973). Beerli et al. (2004) referred to Jacoby and Chestnut (1978), Solomon (1992) and Dick and Basu (1994), mentioned the combination of these two components enables us to distinguish two types of customer loyalty concepts: (1) The loyalty based on inertia, where a brand is bought out of habit merely because this takes less effort and the consumer will not hesitate to switch to another brand if there is some convenient reason to do so; and (2) The true brand loyalty, which is a form of repeat purchasing behavior reflecting a conscious decision to continue buying the same brand, and it must be accompanied by an underlying positive attitude and a high degree of commitment toward the brand.

Customers that are entirely or very satisfied show a lower propensity for switching (Stauss and Neuhaus 2005; Mittal and Lassar 2002). On the other hand, Söderlund (1998) states that despite the positive association between satisfaction and loyalty, increasing satisfaction does not necessarily cause an equal increase in loyalty.

It is a fact of life that the force of habit still dictates many behavioral intentions, when people have gained experience. A prior research has indicated that habitual behavior leads to the continuation of the same type of behavior. Once a behavior has become a habit, or a well-practiced behavior, it becomes automatic and is carried out without conscious decision. According to Lin and Wang (2006), about 40-60% of the customers purchase from the same store is through the force of habit. They visit the websites out of habit rather than through a conscious evaluation of the perceived benefits and costs offered.

Indeed, when habit is well-entrenched, people tend to ignore external information or rational strategies. (Rubach and Emma, 2002)

theory of attitude and attitude change: that behavioral intentions are the products of attitude, social norms, and the effects caused by habit. Prior studies comparing the Theory of Reasoned Action and related theories using habit as an determinant of behavioral intentions. The researchers have found that habit can directly affect behavioral intentions more than attitude and social norms (Ryals and Knox, 2001; Trafimow, 2000). It is mentioned that habit alone can explain a large proportion of the variance in the continued use of a service. Applying these findings to loyalty suggests that customers' intentions of repeat purchases on a specific place, (one they have habitually used in the past), will increase, due directly to the habit of visiting that specific place.

As a result, there are numerous works in marketing which have attempted to explain the relationships between loyalty and the various variables regarded as determinants, the most significant of which are customer satisfaction, and, to a lesser degree, switching costs (Bearden and Teel, 1983; LaBarbera and Mazursky, 1983; Kasper, 1988; Bloemer and Lemmink, 1992; Cronin and Taylor, 1992; Fornell, 1992; Oliva et al., 1992; Anderson and Sullivan, 1993; Bloemer and Kasper, 1993, 1995; Boulding et al., 1993; Oliver, 1999).

### **Methodology**

A self-administered questionnaire method for collecting the primary data. More importantly replicated a study that had been done in Taiwan by (Lin and Wang, 2006) and in Spain by (Beerli, Martin, Quintana, 2004)'s questionnaire and in Iran by (Golrou Abdollahi, 2007).

Hence in this research we combine those three questionnaires and added some more to them.

First the duplicated questions were omitted. Then because of the different environment between the banking industry of Pakistan and other countries,

questions had to be checked to see whether they needed localization changes or not. Some of the questions were edited for this reason. And a few questions were added to some of the factors.

The questions in the questionnaire tried to find the factors of customer loyalty in Pakistan. The above opinions were measured by requesting respondents to indicate, on a five-point Likert-type scales, anchored on "1 = to a very little extent" through "5 = to a very great extent", their agreement or disagreement with a series of statements that characterize the factors for loyalty model of the customers in banking industry in Pakistan.

A total of 350 questionnaires were

distributed among the respondents out of which we got 316 filled questionnaires. The response rate was 93% which was quite high.

### **Intangible Perceived Quality**

Intangible quality is the unseen perceived quality of the product or service. The product is equal to the service in the service sector, so in banking industry, the quality of the services is analyzed by the customers. The customers are asked different questions about the intangibility of the services. The intangible perceived quality category has eight questions in total. The table shows the questions for the customers.

