EFFECTS OF IMAGE AND ADVERTISING EFFICIENCY ON CUSTOMER LOYALTY AND ANTECEDENTS OF LOYALTY: TURKISH BANKS SAMPLE

Ekrem Cengiz[*], Hasan Ayyildiz[**], Bünyamin Er[***]

Abstract

The present study examines the relationships between image, advertising efficiency, customer satisfaction, customer expectation, perceived quality, perceived value, customer complaint and customer loyalty. These variables are increasingly recognised as being sources of competitive advantage. However, little empirical research has been conducted to examine these variables simultaneously and their relationships with post-purchase behaviour especially service organizations like banks. The present study was therefore designed to develop an understanding of the relationships between these variables and their influence on loyalty. An integrative model was developed and tested by using data collected from the customers of Turkish banks. The results reveal that bank image and advertising efficiency influence customer loyalty and antecedents of loyalty significantly.

Key words: Bank Image, Advertising Efficiency, Customer Loyalty, Antecedent of Customer Loyalty.
JEL classification: G21, M30, M37.

Introduction

In highly competitive markets, firms are increasingly concerned with customers' post-purchase behaviour. It is recognised that merely satisfying customers is not sufficient to secure customer loyalty (Jones and Sasser, 1995). Studies have shown that satisfied customers also express a tendency to switch to competitors (Mittal and Lasser 1998). In the past decade, firm image has been recognised as a strategic tool to strengthen a firm competitive position and improve its profitability (Reicheld and Sasser, 1990). However, as customers become more demanding, competition further intensifies, and economic and industrials growth slows down, firm image might not be an adequate source of a competitive advantage. Advertising is the next underlying source for competitive advantage that also reinforces firm image.

During the past decade, the financial services sector has undergone drastic changes, resulting in a market place which is characterised by intense competition, little growth in primary demand and increased deregulation. In the new market place, the occurrence of committed and often inherited relationships between a customer and his or her bank is becoming increasingly scarce (Levesque and McDougall, 1996). Several strategies have been attempted to retain customers. In order to increase customer loyalty, many banks have introduced innovative products and services (Meidan, 1996). However, as such innovations are frequently followed by similar charges, it has been argued that a more viable approach for banks is to focus on less tangible and less easy to imitate determinants of customer loyalty such as customer evaluative judgements like service quality, perceived value and satisfaction (Worcester, 1997; Yavas and Shemwell, 1996; Bloemer et al., 1998, p. 276).

Surprisingly, however, while there has been a large number of studies that focused on firms image, advertising, service quality and satisfaction issues (Lewis, 1993), research on the relationship between firms image, advertising efficieny and customer loyalty model in retail banking has remained limited. Customer loyalty is critical to the conduct of business in today's competitive

[*] Karadeniz Technical University, Turkey.
[**] Karadeniz Technical University, Turkey.
[***] Karadeniz Technical University, Turkey.

© Ekrem Cengiz, Hasan Ayyildiz, Bünyamin Er, 2007.

marketplace, and banks are no exception. Specially, commercial banks have, thus, embarked on different management strategies as ways to promote customer loyalty (Bahia and Nantel, 2000; Jamal and Naser, 2002). Yet, in the present environment of increased competition with rapid market entry of new service concepts and formats, the challenge of increasing loyalty also presents a challenge of a more in-depth understanding of the complex relationship between aforementioned construct (image, advertising efficiency) and loyalty (Bloemer et al., 1998, p. 276).

The Turkish banking industry is going through turbulent times. With the lowering of entry barriers and blurring product lines of banks and non-banks since the financial sector reforms, banks are functioning increasingly under competitive pressures emanating from the banking system, from non-banking institutions, and from the domestic and international capital markets. In this era of mature and intense competitive pressures, it is imperative that Turkish banks maintain a loyal customer base. In order to achieve this and improve their market and profit positions, many retail banks in Turkey are directing their strategies towards improving their firms image through improved efficient advertising.

The paper aims to identify the antecedents and the consequences of the evolutionary links between the several relational constructs connected with customer satisfaction and loyalty. The paper formulates research propositions on the loyalty development process, which will have to be empirically tested in order to theorise a model of customer buying behaviour, useful for loyalty management purposes, both in business to business and in business to consumer markets. We propose a model that describes the relationship between service quality, satisfaction with a bank and loyalty, taking into account the effect of the image and advertising efficiency that a bank has in the market.

