

Impact of Corporate Communication on Brand Identification and Brand Satisfaction: Evidence from Quoted Deposit Money Banks in Port Harcourt, Rivers State.

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Abstract

The purpose of this study was to assess the impact of corporate communication on brand identification and customer satisfaction of quoted deposit money banks in Port Harcourt. The study adopted the cross-sectional survey research design which enabled the researcher to collect unbiased data from the study targets and describe the relationship between the variables. The population of this study consists of the fifteen (15) quoted deposit money banks in Nigeria; all of which are operating in Port Harcourt. The sample size of this study was drawn from the fifteen (15) quoted deposit money banks in Port Harcourt. Thus, sixty (60) management staff of the fifteen (15) quoted deposit money banks constituted the respondents of the study; five (4) management staff; consisting of customer relationship manager, customer care manager, branch manager and marketing manager. The questionnaire is the instrument that was used in collecting primary data from the target respondents. This study made use of both descriptive and inferential statistics to analyze the data. The Pearson Product Moment Correlation (PPMC) was used as the statistical instrument to test the hypotheses stated in the study. These analyses were done with the help of the Statistical Package for Social Sciences (SPSS Version 22.0). The study therefore concludes and recommends that Quoted deposit money banks in Port Harcourt should have signs, symbols, trademarks or distinctive lettering that clearly communicates the values and what the bank represents in order to differentiate them from other competing banks.

Keywords: Corporate Communication, Brand Identification and Brand Satisfaction.

1. Introduction

Banking services are critical to the economic development of any nation. In the financial service sector any economy; the banking industry is perhaps the most popular one. They accept deposits and provide other services such as wealth management, currency exchange, mortgage, retirement accounts, alternative investments, financial management and many others. Because of the importance of these services banks it is necessary for one bank to differentiate itself from competitors through brand strategies and create emotional attachment in customers. The development of a distinct and customer driving brand strategy is a way of creating customer emotional attachment, affection and customer loyalty. The banking industry plays a very important role in the country's economy by facilitating business development and growth through making loans available for individuals and organizations for business purposes and so consumers are looking for better services that will guarantee the safety of the money.

This has compelled banks to constantly search for knowledge that will give them distinctive competence and set them apart in the marketplace. Thus, there is stiff competition both in the banking industry and the financial service sector at large. Dahiru (2017) posits that, the Nigerian financial sector witness drastic changes as a result of liquidity crisis; with the banking industry going through major consolidation. This indeed put a question mark on the image or integrity of the banks in Nigeria. Therefore, quoted deposit money banks must develop powerful brand strategies to redeem their image and build strong emotional attachment in customers.

2. Literature review and hypotheses development

Corporate communications is the organizational or top level function of communicating the values of the organization to the business community; customers, suppliers/distributors, shareholders, employees and the publics. The market must be informed and be educated; the process of informing his publics about the company's activities is the corporate communications. Thus, organizations communicates the firm activities, value propositions to the market through varieties of communication mix elements such as advertising, sales promotion, publicity, public relations and personal selling (Kotler & Armstrong ; Kotler & Armstrong, 2012). Hence, every activity must be communicated to the world through the company's corporate communication department or public affairs units of the corporation (Khan et al, 2016; Melewar, 2003).

2.1 Customer Emotional Attachment

Customer emotional attachment is the criterion or dependent variable of this study. Emotional attachment is a construct that finds expressions in person to person relationships. This conceptualization has gone beyond individual relationship and encompasses the feelings and positive or negative emotions that consumers have towards a company, brand, products and services (Correia, et al, 2017). Hence, customers' emotional attachment is the feelings and affections consumers have for a brand, products or services. Customers may decide to have affection and preference for a particular brand in the industry relative to the competing brands. This may be largely due to the destructiveness and understanding the unique needs of the market and serving those needs better than the competition (Kotler & Armstrong, 2012; Kotler & Keller, 2012). Thus, consumer emotional attachment stems from an organization providing superior goods and services to the market, managing profitable relationships with the markets through product-service customization (Kotler, 2000).

