FACTORS INFLUENCING CUSTOMERS' BRAND LOYALTY IN ETHIOPIA'S BANKING INDUSTRY

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Author's Note

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Abstract

The study was carried out on the factors influencing customers' brand loyalty. The study was aimed at evaluating customers' brand loyalty status and identifying its determinants. To realize this objective explanatory research design was used with the support of descriptive and multiple regression analytical techniques. From the customers of the bank, 290 were selected using purposive sampling technique. Questionnaires were administered to collect the primary data. Findings of the study indicate that loyalty status of the customers is fragmented in to hard-core loyalty, split loyalty, shift loyalty and switching loyalty statuses with more inclination on the first and second category of loyalty statuses. It also reflects that distribution, promotion, reputation, satisfaction, and tangible benefits are the predictors of customers' brand loyalty. Bank management should stick on these determinants of loyalty with the emphasis on the most significant predictors, i.e., distribution and promotion.

Key words: Customers'brand loyalty, bank, determinants of loyalty, distribution, promotion

INTRODUCTION

The act of branding is not a phenomenon that drops from the sky in one night like a rain. Rather it is a progressive act of differentiating one's product and positioning it like a picture in the minds of the customers. So it has its own long history. As Keller (2013) clarified well, the term brand comes from the word "brandr" which means to burn. This reflects the practice of producers putting a mark (also called 'brand') onto their cattle and any other home tools by burning. Rajaram and Shelly (2012) found that Egyptian wall paintings and south-west Europe Cave paintings from the Stone and early Bronze ages portray branded cattle dating back 4,000 years.

Moore and Reid (2008) pointed out that the ancient civilizations had viewed brand as a source of information in relation to country of origin, product function, and quality. In one or another way, the ancient societies had used brand for the sake of product identification. But in modern economy, brand has its power, status, inherent value that enable it to possess its own personality as well. Marquardt and Makens (1965) argue that 75% of consumers buy products because of its well-known brand and the remaining 25% purchase products by considering price as an important factor. On the other hand, people had been using brand as a means of expressing their personality, lifestyle, mood, status, etc throughout their lives.

Brand loyalty is an important substance to customers and firms. Clients are ready to capitalize their loyalty in business that can bring greater benefit in relation to the products of the rivals (Yang & Peterson, 2004). Oliver (1999) and Floh & Treiblmaier (2006) defined customer brand loyalty as the commitment of the customers to repeat purchasing of a specific service or product. Customer loyalty has been a big issue in banking to managers because of serious rivalry and higher customer expectations. It is regarded as a strategic link and aspiration to well-ordered achievement, value, and business implementation (Reichheld, 1993); Sheth, Parvatiyar, Sharma, & Sheth, 1995and Oliver Richard, 1997).

As noted by (Aaker, 1997), "Researchers have focused on how the personality of a brand enables a consumer to express his or her own self (Belk, 1988), an ideal self (Malhotra, 1981), or specific dimensions of the self (Kleine III, R. E., Kleine, S. S., & Kernan, 1993) through the use of a brand. Practitioners view it as a key way to differentiate a brand in a product category (Halliday, 1996) as a central driver of consumer preference and usage (Biel, 1993), and as a common denominator that can be used to market a brand across cultures (Plummer, 1985).

Recently the importance of brand is beyond identifying one's product; many firms are using their brand as a source of income in different ways. First, they use it to influence their customers and/or the public in general to buy their products only whereby better income will be generated. Second, firms are also generating an income by selling the brand itself in millions. Nike and Kaldis are good examples in generating millions of dollar by licensing their brand to third party. Though it is significant in financial inflow, the second way is not common in Ethiopia.

A brand could be a source of income for a particular firm if it has achieved the desired loyalty status in the public and/or customers. That is why organizations, including those in the banking industry, invest from hundreds of thousands to millions of dollars in marketing communication with the hope that it will enhance their performance by increasing sales (deposit mobility), assuring brand awareness, elevating market share, increasing profit, and achieving brand loyalty as well.

These days, where competition is tremendously increasing continually, brand has been used as a battle field of different companies including those in the banking industry in Ethiopia. Organizations want to have an influential and credible brand to which their customers or the public in general remains loyal. To achieve this and guarantee long term profitability, banks are convinced to create, develop, and maintain brand loyalty in such a way as to uphold loyal customers.

