ANTECEDENTS OF PURCHASE INTENTION AMONGST THE YOUTH IN THE BANKING SECTOR IN SOUTH AFRICA

BY

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ABSTRACT

The banking industry is adopting a holistic and customer centric approach in order to match the evolving customer banking preferences; this study has set out to examine Customer Equity as an antecedent of Perceived Brand Authenticity and Purchase Intentions amongst the South African youth in the banking sector using Social Exchange Theory and the Theory of Planned Behaviour. An empirical model was conceptualised to examine the relationships between Customer Equity and Perceived Brand Authenticity on purchase intentions. Four research hypotheses were developed and a data set of 253 was collected from a sample of Witwatersrand students to empirically test these hypotheses using Structural Equation Modelling (Amos 22 and SPSS). The findings indicated that from the relationship between Customer Equity and Perceived Brand Authenticity, Value Equity and Brand Equity had a significant and positive effect, however Relationship Equity had no significant influence. The relationship between Perceived Brand Authenticity and Purchase Intentions had significant positive effects.

The findings from this study provide useful contributions to practitioners measuring marketing efforts and maximising Customer Equity in the banking industry and builds on existing literature on the Customer Equity framework in the South African context. Recommendations are outlined and future research direction is suggested.

DECLARATION

I Yoliswa Nkomo, declare that this research report is my own work, except as indicated in the references and acknowledgements. It is submitted in partial fulfilment of the requirements for the degree of Master of Management in Strategic Marketing at the University of the Witwatersrand, Johannesburg. It has not been submitted before for any degree or examination in this or any other university.

Yoliswa Nkomo

Signed at ……………………………………………………

On the …………………………….. Day of ………………………… 2016

DEDICATION

I am dedicating this research report and the completion of Master in Management degree to my mother, Elizabeth Mapopi Nkomo, and my siblings, Hlonelwa, Fezile and Zukiswa, who have been my pillar of strength and support. Thank you for the constant love and encouragement.

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I would like to thank all those who have contributed to the completion of this research report.

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1 CHAPTER 1: OVERVIEW OF THE STUDY

1.1 Introduction

Customer Equity has become paramount to marketing practitioners because it helps build relationships with customers, long term profit, drives shareholder value and can be utilised as an overall metric to measure marketing effectiveness (Hyun, 2009). Consequently, both academics and marketing practitioners have given a lot of attention to Customer Equity because there is a growing need for marketing to be more accountable and to indicate the effectiveness of their marketing programmes (Vogel, Evanschitzky & Ramaseshan, 2008). It has been highlighted that Customer Equity is a customer centred tool as opposed to a product centred approach to marketing (Bick, 2009).

Notably, previous studies have mainly been conducted to investigate the link between Customer Equity and market value (Silveira, de Oliveira & Luce, 2012), in the service context, the model was used to test chain restaurant brand formation (Hyun, 2009; Wong, 2013). Furthermore, in luxury brands, the model was used to examine consumers' attitudes toward luxury brands and the relationship among attitude toward luxury brands (Kim & Ko, 2012), in the supermarket industry to test the impact of the model on consumer loyalty-intentions (Dwivedi, Merrilees, Miller & Herington, 2012) and in the professional soccer context to examine how consumer behavioural intentions are enhanced by demographic and relational moderators (Yoshidaa & Gordon, 2012). However there is very little evidence that indicates previous studies have covered Customer Equity in the banking sector in the South African context, specifically focusing on the youth.

Based on the identified gaps, this study has four objectives. Firstly, the study wants to examine the relationship between Brand Equity and Perceived Brand Authenticity. Secondly the paper seeks to understand the relationship between Relationship Equity and Perceived Brand Authenticity. Thirdly, it attempts to examine the relationship between Value Equity and Perceived Brand Authenticity. Lastly, the study investigates the relationship between Perceived Brand Authenticity and customer purchase intention. The findings from this study are aimed at adding new knowledge to current literature based on Customer Equity and Perceived Brand Authenticity. In addition, the study will provide practical implications which will provide guidelines in maximising Customer Equity in the banking industry in the South African context.

The remainder of this research reviews the literature on Customer Equity and brand authenticity; followed by the proposed conceptual research model and the research hypotheses that were developed. This study also provides the research methodology, the analyses of the data and presented the results. To conclude, the findings are discussed, implications are provided and limitations and future research directions are highlighted.

1.2 Purpose of the study

The purpose of this study is to examine Customer Equity as an antecedent of Perceived Brand Authenticity and Purchase Intentions among the youth in the banking sector in South Africa.

1.3 Context of the study

According to Standard Bank (2016), banks include wholly owned subsidiaries engaged in providing banking services. The South African banking system remained stable during the turmoil in international markets; this was due to the fact that domestic banks were not heavily vested in complex or high risk instruments and had limited foreign exchange on their loan books (National Treasury, 2015). The main responsibility of the Reserve Bank is regulating and supervising banks in South Africa, in order to achieve a sound and capable banking system in the interest of the bank and the country's economy. This function is achieved through the issuing of bank licences to financial institutions, and monitoring their activities in terms of the Banks Act (No 94 of 1990) or the Mutual Banks Act (No 124 of 1993) and the regulations relating thereto (See Appendix 2). The South African banking sector has a developed and regulated banking system which is comparable to that of industrialised countries (South African Reserve Bank, 2016).

The global and domestic banking landscape has endured great difficulties, due to volatility, uncertainty and mixed economic sentiments. The banking industry finds itself in the grasp of a rapidly changing world; amidst these uncertain and challenging economic conditions, customer expectations are continuing to change and intersect with new technologies, coercing banks to deepen their focus on decisions associated with cultures, channels and operations in order to meet their customer needs (Price Waterhouse Cooper, 2014).

The traditional differentiators, such as large branches, ATM networks, phone banking, priority banking and online banking, no longer offer competitive advantage (Capgemini, 2012); these branch-based distribution models are insignificant in the majority of developing countries and are not able to meet the rapidly evolving customer needs and requests for easy access across banking services (Accenture, 2016).Customers, across all segments, expect convenience, personalisation, reliable services and 24/7 accessibility (Capgemini, 2012).

The evolution of customer preference has resulted from a number of innovations emerging across the primary account holders. Improved technology has permitted virtual banks to introduce new and compelling value propositions beyond just lower costs. Mobile devices have led several financial institutions to add digital channels for basic transactions, however, the challenge with these channels is that they do not meet customer demand for a fully functional mobile platform. The non-traditional players in the market are emerging by offering mobile apps that make financial transactions even more effortless to their customers (World Economic Forum, 2015).

The South African banking sector has attracted significant global attention with several foreign banks extending their footprint into South Africa and others acquiring stakes in the major South African banks. According to the World Economic Forum Global Competitiveness Report 2015/2016, the sector has been ranked 8th out of 140 countries. Currently there are 17 registered banks in the South African banking system, 2 mutual banks, 4 local branches of foreign banks, 43 foreign banks with approved local representation offices and 2 co-operative banks (The Banking Association of South Africa, 2016). Figure 1 shows the number of banks in South Africa

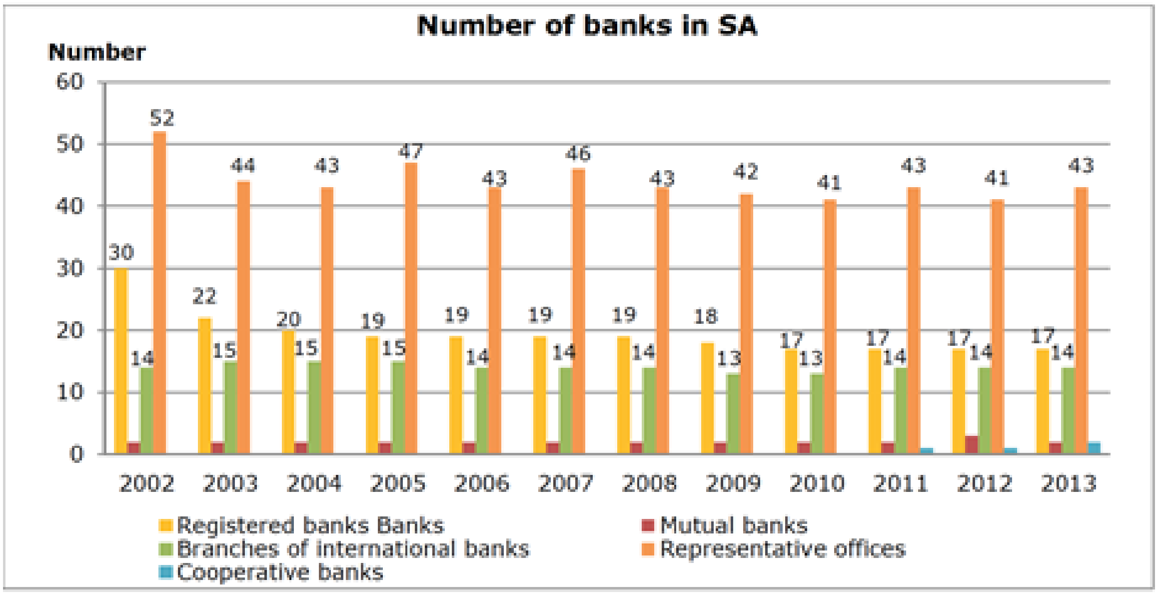


Figure 1: Number of Banks in South Africa (The Banking Association of South Africa, 2015)

Traditional retail banking (transactional banking and deposit taking), personal banking and electronic banking are the most vital in retail market segments and banks have demonstrated success in penetrating these markets. The retail banking segment is an intense and competitive segment followed by investment banking, trading and secured lending (PWC, 2013).

In spite the challenging and complex operating environment, the major banks have posted commendable results. Jointly, the banks have reported an increase of 8.5% in headlines earnings to reach R30 billion in 2014 compared to 2013. Revenue growth remained as one of the strategic objectives for all major banks, however not all major banks succeed in growing revenue at a faster pace than cost growth (Price Waterhouse Cooper, 2014). Bankers have realised that, in order to ensure growth they need to address three critical battles, which is restoring customer trust and engagement, avoiding commoditisation and defending their payments business against progressive disintermediation from new entrants such as Pay-Pal and Google wallet (Accenture, 2016). Below is a glance of the South African major banks

Figure 2: South Africa's major banks at a glance (Price Waterhouse Cooper, 2013)

Banks have adopted various strategies to increase revenue, such as including new fees and thresholds on cheque accounts, strengthening cross selling efforts, re-pricing of premium services and an increased focus on fee-based business, such as wealth management. However, some of these efforts have encountered some resistance from customer and regulatory scrutiny coercing some of the banks to rethink their pricing strategies (Deloitte, 2013).

South Africa's biggest retail banks are First National Bank, Absa, Standard Bank and Nedbank (Business Tech, 2015). The figure below illustrates the market share of the respective banks; Standard Bank is leading with a market share of 25%, followed by Absa and FNB who are both sitting at 20%. Lastly, Nedbank with the market share of 18%.

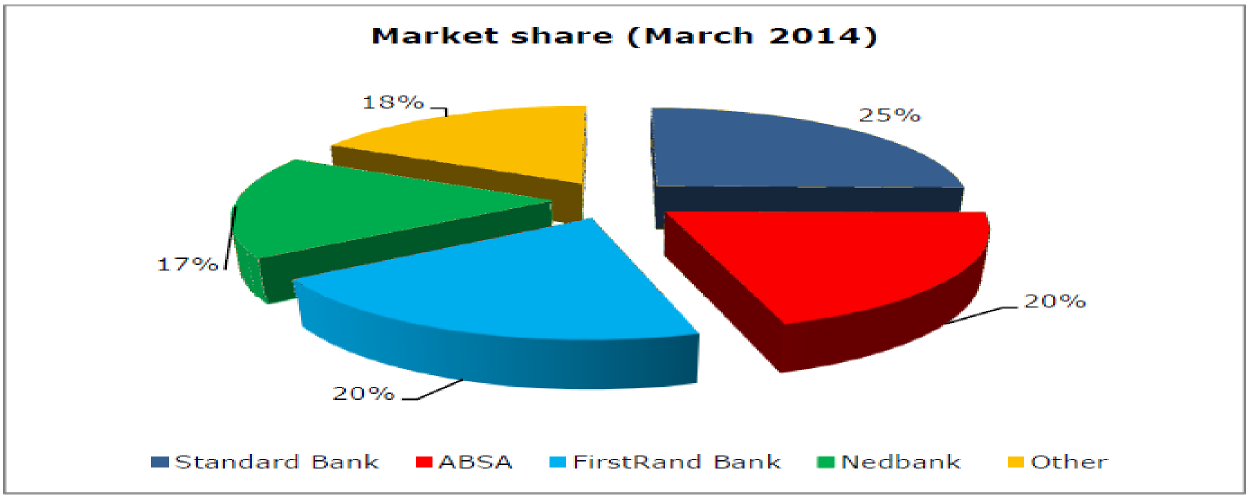


Figure 3: Market Share (The Banking Association of South Africa, 2014)

Table 1 represents the four major banks' customer base, the leading bank in South Africa is Standard Bank with a customer base of 11.1 million, followed by Absa with a customer base of 9.2 million. Absa experienced the highest increase in customer base of 7% amongst the four major banks. First National Bank's customer base was 7.1 million, which decreased from the 7.6 million customer base it obtained in 2013. The decline in FNB customer base was due to the loss of government's social grant tender which resulted in a huge loss of its portion in the mass market (Business Tech, 2015)

Table 1: South African Banking Customer Base

Bank	Customers 2013/14	Customers 2014/15	Change
Standard Bank	10.4 million	11.1 million	**6.7%**
Absa	8.6 million	9.2 million	**7.0%**
FNB	7.6 million	7.3 million	**-3.9%**
Nedbank	6.7 million	7.1 million	**6.0%**

Source: Business Tech (2015)

Table 2 illustrates the brand value amongst the four major banks. Brand value refers to replacement value or sale of the brand and implies the company based perspective (Raggio & Leone, 2007). Absa was ranked the most valuable banking brand in South Africa obtaining a brand value of R189.1 billion, surpassing Standard Bank that was leading in 2013 with a current brand value of R150.8 in 2014. First National Bank also surpassed the former number one and has a brand value of R165.3 billion. Nedbank's is in fourth position, its brand value decreased by 2%; it is currently sitting at a brand value of R139.5 billion (Business Tech, 2015).

Table 2: South Africa's banking brand value

Bank	Brand Value 2013/2014	Brand Value 2014/2015	Change
Absa	R145.9 billion	R189.1 billion	**30%**
FNB	R126.0 billion	R165.3 billion	**31%**
Standard Bank	R190.3 billion	R150.8 billion	**-21%**
Nedbank	R142.7 billion	R139.5 billion	**-2%**

Source: Business Tech (2015)

Currently, a holistic approach to customer relationships is being adopted by banks. This customer centric orientation involves anticipating customer needs, responding to queries in real time and pricing for customer most valuable services. The experience the customers receive should be transparent, cost effective and convenient (PWC, 2013).

Creating a differentiated customer experience is the key to driving revenue growth. The customer experience can be revised by improving processes, utilising better technologies, deeper customer insights and a more rigorous customer data management system is required. Through investing in data analytics across the value chain, from customer on-boarding to resolution of a complaint, banks can obtain a better understanding of their customers and products. This is not a departure from the current banking approach; it is designed to enhance current efforts (Deloitte, 2014).

The majority of payment innovation within the banking sector work in unison with the present processes, they intend to modify front-end processes to improve merchant and customer experience. They enhance the customer access by using the existing payment network ecosystem to connect with parties already on the platform and make payments more convenient, leveraging new form factors, for example, Visa checkout. They consolidate the point of sale and payment network as a single entity to create a more flexible experience for merchants and consumers, for example, PayPal. They also aim to complement the current point of sale by leveraging mobile connectivity to ensure an effortless payment process and increase accessibility to merchants for example, Uber (World Economic Forum, 2015).

The expectation in all markets is that customers can transition seamlessly across channels and are able to use a preferred channel, depending on the required activity, whether it is a simple transaction or seeking advice. There is a significant increase in the number of customers looking to use their smart phones for a range of banking and payment activities, including contactless payment and payments direct from the customer into the merchants’ account without the use of a debit or a credit card (Ernest & Young, 2015).

According to the World Economic Forum (2015), there are certain benefits to electronic transactions for both the consumer and the financial institution, such as convenience; it reduces the need for consumers to carry cash. Secondly, it is more efficient because it reduces the cash management costs for both businesses and financial institutions as the number of exchanged costs and money movements are reduced by electronic settlements. Thirdly, there is traceability, it increases the degree of visibility into the flow of money for financial institutions and regulators, taxation facilitation, information gathering and transparency. Lastly, it protects consumers and merchants from theft and fraud by documenting transaction records and reducing the need to hold cash (World Economic Forum, 2015). Below are findings of the important key features or benefits sought from financial service providers (Ernest & Young, 2015).

Table 3: Most important key features or benefits sought from primary financial service

Percentage	**Key Feature/Benefit**
35%	Keeps your personal information safe
35%	Protects your financial information
31%	Provides easy access to branches and ATMs
29%	Is transparent about what they charge for and makes it clear to you how to avoid paying fees
26%	Offers excellent online banking features
24%	Reaches out to you as soon as possible if they believe a problem may exist with your account
24%	Has an excellent reputation
24%	Offers low costs banking options
20%	Works with you when you need help or encounter a problem
19%	Handles your requests quickly

Source: Ernest and Young (2015)

Underpinning the number of responses illustrated in Table 3, is the need for banks to rebuild trust amongst their customers. Hence, the consumer protection agencies across multiple jurisdictions are introducing new rules on sustainability, and banks are required to demonstrate their value and prioritise long-term customer satisfaction (Ernest & Young, 2015).

The considerable changes in how organisations manage their resources, is due to need for greater performance amidst increased competition and demand for shareholders' returns on investment (Silveira, Oliveira & Luce, 2012). The bank management's daily challenge is to increase performance of their product and services amidst the intense competition for share of wallet. This primarily focuses on generating an enduring customer value proposition through loyalty and reward plans which are set to continue to form part of important banking strategies (PwC, 2013).

The strategic focus in the South African banking industry is changing from how the banks operate to how customers do things and how banks can best match customers' changing needs (PwC, 2014). In the future, the primary way of accessing banking will be through mobile devices, the uptake of which in South Africa is increasing. Easy and simplicity are key terms for the future of retail banking, these will enable easy access, fewer boundaries and will offer products and services that support customers' banking needs (Business Tech, 2014). Through innovation, payments will become increasly more cashless and invisible in the future, while enabling data-driven engagement platforms for customers (World Economic Forum, 2015)

Banks that have a deep understanding of their customers and are able to tailor offerings according to their customer needs will benefit in market share increase, a competitive advantage and increase in customer share of wallet. This immediate advantage is crucial to the long-term success in the current banking environment (Ernest & Young, 2015).

1.4 Problem statement

Due to the recent economic downturn, marketing accountability concerns have been heightened. Effectiveness of marketing investment has become very important in organisations (Marketing Science Institute, 2014). Recently, managers have been under enormous pressure to be more accountable to shareholders. The increase in competition has resulted in globalisation and deregulation and is putting pressure on managers to yield the highest possible return on investment or risk swift responses from efficient customers.

Customer expectations have been raised from the fact that organisations are able to personalise product at an individual level. With these market place changes, managers have a challenge of developing more effective ways of developing and implementing strategies that will result in sustainable profit streams (Hogan, Lemon & Rust, 2002).

Various metrics and models have been developed to measure the return on investment (Gupta, Hanssens, Hardie, Jahn, Kumar, Lin & Ravishanker, 2006) and build shareholder value (Bick, 2009). Customer Equity is an active measure of customer asset value, changes in the marketing activities in an organisation and other drivers (Kumar & George, 2007). Marketing accountability can be challenging to achieve due to the lack of clarity regarding the cause and effect relationship between marketing and the business (Hanssens, Thorpe & Finkbeiner, 2008).

Accounting tools, such as income statements and balance sheets, have been traditionally used to measure performance, however they provide insufficient information to assess long-term performance of the organisation. Historic performance measurement cannot assess marketing impact that may take time to resonate, therefore past performance cannot predict future performance. If organisations view marketing as an investment, then it will be understood why marketing returns need to be captured over the longer term, thus the metric will be forward looking with a perspective which is long-term to avoid the tendency to maximise short-run performance at the expense of long-run wealth creation (Stewart, 2009). On average, intangible assets of an organisation account for 69% of the total market value (Bayon, Gutsche, & Bauer, 2002). If the expenditures incurred by marketing are seen as investments and that marketing creates assets, then it is imperative for these assets to be included in the metrics utilised (Sawhney & Zabin, 2002).

According to Stewart (2009), return on marketing investment should be a financial metric based on several reasons, (1) the organisation's language is finance, (2) the organisation's reports are evaluated, based on financial measures, (3) to make comparisons with alternatives and other comparable actions across customers, products and markets, it is more logical to utilise a financial metric, (4) accountability can be provided by a financial metric, (5) financial metrics encourage cross functional and organisational learning because they provide a common language, and (6) in order to answer optimal marketing mix when handling a distinct and unique marketing activity and intermediate marketing outcomes, financial metrics can guide decisions.

It is fundamentally important for management and scholars alike to focus on measuring the return on marketing activities. If marketers are able to present the links between marketing and financial outcomes, they will address the problem of lack of representation on an executive level and address the limited input from marketing in strategy development (Kumar, Lemon & Parasuraman, 2008).

The strategic management teams are reliant on models that present performance targets into strategic objectives and further into strategic action. These models are often built on intuitive logic, by expanding on the knowledge on Customer Equity's influence on purchase intention, the model would not be based on intuition, it will be more quantifiable (Hanssens, Thorpe & Finkbeiner, 2008).

In order for the banks to remain competitive in the market, they have to focus on gaining deeper existing customer relationships and differentiation by increasing their value added services and lending capacities to support growth. Growth is a universal priority in the banking sector, investment in customer analytics could assist in devising targeted cross selling strategies (Deloitte, 2014).

Future growth may be predicted by the current Customer Equity within the Banking sector, most companies strive to achieve a high Customer Equity which translates to a leading competitive position (Rust, Zeithamal & Lemon, 2000). There have been studies conducted around Customer Equity, However, very few, if any, studies have been conducted in the framework of Customer Equity, Perceived Brand Authenticity and Purchase Intentions in the banking sector in South Africa, particularly among the youth.

1.4.1 Main Problem

The main problem is the limited understanding regarding which of the Customer Equity drivers influence Perceived Brand Authenticity and purchase intentions, in order for marketing to optimally allocate their resources. There needs to be a deeper understanding on which driver to focus and what strategic approaches to implement in the banking sector.

1.4.1.1 Sub Problem 1

Which Customer Equity drivers influence Perceived Brand Authenticity and purchase intention amongst the youth in the banking sector?

1.4.1.2 Sub Problem 2

Does Perceived Brand Authenticity have an effect on purchase intention amongst the youth in the banking sector in South Africa?

1.5 Justification of the study

Organisations are currently reducing budgets and cutting costs and it is important for all functional disciplines in the organisation to be financially accountable. This has introduced the need for measurements, because it is impossible to demonstrate accountability in the absence of a measurement tool (Seggie, Cavusgil & Phelan, 2007). In order for organisations to measure marketing return on investment (ROI), marketing expenditure should be viewed as an investment, instead of a cost (Rust, Lemon, & Zeithaml, 2004).

Previously, marketing had been viewed as a short term expense that could be indulged in good economic times and budgets cut when there was an economic downturn. Financial accountability can be addressed once marketing expenditures are viewed as investments and compared to other tangible and intangible assets of the organisation. For marketing to be viewed as investment, the causal relationships between marketing and financial outcomes need to be satisfied (Seggie, Cavusgil & Phelan, 2007).

According to Stewart (2009), earlier marketing metrics were seen in isolation from other measurements and their items were measured independently, however to effectively measure return on marketing, practitioners and academia need to develop metrics that link all aspects of marketing performance together. In addition, the causal models include micro-level data to model customer behaviour at an individual level, this permits practitioners to evaluate investment decision at an individual customer level. Practitioners can therefore move away from historic models of marketing investments which aggregate both financial and non-financial measures across customers (Rust, Zeithaml, & Lemon, 2004).

This will also enable marketing to play a role in the formulation of organisation strategies (Ambler, Kokkinaki & Puntoni, 2004). Organisations can achieve financial accountability by taking into account the effect that strategic marketing expenditure has on Customer Equity and linking the improvement in Customer Equity to the required expenditures to achieve it (Rust, Lemon & Zeithaml, 2004). Customer lifetime value and Customer Equity are important metrics of marketing, however limited knowledge has resulted in inadequate estimation and management, therefore this remains a challenge to achieve for organisations (Vogel, Evanschitzky & Ramaseshan, 2008).

The Marketing Science Institute, which is a non-profit organisation that aims at bringing academics and practitioners together to improve business performance through knowledge, has recently called for research papers on measuring and communicating the value of marketing activities and investment under the second tier of research priorities (Marketing Science Institute, 2014). Table 4 tabulates Marketing Science Institute research priorities for 2014 to 2018.

Table 4: Marketing research priorities

Tier	**Research Topic**
No 1	1. Understanding Customer and the Customer Experience 2. Developing marketing analytics for a data rich environment
No 2	1. Measuring and communicating the value of marketing activities and investments 2. Developing and organising for marketing excellence 3. Leveraging digital/social/ mobile technology 4. Creating and communicating enduring customer value 5. Developing and delivering fully integrated marketing programs
No 3	1. Innovating products, service and markets 2. Operating in global markets 3. Recognising the difference in customers and consumers 4. Establishing optimal social contracts with customers

Source: Marketing Science Institute, 2015

Studies have been conducted to establish Customer Equity in the service context where it was found that Brand Equity had the strongest influence in the development of Customer Equity (Hyun, 2009; Wong, 2013). In the luxury brand context, the findings enabled practitioners to forecast future purchase behaviours more accurately (Kim & Ko, 2012); in the hospitality industry to optimally allocate limited capacity to heterogeneous customer segments in order to maximise its Customer Equity (Klein & Kolb, 2015). The establishment of Customer Equity drivers should be understood, based on the respective industries, because the results or findings would vary from industry to industry (Kim, Ko, Xu & Han, 2012). However, there is limited evidence indicating the studies conducted around Customer Equity as an antecedent of Perceived Brand Authenticity and Purchase Intention amongst the youth in the banking sector within the South African context.