The organization of this article is as follows. A review of the literature is presented in order to provide a conceptual basis for the study and to develop a conceptual model that integrates bank image, advertising efficiency, customer satisfaction, customer expectation, perceived quality, perceived value, customer complaint and customer loyalty. The research methodology adopted to assess the model is then described, followed by a discussion of the results. Finally, the implications of the findings are discussed.

Conceptual Framework

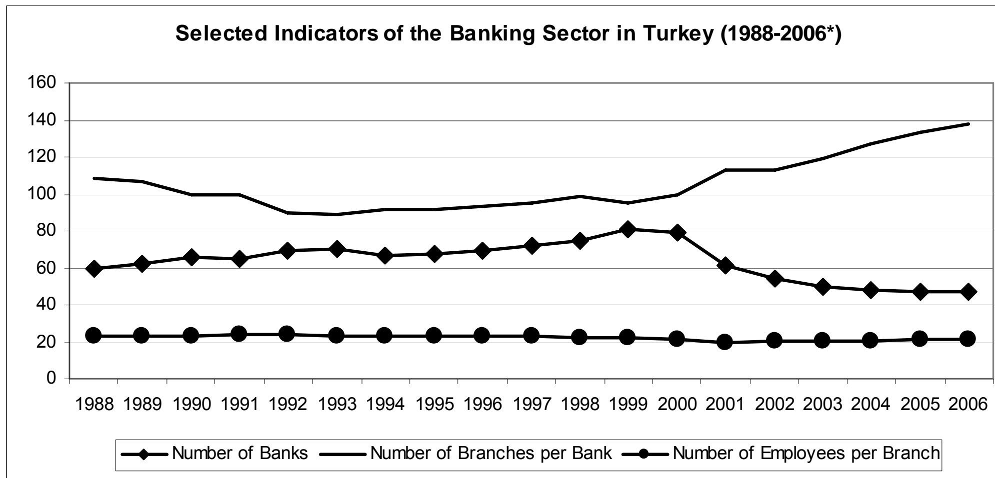
Turkish Banking

The banking sector forms a great part of the Turkish financial system in its dynamic economy. Most of the transactions and activities of money and capital markets are carried out by banks. Most State banks were established to finance a particular industry such as agriculture for example Ziraat Bank, but private banks generally have close connections to large industrial groups and holdings (http://www.tbb.org.tr/english/asp/banks.asp).

Turkey has a deep-rooted banking tradition that goes back to the 19th century. During the last two or three decades, the banking sector has played a prominent role in the Turkish financial system, and has made considerable progress, aided to some extent by structural changes, towards making the Turkish economy more financially liberalized. In response to the restructuring of the Turkish economy and to the need to integrate Turkey into the modern world of finance, Turkish banks have made major changes both in their institutional structures, and in the quality of services and products they offer. As a result of the greater freedom of that comes with market-oriented policies and a liberalized financial environment, many entrepreneurs, foreign as well as domestic, have been attracted by the potentially profitable Turkish Banking system (http://www.hazine.gov.tr/iro_files /Reports-Presentations /pros pectus.pdf).

During the last two decades, the number of banks active in the banking sector dropped from 60 to 47 in Turkey. During the same period, the number of foreign banks with subsidiaries or branches in Turkey decreased from 19 to 13. As of June 2006, 34 banks out of 47 are universally commercial banks and the remaining 13 are development and investment banks. Seventeen out of these

banks are commercial ones whose majority shares are privately owned; 13 are foreign banks established in Turkey or having branch offices in Turkey; and 13, as noted above, are development and investment banks. As of June 2006, Turkish banks now operate though their 6.473 local branches. More than 138.000 persons are employed in the banking sector (Figure 1). In addition, the Turkish Banking System is aggressively modern, adopting every banking innovation rapidly.



Source: Bank Association of Turkey (BAT) Until June 2006 (http://www.tbb.org.tr/english/).