However, it is challenging in one way or another in such an intense business environment. In most cases, especially in the service industry where the product is more intangible, brand loyalty is a source of stable customer base. Leelakulthanit and Hogcharu (2011) argue that, stable customer base is a core business asset. This indicates that the essence and nature of relationships and their business value are encapsulated in the concept of customer loyalty.

Rosenberg and Czepiel (1984) pointed out that it is up to six times as expensive to recruit new customers as it is to retain existing customers. Because retaining existing customers is six times much better than attracting new customers, designing and implementing retaining programs would be the primary issue of banks for their successful business operation.

It is clear that consumer loyalty is made possible by brands. Companies would remain nameless and faceless and no true customer relationships would be formed if there is no brand. Besides Ropo (2009) argues that brands have increased the motivation to become socially responsible and to become advocates of sustainable development helping the development of working conditions in third world countries and helping to feed countries that lack the resources to do so themselves.

With regard to factors affecting customer brand loyalty in the banking industry in Asia (Afsar, Rehman, Qureshi, & Shahjehan, 2010), Europe (Gabriel Sperandio Milan, Luiz Antonio Slongo, Luciene Eberle, Deonir De Toni, 2018) and Africa (Magasi, 2016) showed that perceived quality, customer satisfaction, switching cost, customer trust, customer commitment, customer involvement, and corporate image are the determinants of loyalty in the banking industry. The studies conducted in Ethiopia also indicate that pleasant manner of the staff, ATM service, bank speed, service quality, external bank appearance, and internal sitting arrangement, secured feeling, proximity, availability of branches operating (Tehulu & Wondmagegn, 2014), Service quality, availability of physical and human resources (Lelissa & Metasebiya, 2017) are the determinants of brand loyalty. The factors that were not identified by the former researchers are therefore considered in this study.

Boldly speaking, the gap that exists in this typical research is that, primarily if customers are not loyal to a particular brand, in this study case to the commercial bank of Ethiopia, the bank's contribution to stimulate and enhance saving habit of the customers and the public at large will remain weak. This means the bank's deposit mobility will remain low, and its contribution to create credit access to its customers and the public remains below expectation.

Second, it is always costly to attract new customers, so the managers always try to find ways to retain their current customers and concentrate on different factors which enhances the brand loyalty among the customers of the banks. To do so, managers need to have brand loyalty formulation model for their efforts to be meaningful. However, there is no adequate study here in Ethiopian banking industry which could relevantly guide bank strategists to develop loyalty programs. This study comes with new variables which were not tested before by other researchers. Hence, this study aims to assess the brand loyalty status and identify the predictors of brand loyalty of the customers of the selected industry in Tigrai market.

Conceptual Framework

The conceptual framework of brand loyalty and its determinants is established based on the literature review. It is assumed here that each of the independent variable has the power of predicting brand loyalty status of the customers of the bank. Kaur and Kiran (2014) stated that customer satisfaction, service convenience, and reputation are the key variables that customers give value to in their loyalty towards a given brand. Rorio (2015) indicated that customer-loyalty-related benefits determine customer's brand loyalty. In this study we consider it as a tangible benefit. Considering all these evidences the following figure is developed to indicate the determinants of customer's brand loyalty.