1.6 Research Objectives

This study consists of theoretical, as well as empirical objectives, which are outlined in the following section.

1.6.1 Theoretical objectives

- ❖ To review literature on Brand Equity
- ❖ To review literature on Relationship Equity
- ❖ To review literature on Value Equity
- ❖ To review literature on Perceived Brand Authenticity
- ❖ To review literature on Purchase Intention

1.6.2 Empirical objectives

- ❖ To examine the relationship between Brand Equity and Perceived Brand Authenticity
- ❖ To examine the relationship between Relationship Equity and Perceived Brand Authenticity
- ❖ To examine the relationship between Value Equity and Perceived Brand Authenticity
- ❖ To examine the relationship between Perceived Brand Authenticity and Purchase Intention

1.7 Research questions

To gain an in-depth understanding on Customer Equity, this study seeks to answer the following questions

- What is the relationship between Brand Equity and Perceived Brand Authenticity?
- What is the relationship between Relationship Equity and Perceived Brand Authenticity?
- What is the relationship between Value Equity and Perceived Brand Authenticity?
- What is the relationship between Perceived Brand Authenticity and Purchase Intention?

1.8 Delimitations of the study

In this study, the term antecedents is used as a consolidated term for Customer Equity which constitutes Value Equity, Brand Equity and Relationship Equity as well and Perceived Brand Authenticity.

The study focuses on the customer perspective to determine which of the Customer Equity drivers influences their purchase intent.

This study only addresses the application of Customer Equity on the four leading financial institutions in South Africa, namely Standard Bank, Absa, Nedbank and First National Bank and does not address other banks or industries.

1.9 Descriptions of Terms

Brand Equity

Is when the brand name is a value-add to the service or product (Farquhar, 1989), in consumer behaviour research, brand value is determined by the assessment of the impact of the knowledge regarding brand on the behaviour of consumers towards of the brand (Aaker, 1991; Agarwal & Rao, 1996; Keller, 1993).

Bank

It is an institution that assists its customers in managing their finances. For example, it facilitates deposits into and withdrawals from their customers' personal accounts, provides personal, vehicle and home loans and helps its customers manage financial risks (Ernest and Young, 2015).

Customer Equity

"Customer Equity is defined as the total of the discounted lifetime value of a firm's current and potential customers" (Rust, Zeithaml, & Lemon, 2004).

Customer Lifetime Value

Customer lifetime value is calculated based on the individual customer lifetime value. The individual CLV are totalled to form the organisation's Customer Equity (Blattberg & Deighton, 1996).

Relationship equity

Relationship is defined as the relationship a customer has with a brand considering the customer's objective and subjective assessment of the brand (Lemon, Rust & Zeithaml, 2001)

Purchase Intentions

The consumer's intention to purchase indicates the receptiveness the consumers have to want to buy, use and repurchase products or services **(**Gao, Sultan, & Rohm, 2010).

Perceived Brand Authenticity

Brand authenticity measures brands' originality, relevance and genuineness (Arnould & Price, 2000; Brown, Kozinets & Sherry, 2003; Beverland, 2005). Brand authenticity has been viewed as a source of competitive advantage, particularly in times of diminishing trust and distress (Eggers, Kraus, Vallaster & Güldenberg, 2013).

Share of Wallet

Share of wallet is a marketing metric utilised to measure the percentage spent by a specific consumer on a particular good or service for a particular category (Chen & Steckel, 2012).

Value Equity

Value Equity is defined as consumers' assessments of product consumption based on personal judgment of what is given up in terms of monetary value, time or efforts for what is obtained in terms of quality, worth or other benefits (Rust, Lemon & Zeithaml, 2000).

1.10 Assumptions

The research made the following assumptions:

- The first assumption was that the sample of students at Witwatersrand University is representative of the youth in South Africa.

- The second assumption assumed that the respondents were familiar with the leading banks in South Africa.

- The third assumption assumed that respondents had a bank account or intended opening one.

1.11 Research Flow

This section depicts the process implemented while conducting this study. Figure 1.2 illustrates the flow

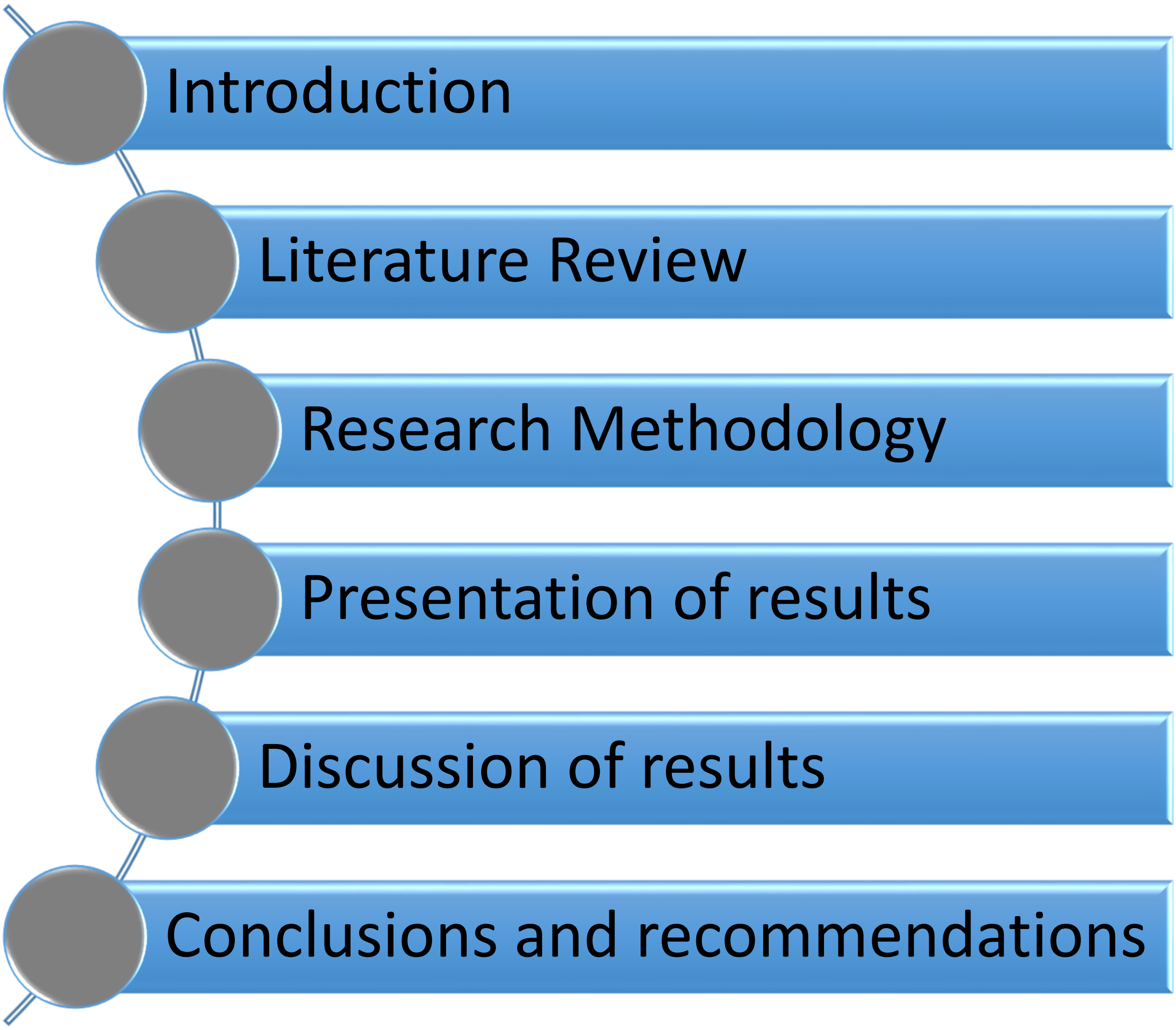


Figure 4: Research Flow

1.12 Framework of the study

Chapter 1

This chapter covers the introduction, purpose of the study, context of the study, significance of the study, problem statement, research questions and objectives as well as assumptions.

Chapter 2

This chapter consists of the comprehensive industry overview of the South African banking sector and a literature review on Value Equity, Brand Equity, relationship equity, and Perceived Brand Authenticity and lastly, the hypothesis development.

Chapter 3

This chapter covers the research paradigm and the design utilised in addressing the objectives stated in Chapter 1.

Chapter 4

This chapter reports the findings from the research survey; the reliability, validity measurements and model fit (CFA and Path Modelling) using SPSS and AMOS, as well as the hypothesis testing.

Chapter 5

This chapter is focused on the discussion and interpretation of the results in relation to research model.

Chapter 6

This chapter covers the overall thesis contribution. The recommendations informed by the findings are also provided. Future direction in terms of research is indicated and the overall thesis contribution provided.

1.13 Summary

Chapter 1 discussed the purpose of the research study, which is to examine the antecedents of purchase intentions in the banking sector. It provided the context on the South African banking industry. It then discussed the research problem and significance of this study which gives an indication of the contribution this study will have for academia and practitioners. Lastly, the research objectives and questions were outlined that the research aims to address. The following chapter provides an overview of the industry and the relevant literature relating to this thesis.

CHAPTER 2: LITERATURE REVIEW

2.1 Introduction

This chapter discusses the theoretical grounding, and the empirical review of Customer Equity drivers which consists of Value Equity, Brand Equity and Relationship Equity. It also provides an overview on Perceived Brand Authenticity and purchase intentions. Lastly the conceptual model and hypothesis are developed.

2.2 Theoretical Grounding

The current study has employed the following theories.

2.2.1 Theory of Planned Behaviour

The Theory of Planned Behaviour is most commonly used in predicting behavioural intentions by social psychologists. Theory of Planned Behaviour is an imperative social cognitive model that elaborates the variance in volitional behaviour (Chen & Tung, 2013). According to Azjen (1985), the theory of planned behaviour is an addition of the theory of reasoned behaviour, which is known to be the intention an individual has to perform behaviour. Attitude towards the behaviour, subjective norms and perceived behavioural control are three conceptually independent determinants of intentions proposed by the Theory of planned behaviour (Azjen, 1991). Figure 5 illustrates the theory.

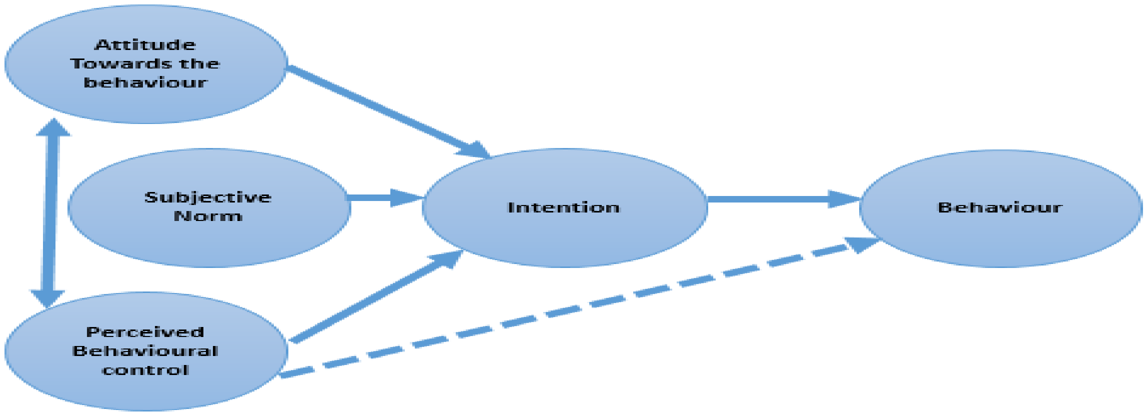


Figure 5: Theory of planned Behaviour (Azjen 1991)

It is assumed by the theory of planned behaviour that behaviour as a concept should consist of both voluntary and involuntary aspects. Once behaviour is reliant on circumstances external to an individual, the less behaviour is intentionally controllable (Kaiser, 2006). The extent to which a person has a positive or negative assessment of behaviour is referred to as an attitude, while subjective norms are referred to as the social pressures to perform or not to perform behaviour. Behavioural control indicates the control an individual has to perform the behaviour or whether the consumption is difficult or impossible. Behavioural control makes reference to its historic experience (Vermeir & Verbeke, 2008).

Intentions incorporate the motivational factors which influence behaviour, they indicate the extent in which individuals will attempt to perform the behaviour. As a general rule an individual is more likely to engage in behaviour if the intention is strong. Intentions are not the only functions of perceived behavioural control but also include subjective norms and attitudes (Chan & Bishop, 2013).

The theory of planned behaviour has been extensively and successfully applied to assess consumer online grocery shopping; the results stated that the attitude towards online shopping determines online purchase intentions (Hansen, Jensen & Solgaard, 2004). Theory of planned behaviour was also utilised to examine purchase intentions of organic food, the results showed that adding moral norm and self-identity could increase the explanatory power of the model (Yazdanpanaha & Forouzani, 2015).

It was used to investigate the consumer intention to visit green hotels in Taiwan; the results showed that the consumer's attitude towards green hotels is influenced by his environmental concern (Chen & Tung, 2014). Furthermore the theory of planned behaviour was also used in the medical field in relations to safety and collaborative practices; the results showed that the theory of planned behaviour can be utilised as a conceptual framework (Lapkin, Levett-Jonesb & Gilligan, 2015).

The theory of planned behaviour was employed in this research study to examine the antecedents of purchase intentions amongst the youth. If Customer Equity is high, there is a strong likelihood that the customer will have a positive attitude, therefore the likelihood to purchase will be high.

2.2.2 Social Exchange Theory

Social exchange theory is derived from anthropology and includes various domains such as economics, philosophy, behavioural psychology and sociology (Cook, Cheshire, Rice & Nakagawa, 2013). It has been extensively applied in the context of business (Coulson, Maclaren, McKenzie & Gorman, 2014).

Social exchange theory assists researchers in understanding social behaviour connected to economic activities. The exchange process involves two parties who are rational entities acting in their self-interests (Cropanzano & Mitchell, 2005). Social exchange theory implies that, among the parties in the exchange interaction, there are co-operative intentions, which depicts that the parties involved will provide reciprocal rewards (Choi, Lots & Kim, 2014).

There are differing views within the detail of social exchange theory, with most in agreement that when a person is presented with a choice, they undergo a subjective cost-benefit analysis and assess the alternatives prior to making a decision (Kanagal, 2009). Social exchange theory states that the two parties involved in the exchange can also exchange resources through social relationships, meaning the exchange is not only limited to monetary but also includes non-monetary benefits, such as love, anger, affection, etc. (Cropanzano & Mitchell, 2005). In most cases, individuals put into the relationship what they expect to get with the aim of maximising satisfaction. The parties involved have a deserved and expected reward depending on the dynamics of the relationship, as well as group, personal and emotional influences (Lee, Capella, Taylor, Luo & Gabler, 2014).

Due to the lack of explicit rules and regulations, co-operative intentions are central in social exchange, the parties have to rely on the belief that the other party will reciprocate the exchange benefit. The belief in the other party's co-operative intentions is vital in the social exchange, because without the belief in the reciprocation of the other party the likelihood that the party will engage in the exchange is less (Geffen & Riding, 2002).

Although various exchange rules have been developed, the most cited rule in business journals is the reciprocity rule. This rule only applies to interdependence because when one party is fully dependent or independent the social exchange will not be occur. The most basic form of human interaction is mutual reciprocation, because individuals react in a manner similar to how they were treated. Philosophical ideals such as fairness, distributive justice form the bases of reciprocity (Lee, Taylor, Luo & Gabler, 2014).

The Social exchange theory has been applied in organisational studies to test relationship between employee and organisational wellbeing (Lavelle, Rupp & Brockner, 2007). The research found that perceived support from the organisation resulted in employee commitment towards the organisation (Choi, Lotz & Kim, 2014). It was utilised in the tourism industry to test attitudes and perceptions, the results supported the assumption that an individual will strive to maximise their profit in a social situation while considering the cost-benefit (Coulson, MacLaren, McKenzie & O'Gorman, 2014).

Furthermore, Social exchange theory was used to validate the impact of loyalty programmes in driving satisfaction in the hotel industry (Lee, Capella, Taylor, Luo & Gabler, 2014). It was used during CRM implementation, where it was used to test the assessment and willingness to adopt, the results showed that perceived responsiveness was connected to increased positive assessment of complex software during implementation (Geffen & Riding, 2002).

Relationships between individuals can be explained using Social exchange theory. The exchange focus between customer and firms makes this theory well suited for the current study. The logic is particularly applicable to the banking sector context, because of the customer service nature of this industry (Lee, Capella, Taylor, Luo & Gabler, 2014). On the basis of this theory, a successful (or non-successful) service relationship or encounter with a service company and its employees will have a positive (or negative) impact on the customer view of the entire service company (Yoganathan, Jebarajakirthy & Thaichon, 2015).

2.3 Empirical review

2.3.1 Customer Equity

Customer Equity and customer lifetime value have become key metrics in managing and growing customers as important assets in organisations (Schulze, Skiera & Wiesel, 2012). This implies that the customer and Customer Equity is increasingly becoming central in many organisations, therefore understanding Customer Equity is key in decision making, together with formulating procedures to attain it, gives the organisation the competitive edge. Management is continuously confronted with the challenge of how to trade-off competing strategic marketing initiatives, the optimal strategic initiative would be chosen, based on the projected return from the strategic initiative (Aravindakshan, Rust, Lemon & Zeithaml, 2004).

Several trends have shaped the economy in developed countries, these have influenced the paradigm shift from a product centred approach into a customer centred approach. This suggests a movement from a product based strategy into a customer based strategy, because an organisation's strategic opportunity might result in the organisation ability to improve its Customer Equity drivers (Rust, Lemon & Zeithaml, 2004).

The shift from product profitability into customer management and customer profitability has resulted from a series of historical trends (Bick, 2009)

- Shift from goods to services, the majority of emerging, as well as developed economies, have seen a positive impact on GDP as a result of this shift.
- Shift from transaction to relationship, was due to the shift from goods to services.
- Shift from customer attraction to customer retention, is due to the fact that it is more cost effective to retain existing customers than to seek out new ones.
- Shift from product focused to customer focused because products are used secondary to satisfying customer needs, this has also brought a shift from Brand Equity to Customer Equity.

The Customer Equity approach originates from several overlapping research streams which include direct marketing, relationship marketing, Brand Equity and service marketing (Aravindakshan, Rust, Lemon & Zeithaml, 2004). The direct marketing area was the first to capture purchase information at an individual level in the customer information files. Statistical techniques for predicting customer response to marketing communications were also initiated, as well as segmentation techniques. Direct marketers based their marketing strategies on customer lifetime assessments (Hogan, Lemon & Rust, 2002). Research conducted on service quality and customer satisfaction has made a significant contribution to understanding the relationship between service quality and customer profitability. The research has identified links between customer lifetime value and service quality; it has investigated the marketing function dimensions that contribute to the value of a customer. Relationship marketing was amongst the first to focus on customer relationships as strategic assets of the organisation; it has developed relationship processes and identified elements for sustaining long-term relationships. Lastly, Brand Equity has also contributed to the Customer Equity approach; it has provided substantial insights into the process customers undergo to develop relationships with organisations (Hogan, Lemon & Rust, 2002).

Customer Equity endeavours to determine the customer relationship value, not only on the bases of customer's current profitability, but also the customer's long term-term profit value. The direct financial outcomes of maximising Customer Equity are crucial to the success of the business (Hyun, 2009). The current marketing environment is very competitive and it is against this backdrop that the customer's present and future behaviour are key strategic assets that need to be monitored and nurtured (Zhang & Lee, 2013).

In order to attract and satisfy customers, it is important for organisations to be customer centric, a strategy that is based on Customer Equity permits the organisation to exchange between Value Equity, Brand Equity and Relationship equity. This strategic framework of Customer Equity Diagnosis reveals the crucial drivers which increase the organisations Customer Equity. This will allow managers to have a deeper understanding of what the customer views as important and, in addition, identify the organisation's strength and hidden vulnerabilities (Lemon, Rust & Zeitmal, 2001). Figure 6 illustrates the Customer Equity drivers

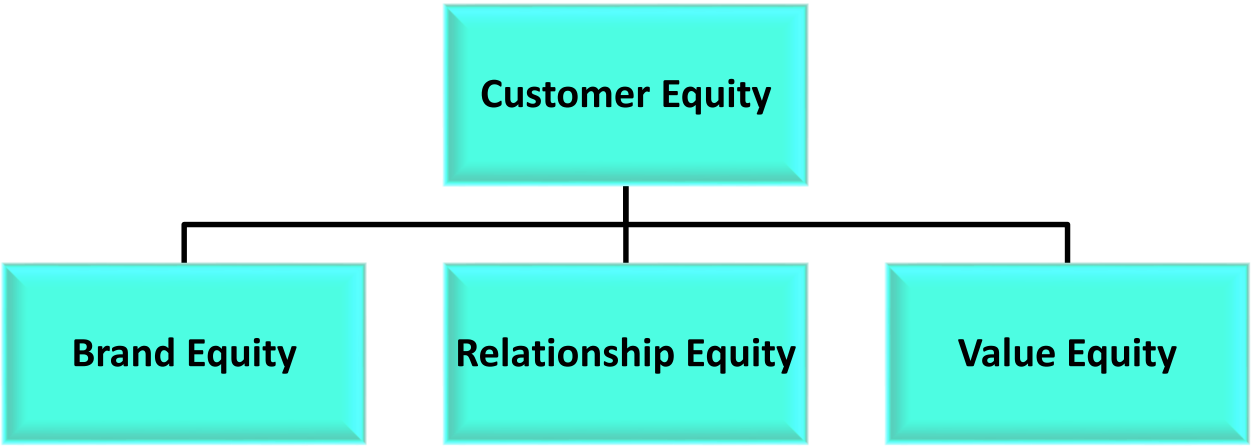


Figure 6: Customer Equity Drivers (Kumar & George, 2007)

Brand Equity is part of Customer Equity that attributes to a customer's subjective perception of the brand, it deals with the effect that communications from an organisation has on the customer as well as the emotional association the consumer has towards the brand. Relationship Equity is the inclination the customer has to stick to the brand, above and beyond their objective and subjective assessment of the brand on the basis of their relationship building efforts. Value Equity refers to how consumers evaluate price, quality and convenience of doing business with the organisation (Aravindakshan, Rust, Lemon & Zeithaml, 2004).

There is constant pressure for marketing managers to demonstrate marketing effectiveness and academics are constantly striving to develop workable and robust metrics to assist practitioners (Silveira, Oliveira & Luce, 2012). There are two approaches when measuring Customer Equity - an aggregate and disaggregate approach. In a disaggregate approach, customer lifetime value can be maximised by implementing customer level strategies, such as optimal resource allocation, purchase behaviour analysis, retention and acquisition cost balancing. In an aggregate approach when the Customer Equity drivers are improved, then Customer Equity is maximised (Kumar & George, 2007). Customer Equity is calculated as the total of customer life time value; this demonstrates that it is both forward orientated and financially focused (Seggie, Cavusgil & Phelan, 2007).

Batternberg and Deighton (1996) posited the initial model which indicated the significance of understanding the customer base value of the firm (Rust, Zeithaml & Lemon, 2000). Customer Equity was understood as the ideal balance between acquisition costs and retention costs. In order to calculate Customer Equity the expected customer profitability during their projected time with the organisation had to be considered, then the organisation had to discount the expected contribution to arrive at the net present value (Silveira, Oliveira & Luce, 2012). Guidelines were offered for maximising Customer Equity, the first is to invest in the highest-value customers first, second, change product management to customer management, third, assess how cross-selling and add-on sales can increase Customer Equity, fourth reduce acquisition costs, fifth is to connect branding to Customer Equity, sixth is to monitor the intrinsic retain ability of customer and last, write separate marketing plans for acquisition and retention (Leone, Rao, Keller, Luo, McAlister & Srivastava, 2006).

Researchers later developed a conceptual model which permitted firms to focus on the financial outcomes of their strategic investment (Rust, Zeithaml & Lemon, 2000, 2001). Furthermore research developed a model which provided insights to the firm on how acquisition, retention and add-on-selling impacts total Customer Equity and provides guidelines into the management of investment (Thomas, 2001). Although various Customer Equity models have been developed over the years, the best model to use for Customer Equity is the Rust, Lemon and Zeithaml (RLZ) model, the major strength of this model is its ability to relate the organisation's perceived marketing strategy and marketing investments to customer response and return on investment. The model has been employed in previous studies such as Vogel, Evanschitzky & Ramaseshan (2008) and Zhang, Ko & Kim (2010).

Recently, researchers have begun understanding the relation between financial performance and customer lifetime value (Gupta & Lehmann 2003, 2004). This research trend indicates that firms can increase the overall value of the firm and shareholders' value by understanding the value of the customer to the firm and by managing customers as strategic assets (Gupta & Lehmann 2003; Gupta, Lehmann & Stuart 2004).

2.3.2 Brand Equity

According to Keller (1993) and Chaudhuri (1995) in branding research, financial and customer perspectives are utilised to interpret Brand Equity (Lu, Gursoy, & Lu, 2015). Brand Equity is conceptualised from a customer based perspective as the positive differential effect that knowing the brand name has on the customer response to the product or service (Kotler, 2003). The financial perspective of Brand Equity considers the financial value created by brands. The customer based perspective outlines Brand Equity as the set of assets and liabilities linked to the brand and a symbol that adds value provided by a product or service to an organisation and the organisation's customers (Lu et al., 2015).

Brands simplify customer decision making, they promise a certain level of quality, reduce risk and create trust (Keller & Lehmann, 2006). Brands play a vital role in influencing the effectiveness of marketing efforts, such as channel placements and advertisement. A brand function is to attract, create awareness, build emotional connections and drive repurchase. It allows the organisation to develop customer relationships through its ability to influence the customer's subjective assessment of the organisation's offering (Bick, 2009).

Brand Equity is the differential effect that the knowledge of the brand has on the response that customers have on the marketing of the brand (Keller, 2002). The marketing efforts of the organisation are not the only influencers of Brand Equity, the knowledge customers possess regarding a brand based on what they have experienced over a period of time also influences Brand Equity (Keller, 2010). Brand knowledge is not limited to the facts about the brand but also encompasses thoughts, feelings, perceptions, images, experiences, etc. that become connected to the brand in the minds of the customers (Keller, 2003). Brand Equity could reflect consumer purchase behaviour or reflect on the market behaviour (Dollatabady & Amirusefi, 2011). Consumer preferences, purchase intentions and ultimately brand choice can be influenced by Brand Equity (Chen& Chang, 2008).

