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Differentiating Financial Service Brands Through the Multilayered Service Strategy (MSS): some Insights Insights from the Resource Based View of the Firm

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ABSTRACT

This paper examines how financial service organizations operating in the Nigerian banking industry can be effectively managed to achieve brand differentiation. In order to achieve this objective, a service brand model was reviewed and critiqued and a Multilayered Service Strategy (MSS) model was put forward as an effective model for service brand differentiation. Consequently, sixteen leading-edge marketing and communication practitioners were engaged to examine the effectiveness of the model through in-depth interviews. Findings from the analysis of data indicate that an effective differentiation of a service brand cannot be achieved through the adoption of a single business or organizational factor. Rather, such an exercise is only accomplished though the adoption of a multidimensional service delivery strategy.

Key words: generic identity, industry homogeneity, service brand differentiation.

INTRODUCTION

For years, service organizations have been dominated by strong industry homogeneity (Otubanjo, 2008; Balmer and Stotvig, 1997; Balmer and Wilkinson, 1991). The preponderance of this problem was first documented for the banking industry (Morison, 1997; Howcroft and Lavis 1986; Olins, 1978); and later for professional services firms (Empson, 2001; Løwendahl, 2005). The dominance of industry-wide homogeneity together with the winds of change sweeping through banks, professional services firms and other organizations within service industries encouraged the search for distinct service brands (Wilkinson and Balmer, 1996).

A popular device deployed by service organizations, especially banks, throughout the seventies, eights, nineties and even until recently to address this challenge, has been the use of visual or graphic designs (Wilkinson and Balmer, 1996). Although, graphic designs gave service organizations a sleek, exquisite and aesthetic image, they are however incapable of differentiating service brands effectively. Visual graphic designs created the buzz needed to construct, capture, symbolize, represent and express the personality of service brands, but they could not provide an effective foundation for the development of distinct service brands.

The objective of this study therefore is to address this problem by examining how financial service institutions can be effectively differentiated. The paper opens with a review of literature on service brand management. Specifically, de Chernatony and Segal-Horn's (2003) model is reviewed, critiqued and a Multilayered Service Strategy (MSS) model of service brand management, grounded on (Barney, 1991) Resource Based View (RBV) principle of *valuability, rarity, inimitability,* and, *non-substitutability* was suggested. A methodological approach

dominated by the use of in-depth interviews with sixteen leading-edge brand management practitioners in the marketing communications industry, are discussed. Findings from practitioner viewpoints on the appropriateness of the MSS model of service brand differentiation are reported. The paper ends with the implications of the study for theory and practice.

SERVICE BRAND DIFFERENTIATION: LITERATURE REVIEW AND CRITIQUE

Differentiation is one of the cardinal objectives of corporate brand management (Balmer, 2001; Harris and de Chernatony, 2001; Ind, 1996; King, 1991). Therefore it is not a surprise to see the dominance of brand management models in literature (de Chernatony 1999; de Chernatony, 2001; Harris and de Chernatony, 2001; Leitch and Richardson, 2003; Urde, 2003; Uggla, 2006), which compete to guide authors through the brand differentiation process.

While the rise in the number of models contributing to literature on corporate brand differentiation is commendable, there is however a tendency for academics and practitioners to rely solely on these models when managing service brands (de Chernatony and McDonald, 1998). The danger here is that the responsibility of identifying and constructing the personality of service brand is arrogated to senior managers only – when in fact such an exercise ought to accommodate the valuable viewpoints of customer service officials that come in contact with customers everyday (de Chernatony and Segal-Horn, 2003). An outright exclusion of customer services opinions makes a service brand to appear insensitive and less sympathetic to customer needs. This, if unchecked, may lead to boycott – leading to the untimely death of such a brand.

de Chernatony and Segal-Horn (2003) are some of the few brand marketing researchers that identified very quickly the absence of a service brand model and the tendency by brand academics and practitioners to use a corporate brand model in lieu of a service brand model, which at the time of their publication, is practically non-existent. The absence of such a service oriented model that could guide academics and practitioners through the management of a service brand was inevitable. It gave de Chernatony and Segal-Horn (2003) a wonderful and unique opportunity to suggest a new branding model – and they cashed-in on it fair and square.

In a nutshell, de Chernatony and Segal-Horn's (2003) model is grounded on culture. The model assumes that culture in most firms trigger the enactment of desired forms of employee behavior, which in turn encourages management to conceptualize a brand promise. The enactment of desired forms of employee behavior activates the integration of functional and emotional values of service thus positioning the firm as a service oriented brand; whilst also growing its personality. The model takes the view that the communication of vision, promise, training, highly synchronized service delivery systems and shared values contributes towards consistency in service delivery. The authors argue that these factors underpin the match between the promise and perception of service brand. Consequently, these would engender a holistic brand image and a long-term relationship of trust between the service brand and customers would then emerge.

As stated earlier under this section, one of the fundamental objectives of branding is differentiation (Knox and Bickerton, 2003; Burt and Sparks, 2002; Chun and Davies, 2006; Balmer and Gray, 2003). The problem with de Chernatony and Segal-Horn's (2003) model however, is that it is incapable of accomplishing this objective. This is because it is grounded

solely on the concept of culture, which is capable of being imitated by competing service organizations; thus becoming making culture to become generic (Reimann and Wiener, 1988). The dominance of a generic culture within an industry is a major causative factor that thwarts brand differentiation efforts in banks, professional consulting firms and other service based industries. For the purpose of clarity, a generic culture is conceived in this study as a phenomenon reflective of strong homogeneity dominating an industry. It is indicative of a collective business behavior (Olins, 1978; Balmer and Wilkinson, 1991; Wilkinson and Balmer, 1996) that makes organizations operating in a specific industry to appear similar. Thus, it is a common rather than specific behavioral characteristic dominating the business activities of firms within an industry. The use of culture, a phenomenon prone to industry homogeneity, is therefore ghastly. Besides this, an effective service brand differentiation in the service industry cannot be achieved through the use of a singular organizational factor such as culture. This is because generic brand identity is an industry phenomenon that arises out of a variety of institutional isomorphic pressures (DiMaggio and Powell, 1983). As such, an attempt to break a generic service brand mould would require a multifaceted strategy that takes various institutional isomorphic pressures that impinge effective differentiation of a service brand into account.