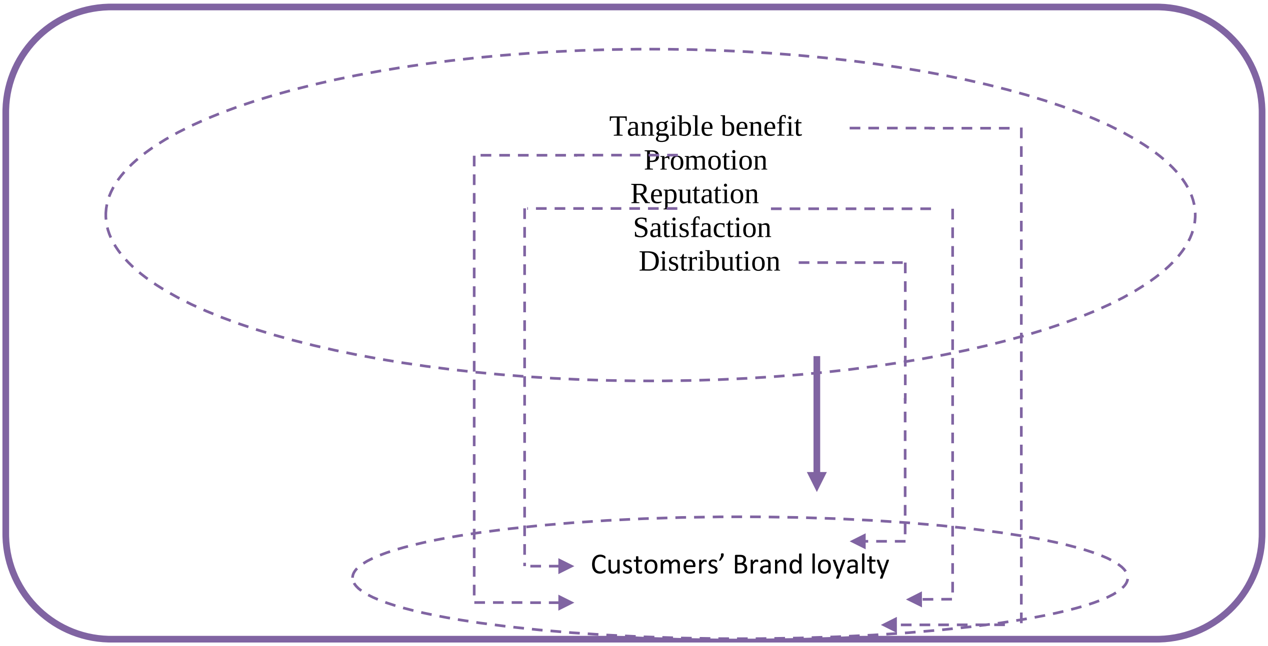

Figure 1: Conceptual Frame Work

METHODOLOGY

Research Design

The study adopted explanatory research design because the researchers' intention was to see the status of brand loyalty and identify the predictors of successful brand loyalty. Qualitative and quantitative methods were utilized in the study.

Target Population

Population represents all units in any field of inquiry (Kothari, 2004). In this research, the target population is all customers of commercial bank of Ethiopia in Tigrai market that demonstrate faithfulness to the brand by exclusively using the brand (such as money depositing, transfer, and related banking services) for two or more years. This was assured through preliminary survey and oral questions before distributing the questionnaire to the respondents. Concerning reliability, all of the questionnaires show a strong inner consistency measuring the constructions of it by reaching Cronbach's alpha greater than 0.70. Referring to (Hair, J. F., Anderson, R. E., Tatham, R. L., & William, 1998) the outcome has satisfied the minimum acceptable Cronbach's alpha coefficient of 0.70.

Sampling Technique

Due to the fact that the higher the time you served your customers is the higher opportunity to know whether your customers are loyal to you or not; the study applied purposive sampling technique to select the bank's branches in seven cities, i.e. Mekelle, Axum, Alamata, Adigrate, Shire, Sheraro, and Humera sample areas. To do this, the researchers adopted the Tigrai market cluster consisting of one hundred one (101) cities and towns, 84 branches of commercial bank of Ethiopia based on the data from the bank's Mekelle District administration office. As Kothari (2004) pointed out, if the investigators are impartial, work without bias, and have the necessary experience so as to take sound judgment, the results obtained from an analysis of deliberately selected sample may be tolerably reliable.

Sample Size

Sampling is a strategy used to select elements from a population. The unit analysis of the study includes marketing/promotion managers and customers. (Kothari, 2004)suggests the following formula.