In order for Brand Equity to drive customer behaviour, a desirable and unique brand association has to be formed. The association will result in an increase in loyalty, improved product performance perceptions, higher margins, marketing communication effectiveness and growth opportunities from brand extension (Leone, Rao, Keller & Luo 2006). Brand Equity is a multidimensional concept consisting of several components which combined make up the concept of Brand Equity (Buil, de Chernatony & Martínez. 2013). Figure 7 depicts the four aspects of Brand Equity as per Aaker (1996).
Aaker identifies four major aspects that make up Brand Equity (Aaker, 1996)

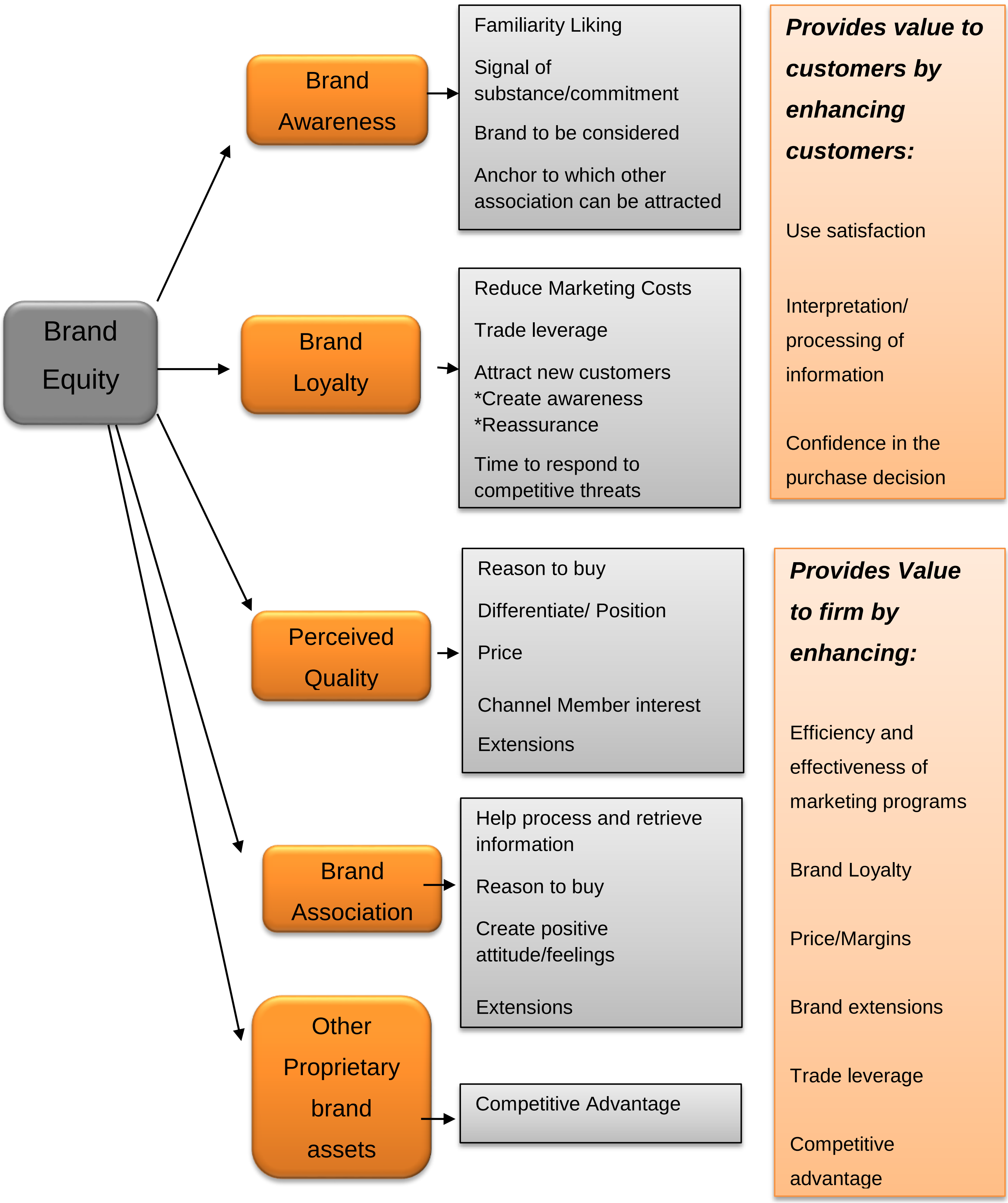


Figure 7: Brand Equity Model (Aaker, 1996)

2.3.2.1 Brand Awareness

Brand awareness is defined as the ability for a potential customer to recognise or recall the brand's product category (Aaker, 1991) and identify a product under different conditions (Keller, 2003). Brand awareness takes place in the form of brand recall and brand recognition. When provided with a cue, consumers are able to accurately identify the brand as being previously heard or seen. Consumers might recognise numerous brands but can only recall a few brands; therefore brand recognition is considered the first minimal level of brand awareness. Brand recall is the next level of brand awareness; it relies on the consumer's ability to retrieve the brand from memory when given a cue (Radder & Huang, 2008).

Brand awareness is regarded as the initial and essential step which leads to product trial and repeat purchase (Uslua, Durmus & Koliva 2013). According to Laroche, Kim, and Zhou (1996), if consumers are familiar with the brand, the brand awareness is high and their confidence towards the brand tends to increase and they are likely to trust the brand. Consumers use brand awareness as a heuristic when it comes to choosing a product because consumers are of the feeling that a well-known brand is more reliable than a brand with low awareness. In addition, consumers tend to believe that the advertising from a well know brand will not be deceptive (Lu, Chang & Chang, 2014).

According to customer based Brand Equity view, marketing communication activities contribute to Brand Equity through brand awareness by connecting the appropriate associations to the brand in order to induce positive brand assessments (Keller, 2009). Brand awareness is created by continued visibility, enhancing familiarities and strong associations with related offerings and buying experiences (Severi & Ling 2013). Brand awareness has a vital role in assurance of purchase decisions and perceived risk evaluations (Cal & Adams, 2014).

2.3.2.2 Brand Loyalty

Brand loyalty is the degree in which the customer has an attachment with a brand and is closely linked to user experience (Liu, Li, Mizerski & Soh, 2012). It has been highlighted through literature that there are two loyalty concepts, namely, behavioural loyalty and attitudinal loyalty. Behavioural brand loyalty is the tendency that a consumer has to repurchase a brand, revealed through brand sales and behaviour. On the contrary, attitudinal brand loyalty refers to the favourable attitudes towards intention to repurchase and commitment to the brand (Brexendorf, Mühlmeier & Tomczak, 2010).

In the current competitive market and where market segments are shrinking, it is becoming more challenging to acquire new customers and retain old ones. Building brand loyalty is the proposed solution to combat increased competition in the market place (Lin, 2010). Kotler and Keller (2005) stated that 20% of customers can generate 80% of the organisation profit, hence the longer the relationship between the customer and the organisation, the better the profits for the organisation. Loyal customers benefit the organisation because they tend to buy more, they are less price sensitive, it is less costly servicing existing customers because they are familiar with the organisation's offerings and loyal customers are good ambassadors for the brand because they spread positive word of mouth (Lin, 2010).

2.3.2.3 Perceived Quality

Perceived quality is defined as the consumer's general perception about the superiority and quality of the product or service in comparison to its competitors (Severi & Ling 2013). Erenkol and Duygun (2010) stated that there is a difference between the quality of the product and perceived quality, because perceived quality refers to the consumer's subjective appraisal of the product. Perceived quality gives value to the brand in numerous ways, for instance high quality attracts the consumers to purchase the product and enables the brand to differentiate itself from its competitors, it serves as a strong base for brand extensions and allows the organisation to charge premium prices (Tong & Hawley, (2009).

Perceived quality has been viewed as a form of attitude which relates to, but does not equate to, satisfaction. This results from the comparison between expectations and performance perceptions (Cal & Adams, 2014). The assessment and judgement of the product is viewed as critical in the formation of perceived quality in the consumer's mind. This in turn has a significant impact on the actual purchase (Cal & Adams, 2014). Perceived quality is a component of brand value. The level of Brand Equity is determined by the level of perceived quality (Lu et al., 2015).

2.3.2.4 Brand Associations

Brand association is the category of a brand’s assets and liabilities that include anything linked to the brand in the memory of a consumer (Aaker, 1991). Brand associations are also known to be information nodes linked to the brain node in memory which contains the meaning of the brand for consumers. Consumers utilise brand association to help retrieve, organise and process information in memory and assist in making purchasing decisions (Low & Lamb, 2000).

Brand associations have been classified into three categories, namely attitudes, benefits and attributes. Attributes are descriptive features that describe a brand, such as consumer’s thoughts towards a brand and what is involved in the purchasing process. Benefits are the personal value consumers link to the attributes of the brand, that is, what consumers think the brand can do for them. Brand attitudes are consumers’ overall brand evaluations (Belén del Río, Vazquez & Iglesias, 2001).

Brand associations and brand image are often used interchangeably. Brand image incorporates perceptions of value, quality, feelings and brand personality (Kladou & Kehagias, 2014). Brand associations also act as an information hub, to execute brand extension and brand differentiation. Brand association are valuable to marketers because they differentiate the brand from its competitors based on the uniqueness, strengthened brand position as well as creating positive feeling and attitude that leads the brand to be chosen by the customer (Lu et al., 2015).

Consumption situations, functional benefits, representation of purchase are some of the examples of brand associations (Cal & Adams, 2013). Brand association will be stronger when there are several experiences and exposures to communications and other links which support it (Uslua, Durmus & Koliva, 2013). Highly effective association assists to improve the brand and equity (Severi & Ling, 2013).

2.3.2.5 Other proprietary brand assets

Other proprietary brand assets refer to the ability of an organisation to build competitive advantage by channelling the relationship between the brand and the consumer. In addition, they are also a source that enhances the brand through customer loyalty and customer perception of superior quality (Bick, 2009).

There are certain situations when Brand Equity is more important; those situations are listed below (Rust et al., 2001):

- Brand Equity is vital when the level of involvement is low with regard to purchases and it is a simple decision making process
- Brand Equity is important when the use of the product is visible to others.
- Brand Equity is important when individuals or generation can pass on the experiences associated with the product.
- The role of a brand is important for credence goods; when it is challenging to evaluate quality prior to consumption.

High Brand Equity will generate a desired customer response while low Brand Equity may result in an undesired customer response. Service literature put forward that strong Brand Equity acts as a cushion to protect organisations from negative effects that could have resulted from a service or recovery failure (Seo & Jang, 2013). In the banking industry, context awareness refers to the bank's name and characteristics, the association/image refer to personality and perceived value. Perceived quality refers to the organisational aspects and loyalty to recommendation and repurchase.

2.3.3 Relationship Equity

Relationship Equity is the relationship component that connects the customer to the brand and it serves to strengthen the relationship over and above brand and Value Equity (Rosenbaum, Ostrom & Kuntze, 2005). Relationship Equity represents an outcome, it occurs when buyers makes a comparison of the outcome or rewards against other experiences (Iyer, Sharma & Bejou, 2006). The impact the organisation has on its customer from its effort to build relationship and operate retention programs are represented by Relationship Equity (Richards & Jones, 2008).

Organisations should regard consumers as valuable business partners and should customise offers in order to stimulate emotional attachment through relationship marketing which will develop, maintain and improve relationships with consumers (Lee, Tikkanen, Phan, Aiello, Donvito & Raithel, 2014). Relationships with customers maintained by organisations are not only to yield Relationship Equity but they are also focused on a desirable outcome which translates to purchase intention. Relationship Equity is determined by the comparable rewards made internally or externally by the customer, based on perceived inputs in the customer – supplier relationship (Low & Johnston, 2005).

Internal rewards occur when the consumer compares the current rewards obtained from the suppliers to their expected future rewards. External rewards occur when the consumer compares rewards from the different suppliers. The rewards may either be tangible or intangible. Intangible rewards are of an emotional nature that includes fair treatment and treatment as a valued customer. Tangible rewards are monetary benefits which include extended payment terms, preferential rates, sales and promotions support (Iyer, Sharma & Bejou, 2006).

There are three dimensions to Relationship Equity due to the fact that Relationship Equity may or may not occur. Satisfaction or dissatisfaction with regard to the rewards is the first dimension to relationship equity. The second dimension involves fairness or unfairness of rewards; this is for ever changing due to the fact that the customer is constantly seeking better offerings. In the third dimension, consumers tend to compare the current benefits with the benefits derived in the past with similar buyers and suppliers. The intention to purchase will increase if the customer is of the opinion that the relationship is fair (Low & Johnston, 2005).

The changes that may occur from buying patterns and the composition of the buying centre can affect the perceptions of Relationship Equity (Low & Johnston, 2006). Relationship Equity is primarily built from monetary and acknowledgement incentives (Wong, 2013). The enhanced consumers' perceptions relating to Relationship Equity can be achieved through the investment in preferential treatment, direct mail, interpersonal communication and tangible rewards (Yoshida & Gordon, 2012).

Figure 8 maps out how Relationship Equity is measured

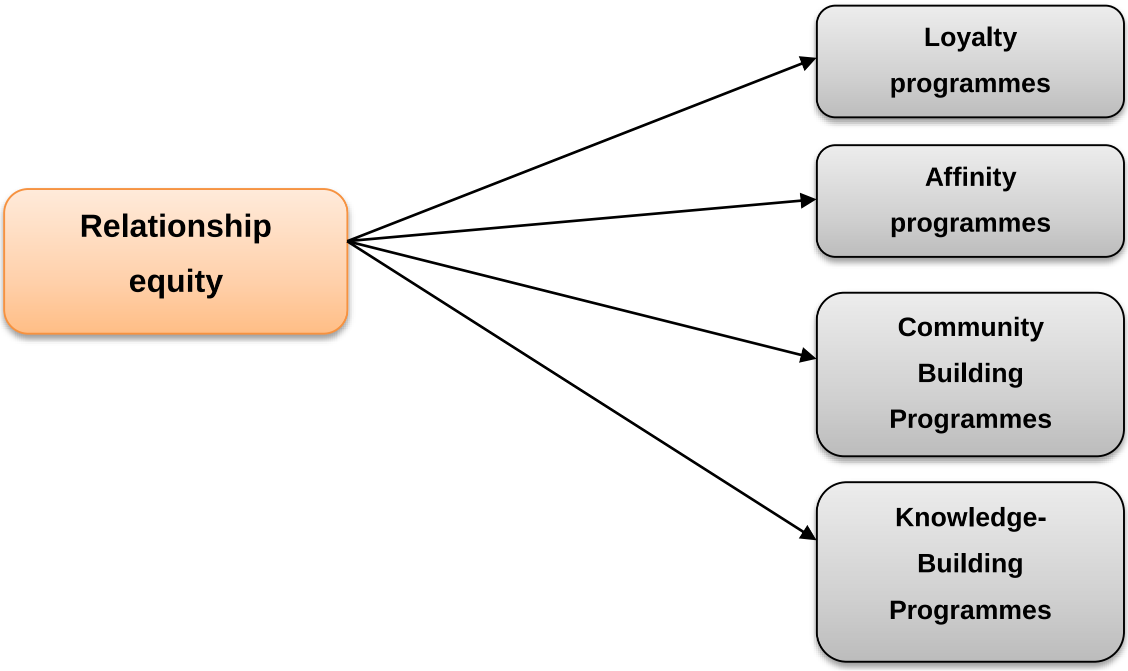


Figure 8: Relationship Equity Drivers (Rust, Lemon & Zeithaml, 2004)

- Loyalty programs include actions that reward customers with tangible benefit for particular behaviour, examples of these include FNB E-bucks, Standard Bank U-Count, these programs are commonly used as part of marketing strategies (Rust et al., 2001).
- Affinity programs strive to build an emotional connection with its consumers, by linking the customers – organisation relationship to the aspects of customers life (Rust et al., 2001).
- Community-building programs strive to strengthen the customer – organisation relationship by connecting customers to a larger community of similar customers (Rust et al., 2001).
- Knowledge-building programs create structural bonds between customers and the organisation, reducing the gap for the customer might have to want to recreate the relationship with the competing brand (Rust et al., 2001).

There are certain situations where Relationship Equity will be regarded as the most important influence of Customer Equity; these situation are listed below (Rust et al., 2001)

- When the benefits the customer associates with the organisation's loyalty program are larger than the actual cash value of the received benefit

- When the community associated with the product or service is as important as the actual product or service itself
- When learning opportunities can be created with the customers. This learning has been made possible through database technology
- When an action is required from the customer to discontinue the service. Customers may decide to discontinue consuming or receiving the product or service.

Relationships play a vital and critical role in people's lives. Numerous studies have indicated the importance of relationships in business to business as well as business to customer settings. There is a level of interpersonal involvement in the company-customer relationships (Kim & Ko, 2012). Customer satisfaction and customer retention is enhanced through high perceived Relationship Equity if their experiences and expectations match (Wong, 2013). Relationship Equity can also result from positive experiences with others consumers (Hennig-Thurau, Gwinner & Gremler, 2002). Relationship Equity has received attention from researchers due to the evolution of customer orientation and the introduction of loyalty programs (Hyun, 2009).

2.3.4 Value Equity

The customer's objective evaluation of the value of the brand is based on perceptions of what is sacrificed versus what is received (Vogel, Evanschitzky & Ramaseshan, 2008). Value Equity is very important when there are discernible differences amongst products (Ramaseshan, Rabbanee & Tan Hsin Hui, 2013).

The conceptualisation of Value Equity includes the tendency a consumer has to bundle certain aspects of the offering when getting to a benefit-cost ratio. These aspects include the quality of product information, value for money perceptions, customer service competitive pricing (Dwivedi, Merrilees, Miller & Herington, 2012). Value Equity represents a trade-off between quality of the product and the monetary and non-monetary costs of acquiring the product (Yoshidaa & Gordon, 2012). Non-monetary costs refer to transaction costs, search costs and the time taken to purchase (Kuoa, Wu & Den, 2009). Value is the keystone to customer relationship within an organisation, if the needs of the consumers are not meet through the products and services offered by the organisation, then even for the finest brand, marketing strategies will not be adequate (Lemon, Rust &

Zeithaml, 2001). Customer value has been defined based on four viewpoints. The first view defines customer value as the value a customer receives. The second view is from an organisation's perspective which translates to customer lifetime value and Customer Equity. Third, it is viewed that customer perceived value happens continuously from before the purchase process right through to post purchase (Sweeney & Soutar, 2001).

The last view looks at customer value which translates to the value of inter-customer relationships, companies and supplier instead of simple transactions. These views see customer value as an in-depth management approach for a strategic value oriented approach for an organization, which include value for both customers and the organisation (Witter & Rowley, 2014).

When the actual goods and service-consumption experiences meet or exceed the customer expectations then Value Equity is strengthened. Every time a customer is satisfied with the product or service the connection is strengthened and the opposite also applies when a customer is dissatisfied with the product or service, then there is a high risk that the customer will become disconnected, especially if there are no corrective efforts put in place (Zeithaml, Lemon & Rust, 2001). Most of the time, value in some form is likely to be important to a majority of customers, however there are some circumstances where Value Equity matters the most. These include the following (Rust et al., 2001)

- When differences either exist or do not exist in competing products. It occurs when products are similar to their competitors; in this case Value Equity is difficult to build.
- Purchasing that contain complex decision making process. This is when customers are making complex purchases, organisations have potential to add Value Equity, in order for the organisation to improve the value equation by reducing the costs and increasing the customer need
- Innovative products and services; this is where customers carefully examine the product elements, most of the time they compare products to other products in the same product category.
- Organisations seeking to recycle products in the maturity stage of the life cycle. In this product cycle, customer tend to observe sales level and product parity. Value Equity can be utilised to grow Customer Equity by introducing new benefits to the current offering

As seen below (Figure 9) there are three influencers of Value Equity which include quality, price and convenience.

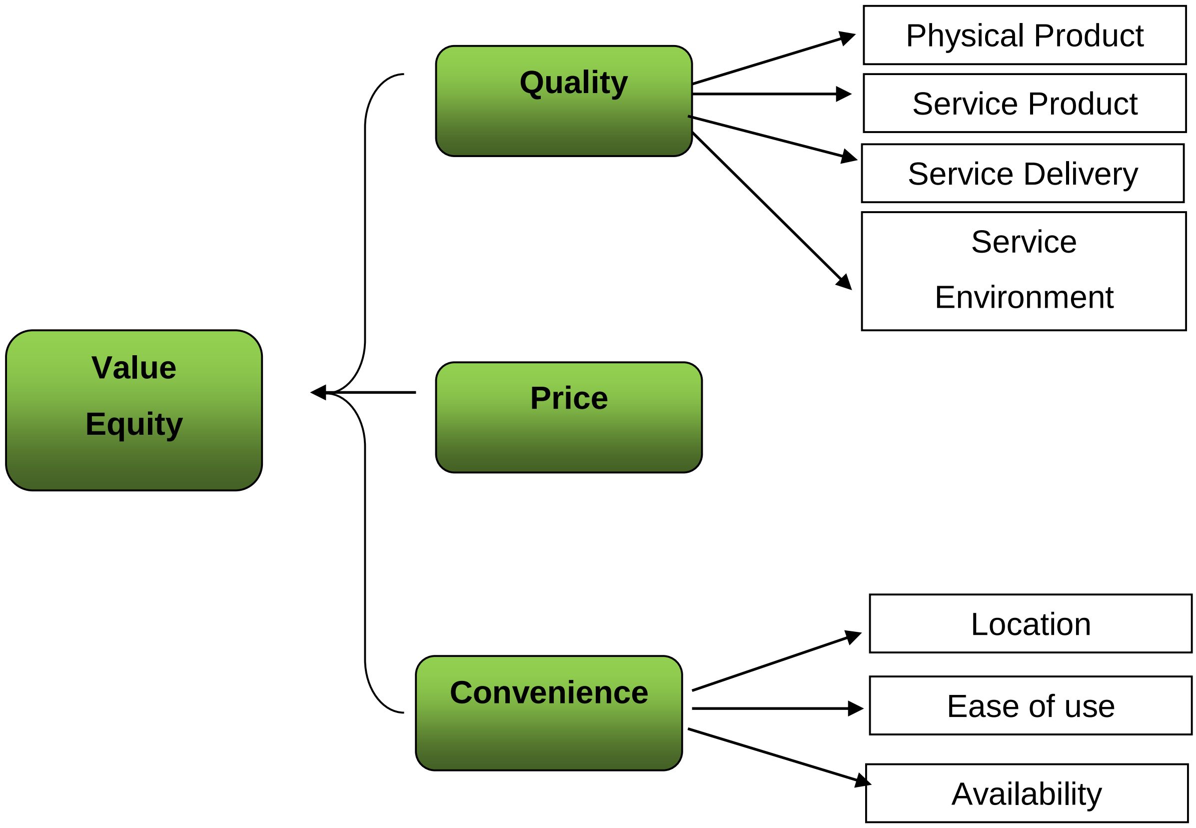


Figure 9: Value Equity Drivers (Rust, Lemon & Zeithaml, 2004).

2.4.4.1 Quality

Quality represents the perception a customer has of the overall superiority or excellence of a product (Yoshidaa & Gordon, 2012). It refers to the tangible and non-tangible aspects of the product and service offered by the organisation. Quality has four sub-drivers, namely, physical product which refers to the organisation's tangible offerings, service product which is the intangible aspects of the offering. Service delivery is the degree in which the organisation delivers on its promises through the performance of the product, and service environment refers to the physical environment in which the service occurs. Organisations can utilise these sub-drivers to direct their strategies that will improve their Value Equity (Rust et al., 2004).

2.4.4.2 Price

Price relates to the monetary costs for purchasing a product (Yoshidaa & Gordon, 2012). Value Equity describes perceived ratio of what is acquired to what must be sacrificed. Therefore a good quality price ratio is an indicator of high Value Equity. If there is a correspondence between the customers' outcome-input ratio with self-referenced input outcome ratio, the understanding of inward fairness is derived (Vogel et al., 2008).

2.4.4.3 Convenience

Convenience is linked to the costs to search for the product and the consumers' time (Yoshidaa & Gordon, 2012). This includes actions that an organisation can take in order to reduce customer costs and efforts it takes to do business with the organisation (Rust et al, 2004). There are three sub-drivers, namely, the location which is the physical location or virtual space where the service or product can be obtained. Ease of use is the extent in which the product enables the customer to do things more effectively and efficiently (Rust et al., 2004). Availability is the aspects in the organisations offering that determines when the organisation can be contacted or interacted with (Rust et al, 2004)

Value is a more accurate predictor of repeat purchase than quality or satisfaction. It has been identified that an antecedent to satisfaction and the antecedent to behavioural intentions is perceived value (Lai & Chen, 2011).The concept of value needs to be understood in an integrative approach in order to gain a deeper understanding of the given type of value by considering its relationship to other types of value (Gallarzaa & Saura, 2004). The role of marketing is to provide a value proposition, a differential and competitive advantage in these value offerings (Bick, 2009).

2.3.5 Perceived Brand Authenticity

Authenticity is derived from a Latin and Greek word 'authentikos' conveying the sense of trustworthiness (Cappannelli & Cappannelli 2004).The definition of the concept of authenticity is rarely within marketing research, hence a variety of denotations and association of the term have been implemented by various researchers (Bruhn, Schoenmüller, Schäfer & Heinrich, 2012). Authenticity is increasingly becoming an imperative dimension of brand identity as practitioners seek to develop stronger brands (Alexander, 2009).

It encompasses an array of conceptual associations such as ‘genuineness’, ‘originality’, ‘uniqueness,’ ‘presence of authority.’ ‘positive valuation’ and dissociation from commercial motives (Berverland, 2006). It is imperative for marketers to understand the nature of authenticity of their branded products and services in order to engage in meaningful branding efforts (Beverland & Farrelly, 2010).

