THE IMPACT OF MARKETING COMMUNICATION TOOLS ON BUILDING BRAND EQUITY 
IN THE EGYPTIAN BANKING SECTOR: A CUSTOMER PERSPECTIVE

Thesis Submitted in Fulfillment of the Requirements for the Degree of Doctor of Philosophy - 2015

Supervised By:

Dr. Andrew Thomas
Dr. Peter Redding
Dr. Passent Tantawi

Submitted By: Heba Hassan Sadek
DECLARATION

This work has not previously been accepted in substance for any degree and is not being concurrently submitted in candidature for any degree.

Signed: Heba Hassan Sadek  (Candidate)
Date: 23/7/2015

STATEMENT 1

This thesis is the result of my own investigations, except where otherwise stated. Where correction services have been used, the extent and nature of the correction is clearly marked in a footnote(s).

Other sources are acknowledged by footnotes giving explicit references. A bibliography is appended.

Signed: Heba Hassan Sadek  (Candidate)
Date: 23/7/2015

STATEMENT 2

I hereby give consent for my thesis, if accepted, to be available for photocopying and for inter-library loan, and for the title and summary to be made available to outside organisations.

Signed: Heba Hassan Sadek  (Candidate)
Date: 23/7/2015

STATEMENT 3

I hereby give consent for my thesis, if accepted, to be available for photocopying and for inter-library loans after expiry of a bar on access approved by Cardiff Metropolitan.

Signed: Heba Hassan Sadek  (Candidate)
Date: 23/7/2015
To my Mother,
To my Father,
To my baby Joudy


Acknowledgement

I would like to express my appreciation to my supervisors for all their useful remarks, time and effort during my thesis development. I am more than grateful to professor Doctor Eleri Jones for her great effort and dedication throughout my thesis progress. I also like to thank all bankers and all participants who helped me develop this thesis. I do wish to express my deepest respect and appreciation to my mother and especially my father for helping me through all the phases of my thesis with a desire to accomplish my work successfully.
ABSTRACT

In today’s competitive business environment, banks operate in a severe rivalry due to various factors, including globalisation, fast technological developments and homogeneous nature of banks services. For this reason, building valuable brands is crucial in differentiating banks and adding value to the banking services. The research problem that emerged was: investigating the major bank marketing communication tools to examine their impact on building bank brand equity. The researcher went about in achieving this purpose by: identifying the major marketing communication tools used by banks that help build bank brand equity via the customer-based brand equity (CBBE) dimensions from customers’ perspective; and testing and analysing the hypotheses in order to develop the final research model. In order for this purpose to be attained, two research questions were answered: what are the major bank marketing communication tools that help build bank brand equity? Which hypotheses regarding the impact of the major bank marketing communication tools on building bank brand equity via the CBBE dimensions are supported in this study?

This research was carried out in the Egyptian banking sector from the customer perspective. Mixed-method research was used. The first phase was the qualitative research approach, which consists of conducting and analysing semi-structured interviews. These interviews were carried out with fifteen bank customers based on judgmental sampling technique. The purpose of these interviews were to identify the major bank marketing communication tools that help build bank brand equity via the CBBE dimensions; to help develop a proposed conceptual framework; to help develop the research hypotheses; and to help develop the intended questionnaire survey. According to the findings, advertising, personal selling and direct marketing were the most popular marketing communication tools in the Egyptian society for banks.

Once the needed insights were emerged, the second phase, the quantitative phase, was conducted. The researcher distributed and collected large-scale questionnaire survey. These questionnaires were carried out with 465 bank customers based on a quota sampling technique. These questionnaires were then analysed by using Structural Equation Modelling (SEM) to test and analyse the research hypotheses; and to help develop the final research model. Findings showed that the major bank marketing communication tools consist of personal selling, direct marketing and advertising respectively according to their importance on building bank brand equity. Given the fact that all CBBE dimensions are interrelated, not all of them directly impact bank brand equity. Only brand loyalty and brand perceived quality were found to have a significant positive direct effect on bank brand equity. When conducting this study, the researcher faced several limitations. The data were collected only in Cairo and Alexandria; only the major controllable marketing communication tools were assessed, and non-probability sampling was used.

Keywords: brand equity, overall brand equity, CBBE dimensions, marketing communication tools, banking sector, customer perspective.
# TABLE OF CONTENTS

**ACKNOWLEDGEMENT** ................................................................. I

**ABSTRACT** .............................................................................. II

**TABLE OF CONTENTS** ............................................................... III

**CHAPTER 1: INTRODUCTION** .................................................. 1

1.1 RESEARCH BACKGROUND ..................................................... 1

1.2 RESEARCH PURPOSE ............................................................ 5

1.3 RESEARCH PROBLEM ............................................................ 5

1.4 RESEARCHER’S CHOICE OF TOPIC ........................................ 6

1.5 RESEARCH IMPORTANCE ....................................................... 8

1.5.1 ACADEMIC IMPORTANCE ................................................ 8

1.5.2 PRACTICAL IMPORTANCE ................................................ 9

1.6 RESEARCH AIM AND OBJECTIVES ....................................... 10

1.7 RESEARCH QUESTIONS ......................................................... 11

1.8 STRUCTURE OF THE THESIS ................................................ 12

**CHAPTER 2: LITERATURE REVIEW** ........................................ 16

**PART ONE: BRANDING** ......................................................... 16

2.1 SCOPE OF BRANDING ......................................................... 16

2.2 BENEFITS OF BRANDING .................................................... 19

2.3 BRANDING SERVICES .......................................................... 21

2.3.1 BRANDING BANKS .......................................................... 25

2.3.2 BRANDING IN THE EGYPTIAN BANKING SECTOR .............. 28

2.4 THE DEVELOPMENT OF BRAND EQUITY CONCEPT ............... 30

2.5 CUSTOMER-BASED BRAND EQUITY ....................................... 33
CHAPTER FOUR: QUALITATIVE FINDINGS

4.1 Qualitative data analysis ................................................. 92

4.1.1 Semi-structured interviewees: Descriptive analysis ........... 92

4.1.2 Semi-structured interviews: Detailed analysis .................. 93

4.2 SUMMARY ..................................................................... 114

CHAPTER FIVE: QUANTITATIVE FINDINGS ......................... 119

PART ONE ......................................................................... 119

5.1 DESCRIPTIVE STATISTICS OF THE DEMOGRAPHIC CHARACTERISTICS OF THE
RESEARCH SAMPLE .................................................................. 119

5.2 ASSESSING VALIDITY AND RELIABILITY .......................... 123

5.2.1 CONVERGENT VALIDITY .............................................. 136

5.2.2 DISCRIMINANT VALIDITY ............................................ 136

5.2.3 RELIABILITY OF RESEARCH ITEMS .............................. 137

PART TWO ......................................................................... 138

5.3 STRUCTURAL EQUATION MODELLING ............................... 138

5.3.1 MODEL FIT INDICES ..................................................... 139

5.3.2 HYPOTHESES TESTING ................................................. 140

5.3.3 THE SQUARE MULTIPLE CORRELATION R² .................. 147

5.3.4 THE EFFECT ANALYSIS OF THE MODEL ....................... 149
Chapter Six: Discussion and Conclusion

6.1 Overview of the Study

6.2 Comparisons with Findings of Previous Studies

6.3 Conclusion

6.4 Research Implications

6.5 Recommendations for Banks

6.6 Academic Contribution

6.7 Practical Contribution

6.8 Limitations of This Research

6.9 Directions for Future Research

References

Appendices

Appendix (A) The certificate of the best paper presentation

Appendix (B) The certificate of the paper from my thesis

Appendix (C) Structure of the Egyptian banking sector

Appendix (D) Interview guide

Appendix (E) English questionnaire

Appendix (F) Arabic questionnaire
List of tables

Table (2-1): the most commonly cited CBBE studies.................34
Table (2-2): tasks of personal selling........................................45
Table (3-1): Major differences between deductive and inductive approaches...59
Table (3-2): Banks’ market share in terms of customers’ deposits.............65
Table (3-3): Proportionate Sampling Composition ..............................67
Table (3-4): Sampling procedures, techniques, and descriptions ..............68
Table (3-5): Conceptual and operational definitions..............................77
Table (4-1): Interviewees’ characteristics ..................................93
Table (5-1): Descriptive Statistics of the Research Sample..................122
Table (5-2): Results of Confirmatory Factor Analysis and AVE of Advertising ..................................................................................124
Table (5-3): Results of Confirmatory Factor Analysis and AVE of Personal selling ..................................................................................126
Table (5-4): Results of Confirmatory Factor Analysis and AVE of direct marketing ..............................................................................127
Table (5-5): Results of Confirmatory Factor Analysis and AVE of brand awareness ..............................................................................129
Table (5-6): Results of Confirmatory Factor Analysis and AVE of brand perceived quality ........................................................................130
Table (5-7): Results of Confirmatory Factor Analysis and AVE of brand associations ............................................................................131
Table (5-8): Results of Confirmatory Factor Analysis and AVE of brand loyalty .....................................................................................133
Table (5-9): Results of Confirmatory Factor Analysis and AVE of brand trust 134
Table (5-10): Results of Confirmatory Factor Analysis and AVE of Overall brand equity .........................................................................135
Table (5-11): the correlation matrix of all research variables ............136
Table (5-12) Reliability of Research Variables..................................137
Table (5-13): Model Fit Indices......................................................140
Table (5-14): Results of hypotheses ..............................................141
Table (5-15): Standardized indirect effects .....................................148
Table (5-16): Standardized total effects.........................................148
List of figures

Figure (1-1): Research objectives, questions and the number of chapters and the time frame of each chapter. ..............................................................14
Figure (2-2) phases in the conceptual framework ..................................56
Figure (3-1): Sequential mixed method research......................................61
Figure (3-2): The two research phases are presented as follows...............91
Figure (4-1): The bank marketing communication tools from the most to the least frequency tools.................................................................98
Figure (4-2): The bank marketing communication tools from the most to the least useful tools.................................................................100
Figure (4-3): The impact of advertising on CBBE dimensions.............115
Figure (4-4): The impact of personal selling on CBBE dimensions...........116
Figure (4-5): The impact of direct marketing on CBBE dimensions .........117
Figure (4-6): Proposed Model ..............................................................118
Figure (5-1): The Final Research Model...............................................149
# List of abbreviations

1- Gross domestic product \( \text{GDP} \)  
2- Information technology \( \text{IT} \)  
3- Customer-based brand equity \( \text{CBBE} \)  
4- Customer relationship management \( \text{CRM} \)  
5- Integrated marketing communications \( \text{IMC} \)  
6- Structural Equation Modeling \( \text{SEM} \)  
7- National Bank of Egypt \( \text{NBE} \)  
8- Commercial International Bank \( \text{CIB} \)  
9- Qatar National Bank \( \text{QNB} \)  
10-Hong Kong and Shanghai Banking Corporation \( \text{HSBC} \)  
11-Arab African International Bank \( \text{AAIB} \)  
12- Average Variance Extracted \( \text{AVE} \)  
13- The Goodness of Fit Index \( \text{GFI} \)  
14- Adjusted Goodness of Fit Index \( \text{AGFI} \)  
15- Root Mean Square Error of Approximation \( \text{RMSEA} \)  
16- Standard error \( \text{SE} \)  
17- Critical ratio \( \text{CR} \)  
18- The Square Multiple Correlation \( \text{R}^2 \)  
19- Brand awareness \( \text{A} \)  
20- Brand perceived quality \( \text{Q} \)  
21- Brand associations \( \text{ASS} \)  
22- Brand loyalty \( \text{L} \)  
23- Brand Trust \( \text{T} \)  
24- Overall brand equity \( \text{OVB} \)
CHAPTER 1
INTRODUCTION

This chapter presents the background of the research, its purpose, and problem. It also highlights the researcher’s choice of topic. Moreover, it identifies the research academic and practical importance, aim, objectives and questions; and finally it presents an overview of the thesis structure.

1.1 Research background

In today’s marketplace, the size of the service sector is increasing all over the world, in both developed and emerging countries (Lovelock and Wirtz, 2010). This sector constitutes 40% of gross domestic product (GDP) in some emerging countries to more than 70% in some developed countries (Ghoneim, 2007). In Egypt, the service sector is the largest and fastest-growing economic sector and accounts for almost 51% of GDP (Encyclopedia of the Nations, 2012). The banking sector constitutes one of the main sources of service sector revenue in Egypt (Encyclopedia of the Nations, 2012). Therefore, financial stability is important, as this sector is responsible for the savings of communities (Rootman et al., 2008; Ennew and Waite, 2013). Furthermore, the banking sector in Egypt represents a cornerstone of Egypt’s financial architecture and plays a crucial role in overall economic development and growth (American Chamber of Commerce Egypt, 2008).

Over the recent years, the Egyptian banking sector has witnessed important changes, such as: privatisation, bank mergers and acquisitions (the largest number of mergers and acquisitions took place between 2004 and 2007). Thus, these changes provide a golden opportunity for the entry of more foreign banks that have perceived Egypt as a
lucrative market (American Chamber of Commerce Egypt, 2008). The appearance of new leading partners (for example from bank mergers) and the globalisation of international markets are both the result of technological developments and the loosening of administrative and monetary interventions that have led to the severe market competition and the risk of declining market shares for each banking institution (Kokkomelis, 1995). This competitive and global banking era has encouraged institutions to focus on branding strategies (Lambkin and Muzellec, 2008).

Branding allows institutions to compete on features other than price alone (Aaker, 1991). Branding is crucial when taking the service marketing into consideration, particularly in financial services where customers find it hard to differentiate between banking services (Knisely, 1979; Berry et al., 1988; Dobree and Page, 1990; Peklo, 1995; Berry, 2000), since banks provide more or less identical services for almost the same price. Additionally, banks lack their significant technological edge, since hardware and software programmes have generally been acquired from external vendors or outsourced (Moutinho et al., 1997; Wright, 2002; Quelch, 2003). This is a particularly important challenge in the context of banking, in which quality standards and overhead costs are converging between banks, due to similar bank services and information technology (IT) solutions (Durkin and Howcroft, 2003).

Furthermore, service offerings are often associated with higher perceived risk than manufactured goods (Murray and Schlacter, 1990; Mitchell and Greatorex, 1993). This is mainly due to the unique features of services like perishability, inseparability, intangibility and heterogeneity (Kapferer, 2004). Thus, the potentially high risk associated with banking services highlights the brand’s role in reassuring the customers by acting as a risk-reducing tool (De Chernatony and Dall’Olmo Riley, 1999; De
Chernatony and Cottam, 2006). The bank brand is considered to be a strategic tool that banks can practice to attract new customers, develop and maintain strong relationships to attain sustainable competitive advantage (De Chernatony and McDonald, 2003; Devlin, 2004; De Chernatony and Cottam, 2006). Hence, building, enhancing and maintaining brands is of high importance in order to achieve a sustainable competitive advantage in the marketplace and to stand high in the crowd (Kim et al., 2003).

Thus, the emergence of brand equity has risen in importance for both academics and practitioners (Keller, 2003). Brand equity has been defined in different ways and for different purposes, yet till now no common agreement has emerged (Vazquez et al., 2002; Keller, 2003). For example, from the financial perspective, brand equity has been defined as the incremental cash flows, which accrue to branded products over unbranded products (Simon and Sullivan, 1993); and as the total value of a brand, which is a separable asset when sold or included in a balance sheet (Feldwick, 1996). Additionally, from the marketing perspective, brand equity has been defined as customer-based brand equity (CBBE). This perspective has many definitions relying on different CBBE dimensions (e.g., Aaker, 1991; Keller, 1993; Lasser et al., 1995; Netemeyer et al., 2004).

In this research, the brand equity is perceived based on the marketing perspective but as a separate construct. It is defined as the value added to a product (goods or services) virtue by its brand name (Farquhar et al., 1991). Setting a separate brand equity construct (separate from its dimensions) will help to recognise the contribution and the importance of each CBBE dimension in the overall brand equity assessment (Yoo et al., 2000).
Understanding the dimensions of CBBE, then investing to grow these dimensions will lead to brand equity (Yoo et al., 2000; Yacout and Elsahn, 2011). Over the years, a range of CBBE dimensions that can be linked to a brand have been identified. However, the common dimensions in all models are the use of one or more dimensions of the Aaker model (1991). Since then, various researchers have adopted and selected various dimensions to be used in their studies, such as: Motameni and Shahrokhi (1998), Yoo et al. (2000), Yoo and Donthu (2001), Kim et al. (2003), Lambkin and Muzellec (2008), Ohnemus (2009), Pinar et al. (2012), and Phan and Ghahtous (2013). In particular, the widespread dimensions based on Aaker model (1991) include brand awareness, brand perceived quality, brand associations, and brand loyalty.

The present study examines the effect of these dimensions on overall brand equity as a separate construct. In addition, brand trust will be added due to the high-perceived risk associated with banking services. Brand trust is a part of customers’ relationship with the brand. It has been conceptualised as a dimension of CBBE, affecting overall brand equity (Blackston, 1992; Lassar et al., 1995; Chaudhuri and Holbrook, 2001; Rios and Riquelme, 2008; Attilgan et al., 2009; Burmann et al., 2009; Rauyruen et al., 2009).

There are many antecedents of the CBBE dimensions. For example, any marketing mix elements could contribute to the creation of CBBE dimensions (Yoo et al., 2000; Buil et al., 2013). In this research, the use of the promotional mix (one of the marketing mix elements) is examined. The promotional mix represents the marketing communication tools, which present brands and organisations to their audiences in order to achieve success in business (Fill, 2002). These tools have a fast and direct impact on the target market (Herrera et al., 2002). Thus, the use of a variety of marketing communication
tools plays a crucial role to organisations. Hence, the selection of these tools is a critical decision, since the customer’s behaviour is clearly determined by them (Herrera et al., 2002). Therefore, this study identifies the major bank marketing communication tools perceived by customers and assesses their impact on the CBBE dimensions. Then, it assesses the impact of these dimensions on overall brand equity in the Egyptian banking sector.

1.2 Research purpose

The purpose of this research is to examine the impact of the major bank marketing communication tools identified by customers on the CBBE dimensions to assess the impacts of these dimensions on overall brand equity (as a separate construct) from a customer’s perspective in the Egyptian banking sector. Thus, improved and better decision-making related to the usage of the marketing communication tools can be recognised and practiced to stand high in the crowd with high bank brand equity.

1.3 Research problem

Currently in the market, customers find it hard to distinguish between banks (Rambocas et al., 2014). Therefore, building brands is vital in differentiating banks and adding value to the banking services (Harris, 2002). However, the branding of banks found in the literature is comparatively weak and lacks true brand equity based on the customer perspective (Devlin and Azhar, 2004; Phan and Ghantous, 2013). Thus, this study focuses on the banking sector when investing brand equity.
Chapter 1: Introduction

Brand equity can be created by strengthening on the CBBE dimensions. The CBBE dimensions act as sources of brand equity (Yoo et al., 2000; Yacout and Elsahn, 2011). However, few studies separate the brand equity from its dimensions (e.g., Yoo et al., 2000; Rajh and Dosen, 2009; Yacout and Elsahn, 2011; Chahal and Bala, 2012), and even those who separate the brand equity from its dimensions did not take into consideration five CBBE dimensions, they considered two or maximum three dimensions. Thus, this study separates the brand equity from its dimensions to know the contribution and the importance of each CBBE dimension in the overall brand equity assessment. Besides, the researcher considers five CBBE dimensions due to their importance in building bank brand equity.

With the help of the marketing communication tools, brand equity can be achieved through strengthening on the CBBE dimensions (Buil et al., 2013). Scholars have highlighted the need to further examine the impact of the marketing communication tools due to their great importance on building brand equity (Netemeyer et al., 2004; Chu and Keh, 2006; Buil et al., 2013; Davcik et al., 2015). For this reason, the researcher focuses on the marketing communication tools. As a result, the research problem can be expressed as follows: investigate the major bank marketing communication tools as perceived by customers on building bank brand equity via five CBBE dimensions.

1.4 Researcher’s choice of topic

The researcher developed a great interest in the banking field after graduating from college. After graduation (2006), the researcher worked for one year at Barclays Bank as a customer advisor. The researcher enjoyed this experience because of dealing face-
Chapter 1: Introduction

to-face with the bank customers to provide them with the best services appropriate to their needs; to solve their problems; and to give them an immediate response.

The researcher’s great interest in the banking field has led the researcher to read in depth in the area of the banking sector. According to the researcher’s readings, it has been found that banks are perceived to be similar since they provide identical services with no major differences (Cohen et al., 2007), particularly, in the Egyptian banking sector, where there is a severe market competition (Elsharnouby and Parsons, 2010). Additionally, banks lack their significant technological edge since hardware and software programmes have generally been acquired from external vendors or outsourced (Moutinho et al., 1997; Wright, 2002; Quelch, 2003; Pinar et al., 2012).

The researcher wanted to share the insights developed and teach others about the banking field based on the marketing perspective. Thus, later in 2007, the researcher decided to enter the academic career and work at the Arab Academy for Science, Technology and Maritime Transport as an assistant lecturer. Further, interest was developed towards the field. The researcher started the Master thesis in the banking sector, which was titled “investigating the customer relationship management (CRM) components and their effect on customer loyalty in the Egyptian banking sector.” The researcher prepared three papers related to the CRM and the Egyptian banking sector and participated in three different conferences, one in Greece (May 2011), one in Turkey (September 2011) and the last one in London (November 2011). In the London conference, the researcher received the award for the best paper’s presentation (see appendix A).
According to the researcher’s studies, papers and readings, the major element that can differentiate one bank from another is building brand equity. The marketing communication tools as one of the marketing mix elements have a crucial role on building brand equity (Kotler and Keller, 2012; Davcick et al., 2015). For this reason, the researcher focuses on the brand equity and the marketing communication tools in the PhD. due to their great importance in distinguishing between facilities particularly in financial services organisations where customers find it hard to differentiate between banking services (Dobree and Page, 1990; Peklo, 1995; Berry, 2000; Howcroft and Durkin, 2003; Rambocas et al., 2014).

The researcher focuses on the customer perspective instead of any other perspectives because the significance of a brand is originated in the marketplace based on customers’ perspective. For a brand to have value, customers must value it (Keller, 2003; Broyles et al., 2009). The power of a brand depends on what customers have learned, felt, seen and heard about the brand based on their experiences over time and what other people tell them (Keller, 2003). If the brand is not significant for the customer, none of the other perspectives (such as managers’ perspective) is significant (Keller, 1993; Cobb-Walgren et al., 1995; Rio et al., 2001a). The benefits of the customer perspective rely on its usefulness in helping managers to evaluate the outcomes of their efforts by receiving feedback from customers; and to identify any problem that can appear in the service delivery process (Ambler et al., 2002; Leone et al., 2006; Sinha et al., 2008; Kartono and Rao, 2009 a).

During the PhD. process, the researcher prepared a paper from the thesis, which was titled “investigating the major marketing communication tools and their impact on
building bank brand equity in the Egyptian context: a customer perspective.” This paper was presented in Cambridge conference organised by the academy of business and retail management in UK (June, 2014) (see appendix B) and the paper has been selected as one of the best papers to be published in the journal of business and retail management research, volume 10, issue 1, end of October 2015.

1.5 Research importance

Brand equity is regarded as a vital concept which has interested both academics and practitioners for more than a decade primarily due to the importance of building, improving and maintaining brands in today’s marketplace in order to obtain a sustainable competitive advantage (Erdem et al., 1999; Keller and Lehmann, 2006; Brunello, 2014). Hence, the research is of academic and practical importance.

1.5.1 Academic importance

This research is academically important according to previous studies and literature. Firstly, a review of literature shows that the developed branding models pay little attention to the branding of services, despite the increasing role of services (Brodie et al., 2002; O’Cass and Grace, 2004; Brady et al., 2005; Wilson et al., 2012), while the brand equity related to tangible goods has received great care (Krishnan and Hartline, 2001). Furthermore, in the literature of services’ marketing, few authors have recommended new approaches to build a brand in the service sector (Cobb-Walgren et al., 1995; Muller, 1998; De Chernatony and Dall’Olmo Riley, 1999; Berry, 2000; De Chernatony, 2002). Thus, this research helps to understand the nature of service brand equity, CBBE dimensions and their importance that holds meaning to customers.
Secondly, few studies have addressed branding issues and challenges faced by financial services organisations (e.g., Lambkin and Muzellec, 2008; Oehnemus, 2009; Yacout and Elsahn, 2011; Pinar et al., 2012; Phan and Ghantous, 2013). Additionally, it has been indicated that the branding of financial services is relatively weak and lacks true CBBE (Devlin and Azhar, 2004; Phan and Ghantous, 2013). Therefore, this research represents the first attempt to examine bank brand equity in the Egyptian market based on the major bank marketing communication tools perceived by customers.

Thirdly, marketing mix elements are key variables in building brand equity (e.g., Yoo et al., 2000). However, few studies have examined the impact of selected marketing mix elements on building brand equity (e.g., Yoo et al., 2000; Rajh and Dosen, 2009). Therefore, this research focuses on one of the most important marketing mix elements compared to other elements, which is the promotional mix. The promotional mix is a combination of the marketing communication tools that help reach targeted customers and persuade them to buy (Kotler and Keller, 2012). Despite its importance, the individual contributions of the marketing communication tools to brand equity remain unclear and scholars have highlighted the need to further examine the impact of these tools on brand equity (Netemeyer et al., 2004; Chu and Keh, 2006; Davcik et al., 2015). Therefore, this study helps develop a model that fills the previously discussed gaps by examining the impact of the major bank marketing communication tools, identified by customers, on building bank brand equity in the Egyptian banking sector through five CBBE dimensions.
1.5.2 Practical importance

This research helps banks to recognise the importance of building and managing brand equity (Rajh and Dosen, 2009). For service marketers, brand equity should be managed as an asset due to its great importance (Keller, 2001; Keller, 2003). Brand equity represents a central priority in order to achieve a sustainable competitive advantage (Baldauf et al., 2009; Valette-Florence et al., 2011). Thus, this research supports banks in identifying the major bank marketing communication tools that help build bank brand equity. This study provides valuable insights about how each of the major bank marketing communication tools as one of the marketing mix elements can be controlled to build bank brand equity through five CBBE dimensions. Thus, marketing managers will be able to promote brand-building activities, and to evaluate marketing strategies and programmes effectively (Atilgan et al., 2005).

Additionally, this research supports marketing managers in considering the relative importance of each CBBE dimension in their overall brand equity assessments. Subsequently, this customer-based research is useful in helping managers to evaluate the outcomes of their efforts by receiving feedback from customers, and to identify any problems that may appear during the service delivery process (Ambler et al., 2002).

1.6 Research aim and objectives

The Egyptian banking sector has witnessed considerable amount of entry of foreign banks (American Chamber of Commerce Egypt, 2008). This crowded and competitive banking era has encouraged institutions to focus on branding strategies (Lambkin and Muzellec, 2008). Branding is crucial when taking the financial service into
consideration (Rambocas et al., 2014). Therefore, this study decides to examine the research problem, which is: investigating the impact of the major bank marketing communication tools identified by customers on building bank brand equity in the Egyptian banking sector through five CBBE dimensions. This research problem reflects the main aim of the research, which is divided in two main objectives as follows:

1. Identify the major marketing communication tools used by banks that help build bank brand equity through five CBBE dimensions from customers’ perspective and develop a series of hypotheses.

2. Test and analyse the hypotheses in order to develop the final research model.

### 1.7 Research questions

In order to achieve the two main research objectives, two main research questions are needed to be answered. These questions are:

1. What are the major bank marketing communication tools as perceived by customers that are beneficial on building bank brand equity through five CBBE dimensions?

2. Which hypotheses regarding the impact of the major bank marketing communication tools on building bank brand equity through five CBBE dimensions are supported in this study?

### 1.8 Structure of the thesis

This first chapter has presented the introduction to this research. It will be followed by the following chapters:
Chapter two: Literature review

This chapter consists of two main parts. The first part provides an overview of branding and its benefits. In addition, it focuses on branding services, branding banks particularly in the Egyptian banking sector. Furthermore, it presents the development of brand equity concept, mainly the customer-based brand equity (CBBE), its dimensions and the overall brand equity as a separate construct. The second part presents the marketing communication tools and pinpoints their benefits. Additionally, it focuses on the impact of the marketing communication tools on building brand equity and highlights the importance of the integrated marketing communications (IMC).

Chapter three: Research methodology

This chapter provides an explanation of the research philosophy, design methods, data collection and analysis techniques, population and sampling procedures. Moreover, it focuses on the first phase of this study, which is the qualitative phase that includes the semi-structured interviews’ topics and procedures. Then, it focuses on the second phase, which is the quantitative phase that comprises the measurement scales, the research variables, and the research hypotheses.

Chapter four: Qualitative findings

This chapter presents the qualitative phase of the research. It includes the qualitative analysis, which consists of the descriptive and the detailed analysis of the semi-structured interviews.
Chapter five: Quantitative findings

This chapter presents the quantitative findings of the research. It discusses the research quantitative findings in two parts. The first part includes descriptive statistics and tests of validity and reliability. As for the second part, the model fit Indices and the hypotheses testing are presented by using Structural Equation Modelling (SEM).

Chapter six: Discussion

This chapter provides an overview of the study. Additionally, it discusses the findings of the qualitative and quantitative sections in comparison with that of the previous studies. Moreover, it highlights the research implications and proposes several recommendations for banks.

Chapter seven: Conclusion

This chapter provides the contribution of the present study to both literature and practice. In addition, it outlines the research limitations and suggests different directions for future research and finally presents a conclusion. To summarise, the following table (1-1) presents briefly the main purpose of each chapter.

Table (1-1): The main purpose of each chapter

<table>
<thead>
<tr>
<th>Chapter two</th>
<th>Critically review relevant literature on overall brand equity, CBBE dimensions and marketing communication tools and synthesis a conceptual framework to provide an understanding.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chapter three</td>
<td>Develop an appropriate research methodology for data collection and analysis.</td>
</tr>
<tr>
<td>Chapter four</td>
<td>Identify the major marketing communication tools used by banks that help build bank brand equity through five CBBE dimensions from customers’ perspective and develop a series of hypotheses.</td>
</tr>
<tr>
<td>Chapter five</td>
<td>Test and analyse the hypotheses in order to develop the final research model.</td>
</tr>
<tr>
<td>Chapter six</td>
<td>Discuss the findings in light of the literature.</td>
</tr>
<tr>
<td>Chapter seven</td>
<td>Conclude and suggest different directions for future research.</td>
</tr>
</tbody>
</table>
CHAPTER 2
LITERATURE REVIEW

This chapter consists of two main parts. The first part provides an overview of branding and its benefits. In addition, it focuses on branding services, branding banks particularly in the Egyptian banking sector. Furthermore, it presents the development of brand equity concept, mainly the customer-based brand equity (CBBE), its dimensions and the overall brand equity as a separate construct. The second part presents the marketing communication tools and pinpoints their benefits. Additionally, it focuses on the impact of the marketing communication tools on building brand equity and highlights the importance of the integrated marketing communications (IMC).

2.1 Scope of branding

Branding is an extremely old concept that has been around for centuries. It was first discovered in Europe during the medieval years (Moore and Reid, 2008). During this period, the medieval guilds’ request that crafts people and any producers of merchandises put trademarks on their products to protect themselves and their customers against inferior quality (Moore and Reid, 2008; Hakala et al., 2012). Likewise, during the fine arts era, branding began with artists signing their works (Kotler and Keller, 2012). This concept has been known as being a method to distinguish the goods or services of one producer from those of another (Rooney, 1995; Chen, 2008). The purpose of branding is providing goods or services with the power of a brand. It is all about creating differences between goods or services (Aaker, 1991; Davcik and Sharma, 2015).
Although the branding concept is very old, there is confusion and misperception about this concept (Schultz, 2003; Blumenthal, 2004). There is misunderstanding between simple names and true brands (Blumenthal, 2004). True brands have a set of values that describe the brand and are different from the other products that have simple names (Devlin and Azhar, 2004). True brands present clues to the customers to differentiate the products (goods or services) during the decision-making process (Chen, 2008; Chung et al., 2013). A successful brand is mirrored in all its dealings with the customer, providing various values (De Chernatony and Cottam, 2006; Davcik et al., 2015).

For brand values to be developed and branding strategies to be effective, the organisation must convince customers that there are meaningful differences among brands (Aaker, 1991; Brunello, 2014). Brand differences are related to attributes or benefits of the product itself (rational) or related to non-product related means (hedonic) (Farquhar, 1989; Aaker, 1991; Davcik et al., 2015). Thus, brand values could be developed through the use of a mixture of messages (hedonic and rational), demanding a significant contribution from marketing communication tools to deliver the message to the customer and to reflect the brand benefits (Yoo et al., 2000; Davcik and Sharma, 2015). Consequently, effective branding strategies lead to the development of appreciated brands (Yoo et al., 2000).

According to the American Marketing Association, a brand is defined as “a name, term, sign, symbol, or design or a combination of them intended to identify the goods or services of one seller or group of sellers and differentiate them from those of competitors.” This definition is based on the usage of brand names, signs and symbols to distinguish a good or a service from its rivals. Brand names can provide information about
content, taste, durability, quality, price and performance, without allowing customers to conduct time-consuming comparisons with similar offerings or approaches (Fill, 2002; Keller, 2010). However, this definition does not reflect the complexity of contemporary branding (Lury, 2001). To explain this, it is very important to review in details the differences between a product and a brand. A product is everything that can be presented to a market for purchase, use or consumption that could satisfy a need or want. Products can take many forms, such as physical goods, services, experiences, events, persons, places, properties, organisations, information and ideas (Kotler and Armstrong, 2012). A product has a functional purpose (Jones and Slater, 2003).

On the other hand, a brand consists of two main types of attributes: intrinsic and extrinsic. Intrinsic attributes indicate the functional characteristics of the product (such as its shape, performance and physical capacity) (De Chernatony and McDonald, 2003). Extrinsic attributes pinpoint the exterior elements (such as brand name and packaging) that enable customers to form associations that give meaning to the brand (De Chernatony and McDonald, 2003; Keller, 2010). Buyers often use the extrinsic attributes to help them distinguish one brand from another (Keller, 2010). This classification is very helpful in certain categories in which it is difficult for customers to make decisions based on the intrinsic attributes alone (Doyle, 2002).

Thus, a brand should be more than its physical components and should provide additional attributes for the purchaser or user (Davcik et al., 2015). These additional attributes may be intangible with high importance to the customer. It is these additional attributes, or added values, that distinguish a brand from a product (Doyle, 2002; De Chernatony and McDonald, 2003; Jones and Slater, 2003; Rambocas et al., 2014). Added values play a
crucial role in the purchase decision of many customers, as brands are bought for emotional motives as well as purely functional motives (Doyle, 2002). These added values come from many aspects, for example from brand experience, such as familiarity, consistency and reduction of risks; others come from the people that use the brand, related to associations customers have with the brand; others that come from a belief that the brand is effective; and others from the appearance of the brand (Jones and Slater, 2003).

Many researchers have sought to integrate the added value concept into their brand definitions. For example, De Chernatony and McDonald (2003) developed the following definition: an identifiable good, service, person or place that the buyer or user perceives relevant with unique added values that match their needs most closely. Based on Doyle (2002), De Chernatony and McDonald (2003), and Jones and Slater (2003) the success of the brand results from being able to maintain these added values in the face of competition. As a result, these researchers mentioned that each organisation should enhance their products with values and associations that are important and meaningful mainly to customers. Particularly, in today’s market place where customers are concerned more with values in their consumption of services due to the alternative choices (Cohen et al., 2007).

Hence, branding allows customers to recognise goods or services by giving a name, other brand elements, and added values to identify them. It creates mental structures that help customers organise their knowledge about goods or services in a way that clarifies their decision-making and provides value to the firm (Yoo et al., 2000; Fill, 2002). Reducing the amount of decision-making time is one of the branding benefits (Fill, 2002; Chung et al., 2013).
2.2 Benefits of branding

Building brands are critical in the marketplace. A successful brand creates and sustains a strong, positive and lasting impression in the mind of a buyer (Brunello, 2014). Brands identify the source of the good or the service. This allows customers to assign responsibility for its performance to a particular manufacturer (Krishnan and Hartline, 2001). A successful brand also allows the customers to evaluate the identical product differently depending on how it is branded because brand acts as an indicator of a certain level of quality (Tong and Hawley, 2009).

In general, customers learn about brands through their past experiences with the brand and its marketing programmes (Ramos and Franco, 2005; Davcik et al., 2015). Nowadays, people’s lives are complex, dynamic, and filled with choices. Therefore, the ability of a brand to simplify decision-making and reduce risk is valuable (Surri and Monroe, 2003; Cohen et al., 2007).

Brands not only provide benefits to the customers but also provide valuable functions and offer a lot of added values for firms, such as protecting the brand name through registered trademarks; generating customer loyalty to the brand; having less vulnerability to the marketing actions of competitors; increasing effectiveness of marketing communication activity; achieving greater profit margins than competitors; creating licensing opportunities; and additional brand extension opportunities (Keller, 2001; Keller, 2002; Allaway et al., 2011). Hence, brands today improve customer lives and enhance the financial values of firms (kim and Kim, 2004). These benefits assure that the firm can safely invest in the brand and gain benefits (Kotler and Keller, 2012). In the market, competitors can imitate and duplicate the manufacturing processes and product designs.
However, they cannot easily match permanent impressions left in the minds of individuals and organisations by years of experience and marketing activities (Davcik and Sharma, 2015). In more details and according to Fill (2002) there are three broad aspects of branding, which enable the achievement of these benefits and advantages. These aspects are differentiation, added value and integration. The first broad aspect of branding is differentiation. This concept indicates that brands provide the means for product to be seen differently from a competitor’s product (Aaker, 1991; Chung et al., 2013). Branding helps the separation and positioning of various products. It allows customers to recognise and understand what a brand stands for (Davcik and Sharma, 2015).

