

Image of a Bank in the Mind of an Individual: structure and contents (results of a pilot study)

Ružena Lukášová, Tomáš Urbánek ¹

The concept of image has been used in the literature since the 1960s. Nevertheless, it has come to the foreground of attention of both scholars and marketing personnel primarily in the 1980s and 1990s. This reflects the fact that the image as a phenomenon influencing consumers' decision-making and their loyalty to a company has become increasingly important. This is because competitive companies offer products which are more and more similar to each other and the prices do not differ much either; in such a situation, the consumer is 'flooded' with a great amount of information. As a consequence, the image of a company as a more or less positive "sum of beliefs, ideas and impressions that a person holds of an object" (Kotler and Clarke 1987, cited in Javalgi 1992) makes it subjectively easier for the consumers to find their bearings and make decisions.

Long-term attention has been devoted to corporate image by the traditional discipline of marketing. Marketing specialists have focussed their attention primarily on the issue of the formation of a favourable and clear-cut company image as an instrument of acquiring customers and differentiating itself from its competitors. Image analysis is then understood not only as an instrument for controlling the company image in the consciousness of the public but also as a complex instrument for measuring the effectiveness of a company's communication activities which come to the foreground in connection with the image.

¹ University of Technology of Brno, Business and Management Faculty.

In connection with the need for a deeper understanding of the influence of corporate image on the behaviour of consumers, image has been increasingly treated from the point of view of cognitive psychology, i.e. primarily with view to the manner in which information is received and processed in the consciousness of an individual. What tends to be emphasized is the need to study the internal structure of image as a reflection in the mind of an individual and the influence of the contents of the reflection on the individual's behaviour (cf. e.g. Cornelissen, 2000).

1. The aims

If one considers image from the point of view of cognitive psychology, it can be delimited as a reflection with a certain content and probably a certain structure in the mind of an individual. It can be supposed that the individual dimensions of image may have a different character (being primarily rational or primarily emotional) and have a different effect on the consumer's behaviour.

The aims of the pilot study, the partial results of which are presented below, were: to determine what attributes discriminate between the images of particular banks in the minds of consumers to find out what the image structure of banks is in the minds of Czech consumers and to determine what attributes of banks may influence the decisions made by Czech consumers.

The present study is a part of a preliminary research for a more extensive research which is currently under preparation to be carried out within the project No. 406/00/0505 filed with the Grant Agency of the Czech Republic and entitled "A Corporate Image as a Reflection in the Mind of an Individual".

2. Method

The first method used in this study was an attitude questionnaire, constructed partially on the basis of previous researches (Yavas, Shemwell, 1996). It consists of items expressing three presumptive components of attitudes: cognitive, affective, and conative. The method was administered for five banks.

The second method was a focus group. It was based on a group interview and supplemented with other methods: the method of grouping (participants were asked to sort out the presented larger body of banks into groups depending on the similarities between the banks) model situation, when the participants were asked to decide what bank they would choose for depositing 10 million Czech crowns, if they had the sum.

The purpose of the above-mentioned qualitative research methods was both to obtain starting information necessary for the construction of the quantitative methods in the intended large-scale research and to obtain deeper and additional information concerning the consumers' thinking and behaviour in the bank market.

3. Sample

The research, based on the attitude questionnaire, was carried out on the sample of 79 persons. All 79 persons were older than 18, there were 41 men and 38 women. The data were collected in October and November 2000.

The focus group was undertaken with a group of 12 people. The group consisted of 6 men and 6 women. Three group members had basic education, three had secondary education, three had university education and three members were university students. They were all clients of at least one bank operating in the Czech Republic.

4. Results

4.1. Discriminating and non-discriminating items

The first research issue concerned which items of the attitude questionnaire discriminate between individual banks. In order to find an answer to this question, average scores were calculated for each bank, paired comparisons of indi-

vidual items for each pair of banks (10 pairs in total) were carried out and the statistical significance of differences was calculated using the t-test.

The results are shown in Table 1.