Brand authenticity is when a brand is perceived as real and honest instead of superficial and artificial. Authentic brands are built from the inside out unlike those that are built based on developing trends (Eggers, O’Dwyer, Kraus, Vallaster & Gu’Idenberg, 2013). When positioning does not match the identity and attributes of the brand, then a low brand authenticity is experienced. In comparison to when the brand is clear on its brand identity then a high degree of authenticity is achieved. A consumer perceives a brand to be authentic if it assumes the brand promise is established from its internal nucleus (Schallehn, Burmann & Riley 2014). Perceived Brand Authenticity is conceptualise on the bases of three authenticity related perspectives, the objective, existentialist and constructive (Morhart, Malär, Guèvremont, Girardin, & Grohmann, 2015).

Firstly, the objective perspective explains how consumers utilise objective sources to assess the authenticity of the brand. Perceptions are derived from an evidence-based reality that verifiable information can be assessed about the brand, such as labels of origin, ingredient or performance (Beverland, Lindgreen & Vink, 2008).

Secondly, the existentialist perspective is based on philosophical existentialism and assesses authenticity which relate to one’s identity (Steiner & Reisinger, 2006). This perspective emphasises that authenticity means being true to self, this type of authenticity is important in the study of authentic functioning, authentic leadership and tourist experiences (Kernis & Goldman, 2006). Existential authenticity refers to a brand’s ability to enable consumers to show their true selves, or the belief that they are true to themselves.

Lastly, the constructive perspective is a personal and a social phenomenon, such that reality is the outcome of various interpretations based on one's belief, perceptions and expectations. This perspective provides insight into why consumers find authenticity in reproductions. In the branding context, it refers to the ability to develop a fit with consumer's expectations of an authentic brand, it derives from consumers' perspective of abstract impressions as opposed to the objective properties of the brand (Morhart et al., 2015).

In the industry where access and institutional authority are difficult to control, expertise and authenticity become extremely important. Organisations must be grounded in a clear sense of themselves in a market place where access and institutional authority is not easily controlled, expertise and authenticity become very important. Organisations with a solid mission, vision and values and abide by them are bound to be consistent with the core values of the company (Eggers et al., 2013).

Perceived Brand Authenticity is the extent to which consumers view the brand to be devoted towards itself (Continuity), honest to its customer (credibility) responsible and caring (integrity) and has ability to support customers to being true to themselves (symbolism) (Morhart et al., 2015).

The continuity dimension refers to the brand historicity, timelessness and its ability to transcend trends (Merchant & Rose, 2013). Credibility is conceptualised as the brand's honesty and transparency towards the consumer, as well as its ability and willingness to fulfil its promise. Integrity aspect signifies the responsibility and moral purity of the brand (Beverland & Farrelly, 2010). Symbolism refers to the symbolic quality of the brand that allows consumers to define their true identity. Symbolism is similar to the connection benefit of authentic brands and the identity-related element of brand attachment (Whan Park, MacInnis, Priester, Eisingerich & Iacobucci, 2010).

Brand authenticity has often been viewed as an important source of competitive advantage, specifically in times of distress and in decrease of trust (Abimbola, Kocak & Ozar 2007). Brand authenticity is used as a benchmark in which all brands are measured against acceptance worthiness, authoritative, trustworthy, imitations and non-originality.
Within the context of the service industry, the attributes of authenticity are measured by the organisation's ability to be honest, personal and its experiential qualities. The core

ingredient of the successful brands is authenticity, because it makes part of the unique brand identity (Keller, 1993).

As stated by Beverland and Luxton (2013), the product and services need to be aligned to the customer's frame of mind regarding authenticity, this is based on the insights gained from brand authenticity, strategies can be developed in order to assist banks to more authentic which would attract customers (Alexander, 2009).

2.3.6 Purchase intentions

Purchase intentions reflect the consumer's motive to buy the product or service (Weisberg, Te'eni, & Arman, 2011). The consumers intentions to purchase is reflective of their interest in the product, hence the willingness to purchase the product or service (Gao, Sultan & Rohm, 2010). Consumer purchase intention is indicative of what consumers consider buying in the future in order to satisfy their needs (Chinomona & Sandada, 2013).

According to Lien, Wen, Huang and Wu (2015), the probability a consumer has to purchase a product or service, is an important predictor of actual purchasing behaviour. It is understood that intentions capture motivational factors that drive intensions, the higher the intention, the more likely the engagement with the behaviour (Amaro & Duarte, 2015).

According to Zhang and Kim (2013), much empirical research has been conducted and a favourable relationship between attitude and purchase intent has been found and received support across various products and services. When a positive attitude is derived from purchasing, then the buying intention is also positive (Yoo & Lee, 2009). An attitude towards behaviour is perceived as an extent to which an individual favours or has a liking towards the behaviour; therefore intention to purchase is an attitudinal variable. Another attitudinal variable that influences purchase behaviour is satisfaction (Ko & Kim, 2010).

It has been argued that the hierarchy of effects model best explains the relationship between consumer attitudes and purchase intentions. The model posits that marketing communications progresses consumers from the first stage which is awareness, to generating interest and desire and finally the purchase intention. Purchase intention ordinarily occurs before the action occurs (Page & Luding, 2003).

The theory of reasoned action has been utilised to understand the consumer decision making process and researchers have proven that attitudes towards a behaviour is a strong predictor of behavioural intent (Zhang & Kim, 2013). It has been further argued that the customer's mind set such as awareness, attitude, influences customer behaviour (George & Kumar, 2007).

Researchers also found that an intentional measure is a more effective measure than behavioural, because some of the consumer's purchases may be due to constraints (Bai, Law & Wen 2008). Actual behaviour is related to purchase intentions (Azjen & Fishbein, 1985). Customer behaviour can be predicted by intentions therefore organisations need to find innovative ways to appeal to their potential consumers in order to create positive perceptions in the consumers mind (Chinomona & Sandada, 2013).

According to Page and Luding (2003), the rationale and emotional process in the financial purchase decision making has been examined and it was found that the rational dimensions overrides the emotional aspects of the decision making. A consumer behaviour matrix was developed to understand another perspective when purchasing financial services which describes consumer types by high or low consumer.

The consumer behaviour matrix explains the four types of consumers

1. Repeat-passive (low involvement, high confidence)
2. Rational-active (high involvement, high confidence)
3. Relational-dependent (high involvement, low confidence)
4. No purchase (low involvement, low confidence)

Overall the strength of intentions to purchase as a surrogate measure of future behaviour is a well-known phenomenon in literature (Page & Luding, 2003). Consumer purchase intentions are largely dependent on product value and through referrals through friends and family (Dehghania & Tumer 2015). Purchase intention is a variable utilised to measure customer future contributions to the brand based on their attitude (Kim & Ko, 2012). In the banking industry, purchase intentions reflect the desire for the consumer to purchase a financial solution with the bank.

2.4 Conceptual Model and Hypothesis development

2.4.1 Conceptual model

In order to empirically test the influence of Customer Equity on Perceived Brand Authenticity and Purchase Intention, a conceptual model is developed drawing from the literature review. In this conceptual model, Customer Equity is the predictor directly influencing purchase intentions - an outcome variable. Perceived Brand Authenticity is the mediator between Customer Equity and purchase intention relationship. Figure 10 depicts this conceptualised model. The four hypothesised relationships between the research constructs are discussed hereafter.

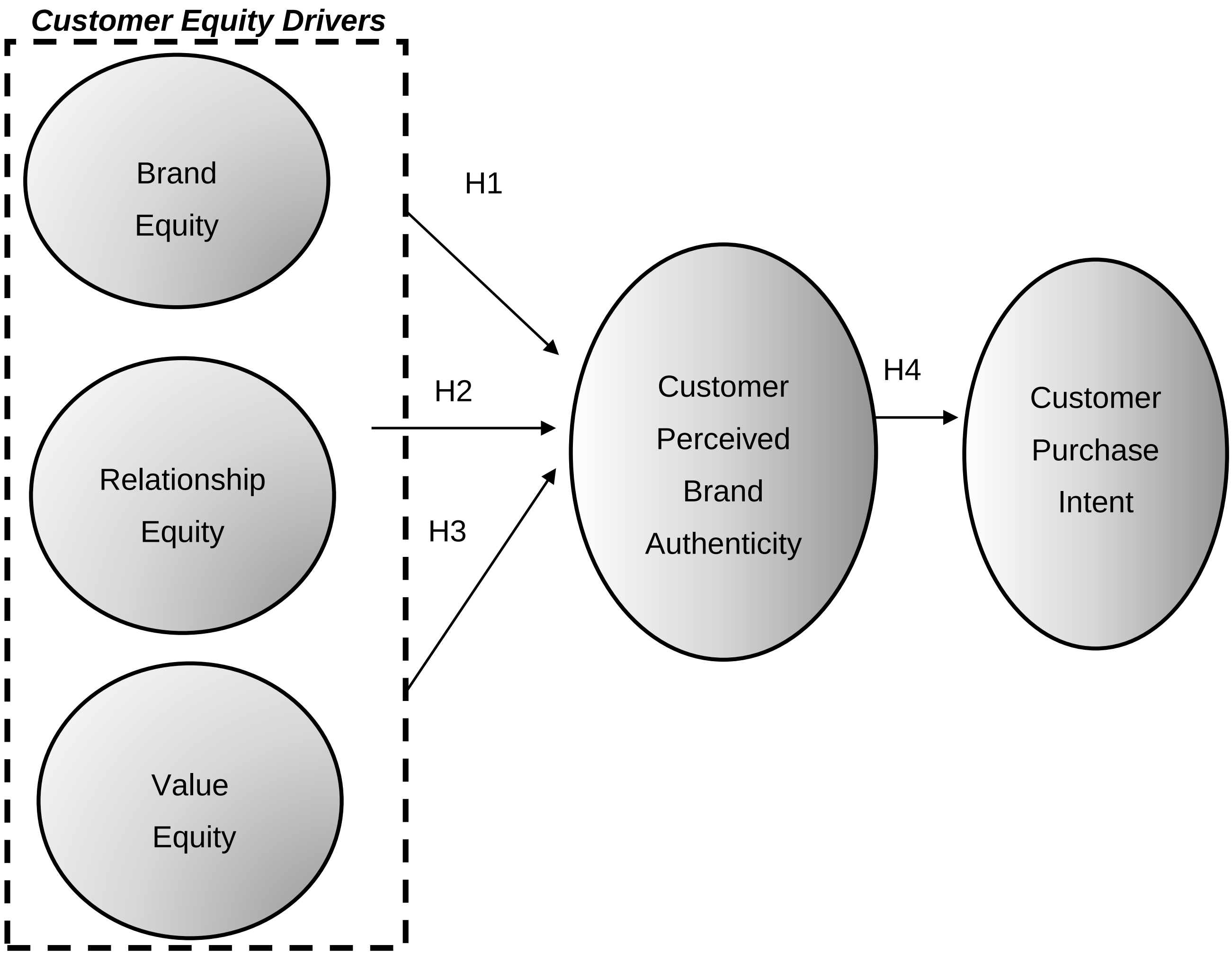


Figure 10 Conceptual Model

2.4.2 Hypothesis development

2.4.2.1 Brand Equity and Perceived Brand Authenticity

Brand equity occurs when consumers are familiar with the brand and have favourable associations or image of the brand (Ipkin & Wong, 2013). It is important for organisations to have a high Brand equity because it has a significantly positive effect on future cash flows, stock price movements as well as mergers and acquisitions; it also influences the consumer's subjective assessment of the product or service (Bick, 2009). This study has encompassed the dimensions of Brand Equity, namely, brand awareness, brand associations, perceived quality and brand loyalty. Brand equity depicts brand reputations and impacts on perceived brand authenticity (Chaudhuri, 2002). A prior study has been conducted by Lu, Gursoy, D, and Lu (2015) in the ethnic restaurant industry and proved that there is a positive relationship between Brand Equity and Perceived Brand Authenticity. This study was also buttressed by another study conducted in the airline industry (Lin, 2015). Based on the empirical evidence provided above, this study hypothesises that:

H2 ⇒ there is a positive relationship between Brand Equity and Perceived Brand Authenticity

2.4.2.2 Relationship Equity and Perceived Brand Authenticity

Favourable Relationship Equity results in consumers staying with the organisations or the brand (Rust, Lemon & Zeithmal, 2001). Maintaining favourable Relationship Equity does not only results in increased profits (Low, Wesley & Johnston, 2005), but it also offers additional value to the consumer (Vogel et al., 2008). Trust is a major determinant of relationship (Chumpitaz Caceres & Paparoidamis, 2007); trust is linked to the concepts of credibility and integrity which form Perceived Brand Authenticity (Goffee & Jones, 2005). The Social Exchange Theory is used to explain the impact of Relationship Equity in this study (Lee, et al, 2014); the theory implies that between the parties involved in the social exchange process, reciprocal rewards will be provided (Choi, Lots, & Kim, 2014). This theoretical reasoning is supported by similar studies (Cropanzano & Mitchell, 2005 ;(Masterson, Lewis, Goldman, & Taylor 2000; Gustafsson, Johnson, & Roos, 2005). Therefore the study proposes:

H2 ⇒ there is a positive relationship between Relationship Equity and Perceived Brand Authenticity

2.4.2.3 Value Equity and Perceived Brand Authenticity

Value equity analyses the perception ratio of what the customer sacrifices in terms of monetary value given up versus what the customer receives (Vogey et al., 2008). It is critical for organisations to ensure they deliver value in order to acquire and retain their customers (Lemon et al., 2001). Perceived value is an antecedent of customer satisfaction (Hutchinson & Wang, 2009), which leads to perceived brand authenticity (Knudsen, Rickly & Vidon, 2016). In line with Rust et al (2001), this study considered quality, price and convenience as Value Equity drivers. A positive linkage between Value Equity and Perceived Brand Authenticity has been supported by similar empirically studies (Lin & Wang, 2012; Grayson, 2002; Asplet & Cooper, 2000; Swanson & Horridge, 2006; Newman, & Bloom, 2012). Based on the above discussion, the following is hypothesised:

H3 ⇒ there is a positive relationship between Value Equity and Perceived Brand Authenticity

2.4.2.4 Perceived Brand Authenticity and purchase intentions

Perceived brand authenticity is achieved when consumers experience the brand promise made by the organisation, this increases customer purchase intentions (Fisher-Buttinger & Vallaster, 2010). It is crucial for organisations to establish the nature of authenticity in order to gain a competitive advantage in an intensely competitive market (Abimbola, Kocak & Ozar, 2007), this also yields financial benefits (Grandey, Mattila, Jansen & Sideman, 2005). As stated by Morhart et al., (2015), this study incorporates the four dimensions of perceived brand authentic namely symbolism, integrity, continuity and credibility.

Perceived brand authenticity increases the level of trust (Schallehn, Burmann & Riley, 2014). Trust is a recognized determinant of attitude (Suh, & Han, 2003), and attitude is an imperative predictor of purchase intentions (Lien et al., 2015). The theory of planned behaviour is utilised to explain the relationship between Perceived Brand Authenticity and Purchase Intentions. Previous empirical studies have utilised the theory of planned behaviour to better predict customer behaviour intentions (Kim & Ko, 2012), in the restaurant industry (Kim, Ham, Yang & Choi, 2013), in the corporate environment

(Lafferty, Goldsmith & Newell, 2002). Furthermore, in the e-marketing, B2C industry (Hong, & Cho, 2011). In light of this, the study postulates:

H4 ⇒ there is a positive relationship between brand authenticity and purchase intent

2.5 Summary

This chapter discussed the antecedents of customer purchase intentions. Social exchange theory and theory of planned behaviour acted as the framework that guided the study. The study consists of three predictor variables (Value Equity, Relationship Equity and Brand Equity) the mediator (Perceived Brand Authenticity) and outcome (Purchase Intention). The conceptual model was presented and the development of the hypothesis was guided by literature.

CHAPTER 3: RESEARCH METHODOLOGY

3.1 Introduction

The aim of this chapter is to describe the research methodology employed in the current study. According to Symon and Cassell (2012), research methodology is the process and conduct of data collection. This chapter commences by describing the research strategy and research design. The chapter, in addition, identifies the population and sample for the research, and describes the sample method utilised. Hereafter the discussion of the instrument utilised for data collection and data analysis and interpretation follows. To complete the chapter, the limitation of the study are discussed, and the validity and reliability of the methodology.

3.2 Research Strategy

Research paradigm focuses on philosophical beliefs and assumptions of the various methodological communities and the general view on these philosophical positions based on their research practice. These paradigms are philosophical positions which include positivism, interpretivism, constructivism, realism, postmodernism and pragmatism, each with different ideas regarding reality (ontology) and how we gain knowledge (epistemology) (Maxwell, 2005).

The two philosophies that deal with distinct views on how knowledge is expanded are Positivism and Interpretivism. Intepretivism is of the view that the world and reality are not objective but are collectively constructed and specified, the paradigm attempts to understand how individuals feel and imagine, regarding a specific subject (Bryman & Bell, 2007). However, positivism describes the view point that the world and realities exist outside the researcher and its properties must be determined though objective procedures (Wheeler & Carter, 2011). This paradigm is in agreement with the empiricist view that knowledge stems from human experience (Collin, 2010). Positivism assumes a steady reality that can be observed and quantified in a detailed and systematic way to expand objective knowledge (Petty, Thomson & Stew, 2012). The current study has employed a positivism paradigm.

There are three types of research framework that can be utilised in a study, namely, the qualitative method which is the collection, analysis and interpretation of data that cannot be quantified meaningfully (Wild & Colin, 2013);Quantitative method which typically emphasises quantification in data collection and data analysis (Bryman, 2012); and lastly, mixed methods which involves combining approaches and strategies in the attempt to answer the research objectives and questions (Saunders & Lewis, 2012). The study employs a quantitative research approach because findings had to be tested statistically to complement the stated objectives.

3.3 Research Design

According to Zikmund and Babin (2010), research design is a master plan detailing the methodology and procedures by which the required information is going to be collected and analysed. Descriptive study defines and interprets what is concerned with the current situation although it often considers past events and influences as they relate to the current condition (Singh & Bajpai, 2007).

There are five types of research design, namely, cross sectional, longitudinal, case study, comparative study and quasi-experimental. This study has applied a cross sectional research design. Cross sectional design encompasses collecting data on more than one case at a single point in time in order to accumulate the body of the data relating to the stated variables (Bryman, 2012).

The main advantage of cross sectional research is that it fairly easy to plan and only one measurement is needed, however, from the methodological point of view, cross sectional disadvantage is that exposure and outcome are measures at the same time, it cannot be confirmed that exposure precede the outcome (Singh & Damato, 2013). The cross sectional approach was beneficial to the study because it was relatively cheap and simple to collect data from a lecture room with the permission of the lecturer.

3.4 Population and Sample

3.4.1 Population

According to Bryman (2012), the population is the universe of units from which the sample is to be selected. The problem that is being investigated determines the population of units (Wild & Diggines 2010). In the current study, the target population comprised South African youth. Witwatersrand students formed the unit of analysis because it is a good representation of the youth with active bank accounts from Absa, Standard Bank, First National Bank and Nedbank. South Africa's population is largely made up of youth who are below the age of 35 years; they constitute approximately 66% of the total population (UNFPA, 2016). According to South Africa's National Youth Policy (2015-2020), youth refers to individuals between the ages of 15-34 years old.

3.4.2 Sample and Sampling method

A sample is generated from within the area that represents the population under consideration (Bryman, 2012). The sample utilised for the study was 253 registered Witwatersrand students with active bank accounts from the four leading banks, namely, Absa, Nedbank, Standard Bank and First National Bank.

Sampling methods is grouped into two categories, probability sampling and non-probability sampling. The important characteristic of probability sampling is that there is an equal chance of being included in the sample. Representative sampling plans are possible with probability sampling because the probability sampling includes random selection in the process (Feild, Pruchno, Bewley, Lemay, & Levinsky, 2006). Probability sampling methods comprise simple random sampling, systematic sampling, stratified sampling, cluster sampling, and multiphase sampling (Bryman, 2012).

With non-probability sampling, it is not possible to estimate the probability of inclusion in the sample by each element. Sampling errors are difficult to estimate with non-probability sampling (Field et al., 2006). Non-probability sampling comprises convenience sampling, snowball sampling, purposive sampling, quota sampling (Bryman, 2012).

The current study employed a probability simple random sampling method, where there was an equal chance that any student could be selected in the lecture rooms, who are banking with Absa, Standard Bank, First National Bank and Nedbank.

Table 1 Profile of respondents

Description of respondent type	**Number sampled**
Registered students at Witwatersrand with active bank accounts	253

3.5 Research Instrument

An instrument is designed to collect primary data, the most important research instruments are questionnaires, mechanical or electronic equipment. Questionnaires are commonly used to collect primary data, where the types of questions, wording, forms and sequence are carefully considered. Mechanical or electronic equipment can also be utilised to collect primary data, where cameras and electronics are utilised to collect data (Wild & Diggines, 2010). The study utilised a self-administered questionnaire to gather data. The objective of the questionnaire was to measure the antecedents of purchase intention amongst the youth in the banking sector in South Africa.

The questions were structured according to the various variables in the study which encompass Value Equity, Brand Equity, relationship equity, Perceived Brand Authenticity as well as customer purchase intentions. The questionnaire comprised six sections; Section A, B, C, D, E and F. Section A was the demographic profile, B, C D E F will measure Value Equity, relationship, Brand Equity and brand authenticity and purchase intent respectively.

The research scale was operationalised based on previous work. Sufficient adjustments were applied to match the current research construct and the purpose. A six item scale was adapted from Vogel, Evanschitzky and Ramaseshan (2008) to measure “Value Equity’ and a five item scale was adapted from Vogel, Evanschitzky and Ramaseshan (2008) to measure “relationship equity”. A four item scale was adapted from Vogel, Evanschitzky and Ramaseshan (2008) to measure ‘Brand Equity’ and a 15 item scale was adapted from Morhart, et al. (2015) to measure Perceived Brand Authenticity. Lastly, a four item scale was adapted (Ponte, Carvajal-Trujillo & Escobar-Rodríguez 2015) in order to measure purchase intentions. All the scale items were measured, based on a seven point Likert scale ranging from 1= strongly disagree to 7= strongly agree. Table 2 demonstrates the measurement items

Table 2: Measurement Instruments

Value Equity	VETE 1	I generally rate my overall banking experience high
	VETE 2	The quality-price ratio with the bank with respect to products is very good.
	VETE 3	The quality-price ratio with the bank with respect to services is very good.
	VETE4	For the time spent at this bank I would say the service highly reasonable
	VETE5	For the effort involved in banking with this bank, I would say the service is very worthwhile
	VETE 6	The bank is very attractive.
Relationship Equity	RETE1	As a member of the loyalty program, they do services for me that they don't do for most customers.
	RETE 2	I am familiar with the employees that perform the service
	RETE 3	I am glad to meet other customers in the bank
	RETE 4	Employees in that bank know my name
	RETE5	I have trust in this bank
Brand Equity	BRTE1	This bank is a strong brand
	BRTE2	This bank is an attractive brand
	BRTE3	This bank is a unique brand
	BRTE4	This bank is a likable brand
	PBAE 1	This brand has history
	PBAE 2	This brand is timeless
	PBAE 3	This brand survives times
	PBAE 4	This brand survives trends

Perceived Brand Authenticity		
	PBAE 5	This brand will not betray me
	PBAE 6	This brand accomplishes its value promise
	PBAE 7	This brand is honest
	PBAE 8	This brand gives back to its customers
	PBAE 9	This brand has moral principles
	PBAE 10	This brand is true to its set a moral value
	PBAE 11	This brand cares about its consumers
	PBAE 12	This brand adds meaning to people's lives
	PBAE 13	This brand connects people with what is really important
	PBAE 14	This brand reflects important values that people care about
	PBAE 15	This brand connects people with their real self
Purchase Intention	PESE 1	The probability that I would consider to purchase from this bank is high
	PESE 2	If I were to purchase a financial solution it would be from this bank
	PESE 3	The likelihood of my purchase from this bank is high.
	PESE 4	My willingness to purchase from this bank is high

3.6 Procedure for data collection

Data collection permits the researcher to systematically collect information about the objects of study (people, objects, phenomena) and about the setting in which they occur. It is important for the collection of data to be systematic; if data is collected haphazardly, it will be challenging to address the research questions in a conclusive way (Chaleunvong, 2013).

Data collection has various types of approaches, relating to how open ended or structured the implementation of the methods are (Bryman, 2012). On the basis of the research method utilised, in the instance of a survey, the “raw’ observations are usually in the form of a questionnaire with checked boxes and written answers in the spaces and so forth. The processing of data of a survey commonly involves the classification of a filled-in answer and the information transfer to the computer (Babbie, 2013).

There are different types of data collection methods namely:

- Ethnographic or participant observation, this type of data collection technique entails the comprehensive involvement of the researcher in the social life of those who are being studied (Bryman, 2012). The technique involves systematically watching, selecting and recording characteristic and behaviours of living beings, objects or phenomena (Chaleunvong, 2013).

- Interviews, the aim of the interview in social research is to elicit informaton from the interviewee or respondent (Bryman, 2012). This technique involves oral questioning of respondents, either in a group or individually. The respondents’ answers are commonly recorded by writing them down or by tape recording or a combination of both (Chaleunvong, 2013).

- Focus groups, this involves a discussion between a group of 8-12 informants to openly discuss a certain subject with the guidance of a reporter or facilitator (Chaleunvong, 2013). The technique relies on the objective moderator to introduce the topic to the group of informants who then directs the discussion of the topic in a non-structured and natural fashion (Wild & Diggines, 2010).
- Questionnaire (self-administered questionnaire), is a data collection technique in which written questions are presented and respondents answer in a written format. There are different ways in which a questionnaire can be administered. It can be sent by mail with instructions on how to respond to the questions, or gathering part or all the respondents at a single place and time then giving oral or written instructions and lastly the questionnaire can be hand delivered and collected later (Chaleunvong, 2013).

There are advantages and disadvantages to the various data collection techniques. Table 3 lists the advantages and disadvantages of the techniques

Table 3 Advantage and Disadvantage of data collection techniques

Technique	Advantage	Disadvantage
Observation	• Gives more comprehensive and context related information • Allows collection of information on details outside the interview • Allows reliability tests of respondents to the questionnaire	Ethical issues pertaining to privacy and confidentiality may arise Bias may occur, the observer may attract their interest The situation observed may be influenced by the presence of the data collector
Interviewing	• Can be utilised for both literates and illiterates • Allows clarification of questions • The response rate is higher than written questionnaires	• The response can be influenced by the presence of the interviewer • Information gained compared to observation may be less complete
Focus group	• There is an opportunity to observe large amount of interactions about a topic within a limited time period • The moderator or facilitator has the opportunity to asking probing questions	• Focus groups are costly to conduct • The group experience may intimidate causing some participants to withdraw • Conformity may be fostered amongst the group members
Questionnaire	• Inexpensive • More honest answers can be generated due to the anonymity • No research assistant is required • Reduced bias due to the phrasing of questions	• It cannot be utilised with illiterates • Additional training is required for researchers.

