CLIENTS' ATTITUDE IN RELATION WITH THE BANK - BEHAVIORAL STUDIES

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Abstract: Our paper focuses on consumer's behavior of banking market and underlines the conclusions that were taken by many studies on this area. In order to understand the buying decision of the clients, we present the behavioral factors and the theories of consumers' behavior. The conclusion of studies made at different banks indicates that there are similar aspects that banks take into account when selecting factors for analysis; still, there are differences between factors in the research. This diversity may result from management practices different from one bank to another, different bank locations, client group, income, age, family members, job, available liquidities, different approaches of main aspects taken into account and other factors as well. These studies will be useful in carrying on the research on the particular banking market like Romanian and Turkish markets.

Keywords: client-bank relationship, customers` preference, behavioral studies, changes across the generations, decision-making

1. Introduction

On the banking market, fulfilling the needs of banking product and service consumers is of paramount importance. Therefore, irrespective of tendencies on bank marketing, such as: segmentation of the banking product and service market, policy of new products and instruments circulation, advertising policy, the bank is interested in clients` behavior which is the fundamental factor in organizing the overall banking activity.

2. Factors which influence the consumer's behavior

Consumers` behavior is influenced by **economic factors** as well as **behavioral factors** that are characteristic to each individual or each group.

Among ***economic factors*** we may mention: the real income available for buying the product or service; the product or service` price; personal understanding on quality/price ratio; relative price of similar products; relative price of complementary products whose buying depends on buying the main product.

We should not neglect the analysis of ***behavioral factors*** that determine the demand of products and services on a market. The person who carries out a market survey must be fully aware of the reason for which people need or want certain products so as to be able to classify consumers depending on the grounds that make them buy, project and throw on the market goods that would satisfy consumers` needs and necessities, carry out advertising campaigns suitable for various market sectors. Behavioral factors determining the market demand are: personal justification, personality, culture, life style, social class, group affiliation, family cycle.

Specialists who tend towards studying the client's behavior have distinguished several **behavioral aspects**:

a) thus, according the well-knowing *A. H. Maslow`s theory,* necessities and desires are classified so as the ones at a superior level should influence the buying attitude only after there were satisfied the needs placed at inferior levels, as we may see in figure no 1:

Figure no. 1 Classification of necessities drawn up by Maslow

Consumers' behavior is determined by a series of necessities at various levels. An individual's fundamental motivations are triggered by the need to feed, rest, have a home, be safe and not be alone. Therefore, people buy food and drink, pay their rent or buy a house, sign insurances, go out with friends in pubs, do shopping, go to church, to professional institutions.

Once these necessities are satisfied, the theory says that personal justification will be determined by: the desire to gain the other people's respect, for instance by owning particular goods, by charity deeds, the desire to live in a healthy environment, away from pollution and crowd, with considerable consequences on the other activities that affect the environment, the desire of independence and self-achievement. For instance, owning a place to live in offers much more freedom of action by eliminating the dependence triggered by the existence of an owner. Self-achievement may be obtained by using several methods, it may be the result of owning a bank account, professional fulfilling, carrying out a pleasant activity depending on each person's life ideal.

b) *The theory of one's own image* presents the consumer's behavior as being determined by his urgent need of physiological necessities, safety and social necessities. This theory highlights the paramount importance of emotional and psychological necessities triggered by the concept of one's own image. Thus, goods and services can be bought because they satisfy these special needs. For instance, many products are advertised using the line: 'Its use will spot you in the crowd' and consumers think that, by making use of this kind of products or services, they will distinguish them from other people offering them a distinct status.

Therefore, buying behavior is seen, according to this theory, as a means of creating and supporting one's own image. The components of one's own image are presented in figure no 2.

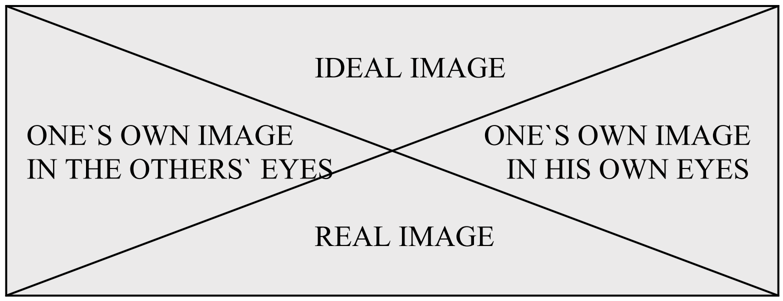

Figure no. 2. The components of one's own image

Personality represents the wholesome of features defining a person, making him/her different from other people. The features creating an individual's personality originate from two sources. Thus, some of them are hereditary (according to Freud and Jung`s theory), others are the result of social conditions and life experience (according to Adler`s theory). Defining the personality is a prolonged process that continues to old ages. The person carrying out the survey should take into account the multitude of existing personalities because products and services must respond to widely accepted behavioral types and to widely accepted tolerance levels.