2.2 Concept of Corporate Communications

Corporate communication is a complex construct related with the situation a company communicates with its community; customers, employees, management, suppliers, distributors, community and the publics. Thus, "every activity that an organization is involved in and everything that it produces and all of the messages it conveys will have an impact on stakeholders' perceptions". There are two perspectives to corporate communications; controlled and uncontrolled corporate communications. Communication made at the instance of management is a controlled type of communication. In contrast, uncontrolled communication takes place at work to influence the perception of the business stakeholders (Karaosmanoglu et al, 2005). Hence, we have three types of controlled communication at work; management communication, marketing communication and organizational communication (Karaosmanoglu et al, 2005). Thus, management communication is seen by most scholars as the most prominent form of controlled communication in the work place (Melewar, 2003). However, having noted the fact that management communication involves the expressions of company goals touching on internal

customers; both marketing and organizational communications are also laudable to the growth and development of the enterprise.

Institutional or corporate communication plays the laudable function in developing the desired corporate image and creating a powerful and superior competitive advantage in the market. Marketing communication which is taxonomy of corporate communication has relationship with promotional mix of advertising, personal selling, public relations and sales promotion aimed at communicating the firm value propositions in the form of products and services to the target markets (Kolter & Armstrong, 2012; Kotler & Keller, 2012).

2.3 Concept of Brand Identification

Brand identification is one of the measures of consumer emotional attempt in this study. Brand identification is the recognition of a brand and distinguishing it from other competing brands. Brand identification is a laudable factor of emotional driver, for a consumer to have emotions towards a brand, that brand must be first identified among the lots competing on the shelves or in the industry (Kotler & Armstrong, 2012; Kotler & Keller, 2012). Hence, consumers must first identify brands that drive their emotions (Kotler, 2000; Kotler & Armstrong, 2008). Thus, there are so many brands competing on the shelves in supermarkets or glossary stores or companies operating in the same industry. The task for the emotionally driven customer is to first identify which brand or brands that are most liked. These brands must be separated from the lots.

Consumer emotional attachment is primarily driven by brand identification, this is because without identifying the brand that is most liked emotions and preference will be lacking. Therefore, brand identification is a laudable sub-variable of consumer emotional attachment. For a good brand to be identified, customers look at the beliefs, behaviour and characters of different brands, products and services theory after, identify these distinctive qualities and opt for companies, products and services brands with the greatest promises. “Arguably, in the 21st century, brand strength is best understood and identified in terms of the balance of perceptions between what can organization starts, its purpose and how it delivers”. Thus, brand identification is premised on several factors, the consumer uses his/her perceptual senses to see the personality, character and the quality of products and services of the company (PWC, 2015).

Brand identification is the base line construct for consumer emotional attachment. It works when the individual consumer through perception identify the laudable attributes of the brand such as the values for the brand, reputation and character of the company or product and services brand, the behaviour of the brand towards stakeholders; employee, customers, community, suppliers and distributors. All of these attitudes of the brand must be identified to drive emotional attachment with the brand (Thomas, 2005; PWC, 2015; Viachos, 2012). Since, consumers are faced with different competing brands, it is imperative for the individual consumers to identify the brand that will satisfy him/her in the short, medium to long term (Kotler, 2000). Thus, brand identification is the baseline measure and foundation for consumer emotional attachment.

2.4 Concept of Brand Satisfaction

Brand satisfaction is one of the measures of consumer emotional attachment in this study. Brand satisfaction connotes the brand meeting or exceeding the customer expectation in terms of creation of value for the consumers (Kotler & Keller, 2012). Hence, if the brand is able to solve the needs, wants, preferences and perception and providing values that are superior relative to competing brands then that suffices as brand satisfaction (Kotler & Armstrong, 2012; Kotler & Armstrong, 2008; Kotler, 2000). Brand satisfaction provides laudable basis for emotional attachment. Satisfaction gives rise to customer emotional attachment; the two constructs are not synonymous (Thomas, 2005). Hence, brand satisfaction that is sustained over time can lead to consumer emotional attachment. Two consumers who purchase brands can all be satisfied but may not purchases brands can all be satisfied but may not have the same level of emotional attachment with the brand. Emotional attachment occurs as a result of constant interaction with the brand (Thomas, 2005; Viachos, 2012). Thus, brand satisfaction most times occurs as a result of constant interface with the brand. As consumers who are satisfied with a brand, constantly interface with the company or the brand this ultimately lead to emotional attachment by consumers (Holmes, 2000). For brand satisfaction to occur just like in individual relationships, the brand and the customers must be in constant relationships.