Source: Chaleunvong, (2013), Connaway and Powell, (2010).

The survey method of data collection was adopted and a self administered questionaire was designed. According to Chaleunvong, (2013), there are three types of self-administered questionnaires, namely posted questionnaire, hand delivered and those filled in a group at the same time; for this study, groups of students were approached in Witwatersrand lecture halls to fill out the questionnaires. An assistant was employed to assist the researcher to distribute and collect the questionnaires in the lecture halls.

3.7 Data Anlaysis and interpretation

Data analysis is the application of reasoning in order to make sense of the data that has been collected (Babin, Zikmund, 2015). The following section describes the steps followed to analyse data. The process was a detailed step by step and is discussed further in the section below.

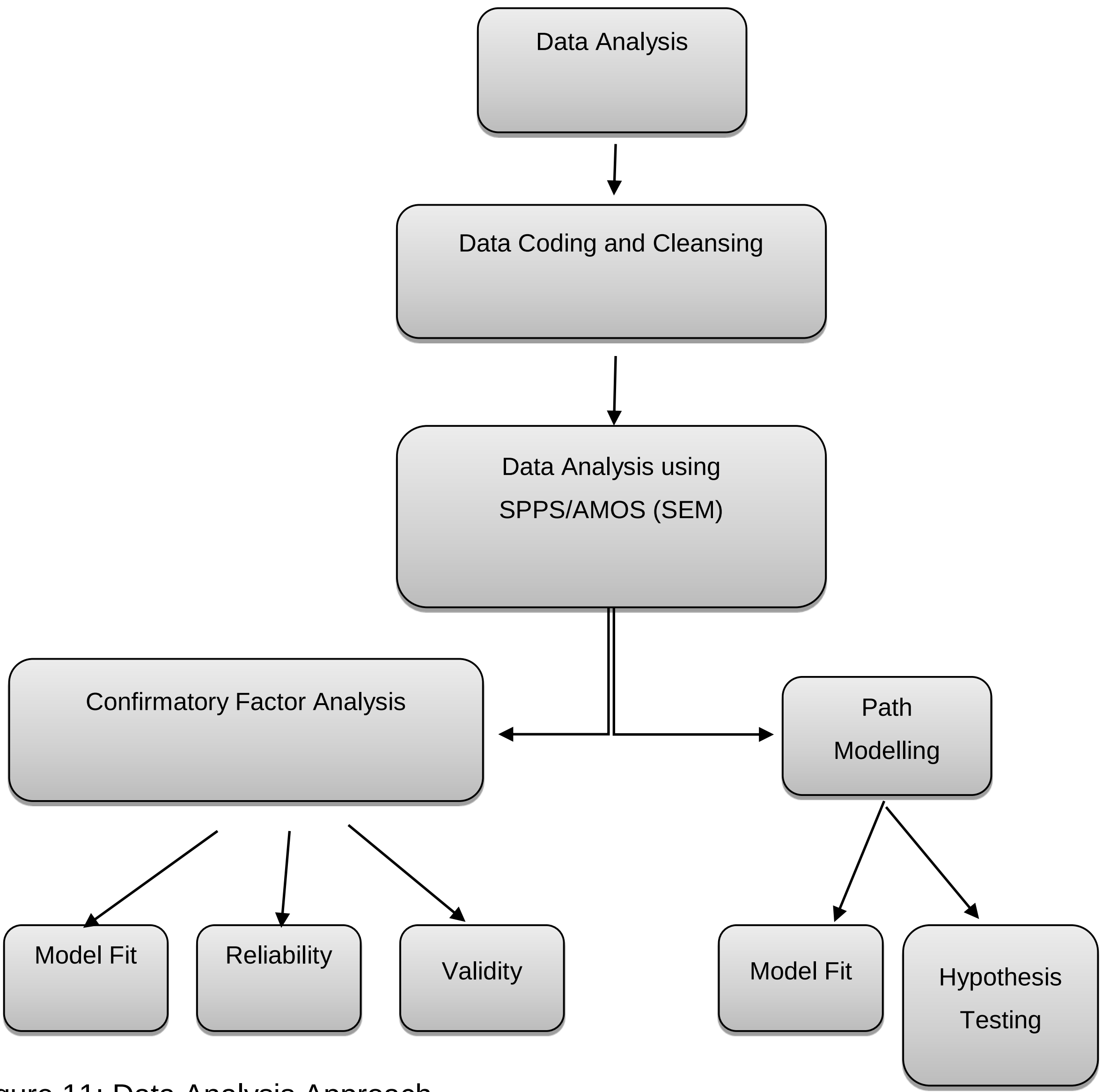


Figure 11: Data Analysis Approach

3.7.1 Structural Equation Modelling (SEM)

The current study employed structural equation modelling to analyse the data. Structural equation modelling (SEM) is a method that is statistical which adopts a confirmatory (Hypothesis testing) approach to the analysis of structural theory bearing on some phenomena. The theory generally represents a causal process that produces observations on multiple variables. Two important aspects of procedure are conveyed in the term structural equation modelling. Firstly a series of structural (i.e regression) equations are a representation of causal processes under study. Secondly the structural relations can be modelled pictorially to allow a more vivid conceptualisation of the theory under the study (Byrne, 2013).

The hypothesized model can be statistically tested in a simultaneous analysis of the whole system of variables to determine the extent to which it is consistent with the data. The model can argue plausibility of postulated relations among variables if the goodness fit is adequate ($\chi 2$ /DF, GFI, NFI, IFI, TLI, CFI, RMSEA), if it is not adequate then the tenability of the relationships is rejected (Byrne, 2013).

The similarities between Structural Equation Modelling (SEM) and traditional statistical methods, are that they are both based on linear statistical models. Secondly, the statistical tests are valid if certain assumptions are met for both methods. Lastly, none of the apporaches tests the causality (Suhr, 2006).

A few aspects of structural equation modelling (SEM) set it apart from the previously used multivariate procedure. Firstly, it takes a confirmatory approach rather than an exploratory approach to analysing data, furthermore, it lends itself well to the analysis of data for inferential purposes by demanding that the pattern of intervariable relations be specified. Secondly, SEM provides clear estimation of error variance parameters whereas traditional multivariate procedures are not capable of assessing or correcting measurement errors. Thirdly, Structural equation modelling (SEM) incorporates both observed and unobserved measurements while the earlier procedures were based on observed measurements only. Finally, there are no extensive and simple applied alternative methods for modelling multivariate relations, or for estimating point and/or interval indirect effects, these imperative features are available using the SEM methodology. Given the highly favourable characteristics, SEM has become an increasingly used methodology (Byrne, 2013). Figure 12 is the suggested approach to structural equation modelling (SEM).

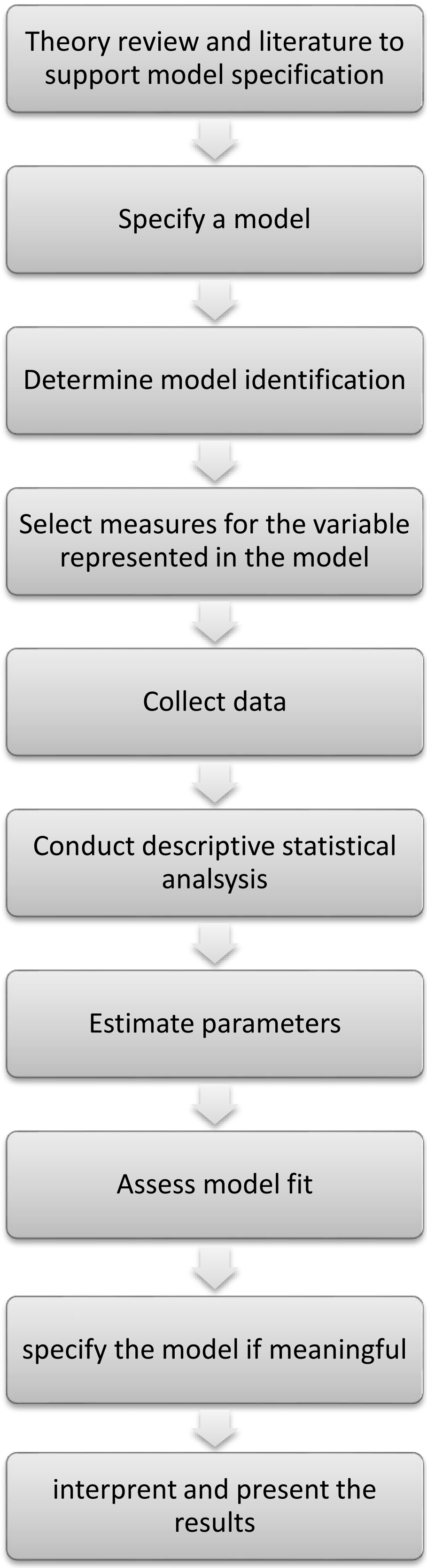


Figure 12 Structural Equation Modelling process (Source, Suhr, 2006)

3.7.2 Data coding

The data collected for this study was cleansed using an excel spreadsheet and entered into SPSS. Data coding refers to the assignment of numbers to categories in a method that facilitates measurements (Hair et al., 2014).

When applying multivariate analysis, coding is crucial because it determines how and when the different types of scales can be utilised. A Likert scale is ordinal, however if it is well presented then the Likert scale can approximate an interval level measurement, and the corresponding variables can be utilised in structural equation modelling (Hair et al., 2014).

3.7.3 Descriptive statistics

Descriptive statistics provides a method of accurately describing and analysing big datasets quickly and easily. The most general descriptive statistics utilised are measures of central tendency (Mean, Median and mode) and measure of dispersion (the range, standard deviation, standard error and variance) (Hinton, McMurray, & Brownlow, 2014).

3.8 Limitations to the study

- The study examines Customer Equity in only a single industry, namely, the financial sector which is a concentrated approach that limits generalisability.

- The Customer Equity model is only applied to a specific market segment which is youth segment of the retail banking sector of the financial service sector; customer equity optimisation would be different in other segments

- This study has employed a cross sectional research approach which is a snap shot of that particular time which means that changes over Customer Equity in this segment can be a topic of the future

3.9 Validity and Reliability

Validity and reliability are two important elements in the assessment of a measurement instrument. Validity is concerned with the degree to which an instrument measures what it is designed to measure. Reliability is concerned with the ability of the instrument to measure consistently. Validity and reliability are closely associated, the instrument cannot be valid unless it is reliable, however, the reliability of the instrument is not dependant on validity (Tavakol & Dennick, 2011).

The current study examined construct reliability, in particular, through conducting a Cronbach alpha test. Cronbach alpha is conceived to be an SPSS tool for assessing the reliability of an observed instrument intended to measure a particular construct (Bryman et al., 2003).

3.9.1 Reliability

Freedom from random error is an indication of the reliability of the scale. Internal consistency is the degree to which the items that make up a scale are measuring the same underlying attribute. Internal consitstency is most commonly measured statistically by Cronbach alpha. Average correlations among all of the items that make up the scale are provided through this statistic. The range of values is between 0 and 1 with higher values indicating higher reliability (Pallant, 2013).

Depending on the nature and purpose of the scale, different reliability levels are required. According to Nunnally (1978), a minimum level of 0.7 is recommended. The values of Cronbach alpha can be small depending on the number of items in the scale and it may be better to calculate and report the mean inter-item correlation for the items (Pallant, 2013).The current study employed under reliability Cronbach's Alpha (α), Composite reliability (CR) in order to check reliability.

It is appropriate to compute coefficient alpha values to estimate the reliability of scales responses when conducting research with multiple-item-scales. The coefficient is an index f internal consistency. The recommended values of alpha should be ideally higher than 0.69. It is possible to compute composite reliability index for each latent factor when performing confirmatory factor analysis. The index is similar to the coefficient alpha and shows internal consistency of indicators measuring a given factor (O'Rourke, Psych, & Hatcher, 2013).

Variance Extracted estimates are used in the assessment of the amount of variance captured by factors in relation to variance attributable to measuremnt error. The factor loadings are first squared and then total the reliability estimates for a given factor's indicator (O'Rourke, Psych, & Hatcher, 2013).

3.9.2 Validity

Scale validity refers to the degree to which it measures what it is supposed to measure. The collection of empirical evidence is involved in the validation of the scale. This study has employed construct validity which involves testing a scale against theoretically derived hypotheses concerning the nature of the underlying variable or construct.
Construct validity is explored by investigating its relationship with other constructs, both (unrelated) convergent validity and (related) discriminant validity (Pallant, 2013).

The study measured validity in sections Convergent Validity and Discriminate Validity. Convergent validity was measured by using Item-loading, Item to total correlation values and average variance extracted. On the other hand, discriminate validity was measured by inter-construct correlation matrix, average variance extracted versus shared variance (O'Rourke, Psych, & Hatcher, 2013).
When scores from different instruments are used to measure the same construct, correlated then convergent validity is demonstrated. A strong correlation suggests that both instruments are measuring the same construct, even though different methods were utilised (O'Rourke, Psych, & Hatcher, 2013).

Discriminant validity can be assessed through chi-squared by estimating the standard measurement model in which all factors are permitted to covary, secondly by creating a new measurement model similar to the previous one, except that the correlation between the two factors is fixed at 1, thirdly, by calculating the chi-squared difference statistic for the two (O'Rourke, Psych, & Hatcher, 2013).

3.9.3 Model fit Criteria

Table 4: Model Fit Criteria and acceptable fit level

Model fit criteria	Description	Acceptable level	Source
Chi-square (χ^2/DF)	It generally tests the reasonable measure of fit.	Value less than 3	(Kenny, 2012)
Goodness of Fit Index (GFI)	It is variance share in the sample correlation/covariance accounted for by the predicted model	Values greater than 0.9	(Guarino, 2004)
Normed Fit Index (NFI)	It measures fit relative to the independence model, which suggests relationship in the data does not exist	Values greater than 0.9	(Guarino, 2004)
Tucker-Lewis Index (TLI)	It compares the null model to the proposed model	Values greater than 0.9	(Khine, 2013)
Incremental Fit Index (IFI)	It compares the improvement of the model to the null model	Values greater than 0.9	(Hooper, Coughlan, & Mullen, 2008).
Comparative Fit Index (CFI)	Compares the performance on your model to performance on baseline	Values greater than 0.9	(Khine, 2013)
Root Mean Square Error of Approximation (RMSEA)	It measures how well the model, with unknown but optimally chosen parameter estimates would fit the populations covariance matrix	Values less than 0.05	(Hooper, Coughlan, & Mullen, 2008).

3.10 Demographic profile of respondents

The planned sample was Witwatersrand students from the ages of 18 to 35, from any race group and a fair mix of male and female. A minimum qualification is high school or senior certificate with an operating bank account. The actual sample obtained from the research is discussed in section 4.2.1

3.11 Ethical consideration

The respondents who participated in the survey did so voluntarily. The respondents' information collected is being kept highly confidential. The respondents were informed that the data collected is for a master's degree research project which is conducted for academic and research purpose only.

3.11 Summary

This chapter discussed the research methodology adopted in this study. The research paradigms, design, and sample design was provided. The method of data collection, the data analysis approach, limitation, reliability and validity was highlighted. The following chapter unpacks the results and findings under data analysis. The next chapter provides detail on the analysis of data and presentation of results

CHAPTER 4: DATA ANALYSIS AND PRESENTATION OF RESULTS

4.1 Introduction

The purpose of this chapter is to present and discuss the findings derived from the empirical investigation. In this chapter, the data collected through the self-administered questionnaires is analysed through Statistical Package of the Social Sciences (SPSS) and Amos 22. In this chapter, it is imperative to confirm and validate the hypothesis of the study to meet the research objectives highlighted in Chapter 1.

The structure of this chapter is as follows: Firstly, Descriptive statistics are addressed, which provides a description of the sample that was utilised for this study. Secondly, Scale item results are presented from the analysed data. Thirdly, reliability and validity assessments are undertaken; Reliability tests to evaluate the reliability measures are Cronbach Alpha (α) and Composite reliability (CR) while validity to evaluate Convergent and Discriminant validity. Lastly, Structural Equation Modelling is conducted in order to present Confirmatory Factor Analysis results and Path Model results.

4.2 Descriptive Statistics

Descriptive statistics are basic numerical measures or graphical techniques used in describing and organising the factors and characteristics of the given sample (Fisher & Marshall, 2009). The meaning of data is demonstrated through statistics and is based on numbers (Marshall & Jonker, 2010). Descriptive Statistics methods provide an organised, simplified description of the scores (Gravetter & Wallnau, 2013).

4.2.1 Respondent Profile

Table 5 presents the respondents profile of the University of the Witwatersrand students that was used as a sample frame and 253 registered students with operating bank account were surveyed. The percentages and frequencies are outlined below which relate to the distribution of respondents.

Table 5: Respondent profile

		Frequency	Percent	Cumulative Percent
Gender	Male	99	39,1	39,1
	Female	154	60,9	100,0
	Total	253	100,0	
		Frequency	Percent	Cumulative Percent
Marital Status	Married	9	3,6	3,6
	Single	244	96,4	100,0
	Total	253	100,0	
		Frequency	Percent	Cumulative Percent
Age	18-25	244	96,4	96,4
	26-35	9	3,6	100,0
	Total	253	100,0	
		Frequency	Percent	Cumulative Percent
Qualifications	High School	153	60,5	60,5
	Degree	80	31,6	92,1
	Postgraduate	20	7,9	100,0
	Total	253	100,0	
		Frequency	Percent	Cumulative Percent
Occupation	Full-time student	243	96,0	96,0
	Part time student	3	1,2	97,2
	Self- Employed	3	1,2	98,4
	Unemployed student	1	,4	98,8
	Employed Student	1	,4	99,2
	Other	2	,8	100,0
	Total	253	100,0	
		Frequency	Percent	Cumulative Percent
Banking	Standard Bank	81	32,0	32,0
	Absa	27	10,7	42,7
	First National Bank	75	29,6	72,3
	Nedbank	23	9,1	81,4
	Other	47	18,6	100,0
	Total	253	100,0	

Gender Distribution

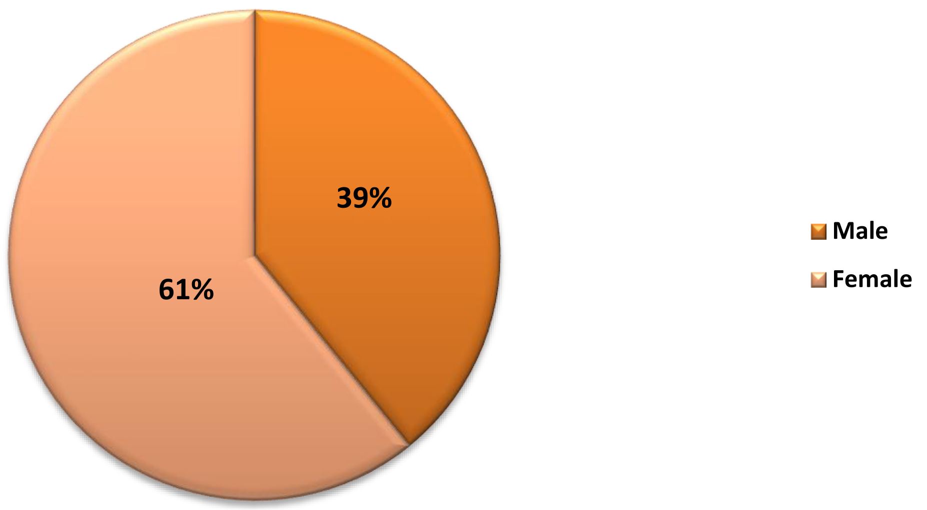


Figure 13: Pie chart indicating gender distribution

The figure above indicates the gender distribution, the percentage share between male and female was slightly uneven. The respondents were mostly female who accounted for 60.9% of the total sample and the males' only accounting for 39.1% of the total sample.

Age

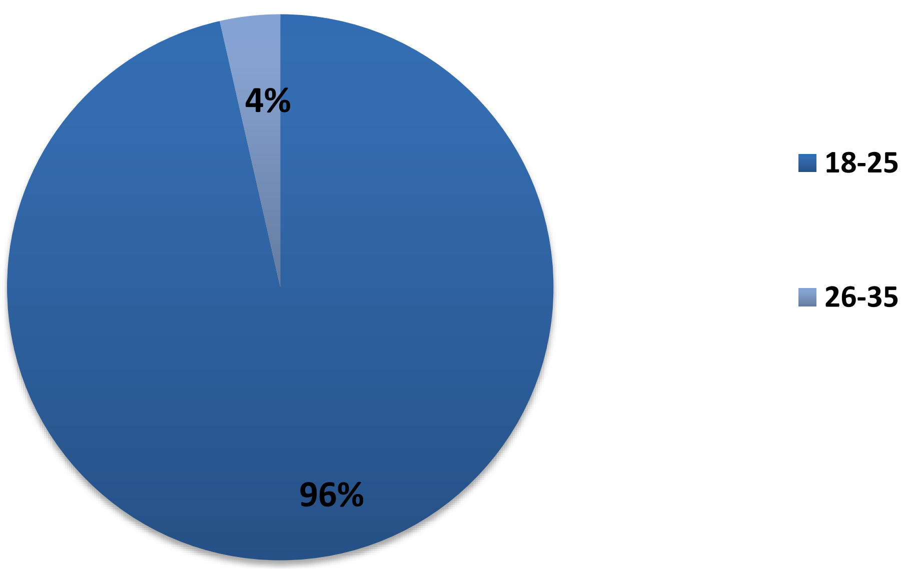


Figure 14: Pie chart indicating age of respondents

As seen in the above figure the majority of the respondents were single from the age groups (18-25) who represented 96.4% and only 3.6% were married and aged between 26-35 years of age.

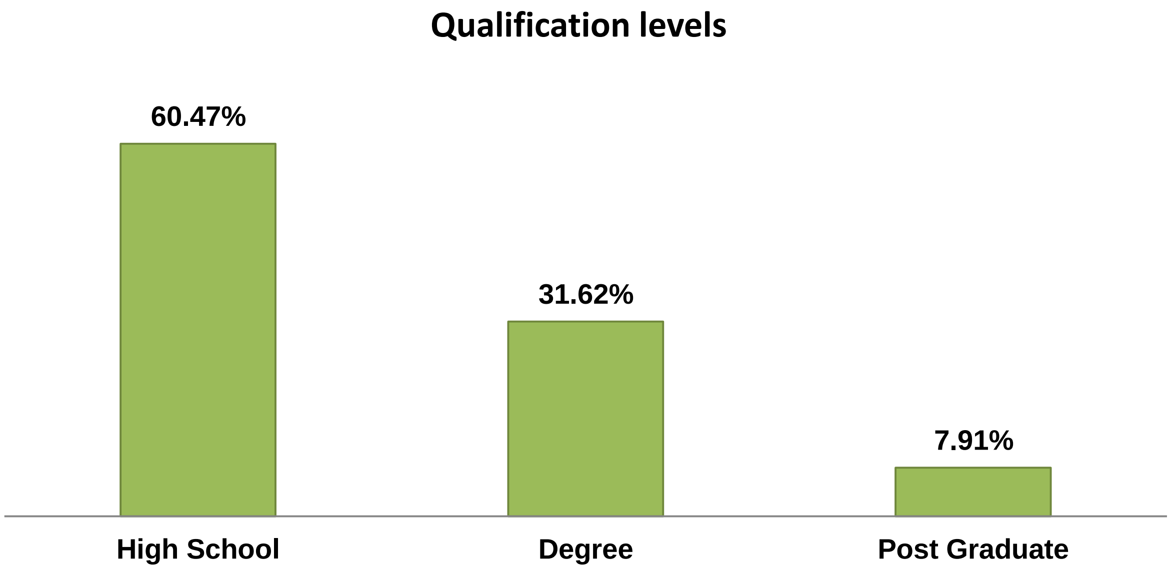


Figure 15: Bar graph indicating education levels

As seen in the above graph, the data indicates that a high percentage (60.5%) of the respondents has high school education, and 31.6% have tertiary degrees and only 7.9% have post graduate qualifications. The respondents were mostly full time students 96%, with only 1.2% being part time and self-employed students.

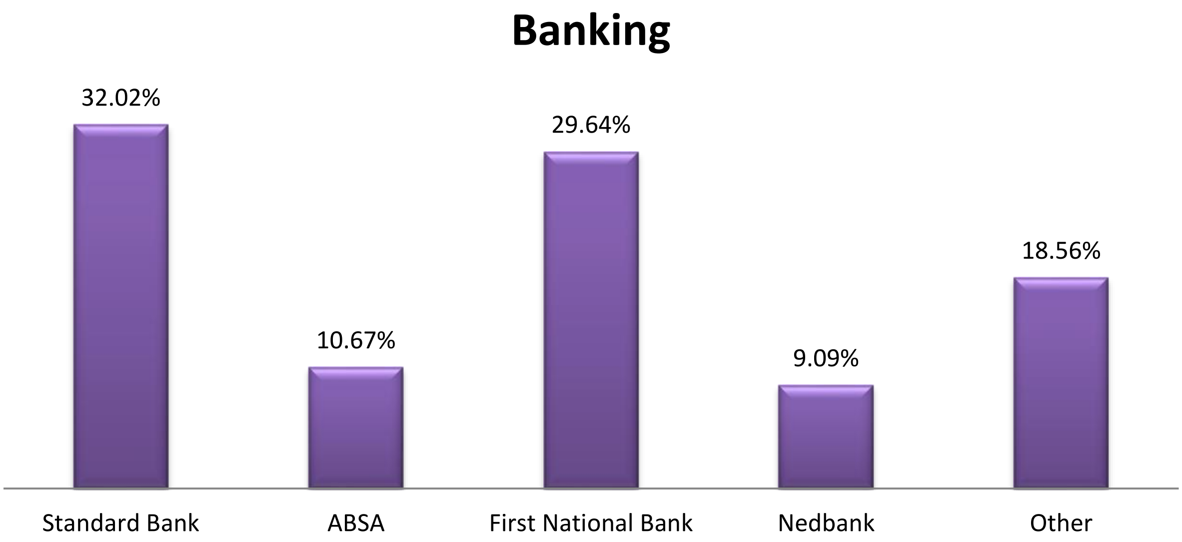


Figure 16: Bar graph illustrating respondents' banking

The above figure illustrated that 32 % of the respondents are banking with Standard Bank followed by 29.6 % of the respondents who are banking with First National Bank, 10.7% of respondents are banking with ABSA, 9.1% are banking with Nedbank and 18.6% banking with other banks.