It is obvious from the table that the individual banks are not discriminated between by items which concern such opinions about the bank that are related to the knowledge of bank products and services and the evaluation of its quality or advantageousness. Little discriminating items (i.e. discriminating only between some banks) are also those which concern the evaluation of the bank premises and employee quality.

On the other hand, such items were found to discriminate that concern visible attributes (number of ATMs), the ideas about bank clients and target groups, the perception of a bank's 'closeness' (i.e. whether a respondent perceives the bank as 'his/her' – whether he/she finds it close) and the bank's trustworthiness, safety and reputation.

If these results are compared with those obtained from the focus group, it appears that some of the attributes which discriminate between banks were spontaneously mentioned as sorting criteria by the participants using the method of grouping. The main criteria which the focus group participants spontaneously used were: known x unknown banks, foreign x local banks, traditional x new banks, large x small banks, banks for entrepreneurs and companies x banks for small clients, specialized banks x banks with a wide range of products, banks with a small number of branches x banks with a large number of branches, highly advertised banks x little advertised banks. These criteria thus probably constitute conscious attributes which have a cognitive character and can be assumed to carry a discriminating capacity.

Most banks are, however, discriminated between also by items concerning the evaluation of the bank's trustworthiness, safety and reputation. These attributes are not perceived so clearly because the focus group participants did not list them spontaneously.

Table 1. Means of the attitude questionnaire items for each bank the number of significant differences

The items	number of significant difference	B1	B2	B3	B4	B5
it has its own ATMs	9	1,60	2,63	2,98	2,06	1,32
I find the bank close to me	9	3,88	5,22	5,77	3,98	2,60
it is a bank for families and private persons	8	2,43	3,24	3,04	2,31	1,56
it is a bank for entrepreneurs and managers	8	1,80	2,14	2,25	2,71	3,09
the bank is trustworthy	8	2,39	2,31	3,02	3,00	1,92
it is safe	7	2,42	2,24	3,00	3,08	2,04
it has a good reputation	7	2,37	2,31	2,89	3,40	2,22
I would decide for this bank	6	2,84	3,15	3,46	3,23	2,40
it has suitable opening hours	5	2,20	2,39	2,72	2,27	2,78
the bank repels/attracts me as a potential client	5	4,42	3,92	3,53	4,05	4,87
I would recommend this bank to my friend	5	2,93	3,19	3,58	3,31	2,58
it provides faultless service	4	2,53	2,51	2,98	2,97	2,55
the fees charged for its services are high	4	2,61	2,83	3,00	3,05	2,65
it helps in the right places through sponsorship	4	2,96	2,75	3,18	2,98	2,74
its employees are helpful and polite	3	2,24	2,54	2,74	2,44	2,13
my feelings connected with the bank are unfavourable/favourable	3	4,43	4,27	3,98	3,90	4,84
the bank's employees know the clients and understand their needs	3	3,19	2,81	2,89	2,82	2,81
the bank premises are pleasant and friendly	2	2,01	2,42	2,56	2,49	2,30
it has competent employees with good knowledge and skills	1	2,37	2,41	2,67	2,60	2,35
it provides progressive services	0	2,59	2,75	2,39	2,63	2,83
it is flexible in implementing new services	0	2,60	2,69	2,53	2,55	2,66
it provides good credits	0	3,43	3,24	3,21	3,24	3,22
the fees charged for its services are reasonable	0	3,25	3,07	3,11	3,00	3,09

4.2. *Image structure*

The results of the statistical processing of the research data obtained in the factor analysis are presented in Table 2.

The factor analysis was calculated for all the questionnaire items together. Three factors were calculated for each bank except for the bank No. 2, where there were 6 factors as the statistical criteria had indicated that in this particular instance, there might be more factors.

