

ANALYSIS AND EVALUATION OF AFFECTING FACTORS TO ATTRACT CUSTOMERS AT MASKANBANK BRANCHES IN ARDABIL PROVINCE

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Abstract

In this work, two factors that determine the choice of a bank were considered at different levels. These are Service Quality (Access, reliability, responsiveness, tangibles, security) and Marketing mix (Production (service), Price, place, and promotion). This research has done Maskan Bank in Ardabil province. We determined the amount of the sample size with the used of Cochran sampling method which the statistical sample is 385 of this Bank customer which have been selected through the simple random sampling method. To gathering of data, we used questionnaires with 47 items. Questionnaires reliability was estimated by calculating Cronbach's Alpha that is 0.905. In order to analyze the data resulted from collected questionnaires deductive and descriptive statistical methods are used, and to display some statistical data we used column diagram and in deductive level to test the hypothesis of the research we used Pearson Correlation coefficients. In order to determine the relationship between the variables of the study, the SPSS tool has been used. The results show that relationship service quality and marketing mix and their dimensions (except price, place component) are all significantly and highly related with customer satisfaction.

Keyword: service quality, marketing mix, customer satisfaction

INTRODUCTION

Most firms practice target marketing, tailoring different offers to different customers depending on their purchase histories or other characteristics. This practice is often seen as beneficial to firms because it allows them to charge lower prices to acquire a specific set of consumers. However, when targets are favored, non-targeted customers "get the short end of the stick." That is, they (a) pay more to receive the same quality or (b) they receive less utility than the favored customers despite paying the same price (Alison et al, 2005).

There may be a downside to this differential treatment. Accounts in the popular press show that consumers are vexed when they find out that companies have charged them a higher price than some other group for the same good. Amazon.com was attacked for experimenting with different prices for the same good¹. Victoria's Secret was sued for sending catalogs with

¹Amazon.com Varies Prices of Identical Items for Test, The Wall Street Journal September 7, 2000

different prices according to gender and zip code². If an action intended to lure a target group has the effect of repelling a (perhaps larger) set of non-targeted customers, managers may grossly over-estimate the net benefits of their promotions to the bottom line (Alison et al, 2005)

A successful direct marketer should work constantly to find out what the consumer wants and develop products that satisfy customer demands. When customers are satisfied, they will not only return to support your business, but will also tell others what you have to offer. Consumer interests and demands should serve as production cues to farmers and food marketers. By knowing what customers want, you can change production or presentation strategies to better fit consumers' wishes.

Understanding the customer is more important than ever. The key to improved customer profitability is to develop effective pricing and marketing strategies by analyzing all customer and operational data to maximize customer lifetime value over a defined time period. SAS Company approaches the problem by delivering software and services that help companies:

- *Create a single view of the customer* by consolidating all data, regardless of source, in one place and then transforming it into a complete picture of an entire customer relationship.
- *Ensure clean, accurate, up-to-date data throughout the analytical and marketing process* with embedded data quality routines.
- *Forecast customer behavior* using predictive analytics to calculate customer lifetime value (CLV) by combining the key measures of acquisition costs, retention rates, cross-sell/up-sell opportunities and claims experience over a defined time horizon.
- *Connect offers to the right customers* using segmentation based on demographic, geographic, attitudinal and behavioral data from across the enterprise.

Ultimately, this approach – with a focus on data quality, consolidation and predictive analytics – will help company retain their most valuable customers, acquire more like them and improve your overall profitability (SAS, 2009).

Banking services are characteristically different from physical products and as such the focus of differentiating customers based on these should be multi-faceted, various studies Zeithamal and Bitner ,(1996); Lovelock (1996); Legg and Baker, (1996) found banking services being closely related to intangible like Trust, Commitment, Transparency, Inseparability, Heterogeneity. Effective positioning reflects how customers perceive the products, factors that make the customer satisfied and whether customers behave differently with different factors while choosing a bank.

Customer Satisfaction has a close relationship to customer retention, in this regards, studies on customer segmentation and bank selection criteria along with customer satisfaction were done Snow et al (1996) and Furrer et al (2000). Their studies conclude that there were clear differences in the services expectation for retail banking.

Keeton (2001) found that some customers willingly pay high service charge since they are receiving e-banking services at the next footstep, however some people still believe in

²Katzman V. Victoria's Secret Catalogue, 1996, 167 F.R.D. 649, United States District Court New York, June 25.

personalized attention instead of technological investment which may bring along increase in cost.

Clarkson et al. (1990) study suggests that the characteristics and financial service requirements of consumers vary with age, and that these differences could be used in developing marketing strategies for such services. A paper of Boyd et al. (1994) reveals that reputation, interest charged on loans, and interest on savings accounts are viewed as having more importance than other criteria such as friendliness of employees, modern facilities, and drive-in-service.

Stafford (1996) stated that demographics continue to be one of the most popular and well-accepted bases for segmenting markets and customers. Even if others types of segmentation variables are used a marketer must know and understand demographics to assess the size, reach and efficiency of the market. The general conclusion of this study is that there is a significant relationship between demographics characteristics and the service quality perception.

As shown before there are many factors that affecting attracting customers, in this research we have used two major factors:

1) Service Quality

Most writers agree that customers' expectations are rarely concerned with a single aspect of the service package but rather with many aspects (for example, Berry et al., 1985; Johnston and Lyth, 1991; Sasser et al., 1978). Parasuraman et al. (1985) provided a list of ten determinants of service quality as a result of their focus group studies with service providers and customers: access, communication, competence, courtesy, credibility, reliability, responsiveness, security, understanding and tangibles. In a later article that year (Berry et al., 1985) they added that: although the relative importance of the categories would vary from one service industry to the next, we believe the determinants of service quality in most (if not all) consumer service industries are included in this list.