4.3 Scale of item results

Table 4.2 below is an illustration of the scale item results. The research variables were measured on a 7-point Likert scale. The results are discussed hereafter.

Table 6: Scale item results

Items		Strongly disagree		Disagree		Slightly disagree		Neutral		Slightly agree		Agree		Strongly agree		Total
		Freq	%	Freq	%	Freq	%	Freq	%	Freq	%	Freq	%	Freq	%	Freq
Value Equity	VET1	5	2,0	13	5,1	20	7,9	52	20,6	50	19,8	80	31,6	33	13,0	253
	VET2	8	3,2	9	3,6	18	7,1	60	23,7	46	18,2	82	32,4	30	11,9	253
	VET3	4	1,6	10	4,0	12	4,7	48	19,0	51	20,2	81	32,0	47	18,6	253
	VET4	5	2,0	8	3,2	11	4,3	35	13,8	44	17,4	94	37,2	56	22,1	253
	VET5	3	1,2	7	2,8	17	6,7	31	12,3	48	19,0	98	38,7	49	19,4	253
	VET6	6	2,4	6	2,4	10	4,0	26	10,3	39	15,4	79	31,2	87	34,4	253
Relationship Equity	RET1	34	13,4	53	20,9	18	7,1	97	38,3	21	8,3	17	6,7	13	5,1	253
	RET2	61	24,1	61	24,1	34	13,4	52	20,6	16	6,3	19	7,5	10	4,0	253
	RET3	36	14,2	31	12,3	29	11,5	103	40,7	27	10,7	19	7,5	8	3,2	253
	RET4	127	50,2	50	19,8	15	5,9	32	12,6	8	3,2	15	5,9	6	2,4	253
	RET5	9	3,6	7	2,8	9	3,6	44	17,4	41	16,2	96	37,9	47	18,6	253
Brand Equity	BRT1	4	1,6	4	1,6	1	,4	18	7,1	27	10,7	100	39,5	99	39,1	253
	BRT2	5	2,0	4	1,6	4	1,6	17	6,7	37	14,6	105	41,5	81	32,0	253
	BRT3	5	2,0	11	4,3	12	4,7	35	13,8	45	17,8	79	31,2	66	26,1	253
	BRT4	3	1,2	4	1,6	9	3,6	24	9,5	38	15,0	99	39,1	76	30,0	253
Perceived Brand Authenticity	PBA 1	3	1,2	7	2,8	12	4,7	49	19,4	18	7,1	95	37,5	69	27,3	253
	PBA 2	4	1,6	8	3,2	14	5,5	56	22,1	46	18,2	82	32,4	43	17,0	253
	PBA 3	3	1,2	4	1,6	11	4,3	43	17,0	44	17,4	102	40,3	46	18,2	253
	PBA 4	4	1,6	3	1,2	13	5,1	39	15,4	46	18,2	90	35,6	58	22,9	253
	PBA 5	8	3,2	11	4,3	19	7,5	64	25,3	45	17,8	65	25,7	41	16,2	253
	PBA 6	5	2,0	8	3,2	14	5,5	49	19,4	58	22,9	83	32,8	36	14,2	253
	PBA 7	6	2,4	9	3,6	16	6,3	37	14,6	61	24,1	88	34,8	36	14,2	253
	PBA 8	14	5,5	24	9,5	12	4,7	61	24,1	51	20,2	56	22,1	35	13,8	253
	PBA 9	4	1,6	8	3,2	11	4,3	71	28,1	50	19,8	80	31,6	29	11,5	253
	PBA 10	3	1,2	8	3,2	11	4,3	66	26,1	63	24,9	74	29,2	28	11,1	253
	PBA 11	5	2,0	12	4,7	11	4,3	46	18,2	57	22,5	78	30,8	44	17,4	253
	PBA 12	7	2,8	13	5,1	16	6,3	78	30,8	54	21,3	56	22,1	29	11,5	253
	PBA 13	14	5,5	12	4,7	20	7,9	67	26,5	62	24,5	56	22,1	22	8,7	253
	PBA 14	10	4,0	15	5,9	16	6,3	65	25,7	65	25,7	56	22,1	26	10,3	253
	PBA 15	21	8,3	14	5,5	21	8,3	92	36,4	40	15,8	45	17,8	20	7,9	253
Purchase Intentions	PES1	7	2,8	11	4,3	16	6,3	35	13,8	46	18,2	93	36,8	45	17,8	253
	PES 2	9	3,6	12	4,7	16	6,3	41	16,2	50	19,8	86	34,0	39	15,4	253
	PES3	8	3,2	12	4,7	17	6,7	39	15,4	49	19,4	86	34,0	42	16,6	253
	PES4	9	3,6	13	5,1	20	7,9	36	14,2	50	19,8	79	31,2	46	18,2	253

4.3.1 Brand Equity

The variable' Brand Equity" was measured using four measurement items ranging from BRT1 – BRT4. The results show that most of the respondents agree with the Brand Equity scale items. BRT1: *This bank is a strong brand* – 100 (40%) of the respondents agree with the item. BRT2: *This bank is an attractive brand* – 105 (42%) of the respondents agree with this item. BRT3: *This bank is a unique brand -* 79 (31%) of the respondents agree with this item. BRT: *This bank is a likable brand -* 99 (39%) of the respondents agree with the item. The below graph provides an indication of how respondents responded to the Brand Equity measurement scale.

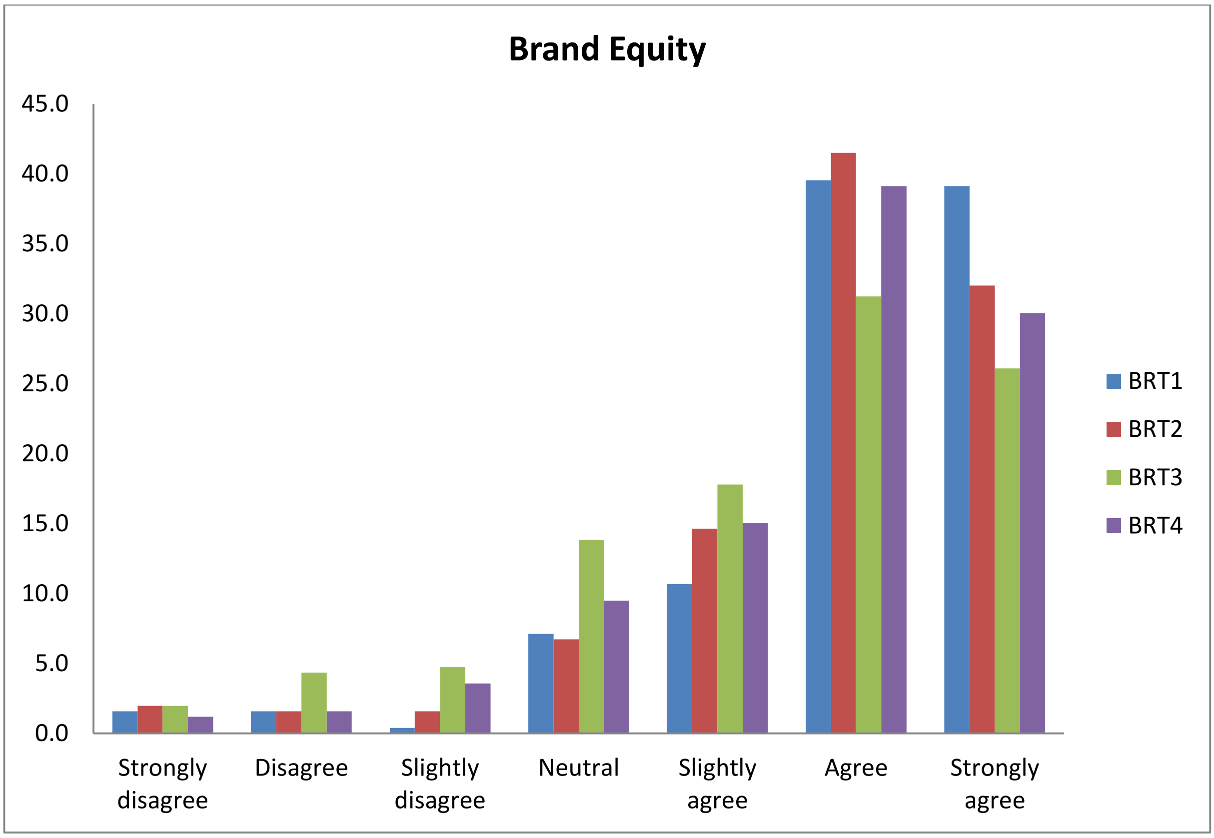


Figure 17: Brand Equity

4.3.2 Relationship Equity

The variable 'Relationship Equity" was measured using five measurement items ranging from RET1 - RET5. The data indicates that most of the respondents where ranging from agree to strongly disagree with the Relationship Equity scale items. RET1: *As a member of the loyalty program, they do services for me that they don't do for most customers* - 97 (38%) of the respondents were neutral. RET2: *I am familiar with the employees that perform the service* - 61 (24.1%) of the respondents disagree to strongly disagree.

RET3: *I am glad to meet other customers in the bank* – 103 (41%) of the respondents were neutral. RET4: *I am glad to meet other customers in the bank* – 127 (50%) of the respondents strongly disagreed with the scale item. RET5: *I have trust in this bank* - 96 (38%) of the respondents agree with the scale item. The graph below illustrates how the respondents responded to the Relationship Equity scale item.

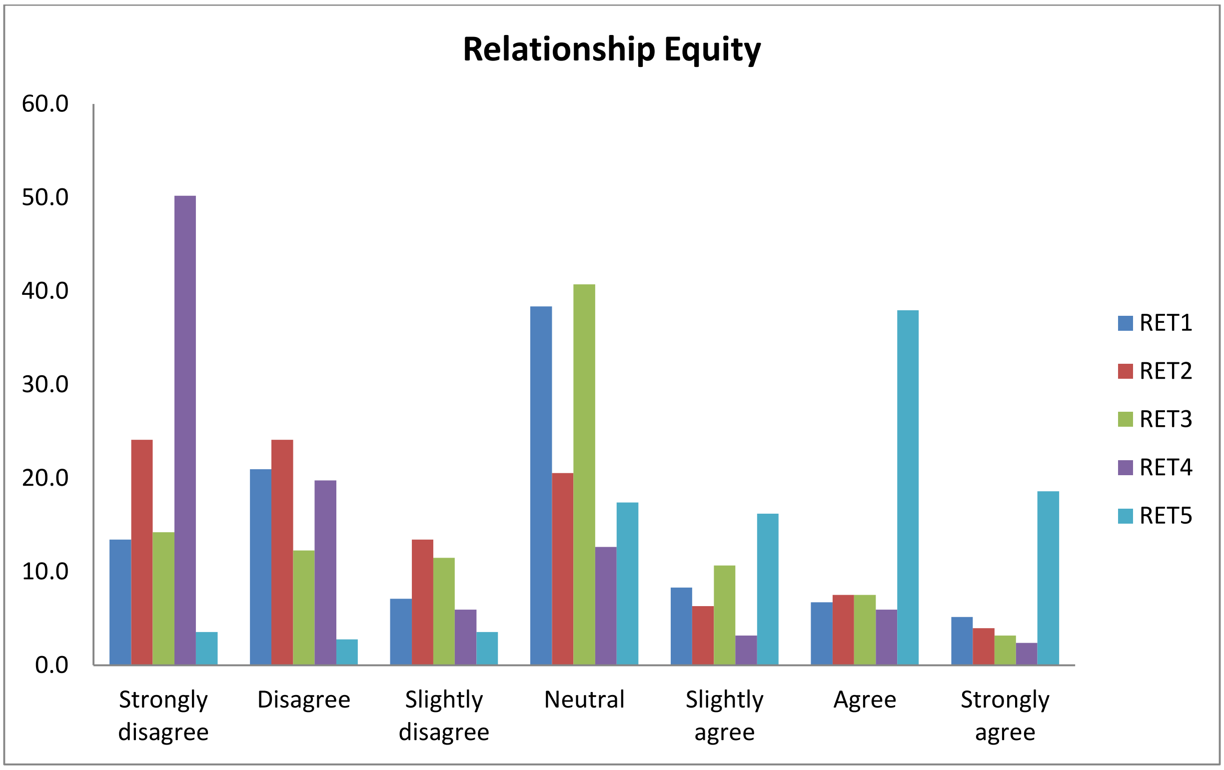


Figure 18: Relationship Equity

4.3.3 Value Equity

The variable' Value Equity' was measured using six measurement items ranging from VET1 – VET6. From the data collected it is evident that most respondents agree to strongly agree with the scale items. VET1: *I generally rate my overall banking experience high*) - 80(32%) of the respondents agree. VET2: *The quality-price ratio with the bank with respect to products is very good* – 82 (32.4%) of the respondents agree. VET3: *The quality-price ratio with the bank with respect to services is very good* - 81 (32%) of the respondents agree.

VET4: *For the time spent at this bank I would say the service highly reasonable* - 94(37%) of the respondents agree with scale. VET5: *For the effort involved in banking with this bank, I would say the service is very worthwhile* - 98 (39%) of the respondents agree with scale. VET6: *The bank is very attractive* - 87(34%) of the respondents agree. The below graph depicts the respondents response to Value Equity's measurement scale.

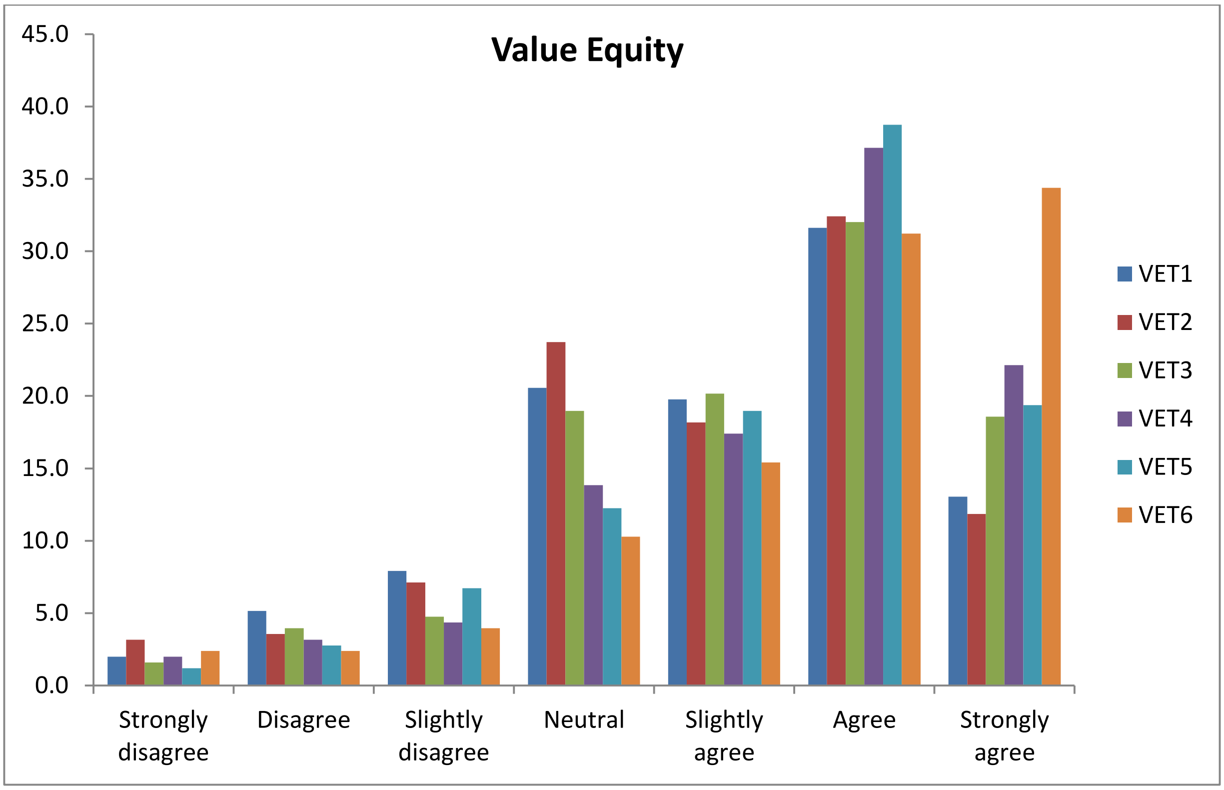


Figure 19: Value Equity

4.3.4 Perceived Brand Authenticity

The variable' Perceived Brand Authenticity' was measured using a fifteen items scale ranging from PBA1 to PBA15. The results show that the respondents agree and some are neutral with regards to the Perceived Brand Authenticity measurement scale items. PBA1: *This brand has history* - 95 (38%) of respondents agree with the item. PBA2: *This brand is timeless - 85* (32%) of the respondents agree with the item. PBA3: *This brand survives times - 102* (40%) of the respondents agree with the item. PBA4: *This brand survives trends* – 90 (36%) of the respondents agree with the item.

PBA5: *This brand will not betray me - 65* (26%) of the respondents agree with the item. PBA6: *This brand accomplishes its value promise* – 83 (33%) of the respondents agree with the item. PBA7: *This brand is honest* – 88 (34.8%) of the respondents agree with the item. PBA8: *This brand gives back to its customers* - 61(24%) of the respondents are neutral. PBA9: *This brand has moral principles – 80* (32%) of the respondents agree.

PBA10: *This brand is true to its set a moral value* - 74 (29%) of respondents agree with the item. PBA11: *This brand cares about its consumers* – 78 (31%) of the respondents agree with the item. PBA12: *This brand adds meaning to people's lives* - 78 (31%) of respondents are neutral. PBA13: *This brand connects people with what is really important* - 67 (27%) of the respondents are neutral. PBA14: *This brand reflects important values that people care about* – 65 (26%) of the respondents are neutral. PBA15: *This brand connects people with their* real self – 92 (36%) of the respondents are neutral. The measurement scale items of Perceived Brand Authenticity included brand continuity, brand credibility, brand integrity, and brand symbolism. The below graph provides an indication of how respondents responded to the Perceived Brand Authenticity measurement scale.

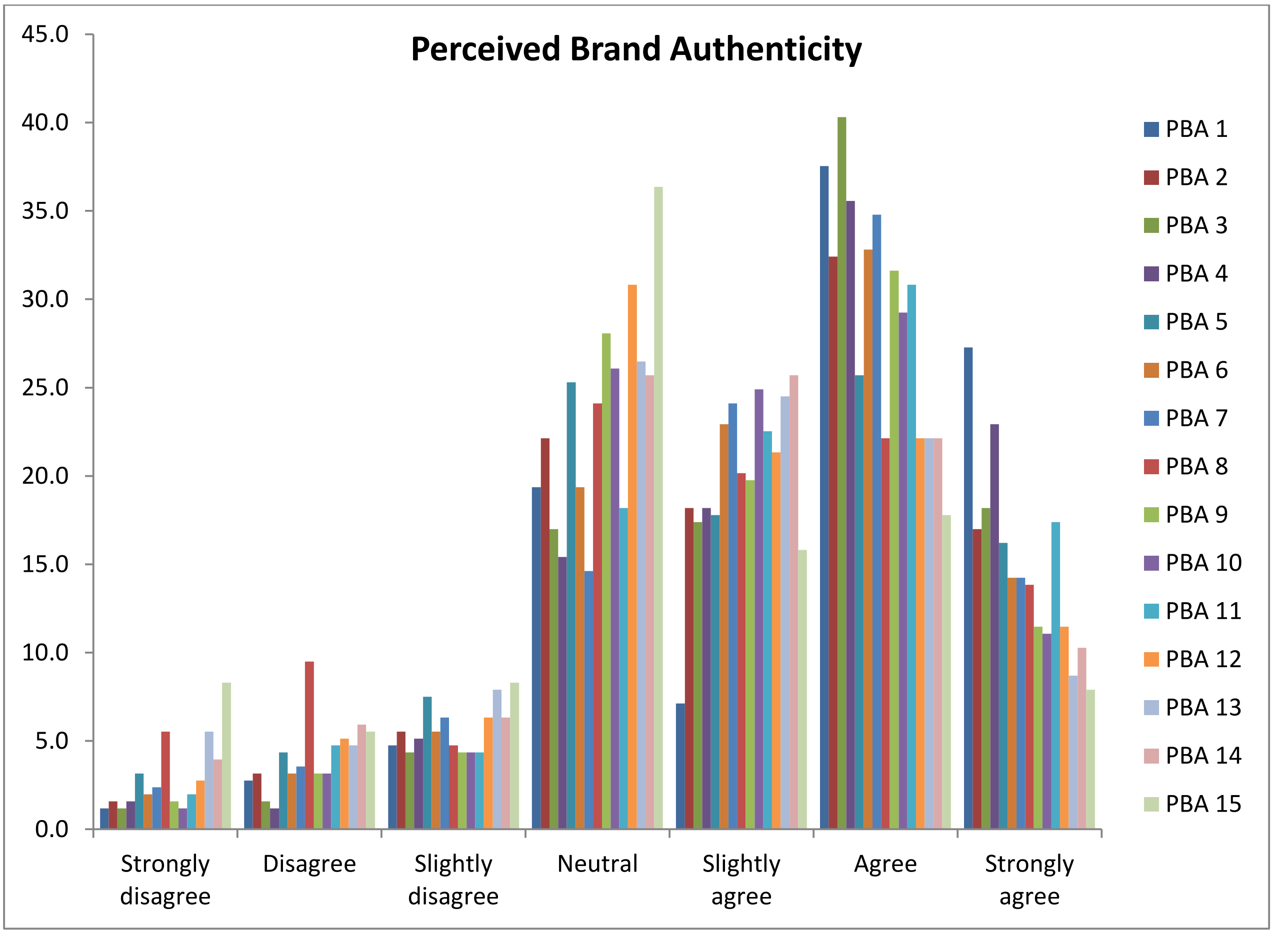


Figure 20: Perceived Brand Authenticity

4.3.5 Purchase Intention

The variable 'purchase intention' was measured using four item measurement scale ranging from PES 1 to PES 4. The respondents agree with the purchase intention measurement item. PES1: *The probability that I would consider to purchase from this bank is high* - 93 (37%) of the respondents agree with the item. PES2: If I were to purchase a financial solution it would be from this bank - 86(34%). PES3: *The likelihood of my purchase from this bank is high* - 86 (34%) of the respondents agree with the item. PES4: *My willingness to purchase from this bank is high* - 79 (34%) of the respondents agree with the item. The graph below depicts responses to purchase intention.

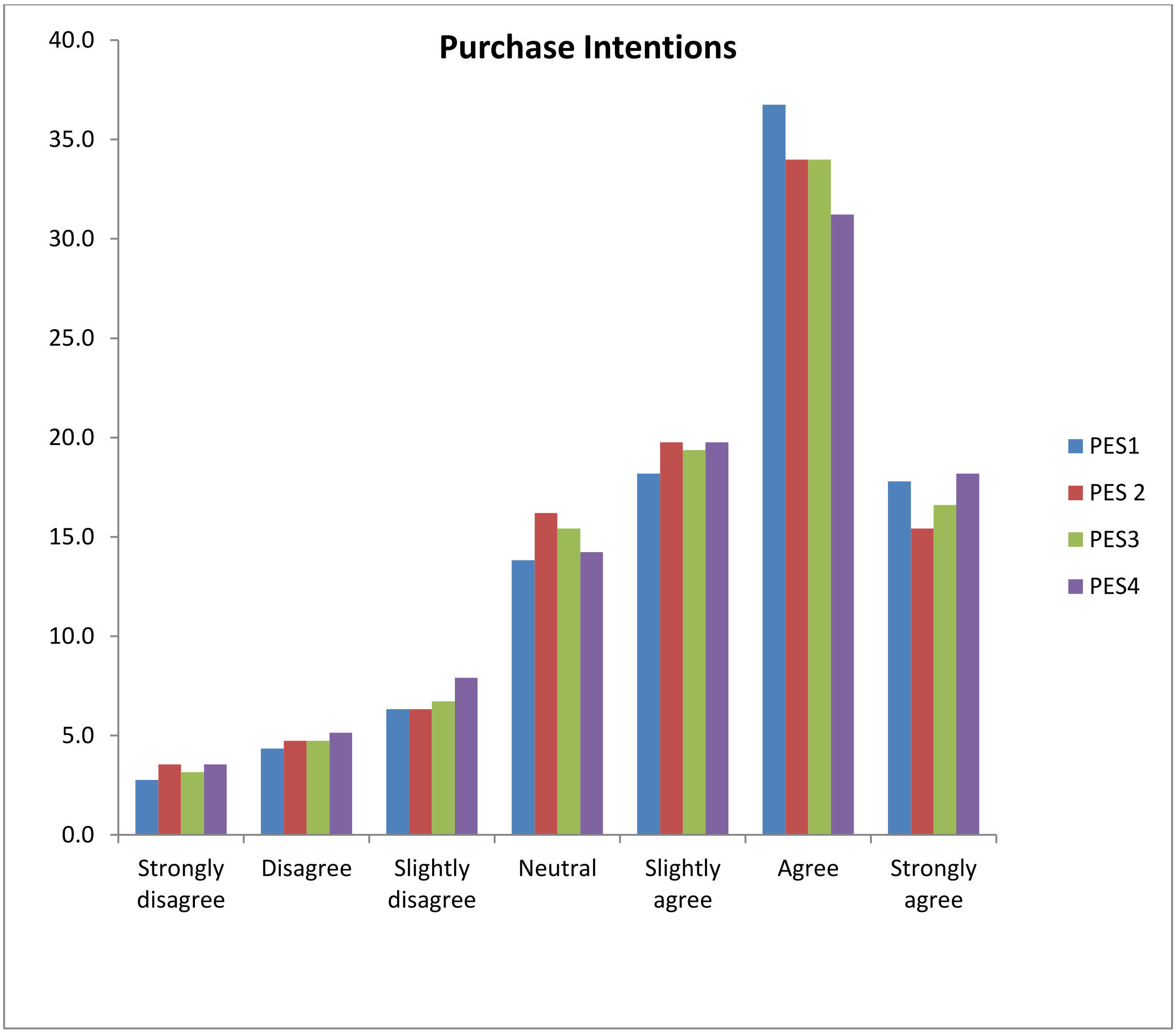


Figure 21: Purchase Intentions

4.4 Reliability

Reliability refers to consistency of the measure. When similar results are achieved under consistent conditions then the measure is reliable (Hair, et al., 2013). Cronbach Alpha and Composite Reliability have been utilised in the current study to examine the reliability of the measures.