**Table 1**

#### **Intangible Perceived Quality Questions**

1. *Do you agree this bank insists on providing the services error free?*
2. *Do you agree this bank provides its services at the time it promises to do so?*
3. *Do you agree the bank employees are fast enough in providing the services?*
4. *Do you agree employees of this bank are always willing to help you to overcome the problems?*
5. *Do you agree the behavior of employees of this bank instills confidence in customers?*
6. *Do you agree employees of this bank are constantly courteous to you?*
7. *Do you agree employees of the bank pay special attention to you?*
8. *Do banks value people and relationships ahead of short-term goals?*

The Cronbach's alpha which is used to check the reliability and validity of the questions, was gained from these right questions. The Cronbach's alpha for intangible perceived quality category were 0.816 which was a very high one. This means that the questions about intangible perceived quality were reliable and also valid. The following table shows the average of means and also variances of the questions. The average item means was 3.612 which shows that the customers agreed to almost great extent with the fact that the

banks are providing them with the desired level of intangible quality in their services. The overall unseen quality of services of the bank is on the stronger side.

The item variances of the intangible perceived quality category was 0.615 and a low variance is always a good symptom. This low variance shows that the questions were designed in such a way that most of the customers understand it in the same way.

**Table 2**

**Intangible Perceived Quality Average Result**

Intangible Quality	Mean
Item Means	3.612
Item Variances	.615

The following table shows the standard deviations and means of the questions which were answered by the customers.

**Table 3**

**Intangible Perceived Quality Mean and Std. Deviation Result**

	Mean	Std. Deviation
IPQ1	3.55	.83
IPQ2	3.57	.75
IPQ3	3.46	.94
IPQ4	3.65	.77
IPQ5	3.61	.74
IPQ6	3.66	.78
IPQ7	3.17	1.17
IPQ8	3.63	.87

In intangible perceived quality category the customers felt particularly strong about the sixth and fourth questions with an average of 3.66 and 3.65 respectively. The customers do not feel strong enough about the employees

of the bank as they do not pay special attention to them whenever they are stuck with any problem.

The inter-item correlation between these questions is as follows:

**Table 4**

**Intangible Perceived Quality Inter-Item Correlation Matrix**

	IPQ1	IPQ2	IPQ3	IPQ4	IPQ5	IPQ6	IPQ7	IPQ8
IPQ 1	1.000	.539	.278	.318	.268	.162	.061	.102
IPQ 2	.539	1.000	.408	.359	.358	.293	.187	.073
IPQ 3	.278	.408	1.000	.615	.416	.413	.326	.141
IPQ 4	.318	.359	.615	1.000	.680	.510	.450	.266

<b>IPQ 5</b>	.268	.358	.416	.680	1.000	.695	.599	.254
<b>IPQ 6</b>	.162	.293	.413	.510	.695	1.000	.893	.278
<b>IPQ 7</b>	.061	.187	.326	.450	.599	.893	1.000	.257
<b>IPQ 8</b>	.102	.073	.141	.266	.254	.278	.257	1.000

### Choosing

Choosing has an important role to play in the loyalty of a customer. This variable will find out what role does choosing power plays in making a customer loyal or defection. If the customer chooses a bank after a careful analysis of different banks and considering some of the crucial factors then obviously his or her loyalty towards that particular bank will be quite strong because of his/her efforts in choosing the right bank. When a customer

decides to choose a company for getting some sort of services, for example a bank to have the financial services, if the selection of that target company is done by considering some factors, then being loyal to that company in the future is more possible and probable.

The questionnaire has four questions which represent this category. The table enlists the questions related to the choosing category.

**Table 5**

### Choosing Questions

*Before choosing a bank do I consider its advantages and disadvantages?*  
*The decision which I make for choosing a bank for the first time is very important?*  
*Before choosing a bank, do I compare it with other banks?*  
*Before choosing a bank, have you taken input from others (Parents, Relatives and Friends)?*

The reliability of this factor was calculated through SPSS which was 0.897 showing that the questions were reliable as well as valid. The means

and standard deviations of these four questions of choosing category are shown in the following table.