Sample Size Determination Formula: $\boldsymbol{n} = \frac{\boldsymbol{Z^2.P.Q}}{\boldsymbol{e^2}}$

$$P = q = ½$$

$$e = 0.0575$$

Z α /2= Z 0.05/2 = ± 1.96

By this formula (n) was calculated as: $\boldsymbol{n} = \frac{(\mathbf{1.96})^{\mathbf{2}}.(\mathbf{0.5}).(\mathbf{1-0.5})}{(\mathbf{0.0575})^{\mathbf{2}}}$

$$\boldsymbol{n} = \mathbf{290.48 \sim 290}$$

Where *p* = sample proportion of success

q = proportion of defective, *q* = 1 – *p*;

z = the value of the standard variate at a given confidence level and to be worked out from table showing area under Normal Curve;

n = size of sample.

e = acceptable error (the precision)

Sources and Instruments of Data Collection

In this study, primary data was collected from the customers of commercial bank of Ethiopia in Tigrai market. On the other hand, secondary data were collected from related books, journals and websites to state the problem well and determine the sample, and to contextualize the research findings, and broaden our knowledge in the area. To gain primary data, questionnaire built in five point likert scale was used in such a way that they can facilitate quantitative analysis.

Methods of Data Analysis

The data was analyzed qualitatively and quantitatively. Inferential statistics particularly multiple regression and descriptive statistical techniques were in use. Marczyk, DeMatteo and Festinger (2005) stated that descriptive statistics allows the researcher to describe the data and examine relationships between variables. Similarly, in this research descriptive analysis was viewed as systematic presentation of existing data, fact, and/or behavior as it had existed in order to lay the foundation for further study.

DISCUSSION AND ANALYSIS

The data gathered through questionnaires have been analyzed by descriptive statistics such as frequency distribution, percentage, frequency and mean, and multiple regression instruments. Out of the 290 participants of the study, 285 properly responded and submitted the questionnaire. The remaining five participants failed to return the questionnaire. This indicates the un-response rate is acceptable.

Descriptive Analysis

Customers' brand loyalty is a determinant issue for banks to maintain stable customer base and higher deposit mobilization. Thus, measuring customers' brand loyalty and its determinants is supposed to be considered as one of the primary activities of bank operations.

Table 1, reveals that 41.7%, of the customers replied that they are hard-core loyal, whereas 16.3%, 24.0%, and 18.0% of them stated that they are split loyal, shifting loyal, and switcher loyal respectively. This implies that though most of the customers of the bank are hard-core and split loyal, there are also significant numbers of customers who are categorized as having either switcher or shifting loyalty statuses. This fact is also triangulated by the overall mean and standard deviation scores of 2.82 and 0.62as indicated in table 1.

Table 1

Customers' Brand Loyalty Status

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	switcher	51	17.9	18.0	18.0
	shifting loyal	68	23.9	24.0	42.0
	split loyal	46	16.1	16.3	58.3
	hard-core loyal[i]	118	41.4	41.7	100.0
	Total	283	99.3	100.0	
Missing	System	2	.7		
Total		285	100.0		

Regarding the determinants of brand loyalty, service distribution takes the lion's share followed by promotion, reputation, and customer satisfaction. In contrast to this, frequency of culture and tangible benefits has the least prediction ability of brand loyalty. This is justified by the distribution of variable mean score of 3.60 and standard deviation of 0.90 represented in table 2. These scores can certainly indicate that the role of distribution as determinant of brand loyalty towards commercial bank of Ethiopia is high.

Table 2

Determinants of Brand Loyalty

	N	Minimum	Maximum	Mean	Std. Deviation
Brand Loyalty	283	1	4	2.82	.62
Distribution	285	1	5	3.60	.90
Promotion	285	1	5	3.51	.931
Customer Satisfaction	285	1	5	3.28	1.029
Reputation	284	1	5	3.42	.996
Tangible Benefit	284	1	5	3.25	1.079
Culture	285	1	5	3.25	1.157
Valid N (listwise)	282				

In investigating the determinants of brand loyalty status of commercial banks of Ethiopia, tangible benefit and culture are the least predictors as evidenced in table 2by the mean score of 3.25 for both and 1.079, and 1.15 standard deviation respectively. But, culture is excluded from the model because it’s not significant.

Correlation Analysis

A correlation analysis with Pearson´s correlation coefficient (r) was conducted on all variables in the study to evaluate the strength of the relationships among the variables. In addition, multiple regressions were used to identify the most important variable/s of the model that contribute/s to brand loyalty. To interpret the strengths of relationships between variables, the guidelines suggested by Field (2005) were followed, mainly for their simplicity. His classification of the correlation coefficient (r) is as follows: 0.1– 0.29 is weak; 0.3 – 0.49 is moderate; and = > 0.5 is strong. If the correlation coefficient is +1, it indicates positive perfect relationship while -1 indicates negative perfect relationship, and zero correlation indicates there is no leaner relationship at all.