Culture plays an important role in determining the buying behavior because it influences behavioral standards or norms. For instance, the consumption of a certain meat type (pork) is highly reduced in Islamic countries as it is prohibited by religion. Culture may be defined as a distinct behavioral model originated from certain beliefs and customs. It brings together experience, customs, beliefs, strives and ambitions of a community. Every individual is socialized in a certain culture, that is, he is integrated in that community's norms. A social person's behavior towards the buying process is influenced by the socialization process. Accepting a new product or service may depend partly on the cultural implications of behavioral changes. For instance, buying and saving are considered two of the supreme values of Western culture. These cultures have experienced major changes so as, for instance, the use of credits is now a general characteristic of the attitude of buying.

Synthetically, the decision of buying is presented in image no 3:

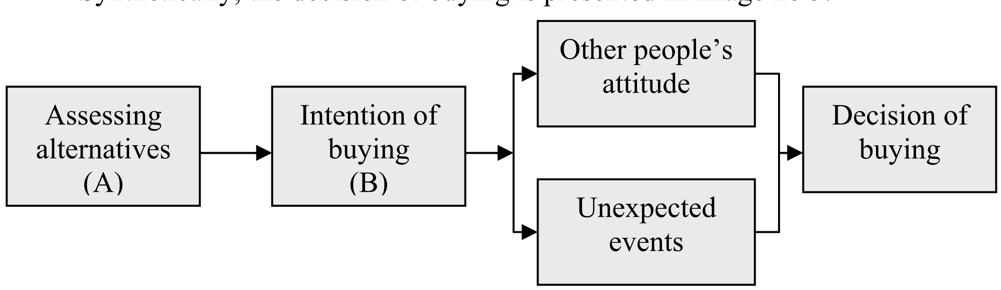

Figure no. 3. The model of buying decision

In order to take a certain decision of buying, a consumer evaluates, firstly, his options (for instance, the possibility to turn liquidities into treasury bills or to create bank deposits), then, he expresses his intention to buy (he tends, for instance, to create a bank deposit as he has the possibility to make use of that amount of money at any moment). There are also two variables that may influence the buying decision, that is, the other people's attitude (most of the people prefer treasury bills because there is offered a more advantageous interest) as well as the attitude towards the risk (there is the risk for a bank to be short of liquidities and thus, not be able to meet the demands of withdrawing available funds or the risk for the government to postpone returning its debt at maturity date through issued treasury bills). The impact of these variables would be eventually felt on the buying decision (the client chooses opening a bank deposit at a powerful bank that is insured in case of that bank's lack of liquidities).

3. Studies and research on the banking consumer's behavior

In order to have a better bank-client communication, the client, as well as the bank must obey a series of rules that consist or not of norms or instructions. Over the time, these rules have represented a code of conduct and there is the result of bank experience.

Ever since 1941, **the professor Ştefan Dumitrescu has suggested a set of advice**[4] for bank clients concerning their behavior in the relationship with the bank; we mention only few of them: properly choose one's banker, trust him so as he would trust you, never forget that he is to account for in front of shareholders, deposit holders and do not be surprised when you are asked to offer information and guarantees before obtaining loans; the loan that he grants you represents other people's money and not his own; do not go to a bank to make a loan if you intend to entrust your actual bank operations to a competing bank; the bank is not a philanthropic institution and it will eventually ask you to return the loan; consider the time when you ask for the loan, when and how you will pay it off; take into account your banker's opinion before closing a deal that you think is good, he may spare you, by his advice, of a litigation or loss.

The advice may continue and they are still good nowadays. Still, because of the process of bank diversity, there appeared a multiplication and a gradation of these rules. In their way of understanding the bank, people seem to be the defenders of popular sayings such as: *The banker lends a loan only to the rich by using the poor`s money* or *The banker is the man who lends you his umbrella when the sun shines and asks it back when it is raining.* The bank might be characterized by: power, proximity, modernism; the clients might reproach the bank with it being too centralized, too aggressive and dominant, almost dehumanizing.