Fig. 1. Some indicator of banking sector in Turkey

In Turkey, the banking sector represents approximately 75% of the entire finance sector. There are four types of banks functioning according to their shareholder type (http://www.pwc.com/tr/eng /ins-sol/publ/Chapter07.pdf)

- The Central Bank of Turkey,
- Commercial Banks,
  - State Banks,
  - Private Banks,
  - Foreign Banks
    - Established in Turkey,
    - Opened branch(es) in Turkey,
- Development and Investment Banks,
  - State Banks,
  - Private Banks,
  - Foreign Banks,
- SDIF banks – Banks transferred to the SDIF (Savings Deposit Insurance Fund).

Advertising Efficiency

A bank may have the finest services and the most attractive prices, but if potential customers don't know about its business, the chances of success are limited. Advertising refers to activities undertaken to increase sales or enhance the image of a service, firm or business. Advertising is used primarily to inform the potential customer of the availability of products or services, where the firms are located and anything special about services or product. Advertising activities are important for maintaining customer traffic throughout the market season, used early in the season to draw customers to the business and during the season to maintain customer traffic levels during slow periods (Dunn, 1995).

The objectives of advertisement are discussed extensively in the services literature as a tool to manage demands placed on what is often a quasilimited service delivery system. Lovelock (1988) noted that the lack of inventories for finished services raises important management issues for capacity-constrained service organizations that regularly face significant variations in demand levels. Advertising has been recommended as a means to help shift demand away from peak periods, increase utilization during slow periods, or teach customers how to become part of the service production and delivery process, so greater productivity is generated from existing technical capacity (Rust et al., 1996; Fugate, 1998, p. 454).

Since the 1980s financial institutions around the world have faced new challenges, including increased competition, recessions, image problems, etc. These problems have not faded away, and in fact, have often intensified. Specifically, financial services are often considered to be “secondrate” by customers (Johnston, 1997). Banks, today, are reported to have image and identity problems (Balmer and Stotvig, 1997; Davies, 1996), have failed to keep consumers satisfied (Johnston, 1997) and face ever increasing competition in markets with little growth in demand (Bloemer et al., 1998). In the 1980s, marketing and in many cases advertising, were often viewed as a cure for all these woes. Banks that had previously eschewed advertising embraced it in the hope of overcoming the increasing difficulties. Financial institutions began concentrating more resources on marketing (Allen, 1989). Unfortunately, most banks approached marketing with a traditional marketing mix approach (De Moubray, 1989) and were less than pleased with the results but Ads for banks created a sterile image (Blanchard and Galloway, 1994). On the other hand, advertising, as a means of marketing communication, was blamed for reinforcing similarity of financial service providers, rather than differences (Balmer and Stotvig, 1997; Blanchard and Galloway, 1994). The value of marketing as a tool for financial services was attacked and supported in turns. Some banks have shunned advertising, thinking it is poorly received by consumers (Barchard, 1990). The use of advertising is still generally supported in the strategic planning literature. Some scholars have recommended aggressive advertising of financial services to impart information externally (Yavas and Shemwell, 1996; Miller and Straughan, 2000, p. 347).

Corporate communication and advertising are defended as important ways to help reduce consumers' perceived risks (Davies, 1996). The perceived failure of marketing efforts is not necessarily an indication of the failure of advertising per se, but more than likely a failure to properly communicate (Gray and Smeltzer, 1985). Banks have used the wrong type of advertising or bad advertising (Slater, 1990). In fact, research has indicated that how advertising is used by financial service providers is an issue (Barchard, 1990). Holstius and Kaynak (1995) reported that the right advertising decisions must be made to avoid costly mistakes. Unfortunately, the advertising of financial services is an understudied area. Much of the bank marketing literature has concentrated on marketing theory more than advertising practice. On the other hand, research on advertising practice rarely looks at services at all, only very rarely at financial services advertising (Miller and Straughan, 2000, p. 347).