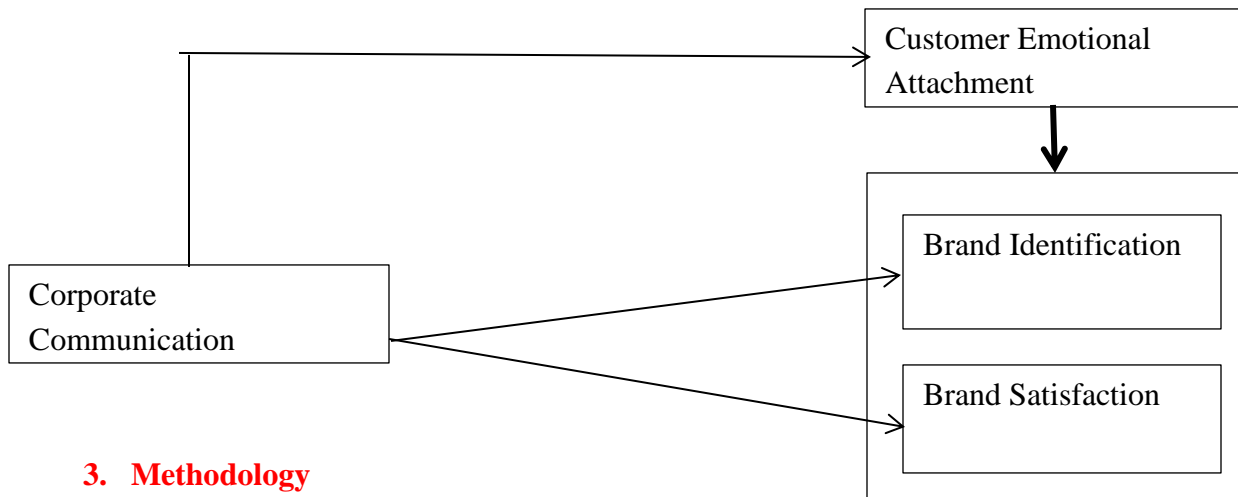
2.5 Corporate Communication and Customer Emotional Attachment

Communication is a vital construct in any system. It is effective communication that brings understanding among organizational members. Again, what also brings understanding and harmony between the firm and external stakeholders; customers, suppliers, distributors, community, government, regulators, the public etc. without effective communication systems firms will go into extinction (Kotler & Armstrong, 2012; Kotler & Keller, 2012). Hence, the way the organization or the brands communicates affects the perceptions of members of the business community. Karaosmanoglu et al (2005) in investigating the corporate identify construct and its communication was discovered as the driver of the brand corporate strategy. All of the activities in corporate organization are driven by communications (Stoner, Gilbert & Freeman, 2013). Karaosmanoglu et al (2005) (2005), investigated the relationship between communications enhances the perceptions of the customers positively. It was discovered that effective communication of the brand produces favorable or positive perception of the customers. Thus, effective communication significantly impacts customer perception. Vanka (2008) investigated the effect of corporate branding on consumer purchase preferences in Serbian telecom market. It was discovered that as a brand what you communicate to the audience is important and has a way of impacting your business positively or negatively. It was revealed that among the telecommunication firms communicating the bundle of bundle of value with low price controls the highest share of the market (Vanka, 2008). Again, all of what an organization communicates helps influence the market greatly. If an organization or brand communicates positive attitudes and good relationship with clients, this will enhance customer attachment. This is evident in the work of Priester, Macinnis and Park (2007) the communication of the right attitude, reputation relationships help to enhance customer brand attachment. Every activity in branding whether verbally or non-verbal involves communication. A brand standing on the shelves in a shop is

making a statement; a bank located near the market place is also making a statement (Kotler, 2000; Kotler & Armstrong, 2008). Hence, branding functions; attitudes, attachment and relationships significantly affect customers brand emotions (Priester et al, 2007). Karaosmanoglu et al (2005) studied corporate communications and the identity image. It was discovered that all of the things in corporate image communicate to the markets. “Corporate image is inherently a composite product of various factors which reflect and communicate the identity of an organization”. It is imperative to define the laudable aspects of corporate identity and communicates these variables to the target customer group. Thus, effective communications whether company brands or products/service brands positively influence consumer emotional attachment. We therefore state the following hypotheses:

H₀₁: There is no significant relationship between corporate communication and brand identification.