As a dynamic element of the bank-client relationship, the client's attitude in their relation is likely to be influenced and even built. Every bank clerk must be asked to be able to induce an attitude, a mutually profitable and pleasant relation in the group of possible or real clients.

As for the client's attitude towards the bank, it is highly influenced by the technique, modernism offered by the bank system. If, not long time ago, when we would enter a bank, we would find a cold and mysterious world, nowadays, the hospitable atmosphere and new technical equipment are attractive for the client in his relation with the bank. The new electronic bank system is more than a technological

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[4] Ştefan I. Dumitrescu, Manual of credit and bank, Bucharest, 1941, p 38.

revolution because it is thought to be provocative of a psychological revolution that may be encountered at the level of the consume behavior and the economic agent's behavior. The new techniques used as pay off means change the communication climate between the bank and the client.

Ever since the beginning of the interest in the bank marketing in the sixties, banks have been interested in analyzing their behavior aiming at improving the bank's image.

Thus, **a first study was carried out by Leonard L. Berry in 1968** stating that the bank's image is based on 12 factors[5]. The conclusions of this study were taken as a result of interviewing the clients of a certain bank.

The main factors that the bank should take into account to improve its image, according to Leonard L. Berry, depending on their importance level are: advantages related to bank location (1); other advantages, such as the ones related to parking, clients business hours (2); advertising (3); bank atmosphere (4); the cost of offered services (5); the interest paid for term deposits (6); the quality of offered services (7); the structure of offered services (8); the training, attitude and availability of the front office staff (9); credit service (10); advertising (11); bank's reputation(12).

Later, in 1976, this study was revised by Thomas Anderson, Eli Cox and David Fulcher, who proved how difficult it is for the marketing staff of a banking institution to identify all the aspects in the research. Thus, they developed Berry's list and improved it by setting out 15 criteria that the clients should take into account in selecting a bank.

We may find this study in the specialty literature under the name of **Anderson-Cox-Fulcher[6] list**. According to the importance level, the bank selection criteria presented in Anderson-Cox-Fulcher list are: friends recommendation (1); bank's reputation (2); facility in granting credits (3); personnel's kindness (4); charges for current account operations (5); interest of offered credits (6); location (7); the possibility of operating debit balances for current accounts (8); offering a wide range of services (9); parking (10); clients business hours (11); interest offered for savings deposits (12); special services for the youth (13); special services for women (14); awards or presents offered on opening new accounts (15).

After almost a decade, every factor's importance changes compared to the 60\`s when factors related to bank's location, parking and clients business hours were decisive in defining the bank's image. For the following decade, the most important factors in selecting a bank were thought to be: friends' recommendation, the field of activity of banking services, the bank personnel's kindness and proper attendance.

For the following decade, **studies on this issue were improved by Richard Sielaff** (carried out during the period 1983-1984), who made up a top of the factors determining a bank's image, achieved through the analysis of 4 banks. Thus, we may notice the importance of some factors such as: personnel's kindness, pay desk services, in rapid efficient current accounts, clients' business hours.

**A study made in France in the 80\`s** on criteria that dictate choosing a bank points out several criteria: physical as well as psychological approach (proximity), the modernism of a bank with telematics services, a bank dynamism concerning the clients\`

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[5] Berry Leonard, Banking, Marketing and The Image Concept, Arizona Business Bulletin, November, 1968, p. 239-244

[6] Anderson Thomas, Cox Eli, Fulcher David, Bank Selection Decision and Market Segmentation, Journal of Marketing, Volume 40, January, 1976, p. 40-50

needs, information clearly presenting products and services, dialogue, communication, an institution that would be more of a partner than a necessity.

However, irrespective of used countries and methods, the main priorities in choosing a bank would be: proximity, sympathy towards the banks reception method, the desire to obtain a loan in advantageous conditions, in a quick manner and without formalities, the possibility of withdrawal anytime, bank recommendation by the family or close friends.

Taking into account these aspects, banks integrated new factors that must be carefully studied in their relation with clients such as: professionalism and competence of the bank employees, the bank's innovation and modernism, offering periodical reports that would insure the transparence of the banking activity, Saturday included in business hours with clients.