**Table 6**

### Choosing Mean and Std. Deviation Result

	Mean	Std. Deviation
<b>CH1</b>	3.67	.91
<b>CH2</b>	3.29	.88
<b>CH3</b>	3.50	.865
<b>CH4</b>	3.40	.93

The results show that the customers consider the advantages and disadvantages of a bank while choosing. The customers analyze the merits of the services of the banks and compare it other banks and finally select or chooses a bank. The lowest mean is

of question number 2 which shows the decision of choosing bank is not as important in the first instance.

The average of the means and the variance of the questions of the choosing factor are given in table.

**Table 7**

**Choosing Average Result**

Choosing	Mean
Item Means	3.466
Item Variances	.808

The inter-item correlation between these questions is as follows:

**Table 8**

**Choosing Inter-Item Correlation Matrix**

	CH1	CH2	CH3	CH4
CH1	1.000	.499	.768	.678
CH2	.499	1.000	.665	.615
CH3	.768	.665	1.000	.892
CH4	.678	.615	.892	1.000

**Habit**

Habit is an important factor in repeat purchases and becoming loyal. I visit some of the websites out of habit. Gradually habits turn in to permanent behaviors. Once a behavior has become a habit, or a well-practiced behavior, it becomes automatic and is carried out without conscious decision.

The researchers have found that habit can directly affect behavioral intentions more than attitude and social norms. It is a fact of life that the force of habit still dictates many behavioral intentions, when people have gained experience. Six questions in my research has described this all important factor. These are:

**Table 9****Habit Questions**

1. Do I use this bank because my family also uses it?
2. Do I use this bank because I am admitted as a member of this bank by my office or family?
3. Do I use this bank because it is near my office or home?
4. Do I use this bank because it has many branches?
5. Do I use this bank because this is the first bank which I used its services?
6. Am I used to using of the services of this bank?

The Cronbach's alpha which was gained from the respondents' answer was 0.769. Although this was the lowest of all the other factors but even then it is above 0.70 which is the standard. So

the questions are reliable and valid.

The table shows the results of mean and Std. Deviation of the questions which are related to the habit.

**Table 10****Habit Mean and Std. Deviation**

	Mean	Std. Deviation
<b>H1</b>	3.07	.965
<b>H2</b>	3.20	.913
<b>H3</b>	3.26	.963
<b>H4</b>	3.32	.985
<b>H5</b>	2.96	.739
<b>H6</b>	3.32	.944

The fourth and sixth question has the highest mean. The fifth question has the lowest mean and standard deviation which states, the customers do not

agree to a considerable extent that they became habitual after initially using the services. The average of means and variance is as follows:

**Table 11****Habit Average Result**

Habit	Mean
Item Means	3.186
Item Variances	0.850

The inter-item correlation between these questions is as follows:

**Table 12**

**Tangible Perceived Quality Inter-Item Correlation Matrix**

	<b>HB1</b>	<b>HB2</b>	<b>HB3</b>	<b>HB4</b>	<b>HB5</b>	<b>HB6</b>
<b>HB1</b>	1.000	.042	.031	.022	-.120	-.009
<b>HB2</b>	.042	1.000	.944	.868	.025	.808
<b>HB3</b>	.031	.944	1.000	.829	.039	.786
<b>HB4</b>	.022	.868	.829	1.000	.030	.685
<b>HB5</b>	-.120	.025	.039	.030	1.000	.055
<b>HB6</b>	-.009	.808	.786	.685	.055	1.000

Corporate Image is another variable which makes customers loyal to their respective banks. The speed of

service innovation will determine a new future for marketing in high-tech service markets in coming years.

**Table 13**

**Corporate Image Questions**

<ol style="list-style-type: none"> <li>1. <i>Would I always recommend my bank to the others?</i></li> <li>2. <i>Do I know well about the bank?</i></li> <li>3. <i>I am satisfied from Corporate Social Responsibility of the Bank.</i></li> <li>4. <i>Will you continue relationship with this bank even if it is unable to meet some of your needs?</i></li> </ol>
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The Cronbach's alpha was 0.873 which gives evidence of the reliability and the validity of the data. This is the dependent variable of my research and all other factors are trying to find and identify the customer's loyalty in the

banking sector of Pakistan. Through these four questions, the direct response of customers about the image is measured.