The second broad aspect of branding is added value. This factor refers to brands providing various perceived benefits and advantages to the customers (Keller, 2010). These positive aspects might be in the form of rational based or emotionally based advantages derived through the extra aspects of the products (Doyle, 2002). The final aspect of branding is integration. This concept refers to the essence of integrated marketing communications (IMC). This means that all the tools used to support a brand and the messages must be consistent, uniform and reinforcing (Brunello, 2013).

Successful branding is partially the result of effective marketing efforts (Yoo et al., 2000; Ramos and Franco, 2005; Brunello, 2013). Branding in the service sector is more challenging than branding physical goods (Phan and Ghantous, 2013). The role of branding is very crucial in the service sector due to the unique features of services and the dominance of experience (Kapferer, 2004; Mourad et al., 2011; Valos et al., 2016).
2.3 Branding services

Branding plays an important role in service organisations because strong brands increase customers’ trust of the invisible; helping them to better visualise and understand the intangible; and decrease customers’ perceived financial, social or safety risk (Simoes and Dibb, 2001; Rambocas et al., 2014). The vital role of branding in services is due to the distinctive characteristics of services, including intangibility, inseparability of production and consumption, heterogeneity of quality and perishability (De Chernatony et al., 2003; Kapferer, 2004; Lovelock and Wirtz, 2010; Mann and Kaur, 2013).

The first challenging aspect associated with services is that customers have to deal with intangible offerings. The intangible nature of services makes it difficult for customers to assess their quality (Krishnan and Hartline, 2001). Therefore, branding services help to differentiate the brand from the other competing brands; and also help customers to assure a uniform level of service quality (Berry, 2000). De Chernatony and Dall’Olmo Riley (1999) mentioned that to overcome the intangible offerings, branding helps to offer tangible aspects to provide customers with well-defined reference points. To make the brand tangible, organisations provide physical elements that can be associated with the brand, such as staff uniforms, office décor (the design of the physical facilities), brochures, and the type of music played to customers waiting on telephone (Berry, 2000).

Moreover, the way employees dress, and the interactions between staff and customers are valuable elements for providing tangible aspects (King and Grace, 2012). Thus, physical symbols and staff representations are useful for providing tangibility. These aspects may be used to differentiate the service brand from its competitors (Krishnan and Hartline, 2001; Rajh and Dosen, 2009). Tangible aspects represent a two edged weapon. Customer
behaviour can be encouraged or discouraged by these tangible elements. The tangibility approach adopted must be consistent with the service and should not promise more than the service will actually deliver (De Chernatony and McDonald, 2003).

The second challenging aspect associated with service brands is the inseparability of production and consumption. In any service organisation, customers are involved in the production (Solomon et al., 1985; Kotler and Armstrong, 2012). Since they interact with different service providers, their expectations may vary between service encounters (De Chernatony and McDonald, 2003). Therefore, satisfaction with a service brand is affected by the closeness between expected and perceived behaviour by players (De Chernatony and McDonald, 2003; Rajh and Dosen, 2009).

To overcome this challenging aspect, De Chernatony and Dall’Olmo Riley (1999) focused on the role of corporate branding in order to build a favourable customer view towards particular organisation. Corporate branding allows employees to respect standards, and values set in the corporate branding strategy (Mann and Kaur, 2013). Based on this perspective, the brand provides consistency among employees’ behaviour, particularly when dealing with customers (Knisely, 1979; Dobree and Page, 1990; Peklo, 1995; Wallace et al., 2013). Berry (1980) views the concurrent production and consumption of services as an opportunity for customising the service brand to better serve the needs of customers; hence, making the practice of marketing the duty of every employee (Fitzgerald, 1988; King and Grace, 2012). As a result, it is critical to provide a degree of service customisation towards particular customers and also to develop corporate branding that confirms consistency across time and different situations (De Chernatony and Dall’Olmo Riley, 1999; Pina et al., 2006).
The third challenging aspect associated with service brands is the heterogeneity of quality. In the service delivery process, the human element (the employee) cannot be exposed to quality control measures as a factory product (Berry, 1980). Thus, every service experience is probably unique, genuine, but consistency may be difficult to attain (Lewis, 1989; Brunello, 2013). To overcome heterogeneity and quality control difficulties, it is recommended to focus on the internal branding. The notion of internal branding has received great care in recent years as a mean of creating a cohesive, consistent, and reliable organisational culture (George, 1990; Rajh and Dosen, 2009). Building the brand concept internally is the best approach for establishing and maintaining a service orientation within the organisation and to achieve consistency (George, 1990; Wallace et al., 2013). Besides, it is important to select and train frontline employees in order to deliver a more homogeneous service (Berry, 1980; Rajh and Dosen, 2009). In addition, it is suggested to use careful planning, control, and regular evaluations of performance improvement to ensure good service quality (Levitt, 1972; Baumgarth and Binckebanck, 2011).

The fourth challenging aspect associated with service brands is perishability. Services cannot be stored (Bateson, 1995; Kotler and Armstrong, 2012) and usually the service encounter does not involve any transfer of ownership (Wyckham et al., 1975; Kotler and Bloom, 1984; Fitzgerald, 1988; Bateson, 1995; Lovelock and Wirtz, 2010). In service sectors, such as financial services, the service is bought before the benefit is received and assessed (Ohnemus, 2009). Therefore, the challenges embedded in service brands are not only of developing an image and reputation to attract customers, but also of avoiding competitors’ promises from gaining their interest, even before the service has been experienced (Phan and Ghantous, 2013). Another problem resulting from the
characteristic of perishability is the difficulty in harmonising supply and demand (Zeithaml et al., 1985). Service organisations will face financial and branding problems if they cannot develop strategies to handle customer demand or if they cannot make corrections to match the organisation capacity with customer demands (Zeithaml and Bitner, 1998; De Chernatony and Cottam, 2006). To overcome the perishability problems, De Chernatony and Dall’Olmo Riley (1999) explained that it is crucial to build upon the company’s image and reputation. The brand, as perceived by customers, summarises both the quality of the service and the efficiency with which the service is provided.

De Chernatony and Dall’Olmo (1999), and Rajh and Dosen (2009) mentioned that brand image is affected mainly by the price and the speed of the service (the duration customers can take from entering the store till the exit of the store). For example: long waits at counters might negatively affect the brand image. For this reason, organisations should find ways to either speed up the queues or to invite customers to visit during off-peak times. In this case, efficient procedures to distract customers from waiting become an important part of the branding process, which enables the delivery of promises with regards to service quality, speed and efficiency (De Chernatony and Dall’Olmo Riley, 1999; Cohen et al., 2007).

Thus, services are not like goods. They require much effort to satisfy customers (Xu and Chan, 2010). Marketers should place a lot of emphasis on the service delivery, which occurs through numerous interactions between customers and staff (Bitner et al., 1994; Rajh and Dosen, 2009; Dmour et al., 2013). For this reason, employees are the most important element in service brands (King and Grace, 2012). Organisations rely largely on employees’ actions and attitudes (Blankson and Kalafatis, 1999; Wallace et al., 2013).
During the service encounter, customers experience the service brand. Hence, customer experience during a service encounter becomes a critical tool in determining both opinions and future associations between the customer and the brand (Bitner, 1990; Berry, 2000; Dmour et al., 2013).

Authors who focus on branding services highlight the employees’ ability to deliver the brand values in order to build a particular meaning to the brands (Parasuraman et al., 1988; Bitner et al., 1990; Zeithaml and Bitner, 1998; De Chernatony and Horn, 2003). Thus, internal communication must be highlighted to be sure that all employees are committed to deliver the brand promise (Harris and De Chernatony, 2001; Kimpakorn and Tocquer, 2010), which is vital to find a balance between internal and external perspectives (Schneider and Bowen, 1993; De Chernatony and Harris, 2000; De Chernatony et al., 2003). For this reason, successful service brands depend mainly on the delivery of promises through personal interactions particularly, in the financial services such as banks (De Chernatony and Cottam, 2006; Rajh and Dosen, 2009; Rambocas et al., 2014).

2.3.1 Branding banks

This study focuses on the banking services particularly in Egypt. Banks play a crucial role in financial intermediation, which is done through mobilising savings to fuel investments and growth. Individuals, corporations and governments’ economic activities are mostly financed by the banking sector (Harvey, 2010). Banks now operate in high and intense competition due to various factors, including financial liberalisation, deregulation, increasing globalisation of markets, rapid technological advancements, improvement in communication systems, and homogenous nature of banks’ products (Howcroft and Durkin, 2003; Rambocas et al., 2014).
Particularly, banks do not have major differences from one another (Quelch, 2003; Piason et al., 2013). The technologies used among banks are similar since hardware and software programmes are acquired from external vendors or outsourced. Thus, there is no significant technological edge (Moutinho et al., 1997; Wright, 2002; Quelch, 2003; Cohen et al., 2007).

Customers view bank services to be similar. The genuine product differentiation is declining and many new products are being copied (Griffin, 2003; Ohnemus, 2009). As a result, banks should develop customer-oriented approach to compete and to stand high in the competitive banking environment (Piason et al., 2013). Abratt and Russell (1999) mentioned that the main elements affecting customers’ selection of a bank involve the variety of services, interest rates, fees, and prices charged. However, Piason et al. (2013), and Rambocas et al. (2014) stated that these elements are very similar between banks.

Conversely, there is a study conducted by Boyd et al. (1994) in the financial services sector showed that customers’ knowledge towards specific banking product is minimal and that they often lack the desire to know more based on their assumptions that the best-known banks have the best financial products. This further complicates the problem of service branding. Boyd’s study showed that reputation is the initial criterion for customers in selecting a bank; followed by the interest on savings accounts. In response to these changes, banks are adopting branding strategies (Bravo et al., 2010; Cohen and Mazzeo, 2010; Tallon, 2010).

Branding is significant in distinguishing banks and adding value to the service. Thus, the development of valuable brands is vital (Aaker and Joachimsthaler, 2000; Ambler, 2002).
A valuable brand can reduce customers’ perceived risk, overcoming their low levels of trust and simplify product choice (Mitchell and Greatorex, 1993; Rambocas et al., 2014). Furthermore, it acts as a differentiator for customer without competing on price (Berry, 2000).

Brands with a differentiated position tend more to be successful. Therefore, the basis for differentiation must be unique, genuine, relevant and appreciated by customers (Berry, 2000). Bank brand tends to be more emotional in nature and it is linked to reputation, trust, and quality of a bank. This reflects the view that brand is what a person feels after numerous bank interactions (Harris, 2002; Phan and Ghantous, 2013). Thus, the brand represents a promising experience that the firm makes with its customers. This will lead to a sustainable competitive advantage and a crucial success factor (Saunders and Watters, 1993; Harris, 2002). Branding establishes a unique competitive edge, since it assists in building trust and minimising perceived transaction risk between a customer and a bank (Harris, 2002; Phan and Ghantous, 2013).

The significant part of what is sold in the financial services is the overall position of the bank (Knisely, 1979; Cohen, 2007), which leads customers to perceive all bank products as components of a single brand (Berry et al., 1988; Phan and Ghantous, 2013). For this reason, Knisely (1979), Berry et al. (1988), and Rambocas et al. (2014) argued that services are not treated as individual branding, like tangible goods. However, Milligan (1995, p. 39) clarified this in the context of bank branding as follows: “basic banking products like checking accounts, credit and debit cards, mortgages and certificates of deposit have become so ubiquitous that it is hard to sell them apart. Your brand identity is what differentiates you and makes you special.” Successful financial services brands
adopt a sophisticated branding approach in which the brand is more than just a logo (Aaker and Joachimsthaler, 2000; Schmidt and Ludlow, 2002). This approach includes a group of functional and emotional values, which promise a particular, and unique experience for stakeholders (De Chernatony et al., 2003).

In services, branding corporate culture plays a vital role through its potential to impact staff behaviour (Rajh and Dosen, 2009). The perceived brand values are reliant on the behaviour of employees (Ind, 2001; Nguyen and Leblanc, 2002; Rajh and Dosen, 2009). Since values drive behaviour (Schiffman and Kanuk, 1991; Wallace et al., 2013), it is essential that the desired brand values be internalised by employees to confirm suitable brand supporting behaviour (Gotsi and Wilson, 2001; Ind, 2001; Nguyen and Leblanc, 2002; Rajh and Dosen, 2009). Despite the importance of branding banks, few studies have focused on branding in the banking sector (e.g., Lambikin and Muzellec, 2008; Ohnemus, 2009; Pinar et al., 2012; Phan and Ghantous, 2013; Rambocas et al., 2014). In addition, these studies were conducted in Western countries.

Therefore, this study is one of a few that examined brand equity in the banking sector, a sector classified as complex with high consumer involvement and environmental uncertainty (Aldlaigan and Buttle, 2001; Ennew and Waite, 2013) particularly in one of the developing countries such as Egypt.

2.3.2 The Egyptian banking sector

The banking sector in Egypt is one of the most important service sectors (Elsharnouby and Parsons, 2010). The nexus of the financial system is its banking sector (American Chambre of Commerce, 2008). Algarhi and El-Din (2005) indicated in their study that the
The link between banking sector development and economic growth is distinctive. Without investment, economic growth cannot be achieved and without the mobilisation of savings, investment cannot be realised. That is why a reliable banking sector is essential for carrying out government economic policies in order to have low inflation, high employability level and sustainable growth.

The Egyptian banking sector has witnessed fast changes, especially during the past years such as bank mergers and acquisitions (Elsharnouby and Parsons, 2010). The effect of these changes has led to a banking industry, which is characterised by rapid technological changes and the appearance of multinational financial institutions in the Egyptian banking scene (American Chambre of Commerce, 2008). These changes contribute towards extreme competition between different players in the market (Elsharnouby and Parsons, 2010). The Egyptian banking sector represents a fruitful environment where to explore service branding (Elsharnouby and Parsons, 2010). Egypt’s banking sector serves as an entry point to the Middle East for many western companies (Parnell and Crandall, 2003).

The Egyptian financial sector is moving steadily towards becoming the biggest financial centre in the region (Hatem, 1994; Algarhi and El-Din, 2005). Thus, it represents a suitable laboratory for a study of customer perceptions towards service branding, particularly financial institutions (Elsharnouby and Parsons, 2010).

Based on the Central Bank of Egypt (CBE) (2012) the number of banks operating in Egypt is 40 (see appendix C). These banks can be classified as public and private banks according to ownership. In practice, these banks offer to great extent similar services. As a result, the banking industry is concentrated and segmented, and this has a close effect on
competition (Rambocas et al., 2014). Based on the Central Bank of Egypt (CBE) (2012) the volume of business in the public banks constitutes a significant share in total bank transactions. They are the largest operating banks in terms of balance-sheet size (nearly 50% of total bank assets). According to Elsharnouby and Parsons (2010) these banks have a significant market share in retail and corporate banking services. This is accomplished due to large branch networks and close relationship with state-owned companies. Public commercial banks are also major participants in the equity capital of most private banks.

Private banks are registered as business and investment banks (American Chambre of Commerce, 2008). The reports based on American Chambre of Commerce (2008) indicated that these banks play the role to raise long-term funds on the international financial markets and to promote investment. They focus on trade-related financial services to the private business sector. Private banks provide finance working capital and trade activities. These activities transactions normally require short-term credit and result in quicker returns. These banks extended their retail base to meet their clients’ demand for personal loans, mortgages, insurance products, individual retirement plans, and credit cards (Elsharnouby and Parsons, 2010).

This study focuses on the Egyptian banking sector, which includes public and private banks. The selected banks in this study were chosen according to the highest market share in terms of customers’ deposits. According to the CBE (2012) there are a total of eight major banks that cover 70% of the total Egyptian banking sector in terms of customers’ deposits. The following points focus on the concept of brand equity, mainly the CBBE, its dimensions and the overall brand equity as a separate construct.
2.4 The development of brand equity concept

The origin and development of brand equity concept provide useful background to current meanings (Riezebos, 2003). According to Barwise (1993), and Riezebos (2003) the brand equity concept originated in the early 1980s and it became popular as a financially oriented term that emerged when various companies were bought and sold for amounts significantly in excess of the company’s net assets (which reflects the difference between the assets and the liabilities of a company). As noted by Feldwick (2002) the difference between price paid and net assets became explained as brand equity. Thus, the brand became something that worth money.

During the late 1980s, brand equity was adopted by marketers to understand the benefits customers seek from brands; the influence of branding on customers’ perceptions and behaviours; and the marketing roles towards branding (Aaker, 1991; Riezebos, 2003). It has since been proposed that brand equity is a valuable company intangible asset that should be carefully and continuously managed and invested in to optimise its value (Aaker, 1991, 1996; Kapferer, 1997; Keller, 1998; Yoo et al., 2000). Its popularity is due to its strategic and crucial role in gaining competitive advantage (Keller, 1998; Davcik et al., 2015). Brand equity represents the suitable measurement, when properly and objectively measured, to evaluate the long run impact of strategic management decisions (Simon and Sullivan, 1993; Kotler and Keller, 2012).

As a result, the brand equity can be discussed from two main perspectives, depending on its purpose, the financial and the marketing perspectives. The financial perspective provides monetary value for the brand (Kartono and Rao, 2009b). Such monetary benefits could be measured per year based on the incremental profit achieved by the brand.
compared to another brand with the same product and price but with minimal brand building efforts (Simon and Sullivan, 1993). On the other hand, the marketing perspective expresses the term brand equity as customer-based brand equity (CBBE) (Wood, 2000). The CBBE is based on customers’ perspective. It explains how customers process brand information; how they perceive the brand; and how it shapes their behaviour towards the brand (Kartono and Rao, 2009b).

Despite the fact that brand equity is one of the most popular concepts, which has been discussed by both academics and practitioners over the past decade, there is no common agreement on its conceptualisation, definition or management (Keller, 1998; Yoo and Donthu, 2001; Vazquez et al., 2002; Keller, 2003; Davcick et al., 2015). This is due to the variety of definitions and diverse approaches adopted to measure this concept from both financial and marketing perspectives (Christodoulides and De Chernatony, 2010). Although the diverse approaches and definitions, there is an agreement that brand equity reflects some value added that is uniquely attributable to the brand (Keller, 1993; Mackay et al., 1997; Netemeyer et al., 2004; Bick, 2009; Kartono and Rao, 2009b).

This research focuses on brand equity based on the marketing perspective because the financial perspective did not take into consideration that brand equity can vary when customers’ perceptions towards the brand change (Kartono and Rao, 2009b). Additionally, the financial value of a brand is the result of customer reactions and responses to brands (Christodoulides and De Chernatony, 2010). The power of a brand depends on what customers have learned, felt, seen and heard about the brand based on their experiences over time and what other people tell them (Keller, 2003). In other words, the brand’s power is included in the feelings, judgments, images, thoughts, and
experiences in the customers’ mind (Farhana and Islam, 2012). If the brand has no importance to the customer, none of the other definitions is significant (Keller, 1993; Cobb-Walgren et al., 1995; Rio et al., 2001a). For a brand to have value, customers should value it (Keller, 2003). This perspective provides benefits to both customers and firms. First, it provides value to the customer by building their confidence in the purchase decision; reducing their perceived risk associated with the brand; and leading to customer satisfaction.

Second, it provides value to the firm by helping managers to evaluate the outcomes of their efforts by receiving feedback from customers; to identify any problem that may appear during the service delivery process; and to evaluate their marketing strategies and programmes effectively (Ambler et al., 2002; Leone et al., 2006; Sinha et al., 2008; Kartono and Rao, 2009b). In addition, it boosts profits, trade leverage and competitive advantage (Aaker, 1991). Thus, enhancing CBBE leads to larger margins from customers, marketing communication effectiveness, licensing opportunities and customers’ responsiveness to brand extensions (Keller, 1993; Kotler and Keller, 2012). Therefore, it is critical to understand the various CBBE definitions that relying on diverse dimensions.

2.5 **Customer-Based Brand Equity (CBBE)**

Scholars created CBBE to encourage the use of customer-based measures (Keller, 1993). However, they have disagreed on its dimensions and gave it various definitions (Chahal and Bala, 2012). Thus, till now the concept of CBBE remains vague (Punj and Hillyer, 2004). In other words, there is a debate on the concept of CBBE and it is still evolving over time (Taylor et al., 2007).
The original model of Aaker (1991) defined CBBE based on a set of dimensions linked to the brand. The main dimensions include brand awareness, brand associations, brand perceived quality, and brand loyalty. These dimensions have been used in other studies, such as Washburn and Plank (2002), Atilgan et al. (2005), Pappu et al. (2005, 2006), and Buil et al. (2013). Keller (1993) simplified Aaker’s model and defined CBBE in terms of brand knowledge, consisting of brand awareness and brand image. Conversely, Park and Srinivasan (1994) identified the CBBE based on brand associations (attributes and non-attributes components).

However, Lassar et al. (1995) link CBBE with five dimensions, performance, social image, value, attachment, and trustworthiness. Keller (2003) asserts for a six-factor model of CBBE that includes brand salience, brand performance, brand imagery, brand judgments, feelings and resonance towards the brand. Kim et al. (2003), and Kayaman and Arasli (2007) propose a CBBE model based on four dimensions, brand loyalty, brand awareness, brand perceived quality, and brand image. Netemeyer et al. (2004) suggest a model that combined three main CBBE dimensions include perceived quality, perceived value and uniqueness.

Only a limited number of studies included trust in their CBBE dimensions. For example, Atilgan et al. (2009) integrated trust as possible CBBE dimension. Their model includes brand associations, perceived quality, loyalty and trust. Moreover, Kimpakorn and Tocquer (2010) mentioned that CBBE dimensions include brand awareness, brand perceived quality, brand differentiation, brand associations, brand trust, and brand relationships. To summarise, the various dimensions mentioned above have been used to explain the concept of CBBE. Various researchers have tested these dimensions on
several products and limited services (Jahanzeb et al., 2013). The most commonly cited CBBE studies are briefly reviewed in the following table (Table 2-1)

**Table (2-1): The most commonly cited CBBE studies**

<table>
<thead>
<tr>
<th>Studies</th>
<th>CBBE dimensions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Keller (1993)</td>
<td>Brand knowledge, which consists of two components: brand awareness and brand image.</td>
</tr>
<tr>
<td>Park and Srinivasan (1994)</td>
<td>Brand associations (attributes and non-attributes components).</td>
</tr>
<tr>
<td>Lassar et al. (1995)</td>
<td>Performance, social image, value, attachment, and trustworthiness</td>
</tr>
<tr>
<td>Keller (2003)</td>
<td>Brand salience, brand performance, brand imagery, brand judgments, feelings and resonance toward the brand.</td>
</tr>
<tr>
<td>Kim et al. (2003)</td>
<td>Brand loyalty, brand awareness, brand perceived quality, and brand image.</td>
</tr>
<tr>
<td>Netemeyer et al. (2004)</td>
<td>Perceived quality, perceived value, uniqueness and willingness to pay a price premium.</td>
</tr>
<tr>
<td>Kimpakorn and Tocquer (2010)</td>
<td>Brand awareness, brand perceived quality, brand differentiation, brand associations, brand trust and brand relationships.</td>
</tr>
<tr>
<td>Buil et al. (2013)</td>
<td>Brand perceived quality, brand awareness, brand associations, and brand loyalty.</td>
</tr>
</tbody>
</table>

From the above table, it has been shown that various researchers have focused on CBBE concept and suggested different dimensions that can be linked to a brand. However, the common dimensions in all models are the use of one or more dimensions of Aaker’s model (1991). Particularly, the widespread dimensions include brand awareness, brand perceived quality, brand associations, and brand loyalty. Thus, the researcher focused on these dimensions (brand awareness, brand perceived quality, brand associations and brand loyalty) in addition to brand trust.
Brand trust dimension is chosen because it is critical due to the high-perceived risk associated with the banking services. As mentioned by De Chernatony and Dall’Olmo Riley (1999), and De Chernatony and Cottam (2006) trust acts as a risk-reducing tool that helps reassure customers. Trust is subjective, since it depends on customers’ beliefs and perceptions rather than on solid facts (Yannopoulou et al., 2011). Subramaniam et al. (2014) stated that when customers trust a brand and find it suitable, they might chose the offerings related with that brand over those of competitors even at a high price. Additionally, Rambocas et al. (2014) highlighted the great importance of customer’s confidence and trust towards the brand particularly in the banking sector. For these reasons, the researcher takes into consideration five CBBE dimensions.

### 2.6 Customer-Based Brand Equity (CBBE) dimensions

In this research, the CBBE dimensions include brand awareness, brand associations, brand perceived quality, brand loyalty and brand trust. These dimensions are presented as follows:

#### 2.6.1 Brand awareness

Brand awareness is one of the CBBE dimensions. It refers to the customer ability to recognise or recall that a brand is a member of a certain product category (Aaker, 1991). Hence, brand awareness consists of both brand recognition and brand recall (Rossiter and Percy, 1987; Keller, 1993). Brand recognition and brand recall are vital in evaluating brand equity since it measures the customer’s top of mind awareness of a particular good or service. Without high top of mind awareness, it is difficult to build brand equity (Pinar et al., 2012). A brand with high top of mind awareness has the capacity to influence customer choice towards a specific goods or services (Kimpakorn and Tocquer, 2010).
Brands have different amount of power and value in the marketplace. There are brands that are not well known by the majority of users. However, there are brands that have a high degree of brand awareness (Atilgan et al., 2005). Brand awareness helps customers to become acquainted with a brand and assists them to choose the brand at the point of purchase (Tong and Hawley, 2009). Therefore, brand equity increases when the customer has a high level of brand awareness and familiarity with the brand (Keller, 1993; Yoo et al., 2000; Atilgan et al., 2005; Rajh and Dosen, 2009; Tong and Hawley, 2009; Kumar et al., 2013; Sasmita and Suki, 2015).

### 2.6.2 Brand perceived quality

Brand perceived quality is considered to be a main CBBE dimension (Farquhar, 1989; Aaker, 1991; Keller, 1993; Dyson et al., 1996; Yacout and Elsahn, 2011). Brand perceived quality is defined as: “the customer’s subjective judgment about a product’s overall excellence or superiority” (Zeithaml, 1988; Yoo et al., 2000; Yacout and Elsahn, 2011). Thus, it is based on customers’ or users’ not managers’ or experts’ subjective assessments of product quality (Yoo and Donthu, 2001).

Many aspects can affect the customer’s subjective judgment of quality such as personal product experiences, unique needs, and consumption situations (Zeithaml, 1988; Aaker, 1991). In other words, brand perceived quality is the customer’s overall perception about the overall quality of a particular brand compared to other competing brands. Thus, it is considered to be an intangible overall feeling about a brand, which in turn affects the brand market share, price, and profitability (Yoo et al., 2000). Based on Zeithaml (1988), and Yacout and Elsahn, (2011) high perceived quality means the superiority of the brand.
from the customer’s point of view through the long-term experience related to the brand. Thus, they identified the perceived quality as a component of brand value.

In more details, high-perceived quality would lead the customer to choose the brand rather than other competing brands. Thus, it provides value to customers by supporting them with a reason to buy and by differentiating the brand from other competing brands (Kayaman and Arasli, 2007). Customers evaluate service quality in terms of what they receive (the outcome of the service) and also by examining the way the service is delivered (the functional quality of the process) (Gronroos, 2001). As a result, when customers perceive the brand quality positively, brand equity will increase (Aaker, 1991; Yoo et al., 2000; Atilgan et al., 2005; Ramos and Franco, 2005; Yacout and Elsahn, 2011; Chahal and Bala, 2012; Kumar et al., 2013).

### 2.6.3 Brand associations

Brand associations are considered to be one of the CBBE dimensions. They are defined as anything allied in memory towards a brand (Aaker, 1991). In other words, brand associations reflect the brand image and can be implied as anything the customer relates to brand (Aaker and Joachimsthaler, 2000). Brand associations are complex, connected to one another and are composed of multiple ideas, episodes, instances, and facts that build a strong network of brand knowledge. Brand associations have a level of strength (Keller, 1993). They are stronger when they are based on many experiences or exposures to communications rather than few (Aaker, 1991).

Brand associations may reflect the product features and aspects independent of the product (Chen, 2001). In consumer goods, brand associations are grouped in the form of
product related attributes such as brand performances and also non-product related attributes such as brand personality, user profile, and country of origin (Aaker, 1991; Keller, 2003; Netemeyer et al., 2004; Gronroos, 2007). In services, there is a difference between associations related to the core service (the reason of being of a service) and those related to supporting services (differentiators that add value to the services) (Gronroos, 2007). Consequently, associations represent the basis for purchase decisions. They also create value to the firm and to the customers (Atilgan et al., 2005), such as helping to process and retrieve information; distinguishing the brand; generating a reason to buy; creating positive attitudes; and presenting a basis for extensions (Aaker, 1991).

Additionally, Rio et al. (2001b) mentioned that brand associations represent a key element in brand equity creation and management. In this respect, high brand equity indicates that customers have strong positive associations with respect to the brand (Yoo et al., 2000; Atilgan et al., 2005; Ramos and Franco, 2005; Rajh and Dosen, 2009; Kumar et al., 2013; Sasmita and Suki, 2015).

2.6.4 Brand loyalty

The brand loyalty is one of the CBBE dimensions, which is considered to have a great impact on brand equity (Aaker, 1991; Atilgan et al., 2005). Keller (2001) asserted that brand loyalty is a key variable for the management of brand equity when measured from customers’ point of view. The brand loyalty definition and its measurement represent challenges (Atilgan et al., 2005). Brand loyalty reflects the attachment of a customer towards a brand, particularly when that brand makes changes in price or other product characteristics (Aaker, 1991). Based on Javalgi and Moberg (1997) brand loyalty is defined based on behavioural, attitudinal, and choice perspectives. The behavioural
perspective is based on the amount of purchases for a specific brand. The attitudinal perspective includes customer preferences and dispositions towards brands, while the choice perspective identifies the reasons for purchases and also the factors that may influence choices.

In this research, brand loyalty is defined as “the overall commitment of being loyal to a specific brand.” (Yoo et al., 2000). This definition is based on Oliver (1997, p. 392) that stated that brand loyalty is “a deeply held commitment to rebuy or patronise a preferred product or service consistently in the future, despite situational influences and marketing efforts having the potential to cause switching behaviour”

Consequently, loyal customers show positive responses to a brand than non-loyal customers (Grover and Srinivasan, 1992). Brand loyalty leads customers to purchase continuously and to resist switching to another brand (Yoo et al., 2000). Thus, a direct relationship exists between brand loyalty and brand equity (Yoo et al., 2000; Tong and Hawley, 2009). This direct relationship has been supported by the following previous studies (Aaker, 1991; Yoo et al., 2000; Atilgan et al., 2005; Chahal and Bala, 2012; Kumar et al., 2013; Sasmita and Suki, 2015).

2.6.5 Brand trust

Trust has received a great attention from scholars in many disciplines such as psychology, sociology, economics, and applied areas such as management and marketing. Therefore, there are many definitions for this term (Garbarino and Johnson, 1999). Trust can be defined as a general expectation thought by an individual that the word of another can be
relied on (Rotter, 1967); the extent to which a person is confident in, and ready to act on the basis of the words, and decisions of others (McAllister, 1995).

In this research, brand trust is defined as the willingness of a buyer to rely on the ability of a brand to achieve the communicated functions and attributes, which is measured by the brand’s ability to deliver its promises (Morgan and Hunt, 1994; Chaudhuri and Holbrook, 2001; Kimpakorn and Tocquier, 2010). Trust is crucial in keeping successful customers relationships with the brand (Labahn and Kohli, 1997; Atilgan et al., 2009). Since, the ultimate goal of marketing is to provide an intense bond between the customer and the brand, and the core ingredient of this bond is trust (Hiscock, 2001). Brand trust evolves from past experience and previous interaction (Garbarino and Johnson, 1999). Brand trust can improve or destroy a relationship between brand and customers (Keller, 2003). Therefore, it is conceptualized as a source of CBBE dimensions that affect overall brand equity (Blackston, 1992; Lassar et al., 1995; Chaudhuri and Holbrook, 2001; Harris and Goode, 2004; Duffy, 2005; Luk and Yip, 2008; Rios and Riquelme (2008); Burmann et al., 2009; Rauyruen et al., 2009; Yacout and Elsahn (2011); Kumar et al., 2013).

2.7 Overall brand equity

In this research, Brand equity is placed as a separate construct (separate from its dimensions), which refers to the incremental value to a product (goods or services) virtue by its brand name (Farquhar et al., 1991). Brand name plays a crucial role in the marketing of goods and services; strong brand name contributes to the product’s success (Janiszewski and Van Osselaer, 2000). The brand name is more significant when there is a lack of available information, as the brand name becomes a replacement for attribute information that is missing (Degeratu et al., 2000). Most of the studies examining brand
equity do not differentiate between brand equity and its dimensions. Making it hard to understand how the brand equity can be improved and enhanced (Yoo and Donthu, 2001).

Yoo and Donthu (1997) initiated the idea of the overall brand equity as separate construct and Yoo et al. (2000) started to place a separate brand equity construct, which would help to understand how the CBBE dimensions contribute on building brand equity. Yoo et al. (2000) created a model that consists of three components: marketing mix elements represented by (price, store image, distribution intensity, advertising spending and price deals), CBBE dimensions (perceived quality, brand loyalty, brand awareness/associations) and a separate brand equity construct, which is the overall brand equity. This study was conducted in three different product categories.

According to Yoo et al. (2000) model the overall brand equity can be created, maintained and increased by strengthening on the CBBE dimensions, which result from the marketing mix elements. They used an overall brand equity construct and placed the dimensions of brand equity as sources of this construct. The results indicate that overall brand equity is positively related to perceived quality, brand loyalty, and brand awareness/associations. Thus, high overall brand equity indicates that the customer is well aware of the brand, has positive and strong associations with the brand, perceives it as high quality brand and is loyal to it.

Yoo et al. (2000) model illustrated that the relationship of brand loyalty is much stronger than the relationship of perceived quality and brand associations to overall brand equity. Additionally, the results show that the price of the brand is positively related to its perceived quality; store image is positively related to perceived quality, brand
associations/awareness; distribution intensity positively related to perceived quality, and brand loyalty only; advertising spending positively related to perceived quality, brand loyalty and brand associations/awareness; frequency of price deals are negatively related to perceived quality and brand associations/awareness.

To summarise, Yoo et al. (2000) highlighted the importance of examining each CBBE dimension in the overall brand equity assessment. However, only three CBBE dimensions have been adopted in their model. Additionally, Yoo et al. (2000) model points out that areas for future research should focus on other marketing mix elements to examine their impact on building brand equity. Netemeyer et al. (2004), Chu and Keh (2006), Davcik et al. (2015) highlighted the crucial need to further examine the impact of marketing communication tools on building brand equity due to its great importance.

Part Two: Marketing communication tools

2.8 Marketing communication tools

The marketing communication tools contribute in building and supporting brands by informing, updating, convincing, and reminding customers about a brand’s products (goods or services) (Buil et al., 2013). Therefore, brand communication is positively linked with brand equity, as long as the message leads to a satisfactory and pleasing customer response towards a branded product, compared to a similar non-branded product (Yoo et al., 2000). In the recent years, a wide variety of marketing communication tools has been shown (Keller, 2010). However, this study focuses on the controllable marketing communication tools due to their great importance in communicating the brand value as mentioned by Grace and O’Cass (2005).
There are five principal controllable marketing communication tools: advertising, sales promotions, personal selling, public relations, and direct marketing (Fill, 2002; Kotler and Armstrong, 2012). Each of these tools has different features and offers several pros and cons (Keller, 2010). The challenge for marketers is to select amongst these tools to communicate with customers and to stand high in the crowd in today’s competitive environment (Keller, 2010). In other words, marketers have to choose from these tools to persuasively communicate customer value and build customer relationships (Herrera et al., 2002). These tools can be used in different combinations and with different degrees of intensity in order to communicate with a target audience (Zhang et al., 2010). These marketing communication tools are presented as follows:

### 2.8.1 Advertising

Advertising is any paid form of non-personal presentation and promotion of ideas, goods, or services by an identified sponsor designed to convince the receiver to take some action now or in the future (Richards and Curran, 2002; Kotler, 2009). It includes: broadcast, print, outdoor, indoor and other forms (Rogers, 1995). Advertising is a major element in the marketing communication tools, which plays a crucial role in the promotional plan. It is a powerful tool of communicating a brand’s functional and emotional values (Ramos and Franco, 2005). Thus, advertising allows receivers to understand what a good or a service is; its primary function; and its differences to other similar goods or services (Richards and Curran, 2002; McMillan, 2004).

The success of the advertising depends on the amount of money invested in the advertisement (as perceived by customers); the frequency with which a customer sees the advertisement; and the customers’ attitudes towards the advertisement, which is
determined by the communicated messages (Ramos and Franco, 2005; Kotler, 2009; Buil et al., 2013). Based on Yoo et al. (2000), the customer perception of high advertising spending helps in developing positive perception of brand quality, higher brand awareness and stronger brand associations. On the other hand, organisations can built positive customers’ attitudes towards the advertisement through an original and innovative advertisement. This will lead to greater brand awareness, better perceived quality and more favourable and unique associations (Buil et al., 2013).

As a result, advertising is significant in developing brands by building awareness, forming brand personality or repositioning brands through changing perceptions and attitudes (Wang et al., 2009). To achieve these results, advertising requires a suitable design and implementation (Keller, 2007). For this reason, there is a high level of control for those responsible for the design and delivery of the advertising message (Fill, 2002; Belch and Belch, 2007). Although the costs can be extremely large it's worth it because the cost per contact can be the lowest of the marketing communication tools (Kotler and Armstrong, 2012).

### 2.8.2 Sales promotion

Sales promotion is another form of a non-personal communication, which has a sales oriented objective. It is defined as short-term incentives to stimulate a desired sales result (Kotler and Armstrong, 2012). Sales promotion includes different types of short-term tactical promotional tools (Gilbert and Jackaria, 2002). Price-oriented promotions comprise price discount, coupons and rebates. Non-price-oriented promotions comprise free samples, sweepstakes, contests, and premiums (Gilbert and Jackaria, 2002; Buil et al., 2013).
The different types of sales promotion may have distinctive effects on brand equity (Buil et al., 2013). Price-oriented promotions have the ability to attain short-term results such as increasing market share (Bawa and Shoemaker, 1989; Blattberg and Neslin, 1990; Leone and Srinivasan, 1996), and encouraging product trial usage (Gupta, 1988; Davis et al., 1992). However, this type of promotions has been found to have a negative impact on brand equity in some previous studies (e.g., Yoo et al., 2000). In more details, the price-oriented promotions have been associated with a negative impact on perceived quality and brand associations. The reason behind this is that customers depend on the price as an external indicator that signalling the product quality (Agarwal and Teas, 2002).