A study made in the year 2006 by Forrester Research from USA on the consumer behavior explains the changes across the generations. To understand the gender differences, they examined survey responses from males and females across five different generations: Gen Yers, Gen Xers, Younger Boomers, Older Boomers, and Seniors[7]. Their analysis uncovered the following:

- ***Males grow increasingly more affluent as they age.*** For each generation, a higher percentage of males than females have at least $100,000 of investable assets. The gap expands with age to the point where the percentage of wealthy male Seniors is more than twice as high as the percentage of wealthy female Seniors.
- ***Females worry more about retirement.*** Across all generations, more females than males say that they are concerned about having enough money to retire.
- ***Older males and females prefer the human touch.*** For both males and females, the percentage of consumers who are more comfortable dealing with people when they shop or bank increases with age.
- ***Females look more at price than brand.*** More females than males across all generations agreed with the following: "Price is more important to me than brand names."
- ***Males are more willing to buy on credit.*** More males than females in every generation say that they will buy something they want on credit.
- ***Females rely more on recommendations.*** Younger generations of consumers - Gen Yers and Gen Xers - are the most likely to rely on recommendations from friends and family. Within every generation, females are more reliant on input from friends and family than males are.

The conclusion of studies made at different banks indicates that there are similar aspects that banks take into account when selecting factors for analysis; still,

[7] ***Generation Y – Gen Yers*** - is generally considered to be the last generation of people, currently (as of 2006) includes those in their 20s, teenagers and children over the age of 6. ***Generation X – Gen Xers*** - includes individuals born between 1965 and 1973 (current age is 33–41), considered as "twentysomething" in the years 1987 to 1991. ***Younger Boomers*** are those born between 1954 and 1964 (current age is 42–52). ***Older Boomers*** include individuals born between 1946 and 1953 (current age is 43–60). ***Pre-retirees or Seniors*** are those individuals born in 1945 and earlier - current age is 61 or older. The terms are used in demography, the social sciences, and marketing.

there are differences between factors in the research. This diversity may result from management practices different from one bank to another, different bank locations, client group, income, age, family members, job, available liquidities, different approaches of main aspects taken into account and other factors as well.

Moreover, **the behavior of banking products and services consumers depends also on the forms that the currency takes,** which, in other period of time, represented the most beautiful thing that people owned.

Doubloons or golden ducats resembled objects of art. Metallic coin, then, in a lower level, fiduciary coin, implies a physical, material relation. Scriptural coin, especially the one that imitates circle, triggers a greater detachment and a start of power over money. Together with passing over to the cartel-coin, to the technical character of used instruments, its holder will become more valuable by increasing his fame and the power over money will rise too. The more dematerialized forms of money increase the psychic size on the perception of money in the disadvantage of their physical, material dimension.

The client's attitude towards banking products and services is also influenced by their flexibility depending on clients` needs. If we are to analyze a famous service, for instance, inflows and pay offs in cash in and from the economic agents` accounts, it has greatly changed: cash deposit in sealed bags, depositing payment papers during prolonged work hours in the afternoon and on Saturday.

These diversifications of inflow and cash pay offs service were determined by an increase of cash volume on the market, by the necessity of bank's attraction towards cash. Together with the perfecting intra and inter-banking electronic discounts, introducing credit and debit cards, modification of the current salary payment by transferring money into the employees` accounts open at the bank, the preference for this service will reduce, the clients having the possibility to choose a quicker and handier service.

4. Conclusions

We may say that clients` preference for banking products and services is decisively determined by the fluctuation of conjunctural conditions, comfort, rapidity, security and accessibility to a banking product or service.

The technology contributes to improving existing banking products and services, the increase number of clients proving that people can afford to pay for superior products or services.

Based on information technology, we would like to create an online integrated, client-oriented banking system based on the most modern informatics technology that would allow, besides efficient management of the main banking processes, allowing some new products aimed at clients, including the ones from the electronic bank category which would lead to consolidating the clients' base of the bank.

The client's attitude towards the bank represents his own way of reacting to banking products and services offer and the process of acquiring an attitude is strongly related to justifications and personality in satisfying his needs.

To sum up, the client's attitude in his relation with the bank is based on some characteristics:

- is based on the client's conception about the quality of the bank services, about financial security, social fame;
- it can be modeled by marketing people;

- the client's attitude is shaped starting with a total of contextual factors such as: culture, family relationships, self image compared to dreams, ideal ego, personal experience in the relation with the bank, information obtained through media or rumors, ideas about the bank of the persons whom the client considers to be opinion leaders.

Consequently, the client's attitude towards the bank represents his personal way of reacting to banking services and products offer and the process of acquiring an attitude is strongly related to justifications and personality in satisfying his needs.

The conclusion that we must trigger is that there must be a continuous interest in finding out clients` needs, dissatisfactions and the power of decision-making that would attract more and more new clients and keep the existing ones.

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