In recognition of this challenge, the Multilayered Service Strategy (MSS) is introduced. The MSS is a holistic, multifaceted and multidimensional service delivery approach that integrates *valuable, rare, inimitable, and non-substitutable* (Barney, 1986; 1991; 2001) aspects of a service for the singular purpose of engendering a unique and peerless service brand that give superior competitive advantage. The notion of the MSS is discussed fully in the paragraphs below.

THE MULILAYERED SERVICE STRATEGY (MSS): A CONCEPTUALIZATION

The Multilayered Service Strategy (MSS) is an advanced version of the 360-degrees view of customer service, which appears to have gained popular acceptance globally. Unlike the 360-degrees view of customer service that advocates the delivery of a consistent brand experience simultaneously across all service touch points, the MSS (see figure 1) takes a step further.

The MSS is grounded on the assumption that generic service brand identities often emerge out of a variety of mimetic, coercive and normative institutional isomorphic pressures. Challenging a generic service mould therefore would require more than a tool. The MSS champions the adoption of a holistic, multidimensional and multifaceted service delivery tool that arrogates and integrates *valuable, rare, inimitable, and non-substitutable* (Barney, 1986; 1991; 2001) service led resources for the singular purpose of differentiating a service brand. For clarity, *valuable, rare, inimitable, and non-substitutable* (Barney, 1986; 1991; 2001) resources in this study include *universal service standardization; consistent service delivery at all touch points; consistent innovation in service delivery; service history; and mitigating service factors.* These resources provide a strong platform for engendering an effectively differentiated service brand.

Figure 1: The Multilayered Service Strategy (MSS) schema
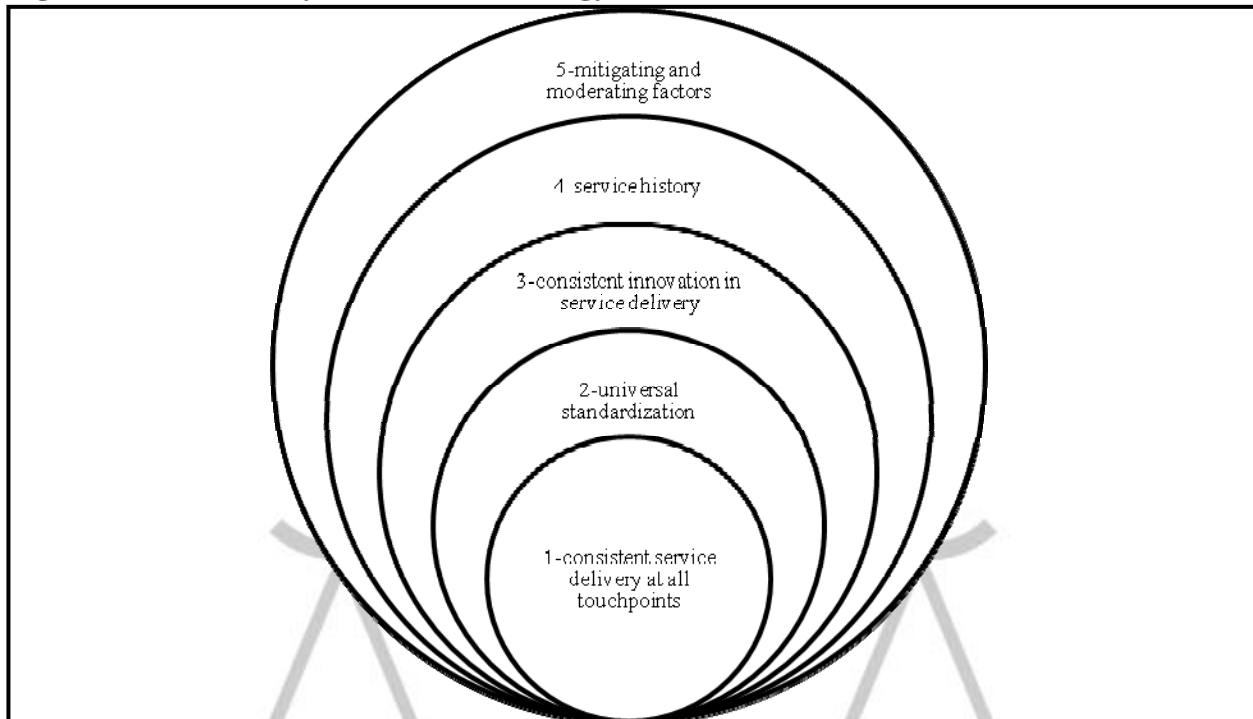
Source: developed by author

The MSS calls for a big picture approach to the differentiation of a service brand. It encourages service organizations, especially banks to develop comprehensive differentiation policy measures grounded on the components of the holistic service disciplines listed above. It gives recognition to how an organization's service activities are differentiated in the mind of customers and other stakeholders. In addition, the MSS represents the critical factors that enhance effective service delivery. Importantly, the way in which MSS transcends the 360-degrees view of customer service together with the variety of approaches through which it could be drawn to achieve brand differentiation, is discussed fully and comprehensively in the paragraphs that follow.

Consistent service delivery at all touch points: At the basic level, the 360-degree view of the customer points to the need for service organizations to deliver consistent service quality at all touch points. The MSS takes the same position. It believes that customers interact with various employees of service organizations at numerous touch points. At each of these points, customers will require numerous services. Therefore service organizations must as a matter of urgency account critically for every service points through which customers interact with the brand; and then, design a unified service delivery system consistent across the touch points. A consistent service delivery across the touch points will contribute positively towards service standard standardization process and engender a distinct service brand identity system.

Universal standardization: The MSS grew, in part, out of the ascendancy of irregular or asymmetrical levels of service delivery at numerous branches nationally and internationally. The factors responsible for this could range from human errors down to imbalances in the level of technological development across various branches. This could also be due to differences in the

quality of human capital, uneven cultures throughout the branches and so on. Financial service institutions that have model branches are particularly culpable of this offence. The quality of service rendered at specific, designated or model branches of some banks operating in the Nigerian banking industry for instance differs from the service quality in other branches outside designated model branches. It is important therefore for the management of service organizations to address these challenges by installing a universal service code that would engender the delivery of standardized services at all branches located nationally or internationally. Arguably, the operation of a standardized service delivery system will provide organizations with a unified service identity, which in no time may channel the development of service brand differentiation.