Table 2 shows that the first factors of all banks share a lot. The items which load on this factor concern mainly the bank's reputation (reputation, trustworthiness, safety, faultlessness of services). The factor also includes items with an emotional character (the extent to which a client finds a bank close, whether he/she is attracted by it, what feelings he/she connects with the bank) and conative character (I would decide for the bank, I would recommend the bank to my friends). This factor is therefore contained in the image structure of each evaluated bank. The other factors are much more specific, although they are sometimes similar across some banks. These factors reflect mainly practical aspects (employees, opening hours, ...).

The composition of the above-stated factor indicates that the conative component of the attitude towards the bank is unambiguously related to the emotional-evaluative relation to the bank. It can thus be supposed that consumer's behaviour regarding the selection and recommendation of a bank is primarily influenced by such attributes that are connected to the evaluation of the bank's safety and trustworthiness and the emotions towards the bank.

Table 1 shows that bank No. 5 is considered to be the most trustworthy, the safest and having the best reputation. This bank is perceived by respondents as the closest to them. They would decide for it most often and would also recommend it to their friends most often. They provided these responses although, as their responses to other questions indicate, they do not consider other aspects of this bank (the speed of the services, the provision of progressive services, opening times, etc.) as the most positive.

Table 2. The results of the statistical processing of the research data obtained in the factor analysis

	Bank 1			Bank 2						Bank 3			Bank 4			Bank 5		
	1	2	3	1	2	3	4	5	6	1	2	3	1	2	3	1	2	3
1	0,746	0,201	0,108	0,423	0,782	0,039	0,073	0,122	-0,062	0,614	-0,110	0,326	0,799	0,150	0,034	0,586	0,482	-0,011
2	0,484	0,150	0,068	0,304	0,444	0,530	0,265	-0,210	-0,147	0,589	0,028	0,341	0,437	0,498	0,065	0,776	0,152	0,181
3	0,310	0,105	0,474	0,067	0,075	0,031	0,195	0,037	0,732	0,636	0,024	0,192	0,184	0,604	0,357	0,573	-0,112	-0,246
4	0,697	-0,002	-0,136	0,440	0,723	-0,015	-0,036	0,240	0,097	0,727	0,267	-0,124	0,734	0,150	-0,110	0,499	0,383	0,020
5	0,063	0,732	-0,125	0,217	0,120	0,419	0,609	0,202	0,365	0,621	0,475	0,219	0,023	0,809	0,018	0,765	0,049	0,328
6	0,285	0,535	0,183	0,298	0,004	0,093	0,257	-0,053	0,765	0,674	0,344	0,130	0,192	0,794	0,095	0,700	0,066	-0,175
7	0,689	0,122	-0,043	0,495	0,599	0,051	0,062	0,035	-0,028	0,758	0,197	-0,128	0,771	0,260	-0,034	0,726	0,322	0,043
8	0,254	0,568	-0,073	0,172	0,135	-0,035	0,814	-0,040	0,007	0,278	0,047	0,592	0,241	0,662	0,019	0,412	0,211	0,312
9	0,201	0,164	0,410	0,026	-0,118	-0,101	0,725	0,100	0,152	0,165	0,105	0,653	0,093	0,175	0,351	0,023	0,634	0,023
10	0,372	0,608	0,095	0,214	-0,031	-0,058	0,104	0,700	-0,022	0,192	0,112	0,449	0,379	0,483	0,260	0,138	0,717	0,010
11	0,347	0,631	-0,009	0,481	-0,404	0,551	0,211	-0,022	0,101	0,032	0,719	0,026	0,359	0,549	0,227	0,838	0,095	-0,088
12	-0,204	-0,125	0,708	-0,027	0,209	-0,118	0,233	0,742	-0,050	0,061	0,012	0,603	-0,340	0,223	0,511	0,121	0,084	-0,759
13	0,175	0,632	0,092	0,107	0,006	0,880	0,019	-0,047	0,046	0,206	0,626	-0,126	0,440	0,489	0,203	0,635	0,156	0,050
14	0,364	0,652	0,049	0,385	-0,321	0,585	0,325	0,138	-0,063	0,032	0,779	0,269	0,402	0,438	0,241	0,791	0,145	-0,021
15	0,494	0,158	-0,342	-0,215	0,496	0,051	-0,243	-0,272	0,292	0,471	-0,239	-0,211	0,020	0,586	-0,603	0,191	-0,002	0,643
16	0,336	0,389	-0,652	0,129	0,047	-0,087	0,034	-0,811	-0,066	0,346	-0,022	-0,623	0,184	0,218	-0,631	0,139	-0,011	0,741
17	0,252	0,718	-0,047	-0,047	0,283	0,755	-0,184	-0,047	0,145	0,017	0,362	-0,376	0,308	0,505	-0,276	0,687	-0,098	0,181
18	0,035	0,422	-0,097	0,040	-0,006	0,114	0,523	0,170	0,150	0,349	-0,396	0,392	0,201	0,523	0,032	0,356	0,125	-0,284
19	-0,267	0,454	0,282	-0,153	0,536	0,167	0,449	-0,051	0,256	0,285	0,627	0,180	0,247	0,186	0,419	0,620	-0,421	-0,158
20	0,708	0,271	0,261	0,837	0,103	0,262	0,144	0,071	-0,072	0,768	0,120	0,242	0,672	0,410	0,222	0,714	0,475	-0,109
21	-0,769	-0,317	-0,014	-0,871	-0,056	-0,041	-0,012	-0,006	-0,148	-0,848	-0,105	-0,097	-0,794	-0,387	0,008	-0,771	-0,335	-0,184
22	0,164	0,009	0,726	0,714	-0,076	0,217	0,143	0,135	-0,101	0,705	-0,007	0,224	0,443	0,293	0,468	0,210	0,610	-0,242
23	-0,736	-0,426	0,071	-0,620	-0,198	-0,091	-0,153	0,119	-0,044	-0,768	-0,257	0,061	-0,687	-0,514	-0,164	-0,804	-0,337	-0,216
24	0,788	0,325	0,131	0,842	0,194	-0,055	-0,071	0,026	0,164	0,812	0,053	0,143	0,863	0,160	-0,058	0,729	0,307	0,215
25	0,843	0,246	0,186	0,813	0,171	0,014	0,061	0,008	0,343	0,806	0,074	0,147	0,885	0,140	0,086	0,702	0,207	0,180