Conversely, the non-price promotions have the ability to meet long-term objectives as developing brand image, establishing brand associations, or increasing brand loyalty (Conlon, 1980; Aaker, 1991; Shea, 1996, Buil et al., 2013). For this reason, Lee (2002) mentioned that non-price promotions are known as gains, while price-oriented promotions are perceived as reduced losses. In general, sales promotion is controllable and related costs are much lower than those of advertising (Fill, 2002).

### 2.8.3 Personal selling

Personal selling consists of staff with the desired attitudes, knowledge and relational skills to ensure that the customers will receive the service for which they are paying (Dmour et al., 2013). This interpersonal communication tool involves face-to-face communication, which allows the personal selling to receive rapid feedback during the communication (Baumgarth and Binckebanck, 2011; Kotler and Armstrong, 2012).
Personal selling offers the connection between the needs of the organisation and the desires of its customers (Dmour et al., 2013). Thus, the completion of a sale is part of the personal selling responsibility (Kotler and Keller, 2012). This interpersonal communication tool provides a source of information for buyers in order to inform, persuade or remind people of the desired required actions (Baumgarth and Binckebeank, 2011). Therefore, it is necessary for organisations to comprehend and use this tool effectively. Particularly, in the service sector, the personal selling represents the service brand (Gronroos, 1994; De Chernatony and Dall’ Olmo Riley, 1999). Thus, every organisation should decide and establish the specific and accurate role of the personal selling within the communication mix as illustrated in table (2-2).

**Table (2-2): Tasks of personal selling**

<table>
<thead>
<tr>
<th>Tasks of personal selling</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Prospecting</td>
<td>Finding new customers.</td>
</tr>
<tr>
<td>Communicating</td>
<td>Inform various stakeholders and feedback information about the market.</td>
</tr>
<tr>
<td>Selling</td>
<td>The art of leading a prospect to a successful close.</td>
</tr>
<tr>
<td>Information gathering</td>
<td>Reporting information about the market and reporting on individual activities.</td>
</tr>
<tr>
<td>Servicing</td>
<td>Consulting, arranging, counselling, fixing and solving a multitude of customers’ problems.</td>
</tr>
<tr>
<td>Allocating</td>
<td>Placing scarce products and resources at times of shortage.</td>
</tr>
<tr>
<td>Shaping</td>
<td>Building and sustaining relationships with major customers.</td>
</tr>
</tbody>
</table>

Source: (Fill, 2002)

According to table (2-2), it has been shown that the tasks of personal selling vary depending on the type of activities on which the sales employees focus on and from one organisation to another (Fill, 2002). The messages that are generated by the personal selling are tailored and not standard (De Chernatony et al., 2003; Kotler and Armstrong, 2012).
Each salesperson has the liberty, self-determination, openness, creativity, and innovation to adapt messages to deal with different circumstances as negotiations proceed to meet the customers’ intellectual levels (Hammann, 1979; Wallace et al., 2013). Each staff member plays a role in building brand image and persona (Rajh and Dosen, 2009). Personal selling provides a good level of credibility towards the organisation (De Chernatony and Dall’Olmo Riely, 1999; Fill, 2002). Based on Rajh and Dosen study (2009) it has been found that employees have a significant positive effect on service brand equity.

2.8.4 Direct marketing

Direct marketing is defined as direct connections with targeted individual customers to obtain both an immediate response and cultivate long-lasting customer relationships (Keller, 2010; Kotler and Armstrong, 2012). Direct marketing is beneficial in delivering personalised messages, which help build a one-to-one relationship with each customer, communicating on a direct and personal basis (Ng, 2005). Originally, direct mail was the main tool of direct marketing. Direct marketing was often referred to as direct mail or as dialogue marketing, personal marketing and database marketing (Bird, 1989; Kotler and Armstrong, 2012).

Nowadays, This tool includes catalogues, telephone marketing, direct mail, e-mail, Internet and other tools to communicate directly with specific customers (Belch and Belch, 2007; Keller, 2010). The notion of direct marketing refers to being in contact with customers but not in a face-to-face manner. Replacing face-to-face personal selling with an email communication, a telephone conversation or a direct mail letter leads to the removal of many components of the traditional salespersons’ tasks (Fill, 2002).
Over the past ten years, the usage of direct marketing tool has been significant as there is a shift from mass communications to the use of direct mail, telemarketing and the fast developing era of interactive communications, such as the Internet (Kotler and Armstrong, 2012). Advancement in technology helped improve direct marketing. For example, the Internet acts as a distribution channel and communication medium that enables people to communicate and interact in different ways (Rowe, 1989; Keller, 2010).

Direct marketing provides benefits to the customer through its participation in the relationship. These benefits include time utility and happiness that can be developed between customers and a provider of goods or services (when the customers realise and appreciate the personal attention they appear to be happy) (Fill, 2002). Direct marketing represents a strategic approach to the market. It actively seeks to remove channel intermediaries; reduce costs; improve the quality and speed of service for customers; and through this bundle of attributes presents a new offering for the market, which in itself may provide competitive advantage (Korgaonkar et al., 2000).

As a result, direct marketing creates a personal and intermediary free dialogue with customers. Any response(s) must be associated with a particular individual, a particular medium and a particular outcome, such as a sale or enquiry for further information (Ng, 2005). The direct marketing impacts customer attitudes towards the brand (Keller, 2010). Moreover, it develops the perception amongst customers that the company has various products, values for money and finally helps them to compare between brands (Rios and Riquelme, 2008).
Based on Mubushar et al. (2013) direct marketing has been found to have an impact in creating awareness and shaping brand associations. Therefore, brand managers who concentrate on building brand equity focus on the usage of direct marketing (Rios and Riquelme, 2008).

2.8.5 Public relations (PR)

PR is about building good relations with the company’s numerous publics by gaining favourable publicity, building up a good corporate image and handling unfavourable rumours, stories and events (Kotler and Keller, 2012). It includes press releases, sponsorships, special events and other forms (Belch and Belch, 2007; Keller, 2010). An increasing number of organisations are using PR to communicate with their audiences about the organization (corporate public relations) and brands (marketing public relations) (Mubushar et al., 2013).

PR helps increase the level of awareness and helps improve the image of the organization (Smith, 2013). As a result, it can change attitudes, and preferences with respect to products and services offered by the organisation (Fill, 2002; Mubushar et al., 2013). PR represents a strategic communication process, which shapes and creates mutually beneficial relationships between organisations and their publics (Mubushar et al., 2013). It is known as “the art and social science” of exploring and evaluating trends, forecasting their results and consequences, directing organisations’ leadership (guiding them in their events), and implementing plans of action, which serve both the organisation’s and the public interest (Smith, 2013).
Moreover, PR is considered as a part of the wider perspective of corporate strategy, which has a good level of credibility (Khodarahmi, 2009). On the other hand, this communication tool contains negative aspects such as the difficulty to control a message once placed in the channels (Fill, 2002). Currently in the marketplace, the grouping of marketing communication tools is mandatory to create the most effective forms of communication. The challenge is to select the right mix of marketing communication tools to suit the particular business at a particular time and then use it correctly to achieve a result (Karunanithy and Sivesan, 2013).

2.9 Benefits of marketing communication tools

The marketing communication tools represent the vital element of the marketing mix. The reason behind using these tools is that they have the fast and direct impact on the target customer (Herrera et al., 2002). In addition, they are regarded as the voice of the company and its brand (Keller, 2010). They are the means by which firms attempt to inform, persuade, and remind customers directly or indirectly about the goods or services and brands they sell (Brunello, 2013). Each communication tool has different roles and builds different effect on each customer (Zhang et al., 2010).

In general, marketing communication tools perform many functions for customers. They can tell customers how and why a product is used; by what kind of person; where and when to use the product; who makes the product; and finally what does the company and its brands stand for (Aaker, 1991; Fill, 2002; Keller, 2010). Additionally, they can contribute on building brand equity in many ways: by creating awareness of the brand; linking the right associations to the brand image in customers’ memory; developing performance expectations; increasing commitment; providing trustworthiness; building
long-term relationships; limiting brand imitation and making brand replacement difficult as well as drive sales and thus lead to more competitive advantage (Aaker, 1991; Simon and Sullivan, 1993; Lassar et al., 1995; Keller, 2010).

The combination and the integration of the communication tools are required and they should work together (Holm, 2006). The use of the integrated marketing communication (IMC) strategy is important, not only in persuading customers to buy the product of a particular firm but also in developing a company’s brand equity (Brunello, 2013). Bearing in mind that each element of the promotional mix has different capabilities to communicate. Brand equity cannot be built through independent tools of communication (such as: advertising or personal selling or public relations) but it is built by managing all the contact points between the customer and the company via IMC (Schultz, 2004; Kotler and Armstrong, 2012; Brunello, 2013). For this reason, the following point provides the capabilities of each marketing communication tool to help the marketers to select the right mix.

2.10 Impact of each marketing communication tools on building brand equity

Marketing communication tools help customers to understand what a brand stands for and what its value is (Brunello, 2013). The way in which marketing communication tools are used to build brands is determined strategically by the role that the brand is expected to play in achieving an organisation’s goals (Madhavaram et al., 2005).

De Chernatony and Dall’Olmo Riley (1999) argue that marketing communication tools can play several roles in brand development. For example, during brand extensions the
role of marketing communication tools is to show buyers how the benefits from the existing brand have been transferred or extended to the new brand. Other roles might be to identify each individual’s role within the organisation or to remind buyers and reinforce their perceptions in order to protect market share. Whatever the role, the financial resources are the major determinant that applies to all organisations (Kotler and Armstrong, 2012). For example, if the budget is high, advertising will be the main tool in which brand name associations are shaped. In addition to the use of personal selling. On the other hand, if limited financial resources are available, other tools, such as sales promotion, public relations or direct marketing will be used (Fill, 2002; Belch and Belch, 2007). The following parts explain in details how the different marketing communication tools help on building brands.

For advertising, prior researchers showed that advertising helps in building successful brand equity (Maxwell, 1989; Simon and Sullivan, 1993; Boulding et al., 1994). Based on Kirmani and Wright (1989), and Cobb-Walgren et al. (1995) it has been found that advertising not only helps in building successful brand equity as a whole but also on the CBBE dimensions. It has been indicated that advertising has a positive relationship with brand recall, which increases customers’ awareness towards the brand (Deighton, 1984; Hoyer and Brown, 1990). Awareness is created through marketing communications, particularly the advertising, which is considered to be the main communication tool for products (goods/ services) in the consumer market (Keller, 1998; Yoo et al., 2000; Ailawadi et al., 2002; Angel and Manuel, 2005; Rajh, 2005; Ramos and Franco, 2005; Villarejo and Sanchez, 2005; Bravo et al., 2007; Rajh and Dosen, 2009; Karunanithy and Sivesan, 2013).
Ambler et al. (2002) stated that advertising creates awareness by communicating the products’ benefits, and refreshing the products’ features in the customer’s mind to assure top of mind awareness. In addition, Buil et al. (2013) argued that repetitive advertising increases the chance that a brand will be involved in the list of customer’s choices, which facilitate the customer’s brand selection. In more details, advertising impacts are based on both the amount of money invested as perceived by customers and the types of messages communicated (for example: innovative, creative, etc.) (Buil et al., 2013). The customers’ perceptions of high advertising spending help to develop greater brand awareness (Simon and Sullivan, 1993; Cobb-Walgren et al., 1995; Yoo et al., 2000; Bravo et al., 2007). In other words, brand-advertising spending can increase the rate of frequency of brand appearance, and as a result, the level of brand awareness increases (Chu and Keh, 2006; Keller, 2007). Furthermore, via new, creative and innovative advertising messages, organisations can attract more customers, which lead to higher brand awareness (Aaker, 1991; Buil et al., 2013).

Past studies indicated that there is a link between the advertising and the perceived quality of the brand (Archibald et al., 1983; Milgrom and Roberts, 1986; Kirmani and Wright, 1989; Aaker and Jacobson, 1994). It has been found that the marketing communications, particularly the advertising is one of the main external indicators of product quality (Yoo et al., 2000; Ramos and Franco, 2005). In more details, huge advertising spending demonstrates that the organisation is investing in the brand, which indicates superior quality (Kirmani and Wright, 1989; Yoo et al., 2000; Ramos and Franco, 2005). Advertising spending levels are good indicators that reflect not only high quality but also good purchases. Advertising spending levels increase the product value, which support the purchase decision (Archibald et al., 1983; Yoo et al., 2000). Additionally,
organisations can develop higher perceived quality via original, creative and novel advertising messages (Aaker, 1991; Buil et al., 2013). Subsequently, it helps support the purchase decision by increasing brand value (Karunanithy and Sivesan, 2013).

Besides, the scholars in their past studies have illustrated that the brand messages, which are transmitted through the advertising help develop the mental pictures of the company’s trademark in the customer’s mind (Farquhar, 1989; Cobb-Walgren et al., 1995; Keller, et al., 1998; Yoo et al., 2000; Keller, 2003; Ramos and Franco, 2005; Bravo et al., 2007; Keller, 2007; Rajh and Dosen, 2009; Karunanithy and Sivesan, 2013). There are two main approaches (rational and emotional) that are used in advertising to enable customers to shape brand associations (Fill, 2002; Belch and Belch, 2007).

These authors mentioned that during the rational approach, the functional aspects of a brand and the customer benefits are highlighted. During the emotional approach, advertising provides positive psychosocial factors. The advertising usually stresses the feelings and values (emotional aspects) with a brand. The role of likeability is vital when using an emotional basis for advertising (Meenaghan, 1995). The goal of the approach is to create positive attitudes to the advertising, which form associations with the brand (Buil et al., 2013). Through the emotional approach, the messages should be relevant and credible, creating a significant value to the customer (Ramos and Franco, 2005).

In more details, the higher a brand’s advertising spending, the sturdier the associations in the customer’s mind will be formed (Yoo et al., 2000; Bravo et al., 2007). Furthermore, organisations can develop strong, favourable and unique associations via original, creative and innovative advertising messages (Aaker, 1991; Buil et al., 2013).
Hauser and Wernerfelt (1990), Shimp (1997), Yoo et al. (2000), and Ramco and Franco (2005) mentioned that advertising increases the probability of the brand to be selected from the group of alternatives. Hence, the decision-making process is simplified at the same time, as a customer habit is created and leading to brand loyalty. As a result, advertising leads to the customer loyalty through increasing the chance of the brand being involved in the group of choices that the customer has to choose from.

The previous studies of Kirmani and Wright (1989) mentioned the positive direct effect of advertising on brand trust by focusing on the importance of spreading accurate and honest messages through the advertising in order to build trust towards the brand. Moreover, Kotler and Armstrong (2012) indicated that through advertising, people gain a sense of assurance towards the marketed brand. They indicated that when customers see advertisements they gain a sense of confidence and develop expectations towards the brand.

For personal selling, previous studies indicated that it is considered to be an influential factor in shaping customers’ perceptions towards brands (Berry and Lampo, 2004; Erkemen and Hancer, 2015). Particularly, in financial services where bank customers prefer face-to-face interactions especially when perceived risk in high (Page and Luding, 2003). It has been found that personal selling affect positively the brand awareness by informing or reminding people of the brand (Fill, 2002; Dmour et al., 2013). Kotler and Armstrong (2012) indicated that this two-way communication helps the organisation to update, persuade, or remind people to buy the product. In more details, personal selling creates awareness through communicating products’ features and benefits, recaps and refreshes top of mind awareness.
Additionally, personal selling contributes to the development of customers’ perceptions of service quality through their attitude, behaviour and knowledge (Zeithaml et al., 1985; Bitner, 1990; Bitner et al., 1990; Zeithaml et al., 1993; Bitner et al., 1994; Berry and Bendapudi, 2003; Wall and Berry, 2007). In other words, the employees’ performances and manners help to form the customers’ judgments about the product’s excellence and features (Wu et al., 2009).

Likewise, personal selling attitude, behaviour and knowledge play a crucial role in the service brand image development (Schneider and Bowen, 1993; Gronroos, 1994; Ind, 1997; De Chernatony and Dall’Olmo Riley, 1999; De Chernatony and Harris, 2000; De Chernatony et al., 2003; Rajh and Dosen, 2009; Kimpakorn and Tocquer, 2010). These researchers indicated that employees convey the brand identity into the customers’ eyes. Hence, the employees directly impact the creation of general understanding and experiences with the company, which lead to the development of brand associations (Berry, 2000). Thus, personal selling became a very important tool in shaping opinions and in determining brand associations (Berry, 2000).

Customers’ evaluation of personal selling efforts and service performance has been found to have a strong effect on customers’ satisfaction and loyalty (Keaveney, 1995; Mohr and Bitner, 1995; Evans et al., 2002). These researchers argued that the customers’ assessments of employees’ works and performances have been found to have a strong impact on customers’ satisfaction and loyalty. Thus, employees play an important role in making customers feel pleased and content (Kotler and Armstrong, 2012). Ahearne et al. (2007) mentioned that the employees’ primary role is to build long-lasting relationship with profitable customers, which help build their loyalty towards the brand.
Subsequently, personal selling plays an essential role in delivering the promise during customer interactions (Wall and Berry, 2007). Thus, personal selling has crucial roles in delivering what the brand stands for, its abilities and promises to reach customer trust towards the brand (Schneider and Bowen, 1993; De Chernatony and Dall’Olmo Riley, 1999; De Chernatony and Harris, 2000; Evans et al., 2002; De Chernatony et al., 2003; Kimpakorn and Tocquer, 2010; Baumgarth and Binckebank, 2011). In addition, Berry (2000) suggests that employees provide trust through their interactive, cooperative and convincing abilities and skills during the service delivery process. Hence, employee-customer relationship helps in improving customer trust towards the brand (Morgan and Hunt, 1994; Valos et al., 2016).

For sales promotion, various researchers found that sales promotions particularly, price promotions have an inverse relationship with brand equity compared to the other communication tools (Buil et al., 2013). Studies showed that customer perceives a negative relationship between brand equity and the need to use incentives for sales that affects the established level of prices (Aaker, 1991; Yoo et al., 2000; Rajh and Dosen, 2009). Sales promotion creates a feeling of short benefit for the customer and a sense of confusion, instability, and variability, which can lead to an unstable quality (Yoo et al., 2000). In other words, brand image can appear to be of poor quality and worn out since benefits gained through price promotion are not permanent and do not convey the confidence that the brand will deliver good value (Winer, 1986). In this regard, using price deals means deterioration in brand equity in perceiving brand quality, and brand image (Ramos and Franco, 2005).

However, previous studies found that the non-price promotions (such as free sample, premiums, sweepstakes and etc.) have the ability to reinforce brand equity (Buil et al.,
Remarkably, non-price promotions can differentiate brands; communicate unique brand attributes, which contribute in the development of brand equity (Lee, 2002). Consequently, non-price promotions could meet long-term objectives as developing brand image, establishing brand associations, positively influencing perceived quality and increasing brand loyalty (Conlon, 1980; Aaker, 1991; Shea, 1996; Buil et al., 2013). Lee (2002) mentioned that the positive effect between the non-price promotion and the brand equity is due to the relation of the non-price promotions with hedonic benefits (such as entertainment and exploration).

For public relations, past studies indicated that this tool could establish brand awareness through recall and recognition. Public relations are concerned with the management of communication between a company and its stakeholders (Mubushar et al., 2013). Public relations help organisations achieve their goals by forming relationships with strategic publics. This tool is necessary to promote ideas, community relations, or customer relations. It is an on going strategic effort to communicate and develop relationships with publics (Khodarahmi, 2009).

As a result, it enhances brand associations, draw brand emotions and create brand attitude and experience (Keller, 2003; Mubushar et al., 2013). The more customers aware of public relations messages, the more they will be familiar with the company (Kotler and Armstrong, 2012). Therefore, business scholars often argue that familiarity of a company is one of the strongest factors to determine favourable image of the company. Coombs (2001) argued that when corporations have plans to cultivate public relations and fulfil commitment, customer’s loyalty to corporations would increase.

For the direct marketing, past studies indicated that this tool is an effective tool to build brand equity (Mubushar et al., 2013). Gardiner and Quinton (1998); Merisavo and Raulas
(2004), Mallin and Finkle, (2007), Rios and Riquelme (2008); Harridge (2009), and Kotler and Armstrong (2012) stated that this tool allows the organisation to reach the audience; to boost their awareness, interest, and quality; to share information about goods or services; to promote them; to shape brand image; and to build loyalty towards the brand. Once the customers are aware of the brand, a strong and positive brand image is formed by the usage of direct marketing.

These direct marketing target customers by delivering personalised messages to obtain an immediate response and building a relationship with them (Fill, 2002). Hence, this communication attempts to build a one-to-one relationship with each customer and to gain his/her trust (Fletcher and Peters, 1997; Fill, 2002). Thus, it helps marketers to get and keep customers and also working towards getting their loyalty (Mallin and Finkle, 2007). Nowadays, this tool becomes very important due to the advancement of technology. Particularly, the financial services sector has tried to employ this method as part of a multichannel distribution policy (Page and Luding, 2003).

After revising the impact of the major controllable marketing communication tools, it has been found that the way the brand is expressed is an important part of brand development. Therefore, all the marketing communication tools should be integrated to deliver a consistent message (Joachimsthaler and Aaker, 1997). For this reason, the IMC has become a hot topic in the field of marketing since 1990s (Kitchen and Schultz, 1997; Clow, 2010). It has been defined as the process by which “the messages conveyed by each of the promotional tools should be harmonised in order that audiences perceive a consistent image”. Brunello (2013) highlighted the importance of consistency through the organisation in terms of communications about the brand. The IMC brings marketing
tools to work together to transmit a consistent message matching with the organisation’s objectives and strategies (Kotler and Armstrong, 2012). Using a number of tools together helps organisations to achieve a coordinated and harmonised message in order to form a consistent set of communication (Fill, 2002). The IMC is needed when organisations coordinate dialogue with their various internal and external audiences. Particularly, for successful financial services brands, the brand is interpreted in each contact point as everything experienced by the customer. The synergy between each element of the experience allows the brand to be greater than the sum of its parts (Brunello, 2013). This reflects a sophisticated style of branding where the brand is not just a logo particularly in the service context (Schmidt and Ludlow, 2002).

After reviewing the literature, it has been found that few studies have examined the brand equity separate from its dimensions in order to know the contribution and the importance of each CBBE dimension in the overall brand equity assessment (e.g., Yoo et al., 2000; Rajh and Dosen, 2009; Yacout and Elsahn, 2011; Chahal and Bala, 2012). These studies who separate the brand equity from its dimensions did not take into consideration five CBBE dimensions, they consider two or maximum three dimensions, such as Yoo et al. (2000) adopted three CBBE dimensions, which include brand awareness/associations, brand perceived quality and brand loyalty. Rajh and Dosen (2009) adopted two dimensions, which include brand awareness and brand image. Yacout and Elsahn (2011) adopted three dimensions, which include brand awareness/associations, brand perceived quality and brand trust. Chahal and Bala (2012) adopted three dimensions, which include brand perceived quality, brand loyalty and brand image.
Furthermore, it has been found that the previous studies focused on one or two marketing communication tools, mainly the advertising and the sales promotions such as: Yoo et al. (2000) as mentioned previously adopted price, store image, distribution intensity, advertising and price deals. Rajh and Dosen (2005) adopted price level, intensity of market activities, store image and price deals. Ramos and Franco (2005) adopted advertising and price deals. Rajh and Dosen (2009) adopted price level, advertising, price deals, service delivery process and physical surroundings. Buil et al. (2013) adopted advertising and sales promotions. Therefore, Netemeyer et al. (2004), Chu and Keh (2006), Buil et al. (2013), and Davcik et al. (2015) mentioned that further research is needed to examine more factors that could built brand equity particularly they highlighted on the marketing communication tools due to its great importance. Additionally, the majority of these studies were conducted in Western countries and were related to tangible goods (e.g., Yoo et al., 2000; Rajh and Dosen, 2005; Ramos and Franco, 2005; Buil et al., 2013) except Rajh and Dosen (2009) was conducted in the service context.

2.11 Summary

The brand equity represents a critical success factor for any organisation especially in the service sector (Davcik et al., 2015), giving more weight to the banking sector where customers find it hard to differentiate between banking services (Rambocas et al., 2014). In this study the brand equity has been defined based on the marketing perspective as the incremental value to a product (goods or services) virtue by its brand name (Farquhar et al., 1991). The researcher deals with the brand equity as separate construct and adopts five CBBE dimensions, which consist of brand awareness, brand associations, brand perceived quality, brand loyalty and brand trust to identify the contribution of each dimension. Thus, these dimensions act as sources to brand equity.
Regarding the factors that could contribute in building brand equity via the CBBE dimensions, it has been found that the marketing mix elements are key variables in building brand equity (Yoo et al., 2000). Particularly, scholars have highlighted the need to further examine the impact of the marketing communication tools on building brand equity due to its great importance as mentioned previously by Netemeyer et al. (2004), Chu and Keh (2006), Buil et al. (2013), Daveik et al. (2015).

As a result, this research helps to fill the previously discussed gaps found in the literature by combining the major marketing communication tools, five CBBE dimensions and overall brand equity as shown in the following conceptual framework. However, since this study is conducted in the Egyptian banking sector, which has a specific nature, a qualitative phase is needed first to screen out the major bank marketing communication tools that help build bank brand equity via five CBBE dimensions based on the customer perspective.

**Figure (2-1): the conceptual framework**
CHAPTER 3
RESEARCH METHODOLOGY

This chapter provides an explanation of the research philosophy, design methods, data collection and analysis techniques, population and sampling procedures. Moreover, it focuses on the first phase of this study, which is the qualitative phase that includes the semi-structured interviews’ topics and procedures. Then, it focuses on the second phase, which is the quantitative phase that comprises the measurement scales, the research variables, and the research hypotheses.

3.1 Research philosophy

At the beginning, it is crucial to clarify the theoretical perspective that indicates the philosophical view, which is the logic behind the choice of research methodology (Crotty, 1998). Linking the research with the philosophical view helps the researcher to clarify the appropriate research methodology (Cohen et al., 2000). The research philosophy is related to the development of knowledge and the nature of that knowledge in a particular field (Lincoln and Guba, 2000; Saunders et al., 2012). The choice of the research philosophy is affected mainly by the researcher’s particular view of the relationship between knowledge and the process by which it is developed. For example, a researcher who is concerned with facts will have a different view on the way research should be conducted from a researcher who is concerned with feelings and perceptions (Saunders et al., 2012).

The research philosophy comprises critical assumptions about the way in which the researcher views the world (Tuli, 2010). These assumptions will support the researcher’s strategy and the methods selected as part of that strategy (Bryman, 2012).
These assumptions involve three main points to consider, which are: epistemology, ontology and axiology. Each point includes major differences that will affect how the researcher thinks about the research process (Creswell, 2009). First, epistemology signifies what constitutes acceptable knowledge in a field of study (Bryman, 2012; Saunders et al., 2012). In other words, epistemology is the nature of knowledge (Tuli, 2010). Epistemology poses several questions such as: what is the nature of the relationship between the knower and what is known? What considers as knowledge? (Guba and Lincoln, 1994).

There are two broad epistemological positions: Positivism and interpretivism (Bryman, 2012). Based on Neuman (2003), Tuli (2010), and Saunders et al. (2012) positivism is the theoretical framework for most quantitative research. It is known as the philosophical position, which sees social science as an organised way that combines deductive logic with accurate empirical observations of individual behaviour. This position determines and approves a set of probabilistic causal laws that can be used to expect general patterns of human activities and actions (Saunders et al., 2012).

The interpretivism position, on the other hand, is the theoretical framework for most qualititative research (Saunders et al., 2012). It is known as the philosophical position that sees the complexity of social world and who supports the importance of understanding and interpreting the differences between people in their interactions and contacts with each other and with broader social systems (Maxwell, 2006; Saunders et al., 2012).
Second, ontology signifies the nature of existence (Guba and Lincoln, 1994; Crotty, 1998). In other words, it reflects the nature of reality (Tuli, 2010; Saunders et al., 2012). Ontology ranges between two extremes, either objectivism or subjectivism (Neuman, 2003; Tuli, 2010; Bryman, 2012). The objectivism means that there is an independent reality, which is the outcome of social processes (Neuman, 2003). On the other hand, the subjectivism sees that social phenomena are generated from the perceptions of social actors (Saunders et al., 2012). Remenyi et al. (1998, p.35) stress the necessity to study “the details of the situation to understand the reality or perhaps a reality working behind them”.

Epistemology and ontology tend to develop together (Crotty, 1998). Guba and Lincoln (1994) state that there is a solid link between these two terms. For example, a researcher who adopts a positivist position tends to view reality as existing in the world but needs to be discovered using conventional scientific methodologies. Therefore, the researchers can just use quantitative methodology to discover the truth and reality (Cohen et al., 2000). Positivist researchers do not see themselves as vital variables in their research and believe that they should remain separate from what is being researched (Tuli, 2010). Thus, the nature of social reality for positivists is that: empirical facts exist separately from personal ideas or opinions and they are ruled by laws of cause and effect (Crotty, 1998; Neuman, 2003).

A researcher who adopts an interpretivist position refuses the idea that the reality is scientific (Mutch, 2005; Saunders et al., 2012). The interpretivist researchers see reality as a human construct and they believe that people make their own sense of social realities. Therefore, they use qualitative research methodologies to investigate,
interpret and describe social realities (Cohen et al., 2000). Thus, the nature of reality for interpretivists is that: the nature of inquiry is interpretive and the purpose is to understand a specific phenomenon, not to generalise to a population (Tuli, 2010).

Third, axiology is concerned with studying judgments about values (Saunders et al., 2012). Heron (1996) suggests that people values are the main reason of all human acts. He also argued that researchers show axiological skills by being able to express their values as a basis for making judgements about what research they are conducting and how they go about doing it.

In this study, the researcher used a mixture of perspectives, combining the interpretivist and the positivist positions and subjective and objective points of view to help interpret data. According to prior studies, there is inevitable debates on both epistemology and ontology. The debate is due to the choice between either the positivist or the interpretivist position (Saunders et al., 2012). Therefore, the most important choice determinant of the research philosophy is the research questions. For example, a qualitative approach could be appropriate than the quantitative approach for answering a particular question and vice versa in one study (Tashakori and Teddlie, 1998; Hanson et al., 2005; Saunders et al., 2012).

As a result, many social and behavioural scientists have adopted a paradigm different from interpretivism (qualitative approach) and positivism (quantitative approach). A paradigm that combines both approaches (qualitative and quantitative) in a single study (Saunders et al., 2012), which was chosen for this study.
This paradigm is known as pragmatism, which best describes the research philosophy of this study. Based on Tashakkori and Teddlie (1998), and Johnson et al. (2007), the pragmatism believed that there is no single way of interpreting data that can provide the entire picture of the situation. Pragmatism allows the use of mixed methods in social and behavioural research (Saunders et al., 2012). The reason behind mixing different methods is that neither the qualitative nor the quantitative methods are enough in themselves to capture the trends and the details of the situation (Bryman, 2012). Thus, the quantitative and the qualitative methods are compatible and complement each other (Creswell, 2009).

Based on Tashakkori and Teddlie (1998), Hanson et al. (2005), and Saunders et al. (2012), the research questions in the majority of the social and behavioural sciences are best answered with mixed methods research rather than a single dependence on either the qualitative or the quantitative approach. They argued that it is more suitable for the researcher in a specific study to consider the philosophy chosen as a continuum rather than contradictory positions. Therefore, they highlighted on the importance of the research questions over the paradigm and encouraged researchers to use the suitable methods from both approaches to answer the research questions.

In this study, the researcher aims at answering the following two main questions from customers’ perspective in the Egyptian banking sector:

- What are the major bank marketing communication tools that are beneficial in building bank brand equity through the CBBE dimensions?
• Which hypotheses regarding the impact of the major bank marketing communication tools on building bank brand equity through the CBBE dimensions are supported in this study?

These two main research questions imply two different things. The former is interested in the identification of the major bank marketing communication tools that are beneficial in building bank brand equity through the CBBE dimensions. The latter is interested in finding the impact of these tools on building bank brand equity through the CBBE dimensions. Therefore, qualitative approach is appropriate for the first research question and quantitative approach is appropriate for the second research question.

As a result, a mixture between interpretivism and positivism is adopted. In the qualitative approach, the interpretivist position is adopted in which the researcher deals with impressions, feelings and perceptions among people rather than objects. In this position, the researcher argues that it is crucial to understand the differences between humans as social actors in the world of business and management. Conversely, in the quantitative approach, the positivist position is adopted in which the researcher deals with facts rather than feelings so that the end result of such research can be generalised (Remenyi et al., 1998; Saunders et al., 2012).

This mixture of interpretivism and positivism leads to a combination of inductive and deductive approaches accordingly. The inductive approach is usually based on the interpretivist position, while the deductive approach is based on the positivist
position. The major differences between these two approaches are explained in the table (3-1).

Table (3-1): Major differences between inductive and deductive approaches

<table>
<thead>
<tr>
<th>Inductive approach</th>
<th>Deductive approach</th>
</tr>
</thead>
<tbody>
<tr>
<td>-Gaining an understanding of the meanings humans attach to events.</td>
<td>-Scientific principles.</td>
</tr>
<tr>
<td>-A close understanding of the research context.</td>
<td>-Moving from theory to data.</td>
</tr>
<tr>
<td>-The collection of qualitative data.</td>
<td>-The need to explain causal relationships between variables.</td>
</tr>
<tr>
<td>-A more flexible structure to permit changes of research emphasis as the research progresses.</td>
<td>-The collection of quantitative data.</td>
</tr>
<tr>
<td>-A realisation that the researcher is part of the research process, which leads to subjectivism.</td>
<td>-The application of controls to confirm validity of data.</td>
</tr>
<tr>
<td>-Less anxiety with the need to generalise.</td>
<td>-The operationalisation of concepts to guarantee clarity of definition.</td>
</tr>
</tbody>
</table>

Source: (Saunders et al., 2012)

In this study, the pragmatist’s view is adopted, which includes both qualitative and quantitative approaches and comprises inductive and deductive logic. Its epistemology combines the interpretivist and the positivist positions. Its ontology combines both subjective and objective points of view to help interpret data.
3.2 Research design methods

This study is a mixed methods research, which includes qualitative and quantitative data collection techniques and analysis procedures sequentially. This kind of research has been boosted since the early 1980s (Bryman, 2012). Howe (1988) and Brewer and Hunter (1989) indicated that the main areas of research in the social and behavioural sciences use mixed methods. Additionally, they argued that qualitative and quantitative methods are compatible and complement each other.

The sequential mixed methods research is illustrated in figure (3-1). It consists of two phases: a qualitative phase, which includes conducting and analysing semi-structured interviews which are followed by the quantitative phase that includes distributing, collecting and analysing large scale questionnaire survey.

**Figure (3-1): Sequential Mixed Methods Research**

![Diagram of Sequential Mixed Methods Research]

Jick (1979), Smith (1983), Stringfield and Teddlie (1990), Milliken (2001), Bryman (2012) and Saunders *et al.* (2012) emphasised that mixing different types of methods can strengthen a research study, provide better opportunities to answer the research questions, provide more confidence to the research findings and generate more value. Punch (1998) and Mertens (2003) highlighted that different methods may be used for different purposes in a research. For example, identifying variables that may be measured consequently by using existing instruments or developing new ones as well
as better understanding a research problem by joining numeric trends from quantitative data and specific details from qualitative data. The terminologies qualitative and quantitative are used extensively in business and management researches to distinguish between data collection techniques and data analysis procedures (Sekaran, 2003). The only way of differentiating between both terminologies is the focus on non-numeric (such as words, pictures and video clips) or numeric (numbers) data. The term qualitative is considered as a synonym for any data collection technique (such as interview) or data analysis procedure (such as themed analysis) that uses or produces non-numerical data.

On the other hand, the term quantitative is considered as a synonym for any data collection technique (such as questionnaire) or data analysis procedure (such as graphs or statistics) that uses or creates numerical data (Saunders et al., 2012). In more detail, qualitative research helps at telling the story “narratives,” understanding complicated social phenomena and supporting researchers develop themes from the participant’s perspectives; therefore, providing rich insights, details, in-depth interpretations and understandings of the topic investigated. Quantitative research helps at summarising large amounts of data and reaching generalisations based on statistical analysis (Stringfield and Teddlie, 1990; Milliken, 2001; Bryman, 2012).

Each method has its own strengths and weaknesses. Thus, the use of mixed methods can neutralise or cancel out some of the disadvantages of certain methods (Bryman, 2012). For example, the details of qualitative analysis can provide insights and explanations, which might not be available through quantitative analysis. This kind of integration of qualitative and quantitative data collection techniques and analysis
procedures is useful particularly when studying social science. The reason behind this is that neither qualitative nor quantitative methods are sufficient in themselves to capture the whole story. The qualitative and the quantitative methods are selected to complement each other and provide a more complete picture (Creswell, 2003; Tashakkori and Teddlie, 2003; Creswell et al., 2004).

In this study, the main purpose of the mixed methods research is as follows: to identify the major bank marketing communication tools that are beneficial in building bank brand equity through the CBBE dimensions in the qualitative phase; to use the findings of the qualitative phase to develop an instrument (questionnaire survey); and, finally, to test the research hypotheses (that were developed from both the literature and the qualitative findings) in the second phase, which is the quantitative phase, by using statistical methods in order to achieve a reasonable level of generalisation through quantitative testing and analysis.

3.3 Data collection and analysis techniques

Data have been collected in the qualitative phase from semi-structured interviews, which were carried out with bank customers in the Egyptian banking sector to identify the major bank marketing communication tools that are beneficial in building bank brand equity, to develop an instrument (questionnaire) and hypotheses, which were tested in the quantitative phase.