Consistent innovation in service delivery: service organizations are often challenged by mimetic isomorphism and the tendency by these organizations to copy themselves to, amongst other things, avoid costs that are often associated with new product development, market research and so on. Therefore, MSS champions the need to go the extra mile at all times to stay ahead of competition by pioneering ground-breaking approaches to the delivery of service to customers. Consistent innovation in service delivery will encourage the development of competitive advantage, provoke a distinct service brand identity and engender service brand differentiation.

Service history: MSS is partly grounded on the notion that if strategic service differentiation is to be achieved, service organizations must develop systemic frameworks that readily equip employees at touch points with insights from a blend of rich organizational experiences and wisdom acquired through a heritage of organization-customer interaction over time, across generations and also through numerous changes in organization-customer interaction in the past. Put another way, MSS encourages service organizations to compel all service contact points to acquire the capability and knowledge of how organizational wisdom, experiences and insights gained through a history of organization-customer interaction in the past can be applied to customer relationship management in today's business world.

Mitigating and moderating factors of service differentiation: MSS recognizes that in the course of delivering a service, unforeseen human error and unanticipated technological challenges may mitigate. Consequently, service organizations must, at such times, own-up voluntarily; admitting and recognizing service gaps their inadequacies, making it unequivocally clear however, the volume and value of resources the organization is channeling towards redressing the challenge.

WHY MSS IS A BETTER RESOURCE FOR BRAND DIFFERENTIATION: A REVIEW OF MSS CHARACTERISTICS

The last section attempted to conceptualize the notion of MSS. No evidence was however given to establish, illustrate or demonstrate why MSS is an effective resource for differentiating service brands. The following paragraphs therefore aims to fill this gap by drawing on Barney's Resource Based View of the firm (Barney, 1986; 1991; 2001) which is grounded on the principles of *valuablility, rarity, inimitability, and non-substitutability*.

MSS is a valuable resource: a fundamental principle in Barney's (1991) work is that a resource can only be valuable if it is deployed as a strategy for improving efficiency, increasing effectiveness, boosting organizational performance and more importantly, outperforming

competitors and reducing organizational weaknesses. A resource must fulfill specific organizational needs and must also meet the ability to improve performance competitively – converting weaknesses to strengths (Barney, 1991). Any resource void of the ability to meet organizational needs competitively therefore, cannot be truly valuable. Following, Barney's (1991) thesis, MSS, a framework, which was conceptualized in the previous section, provides a good example of an organizational resource that is capable of boosting the performance of a service brand. Increased service brand performance in the marketplace is achieved on the basis of the MSS through consistent service delivery; universal standardization of services; consistent innovation of service; exploitation of service history; and voluntary recognition of unforeseen mitigating factors of service differentiation. These frameworks, if properly honed and deployed, will engender an effectively differentiated service brand that can break a generic mould; enhance recognition; attract more customers; and contribute towards the achievement of profit goals.

MSS is a rare resource: the second but related conceptual principle documented in Barney's (1991) work is that a service organization can only enjoy a competitive advantage when it does not pursue value creating strategies being implemented by other firms. In Barney's (1991) wisdom, the possession of a valuable resource by all firms operating in a specific industry negates the principle of rarity as all the firms in this industry can capably exploit these resources in the same way, thereby implementing a generic strategy that gives no one a competitive advantage. MSS is a rare value creating resource that cannot be successfully implemented by all. This is because very few service organizations have the capacity to successfully implement or pursue MSS's strategic components including *1-consistent service delivery at all touch points; 2-universal standardization; 3-consistent innovation in service delivery; 4-service history and 5-mitigating and moderating factors*. For instance, the offer a consistent level of service delivery at all touch points is a challenging function that very few service organizations that can achieve. The case is the same with universally standardized services across all branches. Many service organizations cannot offer symmetrical standard of service at all branches globally. It is either the service is standard at some branches or substandard at others. Another reason why MSS is rare is because of inability on the part of service organizations to deliver innovative services consistently. It is difficult to identify service organizations that have the capacity to consistently pioneer ground-breaking approaches to the delivery of service to customers. Most service organizations are either content imitating one another or copying those outside the country, regardless of whether or not such innovative measures concur with their personalities. MSS is rare because there is limited depth in thinking. So many service organizations have not deemed it fit to commission a study that will aim to reconstruct a more comprehensive history; richer than the scant, loose and uninspiring stories mounted on the pages of their websites. Absence of such information implies that very little is known internally about a bank's service history. Consequently, it may be difficult if not impossible for any bank in Nigeria to exploit or tap insights from their rich organizational experiences and wisdom acquired through a heritage of organization-customer interaction. Another reason why MSS is rare is because it is not in the character of most service organizations to own-up voluntarily when they err. Most would rather deploy unsustainable public relations tactics to cover-up their mistakes and blunders. Based on these arguments, it is clear that MSS is a rare concept. Therefore, a service organization that can weather the storm to implement the MSS would be operating a rare service strategy, which competitors would find difficult to imitate. Frankly speaking, the installation of MSS is a challenging exercise. It is only achievable by a few. This makes it a rare, uncommon, and

exceptional strategy to pursue. This strategy, if successfully implemented, endows service organizations, especially banks with the capacity to effectively differentiate their service brands.

MSS as an inimitable resource: Barney's (1991) third but fundamental principle is grounded on the notion of imperfectly imitable resources. As Barney (1991) observes, a firm can be imperfectly inimitable: (1) when its valuable and rare resources are obtained through a unique historical path; (2) if the links between a firm's resources and its sustained competitive advantage mechanism are poorly understood by competitors; (3) if a firm's resources such as interpersonal relations amongst managers and reputation are socially complex. Following these arguments, one could argue that MSS is an inimitable business resource capable of differentiating a service brand. This is because an organization's valuable and rare resources can be generated, in part, via MSS's service history component, which is uncommon to competitors. MSS is a difficult but challenging strategy achievable only by a few. Therefore, if it is successfully implemented, it would be poorly understood by competitors who are likely to find it difficult to imitate. MSS is rigorous. It is not an easy approach to service delivery. Consequently, service organizations that are skilled at imitating would find the MSS difficult to copy. These arguments make MSS an inimitable resource that can effectively differentiate a service brand.