These results also correspond to the results of the model situation in the focus group. When dividing the fictional amount of 10 million crowns, the focus group participants mostly divided the amount among several banks. If the amounts which the participating twelve persons 'deposited' into the individual banks are summed together, it turns out that the first position is occupied by 'no bank', i.e. the respondents would keep a part of the money at home. As regards the amounts deposited, the largest amount would be deposited into the bank No. 5 in spite of the fact that a group discussion revealed that some aspects of this bank are perceived negatively.

It therefore appears that the respondents' conative component is unambiguously connected with an emotional attitude to the bank (the feeling of a bank being directed to a given person, of being close to him/her) and an evaluation of the bank's trustworthiness, safety and reputation. It is also possible that this component of bank image is significantly accented for the citizens of the Czech Republic because of their negative experience with the stability and trustworthiness of banks owing to a number of bank failures over the past ten years. As the group discussion indicated, Czech citizens have a negative image of the banking industry in their consciousness. Although people perceive the development of banking products and services and the development of the manner of communication with clients in a positive way, their negative evaluation concerns mainly the imperfect legal environment and the ensuing uncertainty.

The hypothesis of a current emphasis on the given component in the consciousness of Czech citizens would, however, call for a comparative research carried out in several countries – in this way it could be either confirmed or refuted.

Bibliography

- Cornelissen, J., Corporate image: an audience centred model. *Corporate Communications, An International Journal*, 5, 2, 2000, pp. 119-125.
- Yavas, U., Shemwell, D. J., Bank image: exposition and illustration Javalgi, of correspondence analysis. *International Journal of Bank Marketing*, 14, 1, 1996, pp. 15-21.
- R.G. *et al.*: Hospital image: A correspondence analysis approach. *Journal of Health Care Marketing*, 12, 4, 1992, pp. 34-41.