After the transcription, coding, and themed analysis of the semi-structured interviews, a structured questionnaire survey was developed and distributed in the quantitative phase among bank customers to test the research hypotheses, which were developed
from both the literature and from the qualitative findings. The results of the questionnaire provided data that were analysed quantitatively by using SEM to determine the impact of the major bank marketing communication tools on building bank brand equity through the CBBE dimensions in the Egyptian banking sector.

### 3.4 Population and sampling procedures

For the qualitative part of this study, a judgmental sampling technique was used, which is a non-probability sampling. This technique allows the researcher to use his/her judgment to select cases that are particularly informative, that helps to achieve one of the research objectives (Saunders et al., 2012), which is the identification of the major bank marketing communication tools as perceived by customers that contribute in building bank brand equity through the CBBE dimensions.

The sample size was 15 respondents (bank customers) from the Egyptian banking sector, who are above twenty-one years old (the legal age to have a bank account) and who have perceived that their banks use different marketing communication tools. The size of the sample was attained based on the same concept of Hastings and Perry (2000), who recommended the researchers to collect qualitative data until data saturation is reached. In other words, when convergence is achieved in the themes being reported and when there is zero sum gain from conducting more interviews. Additionally, according to Saunders et al. (2012) the appropriate range of the sample size in the semi-structured interviews is between 5-25.

The findings resulting from the judgmental sample were very useful in the qualitative phase of the research because they helped to generate ideas and insights, to develop
hypotheses and also to develop an instrument (questionnaire) for the quantitative phase. However, these findings were treated as preliminary because they could not allow the extent of the problem to be determined (Sekaran, 2003; Saunders et al., 2012). In more detail, the qualitative phase helped the researcher to identify the major bank marketing communication tools to help progress the proposed conceptual framework, develop hypotheses and develop an instrument for the quantitative phase.

Then, the second phase of this study, which is the quantitative phase, was conducted to assess the emerged hypotheses (from the literature and from the qualitative findings). For the quantitative phase of this study, a quota sampling technique was used, which is a type of non-probability sampling. This method is the best technique in the non-probability sampling, and is generally used when there is no sampling frame (Barnett, 1991; Saunders et al., 2012). This study was not able to gain hold on a sampling frame (list of bank customers), given the fact that banks did not agree to provide the researcher with this information because such information was confidential.

In this study, the quota sampling contained two main steps. The first step was to select the banks to be surveyed. According to the Central Bank of Egypt (CBE) (2012), there is a total of eight major banks that cover 70% of the total Egyptian banking sector in terms of customers’ deposits. Table (3.2) illustrates the amount of total customer deposits in each of the focused banks and also presents these banks in ratios to the customer deposits.
Table (3-2): Banks’ market share in terms of customers’ deposits

<table>
<thead>
<tr>
<th>Banks</th>
<th>Total Deposits (Billions)</th>
<th>Market Share (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>NBE</td>
<td>279</td>
<td>27%</td>
</tr>
<tr>
<td>Bank Misr</td>
<td>163</td>
<td>16%</td>
</tr>
<tr>
<td>Banque du Caire</td>
<td>47</td>
<td>5%</td>
</tr>
<tr>
<td>CIB</td>
<td>73</td>
<td>7%</td>
</tr>
<tr>
<td>QNB</td>
<td>53</td>
<td>5%</td>
</tr>
<tr>
<td>HSBC</td>
<td>45</td>
<td>4%</td>
</tr>
<tr>
<td>AAIB</td>
<td>45</td>
<td>4%</td>
</tr>
<tr>
<td>Barclays</td>
<td>21</td>
<td>2%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>726</strong></td>
<td><strong>70%</strong></td>
</tr>
</tbody>
</table>

Source: Central Bank of Egypt and the financial statements of the individual banks 2012

These banks are from public and private sectors. The public sector contained three banks: National Bank of Egypt (NBE), Banque du Caire and Bank Misr. The private sector included five banks: Commercial International Bank (CIB), Qatar National Bank (QNB), Hong Kong and Shanghai Banking Corporation (HSBC), Arab African International Bank (AAIB) and Barclays. Once the selection of banks was established, the researcher conducted the second step, which was to choose the respondents proportionately to the actual market share in terms of customer deposits found in the focused banks.

The ratios of the banks’ market share in terms of customer’s deposit were then computed to be equivalent to 100 % in order to begin the selection of customers from each bank. Although a quota sample is not considered a probability sample, the researcher was careful to reduce bias in order to increase the representativeness of the sample. Hence, the actual population composition was equivalent to the sample composition as illustrated in table (3-3).
Chapter 3: Research Methodology

The researcher needed to determine an accurate sample size under two main conditions in order to make valid conclusions. First condition, the sample size should be at least 384 according to Creswell (2009) who mentioned that a sample size of 384 or above is adequate for a population of 100,000 or more. Conversely, Roscoe (1975) stated that a sample size above 500 would lead to incorrect analysis and data error. Second condition, the sample should be representative to the population by selecting the respondents from the 8 major banks proportionately to their banks’ market share in terms of customers’ deposits. Therefore, the researcher identified the actual percentage of the banks’ market share in terms of customer deposits and selected the numerous respondents equivalent and balanced to the market share percentage.

In more details, on various days of the week, the researcher visited these banks and began to approach the customers. The researcher was able to contact 732 customers. However, 615 customers agreed to fill the questionnaire and 117 disagreed (the response rate=615/732=84%). However, when the researcher reviewed the questionnaire, 150 incomplete questionnaires were found. Thus, the valid questionnaires were 465. Therefore, the valid response rate= 465/615=75%

Table (3-3) illustrates the selected banks, the percentage of actual population composition, the number of respondents and its percentage in each bank (which resembles the actual population). On various days of the week, the researcher visited these banks and began to approach the customers. Respondents were approached and asked if they would like to participate in a research project. Those who agreed were given a questionnaire to fill out.
Table (3-3): Proportionate sampling composition

<table>
<thead>
<tr>
<th>Targeted Banks</th>
<th>Percentage of actual Population composition</th>
<th>Sample Number</th>
<th>Sample Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Public banks</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NBE</td>
<td>38.7%</td>
<td>180</td>
<td>38.7%</td>
</tr>
<tr>
<td>Bank Misr</td>
<td>22.6%</td>
<td>105</td>
<td>22.6%</td>
</tr>
<tr>
<td>Bank du Caire</td>
<td>5.2%</td>
<td>24</td>
<td>5.2%</td>
</tr>
<tr>
<td><strong>Private banks</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CIB</td>
<td>11.6%</td>
<td>54</td>
<td>11.6%</td>
</tr>
<tr>
<td>QNB</td>
<td>7.7%</td>
<td>36</td>
<td>7.7%</td>
</tr>
<tr>
<td>HSBC</td>
<td>7.1%</td>
<td>33</td>
<td>7.1%</td>
</tr>
<tr>
<td>AAIB</td>
<td>5.2%</td>
<td>24</td>
<td>5.2%</td>
</tr>
<tr>
<td>Barclays</td>
<td>1.9%</td>
<td>9</td>
<td>1.9%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>100%</td>
<td>465</td>
<td>100%</td>
</tr>
</tbody>
</table>

To summarise, the sampling procedure in this study involved non-probability sampling. In the qualitative phase, the sampling technique, which is the judgmental sampling, was used to obtain insights and relevant information to identify the major bank marketing communication tools that help build bank brand equity through the CBBE dimensions. This sampling is useful in the qualitative phase to provide more details and explanations. The sample size was 15 respondents (bank customers) due to the attainment of data saturation. In the quantitative phase, the sampling technique, which is the quota sampling, was used to obtain an accurate and complete picture of the Egyptian banking sector. This sampling is useful when there is no sampling frame. The sample size was 465 bank customers selected with respect to the customers’ deposits market share from each of the focused banks. The sampling procedures, techniques, and descriptions of each phase of this study are presented in table (3-4).
Table (3-4): Sampling procedures, techniques, and descriptions

<table>
<thead>
<tr>
<th>Phases</th>
<th>Sampling procedure &amp; sampling technique</th>
<th>Likelihood of sample being representative</th>
<th>Type of research</th>
<th>Control over sample contents</th>
</tr>
</thead>
<tbody>
<tr>
<td>The qualitative phase</td>
<td>Non-probability/judgmental</td>
<td>Low (based on researcher’s choices)</td>
<td>Qualitative research, when working on very small sample</td>
<td>Reasonable</td>
</tr>
<tr>
<td>The quantitative phase</td>
<td>Non-probability/quota sampling</td>
<td>Reasonable to high, (dependent on quota selection criteria)</td>
<td>Is an alternative to probability sampling, when there is no sampling frame</td>
<td>Reasonable to high, (dependent on quota selection criteria)</td>
</tr>
</tbody>
</table>

3.5 Qualitative research

The qualitative research has become popular in consumer research over the past ten years (Woodruff and Schumann, 1993; Haley, 1996; Masberg and Silverman, 1996; Gibler et al., 1997; Hirschman and Thompson, 1997; Price et al., 2000), since it helps the researcher to attain insights into a phenomenon not easily understood through quantitative measures. The qualitative phase is mainly required when the topic is complex, broad and when the existing body of knowledge is insufficient (Bonoma, 1985). With respect to these conditions, building brand equity in the Egyptian banking sector via marketing communication tools is a new study and not easily measured.

Additionally, given the large number of antecedents that could build brand equity (Yoo et al., 2000), it was necessary to screen out variables that are most appropriate for the Egyptian banking sector. In addition, there is a lack of research regarding
brand equity in the service sector particularly in the financial organizations (Devlin and Azhar, 2004). A full understanding of this topic is better sought first through a qualitative research because it is related to customers’ perception, emotional, social and cultural needs (Cooper, 1999). Therefore, qualitative research was conducted first to identify the major bank marketing communication tools, perceived by customers that help build bank brand equity through the CBBE dimensions.

Hence, understanding is originated from information gained directly from customers, rather than from the direction of theories, laws and concepts (Masberg and Silverman, 1996). In this qualitative phase, the researcher conducted personal semi-structured interviews. The semi-structured interviews contained an interview guide (see appendix D), which included a list of questions that helped the researcher to focus the conversation on the topics at hand without forcing his/her to a particular format. These questions were asked to everyone but varied in manner. However, the order of questions varied depending on the flow of conversation and some additional questions were added to probe for deeper meanings, which added significance and depth to the data collected. This openness helped the interviewer to tailor the questions to the interview context, situation, and to the people interviewed (Bryman, 2012).

There are many advantages in using semi-structured interviews. The main advantage is that this type of interview is flexible, allowing new questions to be brought up during the interview as a result of what the interviewee says. Additionally, the interviewer can adapt the questions as necessary to the comprehension of the interviewee. The researcher can clarify doubts by repeating or rephrasing the questions properly to help the interviewee to understand the questions and the
interviewer to understand the responses. Another advantage is that the researcher can take up non-verbal cues and other body languages from the respondents (Sekaran, 2003).

In addition to the advantages, there are some disadvantages about interviews in general. A key disadvantage is the geographical limitation. It is difficult to gain a large number of people across the country in a relatively short period of time. Nevertheless, the representativeness of the sample is based on the researcher’s choice of the sample. Another disadvantage is that the respondents might feel uncomfortable to talk frankly about sensitive issues (Saunders et al., 2012). However, this disadvantage can be eliminated through the professionalism with which the researcher conducts the interviews (Bryman, 2012).

### 3.5.1 Semi-structured interview topics

Semi-structured interviews were carried out in the Egyptian banking sector. Their main purpose was to identify the major bank marketing communication tools, perceived by customers, and to provide insights on how these tools contributed in building bank brand equity through the different CBBE dimensions. The researcher developed an interview guide; a draft version was pre-tested and revised by the supervisors and other lecturers in marketing who are interested in this field. It consisted of a list of questions that are to be examined (see appendix D).

The interview guide contained eleven main questions, which were divided into four main sections. The first section included introductory questions concerning customer’s general knowledge about the various marketing communication tools and
Chapter 3: Research Methodology

their power in delivering a message. The second section included specific questions about the usage of the marketing communication tools in the Egyptian banking sector and their usefulness in building bank brand equity. The third section included more detailed questions about the impact of the bank marketing communication tools on the different CBBE dimensions. The fourth section denoted the concluding section, which asked the participants about the importance of the CBBE dimensions in building bank brand equity.

Each section contained open and probing questions. These questions were phrased clearly and were asked in a neutral tone of voice to avoid bias during the interview and to increase the reliability of the obtained information. Open questions were crucial to attain facts, to encourage respondents, to provide extra information and developmental answers and to show respondents’ attitudes (Grummitt, 1980). For example, “What are the marketing communication tools used by your bank?” and “Which of these tools are useful in building a bank’s name?”

The other type, which is probing questions, may be expressed like open questions but they were used to seek more explanation when the respondent’s meaning was not clear or when the respondent’s reasoning was insufficient (Bryman, 2012). For example, “please elaborate, tell me more, explain or why?” were used as a supplementary questions when the open questions did not provide the interviewer with the relevant responses. For instance, “Why do you think these tools are powerful in delivering a message?” Therefore, these types of questions helped to explore the research topic and to produce richer explanation (Saunders et al., 2012).
3.5.2 Semi-structured interview procedures

Semi-structured interviews were conducted, on a one-to-one basis, between the researcher and a single participant by meeting him/her ‘face to face’. The interview questions were not asked in a specific sequence. However, they were randomly asked according to the interviewees’ answers to cover the topics in the interview guide. The guide helped the interviewer to develop the interview and to make the process of interviewing more comprehensive (Bryman, 2012). Semi-structured interview meetings were pre-arranged between the interviewer and the interviewees through personal contact where interviewees were given an overview about the purpose of the interview topic without giving too much information that might lead them to prepare certain answers in advance. Interviewees were reminded one day before the meeting by telephone. The researcher invited the participants in public places outside the bank in order to have a sociable and friendly atmosphere.

Semi-structured interviews were carried out sequentially over three weeks in an informal and the friendly setting. Interviews were recorded, transcribed and typed directly after they were carried out and then coded (initial and detailed coding to develop themes). Additional notes were taken after the interview to record significant and appropriate comments made by the interviewees. After each interview, the interviewer provided a summary of the interviewee’s explanations. This was supported by Saunders et al. (2012) who mentioned that the summary helped the interviewer to avoid biased or incomplete information.

On the other hand, the interviewee evaluated the adequacy of the interpretation and made corrections where necessary. The dynamics of interviewing were similar to a
guided conversation. Each interview lasted approximately thirty minutes, which is considered an acceptable period for a one-to-one interview (Burton, 2000). The interviewer was careful to avoid any comments, any impressions of nervousness or any other negative signals to avoid bias during the interview. Moreover, the interviewer listened carefully to shape the process into as familiar and comfortable form of social engagement as possible. Careful listening enabled the interviewer to pinpoint comments that were significant to the research topic in order to explore these comments with the interviewees. This was supported by Saunders et al. (2012) who highlighted that the quality of the data collected from the semi-structured interviews depends mainly on the interviewer’s skills and personality.

### 3.6 Quantitative research

The quantitative research is a systematic empirical investigation of social phenomena with the use of statistical and mathematical techniques (Bryman, 2012). Quantitative studies emphasise the measurement and the analysis of the impact of the identified variables (Casebeer and Verhoef, 1997; Tashakkori and Teddlie, 1998). Quantitative research methods begin with a known theory to test it usually by providing evidence for or against pre-specified hypotheses. When applying quantitative methods, numerical estimation and statistical inference from a generalisable sample are often used in relation to a larger true population of interest. In this research, the main objective of the quantitative study is to test the hypotheses. Thus, a survey using a large-scale structured questionnaire was conducted (see appendix E).

Respondents were asked a variety of questions in a written structured questionnaire in which, questions were asked in a prearranged order. All questions were fixed-
alternative questions that required the respondent to select from a predetermined set of responses. This survey method has many advantages. First, questionnaires are simple to administer. Second, the data obtained are reliable because the responses are limited to the alternatives stated. The use of fixed-response questions reduces the variability in the results that may cause differences between respondents. Finally, coding, analysis, and interpretation of data are relatively simple. Disadvantages could be that respondents are unable or unwilling to provide the desired information, so they may be unable to provide accurate answers to questions; respondents may be unwilling to respond if the information requested is sensitive; and, finally, wording questions properly is not easy. Yet, despite these disadvantages, the survey approach is the most common method of primary data collection in the marketing research (Malhotra, 2003).

In this research, a questionnaire was developed, revised and accepted by the supervisors and marketing professors who are interested in the field and other professors who are experts in research methodology. Because the native language of Egyptians is Arabic, the questionnaire was translated by professional translators into Arabic (see appendix F). A bilingual expert back translated the Arabic statements into English. The translated version was crosschecked by another group of bilingual researchers to ensure that both Arabic and English surveys reflected the same intended meaning for each of the statements. A proper introduction that clearly showed the identity of the researcher and conveyed the purpose of the survey was included in the questionnaire. This information emphasised that participation was voluntary and that participant could withdraw at any point.
According to Brace (2004), the questionnaire was then piloted informally on a number of colleagues (seven) in order to give an indication of the duration taken to complete it. Next, the questionnaire was piloted formally on sixty-two bank customers to allow for final modifications and to confirm that the questionnaire as a whole functions well, the survey questions operate well and that there are no overlapping classifications but rather mutually exclusive categories.

The questionnaire was then personally administrated to bank customers in their banks. The questionnaires were distributed over two months. Although it is preferable to have a short questionnaire, the developed questionnaire was a medium to long questionnaire to capture the entire picture of the topic. It included only closed questions in order to help respondents make quick decisions and choose among several alternatives and to help the researcher code easily for subsequent analysis (Sekaran, 2003).

3.6.1 Measurement scales
The measurement scales for overall brand equity (dependent variable), CBBE dimensions (mediating variables) and the major bank marketing communication tools (independent variables) were derived from two main sources: the findings of the qualitative phase (semi-structured interviews) and the literature review. Both sources helped in developing 81 items.

The questionnaire (see appendix E) was divided into four main parts. Three parts were in the format of a five-point Likert-type scale, where 1= strongly disagree; 2=disagree; 3=neutral; 4=agree; 5=strongly agree. These three parts comprised 81
items, which were divided based on the overall brand equity (4 items), CBBE dimensions (48 items) (brand awareness, brand perceived quality, brand associations, brand loyalty and brand trust) and the major bank marketing communication tools (29 items) (advertising, personal selling and direct marketing).

The biographical data of the respondents were gathered at the end of the questionnaire in the fourth section through seven questions, namely gender, age, current occupation, marital status, number of children, average monthly household income and level of education.

### 3.6.2 Research variables

The major bank marketing communication tools (independent variables) have been identified after conducting the interviews. The conceptual and the operational definitions of all the research variables are presented below based on a set of items adapted from both the literature and the qualitative findings. The items were adjusted to the banking sector and were measured on five point Likert scales, with anchors of 1=strongly disagree and 5=strongly agree. Table (3-5) presents the conceptual and operational definitions as follows.
Table (3-5): Conceptual and operational definitions

<table>
<thead>
<tr>
<th>Conceptual definitions</th>
<th>Operational definitions</th>
</tr>
</thead>
</table>
| **Overall brand equity**: brand equity is the value added to a product (goods or services) virtue by its brand name (Farquhar et al., 1991). | A customer- based overall brand equity scale (OBE) was used in order to measure brand equity as separate construct.  
- It makes sense to use the services of this bank instead of any other bank, even if they are the same.  
- Even if another bank has the same characteristics as this bank, I would prefer to use this bank’s services.  
- If there were another bank as good as this bank, I would prefer to use this bank’s services.  
- If another bank is not different from this bank in any way, it seems smarter to use this bank’s services.  
**Variable sources:** (Yoo et al., 2000; Yoo and Donthu, 2001). |
| **Brand awareness**: is “the ability for a buyer to recognize or recall that a brand is a member of a certain product category” (Aaker, 1991, p. 61). | - I am aware of this bank.  
- When I think of banks, this bank is one of the banks that come to mind.  
- I can recognize this bank among other competing banks.  
- I know this bank very well.  
- This bank is very familiar to me.  
- I can quickly recall this bank.  
**Variable sources:** (Yoo et al., 2000; Yoo and Donthu, 2001; Netemeyer et al., 2004; Kumar et al., 2013). |
### Conceptual definitions (cont.)

**Brand Perceived quality:** is “the customers’ subjective judgment about a brand’s overall excellence or superiority and addresses overall quality rather than individual elements of quality” (Yoo et al., 2000).

**Brand associations:** are “anything linked in memory related to the brand” (Aaker, 1991).

### Operational definitions (cont.)

- Compared to other banks, this bank is of high quality.
- This bank is the best bank in the Egyptian banking sector.
- This bank consistently performs better than all other banks.
- I can always count on this bank for consistent high quality.
- This bank offers services with excellent features.
- I believe this bank offers superior services in every way.
- The overall quality of the service provided by this bank is excellent.
- The quality of the service provided at this bank is impressive.
- The service provided by this bank is of high standard.
- This bank appears to be of poor quality.*

* Indicates negative statements, which are recorded prior to being analyzed.

**Variable sources:** (Yoo et al., 2000; Netemeyer et al., 2004; Pappu et al., 2005, 2006; Dagger et al., 2007; Buil et al., 2013).

- Some characteristics of this bank come to my mind quickly.
- I remember the logo of this bank.
- I have difficulty in imagining this bank in my mind*.
- This bank has a strong personality.
- I have a clear image of the type of person who would use this bank.
- This bank has a strong image.
<table>
<thead>
<tr>
<th>Conceptual definitions (cont.)</th>
<th>Operational definitions (cont.)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Brand associations (cont.)</strong></td>
<td>- This bank has a favourable image.</td>
</tr>
<tr>
<td></td>
<td>- The intangible attributes of this bank are reason</td>
</tr>
<tr>
<td></td>
<td>enough to use this bank.</td>
</tr>
<tr>
<td></td>
<td>- This bank is good value for money.</td>
</tr>
<tr>
<td></td>
<td>- This bank has a unique image in my mind</td>
</tr>
<tr>
<td></td>
<td>compared to other competing banks.</td>
</tr>
<tr>
<td></td>
<td>* Indicates negative statements, which are recorded</td>
</tr>
<tr>
<td></td>
<td>prior to being analyzed.</td>
</tr>
<tr>
<td></td>
<td><strong>Variable sources:</strong> (Lasser <em>et al.</em>, 1995; Yoo <em>et al.</em>, 2000; Netemeyer <em>et al.</em>, 2004; Pappu <em>et al.</em>, 2005, 2006; Tong and Hawley, 2009).</td>
</tr>
<tr>
<td><strong>Brand loyalty:</strong> “refers to the overall commitment of being loyal to a specific brand” (Yoo <em>et al.</em>, 2000). This definition is based on Oliver (1997) who mentioned that brand loyalty is “a deeply held commitment to rebuy or repatronize a preferred product or service consistently in the future, despite situational influences and marketing efforts having the potential to cause switching behaviour”.</td>
<td>- I consider myself to be loyal to this bank.</td>
</tr>
<tr>
<td></td>
<td>- This bank is my first choice when I need to use</td>
</tr>
<tr>
<td></td>
<td>banking services.</td>
</tr>
<tr>
<td></td>
<td>- I will not switch to other banks if this bank is</td>
</tr>
<tr>
<td></td>
<td>available.</td>
</tr>
<tr>
<td></td>
<td>- I intend to continue using this bank’s services in the</td>
</tr>
<tr>
<td></td>
<td>upcoming years.</td>
</tr>
<tr>
<td></td>
<td>- I recommend this bank to my friends and relatives.</td>
</tr>
<tr>
<td></td>
<td>- I will continue to be a customer of this bank even if</td>
</tr>
<tr>
<td></td>
<td>it reasonably raises its fees.</td>
</tr>
<tr>
<td></td>
<td>- I regularly use this bank for all my banking needs.</td>
</tr>
<tr>
<td></td>
<td>- I am proud to do all my banking with this bank.</td>
</tr>
<tr>
<td></td>
<td>- I prefer my main bank to other banks.</td>
</tr>
<tr>
<td></td>
<td><strong>Variable sources:</strong> (Beatty and Kahle, 1988; Yoo <em>et al.</em>, 2000; Yoo and Donthu, 2001; Tong and Hawley, 2009).</td>
</tr>
<tr>
<td><strong>Brand trust:</strong> is defined as the willingness of a buyer to rely on the capability of a brand to fulfill the communicated functions and features (Morgan and Hunt, 1994).</td>
<td>- This bank considers my needs and wishes as very important.</td>
</tr>
<tr>
<td></td>
<td>- This bank would not do anything against my interests.</td>
</tr>
</tbody>
</table>
### Conceptual definitions (cont.)

**Brand trust (cont.)**

- This bank would not do anything in order to be biased against me.
- This bank never declares anything that is not valid.
- This bank is always honest to me.
- This bank always treats me fairly.
- This bank has the ability to meet its promises.
- This bank can properly handle any problem that may occur during my transactions.
- This bank is remarkably expert in its field.
- I never doubt this bank’s promises.
- This bank behaves consistently.
- This bank always behaves in the same way in similar circumstances.
- This bank keeps its promises.

### Operational definitions (cont.)

**Variable sources:** (Dimitriadis and Kyrezis, 2008).

### Major communication tools (Advertising, personal selling and direct marketing)

**Advertising:** Advertising is any paid form of non-personal presentation and promotion of ideas, goods, or services by an identified sponsor designed to convince the receiver to take some action now or in the future. It includes: broadcast, print, outdoor, indoor and other forms (Rogers, 1995; Kotler, 2009).

**NOTE:** when measuring this variable the researcher took into consideration the advertising spending (perceived by customers) and customers’ attitudes towards advertising. This was inspired by (Buil et al., 2013).

- Generally, I think the advertising of this bank is good.
- Generally, I like the advertising campaigns of this bank.
- My opinion about this bank’s advertising is great.
- The advertising of this bank is clear**
- The advertising of this bank is seen frequently.
- I remember the last advertising campaigns of this bank.
- The advertising of this bank is creative.
- The advertising of this bank is unique.
- The advertising of this bank is informative**
- The advertising of this bank is different from the advertising of other competing banks.
- I think this bank is widely advertised compared to other competing banks.
<table>
<thead>
<tr>
<th>Conceptual definitions (cont.)</th>
<th>Operational definitions (cont.)</th>
</tr>
</thead>
</table>
| **Advertising (cont.)**       | - The advertising campaigns of this bank seem expensive compared to campaigns of competing banks.  
**Variable sources:** (Yoo *et al*., 2000; Ramos and Franco, 2005; Buil *et al*., 2013).  
**Items added from the qualitative phase** |
| **Personal selling:** Personal selling consists of staff with the desired attitudes, knowledge and relational skills to ensure that the customers will receive the service for which they are paying (Dmour *et al*., 2013).  
**NOTE:** when measuring this variable the researcher took into consideration the customer perception of interactive and persuasive capabilities of the personal selling in the service delivery process. This was inspired by (Berry, 2000). | - Generally, this bank’s employees have great service attitude.  
- Generally, this bank’s employees have been well trained.  
- Generally, this bank’s employees have good knowledge of their jobs.  
- Generally, this bank’s employees are presentable**.  
- Generally, this bank’s employees are competent**.  
- This bank’s employees are friendlier than those of other competing banks.  
- This bank’s employees help their customers.  
- This bank’s employees are always helpful.  
- This bank’s employees are always friendly.  
- This bank’s employees are always ready to help customers.  
**Variable sources:** (Lee and Back, 2007; Rajh and Dosen, 2009).  
**Items added from the qualitative phase.** |
| **Direct marketing:** Direct marketing is defined as direct connections with targeted individual customers to obtain both an immediate response and cultivate long-lasting customer relationships (Kotler and Armstrong, 2012). | - Generally, this bank uses good direct communications.  
- The direct communications used by this bank provide a valuable source of information about banking services.  
- The direct communications used by this bank tell me which services have the benefits that I am looking for. |
### Conceptual definitions (cont.)
#### Direct marketing (cont.)

**NOTE:** when measuring this variable the researcher took into consideration customers’ attitudes towards the direct marketing strategies employed by banks. This was inspired by (Page and Luding, 2003).

### Operational definitions (cont.)

- The direct communications used by this bank help me keep up-to-date about services available in the bank.
- The direct communications used by this bank carry enough banking information needed by customers.
- The direct communications used by this bank provide enough information to judge the banking service quality.
- The direct communications used by this bank provide enough information to compare different bank services.

**Variable sources:** (Page and Luding, 2003).

### 3.6.3 Research hypotheses

Based on the literature review as well as the findings of the qualitative phase (presented in details in chapter four), a number of research hypotheses can be discussed. In other words, the research hypotheses are developed from both the qualitative phase and the previous studies. In the qualitative phase, the interviewees identified the major bank marketing communication tools in the Egyptian banking sector. These tools include: advertising, personal selling and direct marketing.

Each of these tools affects different CBBE dimensions, which help build overall bank brand equity. The following part presents briefly the findings of the qualitative phase and the arguments of the previous studies regarding the impact of advertising, personal selling and direct marketing on different CBBE dimensions to be able to
develop the research hypotheses. However, the majority of the previous studies were conducted in different context and were related to tangible goods.

The advertising, one of the major bank marketing communication tools, is defined as any paid form of non-personal presentation and promotion of ideas, goods, or services by an identified sponsor designed to convince the receiver to take some actions now or in the future. It includes broadcast, print, outdoor, indoor and other forms (Kotler, 2009; Kotler and Armstrong, 2012). Based on the qualitative phase, advertising was found to have a positive impact on (1) brand awareness, (2) brand perceived quality, (3) brand associations, and (4) brand trust.

These findings were supported by the previous studies as follows: according to Deighton (1984), Hoyer and Brown (1990), Keller (1998), Yoo et al. (2000), Ailawadi et al. (2002), Angel and Manuel (2005), Rajh (2005), Ramos and Franco (2005), Villarejo and Sanchez (2005), Bravo et al. (2007), Rajh and Dosen (2009), and Karunanithy and Sivesan (2013), advertising represents a significant element of the marketing communication tools that can be used successfully to increase brand awareness. In other words, brands achieve awareness via the advertising as one of the main obvious marketing communication tools for products (goods or services) in the consumer market.

Advertising creates awareness by communicating the products’ benefits, and refreshing the products’ features and attributes in the customer’s mind to guarantee top of mind awareness (Ambler et al., 2002). When watching advertisements, customers gain information that they were not conscious of or they are reminded by
certain products’ characteristics. Buil et al. (2013) mentioned that repetitive advertising increases the possibility that a brand will be involved in the list of customer’s choices, which facilitate the customer’s brand selection. Therefore, advertising is a mean to spread alertness, to reduce ambiguity and to establish familiarity with the brand (Karunanithy and Sivesan, 2013). Based on the above arguments, the advertising has a positive impact on brand awareness.

Regarding the impact of advertising on brand perceived quality, it has been found that advertising is a crucial external indicator that signalling product quality. Advertising should place greater importance on clues of quality to provide perceptions of tangibility, particularly in services more than in goods (Ramos and Franco, 2005). Advertising plays a major role in developing customers’ perceived excellence, and superiority towards the brand (Archibald et al., 1983; Milgrom and Roberts, 1986; Kirmani and Wright, 1989; Aaker and Jacobson, 1994; Yoo et al., 2000; Ramos and Franco, 2005; Karumanithy and Sivesan, 2013). Based on the above arguments, advertising has a positive impact on brand perceived quality.

According to Farquhar (1989), Cobb-Walgren et al. (1995), Keller et al. (1998), Yoo et al. (2000), Keller (2003), Ramos and Franco (2005), Bravo et al. (2007), Keller (2007), Rajh and Dosen (2009), and Karunanithy and Sivesan (2013) the advertising has a positive impact on brand associations. These researchers stated that advertising plays a critical role in creating brand associations in the customers’ mind. The associations linked to the brand are mental and perceptual images that the customer perceives after identifying the brand in the messages sent by the organisation. Advertising helps organisations build and communicate a certain image, which allows
people to develop associations regarding the brand (Karunanithy and Sivesan, 2013). As a result, advertising helps in developing brand associations by its capability to create, adjust or strengthen associations in the customers’ mind (Buil et al., 2013). Based on the above arguments, advertising has a positive impact on brand associations.

Concerning the impact of advertising on brand trust, few studies have provided insights about the positive impact of advertising on brand trust, such as Kirmani and Wright (1989) who stated the importance of spreading accurate and honest messages through advertising, which help build trust and credibility towards the brand. Besides, Kotler and Armstrong (2012) indicated that through advertising, people gain a sense of assurance towards the marketed brand. They indicated that when customers see advertisements they gain a sense of confidence and develop expectations towards the brand. Based on the above arguments, advertising has a positive impact on brand trust.

Mixed results exist regarding the impact of advertising on brand loyalty. Based on the qualitative phase, the impact of advertising on brand loyalty was not supported. However, in the literature review, Yoo et al. (2000), and Ramco and Franco (2005) stated that advertising not only increase brand awareness, develop brand perceived quality, create brand associations, but also create loyalty towards the brand. Furthermore, Hauser and Wernerfelt (1990), Shimp (1997), Yoo et al. (2000), and Ramos and Franco (2005) mentioned that advertising supports brand-related attitudes towards the brand. Advertising increases the brand’s possibility to be included in customer’s list of selections, which facilitates the customer’s choice, making it a
pattern to select the brand, which lead to brand loyalty. Advertising helps increase the chance of the brand being involved in the group of choices that the customer has to choose from. Hence, the decision making process is simplified at the same time as a customer habit is shaped and loyalty is developed (Kotler and Armstrong, 2012). Based on the above arguments, advertising has a positive impact on brand loyalty.

Based on the interview results and previous studies, the first main hypothesis was formulated $H1$: *Advertising has a significant positive direct effect on CBBE dimensions.*

This hypothesis was split into five sub-hypotheses as follows:

- $H1a$: *Advertising has a significant positive direct effect on brand awareness*
- $H1b$: *Advertising has a significant positive direct effect on brand perceived quality*
- $H1c$: *Advertising has a significant positive direct effect on brand associations*
- $H1d$: *Advertising has a significant positive direct effect on brand trust*
- $H1e$: *Advertising has a significant positive direct effect on brand loyalty*

The personal selling, which is one of the major bank marketing communication tool, consists of staff with the desired attitudes, knowledge and relational skills to ensure that the customers will receive the service for which they are paying (Dmour et al., 2013). Based on the qualitative phase, it has been found that personal selling has a positive impact on (1) brand awareness, (2) brand perceived quality, (3) brand associations, (4) brand trust, and (5) brand loyalty.
Chapter 3: Research Methodology

These findings were supported by the previous studies as follows: Fill (2002), Page and Luding (2003), and Dmour et al. (2013) supported the positive impact of personal selling on brand awareness. They argued that this interpersonal tool, which consists of face-to-face communication between individuals who are representing an organisation and the customers helps to inform and to create consciousness. Kotler and Armstrong (2012) indicated that this two-way communication helps the organization to update, persuade, or remind people to buy the product. Personal selling creates awareness through communicating products’ features and benefits, recaps and refreshes top of mind awareness. Based on the above arguments, the personal selling has a positive impact on brand awareness.

The previous studies of Zeithaml et al. (1985), Bitner (1990), Bitner et al. (1990), Zeithaml et al. (1993), Bitner et al. (1994), Berry and Bendapudi (2003), Wall and Berry (2007), and Wu et al. (2009) supported the positive impact of personal selling on brand perceived quality. They stated that employees’ behaviour during a service delivery process provides an influential cue that contributes to customers’ perceptions of service quality. Kotler and Armstrong (2012) indicated that employees’ performances and manners help to form the customer’s judgments about the product’s excellence and features. Hence, Customer’s perceptions towards the employee behaviour positively affect the overall service quality (Wu et al., 2009). Based on the above arguments, the personal selling has a positive impact on brand perceived quality.

Schneider and Bowen (1993), Gronroos (1994), Ind (1997), De Chernatony and Dall’Olmo Riley (1999), Berry (2000), De Chernatony and Harris (2000), De
Chapter 3: Research Methodology

Chernatony et al. (2003), Rajh and Dosen (2009), and Kimpakorn and Tocquer (2010) supported the positive impact of personal selling on brand associations. They mentioned that employees contribute in developing service brand image, which shapes the brand associations. They stated the critical role of employees’ attitude and behaviour in the service brand image development process. These researchers indicated that employees convey the brand identity into the customers’ eyes. Hence, the employees directly impact the creation of general understanding and experiences with the company, which lead to the development of brand associations (Berry, 2000). Based on the above arguments, the personal selling has a positive impact on brand associations.

Regarding the positive impact of personal selling on brand trust, it has been found that the employee represents a key element in conveying the brand promises, which lead to build trust towards the brand. They argued that employees play a crucial role in delivering what the brand stands for, as well as, its abilities and promises in order to reach customer trust (Schneider and Bowen, 1993; De Chernatony and Dall’Olmo Riley, 1999; De Chernatony and Harris, 2000; Evans et al., 2002; De Chernatony et al., 2003; Wall and Berry, 2007; Kimpakorn and Tocquer, 2010; Baumgarth and Binckebank, 2011; Valos et al., 2016). Berry (2000) suggests that employees provide trust through their interactive, cooperative and convincing abilities and skills during the service delivery process. Hence, employees-customer relationship helps in improving customer trust towards the brand (Morgan and Hunt, 1994; Valos et al., 2016). Based on the above arguments, personal selling has a positive impact on brand trust.
Keaveney (1995), Mohr and Bitner (1995), and Evans et al. (2002) supported the positive impact of personal selling on brand loyalty. These researchers argued that the customers’ assessment of employees’ works and performances have been found to have a strong impact on customers’ satisfaction and loyalty. Thus, employees play an important role in making customers feel pleased and content (Kotler and Armstrong, 2012). Ahearne et al. (2007) mentioned that the employees’ primary role is to build long-lasting relationship with profitable customers, which help build their loyalty towards the brand. Hence, the employees’ primary role is not to achieve sales target but to build and keep long-term relationships with lucrative customers to gain their loyalty (Fill, 2002; Kotler and Armstrong, 2012). Based on the above arguments, personal selling has a positive impact on brand loyalty.