H₀₂: There is no significant relationship between corporate communication and brand satisfaction.



3. Methodology

This study adopted the cross-sectional survey research design. This research design enabled the researcher to collect unbiased data from the study targets and describe the relationship between the variables. The population of this study consists of the fifteen (15) quoted deposit money banks in Nigeria; all of which are operating in Port Harcourt (NSE 2018). The sample size of this study was drawn from the fifteen (15) quoted deposit money banks in Port Harcourt. Thus, sixty (60) management staff of the fifteen (15) quoted deposit money banks constituted the respondents of the study; five (4) management staff; consisting of customer relationship manager, customer care manager, branch manager and marketing manager. The questionnaire is the instrument that was used in collecting primary data from the target respondents. This study made use of both descriptive and inferential statistics to analyze the data. The Pearson Product Moment Correlation (PPMC) was used as the statistical instrument to test the hypotheses stated in the study. These

analyses were done with the help of the Statistical Package for Social Sciences (SPSS Version 22.0).

Table 1: Summary of Reliability Analysis

| S/n | Variables | Number of Items | Cronbach's Alpha Coefficients |
|-----|----------------------|-----------------|-------------------------------|
| 1. | Corporate Identity | 4 | 0. |
| 2. | Brand Identification | 4 | 0. |
| 3. | Brand Satisfaction | 4 | 0. |

Source: SPSS Output form Survey Questionnaire

4. Results and Discussion

H₀₁: There is no significant relationship between corporate identity and brand identification.

Table 2: Correlation between corporate identity and brand identification

| | | Corporate Identity | Brand Identification |
|----------------------|---------------------|--------------------|----------------------|
| Corporate Identity | Pearson Correlation | 1 | .839** |
| | Sig. (2-tailed) | | .000 |
| | N | 59 | 59 |
| Brand Identification | Pearson Correlation | .839** | 1 |
| | Sig. (2-tailed) | .000 | |
| | N | 59 | 59 |

** . Correlation is significant at the 0.01 level (2-tailed).

From the results of the SPSS output on table 2, it can be seen that there is a strong, positive relationship between corporate identity and brand identification. This is indicated in the correlation coefficient; which is 0.839. Again, the probability value is less than the critical value; i.e. $0.000 < 0.05$. Therefore, we reject the null hypothesis that there is no significant relationship between corporate identity and brand identification.

H₀₂: There is no significant relationship between corporate identity and brand satisfaction.

Table 3: Correlation between corporate identity and brand satisfaction

| | | Corporate Identity | Brand Satisfaction |
|--------------------|---------------------|--------------------|--------------------|
| Corporate Identity | Pearson Correlation | 1 | .380** |
| | Sig. (2-tailed) | | .003 |
| | N | 59 | 59 |
| Brand Satisfaction | Pearson Correlation | .380** | 1 |
| | Sig. (2-tailed) | .003 | |
| | N | 59 | 59 |

** . Correlation is significant at the 0.01 level (2-tailed).

Results of the SPSS output on table 3, revealed that there is a moderate, positive relationship between corporate identity and brand satisfaction. This is indicated in the correlation coefficient; which is 0.380. Again, the probability value is less than the critical value; i.e. $0.003 < 0.05$. Therefore, we reject the null hypothesis that there is no significant relationship between corporate identity and brand satisfaction.

5. Conclusion and Recommendations

From the above discussion, it is revealed that corporate communication will enhance customer emotional attachment of quoted deposit money banks in Port Harcourt. In other words, corporate communication will enable customer or consumers to easily identify the bank; be satisfied with the bank; have emotional attachment to the bank affection and maintain exchange relationship with the bank despite promotional activities of competitors to attract the customers.

Based on the findings and conclusion of the study, we therefore make the following recommendations:

- ✓ That Quoted deposit money banks in Port Harcourt should have signs, symbols, trademarks or distinctive lettering that clearly communicates the values and what the bank represents in order to differentiate them from other competing banks.
- ✓ Quoted deposit money banks in Port Harcourt should communicate their values to their customers (actual and potential), employees and other shareholders through appropriate marketing communication mix.

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