The means and standard deviations are as follows:

**Table 14**

**Corporate Image Mean and Std. Deviation Result**

	<b>Mean</b>	<b>Std. Deviation</b>
<b>CI1</b>	3.58	.967
<b>CI2</b>	3.46	.996
<b>CI3</b>	3.62	.909
<b>CI4</b>	3.28	.972

The third question has the highest mean and the customers have shown their strong willingness to continue buying the products and service of their respective banks. The fourth question has the least mean which states that the

customers may think to switch the bank if it is unable to meet some of their basic demands and needs.

The average of means and variances is then given in the table.

Table 15

**Corporate Image Average Result**

Commitment	Mean
Item Means	3.486
Item Variances	0.925

The inter-item correlation between these questions is as follows:

Table 16

**Corporate Image Inter-Item Correlation Matrix**

	CI1	CI2	CI3	CI4
CI1	1.000	.829	.967	.408
CI2	.829	1.000	.812	.376
CI3	.967	.812	1.000	.421
CI4	.408	.376	.421	1.000

The Correlations procedure computes the pair wise associations for a set of variables and displays the results in a matrix. It is useful for determining the strength and direction

of the association between two variables.

The correlation matrix between different factors is shown in the table below.

Table 17

**Correlation Result**

	IPQ	CH	HB	CI
IPQ	1	0.145	0.16	0.295
CH	0.145	1	0.056	0.25
HB	0.16	0.056	1	0.386
CI	0.295	0.25	0.386	1

The validity determines the extent to which a scale measures a variable of interest. For it factor analysis was conducted. These results confirm that each of the factors is unidimensional and factorially distinct and that all items used to operationalize a particular determinant is loaded onto a single factor.

**Conclusions**

When a customer stays with a

bank to have some sort of services, it can have two reasons. First this customer is really satisfied with the current services and the next reason could be the habitual behavior. It means that some sort of reasons is related to the factor Habit. Some of the most important habitual reasons are measured in this research like the family influence, or the distance which can make a customer find the habit of using a special bank services. In finding the

loyal customer, this category also can be considered. But it is not as serious as the satisfied customers.

The customer managers should find this category and to minimize the risk of defecting of these customers, they can find a way to change this group of customers to satisfied ones. By doing this, the number of loyal customers is not changed at the moment but the number of satisfied ones and also the number of future loyal customers is changed.

The next link which is valid, and its t-value is greater than 2 is the link between switching cost and loyalty. By analyzing the answers of the three questions of this part, the relationship between the loyalty of the customer and the switching cost can be explained as below:

When a customer is not sure about the new bank which might be chosen, it makes him/her not move simply and suddenly. He or she thinks that should spend more time in order to be able to make a good decision. This process makes the customer stay more with the current bank, because he/she considers the risk of not being satisfied with the new bank and tries to think more about switching. By doing so, staying with the bank for a longer time is more possible than choosing a new one carelessly.

The next factor that has a valid

relationship with loyalty is choosing. In this factor when a customer tries to find a new bank for having financial transactions, he or she tries to compare the different banks with each other. And at last the best one will be found (almost it is in his/her point of view), so because of the effort that the customer puts for selecting the bank, he/she would be more satisfied with the services of the new bank. In long time, this can make a long-term relationship, and the customer who tries to compare the banks and select the proper one would be more satisfied and loyal. By this explanation, the link between choosing and satisfaction becomes clear.

Result of the correlation analysis of corporate image and customer loyalty suggests that there is significant and positive correlation between these two variables ( $\gamma = 0.258^*$  at  $p < 0.05$ ). This result is consistent with previous studies e.g. Belk (1988) and Aaker (1999). So the managers of the banks can give this permission to the banking industry's customers to have some sort of clear information about the services and also about the bank itself. Choosing can have a big role in making a new customer a loyal one. If a company pursues service innovation while assessing market potential, the service will be like a golden goose that brings in money.

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