MSS as a non-substitutable resource: Barney (1991) argues that **"**there must be no strategically equivalent valuable resources that are themselves either not rare or imitable" (Barney, 1991, p. 111). Two valuable resources are strategically equivalent when they each can be exploited separately to implement the same strategies. MSS and its components are unique, rare and irreplaceable. There is no closely related phenomenon that is capable of substituting it; neither is there any strategically equivalent valuable resource that can replace it. The irreplaceable nature of MSS makes it a strategic tool that can be drawn to differentiate a service brand.

THE MSS MODEL OF SERVICE BRAND DIFFERENTIATION

The development of the MSS model of service brand differentiation, in this study, is grounded on two conceptual ideas. The first draws on the characteristics of MSS. The second stems from Otubanjo's et al (2010) mandatory components of corporate branding models (see de Chernatony 1999; de Chernatony and Dall'Olmo Riley, 1999; de Chernatony, 2001; Harris and de Chernatony, 2001; Leitch and Richardson, 2003; de Chernatony and Segal-Horn, 2003; Uggla, 2006). These include personality, positioning, communication, stakeholder, and reputation.

The development of a service brand management model is a bottom-up process, see Figure 1. It begins with the identification of the characteristic principles of the MSS, which include valuable, rare, inimitable, non-substitutable resources. As suggested previously, a valuable strategy is a resource that can help improve organizational performance, whilst a rare strategy is one that no other organization can claim. Similarly, an inimitable strategy is a valuable and rare resource that competitors cannot imitate and a non-substitutable event is one that no other organizational phenomenon can substitute. One or two or a combination of these valuable, rare, inimitable, non-substitutable resources, depending on a service brand intention, is articulated constructively in the form of a brand positioning statement or advertising copy. Issues dominating the brand positioning statement or advertising copy are then communicated in the form of corporate advertisements, guided editorials, events etc through the media of corporate communications.

Figure 1: MSS model of service brand differentiation
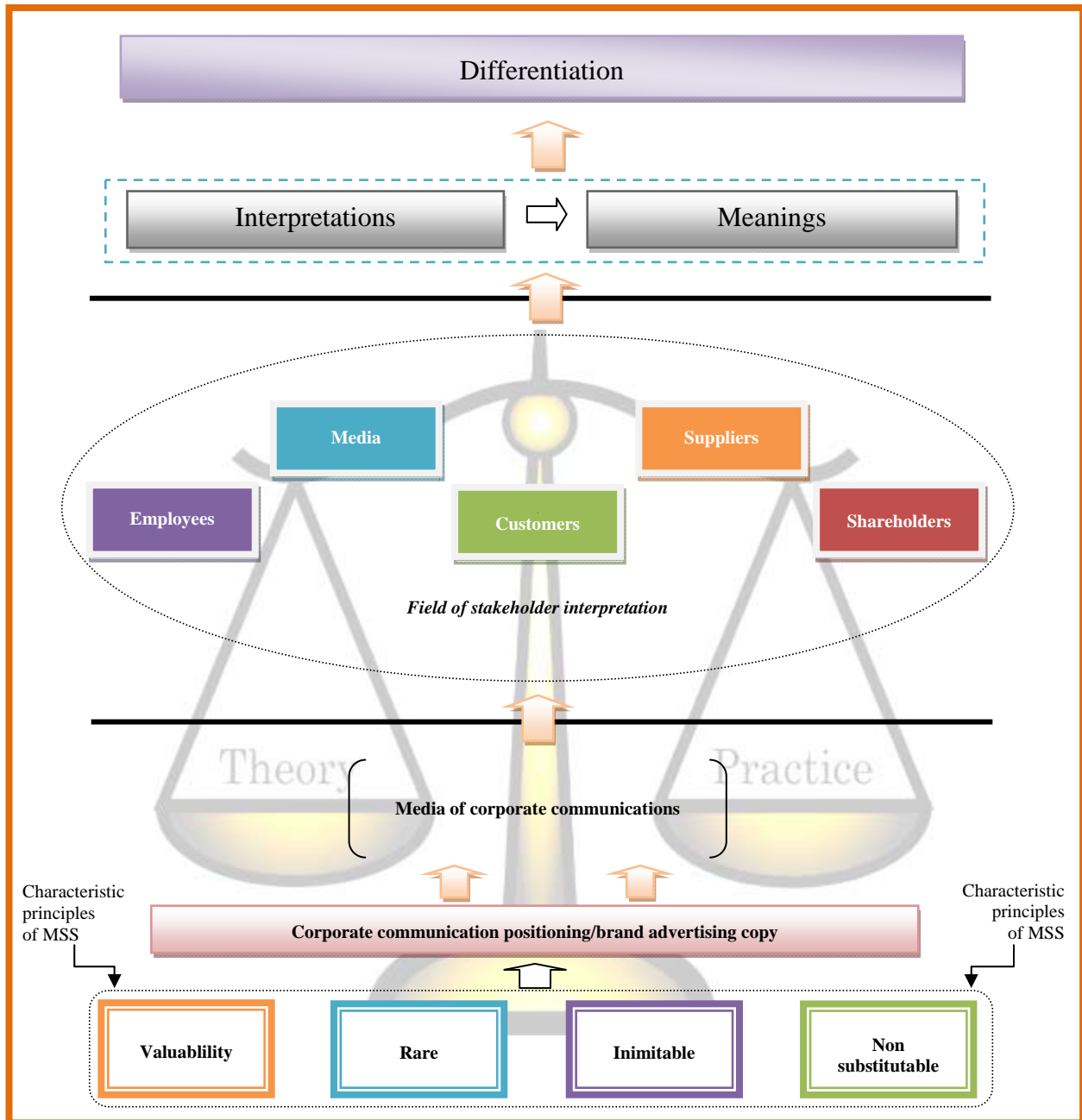
Source: developed by author

The media of corporate communications in the context of this model refers to television, radio, World Wide Web, new social media, newspaper, magazines journals and so on. The moment the positioning statement or copy is communicated, it leaves the realm of organizational control for stakeholder interpretative field. At stakeholder's field, the messages constructed in corporate advertisements are interpreted by customers, employees, suppliers, shareholders, media and other stakeholders too numerous to mention. At this stage, service organizations have no control on how the messages are interpreted. Interpretation of messages in the stakeholder realm leads

towards the construction of meanings in the minds of stakeholders. Consequently, the meanings generated from the interpretative field create differentiation in the minds of stakeholders and also in the larger business environment.