Table 3

Correlations Analysis

	Distribution	Promotion	Satisfaction	Reputation	Benefit	Culture	**brand loyalty**
Distribution	1						
Promotion	.239**	1					
Satisfaction	.144**	.269**	1				
Reputation	.147**	.267**	.592**	1			
Benefit	.023	.357**	.332**	.371**	1		
Culture	-.077*	.320**	.239**	.347**	.671**		
brand loyalty	**.585****	**.480****	**.363****	**.286****	**.402****	**.142****	**1**

*. Correlation is significant at the 0.05 level (1-tailed).

**. Correlation is significant at the 0.01 level (1-tailed).

The correlations of the variables in Table 3 showed that the variables positively correlated with each other,as evidenced by the coefficients with double stars. This implies that a change in one covariant results in positive effect on the impact of the other independent variables over the output. However, distribution negatively correlated with culture of the customers as evidenced by the coefficient with single star indicating that a change in distribution reduces the impact of culture on the customers' brand loyalty.

According to table 3 Pearson correlation matrix, distribution has strongest association with overall customer brand loyalty with R-value of 0.585. Promotion, tangible benefit, and satisfaction indicate positive moderate relationship with brand loyalty. In contrast to this, reputation and culture have positive weak relationship with brand loyalty. Generally, distribution and promotion have strongest positive associations with the customers' brand loyalty in Ethiopian commercial bank and the least positive correlation between culture and customers' brand loyalty.

Regression Analysis

In this research, the regression uses modified **PRBDS** model as independent variables against a separate measure of customers' brand loyalty. A regression analysis examines the relation of the dependent variable to specified independent variables.

Multiple regressions were conducted to identify the relationship and to determine the most dominant variables that influenced the brand loyalty of customers in Ethiopian commercial bank. The significance level of 0.05 was used with 95% confidence interval. The dependent variable is customers' brand loyalty and the independent variables include the **PRBDS** model, which are distribution, promotion, culture, tangible benefit, reputation, and satisfaction.

The reason for using multiple regression analysis was to examine the direct effect of these variables on customers' brand loyalty and the output is shown in the table below. In order to indicate the impact that each variable has on the dependent variable, the study checked the Standardized Coefficients. Table 4 shows the slope of multiple regression analysis.

Table 4

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.797[a]	.586	.573	.732

a. Predictors: (Constant), culture, distribution, satisfaction, promotion, reputation, and tangible benefit.

In the model summary from the analysis in table 4 R (0.797[a]) indicated that correlation of the six independent variables with the dependent variable customers' brand loyalty and the weighted combination of the predictor variables (**PRBDS** [ii]model) explained or affect approximately 58.6% (adjusted R square) of the variance of customers' brand loyalty and the remaining 41.4% is by extraneous variables. This result also indicates that there might be other variables that could have been neglected by the current study in predicting brand loyalty.

Table 5

Coefficients[a]

	Unstandardized Coefficients		Standardized Coefficients			95% Confidence Interval for B		Collinearity Statistics	
Model	B	Std. Error	Beta	t	Sig.	Lower Bound	Upper Bound	Tolerance	VIF
1 (Constant)	1.014	.291		3.488	.001	.442	1.585		

distribution	.421	.052	.446	8.125	.000	.319	.523	.893	1.119
promotion	.153	.058	.153	2.622	.009	.038	.268	.785	1.273
satisfaction	.065	.068	.063	.955	.013	-.069	.199	.624	1.603
reputation	.071	.074	.064	.958	.002	-.218	.075	.594	1.682
Tangible Benefit	.006	.070	.006	.082	.006	-.132	.143	.502	1.992
culture	.032	.064	.036	.499	.062	-.095	.159	.515	1.941

Dependent Variable: customer's brand loyalty R square=0. 586
**. Significant at the 0.01 level

*. Significant at the 0.05 level

The multiple regression analysis on the table 5 revealed the impact of each **PRBDS** variables and their significance. The impact of distribution, promotion, satisfaction, reputation, tangible benefit and culture on brand loyalty are 0.421, 0.153, 0.065, 0.071, 0.006 and 0.032 respectively. By examining this beta weight of data analysis result the findings show that distribution followed by promotion is making relatively larger contribution to the prediction of the model. This informed us that the predicted change (refer table 5) in the dependent variable for every unit increase is the result of a change in the predictor variables. This means for every additional point or value in the distribution one could predict a gain of 0.421 points on the customers' brand loyalty provided that other variables remain constant. The same is true for promotion, reputation, satisfaction, culture, and tangible benefit.