Based on the interview results and previous studies, the second main hypothesis was formulated \( H2: \) **personal selling has a significant positive direct effect on CBBE dimensions.**

This hypothesis was split into five sub-hypotheses as follows:

- \( H2a: \) **personal selling has a significant positive direct effect on brand awareness**
- \( H2b: \) **personal selling has a significant positive direct effect on brand perceived quality**
- \( H2c: \) **personal selling has a significant positive direct effect on brand associations**
- \( H2d: \) **personal selling has a significant positive direct effect on brand trust**
- \( H2e: \) **personal selling has a significant positive direct effect on brand loyalty**
The direct marketing, which is one of the major bank marketing communication tool, is defined as direct connections with targeted individual customers to obtain both an immediate response and cultivate long-lasting customer relationships (Kotler and Armstrong, 2012). Based on the qualitative phase, direct marketing was found to have a positive impact on (1) brand awareness, (2) brand perceived quality, (3) brand associations, (4) brand trust, and (5) brand loyalty.

In the existing literature, there is a lack of research regarding the impact of direct marketing on the different CBBE dimensions. However, The qualitative findings were supported by some previous studies as follows: Gardiner and Quinton (1998), Merisavo and Raulas (2004), Mallin and Finkle, (2007), Rios and Riquelme (2008), and Harridge (2009) who mentioned the positive impact of direct marketing on brand awareness, brand perceived quality, brand associations, and brand loyalty. Direct marketing allows the organisation to reach the audience and to boost their awareness, interest, quality, and shape a brand’s image. Thus, a strong and positive brand image is formed by the good usage of direct marketing. This communication attempts to build a one-to-one relationship with each customer. Thus, it helps marketers to get and keep customers and it also works towards getting customers’ loyalty.

Fletcher and Peters (1997), and Fill (2002) stated that the concept of trust and commitment towards a brand is vital when talking about the relational exchanges between the organisation and the customer where direct marketing is used. The direct marketing target individual customers by delivering a personalised message and building a relationship with them based upon their responses. Karumanithy and Sivesan (2013) argued that the direct marketing is one of the brand creating factors.
Based on the above arguments, the direct marketing has a positive impact on brand awareness, brand perceived quality, brand associations, brand trust, and brand loyalty.

Based on the interview results and previous studies, the third main hypothesis was formulated \( H_3: \text{direct marketing has a significant positive direct effect on CBBE dimensions.} \)

This hypothesis was split into five sub-hypotheses as follows:

- \( H_{3a}: \text{direct marketing has a significant positive direct effect on brand awareness} \)
- \( H_{3b}: \text{direct marketing has a significant positive direct effect on brand perceived quality} \)
- \( H_{3c}: \text{direct marketing has a significant positive direct effect on brand associations} \)
- \( H_{3d}: \text{direct marketing has a significant positive direct effect on brand trust} \)
- \( H_{3e}: \text{direct marketing has a significant positive direct effect on brand loyalty} \)

The following part focuses on the impact of five CBBE dimensions on the overall brand equity. Based on the qualitative findings, it has been identified that all the five CBBE dimensions are important in building bank brand equity. Additionally, the previous studies of Yoo et al. (2000), Atilgan et al. (2005), Pappu et al. (2006), Pappu and Quester (2008), Tong and Hawley (2009), Yacout and Elsahn (2011), and Kumar et al. (2013) indicated that the CBBE dimensions act as sources to the overall brand equity. They mentioned the crucial role of the CBBE dimensions and their impact on building the overall brand equity.

However, the majority of these studies were related to tangible goods and were conducted in a different context (such as: Western countries). Besides, these previous
studies did not take into consideration the five CBBE dimensions in a single study. Each study considered two or maximum three dimensions. The following part focuses on each CBBE dimension and its impact on building the overall brand equity.

Brand awareness, which is one of the CBBE dimensions, is defined as “the ability for a buyer to recognize or recall that a brand is a member of a certain product category.” (Aaker, 1991, p.61). Keller (1993), Yoo et al. (2000), Atilgan et al. (2005), Rajh and Dosen (2009), Tong and Hawley (2009), Kumar et al. (2013), and Sasmita and Suki (2015) mentioned that brand awareness supports customers to become familiar, acquainted with a brand and helps them to select the brand at the point of buying. As a result, brand equity happens when the customer has a high level of consciousness, attentiveness and familiarity with the brand. Based on the above arguments, brand awareness is an essential condition for brand equity to build the brand’s value added for customers.

Brand perceived quality, which is one of the CBBE dimensions, is defined as “the customers’ subjective judgment about a brand’s overall excellence or superiority and addresses overall quality rather than individual elements” (Zeithaml, 1988; Yoo et al., 2000; Yacout and Elsahn, 2011). It is not the actual quality of the product that really matters but the customer’s perception of the overall quality, excellence or superiority of the product (Zeithaml, 1988; Yoo et al., 2000; Yacout and Elsahn, 2011).

Based on Aaker (1991), Yoo et al. (2000), Atilgan et al. (2005), Ramos and Franco (2005), Yacout and Elsahn (2011), Chahal and Bala (2012), and Kumar et al. (2013) brand perceived quality has a great impact on building brand equity. They mentioned that perceived quality provides value to a brand in many ways: high perceived quality represents a crucial indicator for customers to buy the brand and allows the brand to
distinguish itself from rivals, to charge a superior price, and to have a sturdy base for the brand extension. Zeithaml (1988), and Aaker (1991) argued that the customer’s subjective judgment of the product’s quality is affected by the Personal product experiences, specific needs, and consumption situations. Thus, high perceived quality means that through the long-lasting experience linked to the brand, customers are able to identify the uniqueness and the power of the brand (Yacout and Elsahn, 2011). Additionally, Zeithaml (1988), and Yacout and Elsahn (2011) identified perceived quality as a main element of brand value. Based on the above arguments, brand perceived quality has a positive impact on building brand equity.

Brand association, which is one of the CBBE dimensions, is defined as “anything linked in memory related to the brand” (Aaker, 1991). Brand associations depend on customers’ experiences or contact with the brand (Aaker, 1991). Based on Yoo et al. (2000), Atilgan et al. (2005), Ramos and Franco (2005), Rajh and Dosen (2009), Kumar et al. (2013), and Sasmita and Suki (2015) brand associations reflect the meaning and the value of the brand in the customers’ mind, which help build brand equity. They mentioned that brand associations represent the cornerstone for differentiation. Brand associations mirror the product’s features and aspects related or unrelated to the product itself (Chen, 2001).

Brand associations generate value not only to the customers but also to the organisations by distinguishing the brand, create positive feelings, and provide a motive to buy the product (Aaker, 1991). Based on the above arguments, the brand equity happens when the customer holds positive, favourable, sturdy and unique brand associations in memory.
Brand loyalty, which is one of the CBBE dimensions, refers to the overall commitment of being loyal to a specific brand (Yoo et al., 2000). In other words, brand loyalty helps customers to select a particular organisation over the others. According to Aaker (1991), Yoo et al. (2000), Atilgan et al. (2005), Chahal and Bala (2012), Kumar et al. (2013), and Sasmita and Suki (2015) brand loyalty is the core of brand equity and it represents the main element due to its significant value to a brand because it provides a set of regular buyers for a long time. Loyal customers demonstrate more favourable, positive responses to a brand than non-loyal or swapping customers do (Grover and Srinivasan, 1992; Sasmita and Suki, 2015).

Brand loyalty leads customers to buy a brand regularly and struggle changing to another brand (Tong and Hawley, 2009). Customers with a high degree of loyalty search for ways to cooperate with the brand and share their experiences and involvements with others (Kumar et al., 2013). Based on the above arguments, the degree to which the customers are devoted and loyal to the brand, brand equity will increase.

Brand trust, which is one of the CBBE dimensions, is defined as the willingness of a buyer to rely on the capability of a brand to fulfil the communicated functions and features, which is measured by the brand’s ability to deliver its promises (Morgan and Hunt, 1994; Chaudhuri and Holbrook, 2001; Kimpakorn and Tocquer, 2010). Brand trust is a part of customer’s relationship with the brand (Atilgan et al., 2009). Based on Blackston (1992), Lassar et al. (1995), Chaudhuri and Holbrook (2001), Harris and Goode (2004), Duffy (2005), Luk and Yip (2008), Rios and Riquelme (2008), Burmann et al. (2009), Rauyruen (2009), Yacout and Elsahn (2011), and Kumar et al. (2013) brand trust has been conceptualised as one of the CBBE dimensions affecting
the overall brand equity. They mentioned that trust creates brand value by reducing uncertainty and delivering relational benefits derived from the customer interaction with the brand. Particularly, they highlighted the importance of trust in the context of high involvement setting such as banks. Based on the above arguments brand trust has a positive impact on building brand equity.

Based on the qualitative findings and the previous studies, the fourth hypothesis was developed as follows: **H4: the CBBE dimensions have a significant positive direct effect on overall brand equity.**

This hypothesis was split into five sub-hypotheses as follows:

- **H4a:** Brand awareness has a significant positive direct effect on overall brand equity
- **H4b:** Brand perceived quality has a significant positive direct effect on overall brand equity
- **H4c:** Brand associations have a significant positive direct effect on overall brand equity
- **H4d:** Brand loyalty has a significant positive direct effect on overall brand equity
- **H4e:** Brand trust has a significant positive direct effect on overall brand equity

To summarise, this study contains four main groupings of hypotheses. The first grouping is regarding advertising and its impact on each CBBE dimensions. The second grouping is regarding personal selling and its impact on each CBBE dimensions. The third grouping is regarding direct marketing and its impact on the CBBE dimensions. The final grouping is regarding each CBBE dimension and its impact on the overall brand equity. these hypotheses were emerged based on the qualitative outcomes and the previous studies.
3.7 Summary

This research adopts the pragmatist’s view, which ties on many ideas such as working with different philosophical positions both interpretivism and positivism; using diverse approaches both inductive and deductive; and valuing both objective and subjective knowledge (Cherryholmes, 1992). The reason behind using this view is that pragmatist’s view believed that there is no single way of interpreting data that can provide the entire picture of the situation (Saunders et al., 2012).

Mixed methods research was conducted, which combines both qualitative and quantitative research in a sequential manner to answer the research questions. The qualitative phase (first phase of this study) was conducted to identify the major bank marketing communication tools that help build bank brand equity through CBBE dimensions; to help develop the proposed conceptual framework; and to develop a series of hypotheses and an instrument (questionnaire) for the second phase.

A judgmental sampling was used and fifteen semi-structured interviews were implemented over three weeks. These interviews were transcribed, coded and analysed by using themed analysis, which is presented in the following chapter (chapter four). Then, the quantitative phase (second phase of this study) was conducted to test the research hypotheses, which were based on the past studies and the qualitative phase of the research, which led to the final research model. In order to test the hypotheses, questionnaires were distributed among 465 bank customers over two months. These questionnaires were distributed by using quota sampling. These questionnaires were analysed by using SEM, which is presented in chapter five.
Figure (3-2) summarises the two phases of the research, which will be discussed in the following chapters.

Figure (3-2): The two research phases are presented as follows:

<table>
<thead>
<tr>
<th>Qualitative Phase</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Purpose:</strong> to identify the major bank marketing communication tools perceived by customers that help build bank brand equity.</td>
</tr>
<tr>
<td><strong>Data collection method:</strong> Semi-structured interviews</td>
</tr>
<tr>
<td><strong>Sampling technique:</strong> Judgmental sampling</td>
</tr>
<tr>
<td><strong>Data analysis technique:</strong> Themed analysis (chapter four)</td>
</tr>
<tr>
<td><strong>Time Frame:</strong> Three weeks</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Quantitative Phase</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Purpose:</strong> to test the hypotheses and to examine the effect of the identified variables on building bank brand equity through CBBE dimensions.</td>
</tr>
<tr>
<td><strong>Data collection method:</strong> Self-administered questionnaires</td>
</tr>
<tr>
<td><strong>Sampling technique:</strong> Quota sampling</td>
</tr>
<tr>
<td><strong>Data analysis technique:</strong> SEM (chapter five)</td>
</tr>
<tr>
<td><strong>Time frame:</strong> Two months</td>
</tr>
</tbody>
</table>
CHAPTER 4
QUALITATIVE FINDINGS

This chapter presents the qualitative phase of the research. It includes the qualitative analysis, which consists of the descriptive and the detailed analysis of the semi-structured interviews.

4.1 Qualitative data analysis

Semi-structured interviews have been conducted in the qualitative phase to identify the major bank marketing communication tools perceived by customers and to understand their impact on building bank brand equity in the Egyptian banking sector through CBBE dimensions.

4.1.1 Semi-structured interviews: Descriptive analysis

The researcher conducted fifteen semi-structured interviews. The respondents involved in these interviews had dealt with various types of banks including public and private ones in the Egyptian banking sector. From the public banks, they had dealt with NBE, Banque du Caire and Bank Misr. From the private banks, they had dealt with CIB, QNB, HSBC, AAIB and Barclays Bank.

These respondents had a mixture of various socio-demographic characteristics (age, gender, and occupation). The researcher interviewed customers outside their banks in order to have a sociable and friendly atmosphere. After conducting all the interviews, 53 % of the respondents were males, while 47 % were females. According to statistics, 53 % of the interviewees were between the ages of 21 and 30; 20 % were between the ages of 31 and 40; 13 % were between the ages of 41 and 50; and, finally 13 % were above 50. The statistics also showed that they came from different occupations 15 % were engineers, 10 % were
accountants, 20% were doctors, 30% were lecturers, 20% were businessmen, and 5% were housewives. Table (4-1) illustrates the respondents’ characteristics.

### Table (4-1): Respondents’ characteristics

<table>
<thead>
<tr>
<th>Demographic Traits</th>
<th>Percentage of the Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gender</strong></td>
<td></td>
</tr>
<tr>
<td>- Males</td>
<td>53 %</td>
</tr>
<tr>
<td>- Females</td>
<td>47 %</td>
</tr>
<tr>
<td><strong>Age</strong></td>
<td></td>
</tr>
<tr>
<td>- 21 to 30</td>
<td>53 %</td>
</tr>
<tr>
<td>- 31 to 40</td>
<td>20 %</td>
</tr>
<tr>
<td>- 41 to 50</td>
<td>13 %</td>
</tr>
<tr>
<td>- Above 50</td>
<td>13 %</td>
</tr>
<tr>
<td><strong>Occupation</strong></td>
<td></td>
</tr>
<tr>
<td>- Engineers</td>
<td>15%</td>
</tr>
<tr>
<td>- Accountants</td>
<td>10%</td>
</tr>
<tr>
<td>- Doctors</td>
<td>20%</td>
</tr>
<tr>
<td>- Lecturers</td>
<td>30%</td>
</tr>
<tr>
<td>- Businessmen</td>
<td>20%</td>
</tr>
<tr>
<td>- Housewives</td>
<td>5%</td>
</tr>
</tbody>
</table>

### 4.1.2 Semi-structured interviews: Detailed analysis

Fifteen participants took part in a semi-structured interview. The semi-structured interview consists of four key areas. The first area represents the introductory area, which looks at the general knowledge of marketing communication tools, to brainstorm and to get an idea of the participants’ familiarity with the different types of marketing communication tools and their power in delivering a message. The second area includes some specific questions related to the usage of marketing communication tools in the Egyptian banking sector, to get an idea of how familiar the participants are with the different types of marketing communication tools.
in the banking sector and also to know which tools are useful on building a bank’s value. The third area goes into more details about how the marketing communication tools affect the CBBE dimensions in the Egyptian banking sector. This area shows how the different types of marketing communication tools affect customers’ awareness towards banks, and customers’ perception towards banks’ quality, banks’ associations, banks’ loyalty and banks’ trust. The fourth area represents the concluding area, which asks the participants about the importance of CBBE dimensions on building bank brand equity.

**Key area one: General knowledge of marketing communication tools**

**Different types of marketing communication tools**

The interview began by asking a question related to the participants’ general knowledge about the various communication tools in marketing. Based on the interviewees’ background, they were familiar with different marketing communication tools.

All participants mentioned that advertising and personal selling were essential means of marketing communications. As for advertising, they considered it a one-way communication tool. They indicated that there were different mechanisms used to deliver the advertising such as television; radio; printed, like magazines, pamphlets, flyers, posters, billboards; and, finally, online through the organisation’s website or through social media like Facebook and Twitter. In contrast, the interviewees considered personal selling a two-way communication tool, which is based on the contacts between customers and personal selling. This point was supported by the following quote: “I am aware that marketing communication tools are divided into two main categories, the first one is the one-way communication tool, which consists of the different forms of advertising and the second one is the two-way communication tool, which mainly depends on the interactions between customers and personal selling.”
In addition, the majority of interviewees stated that word of mouth (WOM) is a primary mean of communication, particularly in Egypt, due to its great existence in people’s daily life. Furthermore, some interviewees indicated that direct communication tools or direct marketing tools are popular and well used. They specified that these direct communication tools took the form of e-mails, phone calls, messages, letters, faxes or catalogues directed to specific customers. Moreover, they mentioned that public relations tools play a major role in creating knowledge of an organisation. These public relations tools include the organisation’s event marketing, and sponsorship marketing. Finally, a few number of interviewees stated that sales promotions, such as special offers and discounts were ways for organisations to communicate to customers.

Due to these findings in the first question, the theme is: “Egyptians are very familiar with advertising, personal selling, and WOM as critical means of communication in their daily life.” The qualitative findings suggest that all respondents were familiar with advertising and personal selling due to the high presence of these types of communication in Egypt, giving Egyptians high exposure and increasing their familiarity with them. In addition, it was also found that the majority of respondents considered WOM as a crucial mean of communication due to the nature of the collectivistic culture in Egypt (Darwish and Huber, 2003), where people are integrated into strong cohesive groups and where they are influenced by the opinion of each other. However, this study will focus only on the controllable communication tools, not the uncontrollable tools, such as WOM.

**Power of marketing communication tools in delivering a message**

The second question in this area was related to the power of marketing communication tools in delivering a message. All interviewees agreed that marketing communication tools in
general are powerful when providing a message. However, they mentioned that the power of each tool differed according to the purpose of the organisation, the target market, and how customers were to be reached. Additionally, they stated that it is totally dependent on the type of industry and the nature of the product (whether goods or services). This idea was supported by the following quotes:

“It depends on the nature of the product, each tool is effective in different degrees.”
“Yes of course, they are powerful; each one is effective in a different way.”
“Definitely yes, especially when they are tailored to my needs.”

Some of the interviewees specified that the most powerful tools in delivering a message are personal selling and then advertising in general. They indicated that personal selling is powerful because it: “helps to obtain a more complete picture of the product due to the interactions between customers and personal selling.” Also, they mentioned that advertising is powerful because “it has a higher level of exposure to various audiences.” as well as, “Advertising is perceived as a reliable tool of information.”

Therefore, based on their responses, the theme is: “In general, the marketing communication tools are powerful in delivering a message, particularly personal selling and advertising.” The qualitative findings indicate that Egyptians are influenced most by personal selling and advertising. Personal selling is the most influential because customers appreciate the opportunity to discuss and ask questions about the product being sold. Advertising is also influential, because it reaches more people, who are able to talk about it and make the brand more familiar.
Key area two: Usage of marketing communication tools in the Egyptian banking sector

Marketing communication tools used in the Egyptian banking sector

This area started by asking a question related to the marketing communication tools used in the Egyptian banking sector. All interviewees identified advertising and personal selling as the most common communication tools used by banks. As for the advertising, the interviewees specified different forms related to banks. For example, the use of printed advertising both indoors and outdoors was mentioned. The indoor advertising includes flyers, pamphlets and posters. The outdoor advertising includes outdoor signs and billboards. Furthermore, it was stated that banks use television and online advertising (whether on banks’ website or through social media). For the personal selling, the interviewees indicated that this tool creates a great opportunity for interaction that helps create a communication channel rich with information. This point of view was supported by the following quote:

“My bank uses television advertising, online advertising, printed advertising and of course personal selling because when dealing with banks you need to talk to someone, to ask questions and to make a conversation before taking decisions.”

Additionally, the majority of interviewees stated that there are different direct marketing tools used by banks, such as messages, phone calls, emails and letters directed to them. Moreover, some of them indicated various public relations tools like banks’ event marketing and sponsorship marketing. However, minorities mentioned some examples of sales promotions such as banks’ offers like free issuing fees for opening an account or for taking a credit card. Figure (4-1) ranks the bank marketing communication tools from the most to the least frequently used.
Based on their answers, the theme is: “The most commonly-used marketing communication tools in banks found in the Egyptian market are advertising, personal selling, and direct marketing.” The qualitative findings suggest that Egyptian customers perceive advertising, personal selling, and direct marketing to be the most common communication tools used by banks. Advertising is popular in Egypt because of its high presence and usage indoors and outdoors. Personal selling is also very common in the Egyptian banking sector due to the nature of the banking services, which requires personal assistance that helps customers to take the right decisions. (For the interviewees, personal selling is synonym to the bank employees, particularly in the Egyptian banking sector). Direct marketing is also a well-known marketing communication tool, particularly after the high usage of technology in the competitive marketplace. Based on the researcher’s experience in the Egyptian banking sector, when people see advertising, they usually have further questions. Therefore, personal selling and direct marketing, (postal mail, emails, phone calls, and messages) allow people to discuss what they saw and to know what is available in banks. People seem to rely on these communication tools, particularly the personal selling, where they can be reassured of any insecurity they may have when dealing with something as important as their savings.
Usefulness of marketing communication tools on building a bank’s value

In the second question in this area, which talks about the usefulness of marketing communication tools on building a bank’s value, the majority of interviewees mentioned that bank’s personal selling is the most successful tool on building the bank’s value. They argued that in the banking sector, face-to-face communication or interaction between sales representatives and customers reduce the uncertainty and help build a bank’s value. The respondents stated the following supporting quotes:

“Speaking to helpful and knowledgeable representatives gives customers a sense of assurance that they are taking the right decisions.”
“Personal selling are the people who deal with customers and who develop their perceptions towards the banking services.”
“Personal selling caters for the customers needs, and provides suitable information and guidance, which help build the bank’s value.”

The next successful tool on building a bank’s value is advertising with its different forms. The interviewees indicated that advertising whether printed, broadcast or online reflects the bank’s utility, usefulness and value. This mean of communication helps to build the bank’s value. Respondents stated the following supporting quote: “Advertising provides higher exposure to various audiences in the market. Therefore, the bank value is easily reflected.”

The third successful tool is direct marketing. The respondents enjoyed receiving telephone calls, messages on their mobiles, emails, faxes and post mails. They believed that this means of communication benefitted them by acting as a source of information and a reminder of various services, benefits and values related to the bank. They stated the following quote: “Direct marketing tools provide customers with recent offers and information concerning the bank’s offerings and benefits.”
Finally, the fourth successful tool is the public relations, particularly the bank’s sponsorship marketing. The interviewees stated that banks benefit from this communication tool by being associated with certain events that people enjoy. Hence, people remember the bank in a positive way, which enhances its value in the customer’s mind. The respondents mentioned the following quote: “Public relations impact the bank’s value in the eyes of their customers in a positive way.”

Figure (4-2) ranks the marketing communication tools from the most to the least useful tool on building bank’s value in the Egyptian banking sector as follows:

Figure (4-2): Bank marketing communication tools from the most to the least useful tools

- Personal Selling
- Advertising
- Direct Marketing
- Public relations

Based on their responses, the theme is: “The most useful marketing communication tools on building a bank’s value in the Egyptian market are personal selling, advertising, and direct marketing correspondently.” The qualitative findings indicate that the most useful communication tools on building a bank’s value are as follows: personal selling, advertising and direct marketing. Personal selling is the most successful tool due to the interaction between sales representatives and customers. Egyptians like to have the opportunity to discuss different options face-to-face with their personal selling to make sure that they take the right decisions. Advertising is the second successful tool due to its high usage in the Egyptian banking sector as a key tool of providing detailed information. Direct marketing is
Chapter 4: Qualitative Findings

the third useful tool because it can reach customers in the market straightforwardly. Text messages, phone calls and emails can be received at any time and in any place. Each of these tools could reflect the bank’s value in its own way.

Key area three: Bank marketing communication tools and the CBBE dimensions

Bank marketing communication tools that affect customers’ awareness towards banks in the Egyptian market

This area began by asking the respondents about banks they are aware of in the Egyptian market (brand awareness is one of the CBBE dimensions). The interviewees mentioned several banks. The most famous banks mentioned by the respondents were as follows: NBE, CIB, QNB, HSBC, Banque Misr, AAIB, Barclays, and Banque du Caire. They were aware of these banks due to different marketing communication tools. Each tool played a part in forming their familiarity and their knowledge regarding these banks. The majority of the responses were in favour of WOM [this tool was mentioned in the first area as a primary mean of communication particularly in Egypt due to its great existence in people’s daily life]; while others were in favour of advertising, personal selling, direct marketing; and, finally few responses were in favour of public relations tools.

The majority of interviewees who were in favour of WOM, mentioned that WOM from close reference groups such as family; friends and co-workers affect their awareness towards banks. WOM can be very influential to listeners when it is their first time in dealing with the banking services. Therefore, they believed that WOM is more credible than mass media with regards to the banking services. This idea was supported by the following quotes:

“As a start, positive WOM affects my awareness regarding banks.”
“In the banking sector, the referrals particularly my family members affect my awareness.”
“WOM is the strongest way of increasing my awareness towards banks.”

The interviewees who were in favour of advertising stated that advertising plays a major role in creating bank awareness among customers. Advertising reaches a large number of people faster than other communication tools and provides information of various services. When respondents see paid advertising, they consider it as a credible source because they believe that organisations would not pay to spread false or inaccurate information. Furthermore, they believed that constant and repetitive advertising messages allow customers to be aware of the bank name. In addition, it allows curiosity to develop, triggering customers to go to banks and ask about the advertised services. This idea was supported by the following quote: “Advertising whether television, radio, printed or online helps me to remember the bank with its different services.”

Interviewees who mentioned that personal selling creates bank awareness declared that the aim of sales representatives and employees, such as customer advisor, is to inform and encourage customer to deal with the bank. They are informative and knowledgeable. Therefore, they are the most suitable persons to provide information because they are from within the organization. This idea was supported by the following quote: “Personal assistance helps me know the available services that are relevant to my needs.”

Interviewees stated that direct marketing tools create bank awareness among customers. With the use of direct marketing, the bank is able to contact its customers when new services are created or ideas promoted. This finding was supported by the following quote: “Phone
calls and messages increase my awareness towards the new offers and the new services because my bank contacts me whenever there is something new.”

Finally, a small number of interviewees stated that public relations create bank awareness among customers. The respondents believed that the most effective public relations tools are the temporary set up booths in well-known public arenas. Through these mechanisms, customers are able to approach the bank in convenient times for information. This finding was supported by the following quote: “At the introductory stage of a service that is offered by a bank, a set up booth would be beneficial in grabbing people’s attention.”

The previous findings and the supporting quotes help the researcher to develop the following theme: “The strongest marketing communication tools that affect Egyptians’ awareness towards banks are WOM, advertising, personal selling and direct marketing.” The qualitative findings state that WOM, advertising, personal selling and direct marketing play a crucial role in affecting Egyptians’ awareness towards banks. The WOM is not a controllable communication tool but has a great influence due to its great power in people’s daily life, particularly when it comes to the banking sector where people save their money. Since this study only focuses on the controllable tools, advertising, personal selling and direct marketing will only be reflected. Advertising affects Egyptians’ awareness towards banks because it reaches a large number of people due to its high exposure whether indoors or outdoors in the Egyptian market. Personal selling represents useful mechanism for introducing customers to the bank and its services due to the interactivity and the persuasive impact of the person-to-person communication. Additionally, direct marketing boosts customers’ awareness towards the banking services, especially the new ones through phone calls, emails or messages.
Chapter 4: Qualitative Findings

**Banks with high quality**

The second question asked the respondents about their perceptions towards banks with high quality in the Egyptian market. The interviewees mentioned some banks with high quality. They mentioned correspondently: NBE, CIB, HSBC and QNB.

**Bank marketing communication tools that affect customers’ perception towards banks’ quality**

The third question was related to the bank marketing communication tools that affect customers’ perception towards banks’ quality (brand perceived quality is one of the CBBE dimensions). The interviewees had different perceptions regarding this matter. The majority of the responses was in favour of personal selling giving more weight to the customer advisors, while others were in favour of advertising with its different forms and also direct marketing. However, a small number of responses were in favour of public relations tools.

Based on the replies of the interviewees, the majority stated that the best marketing communication tool, which affects the perceived quality towards a bank, is personal selling. Personal selling is not the only major player in developing the quality of a bank but also the customer service employees in banks play an important role. Employees represent the excellence of banks. Hence, when employees are knowledgeable, presentable, and friendly, they reflect good quality. This idea was supported by the following quotes:

“Employees who are knowledgeable impact the quality and the performance of a bank.”

“Employees affect the perceived quality of a bank because they provide guidance and advice to customers in order to help them to take the right decisions.”

“Customer advisors can bring a business up or bring it down depending on their performance.”

“When communication by sales representatives is of good quality, this affects the overall quality of a bank.”
Furthermore, in this question, some of the interviewees believed that advertising affects the perceived quality towards a bank. They mentioned that advertising must be established in a clear and informative manner. The design and layout should be attractive and of high excellence. This finding was supported by the following quote: “Indirect contact gives me the first impression through television advertising, radio advertising, online advertising and printing advertising. If they are well designed, informative, organized, simple, well planned, and have a clear identity, they will definitely affect the perceived quality of the bank in a positive way.”

According to this question, some other interviewees believed that direct marketing tools could also affect the perceived quality towards a bank. Receiving regular correspondence (whether emails, telephone, or postal service) creates a sense of quality assurance among the interviewees. This finding was supported by the following quotes:

“When I receive regular correspondence from my bank, I feel that the bank has a good system that I can rely on."
“The quality of the website, its design and its tasks are a strong indicator of the service quality of the bank.”

Based on the previous findings and quotes, the following theme is developed: “Personal selling, all forms of advertising, and direct marketing affect the perceived quality of a bank.”

The qualitative findings indicate that in the Egyptian banking sector, people consider bank employees, advertising and direct marketing as good indicators that influence the quality of a bank. Bank employees have a great importance in affecting the excellence and superiority of a bank. They promote the banking services through their attitude, appearance and knowledge. Bank advertising could take many forms such as print advertisings (billboards, handbills, magazines, newspapers, etc.), Television commercials, and radio advertisings. The presentation, the design and the layout of these forms of advertising help customers to
evaluate the quality of the bank and its services against other competitors. Additionally, receiving regular correspondence creates a sense of quality assurance. Therefore, banks should place more weight on these tools of communication.

**Bank marketing communication tools that demonstrate the bank’s characteristics**

The fourth question was related to the bank marketing communication tools that demonstrate the bank’s characteristics, which help create the brand association in the customers’ minds. (Brand association is one of the CBBE dimensions). They are very crucial because they are the attributes of the brand, which come into the customer’s mind when the brand is talked about. In general, the interviewees mentioned that brand associations are related most of the time to the perceived quality. The majority of interviewees believed that advertising and staff, as communication tools, shape the brand associations in the Egyptian banking sector. Advertising is perceived to reflect good performance and unique persona towards a bank, allowing customers to develop an affirmative and positive image. The interviewees stated that the most influential forms of advertising are presented as follows: television, printed, and online. These forms are listed according to their impact correspondingly. In addition, the respondents believed that the effective interaction among staff and customers creates a positive bank’s image, which leads to positive brand associations. They provided the following reasons as their supporting quotes:

“The better the quality of advertising, the better the image is portrayed.”
“The way the bank is presented in the advertising, with the slogan, creates a positive image of the bank.”
“I build positive image if the advertising reflects good performance of the bank.”
“The bank personal selling is a very crucial tool because I judge the image of the bank based on my interactions with the bank staff. The better interactions, the better the bank image will be.”
Furthermore, some of the interviewees mentioned that direct marketing could also create an image of a bank through messages, emails or phone calls. Hence, these tools should be developed in a professional and attractive manner. This finding was supported by the following quote: “If these tools provide me with the needed information, definitely, it will positively affect the bank image.”

Based on the responses of this question and the previous findings the following theme was developed: “Advertising with its different forms, bank employees and direct marketing are crucial means in affecting the brand associations in the Egyptian banking sector.” According to the interviewees’ responses, the researcher found that the brand associations towards a bank are mainly formed based on the advertising and the bank employees due to their high reliability in the Egyptian market. In addition to the direct marketing, which is considered as a new technological tool in Egypt. These means of communication illustrate the experience that will be received when using the bank. Brand experience is based on sensations, feelings, cognitions, and behavioural responses evoked by brand-related stimuli. Such stimuli (advertising, employees themselves and direct marketing tools) appear as part of a brand’s identity. Advertising, bank employees and direct marketing tools should reflect positive and unique attributes of the brand so that the customer could relate the brand to being positive in order to gain a good reputation and to win the competition.

**Bank marketing communication tools that affect customers’ loyalty towards the bank**

The fifth question was related to the bank marketing communication tools that affect loyalty towards the bank (brand loyalty is one of the CBBE dimensions). The interviewees had different opinions regarding this issue. The majority stated that the usage of the bank
marketing communication tools does not affect their loyalty towards their banks. However, the rest were in favour of personal selling, particularly the customer advisor, and direct marketing, whereas a few were in favour of sales promotions.

The majority of interviewees mentioned that their loyalty towards their banks is not based on the usage of the bank marketing communication tools because they tend to be loyal to their banks unless something major happens. In addition, they considered the decision of starting a new account as an important decision because changing banks is a big hassle. This idea was supported by the following quotes:

“I do not think that my loyalty is based on the bank’s marketing communication tools because I tend to be loyal to my bank unless something major happens.”
“When I create an account in the bank, I never think of changing my bank, unless there is a major problem that forces me to change.”
“My loyalty is not influenced by any of the communication tools. As long as I am satisfied with the service, I have no reason to think of changing the bank I deal with.”
“Changing banks is a big hassle. Hence, my loyalty is not affected by the bank communication tools.”

According to this question, some of the interviewees implied that the usage of marketing communication tools could act as a promoter regarding their loyalty towards their banks. They stated that customer advisors and direct marketing tools could affect their loyalty. These elements are vital due to both personal and direct contacts. The importance of face-to-face communication and customized contact in the services sector, particularly the banking sector, gives a sense that the bank that the customer is dealing with has warm, intimate, and special treatments for its customers. Hence, it allows customers to feel important. Particularly, they stated that customer advisors are the ones who know how to build a business. They are the ones who give customers the sense of devotion and fidelity. In addition, others have agreed that direct marketing aids customers to be in direct and close
contact with the bank. It allows them to be aware of every new service, promotion (offers), and relevant information regarding the bank, which definitely influences their reliability and loyalty. These ideas were supported by the following quotes:

“The customer advisor easily influences my loyalty.”
“My loyalty to the bank depends on the bank staff. When I feel that the staff are helpful and have the right advice for me that serves my own interest, I feel loyal to the bank.”
“Direct marketing helps me to always be in contact with the bank which will affect my bank loyalty.”

Furthermore, a minor number of interviewees stated that their loyalty towards their banks is affected by the sales promotions. Sales promotions include for example the offers received when opening an account or using the credit card. They believed that when their banks provide special offers not found in other banks, such as free issuing fees, they feel that they receive better value for their money. They also feel that their banks are trying to satisfy them with a better service than other banks. These benefits create a catalyst to deepen their loyalty. This point was supported by the following quote: “I am prepared to change my bank if it means getting a better value for money from another bank.”

Based on the findings and quotes, two themes were developed. The first theme was: “Bank communication tools do not affect customer’s loyalty in the Egyptian market.” The second theme was: “Customer advisor and direct marketing tools act as a promoter to the creation of customer’s loyalty.” According to the first theme, the qualitative findings suggest that the different marketing communication tools used by banks have no effect on customer’s loyalty. The choice of a bank is not a daily decision. The step of being customer to a bank requires personal and private information. However, in the second theme, the qualitative findings indicate that the bank staff and the direct marketing tools could affect some customers. The employees of the customer service play an important role in building long-
term customer relationship. Hence, customers are loyal to the facility due to the personal attachment that they have with the bank. Additionally, the frequent and the close direct contact, whether through emails, telephones, messages, etc., can be significant because these tools allow customers to feel important and special, which helps to reinforce their loyalty.

**Bank marketing communication tools that affect customers’ trust towards the bank**

The sixth question was related to the bank marketing communication tools that affect the trust towards the bank (brand trust is one of the CBBE dimensions). Different points of view have been obtained regarding this matter. The majority of responses were in favour of three communication tools, personal selling, advertising (particularly television), and direct marketing tools. However, few interviewees were in favour of public relations.

The majority of interviewees believed that the banks’ employees in general play a crucial role in affecting trust towards the bank. Customers feel much more comfortable when the bank staff provide them with clear information, fulfil the banks’ promises and give advice to them about the best service that satisfies their needs. When employees appear to be frank about what the bank offers, customers begin to perceive them as dependable, credible, and responsible. Being extremely honest is important to maintain customers in banks.

In addition, the interviewees believed that advertising (particularly television) affects their trust towards their banks because television advertising requires a huge amount of money to begin the campaign and allow for its airing. Hence, the bank that uses this form of advertising will try to promote what actually exists in the bank in order to maintain its good reputation. Advertising will reflect the genuineness of the bank, factors found in reality. Furthermore, interviewees agreed that the regular correspondence that they received from
their banks such as letters, make them feel that the bank has a good system they can trust. These direct communication tools affect clearly their reliance towards their bank, particularly if these tools deliver accurate and clear information. These previous ideas were supported by the following quotes:

“I think face-to-face communication is the most effective tool that can build my trust, particularly in the banking sector.”
“To trust a bank, the bank staff should be trustworthy, behave ethically and deliver the bank’s promises in order to have a solid relationship with customers.”
“Television advertising is a good indication that I can trust the bank, as I know that Television advertising is expensive so it will be important to maintain a good reputation that has been enhanced by the advertising.”
“Direct communication tools affect the trust in a positive way if they provide me with right and clear information.”