METHODOLOGY

The review of literature indicates an acute shortage of works addressing service branding and most especially how service brands are differentiated. It therefore became apparent that there was an urgent need to seek knowledge about this subject. Consequently, this study sought the views of corporate and marketing communications practitioners, of at least Group Head level (see Figure 2) with the view of increasing scholarly knowledge about service brand differentiation. Specifically, practitioners were interviewed with the aim of establishing: (1) the critical organizational factor that is most effective in providing a foundation for triggering the process through which a service brand can be effectively differentiated; (2) the process through which a differentiated service brand would emerge through the suggested organizational factor.

By the time this study commenced, there were no models addressing how MSS can influence service brand differentiation. de Chernatony and Segal-Horn's (2003) model provides useful and in-depth insights into service brand management, however, the susceptibility and vulnerability of the culture component of this model to industry homogeneity and genericity disqualifies it from providing a guide on how service organizations can use service brands to differentiate themselves from competition. Now, because there were no models addressing the subject under investigation at the beginning of this study, it was difficult to undertake any hypothetical test. Therefore, the need to seek practitioner views became apparent.

Figure 2: Hierarchy of designations in a marketing communications agency
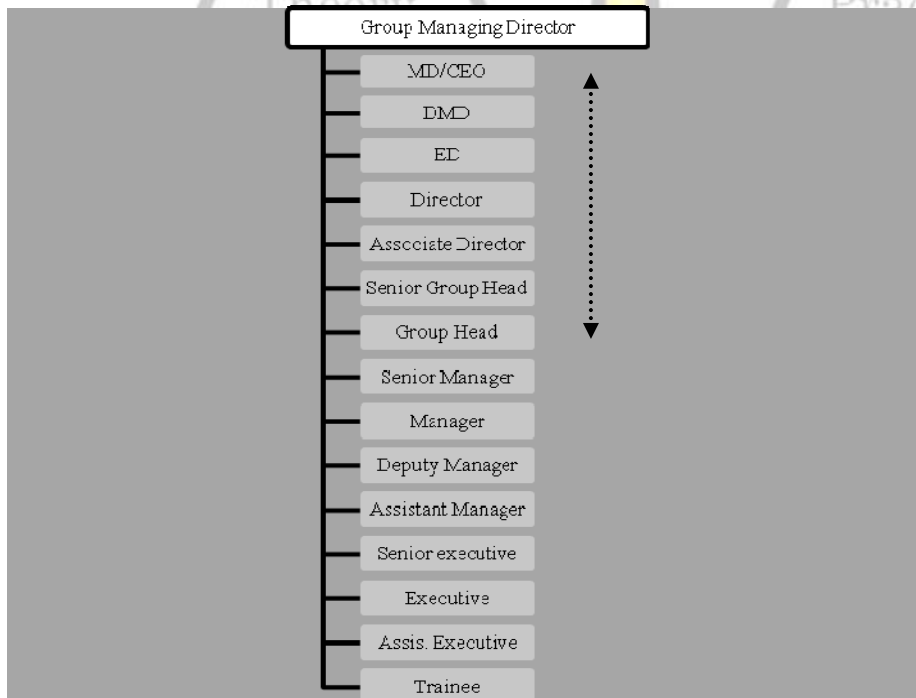
Source: developed by author

This is a three phase study that aims to develop and subsequently test the MSS model of service brand differentiation, using a combination of qualitative and quantitative data generation techniques. This paper however constitutes the first and second phases of this research. This study is therefore exploratory in nature. The intention here is to generate viewpoints within the terms of reference without imposing the researcher's pre-conceptual knowledge.

Phase one involved in-depth interviews with corporate marketing and communication practitioners to identify and establish the critical organizational factor that is most effective in providing a foundation for triggering and launching the process through which a service brand can be effectively and distinctively differentiated. It was expected therefore that an emergent theme would materialize at this stage. This emergent theme constitutes the single critical factor or foundation on which the service brand differentiation model is built. Consequently, a model together with an appropriate review of existing theoretical literature grounded on the theme that emerged from the first phase of the study was developed over a period of one and a half months.

The researcher returned to the same practitioners in the second phase to present and explain how the new model works. The presentation was to establish whether: (1) the process components in the MSS model of service brand differentiation are listed sequentially; (2) the model is viable.

Importantly, in-depth interviews were employed for data generation (in the first and second phases of this study) as a means of scoping the subject under investigation. This was to provide rich data that would guide the framing of questions for the next phase of study, which hopefully would be dominated by the testing of hypothetical issues relating to this study.

Access to corporate and marketing communications practitioners in agencies and in some service organizations was achieved through personal contacts and also via the Advertising Practitioners Council of Nigeria (APCON) http://www.apcon.gov.ng/, Nigeria's apex advertising practice regulator. Specifically, practitioners were approached either interpersonally or by writing directly to Managing Directors/CEOs – seeking co-operation in participating in the study. In some cases, the researcher, a former corporate communications practitioner with one of Nigeria's leading marketing communications firms, approached respondents through referrals from colleagues in the industry. Agencies and service organizations that were approached for this study were selected for their high profile. This is in terms of billings, size and industry dominance. Selection was also done on the basis of the depth of respondent experience in service brand management.