Table 7: Reliability and Validity Assessment

Research Constructs		Mean	Standard Deviation	Intem-total correlations	Cronbach's Alpha	CR	AVE	Item Loadings
Value Equity	VET1	4,98	1,465	0.550	0,88	0,902	0,501	0,679
	VET2	4,95	1,467	0.576				0,660
	VET3	5,23	1,417	0.652				0,742
	VET4	5,42	1,416	0.695				0,789
	VET5	5,39	1,360	0.646				0,877
Relationship Equity	RET2	2,99	1,727	0.344	0,72	0,775	0,461	0,949
	RET3	3,57	1,548	0.334				0,605
	RET4	2,26	1,684	0.281				0,611
Brand Equity	BRT1	5,99	1,213	0.501	0,86	0,852	0,486	0,668
	BRT2	5,83	1,266	0.585				0,725
	BRT3	5,39	1,499	0.657				0,747
	BRT4	5,73	1,278	0.609				0,917
Perceived Brand Authenticity	PBA 5	4,92	1,536	0.754	0,930	0,94	0,479	0,655
	PBA 6	5,13	1,379	0.738				0,898
	PBA 7	5,16	1,414	0.682				0,784
	PBA 8	4,66	1,685	0.696				0,709
	PBA 9	5,03	1,354	0.733				0,74
	PBA 10	5,02	1,285	0.800				0,811
	PBA 11	5,17	1,443	0.661				0,899
	PBA 12	4,75	1,447	0.736				0,707
	PBA 13	4,61	1,523	0.731				0,743
	PBA 14	4,71	1,494	0.721				0,719
	PBA 15	4,31	1,596	0.73				0,73
Purchase Intentions	PES1	5,22	1,505	0.82	0,942	0,942	0,702	0,822
	PES 2	5,08	1,540	0.85				0,853
	PES3	5,11	1,535	0.96				0,964
	PES4	5,08	1,592	0.85				0,853

4.4.1 Cronbach Alpha

Cronbach Alpha tests are designed to test reliability; it is a technique which requires a single test administration to provide a unique estimation of the reliability of the provided test. It is the average value of the reliability coefficients obtained from all the combination items then split into half sets (Gilem & Gilem, 2003). Table 7 provides the Cronbach alpha results for each research variable which ranges from 0.7 to 0.9 which is above the recommended 0.7 which indicates validity (Tavakol & Dennick 2011). The Cronbach Alpha results illustrated in table 7 validate the reliability measures.

4.4.2 Composite Reliability (CR)

Composite reliability is an Amos-generated estimation of the internal consistency similar to coefficient alpha (Chinomona & Cheng, 2013). The composite reliability differs between 0 and 1, a higher value indicates a high level of reliability. Its interpretation is similar to Cronbach alpha. The recommended threshold of composite reliability between 0.6 and 07 are acceptable for exploratory studies (Hair, Hult, Ringle & Sarstedt, 2013).
The current study utilised the formulae below to compute composite reliability. The standardised regression weights or factor loading (estimates) of the default model were utilised to compute the Composite Reliability values (Shook, Ketchen, Hult, & Kacmar, 2004).

$$CR\eta = (\Sigma\lambda yi)^2 / [(\Sigma\lambda yi)^2 + (\Sigma\varepsilon i)]$$

Where:

$CR\eta$ = Composite reliability,

$(\Sigma\lambda yi)^2$ = Square the sum of the factor loadings;

$(\Sigma\varepsilon i)$ = Sum of error variances.

The results illustrated in Table 7 indicate that the estimate ranges are as follows: Value Equity (VET) 0,902, Relationship Equity (RET) 0,775, Brand Equity (BRT) 0,852, Perceived Brand Authenticity (PBA) 0,942, Purchase intention (PES) 0, 94, which is within the recommended 0.6 value which indicates they are reliable (See Appendix 3 for calculations).

4.5 Validity

Validity is the degree in which constructs indicators equally measure what they intend to measure (Hair et al., 2013). Convergent validity and Discriminant validity have been used in the current study and are discussed below.

4.5.1 Convergent Validity

Convergent validity designates the degree in which the scale items are theoretically related and highly correlated (Lee, Cheung & Chen, 2005). It is the degree in which a measure positively correlates with the alternative measure of the same constructs. The outer loadings of indicators and average variance estimate (AVE) extracted are considered when establishing a convergent validity. When the outer loading is high on a construct, it is confirmed that the indicators have commonalities, which are captured by the construct. The latent variable should explain a substantial part of each indicators variance at a minimum of (0.5)50%. It implies that the shared variance between the construct and its indicator is greater than the measurement error variance (Hair et al., 2013). As illustrated in Table 7, factor loadings range from a minimum from 0,605 to a maximum of 0,964, the item loadings were higher that the recommended 0.5. This indicates that the instrument is loading well on the respective constructs. Therefore this confirms that convergent validity is present.

4.5.2 Discriminant Validity

Discriminant validity is the degree in which a construct is accurately distinct from other constructs, in terms of correlation and the value indicator which represent the one construct (Hair et al., 2013). Discriminant validity measures can be confirmed with the square root of the average variance taken out for every construct higher than the correlations between it and the other constructs (Lee et al., 2005). This study has deployed two measures of discriminant validity, namely correlation matrix and average variance estimate (AVE).

4.5.2.1 Correlations

Correlation refers to the strength of the relationship which occurs between two variables. When a high correlation is identified, it translates to a strong relationship and when a low correlation is identified between variables, then it translates to a poor relationship (Bagozzi & Yi, 2012). It has been proven by researchers that a correlation coefficient that quantifies the strength and direction between the variables can be reached when a relationship is measured (Bagozzi & Yi, 2012). The range between coefficients is negative one (-1) to positive one (+1).

Table 8 illustrates the inter construct correlations matrix. The tabulated results indicate there was no 100% correlation, therefore the variables were considered to be unrelated. The inter-construct correlations range between 0.335 and 0.635; since this is less than 1 it confirmed discriminant validity was unquestionable.

Table 8: Inter Construct Correlation

		VETE	RETE	BRTE	PBAE	PESE
Value Equity	VETE	1				
Relationship Equity RETE	RETE	.406**	1			
Brand Equity	BRTE	.613**	.335**	1		
Perceived Brand Authenticity	PBAE	.629**	.449**	.626**	1	
Purchase intention	PESE	.659**	.447**	.537**	.653**	1

**. Correlation is significant at the 0.01 level (2-tailed).

4.5.2.2 Average Variance Estimate

Share variance is the extent to which a variance is able to explain a variable in another variable which is represented by the square correlation between any two variables. The average amount of variation that a latent construct is able to explain in the observed variable to which it is theoretically rated is called the AVE estimate (Farrell, 2010). It shows the ratio of the sum of its measurements item variance as extracted by the construct relative to the measurement error attributed to its items for each specific variable. It is recommended that the square root of the AVE of each variable should be higher than the correlation of the specific variable with other variables in the model and should be at least 0.5 (Gefen, & Straub 2005). When the value of AVE is higher than the Share variance then discriminant validity is confirmed (Fornell & Larcker 1981).

In this study the following formula was utilised to compute the average variance estimate (AVE) of each variables

$$V\eta = \Sigma \lambda yi^2 / (\Sigma \lambda yi^2 + \Sigma \varepsilon i)$$

Where:

$V\eta$ = Average Variance Extracted (AVE),

$\Sigma\lambda y i^2$ = Sum of the squared factor loadings,

$\Sigma\varepsilon i$ = Sum of error variances.

The AVE results illustrated in Table 7 ranges from 0,461 to 0,702 which is an indication that the latent variables are well represented by the measurement instrument. These results propose an adequate discriminant validity of the measurements (See Appendix 3 for calculations)

4.6 Model and Model Fit assessment

Validity and reliability have been confirmed, the next step was to assess the structural equation model results. Model fit and structural equation modelling is assessed by examining multiple tests such as chi-square, CFI, NFI, RFI, IFI and RMSEA (Suhr, 2006). The process first stage is Confirmatory Factor Analysis (CFA) and then the second stage involves Path Modelling.

4.6.1 Confirmatory Factor Analysis

Confirmatory Factory Analysis is the type of structural equation modelling (SEM) that addresses precisely the measurement models, that is the relationships between observed indicators and latent factors. Confirmatory Factor Analysis has become one of the most widely used statistical procedures in applied research (Brown, 2015). The result from this process is goodness-of-fit values that improve the measurement scale levels, through assessing the associated latent constructs (Jenatabadi & Ismail, 2014).

Figure 22 illustrates the Confirmatory Factor Analysis model; the ovals represent the latent variables while the rectangles represent the observed variables with the adjacent measurement errors in oval shape.

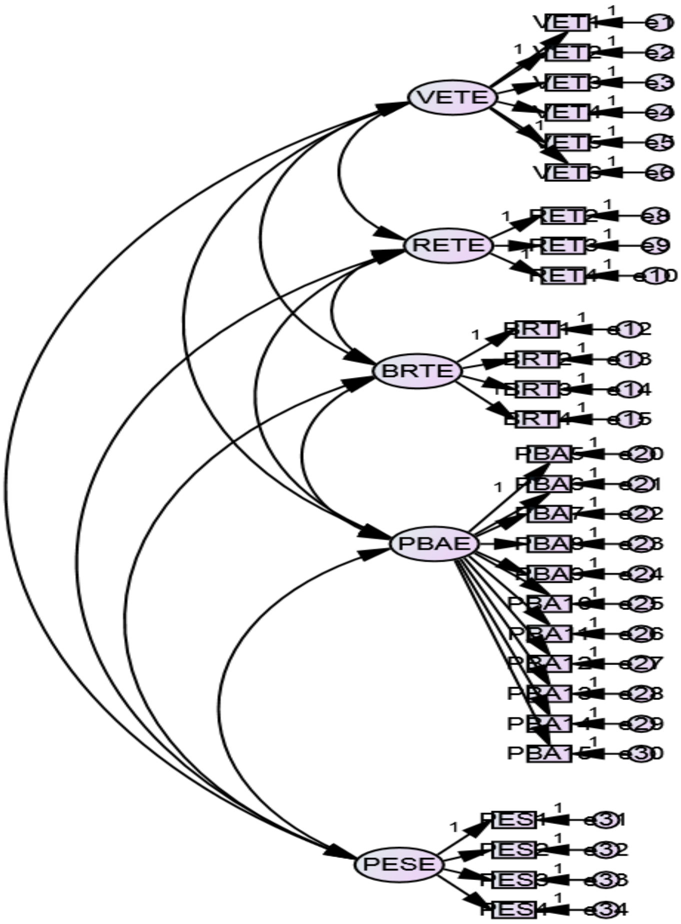


Figure 22: Confirmatory Factor Analysis

Key Terms:

VETE= Value Equity BRTE= Brand Equity PBAE=Perceived Brand Authenticity

RETE= Relationship Equity PESE= Purchase |Intention

4.6.2 Model fit assessment

According to Jenatabeli et al., (2014) the purpose of model fit evaluation is to determine whether the conceptual model is well represented by the sampled data. It has been suggested that a minimum of four suitable and compatible tests should be conducted with the model fit. The tests include chi-Squared, GFI, NFI, IFI, TLI, CFI and RAMSEA (Janetabeli et al., 2014). Deletion of some measurement items took place in order to reach an acceptable fit. Table 9 represents the assessment pertaining to the model fit

Table 9: CFA model fit results

Model Fit Criteria	**Chi-square (χ2 /DF)**	**GFI**	**NFI**	**IFI**	**TLI**	**CFI**	**RMSEA**
Indicator Value	1.078	0.925	0.949	0.996	0.995	0.996	0.018

Note: (χ2 /DF) = Chi squared/ Degrees of freedom GFI= Goodness of Fit index
NFI- Normative Fit index IFI=Incremental Fit index TLI= Tucker Lewis index
CFI= Comparative fit RMSEA = Random measure of standard error approximation

a. Chi-square (χ2 /DF)

The value of chi-squared is the traditional measure for evaluating the complete model fit (Hooper, Coughlan & Mullen, 2008). It assesses the model's ability to reproduce the sample covariance/variance matrix; it is sensitive to the size of the sample and the complexity of the model. The acceptable fit model ratio should have a chi-squared value of up to 3 (Chen, 2010). In Table 9 the indicator value for chi-squared over degrees of freedom is 1.078 which is below the prescribed threshold, therefore signifies an acceptable fit.

b. Goodness of Fit index

The Goodness Fit index was created as an alternative to the chi-squared and it estimates the proportion of variance which accounts for the assessed population covariance (Tabachnick & Fidell, 2007). The recommended threshold for GFI is 0.90 (Hooper et al.,

2008) Table 9 specifies the indicator value for GFI is 0.925 which meets the minimum threshold which signifies an acceptable fit.

c. Normative Fit index (NFI)

Normative Fit index (NFI) evaluates the model by comparing the X2 value of the model to the X2 of the null model (Hooper et al., 2008). This statistics value range between 0 and 1, the recommended value is higher than 0.90 indicating a favourable fit. Table 9 specifies the NFI value at 0.949 that is with the recommended threshold of 0.9. This confirms that this is a good fit.

d. Incremental Fit index (IFI)

The comparison of baseline measure is known as Incremental Fit measure. These measures of fit are relative to independence model, which assumes there is an absence of relationship in the data. The value that is higher than 0.9 is deemed acceptable (Guarino, 2004). Table 9 show that the study's IFI is 0.996 which exceeds the prescribed value, this indicates that it is an acceptable fit.

e. Tucker-Lewis Index (TLI)

According to Hooper et al., (2008), the TLI value should meet or exceed the prescribed threshold of 0.9. Table 9 indicates that the studies TLI value is 0.995, which exceeds the prescribed 0.9 threshold. This confirms that this is an acceptable fit.

f. Comparative Fit Index

The comparative Fit index (CFI) has been revised from NFI which take into consideration the size of the sample, even when the sample is small, it performs well (Tabachnick & Fidell, 2007). The criteria for Comparative Fit index (CFI) is 0.9 or higher (Hooper et al., 2008). Table 9 indicates the studies CFI value is 0.996 which exceed the minimum criteria. This confirms that there is an acceptable fit.

g. Root Mean Square Error of Approximation (RMSEA)

Examining how well the specified model approximates a true model, this view has encouraged the development of RMSEA. A good approximation is indicated by a small RMSEA which typically falls between 0.05 and 0.08 (Chen, Bollen, Kirby, & Paxton, 2008). Table 9 represents the RMSEA value of 0.018 for this study, which confirms the model is deemed acceptable.

h. Factor Loadings

Table 7 illustrates the study’s factor loadings. These loadings were evaluated in order to ascertain whether the measurement items are loading well on the respective variables. The results illustrated in the table indicate no item that is below the 0.5. This indicates that all the measurement items were loading well on their respective variables and they are measuring at least 50% of their variable.

4.7 Path Modelling

This is the second process in structural equation modelling; this process includes path analysis and multiple regression analysis. It models relationships between latent variables (Chen, Zhang, Liu, & Mo, 2011). Figure 23 represents a path model; similar to the CFA model, the ovals represent the latent variables while the rectangles represent the observed variables with the adjacent measurement errors in oval shape. The unidirectional arrow signifies the influence of one variable on another.

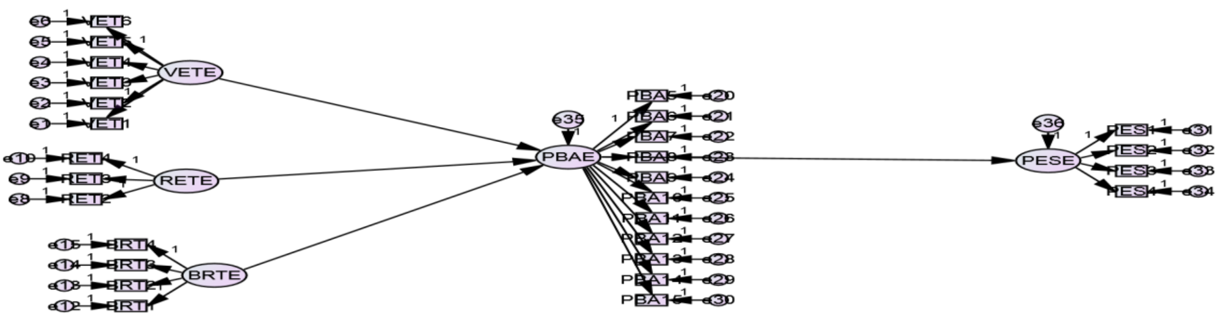


Figure 23: Structural Model

Key Terms:

VETE= Value Equity BRTE= Brand Equity PBAE=Perceived Brand Authenticity

RETE= Relationship Equity PESE= Purchase |Intention

4.7.1 Model Fit Assessment

Similar to Table 9, Table 10 below illustrates the goodness fit values derived from carrying out structural model testing. The recommended threshold required in Confirmatory Factor Analysis (CFA) also applies in path modelling. The indicator value on Table 10 is 1.310 for chi-squared over degrees of freedom this is below the recommended threshold of 3, this result deem the model acceptable.

The goodness fit index for GFI (0.903), NFI (0.933), IFI (0.917), TLI (0.983) and CFI (0.983) indicate a factor value which meet the recommended threshold of ≤ 0.9. The results are a clear indication that the model can be confirmed to be an acceptable fit. The RMSEA value of 0.035 is below the recommended value of 0.05 to 0.08 this is an indication of a good fit.

Given in Table 10, all goodness of fit indices meet the prescribed threshold; here also, it can be concluded that the data are fitting to the model.

Table 10: Model Fit assessment

Model Fit Criteria	**Chi-square ($\chi 2$ /DF)**	**GFI**	**NFI**	**IFI**	**TLI**	**CFI**	**RMSEA**
Indicator Value	1.310	0.903	0.933	0.917	0.983	0.983	0.035

4.8 Hypothesis testing results

The analysis of the hypothesised relationship was achieved through structural equation modelling (SEM). This section intends to test the causal relationships between latent variable by path analysis. For the current study, the valuation results elicited through the testing of hypothesis are illustrated below. The tables indicate the proposed hypothesis, path coefficient, p value and whether the hypothesis is rejected or supported.

4.8.1 Results pertaining to Brand Equity and Perceived Brand Authenticity

Proposed hypothesis relationship	Hypothesis	Path Coefficient	P Value	Rejected/ Supported
Brand Equity(BRTE) → Perceived Brand Authenticity (PBAE)	H1	0.264	***	Supported and Significant

The results obtained following the test of H1 confirmed the correlation between Brand Equity (BRT) and Perceived Brand Authenticity (PBA). The path coefficient of 0.506 was obtained after testing hypothesis 1. This means that Brand Equity has a positive influence on Perceived Brand Authenticity. The P value is 0.01 level of confidence which indicates that the hypothesis is supported and significant

4.8.2 Results pertaining to Relationship Equity and Perceived Brand Authenticity

Proposed hypothesis relationship	Hypothesis	Path Coefficient	P Value	Rejected/ Supported
Relationship Equity(RETE) → Perceived Brand Authenticity (PBAE)	H2	0.132	0.005	Supported and insignificant

The results acquired after the testing of H2 validated the presence of a positive relationship between Brand Equity (BRT) and Perceived Brand Authenticity (PBA). Following the test of H2, a path coefficient of 0.132 was exhibited. This denotes that Brand Equity (BRT) has a positive but relatively weak influence on Perceived Brand Authenticity (PBA). The P value is 0.05 level of confidence which indicates that the hypothesis is significant but it is not supported.

4.8.3 Results pertaining to Value Equity and Perceived Brand Authenticity

Proposed hypothesis relationship	Hypothesis	Path Coefficient	P Value	Rejected/ Supported
Value Equity (VETE) → Perceived Brand Authenticity (PBAE)	H3	0.506	***	Supported and Significant

After the hypothesis 3 results were obtained, the test confirmed the relationship. The coefficient of 0.56 was determined after testing H1. The P value indicates 0.01 level of confidence which indicates that the hypothesis is supported and significant.

4.8.4 Results pertaining to Perceived Brand Authenticity and purchase intention

Proposed hypothesis relationship	Hypothesis	Path Coefficient	P Value	Rejected/ Supported
Perceived Brand Authenticity (PBAE) → Purchase intent (PESE)	H4	0.974	***	Supported and Significant

The results obtained following the test of H4 verified that there is a relationship between Perceived Brand Authenticity (PBA) and Purchase Intention (PI). After testing H4, a path coefficient of 0.974 was exhibited. This signifies that Perceived Brand Authenticity (PBA) has a positive and strong relationship with Purchase Intentions (PI). In addition, the results revealed that the relationship is significant at P value of 0.01. The results therefore substantiate the relationship as hypothesised.

4.9 Overall analysis of hypothesis testing results

Specific coefficients of H1, H3, AND H4 were 0.506, 0.264 and 0.974 respectively while H2 coefficient was 0.132. The results indicate that Relationship Equity then Value Equity has an influence on Perceived Brand Authenticity more than Brand Equity. Perceived Brand Authenticity has a very strong influence on purchase intention.

With the result, it is evident that Brand Equity and Value Equity are a strong influence on Perceived Brand Authenticity which then has a strong influence on purchase intention. This means organisations need to invest more marketing efforts in Value Equity and Brand Equity from the Customer Equity drivers.

4.10 Summary

Chapter four provided the empirical results from the research. It firstly presented the descriptive statistics, and then addressed the item scale of results. This chapter also conducted reliability and validity and the tests confirmed reliability and validity. Structural equation modelling was utilised to carry out Confirmatory Factor Analysis (CFA) and Path modelling. Three hypotheses were found to be supported and significant.

CHAPTER 5: DISCUSSION OF THE RESULTS

5.1 Introduction

The following chapter focused on interpreting the results of the study into the antecedents of purchase intention amongst the youth in the banking sector in South Africa. The study aimed to examine Customer Equity as an antecedent of Perceived Brand Authenticity and customer purchase intentions among the youth in the banking sector in South Africa.

In this study, the four leading banks namely Absa, Standard Bank, Nedbank and First National Bank were analysed. The main problem was the limited understanding regarding which of the Customer Equity drivers influence Perceived Brand Authenticity and purchase intentions within the South African banking sector. This understanding is required in order to optimally allocate marketing rescources.

This research is significant as it will provide an understanding of the different means of attaining Customer Equity which will assist the organisation in selecting the appropriate approach based on organisational needs and data availability. It will also add new knowledge to current literature based on Customer Equity.

The study used the Theory of planned behaviour, developed by Azjen (1991) where the author proposes that attitude towards a behaviour, subjective norms and perceived behavioural control, are conceptually independent determinant of intentions, and the social exchange theory where the exchange process involves two parties who are rational entities acting in their own self-interest (Cropanzano et al., 2005). The implication of these theories in this study is that Value Equity which constitutes price, quality and convenience is the most significant Customer Equity driver and will result in purchase intention amongst the youth in the banking sector, followed by Brand Equity and lastly, Relationship Equity.

5.2 Demographic Profile of respondents

The respondents comprised 253 registered students from Witwatersrand, 61% were male and 39% were female. 96% of respondents were single and a minority of 4% were married. The respondents' age ranged between 18-35 years of which 96% were between the ages of 18-25 and 4 % were between the ages of 26-35 years.

In this research study, 61 % of all the respondents had at least a high school qualification, 32 % had undergraduate degrees and only 8% possess a post graduate degree. 96% of the respondents are full time students. In terms of the financial services 32% of respondents are banking with Standard Bank, 30% are banking with First National Bank, 11% are with Absa, 9% are with Nedbank and 19% were banking with other banks. The results confirmed the most preferred bank amongst the youth is Standard Bank followed by First National Bank.

Table 11: Demographic Profile

		Frequency	Percent	Cumulative Percent
Gender	Male	99	39,1	39,1
	Female	154	60,9	100,0
	Total	253	100,0	
		Frequency	Percent	Cumulative Percent
Marital Status	Married	9	3,6	3,6
	Single	244	96,4	100,0
	Total	253	100,0	
		Frequency	Percent	Cumulative Percent
Age	18-25	244	96,4	96,4
	26-35	9	3,6	100,0
	Total	253	100,0	
		Frequency	Percent	Cumulative Percent
Qualifications	High School	153	60,5	60,5
	Degree	80	31,6	92,1
	Postgraduate	20	7,9	100,0
	Total	253	100,0	
		Frequency	Percent	Cumulative Percent
Occupation	Full-time student	243	96,0	96,0
	Part time student	3	1,2	97,2
	Self- Employed	3	1,2	98,4
	Unemployed student	1	,4	98,8
	Employed Student	1	,4	99,2
	Other	2	,8	100,0
	Total	253	100,0	
		Frequency	Percent	Cumulative Percent
Banking	Standard Bank	81	32,0	32,0
	Absa	27	10,7	42,7
	First National Bank	75	29,6	72,3
	Nedbank	23	9,1	81,4
	Other	47	18,6	100,0
	Total	253	100,0	

5.3 Hypothesis one discussion

The hypothesis (H1) is that there is a positive relationship between Brand Equity and Perceived Brand Authenticity. The results from this study indicate that the relationship between Brand Equity and Perceived Brand Authenticity does exist and is significant. The coefficient of 0.264 was obtained after testing hypothesis 1. The P value is 0.01 level of confidence which indicates that the hypothesis is supported and significant.

The study is consistent with a similar study conducted by Mowle and Merrilees (2005) that states that brand authenticity is positively related to Brand Equity. A similar study also found a positive association between Brand Equity and perceived authenticity (Nyadzayo, Matanda, & Ewing, 2015).