The beta weight of data analysis result finding also showed that tangible benefit is making relatively lower contribution to the prediction of the model. Whereas culture doesn't predict customers' brand loyalty due to the fact that it is rejected in hypothesis testing.

Therefore, commercial bank of Ethiopian the district requires working hard to improve the provision of tangible benefit efforts to increase customers' brand loyalty. Generally, customers' brand loyalty is primarily predicted by higher level of distribution and promotion and to a lesser extent by reputation, satisfaction, and tangible benefit. Distribution received the strongest weight in the model followed by promotion showing that they are the dominant loyalty creation strategies in the banking industry.

The researcher has discovered that the level of customers' brand loyalty can be determined by those identified variables. The researcher, as indicated below, developed a regression model:

$$Y = (B0 + B1X1 + B2X2 + B3X3 + B4X4 + B5X5 + B6X6)$$

$$CBL = (1.014 + 0.446X1 + 0.153X2 + 0.063X3 + 0.064X4 + 0.006X5)$$

Where, Y= the level of customers' brand loyalty

B0=constant, X1=distribution X2= promotion, X3= satisfaction, X4= reputation, X5= tangible benefit and CBL=customers' brand loyalty

The coefficients showed that customers place highest value on distribution followed by promotion and those other specified variables in the figure in their loyalty status.

Multicollinearity exists (Field, 2005) when there is strong correlation between two or more predictors in a regression model. High level of collinearity increases the probability that a good predictor of the outcome will be found non-significant and rejected from the model (type II error). For this model the VIF value are all well below 10 and the tolerance statistics all well above 0.2 (check table 5 for the numbers); therefore, the researcher can safely conclude that there is no collinearity with in the research data.

HYPOTHESES TESTING

An attempt is made to test hypotheses of the study by drawing supports from the analysis provided above.

H_0: distribution has no significant and positive relationship with brand loyalty**.**

H_1**:** distribution has significant and positive relationship with brand loyalty**.**

Pearson correlation matrix in the table 2 shows that, distribution has strong positive relationship with criterion variable with the r-value of 0.585. Moreover, the association is statistically significant because $p<0.05$ which was showed in the multiple regression table 4 (p value is 0.000) then the relationship is significant and positive. This result shows customers are affected by distribution campaigns in their loyalty. So, the the bank requires improving its application continuously. Thus, the alternative hypothesis is *accepted*.

H_0: promotion has no significant and positive relationship with customers' brand loyalty.

H_1**:** promotion has significant and positive relationship with customers' brand loyalty.

Based on table 2, promotion has moderate positive association with customers brand loyalty with the r value of 0.480. Moreover, the association is statistically significant because $p<0.01$ which was shown in the multiple regression in table 4 (p value is 0.009).The relationship is significant and positive. This result shows customers are affected by promotion campaigns in their brand loyalty status. So, the banks require improving its application continuously. Thus, the alternative hypothesis is accepted.

H_0: customer satisfaction has no significant and positive relationship with customers brand loyalty.

H_1**:**customer satisfaction has significant and positive relationship with customers brand loyalty.

According to the finding in the table 2, satisfaction has moderate positive relationship with customers brand loyalty. Based on multiple regression output of table 4 the relationship is statistically significant because the p value is 0.013 which is less than 0.05 and the r value is 0.363. Therefore, the alternative hypothesis is accepted.

H_0: reputation has no significant and positive relationship with customers brand loyalty.

H_1**:** reputation has significant and positive relationship with customers brand loyalty.