Table 1: details of sample

Sector	Agencies/companies	Designation	No. of interviewees
Advertising	InsightGrey	Exec. Director; A/c Directors; Director	4
	CentrespreadFCB	Group Head; Senior Group Heads	3
	Ideas House	Strategy Director	1
	SO&U Saachi & Saachi	Associate Director	1
	STB McCann	Associate Director	1
	Bates Cosse	Associate Director	2
Public Relations	CMC Connect	Managing Director	1
	Absolute PR	Managing Director	1
	FCB Redline	Group Head	1
Media independent	Mediacraft	Managing Director	1
Total			16

Source: developed by author

A total of sixteen in-depth interviews were conducted with Group Heads, Senior Group Heads, Associate Directors, Directors, Executive Directors, Deputy Managing Directors, Managing Directors/Chief Executive Officers and so on. Please see table 1 for details. A uniform question guide was developed to lead the study through the interview process. Each interview was conducted within a time frame of one hour; after which interviews were recorded and transcribed. Although, respondents were prompted once in a while to remain focused when there was a deviation from the core focus of study, they were however encouraged to talk as much as they wanted – to generate robust data that would enrich the outcome of the study. The analytical method deployed in this study is qualitative data analysis involving three important stages: (1) categorization of interview material into various emerging themes (2) labeling of each category using appropriate headings; (3) description and interpretation of findings.

FINDINGS

Phase One of In-depth Interview

The first phase of this study aimed to identify and establish the critical organizational factor that would be most effective at providing a foundation for launching and achieving an effectively differentiated service brand. Therefore, rather than suggest a specific organizational phenomenon as the study objective requested, all respondents proposed a combination of organizational factors including values, culture, corporate philosophy and strategic intent and corporate positioning statements as a formidable basis for effective service brand differentiation. A combination of factors was suggested because all respondents believe that service brand differentiation cannot be accomplished on the basis of a singular organizational phenomenon. The analysis of data however points towards greater emphasis on a mixture of service led factors including *360° view of the customer*; *standardization of service; service history; consistent pioneering of innovative services beyond competitor offering;* and *recognition of mitigating factors*. A combination of these factors, which all respondents believe is capable of differentiating a service brand effectively, is discussed comprehensively in the paragraphs below.

Component 1: 360° view of the customer: as part of the service led factors mentioned above, all the respondents opined that the successful differentiation of a service brand can be accomplished through the deployment of the 360° view of the customer. This is because the 360° approach to customer service enables service organizations to increase customer satisfaction over and above customer satisfaction levels industry by engaging customers in knowledgeable interactions and relevant discussions based on detailed information generated through customer details, purchases, contacts, inquiries, and service records, which are incorporated and consistently updated on the intranet. Such informed discussions create a positive working relationship with customers and distinguishes the brand in the minds of customer. The viewpoint of one of the respondents captures this argument fully:

> *"Service brand differentiation can be partly achieved in the Nigerian banking industry through what is known as the 360° customer service experience. The 360° customer service experience*

is one which provides organizations with a unique opportunity to meet the needs and expectations of customers everywhere they turn – in a 360° format. This means that customers are provided courteous and efficient service not just only at the teller or service desk but at all service points that customers come in contact with the bank or its designates. The 360° exercise is well known to operators of the Nigerian banking industry; yet none of them have been able to implement it successfully. It appears that 360° is a difficult concept to actualize. Any bank that cracks this successfully within the current industry set-up will definitely set itself apart from the rest. Such a bank will achieve differentiation in no time"

360° view of the customer helps service organizations to understand how customers: (1) are getting in touch with the organization; (2) browse organizational web pages; (3) acquire information; (4) request for a service; (4) make payments or offset their bills; (5) make inquiries about a service; (6) complain about poor service quality and so on. The 360° view of the customer draws this information together not only to develop a comprehensive profile that demonstrates the extent to which an organization's marketing and communication channels match customers' activities, but more importantly to learn from past interactions with the aim of optimizing future interactions (Eckerson and Watson, 2000). This enables service organizations to offer competitive service deliveries that are better that what is obtainable in the industry.

Component 2: standardization of service: one of the factors listed by all respondents as an important determinant for the development of a successfully differentiated service brand is standardization of service. In the view of every single respondent approached in the course of this research, service organizations, especially large financial service institutions in Nigeria are challenged by uneven levels of technology, varying subcultures, irregular technical competences, skill and expertise at all branches, all which impinge on the ability of these institutions to deliver homogeneous service levels across all branches located throughout the country. If effective service brand differentiation is to be achieved, all respondents argue that service organizations, especially banks, must as a matter of policy develop strategic approaches that would enable the regularization of irregular levels of service delivery across all branches, throughout the country. A statement made by one of the respondents in the paragraph below, captures this viewpoint.

"Standardization of banking services throughout the branches is a strategic tool that can, in conjunction with other tools, differentiate a bank. However, there is no single bank as of today that can beat its chest and say 'I deliver a standardized format of service throughout all my branches'. I think that the creation of model branches throughout the country by many of our banks says it all. This could be because of the uneven levels of technical competences, human capital skill, expertise that are available to the banks at various locations throughout the country. The way out of this quagmire is to regularize the service delivery function. How to do it is another issue that can be discussed at another time"

Respondents opine that service standardization, especially those operating in the Nigerian financial services sector, offer an effective platform for expressing positive aspects of their identity, which could equality create positive meanings in the minds of stakeholders, especially customers. For the respondents, standardization of service enables employees to generate and increase employee skills leading to greater level of competence, which ultimately endows the firm with a greater competitive advantage. The notion of service standardization offers improved service quality and reliability; provides an opportunity for consistency in the delivery of services.

Component 3: consistent innovation in service delivery: the majority of respondents presented the notion of consistent innovation in service delivery as another important business factor capable of providing the needed platform for engendering a successfully differentiated service brand. Most respondents that were approached were of the opinion that if an effectively differentiated service brand is to be truly accomplished, financial services institutions, especially banks, must consistently and at all times raise service delivery standards, up and above competitor service delivery levels by pioneering ground-breaking services consistently and at all times. The response made by one of the leading-edge practitioners captures this viewpoint.