A few number of interviewees mentioned that public relations such as the usage of publications affect their trust towards their banks. Reliability of the publications allows customers to receive the needed information and promotions. This point was supported by the following quote: “Reliability of publications makes me feel that I can trust the bank.”

Based on the findings and quotes, the following theme has been developed: “Bank staff, television advertising, and direct marketing are trustworthy tools of communication in the Egyptian banking sector.” The qualitative findings indicate that personal selling is one of the strongest means of communication in affecting trust towards the bank due to the face-to-face communication and the opportunity of interacting between employees and customers. Television advertising is another trustworthy tool that help banks to keep a steady stream of customers in the Egyptian market. This is due to the good level of credibility of Television advertising in the Egyptian banking sector. Customers believed that banks would not pay a huge amount of money to spread inaccurate information that could affect their reputation. Furthermore, direct marketing tools are driven by databases, which provide accurate data
about customers. Therefore, when customers receive customised messages or emails that fit their specific needs, they will definitely trust the bank.

Key area four: CBBE dimensions and the overall brand equity

Importance of CBBE dimensions on building bank’s brand equity

The final area in the interview consisted of one closing question. The aim of this question is to know the importance of CBBE dimensions (brand awareness, brand perceived quality, brand associations, brand loyalty and brand trust) on building the bank’s brand equity. All interviewees mentioned that all the previously discussed dimensions are very crucial in order to build the bank’s brand equity, which will benefit to achieve a sustainable competitive advantage in the Egyptian banking sector. Additionally, they stated that these dimensions should exist altogether as a package. These dimensions should not be neglected or divided. They should be linked together since they compliment each other in order to build the bank’s brand equity. This point of view is supported by the following quotes:

“All the dimensions are needed to build bank brand equity; we cannot depend on one dimension and avoid the other.”
“All the dimensions are related and none of them can be disregarded.”
“All the dimensions are essential and need to be taken into account.”

In more detail, some of the interviewees indicated that the most critical dimensions in the Egyptian banking sector to build the bank’s brand equity are trust and perceived quality. They stated that trust is a crucial dimension due to the specific characteristics of the banking services. Furthermore, they mentioned that perceived quality is a vital dimension particularly for banks in order to survive and to compete in the Egyptian market. These opinions are supported by the following quotes:

“All the dimensions are needed, but we should focus more on the brand trust due to the sensitivity of the banking sector.”
“All the dimensions are required, but I think that the bank brand equity is mainly directed by trust. It is important to me to be sure that I can trust that
my money is safe with the bank and that I can receive the service I need when I need it and also that I will get the bank’s promises.”

“All the dimensions are necessary but I think that one of the most important dimensions is trust, as I would never give such private information to an organisation I do not trust.”

“All the dimensions are needed, particularly the overall quality of the bank, when I choose a place to keep my money; I want to be sure that its quality is very good.”

“All the dimensions are important, but I believe that perceived quality is the most important one. I am attracted to the bank because of this. When the bank offers a better quality service than other banks, I am more inclined to use this bank.”

“All the dimensions are essential but I believe that perceived quality is the most important dimension. When the quality of the service is good, then for me the bank has a good brand equity.”

Based on the previous findings and quotes, the following theme is developed: “All CBBE dimensions are necessary to build bank brand equity in the Egyptian banking sector; particularly, trust and perceived quality of the bank have a significant impact.” The qualitative findings mention that all the dimensions are vital to build the bank’s brand equity. Each tool has its own role in building equity. Brand awareness allows customers to know that the bank exists; brand perceived quality provides general excellence of the overall banking services; brand associations provide acquaintance and bank differentiation that are not replicable; brand loyalty helps the customers to choose a specific bank over the others and brand trust shows how the bank fulfils its promises in every interaction.

However, trust and perceived quality represent the most important contributors to build the bank’s brand equity in the Egyptian banking sector. Trust is a fundamental part of developing the brand that creates assurance and confidence, which encourages customers to deal and to stay with the bank. Perceived quality is a key dimension that helps maintain customers and attract new ones. By giving more weight to perceived quality and trust, they can act as a competitive advantage in the cluttered market.
4.2 Summary

In the field of marketing, there are five main marketing communication tools that any institution, such as banks, can use in its integrated marketing campaign. These tools are advertising, personal selling, direct marketing, public relations, and sales promotion. Advertising refers to any paid notice from identified sponsors usually offered through communication media, such as television and radio. Personal selling refers to a personal presentation by the company’s sales staff in order to make sales and to build customer relationships. Direct marketing refers to straight connections with targeted individual customers to achieve both an immediate response and build long-lasting customer relationships; for example, catalogues, telephone calls, direct e-mails, mails and other communication tools to communicate directly with particular customers. Public relations consist of building good relations with the company’s various publics. It includes sponsorship marketing, and special events. Finally, sales promotion refers to short-term incentives for a customer to make immediate purchase such as discounts, and coupons.

Based on the interviews’ analysis, the most familiar marketing communication tools known in Egypt are advertising (one-way communication tool), and personal selling (two-way communication tool). Both tools are generally recognised as the most powerful tools in delivering a message. Regarding the banking sector, the respondents stated a third communication tool: direct marketing. They believed that these three controllable communication tools (advertising, personal selling and direct marketing) are the most influential to promote and create a bank’s brand equity through CBBE dimensions.

Each of these marketing communication tools that were vital in the Egyptian banking sector impacts certain CBBE dimensions, with different explanations. Advertising, the first perceived influential tool in communication, was found to have an impact on (1) brand
Chapter 4: Qualitative Findings

awareness, (2) brand perceived quality, (3) brand associations, and (4) brand trust. Respondents believed that advertising is proficient in introducing customers to banking services and in providing detailed information. Advertising helps to increase the audiences’ awareness of issues with which they may be unfamiliar, as well as educate them on related benefits of the service. The respondents indicated that a well-designed advertising would definitely reflect good quality and good image towards the bank in the customer’s mind. Hence, the bank will be associated with something positive so that the customer will relate the brand to being constructive. Additionally, the advertising impacts the trust towards a bank when the customer’s expectations are met and when the bank’s promises are delivered. Figure (4-3) illustrates the impact of advertising on certain CBBE dimensions

**Figure (4-3): Impact of advertising on CBBE dimensions**

![Impact of advertising on CBBE dimensions](image)

Personal selling, the second perceived influential tool in communication, was found to go hand-in-hand with effective bank employees. They then impact (1) brand awareness, (2) brand perceived quality, (3) brand associations, (4) brand loyalty, and (5) brand trust. Respondents believed that one of the major roles of personal selling is to inform and educate customers on various banking services in order to create awareness and interest with potential customers. Furthermore, they indicated that the bank’s employees promote the
bank’s services through their appearance, attitude and knowledge. Hence, when the bank’s employees are presentable, friendly and knowledgeable, customers will perceive the bank as having high quality and will be associated with positive features in the customer’s mind. In fact, effective employees (whether they are personal selling or customer advisors) keep customers satisfied and build long-term relationships with them. Bear in mind that bank employees listen to and communicate with customers to solve their problems in order to win their trust and confidence. At the end, customers who are satisfied are more inclined to deal with the bank again and to become loyal customers towards the bank. Figure (4-4) illustrates the impact of personal selling on CBBE dimensions.

**Figure (4-4): Impact of personal selling on CBBE dimensions**

![Diagram showing the impact of personal selling on CBBE dimensions]

Finally, direct marketing, the third perceived influential tool in communication, was found to have an impact on (1) brand awareness, (2) brand perceived quality, (3) brand associations, (4) brand loyalty, and (5) brand trust. Interviewees believed that this means of communication works differently than other tools. Technology has allowed customers to be empowered with advanced communication tools, such as mobile phones, Internet messages, and international quick postal services. These devices can be viewed as unique means of connecting to the target segment. Direct marketing is driven by databases, which provide
accurate data about the customers to satisfy their needs and to win their trust. Although this tool is still evolving, it is already finding success when building brand equity. According to the interviewees, customers’ involvement is the key towards accomplishment because of its participatory communications. This technique helps boost customers’ awareness, and reflects good quality in the customer’s mind. In addition, this tool helps develop a direct and close contact with customers. Those contacts help create and maintain strong relationships, which lead to loyal customers. Figure (4-5) illustrates the impact of direct marketing on CBBE dimensions.

**Figure (4-5): Impact of direct marketing on CBBE dimensions**

![Diagram of CBBE dimensions]

Finally, the interviewees mentioned the importance of all the CBBE dimensions (brand awareness, brand perceived quality, brand associations, brand loyalty and brand trust), particularly brand perceived quality and brand trust in order to build the bank’s brand equity. Based on the interview findings and the emergent themes, the researcher has identified three major marketing communication tools in the Egyptian banking sector as follows: advertising, personal selling and direct marketing. Each of these tools impacts different CBBE dimensions with different explanations.
According to these qualitative findings and the previous studies, a proposed conceptual framework was generated to be tested in the quantitative phase. Diagram (4-6) illustrates the three major bank marketing communication tools and the CBBE dimensions in which they influence. The lines indicate the links that leads to overall brand equity. Based on this proposed model, a quantitative research will be developed to help test the research hypotheses.

**Figure (4-6): Proposed model**

<table>
<thead>
<tr>
<th>Major Bank Marketing Communication Tools</th>
<th>CBBE Dimensions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advertising</td>
<td>Brand Awareness</td>
</tr>
<tr>
<td>Personal Selling</td>
<td>Brand Perceived Quality</td>
</tr>
<tr>
<td>Direct Marketing</td>
<td>Brand Associations</td>
</tr>
<tr>
<td></td>
<td>Brand Loyalty</td>
</tr>
<tr>
<td></td>
<td>Brand Trust</td>
</tr>
<tr>
<td></td>
<td>Overall Brand Equity</td>
</tr>
</tbody>
</table>
CHAPTER 5
QUANTITATIVE FINDINGS

This chapter discusses the research quantitative findings. It consists of two parts: The first part includes descriptive statistics and tests of validity and reliability. As for the second part, the model fit indices and the hypotheses testing are presented by using Structural Equation Modelling (SEM).

Part one

This part includes the descriptive statistics of the demographic characteristics of the research sample, the tests of validity (convergent and discriminant validity) and the reliability of scales.

5.1 Descriptive statistics of the demographic characteristics of the research sample

The sample size of the research was 465 bank customers. From the public sector, there were 309 customers that constitute (66.5%) of the total sample, which were selected as follows: 180 customers from NBE that constitute (38.7%) of the total sample. 105 Customers from Bank Misr that represent (22.6%) of the total sample and 24 Customers from Banque Du Caire representing (5.2%) of the total sample.

From the private sector, there were 156 customers that constitute (33.5%) of the total sample. They were selected as follows: 54 customers from CIB that represent (11.6%) of the total sample. Customers from QNB represent (7.7%) of the total sample with 36 respondents; and Customers from HSBC represent (7.1%) of the total sample with 33 respondents. In addition, there were 24 customers from AAIB that constitute
(5.2%) of the total sample while there were 9 customers from Barclays Bank that represent (1.9%) of the total sample. The sample includes 240 females, which represent (51.6%) of the total sample and 225 males, which represent (48.4%) of the total sample.

Customers’ age in the sample ranged from twenty-one years old, which is the legal age to have a bank account, to fifty years old and above. 174 customers aged 40 to less than 50 represent the greatest portion (37.4%) of the total sample. 132 customers aged 30 to less than 40 represent (28.4%) of the total sample. 81 customers aged 50 and above represent (17.4%) of the total sample while 78 customers aged 21 to less than 30 represent the smallest portion (16.8%) of the total sample.

Customers’ current occupations varied from managers, clerks, professionals, academics, technicians, and self-employed. The largest portion includes 183 clerks, which represent (39.4%) of the total sample. There were 117 managers that constitute (25.2%) of the total sample. 57 academics that represent (12.3%) of the total sample. 45 self-employed that represent (9.7%) while there were 33 technicians, which form (7.1%) of the total sample and finally, the smallest portion was 30 professionals, which represent (6.5%) of the total sample.

Customers’ marital status varied from married, single, and divorced. The largest portion consists of 327 married persons, which represent (70.3%) of the total sample. 111 single that constitutes (23.9%) of the total sample, while there were 27 divorced, which represent (5.8%) of the total sample.
Customers’ number of children ranged from none, one child, two children, and three or more. The largest portion of customers was 138 who have two children, which represent (29.7%) of the total sample. 132 who have no children that represent (28.4%) of the total sample. There were 108 who have one child, which represent (23.2%) of the total sample. Finally, 87 who have three children or more represent (18.7%) of the total sample.

Customers’ income level ranged from less than 2000, from 2000 to less than 5000, from 5000 to less than 10000 and finally above 10000 L.E. The largest portion of customers who earned from 5000 to less than 10000 was 189, which represents (40.6%) of the total sample. 174 customers who earned over 10000 represent (37.4%) of the total sample. Then, 99 customers who earned from 2000 to less than 5000 represent (21.3%) of the total sample. However, the smallest portion was 3 who earned less than 2000 represent (0.6%) of the total sample.

Customers’ education level ranged from intermediate to postgraduate degrees. The largest portion was 291 who got the bachelor degree and this portion represents (62.6%) of the total sample. There were 141 who attained postgraduate degrees and they represent (30.3%) of the total sample, while they were 27 who achieved the high school diploma and they represent (5.8%) of the total sample and finally the smallest portion was 6 who hold intermediate degrees or less represent (1.3%) of the total sample. Table (5-1) presents the descriptive statistics of the demographic characteristics of the research sample.
### Table (5-1): Descriptive statistics of the demographic characteristics of the research sample

<table>
<thead>
<tr>
<th>Demography</th>
<th>Item</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sector</strong></td>
<td>Public Banks</td>
<td>309</td>
<td>66.5%</td>
</tr>
<tr>
<td></td>
<td>Private Banks</td>
<td>156</td>
<td>33.5%</td>
</tr>
<tr>
<td><strong>Banks and number of customers in each bank</strong></td>
<td>NBE</td>
<td>180</td>
<td>38.7%</td>
</tr>
<tr>
<td></td>
<td>Bank Misr</td>
<td>105</td>
<td>22.6%</td>
</tr>
<tr>
<td></td>
<td>Banque Du Caire</td>
<td>24</td>
<td>5.2%</td>
</tr>
<tr>
<td></td>
<td>CIB</td>
<td>54</td>
<td>11.6%</td>
</tr>
<tr>
<td></td>
<td>QNB</td>
<td>36</td>
<td>7.7%</td>
</tr>
<tr>
<td></td>
<td>HSBC</td>
<td>33</td>
<td>7.1%</td>
</tr>
<tr>
<td></td>
<td>AAIB</td>
<td>24</td>
<td>5.2%</td>
</tr>
<tr>
<td></td>
<td>Barclays</td>
<td>9</td>
<td>1.9%</td>
</tr>
<tr>
<td><strong>Gender</strong></td>
<td>Male</td>
<td>225</td>
<td>48.4%</td>
</tr>
<tr>
<td></td>
<td>Female</td>
<td>240</td>
<td>51.6%</td>
</tr>
<tr>
<td><strong>Age</strong></td>
<td>From 21 to less than 30</td>
<td>78</td>
<td>16.8%</td>
</tr>
<tr>
<td></td>
<td>From 30 to less than 40</td>
<td>132</td>
<td>28.4%</td>
</tr>
<tr>
<td></td>
<td>From 40 to less than 50</td>
<td>174</td>
<td>37.4%</td>
</tr>
<tr>
<td></td>
<td>Above 50</td>
<td>81</td>
<td>17.4%</td>
</tr>
<tr>
<td><strong>Current occupation</strong></td>
<td>Managers</td>
<td>117</td>
<td>25.2%</td>
</tr>
<tr>
<td></td>
<td>Clerks</td>
<td>183</td>
<td>39.4%</td>
</tr>
<tr>
<td></td>
<td>Professionals</td>
<td>30</td>
<td>6.5%</td>
</tr>
<tr>
<td></td>
<td>Academics</td>
<td>33</td>
<td>7.1%</td>
</tr>
<tr>
<td></td>
<td>Technicians</td>
<td>57</td>
<td>12.3%</td>
</tr>
<tr>
<td></td>
<td>Self-employed</td>
<td>45</td>
<td>9.7%</td>
</tr>
<tr>
<td><strong>Marital status</strong></td>
<td>Married</td>
<td>327</td>
<td>70.3%</td>
</tr>
<tr>
<td></td>
<td>Single</td>
<td>111</td>
<td>23.9%</td>
</tr>
<tr>
<td></td>
<td>Divorced</td>
<td>27</td>
<td>5.8%</td>
</tr>
<tr>
<td><strong>Number of children</strong></td>
<td>None</td>
<td>132</td>
<td>28.4%</td>
</tr>
<tr>
<td></td>
<td>One</td>
<td>108</td>
<td>23.2%</td>
</tr>
<tr>
<td></td>
<td>Two</td>
<td>138</td>
<td>29.7%</td>
</tr>
<tr>
<td></td>
<td>Three or more</td>
<td>87</td>
<td>18.7%</td>
</tr>
</tbody>
</table>
5.2 Assessing validity and reliability

A number of tests performed before testing the hypotheses. These tests included tests of convergent validity, discriminant validity and reliability of scales.

5.2.1 Convergent validity

Factor analysis was used to assess the convergent validity of different variables. The rotation method used was Varimax with Kaiser Normalization. Factor analysis using the principal component method was used to examine the convergent validity of the major bank marketing communication tools (advertising, personal selling and direct marketing), CBBE dimensions (brand awareness, brand perceived quality, brand associations, brand loyalty and brand trust) and the overall brand equity (as a separate construct). Confirmatory factor analysis was used to examine the convergent validity of the items listed in the questionnaire. In other words, it was used to detect the unidimensionality of each construct. Unidimensionality is an evidence that a single construct underlies a set of measures (Anderson and Gerbing, 1988). For researchers using factor analysis, consider loadings of 0.30 or more significant for sample sizes of
Chapter 5: Quantitative Findings

350 or greater will be appropriate. This guideline should be used as a starting point in factor loadings interpretation (Hair et al., 2010).

For the major bank marketing communication tools, which consist of (advertising, personal selling and direct marketing), confirmatory factor analysis was used to examine the convergent validity of items measuring these variables. The first bank marketing communication tool was advertising, which includes 12 items: (1) generally, I think the advertising of this bank is good; (2) generally, I like the advertising campaigns of this bank; (3) my opinion about this bank’s advertising is great; (4) the advertising of this bank is clear; (5) the advertising of this bank are seen frequently; (6) I remember the last advertising campaigns of this bank; (7) the advertising of this bank is creative; (8) the advertising of this bank is unique; (9) the advertising of this bank is informative; (10) the advertising of this bank is different from the advertising of other competing banks; (11) I think this bank is widely advertised compared to other competing banks; (12) the advertising campaigns of this bank seem expensive compared to campaigns of competing banks. Table (5-2) summarises the results of confirmatory factor analysis and Average Variance Extracted (AVE) of advertising.

<table>
<thead>
<tr>
<th>Items</th>
<th>Factor Loading</th>
<th>AVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Generally, I think the advertising of this bank is good.</td>
<td>0.715</td>
<td></td>
</tr>
<tr>
<td>2. Generally, I like the advertising campaigns of this bank.</td>
<td>0.789</td>
<td></td>
</tr>
<tr>
<td>3. My opinion about this bank’s advertising is great.</td>
<td>0.782</td>
<td>61.8%</td>
</tr>
<tr>
<td>4. The advertising of this bank is clear.</td>
<td>0.733</td>
<td></td>
</tr>
</tbody>
</table>
The above table shows that all items have factor loadings above 0.3, starting from 0.700 to 0.864, which means that all items contribute significantly to measuring advertising. In addition, the AVE of advertising is 61.8%, which is greater than 50%, as required by Hair et al. (2010). This means that 61.8% of the total information available in the twelve items could be extracted by using one factor to express (advertising) instead of using these twelve items. Thus, by reducing the number of items to be one factor, 61.8% of the total information will be maintained.

The second bank marketing communication tool was personal selling (sales representatives and bank employees), which includes 10 items: (1) generally, this bank’s employees have great service attitude; (2) generally, this bank’s employees have been well trained; (3) generally, this bank’s employees have good knowledge of their jobs; (4) generally, this bank’s employees are presentable; (5) generally, this bank’s employees are competent; (6) this bank’s employees are friendlier than those...
of other competing banks; (7) this bank’s employees help their customers; (8) this bank’s employees are always helpful; (9) this bank’s employees are always friendly; (10) this bank’s employees are always ready to help customers. Table (5-3) summarises the results of confirmatory factor analysis and AVE of personal selling.

Table (5-3): Results of confirmatory factor analysis and AVE of personal selling

<table>
<thead>
<tr>
<th>Items</th>
<th>Factor Loading</th>
<th>AVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Generally, this bank’s employees have great service attitude.</td>
<td>0.762</td>
<td></td>
</tr>
<tr>
<td>2. Generally, this bank’s employees have been well trained.</td>
<td>0.819</td>
<td></td>
</tr>
<tr>
<td>3. Generally, this bank’s employees have good knowledge of their jobs.</td>
<td>0.774</td>
<td>60%</td>
</tr>
<tr>
<td>4. Generally, this bank’s employees are presentable.</td>
<td>0.671</td>
<td></td>
</tr>
<tr>
<td>5. Generally, this bank’s employees are competent.</td>
<td>0.768</td>
<td></td>
</tr>
<tr>
<td>6. This bank’s employees are friendlier than those of other competing banks.</td>
<td>0.726</td>
<td></td>
</tr>
<tr>
<td>7. This bank’s employees help their customers.</td>
<td>0.829</td>
<td></td>
</tr>
<tr>
<td>8. This bank’s employees are always helpful.</td>
<td>0.810</td>
<td></td>
</tr>
<tr>
<td>9. This bank’s employees are always friendly.</td>
<td>0.812</td>
<td></td>
</tr>
<tr>
<td>10. This bank’s employees are always ready to help customers.</td>
<td>0.764</td>
<td></td>
</tr>
</tbody>
</table>

The above table shows that all items have factor loadings above 0.3, starting from 0.671 to 0.829, which means that all items contribute significantly to measuring personal selling. In addition, the AVE of personal selling is 60%, which is greater than 50%. This means that 60% of the total information available in the ten items could be extracted by using one factor to express (personal selling) instead of using these ten items. Thus, by reducing the number of items to be one factor, 60% of the total information will be maintained.
Chapter 5: Quantitative Findings

The third bank marketing communication tool was direct marketing, which includes 7 items: (1) generally, this bank uses good direct communications; (2) the direct communications used by this bank provide a valuable source of information about banking services; (3) the direct communications used by this bank tell me which services have the benefits that I am looking for; (4) the direct communications used by this bank help me keep up-to-date about services available in the bank; (5) the direct communications used by this bank carry enough banking information needed by customers; (6) the direct communications used by this bank provide enough information to judge the banking service quality; (7) the direct communications used by this bank provide enough information to compare different bank services. Table (5-4) summarises the results of confirmatory factor analysis and AVE of direct marketing.

Table (5-4): Results of confirmatory factor analysis and AVE of direct marketing

<table>
<thead>
<tr>
<th>Items</th>
<th>Factor Loading</th>
<th>AVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Generally, this bank uses good direct communications.</td>
<td>0.906</td>
<td></td>
</tr>
<tr>
<td>2. The direct communications used by this bank provide a valuable</td>
<td>0.952</td>
<td></td>
</tr>
<tr>
<td>source of information about banking services.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. The direct communications used by this bank tell me which services</td>
<td>0.932</td>
<td></td>
</tr>
<tr>
<td>have the benefits that I am looking for.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. The direct communications used by this bank help me keep up-to</td>
<td>0.951</td>
<td>86.8%</td>
</tr>
<tr>
<td>date about services available in the bank.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. The direct communications used by this bank carry enough banking</td>
<td>0.956</td>
<td></td>
</tr>
<tr>
<td>information needed by customers.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. The direct communications used by this bank provide enough</td>
<td>0.923</td>
<td></td>
</tr>
<tr>
<td>information to judge the banking service quality.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Chapter 5: Quantitative Findings

<table>
<thead>
<tr>
<th>Items (cont.)</th>
<th>Factor loading</th>
</tr>
</thead>
<tbody>
<tr>
<td>7. The direct communications used by this bank provide enough information to compare different bank services.</td>
<td>0.900</td>
</tr>
</tbody>
</table>

The above table shows that all items have factor loadings above 0.3, starting from 0.900 to 0.956, which means that all items contribute significantly to measuring direct marketing. In addition, the AVE of direct marketing is 86.8%, which is greater than 50%. This means that 86.8% of the total information available in the seven items could be extracted by using one factor to express (direct marketing) instead of using these seven items. Thus, by reducing the number of items to be one factor, 86.8% of the total information will be maintained.

For CBBE dimensions, which consist of brand awareness, brand perceived quality, brand associations, brand loyalty and brand trust. Confirmatory factor analysis was used to examine the convergent validity of items measuring CBBE dimensions. The first CBBE dimension was brand awareness, which includes 6 items: (1) I am aware of this bank; (2) when I think of banks, this bank is one of the banks that come to mind; (3) I can recognize this bank among other competing banks; (4) I know this bank very well; (5) This bank is very familiar to me; (6) I can quickly recall this bank. Table (5-5) summarises the results of confirmatory factor analysis and AVE of brand awareness.
Table (5-5): Results of confirmatory factor analysis and AVE of brand awareness

<table>
<thead>
<tr>
<th>Items</th>
<th>Factor Loading</th>
<th>AVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. I am aware of this bank.</td>
<td>0.762</td>
<td></td>
</tr>
<tr>
<td>2. When I think of banks, this bank is one of the banks that come to mind.</td>
<td>0.784</td>
<td></td>
</tr>
<tr>
<td>3. I can recognize this bank among other competing banks.</td>
<td>0.771</td>
<td>63%</td>
</tr>
<tr>
<td>4. I know this bank very well.</td>
<td>0.869</td>
<td></td>
</tr>
<tr>
<td>5. This bank is very familiar to me.</td>
<td>0.829</td>
<td></td>
</tr>
<tr>
<td>6. I can quickly recall this bank.</td>
<td>0.744</td>
<td></td>
</tr>
</tbody>
</table>

The above table shows that all items have factor loadings above 0.3, starting from 0.744 to 0.869, which means that all items contribute significantly to measuring brand awareness. In addition, the AVE of brand awareness is 63%, which is greater than 50%. This means that 63% of the total information available in the six items could be extracted by using one factor to express (brand awareness) instead of using these six items. Thus, by reducing the number of items to be one factor, 63% of the total information will be maintained.

The second CBBE dimension was brand perceived quality, which includes 10 items: (1) compared to other banks, this bank is of high quality; (2) this bank is the best bank in the Egyptian banking sector; (3) this bank consistently performs better than all other banks; (4) I can always count on this bank for consistent high quality; (5) this bank offers services with excellent features; (6) I believe this bank offers superior services in every way; (7) the overall quality of the service provided by the bank is excellent; (8) the quality of the service provided at this bank is impressive; (9) the service provided by this bank is of high standard; (10) this bank appears to be of poor
quality. Table (5-6) summarises the results of confirmatory factor analysis and AVE of brand perceived quality.

Table (5-6): Results of confirmatory factor analysis and AVE of brand perceived quality

<table>
<thead>
<tr>
<th>Items</th>
<th>Factor Loading</th>
<th>AVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Compared to other banks, this bank is of high quality</td>
<td>0.699</td>
<td></td>
</tr>
<tr>
<td>2. This bank is the best bank in the Egyptian banking sector</td>
<td>0.637</td>
<td></td>
</tr>
<tr>
<td>3. This bank consistently performs better than all other banks</td>
<td>0.689</td>
<td>51%</td>
</tr>
<tr>
<td>4. I can always count on this bank for consistent high quality</td>
<td>0.795</td>
<td></td>
</tr>
<tr>
<td>5. This bank offers services with excellent features</td>
<td>0.812</td>
<td></td>
</tr>
<tr>
<td>6. I believe this bank offers superior services in every way</td>
<td>0.801</td>
<td></td>
</tr>
<tr>
<td>7. The overall quality of the service provided by the bank is excellent</td>
<td>0.748</td>
<td>51%</td>
</tr>
<tr>
<td>8. The quality of the service provided at this bank is impressive</td>
<td>0.780</td>
<td></td>
</tr>
<tr>
<td>9. The service provided by this bank is of high standard</td>
<td>0.709</td>
<td></td>
</tr>
<tr>
<td>10. This bank appears to be of poor quality</td>
<td>0.303</td>
<td></td>
</tr>
</tbody>
</table>

Note: * The researcher used a reversed question, which is presented in item number 10. This question has the least loading factor (0.303) because the main purpose of using such a question was to make sure of the validity of the obtained data not to contribute to measuring (brand perceived quality). Therefore, the loading factor of such question is low but acceptable.

The above table shows that all items have factor loadings above 0.3, starting from 0.303 to 0.812, which means that all items contribute significantly to measuring brand perceived quality. In addition, the AVE of brand perceived quality is 51%, which is greater than 50%. This means that 51% of the total information available in the ten items could be extracted by using one factor to express (brand perceived quality).
instead of using these ten items. Thus, by reducing the number of items to be one factor, 51% of the total information will be maintained.

The third CBBE dimension was brand associations, which includes 10 items: (1) some characteristics of this bank come to my mind quickly; (2) I remember the logo of this bank; (3) I have difficulty in imagining this bank in my mind; (4) this bank has a strong personality; (5) I have a clear image of the type of person who would use this bank; (6) this bank has a strong image; (7) this bank has a favourable image; (8) the intangible attributes of this bank are reason enough to use this bank; (9) this bank is of good value for money; (10) this bank has a unique image in my mind compared to other competing banks. Table (5-7) summarises the results of confirmatory factor analysis and AVE of brand associations.

**Table (5-7): Results of confirmatory factor analysis and AVE of brand associations**

<table>
<thead>
<tr>
<th>Items</th>
<th>Factor Loading</th>
<th>AVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Some characteristics of this bank come to my mind quickly.</td>
<td>0.612</td>
<td></td>
</tr>
<tr>
<td>2. I remember the logo of this bank.</td>
<td>0.511</td>
<td></td>
</tr>
<tr>
<td>3. I have difficulty in imagining this bank in my mind*</td>
<td>0.367</td>
<td></td>
</tr>
<tr>
<td>4. This bank has a strong personality.</td>
<td>0.655</td>
<td></td>
</tr>
<tr>
<td>5. I have a clear image of the type of person who would use this bank.</td>
<td>0.542</td>
<td>63.7%</td>
</tr>
<tr>
<td>6. This bank has a strong image.</td>
<td>0.717</td>
<td></td>
</tr>
<tr>
<td>7. This bank has a favourable image.</td>
<td>0.733</td>
<td></td>
</tr>
<tr>
<td>8. The intangible attributes of this bank are reason enough to use this bank.</td>
<td>0.613</td>
<td></td>
</tr>
<tr>
<td>9. This bank is of good value for money.</td>
<td>0.569</td>
<td></td>
</tr>
</tbody>
</table>
Chapter 5: Quantitative Findings

<table>
<thead>
<tr>
<th>Items (cont.)</th>
<th>Factor loading</th>
</tr>
</thead>
<tbody>
<tr>
<td>10. This bank has a unique image in my mind compared to other competing banks.</td>
<td>0.686</td>
</tr>
</tbody>
</table>

Note: * The researcher used a reversed question, which is presented in item number 3. This question has the least loading factor (0.367) because the main purpose of using such a question was to make sure of the validity of the obtained data not to contribute to measuring (brand associations). Therefore, the loading factor of such question is low but acceptable.

The above table shows that all items have factor loadings above 0.3, starting from 0.367 to 0.733, which means that all items contribute significantly to measuring brand associations. In addition, the AVE of brand associations is 63.7%, which is greater than 50%. This means that 63.7% of the total information available in the ten items could be extracted by using one factor to express (brand associations) instead of using these ten items. Thus, by reducing the number of items to be one factor, 63.7% of the total information will be maintained.

The fourth CBBE dimension was brand loyalty, which includes 9 items: (1) I consider myself to be loyal to this bank; (2) this bank is my first choice when I need to use banking services; (3) I will not switch to other banks if this bank is available; (4) I intend to continue using this bank’s services in the upcoming years; (5) I recommend this bank to my friends and relatives; (6) I will continue to be a customer of this bank even if it reasonably raises its fees; (7) I regularly use this bank for all my banking needs; (8) I am proud to do all my banking with this bank; (9) I prefer my main bank to other banks. Table (5-8) summarises the results of confirmatory factor analysis and AVE of brand loyalty.
Chapter 5: Quantitative Findings

Table (5-8): Results of confirmatory factor analysis and AVE of brand loyalty

<table>
<thead>
<tr>
<th>Items</th>
<th>Factor Loading</th>
<th>AVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. I consider myself to be loyal to this bank.</td>
<td>0.711</td>
<td></td>
</tr>
<tr>
<td>2. This bank is my first choice when I need to use banking services.</td>
<td>0.748</td>
<td></td>
</tr>
<tr>
<td>3. I will not switch to other banks if this bank is available.</td>
<td>0.868</td>
<td></td>
</tr>
<tr>
<td>4. I intend to continue using this bank’s services in the upcoming years.</td>
<td>0.775</td>
<td>53%</td>
</tr>
<tr>
<td>5. I recommend this bank to my friends and relatives.</td>
<td>0.735</td>
<td></td>
</tr>
<tr>
<td>6. I will continue to be a customer of this bank even if it reasonably raises its fees.</td>
<td>0.519</td>
<td></td>
</tr>
<tr>
<td>7. I regularly use this bank for all my banking needs.</td>
<td>0.787</td>
<td></td>
</tr>
<tr>
<td>8. I am proud to do all my banking with this bank.</td>
<td>0.733</td>
<td></td>
</tr>
<tr>
<td>9. I prefer my main bank to other banks.</td>
<td>0.626</td>
<td></td>
</tr>
</tbody>
</table>

The above table shows that all items have factor loadings above 0.3, starting from 0.519 to 0.868, which means that all items contribute significantly to measuring brand loyalty. In addition, the AVE of brand loyalty is 53%, which is greater than 50%. This means that 53% of the total information available in the nine items could be extracted by using one factor to express (brand loyalty) instead of using these nine items. Thus, by reducing the number of items to be one factor, 53% of the total information will be maintained.

The fifth CBBE dimension was brand trust, which includes 13 items: (1) this bank considers my needs and wishes as very important; (2) this bank would not do anything against my interests; (3) this bank would not do anything in order to be biased against me; (4) this bank never declares anything that is not valid; (5) this bank is always honest to me; (6) this bank always treats me fairly; (7) this bank has the...
ability to meet its promises; (8) this bank can properly handle any problem that may occur during my transactions; (9) this bank is remarkably expert in its field; (10) I never doubt this bank promises; (11) this bank behaves consistently; (12) this bank always behaves in the same way in similar circumstances; (13) this bank keeps its promises. Table (5-9) summarises the results of confirmatory factor analysis and AVE of brand trust.

Table (5-9): Results of confirmatory factor analysis and AVE of brand trust

<table>
<thead>
<tr>
<th>Items</th>
<th>Factor loading</th>
<th>AVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. This bank considers my needs and wishes as very important.</td>
<td>0.656</td>
<td></td>
</tr>
<tr>
<td>2. This bank would not do anything against my interests.</td>
<td>0.659</td>
<td></td>
</tr>
<tr>
<td>3. This bank would not do anything in order to biased against me.</td>
<td>0.662</td>
<td>65.7%</td>
</tr>
<tr>
<td>4. This bank never declares anything that is not valid.</td>
<td>0.747</td>
<td></td>
</tr>
<tr>
<td>5. This bank is always honest to me.</td>
<td>0.788</td>
<td></td>
</tr>
<tr>
<td>6. This bank always treats me fairly.</td>
<td>0.694</td>
<td></td>
</tr>
<tr>
<td>7. This bank has the ability to meet its promises.</td>
<td>0.738</td>
<td></td>
</tr>
<tr>
<td>8. This bank can properly handle any problem that may occur during my transactions.</td>
<td>0.624</td>
<td></td>
</tr>
<tr>
<td>9. This bank is remarkably expert in its field.</td>
<td>0.561</td>
<td></td>
</tr>
<tr>
<td>10. I never doubt this bank promises.</td>
<td>0.565</td>
<td></td>
</tr>
<tr>
<td>11. This bank behaves consistently.</td>
<td>0.571</td>
<td></td>
</tr>
<tr>
<td>12. This bank always behaves in the same way in similar circumstances.</td>
<td>0.482</td>
<td></td>
</tr>
<tr>
<td>13. This bank keeps its promises.</td>
<td>0.777</td>
<td></td>
</tr>
</tbody>
</table>

The above table shows that all items have factor loadings above 0.3, starting from 0.482 to 0.788, which means that all items contribute significantly to measuring brand trust. In addition, the AVE of brand trust is 65.7%, which is greater than 50%. This
means that 65.7% of the total information available in the thirteen items could be extracted by using one factor to express (brand trust) instead of using these thirteen items. Thus, by reducing the number of items to be one factor, 65.7% of the total information will be maintained.

Confirmatory factor analysis was also used to examine overall brand equity, which includes 4 items: (1) it makes sense to use the services of this bank instead of any other bank, even if they are the same; (2) even if another bank has the same characteristics as this bank, I would prefer to use this bank’s services; (3) if there were another bank as good as this bank, I would prefer to use this bank’s services; (4) if another bank is not different from this bank in any way, it seems smarter to use this bank’s services. Table (5-10) summarises the results of confirmatory factor analysis and AVE of overall brand equity.

