Editorial

Journal of Financial Services Marketing (2009) **14**, 187–189. doi:10.1057/fsm.2009.23

In this third issue of Volume 14, we have five articles covering a range of topics, although with some common threads running through them. The first article, *Consideration Sets for Financial Services Brands* by Dawes, Mundt and Sharp examines the extent of consumer information search and consideration of financial services brands before purchase. In particular, the article examines the most common consideration set size, the extent to which consideration is heightened for a first-time purchase compared with a re-purchase/renewal, whether more consideration is given to 'high value' services compared to 'low value' services, whether consumers buy from an untried provider with no consideration of competing alternatives, and whether different types of consumers are more likely to engage in heightened consideration of alternatives. The research draws on data from two surveys of purchasing behaviour comprising a sample of over 1200 respondents from different geographic locations in Australia. The study finds a surprisingly low level of consumer consideration, either for re-purchases or new purchases or for either low-value services or higher-value services. The most common consideration set size was found to be a single brand. Despite the popularity of the Internet as an information source, the study reveals that only a small proportion of consumers actually engaged in information search via the Internet before purchasing financial products. Purchases from an untried provider tended to be associated with higher levels of consideration than purchases from a current provider; however, the number of competing brands considered remained small for untried providers. Heavier users were found to be more likely to evaluate multiple brands, compared to lighter users, but the majority of heavy buyers still did not

consider more than one brand. The managerial implication is that financial services marketers should make brand salience a top priority. If a financial services brand is salient to a consumer, the authors argue that there is a very high chance they will purchase that brand, without extensive comparison of the merits of alternatives.

Research in finance has recently begun to recognize that individuals may invest in and own stocks in the same companies that they buy goods and services from. Hence, customer and investor roles are becoming increasingly interrelated. However, the interrelationship between stock ownership and customer relationship volume has not been directly studied. In their article, *The Interrelationship of Stock Ownership and Customer Relationship Volume: Case of a Nordic Retail Bank*, Aspara, Nyman and Tikkanen address this research gap empirically. The authors test the relationship between stock ownership and customer volume on a large data set from a leading retail bank in one of the larger Nordic countries. The data was gathered from a large-scale survey of 145 125 individual customers of the bank. The effective response rate was 32 per cent, or 46 440 respondents. The findings reveal that the proportion of high-volume customers is significantly greater among stock-owning customers than among non-stock-owning customers. Overall, the study reveals that there is a positive relationship between a customer's relationship volume and his/her stock ownership. The research reveals significant implications for the interface of marketing and finance (and investor relations). It suggests that an individual's stock ownership in a bank potentially enhances the individual's customer relationship volume with the bank.

Moreover, an individual's customer relationship volume and stock ownership may actually have common antecedents such as the individual's attitudinal loyalty towards the company's products/services.

In the third article, *How to Lengthen, Deepen and Broaden Customer-Firm Relationships with Online Financial Services?* Liang and Chen examine the influence of online relationship marketing on the online customer-firm relationship. A central theme of relationship marketing is communicating with customers. In many ways, the Internet has made such communication easier given its interactive nature, yet the authors argue that use of technology in the context of customer relationship management can be a double-edged sword. The article notes that few empirical studies exist on factors that contribute to building, maintaining or expanding customer-firm relationships with online financial services. The article attempts to address this gap through the development and testing of an empirical model that explores the links between online relationship bonds (financial, social and structural bonds), online relationship satisfaction and commitment, and online relationship length, depth and breadth with online financial services. The research was based on data from 686 online customers of a securities corporation. The findings reveal that online relationship bonds influence online relationship satisfaction and commitment, except for the link between financial bonds and relationship commitment. Results also show that online relationship satisfaction influences relationship length and depth, while online relationship commitment has a positive impact on relationship length, depth and breadth. The authors conclude that financial bonds are the most important in enhancing online relationship length, while structural bonds contribute to online relationship depth and breadth.

Bank Image in the UAE: Comparing Islamic and Conventional Banks by Al-Tamimi, Lafi and Uddin investigates how bank customers in the UAE perceive Islamic banks and

conventional banks and whether the perceived image affects selection of a particular bank or customer loyalties. The study focuses on five key areas: bank image, bank products, service quality, cultural aspects and religious factors, in addition to demographic attributes of individuals. The data are derived from a survey of UAE bank customers. A total of 800 questionnaires were distributed to customers of the four Islamic banks and the major conventional banks in the three largest cities of the UAE: Abu Dhabi, Dubai and Sharjah. These cities account for more than 80 per cent of the UAE population. 257 usable questionnaires were returned, yielding a response rate of 32.25 per cent. 178 respondents (69.3 per cent) were customers of Islamic banks and 79 (30.75 per cent) customers of conventional banks. The study finds that although most UAE bank customers prefer banking with Islamic banks, they are not satisfied with the quality of products and services. Customers generally have a positive image of their bank, irrespective of whether it is an Islamic bank or a conventional bank. The most important factor determining selection of a bank seems to be bank products followed by service quality and then religious factors. Perceptions of Islamic banks and conventional banks were found to differ significantly, particularly with respect to gender, education and duration of the banking relationship. The authors recommend that Islamic banks devote greater efforts to improving their perceived image. Both conventional and Islamic banks need to emphasize service quality more, particularly reliability. The article makes a number of specific recommendations in terms of service quality improvements.

The last article in this issue, *Promotional Messages in Multichannel Banking: Attractive or Annoying?* by Sunikka and Bragge, explores the channels customers prefer when promotional messages include different types of personalization. The study also explores the acceptance of promotional messages in the

online banking context. Financial services are offered through multiple channels; electronic channels have increased in importance both for customer acquisition and retention purposes. Moreover, electronic channels offer personalization possibilities that previously did not exist. The authors argue that research is needed to understand how financial services customers perceive the use of personalized promotional messages through traditional and online channels in order to identify preferences and make most effective use of distribution systems as channels of communication. The research uses computer-mediated focus groups in the same-time same-place mode as the data gathering method. Data were collected in

September 2006 in collaboration with a Finnish financial conglomerate. The study comprised four electronic focus group sessions, each lasting 2.5 hours, with 11–14 participants in each group. The results indicate that the channel preferences of customers diverge depending on the type of personalization used in the message. The study reveals the telephone as the least preferred channel overall and direct mail as the most preferred overall with the online channel preferred for highly personalized communication.

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