Based on the finding in the data analysis of table 2, reputation has weak positive relationship with customers brand loyalty(r=0.286**). And, the linear regression output in the table 4 shows the correlation between the two construct is statistically significant because p value is less than 0.01 that is 0.002. Thus, the alternative hypothesis is accepted.

H_0: culture has no significant and positive relationship with customers brand loyalty.

H_1**:** culture has significant and positive relationship with customers brand loyalty.

According to the Pearson correlation matrix which is presented above shows that culture has weak positive correlation with customers brand loyalty (r=0.142**). However, the linear regression output in the table 4 shows the correlation between the two constructs is not statistically significant because p value is greater than 0.05 that is 0.062. Therefore, the null hypothesis is accepted.

H_0: tangible benefit has no significant and positive relationship with brand loyalty**.**

H_1**:** tangible benefit has significant and positive relationship with brand loyalty**.**

Pearson correlation matrix in the table 2 shows that, tangible benefit has moderate positive relationship with the dependent variable with the r-value of 0.402. Moreover, the association is statistically significant because $p<0.05$ which is indicated in the multiple regression table 4 (p value is 0.006) then the relationship is significant and positive. This result shows customers are affected by tangible benefit campaigns in their brand loyalty. The bank, thus, requires improving its intensity continuously. The alternative hypothesis is *accepted.*

DISCUSSION

Loyalty Status of the Customers

Measurement of the brand loyalty status of the customers toward commercial bank of Ethiopia indicates that though most of the customers of the bank are hard-core and split loyal, there are also significant numbers of customers who are categorized either as a switchers or shifting loyalty status. This implies that there are significant numbers of customers who are also using other banks services and looking for better service. This means there are customers who are in a wish of switching from commercial bank of Ethiopia to other private banks around the market with better benefit packages and services. If this is true the banks' customer-base will be with no doubt un-stabilized and deposit mobilization will also be diminished.

Determinants of Customers' Brand Loyalty

The result indicates that service distribution and promotion are the most significant determinants of brand loyalty to the customers of commercial banks of Ethiopia in Tigrai market. From this, the bank can take a lesson that service convenience and awareness is given primary importance by the customers to be loyal to its brand. Result indicates that distribution, promotion, reputation, satisfaction and tangible benefits positively impact on the loyalty status reported hierarchically. This result ,especially reputation, is also similar with the research work of (Rorio, 2015) and (Leelakulthanit, O., & Hongcharu, 2011) which was done on similar area in Kenya and Thailand respectively. The result associated with satisfaction has also consistency with other findings (Floh & Treiblmaier, 2015). But the result of this study in association to the positive impact of tangible benefit is not consistent with the finding of (Leelakulthanit & Hongcharu, 2012). This could be possibly due to the fact that Ethiopian and Thailand bank customers are different in their sensitivity to price and interest.

Therefore, if the bank wishes to maintain the desired level of brand loyalty of its customers, it should work rigorously on the indicators mentioned above. Failing to work hard on branch expansion and other service convenience issues, promotion programs, customer satisfaction, corporate image, reference group of the customers, and tangible benefits means ignoring the primary predictors of loyalty and then losing customers.

CONCLUSION AND RECOMMENDATION

The objective of this study is to examine the customers' brand loyalty status and its determinants within a bank industry setting. In doing so, the loyalty status of the customers is fragmented in to hard-core loyal, split loyal, shifting loyal and switchers. This implies that some customers are looking for better benefit and service packages of bank products. Regarding the second issue, distribution, promotion, reputation, satisfaction, culture and tangible benefits were examined as antecedents of brand loyalty. Distribution (service convenience) has dominant effect on the brand loyalty.

Therefore, for managers, sticking on the above identified indicators of brand loyalty is needed if consumers' brand loyalty is a goal. In addition, customers appreciate service convenience (distribution) and promotional campaign experience. So, there is potential for relationships to be leveraged to build brand loyalty. To this end, it is better for the bank manager to work hard on expansion of branches and utilization of technologies like mobile-banking and internet-banking consistently. In contrast to this, the study indicated that culture does not contribute to customers' brand loyalty.

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[i] Hard-core loyal refers to the customers who buy and use only a single brand.
[ii] PRBDS is an abbreviation of the research variables, i.e., promotion, reputation, tangible benefits, distribution, and customer satisfaction.