> *"Most banks imitate. They cannot innovate or develop new or original ideas consistently. Consistent innovation is one sure way of differentiating a bank. To differentiate a service brand would have to develop more creative customer services ideas not just once in a while but at all times. In order to differentiate, a service brand must constantly and consistently push the boundaries. They have to create and pioneer, at all times, ground-breaking services that competitors cannot easily copy or imitate. Here lies one of the secrets of a strategic service brand differentiation"*

The notion of consistent innovation in service delivery was conceived by respondents as one that often arises out of imitative tendencies to copy other service based organizations. In order to break this cycle, all respondents championed the need for service organizations to look inwards to identify incremental or revolutionary changes that are capable of bringing about new and uncommon customer service ideas, which can effectively differentiate a service brand. Respondents opine that in order to avoid imitation and achieve strategic differentiation, service organizations, especially banks must consistently seek ways of improving customer service levels innovatively, pioneering groundbreaking customer service inventions at all times. Put another way, respondents noted that it would be grossly insufficient for Nigerian banks to offer groundbreaking service tactically. Rather, there must be a strategic approach to this if there is a strong desire to attain the status of a strategically or effectively differentiated service brand.

Service history: nearly all the respondents that were interviewed wondered why service organizations, especially banks with rich service histories, do not leverage on their service heritage as a point of differentiation. Most of the respondents are of the opinion that a rich history of customer service provides banks and other financial service institutions with unique service delivery experiences that competitors do not have. Most respondents noted that drawing from a rich experience that comes from service history will do two things. First, it will enhance service delivery competence beyond competitor ability; and second, it will position a service

brand as a leader in the marketplace. In the end, a combination of these factors provides a platform for differentiating a service brand. The quote below explicates this viewpoint further.

> *"All Nigerian banks have a service history. The issue of course is whether the experiences that are generated from these histories are documented well enough to form a heritage. No two banks or financial services institutions could have generated the same service history over time. A rich history of customer service provides banks and other financial service institutions with unique service delivery experiences that competitors do not have. Experiences from a service history are unique. They are quite capable of supporting the customer service delivery function in a unique way that no bank can imitate".*

The majority of respondents think of service history as a record of all previous service delivery activities of the firm acquired through numerous organization-customer interactions over time. In the opinion of most practitioners that were interviewed, banks and other financial services institutions can tap from service history through training programs and databases of organization-customer relationships and interactions and so on. Information and insights generated from these records equip bank tellers and relationship managers with the ammunition to address all customer service issues efficiently better and above industry service standards.

Recognition of mitigating factors: nearly all respondents agree and point to a number of unforeseen challenges that may mitigate the delivery of an effective service delivery. Some of these according to the respondents include human error, technological faults and so on. Respondents argue that when these mitigating factors present themselves, they challenge or derail effective delivery of services. Service organizations, especially banks, must be bold enough to admit the shortcomings in their service delivery; whilst also stating the efforts being made to redress the shortcomings. Such a voluntary act of admission by service organizations will characterize the brand as being uniquely transparent and responsible, especially in an environment that such acts of admission hardly ever occurs. The viewpoint of one of the respondents approached for the purpose of this study explains this point further

> *"In a business environment such as ours, service organizations face many challenges ranging from arson, theft, to social unrest and so on. There have been cases where power generating plants at some banks were carted away. There have also been reported incidents of the collapse of infrastructures that support Automated Teller Machines (ATM) at branches. For these reasons and many more, service delivery functions at some financial institutions are at times impaired. At times like these, customers return from their banks utterly disappointed. Yet only a couple of banks would openly own up and admit such lapses. I think it takes a lot of guts and spunk for any bank in our environment to openly do so; especially when something is being done to correct such lapses right away. In my opinion, any bank that voluntarily admits to such*

> *service lapses whilst also assuring customers of a quick restoration of service, will differentiate itself from others."*

Phase Two of In-depth Interviews: Sequence and Viability

The second phase of this study focused on whether the process components in the MSS model of service brand differentiation are listed sequentially; and more importantly; whether the model is viable. Again the same leading edge corporate and marketing communication consultants that were engaged in the first phase of this study were approached to address these issues. Comments by respondents in relation to the five issues listed under this paragraph are discussed below.

Viability of the MSS model of service brand differentiation: all the respondents approached in the course of this research examined the MSS model of service brand differentiation thoroughly, comprehensively and painstakingly. The majority of respondents came to the conclusion that the process components in the MSS model of service brand differentiation are listed sequentially and also that there are no major missing-links or components whose absence are capable of thwarting the entire process. Most of the respondents contend that the model makes a lot of sense and that the model is viable, workable, practicable and capable of successfully differentiating a service brand. A comment made by one of the respondents summarizes this viewpoint.

> *"This model looks fine to me. It contains all brand management components. I cannot see any missing links in the model; neither is there any mandatory branding component that is absent. I like the control and non-controllable aspects of your model. It reminds one that at a certain point brand messaging would be at the mercy of interpretive viewpoint of customers. I think the model, girded by its foundation components would aid effective service differentiation"*

DISCUSSION

At the conceptual level, three important findings emerged. The first addresses the development of a Multilayered Service Strategy (MSS) template, which is reflective of an integrated multidimensional service delivery approaches that could be drawn to successfully differentiate a service brand in the marketplace. Although, the MSS is related to the 360° degrees view of customer service, it however transcends it. This is because the MSS is a mixed bag of unique or distinctive service disciplines such as *1-universal standardization; 2-consistent service delivery at all touch points; 3-consistent innovation in service delivery; 4-service history and 5-mitigating and moderating factors* – all which could be drawn jointly and collectively by service organizations as a foundation or basis for differentiating a service brand in the marketplace.

The second finding that emerged from this study provides a theoretical grounding for the study of brand management. It does so by incorporating Barney's Resource Based View of the firm (Barney, 1986, 1991, 1992, 1997, 2000), which is grounded on the principles of *valuablility, rarity, inimitability, and non-substitutability* into the MSS. The incorporation of Barney's Resource Based View of the firm strengthens the MSS with a discourse. This makes it clear that the fundamental principle undergirding an effective service brand differentiation exercise is

valuability, rarity, inimitability, and non-substitutability. Without the support of these resources it is difficult to develop an effectively differentiated service brand.