**Table (5-10): Results of confirmatory factor analysis and AVE of overall brand equity**

<table>
<thead>
<tr>
<th>Items</th>
<th>Factor loading</th>
<th>AVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. It makes sense to use the services of this bank instead of any other banks, even if they are the same</td>
<td>0.777</td>
<td></td>
</tr>
<tr>
<td>2. Even if another bank has same characteristics as this bank, I would prefer to use this bank’s services</td>
<td>0.858</td>
<td>64.6%</td>
</tr>
<tr>
<td>3. If there were another bank as good as this bank, I would prefer to use this bank’s services</td>
<td>0.789</td>
<td></td>
</tr>
<tr>
<td>4. If another bank is not different from this bank in any way, it seems smarter to use this bank’s services.</td>
<td>0.790</td>
<td></td>
</tr>
</tbody>
</table>
The above table shows that all items have factor loadings above 0.3, starting from 0.777 to 0.858, which means that all items contribute significantly to measuring overall brand equity. In addition, the AVE of overall brand equity is 64.6%, which is greater than 50%. This means that 64.6% of the total information available in the four items could be extracted by using one factor to express (overall brand equity) instead of using these four items. Thus, by reducing the number of items to be one factor, 64.6% of the total information will be maintained.

### 5.2.2 Discriminant validity

To test the discriminant validity of research variables, the square root of AVE for each variable was compared with its correlation with other variables (Sharma and Patterson, 1999). Table (5-11) illustrates the correlation matrix of all research variables.

**Table (5-11): the correlation matrix of all research variables**

<table>
<thead>
<tr>
<th></th>
<th>OVE</th>
<th>A</th>
<th>Q</th>
<th>ASS</th>
<th>L</th>
<th>T</th>
<th>AD</th>
<th>PS</th>
<th>AVE</th>
<th>SQR (AVE)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>0.410</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0.63066</td>
<td>0.79414</td>
</tr>
<tr>
<td>Q</td>
<td>0.495</td>
<td>0.610</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0.51193</td>
<td>0.71549</td>
</tr>
<tr>
<td>ASS</td>
<td>0.489</td>
<td>0.546</td>
<td>0.725</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0.63705</td>
<td>0.79815</td>
</tr>
<tr>
<td>L</td>
<td>0.573</td>
<td>0.613</td>
<td>0.680</td>
<td>0.739</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0.53084</td>
<td>0.72859</td>
</tr>
<tr>
<td>T</td>
<td>0.440</td>
<td>0.432</td>
<td>0.610</td>
<td>0.658</td>
<td>0.636</td>
<td></td>
<td></td>
<td></td>
<td>0.65735</td>
<td>0.81077</td>
</tr>
<tr>
<td>AD</td>
<td>0.200</td>
<td>0.125</td>
<td>0.360</td>
<td>0.289</td>
<td>0.199</td>
<td>0.320</td>
<td></td>
<td></td>
<td>0.61831</td>
<td>0.78633</td>
</tr>
<tr>
<td>PS</td>
<td>0.284</td>
<td>0.374</td>
<td>0.503</td>
<td>0.329</td>
<td>0.444</td>
<td>0.448</td>
<td>0.363</td>
<td></td>
<td>0.60042</td>
<td>0.77487</td>
</tr>
<tr>
<td>DM</td>
<td>0.232</td>
<td>0.477</td>
<td>0.339</td>
<td>0.223</td>
<td>0.261</td>
<td>0.116</td>
<td>0.069</td>
<td>0.265</td>
<td>0.86813</td>
<td>0.93173</td>
</tr>
<tr>
<td>AVE</td>
<td>0.64654</td>
<td>0.63066</td>
<td>0.51193</td>
<td>0.63705</td>
<td>0.53084</td>
<td>0.65735</td>
<td>0.61831</td>
<td>0.60042</td>
<td>0.8041</td>
<td>0.79414</td>
</tr>
<tr>
<td>SQR (AVE)</td>
<td>0.8041</td>
<td>0.7941</td>
<td>0.7155</td>
<td>0.7982</td>
<td>0.7286</td>
<td>0.8108</td>
<td>0.7863</td>
<td>0.7749</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Note:** AD: advertising, PS: personal selling, DM: direct marketing, A: brand awareness, Q: brand perceived quality, ASS: brand associations, L: brand loyalty, T: brand trust, OVE: Overall brand equity.
From the above table, comparisons were made between square root of AVE for each variable and its correlation coefficients with other variables. With respect to the comparisons, significant correlations exist between research variables, but all these correlations are lower than the square root of AVE. For example, brand awareness and brand perceived quality is correlated \((r=0.610)\), but the square roots of AVE of both variables are 0.794 and 0.715, respectively. This means that respondents can discriminate between both variables although they are correlated. By examining this matrix, it has been found that respondents can discriminate between all research variables.

### 5.2.3 Reliability of research variables

Before applying statistical tools, testing of the reliability of the research variables is very crucial as it shows the extent to which a scale produces consistent result if measurements are made repeatedly. Cronbach’s alpha is the most widely used method. Table (5-12) summarises the results of Cronbach’s alpha coefficient.

<table>
<thead>
<tr>
<th>Variables</th>
<th>Cronbach’s alpha coefficient</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advertising</td>
<td>0.942</td>
</tr>
<tr>
<td>Personal selling</td>
<td>0.925</td>
</tr>
<tr>
<td>Direct marketing</td>
<td>0.974</td>
</tr>
<tr>
<td>Brand awareness</td>
<td>0.880</td>
</tr>
<tr>
<td>Brand perceived quality</td>
<td>0.884</td>
</tr>
<tr>
<td>Brand associations</td>
<td>0.795</td>
</tr>
<tr>
<td>Brand loyalty</td>
<td>0.885</td>
</tr>
<tr>
<td>Brand trust</td>
<td>0.888</td>
</tr>
<tr>
<td>Overall brand equity</td>
<td>0.815</td>
</tr>
</tbody>
</table>
From the above table, Cronbach’s alphas values ranged between 0.795 and 0.974, which indicate an acceptable level of scale reliability for theory testing research (Nunnally and Bernstein, 1994). This means that each scale will produce consistent result if measurements are made repeatedly.

Before testing the hypotheses, the independent variables include: (1) advertising; (2) personal selling; and (3) direct marketing. The mediating variables include CBBE dimensions that include: (1) brand awareness; (2) brand perceived quality; (3) brand associations; (4) brand loyalty; and (5) brand trust. Finally, the dependent variable includes overall brand equity.

**Part Two**

This part includes the model fit indices and the testing of the research hypotheses by using SEM, which lead to the final research model, in addition to other types of analysis like the Square Multiple Correlation (R²) and the effect analysis of the model.

**5.3 Structural Equation Modelling (SEM)**

The proposed research model (see figure 4-6) consists of multiple relationships between the research variables. That is why the SEM technique was employed in this phase of the study. SEM allows the evaluation of the entire research model by accommodating multiple interrelated dependence relationships (Hair et al., 2010). SEM is a confirmatory rather than exploratory analysis, which is based on theory testing rather than theory development. SEM can estimate many relationships at once. This technique differs from multiple regressions, which can only estimate a single
relationship. SEM allows the modelling of complex relationships that are not possible with any of the other multivariate techniques (Hair et al., 2010). A unique feature of SEM is that the dependent variable in one equation may appear as independent variables in another equation of the system (Gujarati, 2009).

In this research, the computer program AMOS 18 was used to test the hypotheses of the study using SEM, based on the maximum likelihood method, which is the strongest method available in AMOS. This method assumes that the sample is large; the distribution of the observed variables is normal; the hypothesized model is valid; and the scale of the observed variables is continuous (Byrne, 2001).

5.3.1 Model fit Indices

Goodness-of-fit-statistics indicate the overall acceptability of the structural model analysed. Fit Indices compared the estimated model on how well it fits the sample data (Hair et al., 2010). The Goodness of Fit Index (GFI) is a degree to which the actual or observed input matrix is predicted by the estimated model. GFI is based on a ratio of the sum of the squared differences between the observed and reproduced matrices, while Adjusted Goodness of Fit Index (AGFI) adjusts for the number of degrees of freedom of a model relative to the number of variables and the number of observations (Hair et al., 2010). Moreover, they indicated that the acceptable fit standards of GFI and AGFI should be greater than 0.9, with values close to 1.00 indicating good fit. Another index, Root Mean Square Error of Approximation (RMSEA), which is recommended to be 0.05 or less, indicates a close fit of the model. Table (5-13) presents model fit Indices.
Table (5-13): Model fit Indices

<table>
<thead>
<tr>
<th>The measure</th>
<th>The best result according to Hair et al. (2010)</th>
<th>The results of the model</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Proposed Model</td>
</tr>
<tr>
<td>GFI</td>
<td>Range from 0 to 1 (closer to 1 is better)</td>
<td>0.408</td>
</tr>
<tr>
<td>AGFI</td>
<td>Range from 0 to 1 (closer to 1 is better)</td>
<td>0.373</td>
</tr>
<tr>
<td>RMSEA</td>
<td>Less than 0.05 is better</td>
<td>0.116</td>
</tr>
</tbody>
</table>

From the above table, it has been showed that the GFI, AGFI and RMSEA for the proposed model were 0.408, 0.373 and 0.116, respectively. It has been found that in order to enhance the GFI, the AGFI and the RMSEA, covariance should be taken into consideration among the five CBBE dimensions (brand awareness, brand perceived quality, brand associations, brand loyalty and brand trust).

After taking the covariance into consideration, the GFI, AGFI and RMSEA become 0.998, 0.970 and 0.030 accordingly, which indicates the good fit of the model (as it is shown in the column of the modified model). After this modification, the hypotheses testing were taking place.

5.3.2 Hypotheses testing

The AMOS output of the model parameter estimates is presented in table (5-14). For example, the standardized estimate of the direct effect of the direct marketing to brand awareness has the highest value of 0.407, meaning that a 1 standardized unit increase in direct marketing predicts an increase of 0.407 standardized unit in the brand
awareness. In order to determine if the effect is statistically significant, the unstandardized estimate is divided by its standard error (SE) and yields the critical ratio (CR), which can be interpreted as a t-value. t-value of 1.96 translates to a 0.05 significance level P-value. Therefore, any number of a critical ratio above 1.96 or P-value less than or equal to 0.05 is considered to be significant in the model (Hair et al., 2010).

Table (5-14): the Unstandardized Estimate, Standardized Estimate, SE, CR, P-value and the result of the direct effects

<table>
<thead>
<tr>
<th></th>
<th>Unstandardized Estimate</th>
<th>Standardized Estimate</th>
<th>SE</th>
<th>CR</th>
<th>P-Value</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>.011</td>
<td>0.001</td>
<td>.035</td>
<td>0.018</td>
<td>.986</td>
<td>N.S</td>
</tr>
<tr>
<td>Q</td>
<td>.159</td>
<td>0.212</td>
<td>.030</td>
<td>5.221</td>
<td>***</td>
<td>S</td>
</tr>
<tr>
<td>ASS</td>
<td>.124</td>
<td>0.200</td>
<td>.028</td>
<td>4.374</td>
<td>***</td>
<td>S</td>
</tr>
<tr>
<td>L</td>
<td>.037</td>
<td>0.048</td>
<td>.034</td>
<td>1.085</td>
<td>.278</td>
<td>N.S</td>
</tr>
<tr>
<td>T</td>
<td>.109</td>
<td>0.182</td>
<td>.026</td>
<td>4.151</td>
<td>***</td>
<td>S</td>
</tr>
<tr>
<td>A</td>
<td>.295</td>
<td>0.266</td>
<td>.048</td>
<td>6.146</td>
<td>***</td>
<td>S</td>
</tr>
<tr>
<td>Q</td>
<td>.360</td>
<td>0.366</td>
<td>.041</td>
<td>8.714</td>
<td>***</td>
<td>S</td>
</tr>
<tr>
<td>ASS</td>
<td>.177</td>
<td>0.217</td>
<td>.039</td>
<td>4.591</td>
<td>***</td>
<td>S</td>
</tr>
<tr>
<td>L</td>
<td>.389</td>
<td>0.386</td>
<td>.046</td>
<td>8.483</td>
<td>***</td>
<td>S</td>
</tr>
<tr>
<td>T</td>
<td>.301</td>
<td>0.381</td>
<td>.036</td>
<td>8.410</td>
<td>***</td>
<td>S</td>
</tr>
<tr>
<td>T</td>
<td>.001</td>
<td>0.003</td>
<td>.019</td>
<td>0.663</td>
<td>.950</td>
<td>N.S</td>
</tr>
<tr>
<td>L</td>
<td>.090</td>
<td>0.155</td>
<td>.025</td>
<td>3.658</td>
<td>***</td>
<td>S</td>
</tr>
<tr>
<td>ASS</td>
<td>.071</td>
<td>0.152</td>
<td>.021</td>
<td>3.441</td>
<td>***</td>
<td>S</td>
</tr>
<tr>
<td>Q</td>
<td>.128</td>
<td>0.227</td>
<td>.022</td>
<td>5.799</td>
<td>***</td>
<td>S</td>
</tr>
<tr>
<td>A</td>
<td>.258</td>
<td>0.407</td>
<td>.026</td>
<td>10.056</td>
<td>***</td>
<td>S</td>
</tr>
<tr>
<td>OV</td>
<td>.042</td>
<td>0.039</td>
<td>.054</td>
<td>.779</td>
<td>.436</td>
<td>N.S</td>
</tr>
<tr>
<td>OV</td>
<td>.174</td>
<td>0.144</td>
<td>.073</td>
<td>2.371</td>
<td>.018</td>
<td>S</td>
</tr>
<tr>
<td>OV</td>
<td>.055</td>
<td>0.038</td>
<td>.094</td>
<td>.589</td>
<td>.556</td>
<td>N.S</td>
</tr>
<tr>
<td>OV</td>
<td>.446</td>
<td>0.379</td>
<td>.074</td>
<td>6.033</td>
<td>***</td>
<td>S</td>
</tr>
<tr>
<td>OV</td>
<td>.105</td>
<td>0.070</td>
<td>.079</td>
<td>1.318</td>
<td>.187</td>
<td>N.S</td>
</tr>
</tbody>
</table>

Notes: *** is significant at 0.001  
S: Supported hypotheses and N.S: Not supported hypotheses

The obtained statistics indicate that all path coefficients results appeared to be significant except the following paths: the path coefficient from advertising to brand
Chapter 5: Quantitative Findings

awareness, advertising to brand loyalty, direct marketing to brand trust, brand awareness to overall brand equity, brand associations to overall brand equity and brand trust to overall brand equity. All these paths were found insignificant as the CR are 0.018, 1.085, 0.063, 0.779, 0.589 and 1.318, respectively. These figures are less than 1.96 and the P-values are 0.986, 0.278, 0.950, 0.436, 0.556 and 0.187, respectively. Their P-values are greater than 0.05, which indicates the insignificant paths.

In detail, the obtained results regarding the direct effects of the above variables are shown as follows: for the direct effect of the advertising on CBBE dimensions, statistics indicate that all path coefficients from the advertising to CBBE dimensions appeared to be significant except for two paths. The first one from advertising to brand awareness with CR 0.018 which is less than 1.96 and P-values 0.986 which is more than 0.05. The second one from advertising to brand loyalty with CR 1.085 which is less than 1.96 and P-values 0.278 which is more than 0.05.

However, the path coefficients from advertising to brand perceived quality; brand associations and brand trust shows significant and positive direct effect with CR 5.221, 4.374 and 4.151, respectively. P-values less than 0.001 and with a standardized estimates of 0.212, 0.200 and 0.182, respectively. Additionally, this result showed that advertising has the strongest effect on brand perceived quality with a standardized estimate of 0.212. Subsequently, the hypothesis, which generally stated that advertising has a significant positive direct effect on CBBE dimensions, was partially supported.
Chapter 5: Quantitative Findings

For the direct effect of the personal selling on CBBE dimensions, statistics indicate that all path coefficients from personal selling to CBBE dimensions appeared to be significant. It has been found that personal selling has a significant positive direct effect on brand awareness, brand perceived quality, brand associations, brand loyalty and brand trust with CR 6.146, 8.714, 4.591, 8.483 and 8.410, respectively. P-values less than 0.001 and with a standardized estimate 0.266, 0.366, 0.217, 0.386 and 0.381, respectively. Additionally, this result showed that personal selling has the strongest effect on brand loyalty with a standardized estimate of 0.386. Accordingly, the hypothesis that generally stated that personal selling has a significant positive direct effect on CBBE dimensions was supported.

For the direct effect of the direct marketing on CBBE dimensions, statistics indicate that all paths coefficients from the direct marketing to CBBE dimensions appeared to be significant except the path from direct marketing to brand trust with CR 0.063 which is less than 1.96 and P-value 0.950 which is more than 0.05. However, the path coefficient from direct marketing to brand awareness; brand perceived quality; brand associations and brand loyalty shows significant and positive direct effect with CR 10.056, 5.799, 3.411 and 3.658, respectively. P-values less than 0.001 with standardized estimates of 0.407, 0.227, 0.152 and 0.155, respectively. Additionally, this result showed that direct marketing has the strongest effect on brand awareness with a standardized estimate of 0.407. As a result, the hypothesis, which generally stated that direct marketing has a significant positive direct effect on CBBE dimensions, was partially supported.
Regarding the effect of CBBE dimensions (brand awareness, brand perceived quality, brand associations, brand loyalty and brand trust) on the dependent variable (overall brand equity). Statistics indicate that only two path coefficients were found to be significant. The first, from brand perceived quality to overall brand equity. The second, from brand loyalty to overall brand equity. The brand loyalty shows a stronger positive direct effect on the overall brand equity than brand perceived quality with CR 6.033, P-values less than 0.001 and a standardized estimate of 0.379. While, the brand perceived quality shows significant positive direct effect on overall brand equity with CR 2.371, P-values 0.018 and a standardized estimate of 0.144. However, the rest of the CBBE dimensions (brand awareness, brand associations and brand trust) appeared to have insignificant effect on CBBE with CR of 0.779, 0.589, 1.318, respectively and P-values of 0.436, 0.556 and 0.187 respectively. Consequently, the hypothesis that generally indicated that CBBE dimensions have significant positive direct effect on overall brand equity was partially supported.

At the end of testing the research hypotheses, it has been found that the first hypothesis, which generally states, “Advertising has a significant positive direct effect on CBBE dimensions” was partially supported. The results indicated that advertising has a significant positive direct effect on brand perceived quality, brand associations and brand trust. This finding highlighted the crucial role of advertising in affecting the quality, shaping brand associations, and in building trust towards the bank. Therefore, advertising should be clear, informative, attractive, reliant and of high excellence to reflect the good quality, the unique image and to build the trust towards the bank. However, it has been found that advertising has no effect on brand awareness and also has no effect on brand loyalty. First, it did not affect brand awareness due to the great
influence of WOM in creating awareness particularly in Egypt. As WOM from close reference groups has greater effect than mass media in creating awareness particularly, when regarding to the banking services in Egypt. Second, advertising has no effect on brand loyalty because banking sector deals with customers’ savings and money. So to switch from one bank to another, it is not an easy decision as customers are going to lose part of their savings if they decide to change before the agreed upon time. Thus, loyalty is not affected by the advertising at least in the short term.

The second hypothesis, which generally states, “Personal selling has a significant positive direct effect on CBBE dimensions” was supported. It has been found that personal selling has a significant positive direct effect on brand awareness, brand perceived quality, brand associations, brand loyalty and brand trust. This result indicated the importance of the personal selling in creating awareness; in reflecting good quality and constructive features; in building long-term and trustworthy relationships with the customer through face-to-face communication; and through the interactions that help create a communication channel rich with information.

The third hypothesis, which generally states, “Direct marketing has a significant positive direct effect on CBBE dimensions” was partially supported. It has been found that direct marketing has a significant positive direct effect on brand awareness; brand perceived quality, brand associations and brand loyalty. This outcome showed that direct marketing tools help inform customers with the banking services, create a sense of quality assurance, shape a bank image and create customers’ loyalty towards the bank. Thus, these customized direct contacts should be used on a regular basis, in attractive and informative manner to promote the banking services with high quality
and proficient manner. This will be reflected in the customer mind in order to build the customer loyalty. Nevertheless, this tool does not impact brand trust. The reason for this lack of effect is due to the perception of the Egyptian customers. For them, the usage of direct marketing, through phones, mails or emails is to inform about the services availability and trigger customers to go to the bank and ask for more information. Thus, trustworthiness will be build once the customers contact the employees directly on personal bases since this will give the bank a chance to develop the ability to deliver its promises. Furthermore, customers cannot depend on this tool to build their trust because it is not used on a regular basis in the Egyptian banking sector.

For the fourth hypothesis, which generally states, “CBBE dimensions have a significant positive direct effect on the overall brand equity” was partially supported. It was found that only brand perceived quality and brand loyalty have an effect on the overall brand equity. Brand awareness, association, and trust do not impact the overall brand equity. However, there are interrelationships that exist among the five CBBE dimensions. The brand loyalty has been found to have the strongest effect on the overall brand equity. Since loyalty is “the overall attachment that a customer has to a brand,” customers must develop loyalty, and devotion to the institutions they deal with because their finances and money matters are crucial to them. For this reason, banks must focus more on building brand loyalty. It should be developed through the marketing communication tools. Furthermore, brand quality affects the overall brand equity because it takes into consideration the whole performance and excellence of the bank. The employees, the atmosphere, the service, the database, the products...
(ATM and bonds), accessibility of service, etc. all play an impact on building the bank value.

Since brand loyalty and brand perceived quality have a significant direct effect on overall brand equity, it is better to focus more on personal selling and on advertising respectively because personal selling has the strongest effect on brand loyalty, and advertising has the strongest effect on brand perceived quality.

### 5.3.3 The Square Multiple Correlation ($R^2$)

Based on the $R^2$, (35%) of the changes that could happen in the overall brand equity is based on its relationship with CBBE dimensions (brand awareness, brand perceived quality, brand associations, brand loyalty and brand trust) that are affected by the major bank marketing communication tools (advertising, personal selling and direct marketing) and the remaining (65%) are determined by other factors did not include in the model.

### 5.3.4 The effect analysis of the model

Three types of effects existed between the research variables, including direct effect, indirect effect and total effect. Both direct and indirect effects originated from the results of path analysis (standardized coefficients). The total effect is equal to the sum of both direct and indirect effects. Effects analysis provides a clear understanding of interrelationship between the relevant variables.

Direct effects have been discussed previously in the above sections in table (5-14).
The next section will address indirect effects.

**Indirect effects**

As shown in table (5-15), there are indirect effects from advertising, personal selling and direct marketing to the overall brand equity through CBBE dimensions. Table (5-15) illustrates these indirect effects.

**Table (5-15): Standardized indirect effects**

<table>
<thead>
<tr>
<th></th>
<th>DM</th>
<th>PS</th>
<th>AD</th>
<th>T</th>
<th>L</th>
<th>ASS</th>
<th>Q</th>
<th>A</th>
</tr>
</thead>
<tbody>
<tr>
<td>T</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td>L</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td>ASS</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td>Q</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td>A</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td>OV</td>
<td>.113</td>
<td>.244</td>
<td>.069</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
</tr>
</tbody>
</table>

From the above table, the personal selling shows the strongest indirect effect on the overall brand equity (standardized estimate = 0.244), while the advertising shows the weakest indirect effect on the overall brand equity (standardized estimate = 0.069).

**Total effects**

Total effect is the sum of both direct and indirect effects as shown in table (5-16).

**Table (5-16): Standardized total effects**

<table>
<thead>
<tr>
<th></th>
<th>DM</th>
<th>PS</th>
<th>AD</th>
<th>T</th>
<th>L</th>
<th>ASS</th>
<th>Q</th>
<th>A</th>
</tr>
</thead>
<tbody>
<tr>
<td>T</td>
<td>.003</td>
<td>.381</td>
<td>.182</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td>L</td>
<td>.155</td>
<td>.386</td>
<td>.048</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td>ASS</td>
<td>.152</td>
<td>.217</td>
<td>.200</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td>Q</td>
<td>.227</td>
<td>.366</td>
<td>.212</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td>A</td>
<td>.407</td>
<td>.266</td>
<td>.001</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td>OV</td>
<td>.113</td>
<td>.244</td>
<td>.069</td>
<td>.070</td>
<td>.379</td>
<td>.038</td>
<td>.144</td>
<td>.039</td>
</tr>
</tbody>
</table>
From the above table, the total effects of advertising, personal selling and direct marketing to the overall brand equity is equal to the indirect effect. No direct path between the major bank marketing communication tools and the overall brand equity was found. Instead, as conceptualized previously, overall brand equity was indirectly affected by certain mediating CBBE dimensions. The total effects of CBBE dimensions (brand awareness, brand perceived quality, brand associations, brand loyalty and brand trust) to the overall brand equity were equal to the direct effects.

The end of this part illustrates the final research model in the following figure (5-1) based on the model fit Indices and testing the research hypotheses.

**Figure (5-1): The Final research model**
CHAPTER 6
DISCUSSION

This chapter provides an overview of the study. Additionally, it discusses the findings of the qualitative and quantitative sections in comparison with that of the previous studies. Moreover, it highlights the research implications and proposes several recommendations for banks.

6.1 Overview of the study

In today’s market place, the service sector has become a central force in the economy in both developed and developing countries (Ghoneim, 2007). One of the most important service industries is the banking sector (Ennew and Waite, 2013). This sector has gone through strong competitive pressures because of the integration and globalization of financial markets, and the advancement of technological developments (Nellis et al., 2000). Many developing countries such as Egypt have experienced a wave of foreign banks into their financial markets (American Chamber of Commerce, 2008). Over the past decade, the Egyptian banking sector has witnessed important changes such as privatization; bank mergers and acquisitions; the largest number of mergers and acquisitions took place between 2004 and 2007. Thus, this came as a golden chance for the entry of more foreign banks that perceived Egypt as a profitable market (American Chamber of Commerce, 2008).

In this wide and diverse banking sector, banks are providing more or less identical services for nearly the same price. Further, banks lack significant technological edge, since hardware and software programmes have generally been acquired from external vendors or outsourced (Moutinho et al., 1997; Wright, 2002; Quelch, 2003). This is a
particularly important challenge in the context of banking, in which quality standards and overhead costs are converging between banks, due to similar banking services and IT solutions (Durkin and Howcroft, 2003). As a result, this similar, competitive and global banking era leads banks to differentiate their services in order to stand out. This can be achieved through the development of brands and active promotion to customers (Lambkin and Muzellec, 2008).

By developing bank brands, financial institutions can achieve a noticed sustainable competitive advantage, leading to a critical success factor (De Chernatony and McDonald, 2003). Through the promotional tools, banks can create brand equity, which can attract customers; develop strong relationships with them; and establish a unique competitive edge (Powers and Hahn, 2002). These promotional tools are the marketing communication tools, which present the brands and the organisations to their audiences in order to achieve success in business (Fill, 2002). These tools have a fast and direct impact on the target market (Herrera et al., 2002). Thus, the uses of a variety of marketing communication tools play a critical role to organisations. As a result, the selection of these tools is a critical decision, since the customer’s behaviour is clearly determined by them (Herrera et al., 2002).

For this reason, the purpose of this research is to examine the impact of the major bank marketing communication tools identified by customers on building bank brand equity through five CBBE dimensions based on the customer perspective in the Egyptian banking sector. This study decided to focus on this topic after a revision of prior studies. The reviewed literature indicated that there are few empirical studies that have addressed branding issues and challenges faced by financial services
organizations (Devlin and Azhar, 2004; Rambocas et al., 2014). Furthermore, prior research has not addressed marketing communication tools, CBBE dimensions and overall brand equity as a separate construct in financial services, particularly in Egypt. Thus, this research represents the first attempt that links the major bank marketing communication tools as perceived by customers, five CBBE dimensions and overall brand equity as separate construct.

In this study, mixed method research was used to achieve the main research objectives. The reason behind using mixed methods is that neither the qualitative nor the quantitative are sufficient in themselves to capture the trend and the details of the situation (Tashakkori and Teddlie, 2003). A qualitative research was needed first to identify the major bank marketing communication tools perceived by customers and also to develop an instrument (questionnaire) for the quantitative phase to test the research hypotheses (emerged from the literature and the qualitative findings). In the qualitative phase, semi-structured interviews were conducted with 15 bank customers.

This type of interview has many benefits. For example, it includes an interview guide that helps the researcher to focus the conversation on the topics at hand without forcing his/her to a particular format; it is flexible; allowing new questions to be brought up during the interview as a result of what the interviewee says; the interviewer can adjust the questions as necessary to the comprehension of the interviewee; the interviewer can clarify doubts and ensure by repeating or rephrasing the questions properly to understand the responses; the researcher can take up none verbal cues and other body languages from the respondents (Sekaran, 2003; Saunders et al., 2012). These semi-structured interviews have been analysed by using themed
analysis, which indicated three major bank marketing communication tools that consist of advertising, personal selling and direct marketing. Each of these tools has different impacts on CBBE dimensions, which lead to the overall bank brand equity.

Next, in the quantitative phase, self-administered questionnaires were conducted with 465 bank customers. The self-administered questionnaire allows the use of fixed-response questions that reduce the variability in the results (Sekaran, 2003). These questionnaires were distributed, collected and analysed to test the impacts of the major bank marketing communication tools on building bank brand equity through the different CBBE dimensions.

These questionnaires have been analysed by using the SEM. The statistical analysis showed that advertising has a significant positive direct effect on brand perceived quality, associations and trust. While, the personal selling was found to have a significant positive direct effect on all the CBBE dimensions (brand awareness, brand perceived quality, brand associations, brand loyalty, and brand trust). For the direct marketing, it was found to have a significant positive direct effect on all the CBBE dimensions except brand trust. Moreover, it has been found that only two CBBE dimensions have a significant positive direct effect on the overall brand equity, which are brand perceived quality and brand loyalty. Given the facts that all the five CBBE dimensions are interrelated.

Based on these empirical findings, some of the research hypotheses were supported whereas others were not supported. For example, the hypothesis that generally stated, “advertising has a significant positive direct effect on CBBE dimensions” was
Chapter 6: Discussion and Conclusion

Partially supported. The hypothesis that generally stated, “personal selling has a significant positive direct effect on CBBE dimensions” was supported. The hypothesis that generally stated, “direct marketing has a significant positive direct effect on CBBE dimensions” was partially supported. And finally, the hypothesis which generally stated, that “CBBE dimensions have a significant positive direct effect on the overall brand equity” was partially supported.

Hence, some of the research findings indicated similarities with previous studies while others indicated differences, which will be discussed in the following section.

6.2 Comparisons with findings of previous studies

The present study aimed at examining the impact of the major bank marketing communication tools on building bank brand equity through the CBBE dimensions from customers’ perspective in the Egyptian banking sector. First of all, semi-structured interviews were conducted with bank customers to identify the major bank marketing communication tools perceived by customers that help on building bank brand equity. As a result, the interviewees stated three controllable marketing communication tools used by banks, which consist of advertising, personal selling and direct marketing. They believed that these tools are the most effective to promote and build a bank’s brand equity. Each tool impacted different CBBE dimensions. In this section, a revision of the qualitative outcomes have been discussed and compared to previous academic findings.

First of all, it was mentioned by the interviewees that advertising contributes to the development of brand equity. This finding was supported by the previous studies of
Maxwell (1989), Simon and Sullivan (1993), and Boulding et al. (1994). Based on the interviews, it has been found that advertising has a positive effect not only on brand equity as a whole but also on certain CBBE dimensions. It impacted brand awareness, brand perceived quality, brand associations and brand trust. The interviewees believed that advertising is proficient in introducing customers to banking services and in providing detailed information. Advertising helps to increase the audiences’ awareness of issues with which they may be unfamiliar, as well as educate them on related benefits of the service. The respondents indicated that a well-designed advertising would definitely reflect good quality and good image towards the bank in the customer’s mind. Hence, the brand name of the bank will be associated with something positive so that the customer will relate the brand to being constructive.

Additionally, advertising impacts the trust towards a bank when the customer’s expectations (based on the bank advertising) are met and when the bank’s promises are delivered. These findings were supported by Kirmani and Wright (1989); Cobb-Walgren et al. (1995), Yoo et al. (2000), Keller (2003), Ramos and Franco (2005), Rajh and Dosen (2009), and Karunanithy and Sivesan (2013).

Secondly, the interviewees stated that personal selling (in the Egyptian banking sector, personal selling comprises all staff) has a crucial role in building brand equity particularly in the service sector. Based on their responses, personal selling affected each of the CBBE dimensions (brand awareness, brand perceived quality, brand associations, brand loyalty and brand trust). The interviewees assumed that one of the major roles of personal selling is to inform and educate customers on various banking services in order to create awareness and interest with potential customers.
Furthermore, they indicated that the bank’s employees promote the bank’s services through their appearance, attitude and knowledge. Hence, when the bank employees are presentable, friendly and knowledgeable, customers will perceive the bank with high quality and it will be associated with positive features in their minds.

In fact, effective employees keep customer satisfied and build long-term relationships with them. Bearing in mind that bank employees listen to and communicate with customers to solve their problems and to win their trust and confidence. At the end, customers who are satisfied are more inclined to deal with the bank again and become loyal customers towards the bank. This finding was supported by Wall and Berry (2007), Rajh and Dosen (2009), Kimpakorn and Tocquer (2010), and Baumgarth and Binckebanck (2011).

Thirdly, the interviewees mentioned that direct marketing play an important role on building brand equity particularly in the service sector due to the technological development. According to the interviewees, direct marketing impacted all the CBBE dimensions. It affected brand awareness, brand perceived quality, brand associations, brand loyalty and brand trust.

The interviewees believed that direct marketing tools help inform customers with the banking services, create a sense of quality assurance, shape a bank image and create customers’ trust and loyalty towards the bank. The direct marketing is driven by databases, which provide accurate data about the customers to satisfy their needs and to win their trust. Although, the interviewees stated that this tool is still evolving, it is already finding success when building bank brand equity. Additionally, they mentioned that customers’ involvement is the key towards accomplishment because
of its participatory communications. This technique helps develop a direct and close contact with customers. Those contacts help create and maintain strong relationships, which lead to loyal customers. This outcome was supported by Gardiner and Quinton (1998), Rios and Riquelme (2008) and Harridge (2009).

At the end, the interviewees were asked about the importance of CBBE dimensions in affecting the overall brand equity of the bank. They all agreed that all CBBE dimensions should exist altogether as a package in order to build bank brand equity, and particularly they focused more on brand trust and brand perceived quality. This finding was supported by Yoo et al. (2000), Atilgan et al. (2005), Pappu et al. (2005), and Kumar et al. (2013).

Subsequently, the quantitative part took place to test the research hypotheses emerged from both the literature and the interviews. Thus, the impact of the identified marketing communication tools on building bank brand equity through the CBBE dimensions was tested and the results are presented and discussed as follows:

The first hypothesis, which generally stated, “Advertising has a significant positive direct effect on CBBE dimensions” was partially supported. It has been found that advertising has a significant positive direct effect on brand perceived quality, brand associations and brand trust. Therefore, advertising should be well designed, attractive, reliant, trustworthy, and of high excellence to reflect the good quality, to shape the unique image, and to build the trust towards the bank.

Firstly, the significant positive direct effect of advertising on the brand perceived quality was supported by the previous studies of Archibald et al. (1983), Milgrom and
Roberts (1986), Kirmani and Wright (1989), Aaker and Jacobson (1994), Yoo et al. (2000), Ramos and Franco (2005), and Karunanithy and Sivesan (2013) who stated that advertising is perceived as a crucial external indicator that signalling product quality. Thus, the use of advertising plays a major role in developing customers’ perceived excellence, superiority, and in reflecting the positive bank’s features. These previous studies match with the Egyptian banking sector, where customers perceive advertising as a vital tool that reflects the bank’s quality by providing functional and emotional benefits related to the banking services.

Secondly, the significant positive direct effect of advertising on brand associations was supported by the previous studies of Farquhar (1989), Cobb-Walgren et al. (1995), Keller, et al. (1998), Yoo et al. (2000), Keller (2003), Ramos and Franco (2005), Bravo et al. (2007), Keller (2007), Rajh and Dosen (2009), and Karunanithy and Sivesan (2013) who identified that the associations linked to the brand are mental and perceptual images that the customer perceives after identifying the brand in the messages sent by the organisation. The positive associations that form a high and a great brand image are communicated to customers through advertising. Hence, advertising forms affirmative and positive brand associations that are more easily accessible in the customers’ mind. These previous studies match with the Egyptian banking sector, where customers perceive advertising as a tool that builds a distinctive bank’s image and that helps customers to develop a positive and unique brand associations.

Thirdly, the significant positive direct effect of advertising on brand trust was supported by some previous studies of Kirmani and Wright (1989), and Kotler and
Armstrong (2012) who stated the importance of spreading accurate and honest messages through advertising in order to build trust towards the brand. These previous studies match with the Egyptian banking sector, where customers depend on the advertising to build their trust because they consider it as a mean to know more about the bank’s services and capabilities. Thus, they believe that the bank will deliver true and reliable messages to meet their expectations and to gain their trust.

Contrary to some earlier findings, it has been found that the impact of advertising on brand awareness was not supported in the quantitative phase. This finding mismatches with the previous studies of Deighton, (1984), Hoyer and Brown (1990), Keller (1998), Ambler et al. (2002), Yoo et al. (2000), Ailawadi et al. (2002), Angel and Manuel (2005), Rajh (2005), Ramos and Franco (2005), Villarejo and Sanchez (2005), Bravo et al. (2007), Rajh and Dosen (2009), Buil et al. (2013), and Karunanithy and Sivesan (2013) who indicated that advertising is a highly significant element of the marketing mix that is used successfully to increase brand awareness. In other word, brands achieve awareness via the advertising as one of the most noticeable marketing communication tools. However, there is a study conducted by Huang and Sarigollu (2012) in which the advertising does not affect brand awareness. In their study, they found that the reason of this lack of effect is due to the high brand awareness of the studied product category. However, in the Egyptian banking sector, the reason behind this lack of effect may differ because it has been mentioned in the qualitative phase, that WOM has a great influence in creating awareness particularly in the Egyptian banking sector. As WOM from close reference groups such as family, friends, and co-workers have the greatest effect in creating awareness towards banks due to its great existence in people’s daily life.
Moreover, it has been found that the effect of advertising on brand loyalty was not supported. This outcome conflicts with the previous studies of Hauser and Wernerfelt (1990), Shimp (1997), Yoo et al. (2000), Ramco and Franco (2005), and Kotler and Armstrong (2012) who stated that advertising is positively related to brand loyalty because it supports brand-related attitudes towards the brand. Thus, advertising helps increase the chance of the brand being involved in the group of choices that the customer has to choose from, so that the decision making process is simplified at the same time as a customer habit is shaped, and finally, brand loyalty behaviour becomes a possibility.