5.4 Hypothesis Two discussion

The results obtained following the test of H2 verified the relationship between Relationship Equity and Perceived Brand Authenticity. Following the test of H2 a coefficient 0.132 was exhibited. This signifies that the P value is 0.01 level of confidence which is indicates that the hypothesis is supported, however it is not significant.

5.5 Hypothesis Three discussion

The relationship between Value Equity and Perceived Brand Authenticity was confirmed by the results obtained after testing H3. A coefficient of 0.506 was obtained after testing H3. This means that Value Equity has a strong and positive influence on Perceived Brand Authenticity. In addition, the P value of 0.01 revealed that the relationship between Value Equity and Perceived Brand Authenticity is significant and supported.

This result is consistent with a study which was conducted by Lin and Wang (2012) which indicated that perceived authenticity has a differential effect on value and it found a significant relationship. It is also consistent with the study conducted by Newman and Bloom (2012) which assesses consumer’s perceived authenticity and value which also found the relationship significant.

5.6 Hypothesis Four discussion

The results attained following testing H4 confirmed the correlation between Perceived Brand Authenticity and purchase intention. A coefficient of 0.974 was obtained after testing H4. This signals a positive and strong relationship between Perceived Brand Authenticity and purchase intentions. It has a P value that is 0.01 which means the relationship is significant. The results therefore support the relationship as hypothesised.

The results are consistent with a similar study conducted by Jiménez and Mendoza (2013), which validates the positive relationship between credibility and purchase intention. A study also conducted in the tourism industry found consistent results that perceived authenticity is a salient factor in influencing consumption (Ramkissoon & Uysal, 2011).

5.7 Summary

The chapter depicted the research results pertaining to the proposed hypothesis, the demographic profiles of the respondents, thereafter each hypothesis was discussed in which hypothesis where either supported or not supported.

CHAPTER 6: Conclusions and Recommendations

6.1 Introduction

There is growing pressure for marketing practitioners to be more accountable and demonstrate returns on their marketing expenditure. The primary purpose of this study was to examine Customer Equity as an antecedent of customer Perceived Brand Authenticity and customer purchase intentions among the youth in the banking sector in South Africa.

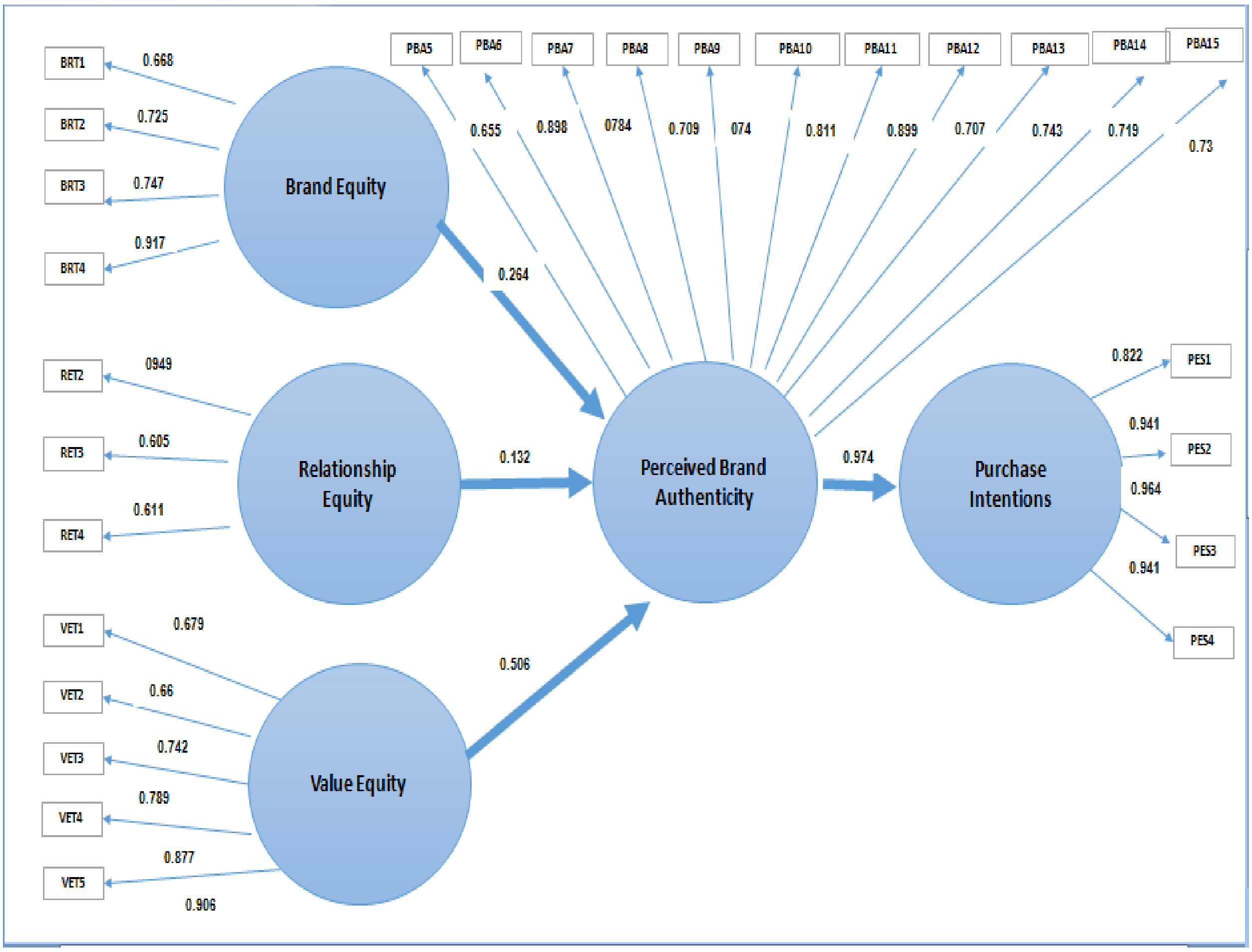
The first chapter of this research paper discussed the context of South African banking sector. The main problem and sub problems were elaborated; furthermore the research objectives and questions were also stated. The second chapter discussed the Social Exchange Theory and Theory of Planned Behaviour to analyse the impact of Customer Equity on purchase intentions. This chapter also focused on the literature based on the Customer Equity and its drivers namely; Brand Equity, Relationship Equity and Value Equity. Perceived Brand Authenticity and purchase intentions literature were also discussed and the four research hypotheses were developed.

The third chapter discussed the research design and methodology to be conducted in this research. Chapter four presented the research results pertaining to the five constructs of the study being Brand Equity, relationship equity, Value Equity, Perceived Brand Authenticity and purchase intentions. The results of the hypothesis were also discussed. The fifth chapter focused on interpreting the results of the study which confirmed the significance and supported or not supported the relationships between construct.

This chapter focuses on concluding results based on the previous chapter. It highlights the implications of the study from the academic perspective as well as the practitioner perspective. Furthermore, this chapter provides recommendations in utilising the framework of Customer Equity and Perceived Brand Authenticity to drive purchase intentions amongst the youth in the banking sector, as well as the future research possibilities.

6.2 Conclusions of the study

The banking industry is rapidly changing globally and locally due to uncertain and challenging economic conditions. The current study sought to examine the impact of Brand Equity, Relationship Equity, and Value Equity on Perceived Brand Authenticity, furthermore, how Perceived Brand Authenticity impacts on Purchase Intentions in the South African banking sector amongst the youth. Four hypotheses were developed to test the proposed relationships and data was collected from Witwatersrand registered students. The empirical findings supported three (H1, H3, H4) of the hypothesis significantly. The results are depicted on the diagram below.



Brand Equity and Perceived Brand Authenticity - Brand Equity (BRT) has emerged as a significant driver of Perceived Brand Authenticity with a coefficient of 0.264. This means the youth consider the brand equity within these banks high. This is not unexpected because these are South Africa's major banks. They have managed to stay relevant throughout the years and maintained top of mind.

Relationship Equity and Perceived Brand Authenticity – The study revealed that Relationship Equity (RET) has a weak and insignificant relationship with Perceived Brand Authenticity (PBA) with a coefficient of 0.132. This could be because these are youth and have not utilised all other banking services besides transacting, possibly as they grow older and start looking into home loans and vehicle financing they will start experiencing the relationship equity element.

Value Equity and Perceived Brand Authenticity - emerged as a strong driver of Perceived Brand Authenticity with a coefficient of 0.506. Provided the current economic climate and the consumer increasing demand for more with less, this is not unexpected. Consumer's preferences have evolved and they are now seeking more for less.

Perceived Brand Authenticity and purchase intentions – this indicated that perceived brand authenticity has a significantly strong influence on purchase intention with a coefficient of 0.974; this is expected because in the banking sector consumers tend to trust banks that are credible and that have been around for some time. Consumers have more trust in a brand that has been in the market for some time, a brand that has been used for generations and their customers are generally satisfied with them.

6.3 Implications of the study

While Customer Equity is increasing, its prominence as a desired marketing metric with the significance of managing customers as assets continues to grow. The findings generated from this empirical research provide valuable insight from both an academic and marketing practitioner's perspective in emerging markets.

6.3.1 Academic implications

The study extends the current literature pertaining to the Customer Equity framework. Previous researchers have identified the Customer Equity drivers and have laid the foundation of Customer Equity (Rust et al., 2008; Vogel et al., 2008). This study has introduced Perceived Brand Authenticity as a mediator between Customer Equity and purchase intentions. The study established important relationships between the Customer Equity drivers (Brand Equity, Relationship Equity and Value Equity), Perceived

Brand Authenticity and purchase intentions. This study contributes to the scholarly contribution of Customer Equity in the banking industry within emerging markets, particularly focusing on the youth.

6.3.2 Managerial implications

The proposed model will assist marketing practitioners to better understand which of the customer drivers impact significantly on consumer buying behaviour. Due to the economic downturn, banks are required to do more with fewer resources and the model will ensure banks allocate their resources accordingly. If the model is applied in the banking sector, marketing practitioners will be able to address the growing pressure they are facing to demonstrate the return on investment. This model can be implemented as a reference point in emerging markets.

6.4 Recommendations

Value Equity and Perceived Brand Authenticity: Based on the above conclusions, the study puts forward that Value Equity is the strongest predictor of Perceived Brand Authenticity which then leads to purchase intentions amongst the youth. Value Equity represents the exchange between what the customer gives to the organisation versus what they receive (Vogel et al., 2008).

Banks should formulate strategies that are focused on delivering aspects of value, including price, quality service, quality product and convenience. The management team can select an appropriate approach to strengthen the value of perception in the customer’s mind, for example, offering reasonable service fees, training employees to improve customer service and providing added convenience to consumers by encouraging online and mobile banking services which translate to less congestion at the banks. The banking sector has begun being more innovative in delivering aspects of value to the customer but the momentum needs to continue long-term.

Banks can also look at improving their operational basics by focusing on digitalisation, and integrated CRM systems, in addition, providing a more personalised, streamlined and robust online banking system, a mobile banking system that caters to convenience. Banks can also look at ways to engage with customers more effectively through the use of front-end work stations that can provide employees with information and guidance. The banks can eliminate the silo approach by integrating channels to facilitate data sharing and transparency. There should be transparency of fees, simplicity of offers and their communication, in order to enable customers to understand what the financial institution is offering.

Brand Equity and Perceived Brand Authenticity: The findings indicated that Brand Equity was also a significant driver in establishing purchase intentions. In order to establish Brand Equity, the management team should focus on devising strategies that enhance the image of the brand, focus on building brand awareness, ensuring it is top of mind and ensuring it consistently delivers on its promise to its consumers. With the changing environment banks need to ensure they upgrade their brand in order to remain relevant to their consumer; this will enhance Brand Equity. The banks should formalise their view on brand equity in a document, the tracking survey should be assembled into a brand equity report. There should be a senior manager assigned within the bank to oversee brand equity. Consistency is in the amount and nature of the supporting marketing of the brand that is required to reinforce brand equity. Relevance and product innovations are important to maintain continuity and expand the meaning of the brand. A long term view is required to be effective brand management.

Relationship Equity and Perceived Brand Authenticity: Relationship Equity driver was found to be insignificant in establishing purchase intentions in the banking sector amongst the youth, the management team should steer away from investing resources in developing relationship equity with the youth segment because it will not yield any return on investment.

Perceived Brand Authenticity and Purchase Intentions: Perceived brand authenticity is very significant to purchase intention, therefore it is imperative for banks to be transparent, upfront and honest. It is important for banks to deliver on their promises because brand promises create expectancy in the customer’s mind. The banks should position themselves as trustworthy. With the rise in consumer connectivity it is important to engage with the consumer on their preferred platform, these platforms also allows you to have a better understanding of customer needs; in that way, marketing activities can

be aligned to customer needs. The predicted future trend is gamification - banks can use this to engage with the customer, because the majority of people play games from their mobile devices.
Traditional branch formats can be changed to a more engaging environment, have a few events and session with speakers to further educate customers on finances, banks should indicate that they care, they can also target small children and start educating them from a young age about finances.

6.5 Future Research

The empirical findings from this research are based on the data collected from South African youth; this may limit the implications of the findings. Therefore further research should collect data from different segments in order to find consistent or inconsistent relationships between the proposed constructs.

The research is based on the South African banking industry; this may be different in other industries, such as retail, hospitality, etc. Therefore future research can duplicate the model developed in a different industry setting.

The study focused on links between Customer Equity, Perceived Brand Authenticity and purchase intentions; future research is encouraged to extend the model developed by unpacking the drivers within the Customer Equity drivers (Value Equity, Brand Equity, and Relationship Equity).

This study is limited by its cross section nature, customer needs are constantly changing, in addition it is dependent on the customer memory at the time the data is collected, a longitudinal study may be warranted to capture the changes over time.

6.6 Summary

This chapter concluded the research findings, it provided implications for both academia and practitioners. Recommendations were proposed on the bases of the conceptual model and hypothesis stated. Furthermore it also highlighted future research possibilities using the customer equity model.

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Appendix: 1

Questionnaire

Please answer the following questions by marking the appropriate answer(s) with an X. This questionnaire is strictly for research purpose only.

SECTION A: GENERAL INFORMATION

The section is asking your background information. Please indicate your answer by ticking (X) on the appropriate box.

A1 Please indicate your gender

Male	
Female	

A2 Please indicate your marital status

Married	
Single	

A3 Please indicate your age category

18 – 25 years	
26 – 35 years	

A4 Please indicate your highest academic level

High School	
Diploma	
Degree	
Post graduate degree	
Other	

A5 Please indicate your occupation

Full time Student	
Part time student	
Self-employed student	
Unemployed student	
Employed student	
Other	

A6 Please indicate which bank you are banking with.

- Standard Bank
- Absa
- First National Bank
- Nedbank
- Other

Bank Name:

You can indicate the extent to which you agree or disagree with the statement by ticking the corresponding number in the 7 point scale below:

1	2	3	4	5	6	7
Strongly Disagree	Disagree	Slightly Disagree	Neutral	Slightly Agree	Agree	Strongly Agree

SECTION B:

Please indicate to what extent you agree or disagree with each statement regarding quality consciousness								
	Value Equity	**Strongly disagree**	**disagree**	**Slightly disagree**	**neutral**	**Slightly agree**	**agree**	**Strongly agree**
		1	**2**	**3**	**4**	**5**	**6**	**7**
1	I generally rate my overall banking experience high							
2	The quality-price ratio with the bank with respect to products is very good.							
3	The quality-price ratio with the bank with respect to services is very good.							
4	For the time spent at this bank I would say the service highly reasonable							
5	For the effort involved in banking with this bank, I would say the service is very worthwhile							
6	The bank is very attractive.							
	Relationship Equity	**Strongly disagree**	**disagree**	**Slightly disagree**	**neutral**	**Slightly agree**	**Agree**	**Strongly agree**
		1	**2**	**3**	**4**	**5**	**6**	**7**
7	As a member of the loyalty program, they do services for me that they don't do for most customers.							
8	I am familiar with the employees that perform the service							
9	I am glad to meet other customers in the bank							
10	Employees in that bank know my name							
11	I have trust in this bank							
	Brand Equity	**Strongly disagree**	**disagree**	**Slightly disagree**	**neutral**	**Slightly agree**	**Agree**	**Strongly agree**
		1	**2**	**3**	**4**	**5**	**6**	**7**
12	This bank is a strong brand							
13	This bank is an attractive brand							
14	This bank is a unique brand							
15	This bank is a likable brand							

	Perceived Brand Authenticity	Strongly disagree	disagree	Slightly disagree	neutral	Slightly agree	Agree	Strongly agree
		1	2	3	4	5	6	7
	Continuity							
1	This brand has history							
2	This brand is timeless							
3	This brand survives times							
4	This brand survives trends							
	Credibility							
1	This brand will not betray me							
2	This brand accomplishes its value promise							
3	This brand is honest							
	Integrity							
1	This brand gives back to its customers							
2	This brand has moral principles							
3	This brand is true to its set a moral value							
4	This brand cares about its consumers							
	Symbolism							
1	This brand adds meaning to people's lives							
2	This brand connects people with what is really important							
3	This brand reflects important values that people care about							
4	This brand connects people with their real self							
	Purchase intentions	**Strongly disagree**	**disagree**	**Slightly disagree**	**neutral**	**Slightly agree**	**agree**	**Strongly agree**
		1	2	3	4	5	6	7
	The probability that I would consider to purchase from this bank is high							
	If I were to purchase a financial solution it would be from this bank							
	The likelihood of my purchase from this bank is high.							
	My willingness to purchase from this bank is high							

Appendix 2

Banking Acts & Regulations

1. **Acts & Regulations**

Banking Sector is governed by The Banks Act, 1990, and Regulations thereto.
To provide for the regulation and supervision of the business of public companies taking deposits from the public; and to provide for matters connected therewith.

2. **National Credit Act (NCA)**

The NCA was introduced to facilitate new and protective rights for consumers for all types of credit agreements, ranging from micro loans to home loans, and from overdrafts to retail financing. It serves as a measure that allows consumers to make more informed decisions before buying goods and services on credit. In addition, it places greater responsibility on credit providers to refuse to give you credit if you cannot afford it and, for the first time in this country, it has regulated the way credit bureaus conduct business. Read more in the July issue of Accountancy South Africa…

3. **South African Reserve Bank**

The Reserve Bank is responsible for bank regulation and supervision in South Africa. The purpose is to achieve a sound, efficient banking system in the interest of the depositors of banks and the economy as a whole. This function is performed by issuing banking licences to banking institutions, and monitoring their activities in terms of either the Banks Act, 1990 (Act No. 94 of 1990), or the Mutual Banks Act, 1993 (Act No. 124 of 1993).

4. **Basel Capital Accord**

On 26 June 2004, the Basel Committee issued the publication titled International Convergence of Capital Measurement and Capital Standards: A Revised framework, commonly referred to as 'Basel II'. It represents the culmination of more than five years' work by the Basel Committee.

Basel II seeks to set significantly more risk-sensitive capital requirements (in respect of operational risk as well) and is aimed at greater international convergence through capital requirements and better disclosure, thus enhancing the role of market discipline; and to ensure improved supervisory processes and procedures.

The Basel II framework has been subject to continuous refinement, resulting in what is commonly referred to as Basel III.

Basel III is a comprehensive set of reform measures, developed by the Basel Committee on Banking Supervision, to strengthen the regulation, supervision and risk management of the banking sector. These measures aim to:

- improve the banking sector's ability to absorb shocks arising from financial and economic stress, whatever the source
- improve risk management and governance
- Strengthen banks' transparency and disclosures.

The reforms target:

- Bank-level, or micro-prudential, regulation, which will help raise the resilience of individual banking institutions to periods of stress.
- Macro prudential, system wide risks that can build up across the banking sector as well as the procyclical amplification of these risks over time.

5. Core Principles for effective Banking Supervision

The *Core Principles for Effective Banking Supervision*, developed by the Basel Committee on Banking Supervision (the Committee) in cooperation with fellow supervisors, has become de facto the standard for sound prudential regulation and supervision of banks. The Core Principles are mainly intended to help countries assess the quality of their systems and to provide input into their reform agenda.

An assessment of the current situation of a country's compliance with the Principles can be considered a useful tool in a country's implementation of an effective system of banking supervision.

The Core Principles are available from additional information.

South Africa's compliance with the Core Principles were assessed by the IMF/World Bank during December 2010 and their report is available from additional information.

6. **Banking Council**

The Banking Association South Africa has its genesis in the Council of South African Banks (COSAB). Four separate associations addressing specific areas of activity in the banking sector were merged into COSAB in March 1992. These associations were:

- The Association of Mortgage Lenders.
- Merchant Bankers Association.
- Clearing Bankers Association.
- Association of General Banks.

COSAB was a committee-driven structure and was deemed to be inappropriate to address the dynamic issues prevalent in the sector. The leadership of the sector decided to establish The Banking Council South Africa in March 1998 under the stewardship of R.S.K. (Bob) Tucker. The Banking Council South Africa was an executive driven body that was structured to address the challenges in the sector.

The Board of The Banking Council South Africa decided on 7 March 2005 to change the name of the body to The Banking Association South Africa because this was a more appropriate description of the structure of the body and its role.

Mr. Cassim (Cas) Coovadia was appointed Managing Director of The Banking Association South Africa.

The Role of the Banking Association South Africa

The Banking Association South Africa is an industry body representing all registered banks in South Africa. These include both South African and international banks. The Main Board of the Association comprises the Chief Executives of the five largest South African banks, two Chief Executives representing international banks and two Chief

Executives representing the other South African banks. The Banking Association has also established an Operating Board that meets once a month to provide strategic guidance and direction on the myriad of issues addressed by The Banking Association. The Operating Board is structured similarly to the Main Board, but representation is through the heads of retail of the institutions.

The Banking Association South Africa is the mandated representative of the sector and addresses industry issues through:

- Lobbying
- Policy influence
- Guiding transformation in the sector
- Acting as a catalyst for constructive and sustainable change in the sector
- Research and development
- Engagement with critical stakeholders

The broad role of The Banking Association is to "establish and maintain the best possible platform on which banks can do responsible, competitive and profitable banking". A critical role of The Banking Association is to work with its members to enable this role within the context of the transformation challenges our country is addressing.

The Banking Association South Africa manages numerous committees that advise the executive on issues pertinent to the sector. Such committees include:

- Access
- Basel II
- Preferential procurement
- Small, medium enterprise finance
- Agriculture
- Housing

Appendix: 3

Composite Reliability Calculations

			A	B	C	D	E
				B = sumA*sumA	C = 1-(A*A)	D =sumC	E = B/(B+D)
Constructs			**Estimate**	**$(\sum \lambda Y_i)^2$**	**$\acute{\varepsilon}_i$**	**$\sum \acute{\varepsilon}_i$**	**$(\sum \lambda y_i)^2 / [(\sum \lambda y_i)^2 + (\sum \dot{\varepsilon}_i)]$**
VET6	<---		0.906	21.65041	0.179164	2.340309	0.902
VET5	<---		0.877		0.230871		
VET4	<---		0.789		0.377479		
VET3	<---		0.742		0.449436		
VET2	<---		0.660		0.5644		
VET1	<---		0.679		0.538959		
RET4	<---		0.611	4.68723	0.626679	1.360053	0.775
RET3	<---		0.605		0.633975		
RET2	<---		0.949		0.099399		
BRT4	<---		0.917	9.34525	0.159111	1.629253	0.852
BRT3	<---		0.747		0.441991		
BRT2	<---		0.725		0.474375		
BRT1	<---		0.668		0.553776		
PBA15	<---		0.730	70.47603	0.4671	4.531953	0.940
PBA14	<---		0.719		0.483039		
PBA13	<---		0.743		0.447951		
PBA12	<---		0.707		0.500151		
PBA11	<---		0.899		0.191799		
PBA10	<---		0.811		0.342279		
PBA9	<---		0.740		0.4524		
PBA8	<---		0.709		0.497319		
PBA7	<---		0.784		0.385344		
PBA6	<---		0.898		0.193596		
PBA5	<---		0.655		0.570975		
PES4	<---		0.941	12.81640	0.114519	0.78193	0.942
PES3	<---		0.964		0.070704		
PES2	<---		0.853		0.272391		
PES1	<---		0.822		0.324316		

Appendix: 4

Average Variance Estimate

Constructs			Estimate	λyi^2	$\sum\lambda yi^2$	ἐi	∑ἐi	$\sum\lambda yi^2 / (\sum\lambda yi^2 + \sum$ἐi)
			A	B = A*A B	C = sumB C	D = 1-B D	E = sumD E	F = C/(C+E) F
VET6	<---	VET	0.906	0.820836	3.659691	0.326228	3.64170957	0.501
VET5	<---	VET	0.877	0.769129		0.408441		
VET4	<---	VET	0.789	0.622521		0.612468		
VET3	<---	VET	0.742	0.550564		0.696879		
VET2	<---	VET	0.660	0.4356		0.810253		
VET1	<---	VET	0.679	0.461041		0.787441		
RET4	<---	RET	0.611	0.373321	1.639947	0.860631	1.91557497	0.461
RET3	<---	RET	0.605	0.366025		0.866026		
RET2	<---	RET	0.949	0.900601		0.188918		
BRT4	<---	BRT	0.917	0.840889	2.370747	0.292906	2.50613415	0.486
BRT3	<---	BRT	0.747	0.558009		0.688626		
BRT2	<---	BRT	0.725	0.525625		0.723718		
BRT1	<---	BRT	0.668	0.446224		0.800884		
PBA15	<---	PBA	0.73	0.5329	6.468047	0.716018	7.04367022	0.479
PBA14	<---	PBA	0.719	0.516961		0.732751		
PBA13	<---	PBA	0.743	0.552049		0.695242		
PBA12	<---	PBA	0.707	0.499849		0.750151		
PBA11	<---	PBA	0.899	0.808201		0.346811		
PBA10	<---	PBA	0.811	0.657721		0.567403		
PBA9	<---	PBA	0.74	0.5476		0.700134		
PBA8	<---	PBA	0.709	0.502681		0.747312		
PBA7	<---	PBA	0.784	0.614656		0.622198		
PBA6	<---	PBA	0.898	0.806404		0.349713		
PBA5	<---	PBA	0.655	0.429025		0.815938		
PES4	<---	PES	0.941	0.885481	3.21807	0.215923	1.36636862	0.702
PES3	<---	PES	0.964	0.929296		0.136409		
PES2	<---	PES	0.853	0.727609		0.470585		
PES1	<---	PES	0.822	0.675684		0.543451		