The introduction of the MSS model of service brand differentiation represents the third finding in this study. The MSS model of service brand differentiation, which is grounded on Barney's (1991) RBV principles of *valuablility, rarity, inimitability, and non-substitutability* equally stems from Otubanjo's et al (2010) mandatory components of corporate branding models which include personality, positioning, communication, stakeholder, and reputation. The MSS model of service brand differentiation is a bottom-up procedure that stems from the characteristic principles of the MSS right through the positioning statement or advertising copy; and moves upwards through the media of corporate communications into the uncontrollable realm of stakeholder interpretation, which ultimately creates meanings, interpretations and differentiation.

The outcome of the analysis of data that were generated through in-depth interviews with leading-edge corporate and marketing communication practitioners once again supports the findings emerging from the conceptual literature. For instance, practitioners' proposition of a mixture of service led factors including *360° view of the customer*; *standardization of service; service history; consistent pioneering of innovative services beyond competitor offering;* and *recognition of mitigating factors* strengthens the composition of foundation elements of the MSS. This equally strengthens the argument that an effective differentiation of a service brand cannot be successfully accomplished through the adoption of a single business or organizational factor. Rather, such an exercise is better achieved through a mixture of service led resources.

The vote of confidence conferred on the MSS model of service brand differentiation by practitioners strengthens the conceptual argument presented in this study. At the conceptual level, the MSS brand differentiation model begins with the identification of the characteristic principles of the MSS, which is grounded on Barney's (1991) Resource Based View principles of *valuablility, rarity, inimitability, and non-substitutability*. This is followed by a constructive articulation of these characteristics, which are then communicated through the media of communication. These messages are interpreted and differentiated in the minds of stakeholders.

CONCLUSION

This study has examined how Nigerian banks that are challenged by genericity and industry homogeneity can be effectively differentiated. It observed that one of the fundamental objectives of brand management is differentiation; and queried the capability of de Chernatorny and Segal-Horn's (2003) service brand management model in differentiating services brands. It put forward the MSS schema as a better and more formidable platform for differentiating a service brand. The review of literature together with the analysis generated from in-depth interviews held with leading-edge practitioners indicates that service brand differentiation could be achieved if it is grounded on a holistic cum multidimensional service delivery approach that integrates *valuable, rare, inimitable, and non-substitutable* (Barney, 1986; 1991; 2001) aspects of a service.

Findings from this study contribute to knowledge concerning corporate brand differentiation and generic corporate identity. Earlier studies tended to focus on the use of culture as a basis for differentiating a brand (de Chernatony and Segal-Horn, 2003). Some examined the factor causes

of generic brand identity in the banking industry (Otubanjo, 2008; Balmer and Stotvig, 1997; Balmer and Wilkinson, 1991; Morison, 1997; Howcroft and Lavis 1986; Olins, 1978). Others addressed the continued existence of generic brand identity even after conscious attempts were made to circumvent generic brand identities in the banking industry (He and Balmer, 2005). Unlike other studies, this paper makes a departure from previous studies by suggesting an empirically grounded approach for circumventing the growth of generic brand identities.

An important theoretical implication for this study is that the MSS model of service brand differentiation that emerged from this study gives detailed clarification of how services brands can be effectively differentiated. This clarification provides a solution to the challenge of circumventing generic corporate brand identity, which until date remains vague, fuzzy and unclear. The study adds to knowledge on the service branding differentiation and contributes to corporate branding literature in general. On the practitioner front, this study points to how Barney's (1991) valuable, rare, inimitable and un-substitutable resources can be drawn as a resource platform to circumvent generic moulds as well as differentiate service brands.

This study is limited to an understanding of how financial services organizations, especially Nigerian banks can be effectively differentiated. The study however does not explain this subject in the context of service organizations in other countries. Also, the MSS model of service brand differentiation that emerged from this study has yet to be hypothetically tested. These limitations and restrictions therefore provide opportunity for future research.
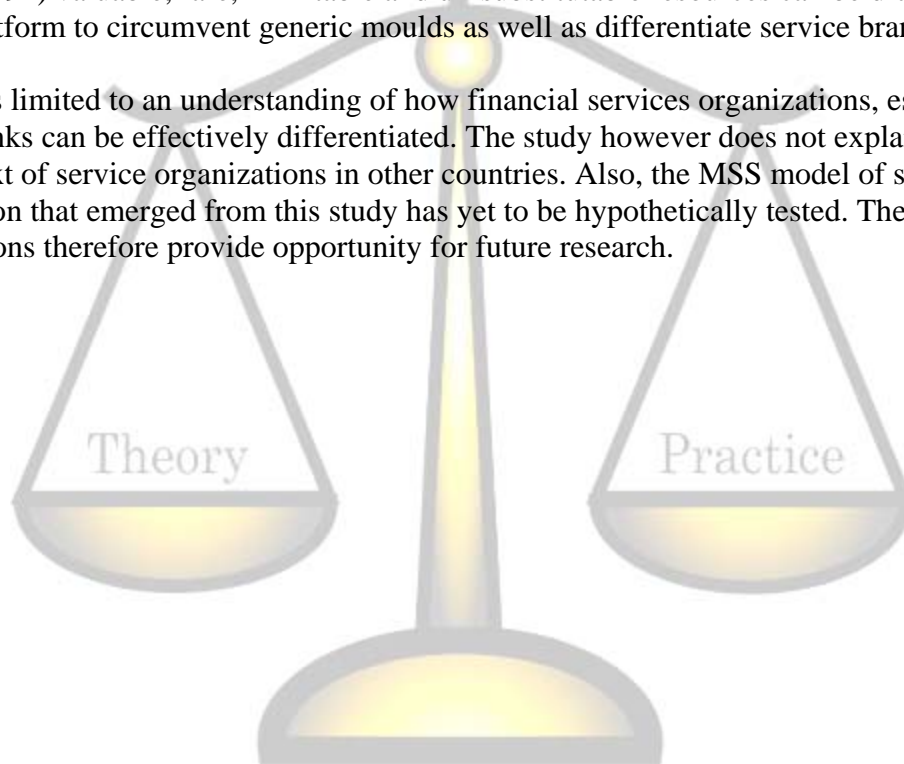
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