However, in the Egyptian banking sector, advertising has no effect on brand loyalty because banking as a service is unlike any other service due to its highly involvement nature (Ennew and Waite, 2013). One of the bank branding challenge is that customers change bank brands less frequently than the other sectors since the banking sector has a specific nature because it deals with customers’ earned money and savings (Levy, 1996; Papasolomou and Vrontis, 2006). So the customers are loyal to their banks by nature, they are not affected by an advertising at least in the short term. Additionally, to switch from one bank to another, it is not an easy decision as customers are going to lose part of their savings if they decide to change before the agreed upon time.

The second hypothesis, which generally stated, “Personal selling has a significant positive direct effect on CBBE dimensions” was fully supported. It has been found that personal selling has a significant positive direct effect on brand awareness, brand perceived quality, brand associations, brand loyalty and brand trust. This result
indicates the importance of personal selling in creating awareness; in reflecting good quality and constructive features; in building long-term and trustworthy relationships with the customer through the face-to-face communication; and the interactions that help create a communication channel rich with information. Particularly, in the banking sector where bank customers prefer the face-to-face communications especially when perceived risk is high (Page and Luding, 2003).

Firstly, the significant positive direct effect of personal selling on the brand awareness was supported by Fill (2002), Page and Luding (2003), Kotler and Armstrong (2012), and Dmour et al. (2013) who argued that this face-to-face communication that exist between individuals (who represent an organization) and customers helps the organisation to inform, encourage, persuade or remind people to buy or at least to try the service. These previous studies match with the Egyptian banking sector, where customers perceive personal selling as a crucial communication tool that helps them to know more about the banking services and to gain more information in order to take the right decision.

Secondly, the significant positive direct effect of the personal selling on the brand perceived quality was supported by the previous studies of Zeithaml et al. (1985), Bitner (1990), Bitner et al. (1990), Zeithaml et al. (1993), Bitner et al. (1994), Berry and Bendapudi (2003), Wall and Berry (2007), and Wu et al. (2009) who stated that during the service delivery process, employees’ behaviours, attitudes and knowledge provide an influential clues that help develop the customers’ perceptions towards the service quality. These previous studies match with the Egyptian banking sector, where
customers perceive the employees’ performances, manners and experiences as crucial external indicators that signalling the bank overall quality.

Thirdly, the significant positive direct effect of the personal selling on the brand associations was supported by the previous studies of Schneider and Bowen (1993), Gronroos (1994), Ind (1997), De Chernatony and Dall’Olmo Riley (1999), Berry (2000), De Chernatony and Harris (2000), De Chernatony et al. (2003), Rajh and Dosen (2009), and Kimpakorn and Tocquer (2010) who stated that employees’ attitude, and behaviour have a critical role in the service brand image development process. Employees convey the brand identity into the customers’ eyes. Therefore, they must be saturated with the desired image of the service and play their proper role in delivering the brand values in order to create a particular and specific meaning and persona to the brands. These previous studies match with the Egyptian banking sector, where customers depend on the bank’s employees to shape and to create the bank’s image. For them, the bank employees represent a critical mean of communication that reflects the bank’s unique persona.

Fourthly, the significant positive direct effect of the personal selling on the brand loyalty was supported by the previous studies of Keaveney (1995), Mohr and Bitner (1995), Evans et al. (2002), and Kotler and Armstrong (2012) who mentioned that the customers’ assessment of the service provider’s works and performances has been found to have a strong effect on customers’ satisfaction and loyalty. These previous studies match with the Egyptian banking sector, where customers’ loyalty is based on their interactions and experiences with the bank’s employees.
Fifthly, the significant positive direct effect of the personal selling on the brand trust was supported by the previous studies of Schneider and Bowen (1993), De Chernatony and Dall’Olmo Riley (1999), De Chernatony and Harris (2000), Evans et al. (2002), De Chernatony et al. (2003), Wall and Berry (2007), Kimpakorn and Tocquer (2010), Baumgarth and Binckebanck (2011), and Valos et al. (2016) who argued that employees have a crucial role in delivering what the brand stands for, its abilities and promises in order to reach customer trust towards the brand. These previous studies match with the Egyptian banking sector, where customers perceive employees as crucial elements that they can rely on. Based on the customers’ point of view, employees can build trust by being frank and honest in their interactions.

The third hypothesis, which generally stated, “Direct marketing has a significant positive direct effect on CBBE dimensions” was partially supported. It has been found that direct marketing has a significant positive direct effect on brand awareness, brand perceived quality, brand associations, and brand loyalty. This outcome showed that direct marketing tools help inform customers with the banking services, create a sense of quality assurance, shape a bank image and create customers’ loyalty towards the bank. Thus, these customised direct contacts should be used on a regular basis, in attractive and informative manner to promote the banking services with high quality and proficient manner. This will be reflected in the customer’s mind in order to build the customer’s loyalty.

For the significant positive direct effect of direct marketing on brand awareness, brand perceived quality, brand associations and brand loyalty, it was supported by Gardiner and Quinton (1998), Merisavo and Ruulas (2004), Mallin and Finkle (2007),
Rios and Riquelme (2008), and Harridge (2009), who stated that direct marketing is an effective tool, which is mostly used to build brand equity. This tool creates the perception among customers that the bank has various services, which allow them to compare between the prices among the other competitors. This tool allows the organisation to reach the audience and to boost their awareness, interest, quality, and shape a brand’s image. Thus, a strong and positive brand image is formed by the usage of direct marketing. Additionally, this tool targets individual customers by delivering personalised messages and building a relationship with them based upon their responses. Hence, this communication attempts to build a one-to-one relationship with each customer. Thus, it helps marketers to get and keep customers and also to work towards getting their loyalty.

These previous studies match with the Egyptian banking sector, where customers perceive the direct marketing tools as a mean to gain information towards the various banking services. In addition, customers consider the direct marketing tools as an external indicator that indicating the bank’s quality and persona, which certainly influence their loyalty towards the bank.

However, there is an opposing perspective regarding the impact of direct marketing on brand perceived quality. It has been found in a study conducted in the banking sector in New Zealand by Page and Luding (2003) that direct marketing as a promotional tool did not provide enough information to judge the banking service quality in order to take a decision.
For the brand trust, it has been found that direct marketing tool does not impact brand trust. Compared with the literature review, this finding mismatches with Fletcher and Peters (1997), Fill (2002) who mentioned that the level of trust and commitment towards a brand is affected by the use of direct marketing tools. However, Page and Luding (2003) provide support for the finding of this study, who mentioned that the majority of bank customers considered any form of direct marketing to be annoying, an invasion of privacy, and risky to take up. Therefore, they did not depend on direct marketing as a trustworthy source of information. In addition, Page and Luding (2003) mentioned that customers generally show a negative and undesirable attitude towards organisations using direct marketing strategies. They have mixed feelings about message rates and frequencies, and low intention to purchase as a consequence of direct marketing.

In this study in the Egyptian banking sector, the reason for this lack of effect is due to the perception of the Egyptian customers. For them, the usage of direct marketing, through telephone calls or messages is to inform about the services availability and trigger customers to go to the bank and ask for more information. This perspective matches with the US direct marketing association’s media based definition, which describes direct marketing as any direct communication to a customer that is designed to generate a request for further information or a visit to the organisation for buying specific product. Thus, mainly in this research trustworthiness will be build once the customers contact the employees directly on personal bases since this will give the bank a chance to develop the ability to deliver its promises.
Finally, the fourth hypothesis, which generally stated, “CBBE dimensions have a significant positive direct effect on the overall brand equity” was partially supported. It has been found that brand perceived quality and brand loyalty have a significant positive direct effect on the overall brand equity. This finding matches with Yoo et al. (2000), Atilgan et al. (2005), Pappu et al. (2006), Tong and Hawley (2009), Chahal and Bala (2012), Kumar et al. (2013), and Sasmita and Suki (2015) who stated that brand loyalty (which is the overall commitment that the customer has towards a specific bank) represent the strongest path leading to brand equity. In addition to the perceived quality (which represents the customer’s overall impression of the comparative inferiority or superiority of the organization and its services) that represents a principal dimension of overall brand equity.

In the Egyptian banking sector, Brand awareness, association, and trust do not directly impact the overall brand equity. However, they are important due to the interrelationships and the linkage that exist among the five CBBE dimensions. Christodoulides et al. (2015) mentioned that Aaker’s CBBE dimensions are not separated and they are all interrelated. Thus, managers should not underestimate the effects of brand awareness, brand associations in addition to brand trust on building bank brand equity.

The relationships among the CBBE dimensions were supported by the previous studies such as Aaker (1991), Yoo and Donthu (2001), Chaudhuri and Holbrook (2001), Pappu et al. (2005), Yacout and Elsahn, (2011), and Kumar et al. (2013). These previous studies were based on the traditional hierarchy of effects model to indicate the relationships that exist among the CBBE dimensions. The hierarchy of
effects model is well known by the standard learning hierarchy (Solomon et al., 2006). Biedenbah and Marell (2010) provided empirical support for the usage of the hierarchy of effects model in understanding the relationships between the CBBE dimensions. The hierarchy of effects model proposes that customers are highly involved in making their decision (Kotler and Keller, 2012). According to this model, customers are encouraged to search for information; assess alternatives; and take a considered decision (Solomon et al., 2006). This model presents the development of CBBE as a customer learning process.

The process of building brand equity starts with increasing the customers’ awareness of the brand and accordingly creating brand associations in their mind. After the customer has learned about the brand and associates it in his/her mind, the continuous interaction with the brand subsequently will impact the customer’s perception of brand quality and loyalty (Aaker, 1991; Yoo and Donthu, 2001). In other words, Brand awareness is the basis of brand equity (Aaker, 1991). Brand associations depend on the creation of brand awareness, because it does not make sense to communicate brand attributes without establishing a name to associate them. Brand perceived quality is also based on brand awareness. Brand loyalty represents the key of the CBBE dimensions, is also influenced by the three dimensions (brand awareness, associations and perceived quality) (Yoo and Donthu, 2001).

Moreover, Pappu et al. (2005) have established relationship among four CBBE dimensions, which include brand awareness, brand associations, brand perceived quality and brand loyalty. Furthermore, a link between brand trust and brand loyalty has been found in some previous studies, the earlier, which is brand trust acts as
antecedent of brand loyalty (Chaudhuri and Holbrook, 2001; Kumar et al., 2013; Phan and Ghantous, 2013). In more details, the brand awareness, which is the basis of customer knowledge, will positively impact brand associations, which form the customer knowledge. Customers’ brand associations will impact brand quality. The more a customer is associated with the brand; the better perceived quality towards the brand would be. In addition, the perceived quality impacts the level of trust, which will lead to brand loyalty. Therefore, the better the perceived quality, the better will be the trust and the loyalty towards the brand (Kumar et al., 2013).

The interrelationships that exist among the CBBE dimensions were supported by Yoo et al. (2000), Atilgan et al. (2005), Tong and Hawley (2009), Xu and Chan (2010), and Torres et al. (2015). In more details, Yoo et al. (2000) supported the interrelationships between brand loyalty and brand perceived quality. Moreover, the interrelationships between brand loyalty and brand associations were supported. Subsequently, brand perceived quality and brand associations have been found to have an impact on the overall brand equity by affecting first of all brand loyalty. Atilgan et al. (2005) and Tong and Hawley (2009) supported the interrelationships that exist among four CBBE dimensions, mainly the relationship of brand perceived quality to brand association and brand loyalty, and the relationship of brand awareness to brand associations and brand loyalty. In details, brand awareness serves as a foundation for brand image and brand loyalty, and high quality enables customers to recognise a brand’s distinctiveness and superiority, which help to develop a brand image and leads to customer satisfaction and loyalty. Therefore, when concentrating on creating brand associations and loyalty, managers should not undervalue the effects of perceived quality and brand awareness (Atilgan et al., 2005; Tong and
Hawley, 2009). Xu and Chan (2010) mentioned that the interrelationships that exist among the CBBE dimensions are crucial in building the overall brand equity. Torres et al. (2015) supported the positive impacts of brand perceived quality and brand awareness on overall brand equity, which are mediated by brand loyalty.

6.3 Research implications

This study showed the importance of studying and understanding the drivers that contribute to the strengthening of CBBE dimensions in the service industry, which lead to the development of overall brand equity. Particularly, this study is considered the first one that combined the major bank marketing communication tools, five CBBE dimensions and overall brand equity as a separate construct within the Egyptian banking sector. Accordingly, the results of the present study have a number of meaningful implications that could help build brand equity.

First, the results showed that advertising has a significant positive direct effect on brand perceived quality, brand associations and brand trust. This implied that in the Egyptian banking sector, customers perceived advertising as a tool that mirrors the quality of the bank in their mind by providing tangible characteristics or by presenting the benefits (functional or emotional or both) of the bank services. Additionally, it has been implicit that advertising provides means for differentiation that reflect positive and constructive attributes and values that helps build the bank’s high quality in order to achieve a sustainable competitive advantage. Furthermore, customers perceived advertising as a tool that illustrates pictures and images in which they perceived them as. Thus, advertising helps build a bank character in the mind of customers. For example, if a bank wants the customers to view it as westernised, advertising will
show Americanized or Europeanized descriptions and metaphors; if it wants to appeal to business people, advertising will reflect professionalism; and if it wants to be associated with high tech, advertising will illustrate its advanced usage of various technologies and databases in interactions with customers. Particularly, in the banking context, brand image is complex, based on multiple experiences, facts, and exposures to brand information; therefore, it takes a long time to be developed. Thus, advertising is used as a common way to develop, shape and manage the bank image to be associated positively in the customer’s mind. Besides, customers perceived advertising as a credible source of information. They perceived advertising as a mean to get to know more about their banks capacities. Banks communicate their promises, which will be delivered to the customers through the advertising. Thus, customers believed that banks would not take the risk in spreading false information regarding their facilities, especially through the advertising.

Secondly the bank’s employees have found to have a positive direct impact on all CBBE dimensions (brand awareness, brand perceived quality, brand associations, brand loyalty, and brand trust). This outcome implied that in the Egyptian banking sector, customers relied heavily on employees to help them take the right decision. Bank employees play a central role in creating customers’ awareness towards the bank by approaching customers inside and outside the bank (for example: at their workplace, and other outdoor areas). They provide face-to-face communication, which encourages people to ask more questions about various services or to be informed about services that they did not know in advance.
Customers perceived bank employees as symbol of the bank quality. Thus if the employees perform properly and illustrate professionalism, they will reflect excellence in the bank. Thus, it has been understood that bank employees represent a tool to promote the bank’s services. The personnel’s education, attitude, appearance, and knowledge reflect the bank’s quality in the customers’ mind. Therefore, physical impression is everything (appearance, knowledge, education, social communication skills, etc.). Accordingly, bank employees help shape brand associations. For the bank customer, if the employees hold progressive, helpful, confident, affirmative, and encouraging features, the bank will be associated positively with these features. On the other hand, if the employees hold unhelpful, unconstructive, undesirable, and unenthusiastic features, then the bank will be associated negatively with these attributes. For this reason, it has been implicit that all employees are representative of the bank performance, image and personality. Customers judge organisations by its employees in Egypt.

Besides, bank customers perceived employees as a tool that they can rely on. According to the customers’ point of view, employees can create trust by being frank and open with them. Employees allow customers to ask as many questions as they have in order to clear any hazy or unclear matters. Furthermore, in their dealings with customers, the bank employees deliver the bank’s promises, such as accurate information regarding investments, savings, interest rates and other financial issues. Hence, these social contacts create a bond with existing and new customers; and develop potential and existing customer relationships. Customers gain trust from employees when they feel that they are working hard to find the best and appropriate deals to suit their needs. Additionally, they help develop loyalty among customers
towards the bank. This implied the essential role of employees during customers’ financial interactions. When the employees allow the customers to feel special and valued, the customers begin to develop a sense of appreciation. When customers feel safe and guided, they become dedicated and devoted to the bank. When they are committed, they do not want to transfer to other banks. Thus, they turn into loyal customers. Therefore, these social contacts create long-term relationships with customers, nurturing customer relationships, and then enhancing those relationships and resolving problems.

Thirdly, direct marketing has found to have a significant positive direct impact on the majority of CBBE dimensions (brand awareness, brand perceived quality, brand associations, and brand loyalty). This outcome implied that customers depend on direct marketing in building their awareness towards various services. By using direct marketing, banks provide information without customers asking, creating awareness of various services not known to the public. Since direct marketing is a method of communicating information about a bank, it allows customers to develop knowledge. When employees speak on the phone, send an email or a postal letter, the customers become attentive, wanting to know the intended purpose of the message. This attentiveness allows the development of their awareness, understanding, and responsiveness.

Bank customers considered direct marketing as a tool that gives an indication about the bank quality, value and features. Conveying wholesome and suitable announcements leads to high quality. Particularly, when sending personalised messages to customers, they begin to feel appreciated, noticed, important, and happy
because they are remembered. This is achieved through up-to-date databases. With the use of accurate customer information, the bank is able to send relevant messages about the services that meet their needs. A good database allows customers to gain the right information needed for them. Thus, the quality of communication increases. Furthermore, direct marketing impacted the customers’ opinions, feelings and attitudes towards the bank, which influences their intention to deal or not to deal with the bank. Therefore, banks should use enough quantity of information to affect positively the customer’s perception towards the bank. For example, if the bank provides good and enough information, customers will perceive the bank with good persona, which will be associated positively in the customer’s mind. The personalised communications via direct marketing tools provide relevant information that encourages customers to directly contact the bank, or to seek out more information. Banks should provide useful and accurate information about the banking services that lead the customer to take the good choice. The positive interactions with the bank lead to customers appreciating the service, which build long-term relationships with them.

Finally, in the Egyptian banking sector, brand perceived quality and brand loyalty are the crucial elements that have a direct impact on building brand equity, given the fact that all the CBBE dimensions (brand awareness, brand associations, brand perceived quality, brand loyalty and brand trust) are interrelated. This outcome implied that banks should focus more on brand loyalty and quality out of all the CBBE dimensions. Therefore, it is crucial to separate the overall brand equity from the CBBE dimensions (as sources of brand equity) in the brand equity studies. Since, this
helps organisations, particularly banks, to pinpoint and to highlight the contribution of each dimension.

To summarise, the three major marketing communication tools that have positive impact on building brand equity in the banking sector were advertising, personal selling and direct marketing. Thus, they should be enhanced and developed as brand development factors. In the process of allocating marketing budgets, it is crucial to take into account the prospective effects of each marketing communication tool on brand equity building. These tools should be directed to reflect, in particularly, the brand quality and to develop customers’ loyalty towards the brand with respect to the other CBBE dimensions.

6.4 Recommendations for banks

In today’s market place, building a bank brand is not an optional choice but it is a must to build brand equity to gain a sustainable competitive advantage. The results confirmed the importance of marketing communication tools in building bank brand. For this reason, the researcher has provided several recommendations regarding the usage of the marketing communication tools in order to help banks build their brand equity through CBBE dimensions.

Personal selling in this study was confirmed to have the most direct impact on CBBE dimensions in the Egyptian banking sector (brand awareness, brand perceived quality, brand associations, brand loyalty and brand trust). This kind of face-to-face interaction is considered to be the most critical tools in building brand equity. The employees who sit behind the counters or approach the customers in random place
(conduct the business of the bank on a daily basis) are the biggest brand representatives of a bank.

Building bank brand equity requires the bank to recruit well-qualified staff. The reason is that employees are tools to promote the banks’ services. Through their education, attitude, appearance, and knowledge they play the role of informing, encouraging customers to use the services, reflecting quality, shaping brand associations, building trust and developing loyalty.

Furthermore, the researcher recommends the employees to treat customers like royalty. Employees should: address customers by name and title; maintain eye contact; listen attentively to customers; be punctual and ready to serve customers on time; make achievable promises and always keep smiling.

With high employee performance, it is recommended that bank managers award or appraise the doings of employees. With rewards, such as money incentives or other bonuses (e.g. employee of the month) according to their needs, this will motivate employees to be committed towards their banks and to work harder in an appropriate and efficient manner in reaching the overall goal of the bank. When employees feel satisfied and appreciated, their work enhances.

Furthermore, it is recommended that the employees become more and more knowledgeable about the bank’s values, such as the bank’s internal philosophy, customer dealings, business ethics, and the welfares of its services offered. Through shared values, there is a better chance of employees’ commitment, internal loyalty
and most essentially consistent and reliable brand delivery promises among customers. In addition, it is crucial in the financial services that employees understand the role of brand as risk reducer and as a tool to improve customers’ confidence.

A greater weight to the training of personal selling is recommended, which will help ensure a uniform, fruitful and cordial interaction between the employees and the customers so that there is positive dialogue and long-term customer retention. Thus, banks should provide extensive investments on personal selling training. Employees should be educated and instructed on their communication skills, sell technical knowledge (informed of the bank’s products, attributes, features, policies, procedures, rules, and regulations), and on how to act during different social occasions when dealing with customers.

Besides the training programs, workshops, seminars, and interactive discussions are needed among the employees in order to provide better customer service. Through these activities, brand manager will convey the message that the employees need to know in order to pass along to the customers. These activities will need to focus on customer orientations (information about the general customer dealings); how to discover customer needs in a bank facility; how to listen and communicate with customers in order to solve their problems; how to work and develop their trust; and finally how to sell and improve lasting relationships to develop customer loyalty. With these recommendations, the bank will enhance the usage of personal selling in creating awareness, reflecting good quality, shaping positive associations and develop trust and long-term relationships towards the bank.
For the direct marketing tools, banks should be instructed and trained to use these tools properly. In this study, direct marketing had an impact on the majority of CBBE dimensions in the Egyptian banking sector (brand awareness, brand perceived quality, brand associations, and brand loyalty), except for brand trust. Thus, the researcher recommends some important points to be taken into consideration when using direct marketing. It is recommended that banks deliver regular correspondence with an appropriate rate (whether online, telephone, or postal service), which will create a sense of quality assurance. For example, by using friendly website, functional and informative allow the customers to view the bank as providing a high quality service. By maintaining strong relationships with the customers, this will help to keep them happy and satisfied with the bank’s services and offers.

Moreover, it is recommended that the banks establish and update their customer database. Customer database is vital in the bank dealings in order to facilitate the decision making process. It has many benefits. For example, it can help target the right customers; cross-selling the bank’s goods/services; can allow the bank to see the intensity of customer usage to classify them into various groups; identify customers’ needs, which will help the bank offer the right service for their satisfaction; and provide socio-demographic information in order to personalize messages. With an appropriate database, the communicated messages will be well targeted (i.e. meets a current or near future customer). Thus, the individual will not be bothered or consider it an attack of privacy, which could help build trust in the long run.

The researcher recommends the bank to learn and practice the different means in communicating directly to the potential or existing customers through direct
marketing. The usage of direct marketing should be on a regular bases with an appropriate rate that exposes customers to relevant needed information. It should be done in a proficient way. Banks should implement technology in their dealings. Customers today are using various technologies to communicate, such as smart phones, Internet and social media groups (Facebook, twitter, You Tube, etc.). Hence, the researcher suggests that the banks should use these new technological means to reach customers. Furthermore, the banks can take the opinions of customers in choosing from the different direct marketing tools that best suit their preference.

With these recommendations, the bank will improve the usage of direct marketing in creating awareness, reflecting good quality, building positive associations and develop long-term relationships towards the bank and may be able to build customer’s trust towards their bank in the long run.

Finally, advertising showed that it impacted certain CBBE dimensions in the Egyptian banking sector, which are brand perceived quality, brand associations, and brand trust. The researcher recommends several aspects to be taken into consideration when using advertising to reflect good quality, positive image to be associated positively in the customer’s mind, and finally to build trust.

The researcher recommends that in advertising, it is very crucial to identify the purpose of the advertising, the content of the message, the medium through which the message will be conveyed and the timing in which the message will be carried. In addition, banks should emphasise the major benefits that appeal to the customers’ interest. For example, the advertising can illustrate the qualities found throughout the
bank service, such as its physical surroundings (buildings, offices, waiting rooms, queuing, etc.), the atmosphere (bank personality), the employees, and the service delivery process (promising something of value). Advertising can also indicate their distinctive high quality service (if applicable). These positive features can be illustrated and explained through the usage of pictures or words that express high excellence, value, superiority, worth, and class. As result, the advertising will build on the bank’s image, which will be associated in the customer’s mind, and finally will deliver the bank promises.

For the messages to be communicated successfully, (whether found in traditional or untraditional advertising) it is preferable to implement the AIDA model, which was developed by Strong (1925). According to this theory, attention towards the bank is the first phase that stimulates the interest of a customer. The customer attention is usually gained through unique design, by using powerful words, or a picture that will catch the audience and make them stop to know more about the bank. Interest is the second phase that can create a desire to use the banking services. A customer will want to know more about the banking services, and their features. This leads to desire to take action, the third phase of the model. Customers’ desire is generated when they know how beneficial the bank’s products and services are to them and their advantages to other competitors. Increasing customers’ desire will trigger them to take action and deal with the bank. This is the fourth phase and the last of the AIDA model.

With these recommendations, the bank will improve the usage of advertising in reflecting good quality, building positive associations and trust and may be able to
affect the customers’ awareness and loyalty towards the bank in the long term.

In the Egyptian banking sector, this study showed that the overall brand equity is affected mainly by brand quality and brand loyalty. Thus, it is essential that bank managers concentrate their efforts on developing brand loyalty and on enhancing brand quality with respect to the rest of the CBBE dimensions. Thus, the recommendations that were given for each marketing communication tool should focus more on quality and loyalty to boost the bank brand equity.

To summarise, the researcher recommends banks to apply the concept of Integrated Marketing Communications (IMC). IMC are more likely to be applied when organizations go into a harmonized dialogue with their numerous internal and external customers. The communication tools used in this dialogue and the messages transmitted should be internally consistent with the organizations objectives and strategies. Thus, the messages conveyed by each of the communication tools should be organized and coordinated in order that customers perceive a consistent set of messages.
CHAPTER SEVEN
CONCLUSION

This chapter provides the contribution of the present study to both literature and practice. In addition, it outlines the research limitations and suggests different directions for future research and finally presents a conclusion.

7.1 Academic Contribution

First, this study provides a significant advancement to the current literature of branding, particularly in the service brand equity. As the researcher reviewed the literature, it has been found that the developed branding models focused more on the context of physical goods (Kirshnan and Hartline, 2001; Davcik and Sharma, 2015), while limited number of studies focused on the service sector (Brodie et al., 2002; O’Cass and Grace, 2004; Brady et al., 2005; Wilson et al., 2012).

Second, this study represents one of the first attempts to examine bank brand equity in one of the Middle East countries. As the researcher reviewed the literature, it has been found that small number of studies have addressed branding issues and challenges faced by financial services organisations. In addition, the previous studies were conducted in European countries (e.g., Lambkin and Muzellec, 2008; Ohnemus, 2009; Pinar et al., 2012; Phan and Ghantous, 2013). Moreover, it has been mentioned in some previous studies that the branding of financial services is relatively weak and lacks true brand equity based on the customer perspective (Devlin and Azhar, 2004; Phan and Ghantous, 2013).

Third, this study focused on one of the most important marketing mix elements, which is the promotional mix. The promotional mix consists of the marketing communication
tools that have the fast and the direct impact on the customer behaviour (Herrera et al., 2002; Kotler and Keller, 2012). Based on the previous studies, scholars have highlighted the need to further examine the impact of the marketing mix elements in general on building brand equity (e.g., Yoo et al., 2000; Rajh and Dosen, 2005). Particularly, it has been highlighted the necessity to further examine the impact of the marketing communication tools on building brand equity due to their great importance (Netemeyer et al., 2004; Chu and Keh, 2006; Davcik et al., 2015).

Fourth, the researcher noticed that few studies separate the brand equity from its dimensions to know the contribution and the importance of each CBBE dimension in the overall brand equity assessment and even the studies who separated the brand equity from its dimensions did not take into consideration five CBBE dimensions, they considered only two or maximum three CBBE dimensions (e.g., Yoo et al., 2000; Rajh and Dosen, 2009). Thus, this research represents the first piece of work to examine the impact of the major marketing communication tools used in the Egyptian banking sector on building bank brand equity via five CBBE dimensions.

Fifth, this study focused on the customer perspective to obtain information from service takers in order to provide valuable and more realistic insights into the branding issues, adding more knowledge in this area. As the researcher reviewed the literature, it has been found that some previous studies have focused on managerial and brand experts’ perspectives (e.g., De Chernatony and Dall’Olmo Riley, 1999; De Chernatony and Horn, 2003; De Chernatony and Cottam, 2006; Wallace et al., 2013).
Sixth, this study represents one of the very few studies that combined both qualitative and quantitative data collection techniques and analysis procedures sequentially to provide more insights and more understanding in the area of bank brand equity. As the researcher reviewed the literature, it has been found that the majority of the previous studies applied pure quantitative approach in their research methodology. On the other hand, few studies such as De Chernatony and Dall’Olmo Riley (1999), De Chernatony and Horn (2003), De Chernatony and Cottam (2006), and Wallace et al. (2013) applied pure qualitative approach. Very few studies such as Kumar et al. (2013) applied both qualitative and quantitative in a single study.

In conclusion, based on the research outcomes, a substantive research model has been formed for future researchers to use. Therefore, the distinctive contribution of this research arises from providing the substantive research model that links the major bank marketing communication tools, five CBBE dimensions and overall brand equity in the Egyptian banking sector. Thus, this study helps to understand “how the major marketing communication tools help on building bank brand equity through five CBBE dimensions in the Egyptian market?”

7.2 Practical contribution

This study provides useful insights to marketing managers particularly in the Egyptian banking sector.

First, this study highlighted the importance of building and managing brand equity, as an intangible asset in the service industry due to the high-perceived risk, particularly in the Egyptian banking sector, since there are high similarities among banks.
Second, this study showed that the major marketing communication tools used in the Egyptian banking sector, consist of advertising, personal selling and direct marketing that help build bank brand equity. Additionally, this study showed that the most important tool is personal selling, then direct marketing and finally the advertising.

Third, this study provided insights on how each of these tools could be used to build bank brand equity. Thus, this research helped managers to promote brand-building activities, and to evaluate marketing strategies and programs effectively.

Fourth, this study helped to assist marketers in appreciating the key role of the communication tools, in selecting the right mix that suit the Egyptian banking sector and on how to improve the usage of these tools in order to build good reputation; to have high bank brand equity; and to have a unique market position that can not be found among the other competitors.

Fifth, this study supported marketing managers in considering the high importance of brand loyalty and brand perceived quality in building bank brand equity (marketing managers should consider the importance of these dimensions as major dimensions of bank brand equity). Given the fact that all the five CBBE dimensions are interrelated and important.

Sixth, this customer-based research was useful in helping managers to understand customers’ points of view in this service industry and to gain their feedbacks. Thus, improved and better decisions related to the usage of the marketing communication tools could be practised to be able to stand high in the crowd with high bank brand equity.
7.3 Limitations of this research

In the qualitative part, themed analysis was used, which is the process of pinpointing, examining, and recording patterns (or "themes"). This method is popular however the data interpretations depend on the researcher understanding based on the respondents’ answers. However, the researcher tried to reduce bias by providing a summary of the interviewees’ explanations after each interview. This idea was supported by Saunders et al. (2012) who mentioned that the summary helps the interviewer to avoid biased or incomplete information. On the other hand, it gives a chance to the interviewee to evaluate the adequacy of the interpretation and to make corrections where necessary.

Additionally, the researcher focused on the major controllable marketing communication tools but did not take into consideration the uncontrollable communication tool (WOM), which was mentioned by the interviewees as an effective tool in building brand awareness. However, the WOM can be taken into consideration in future research to test its impact on building brand equity.

In the quantitative part, cross-sectional data were used in this study. Future research can collect longitudinal data for testing the effect of the major bank marketing communication tools on building bank brand equity to identify if the customer perception towards the bank varies by time or not.

Data collection only took place in the biggest cities in Egypt (Cairo and Alexandria), the country’s capital and one of its major cities. Like many other developing countries, Egypt shows important interregional differences such as education, income, etc.
However, little is known about banking habits of customers in other cities. Future research can conduct the same study in other cities in Egypt.

Quota sampling has been used in this study in selecting banks’ customers. Banks are not willing to provide any researcher with the list of their customers. Therefore, a quota sampling was used to ensure the representative of the sample. This type is the best type of the non-probability sampling techniques (Sekaran, 2003). In this study, the researcher tried to reduce bias and to achieve a reasonable level of generalisability by selecting the eight major banks that cover 70% of the total Egyptian banking sector in terms of customers’ deposits and by selecting the respondents proportionately to their banks’ market share.

7.4 Directions for future research

First, since this study was conducted in the Egyptian banking sector, the replication can be done within other services (e.g., insurance companies, hospitals, airlines, hotels and universities) because the factors that contribute in building the overall brand equity may vary from one service to another.

Second, cross-cultural research may reveal other links and relations regarding marketing communication tools and CBBE dimensions, which may be similar or contradicting to this study.

Third, the major controllable marketing communication tools used in the Egyptian banking sector were examined. The qualitative outcome in this study indicated that WOM might be also influential with the controllable marketing communication tools.
Thus, future research may consider the WOM as an uncontrollable communication tool, to test its impact on building bank brand equity.

Fourth, future research can test which type of advertising will have the most impact on building bank brand equity (for example, traditional media like broadcast, print, and outdoor or through social media like Facebook, Twitter and YouTube).

Fifth, future research can also test which type of direct marketing tools will have the most impact on building bank brand equity (for example, phone calls, messages, direct mails or e-mails).

Sixth, this study focused on the perception of customers. Future research can conduct this study through managerial perspectives. Future research can also do a comparative study with both perspectives (the managerial and the customer perspective). Hence, by examining and comparing, banks will be able to fill the gap (if it exists) between both perspectives.

Seventh, this research mentioned that there are interrelationships between the CBBE dimensions but did not shed light on the hierarchical development of these dimensions. Future research can exploit this piece of information. Researchers can try to identify the linkage between brand awareness, brand associations, brand perceived quality, brand loyalty, and brand trust. This can be conducted either in the Egyptian context or other international contexts.
Eighth, future research can examine the impact of marketing communication tools in the case of corporate customers. Findings may be different in this case due to the different nature of customer decision-making processes.

Ninth, future research can focus on some extended marketing mix elements in the service sector that can contribute on building bank brand equity (such as: processes, and physical evidence).

7.5 Conclusion

In our competitive markets, building brand equity is a successful strategy for differentiating goods or services from competing brands (Aaker, 1991). Brand equity (is a valuable asset to any organization) that provides sustainable competitive advantages since it creates meaningful competitive barriers (De Chernatony and McDonald, 2003). Thus, it is critical to understand the elements that contribute to the strengthening of CBBE dimensions, which will lead to the development of brand equity (Yoo et al., 2000). Many elements could contribute to the strengthening of CBBE dimensions. Thus, the main focus of this study was to identify the major bank marketing communication tools and to examine their impact on building bank brand equity through CBBE dimensions in the Egyptian banking sector from customers’ perspective.

Findings showed that the major bank marketing communication tools in the Egyptian market consist of advertising, personal selling and direct marketing. Additionally, it has been shown that each of the major bank marketing communication tools impacted certain CBBE dimensions. For example, it has been found that the most important marketing communication tool is the personal selling, which has been found to have a
significant positive direct impact on all CBBE dimensions (brand awareness, brand perceived quality, brand associations, brand loyalty and brand trust). The next tool was the direct marketing, which has been found to have a significant positive direct impact on the majority of CBBE dimensions (brand awareness, brand perceived quality, brand associations, and brand loyalty) except brand trust. And finally, advertising was found to have a significant positive direct impact on three of CBBE dimensions (brand perceived quality, brand associations and brand trust).

Given the fact that all CBBE dimensions are interrelated, not all of them impact the overall brand equity directly. The research then identified that there are only two of CBBE dimensions that affect directly the overall brand equity. These two dimensions consist of brand perceived quality and brand loyalty, which were found to have a significant positive direct effect on the overall brand equity in the Egyptian market.

To conclude, any bank committed to build brand equity must select the right mix of the marketing communication tools and direct them to influence directly on the bank quality and the bank loyalty because high brand equity is the main competitive advantage particularly to a bank. Based on these results, the researcher will discuss the implications, recommendations for banks, and area for future research.


References


References


References


Appendix A
The certificate of the best paper presentation
This certificate has been awarded to the person named below for the Best Track Presentation as voted by fellow delegates, for her paper entitled – Measuring Customer Relationship Management (CRM) and its Relationship with Customer Satisfaction in the Egyptian Banking Sector at:-

**International Trade and Academic Research Conference (ITARC)**

**London - UK.**

07-08<sup>th</sup> November 2011

- Hilton Wembley Plaza Hotel, Empire Way, Wembley, United Kingdom HA9 8DS

**Heba Sadek**

Presenting at this academic conference is worth ten Continuous Professional Development (CPD) points.

Mark T Jones

Conference Co-ordinator & Director of External Affairs
Appendix B
The certificate of the paper
(From my PhD)
This certificate confirms that the person named below has submitted a paper titled "Investigating the major marketing communication tools and their impact on building bank brand equity in the Egyptian context: A customer perspective" and made an oral presentation:

at

2014 ABRM-IMRA International Conference on the Restructuring of the Global Economy (ROGE)

Cambridge, UK

23-24th June 2014

University of Cambridge, Murray Edwards College, Huntingdon Road, Cambridge, CB3 0DF

In witness thereof the undersigned have set their hand on

Heba Hassan Sadek

Presenting at this academic conference is worth ten Continuous Professional Development (CPD) points.

Dr. P. R. Datta

Dr. Jatin S. Pancholi

ROGE-2014 Conference Chairs
Appendix C
Banks registered with the central bank of Egypt