2) Marketing Mix

Marketing mix is originating from the single P (price) of microeconomic theory (Chong, 2003). McCarthy (1964) offered the "marketing mix", often referred to as the "4Ps", as a means of translating marketing planning into practice (Bennett, 1997). Marketing mix is not a scientific theory, but merely a conceptual framework that identifies the principal decision making managers make in configuring their offerings to suit consumers' needs. The tools can be used to develop both long-term strategies and short-term tactical programmes (Palmer, 2004).

Attention to management and marketing services can change and for making new created in the banks. In management and marketing services should the marketing mix factors special attention was paid. Marketing mix is a set of marketing tools the organization uses them to achieve their goals Is the target market. Service marketing mix includes seven factors of production (service), Price, place, promotion (promotion and marketing synergy), Employees, assets or physical features and processes (operations management) are. Each of these factors separately we will investigate (Shamloo, M., 2006).

RESEARCH HYPOTHESIS

In this paper we have two main hypotheses and 4 sub-hypothesis. The statistical way of analysis of hypotheses is two ways, H_1 is acceptance of hypothesis and H_0 is rejecting of hypothesis. In other words, it means that H_1 has positive meaning and H_0 has negative meaning.

1. Service quality has a significant impact on customer satisfaction.
2. Marketing Mix has a significant impact on customer satisfaction.
- 1.2 There is significant relationship between service component of marketing mix and customer satisfaction.
- 2.2 There is significant relationship between place component of marketing mix and customer satisfaction.
- 3.2 There is significant relationship between price component of marketing mix and customer satisfaction.
- 4.2 There is significant relationship between promotion component of marketing mix and customer satisfaction.

METHODOLOGY

In this work, two factors that determine the choice of a bank were considered at different levels. These are Service Quality (Access, reliability, responsiveness, tangibles, security) and Marketing mix (Production (service), Price, place, and promotion).

This has done Maskan Bank in Ardabil province. We determined the amount of the sample size with the used of Cochran sampling method which the statistical sample is 385 of this Bank customer which have been selected through the simple random sampling method. To gathering of data, we used questionnaires with 47 items. Questionnaires reliability was estimated by calculating Cronbach's Alpha that is 0.905.

In order to analyze the data resulted from collected questionnaires deductive and descriptive statistical methods are used, and to display some statistical data we used column diagram and in deductive level to test the hypothesis of the research we used Pearson Correlation coefficients. In order to determine the relationship between the variables of the study, the SPSS tool has been used.

RESULTS AND CONCLUSION

Fifty-seven percent of responders are male and forty three are female. Fifty-nine percent are married. The responder's degree is 4 percent M.A, 39 percent BA, 41 percent DA, and 16 percent Under DA have degree.

Also, Age of the responders from the precedence point of view about 16 percent of responders have less than 20 years old, and 45 percent have between 21-30, 30 percent 31- 40 and 9 percent more than 41. It shows that most of the people are young.

Subsequently, correlation analysis has been done in order to determine the relationship between relationship Marketing Mix and Service quality as independent variables and customer satisfaction as dependent variable. The correlation analysis result between these variables is shown in table 1.

Basically, correlation results determine the relationship between variables, except two of them. Consequently in this study, correlation results show a positive relationship between service quality and marketing mix (production (service), and promotion) as independent variable and customer satisfaction as dependent variable. But we don't see correlation

between price, place component as independent variable and customer satisfaction as dependent variable. Therefore, as the level of service quality and marketing mix increases the customer satisfaction also increases. On the other hand, based on the correlation analysis results, there is also a positive relationship between relationship service quality and marketing mix as independent variables and the customers' satisfaction as dependent variable. Therefore, the increase in relationship service quality and marketing mix enhances the customers' satisfaction.

Table 1- Pearson correlation coefficients

Independent Variables	dépendent Variable	n	Pearson Correlation	Level of sig.
Service quality	customer satisfaction	385	0.131	.010
Marketing Mix	customer satisfaction	385	0.118*	.021
Production (service)	customer satisfaction	385	0.169**	.001
Price	customer satisfaction	385	0.030**	.564
place	customer satisfaction	385	0.039**	.444
promotion	customer satisfaction	385	0.140**	.006

According to table 2, that presents the correlations of each hypothesis. The results show that relationship service quality and marketing mix and their dimensions (except price, place component) are all significantly and highly related with customer satisfaction. Strong positive correlation was found between Production and customer satisfaction ($r=0.169$).

- Service quality has a significant impact on customer satisfaction and it is significant at alpha value ($0.010 < 0.05$). So, we can confirm H_1 and reject H_0 .
- Marketing Mix has a significant impact on customer satisfaction and it is significant at alpha value ($0.021 < 0.05$). So, we can confirm H_1 and reject H_0 .
- There is significant relationship between service component of marketing mix and customer satisfaction and it is supported and it is significant at alpha value ($0.001 < 0.05$). So, we can confirm H_1 and reject H_0 .
- There is significant relationship between place component of marketing mix and customer satisfaction and it is significant at alpha value ($0.444 < 0.05$). So, we can confirm H_0 and reject H_1 .
- There is significant relationship between price component of marketing mix and customer satisfaction and it is significant at alpha value ($0.564 < 0.05$). So, we can confirm H_0 and reject H_1 .

- There is significant relationship between promotion component of marketing mix and customer satisfaction has supported and it is significant at alpha value ($0.006 < 0.05$). So, we can confirm H_1 and reject H_0 .

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