When analysing the effectiveness of advertising it is important to define points where the campaign was more or less successful. Points that influence the efficiency of advertising:

- People have been exposed to the ad,
- People have been exposed to the ad and have remembered it,
- People have remembered the ad but have not remembered the brand,
- People have remembered the brand name but can't remember the message,
- People have remembered the ad but it has not affected their purchasing intentions out of completely other reasons, (http://www.gfk.si/eng/2_7_ad_effic.phpe)

Image

The theme “building the corporate image” has been referred to in the Market Research Society Conference in March 1970 (Worcester, 1970) and in the *Consumer Market Research Handbook* entitled simply “Corporate image research”. In these papers the author defined the “corporate im-

age" as "the net result of the interaction of all experiences, impressions, beliefs, feelings and knowledge people have about a company" (Worcester, 1997, p. 147).

It has been suggested recently that retail banking has been suffering from an identity crisis and that image research studies should be undertaken with the objective of providing information that is as strategically important as financial performance data (Worcester, 1997). A favourable image is viewed as a critical aspect of a company's ability to maintain its market position, as image has been related to core aspects of organisational success such as customer patronage (Granbois, 1981; Korgaonkar et al., 1985). Many conceptualisations of image have been advanced in the past (Doyle and Fenwick, 1974; James et al., 1976; Kunkel and Berry, 1968). Image has been treated as a "gestalt", reflecting a customer's overall impression. Keaveney and Hunt (1992) have argued that the image of a retail institution is formed along the lines of category-based processing theory, i.e. when a customer encounters a bank, he or she will form a mental picture as to whether the bank matches any other categories of banks experienced in the past. According to the category based processing paradigm, it is proposed that incoming information, as well as customer evaluation of attributes, will be judged relative to the bank image. The exact relationship between image and loyalty has remained a matter of debate. Sirgy and Samli (1989), for instance, report a direct positive relationship between image and loyalty. On the other hand, it has been demonstrated that the link between image and loyalty is mediated by customer evaluative judgements such as quality perceptions. Moreover, in the product literature there is ample evidence that image significantly affects perceptions of quality (Darden and Schwinghammer, 1985; Render and O'Connor, 1976; Stafford and Enis, 1969). Therefore, we propose that as customer evaluative judgements such as perceived service quality and satisfaction are established in a process of inference making of expectations, image will precede customer evaluations, rather than these evaluations being components of image (Hildebrandt, 1988; Mazursky and Jacoby, 1986). That is, image determines the nature of consumer expectations which, in turn, are a decisive influence on the formation of quality perceptions (Bloemer, 1998, p. 278).

Perceived Quality

Across all service industries, the issue of service quality remains a critical one as businesses strive to maintain a comparative advantage in the marketplace. Because financial services, particularly banks, compete in the marketplace with generally undifferentiated products, service quality becomes a primary competitive weapon. Banks that excel in quality service can have a distinct marketing edge since improved levels of service quality are related to higher revenues, increased cross-sell ratios, higher customer retention (Bennett and Higgins, 1988), and expanded market share (Bowen and Hedges, 1993). Similarly, Easingwood and Storey (1993) reported that total quality is the most important factor in the success of new financial services, while Bennett and Higgins (1988) believe that a competitive edge in banking originates almost exclusively from service quality. Given these significant findings in the financial services industry, it is important to understand specifically how service quality is perceived by the customer. Moreover, it is critical to determine which elements of service quality are more important to different customers (Stafford, 1996, p. 6).

Gronoos (1984) indicated that the perceived quality of service is dependent on a comparison between expected and perceived service, and is thus the outcome of a comparative evaluation process. Parasuraman et al. (1985) defined "service quality" as the degree and direction of discrepancy between a customer's perceptions and expectations, whereas "perceived service quality" is the gap between a customer's expectations and perceptions as a measurement of service quality. The smaller the gap is, the better the quality of service and greater the customer satisfaction appear to be (Yen and Su, 2004, p. 398).

The actual quality of service is difficult to define and measure (Gavin, 1983; Parasuraman et al., 1988; Brown and Swartz, 1989). However, researchers have reached a consensus that service quality should be defined and measured from the customer's perspective. The most widely accepted definition of perceived service quality is that it represents the discrepancy between customers ex-

pectations and their perceptions of the service performance (Lewis and Booms, 1983; Grönroos, 1984; Parasuraman et al., 1988).

The nature of the relationship between perceived service quality and customer satisfaction is an intriguing issue. Some researchers have suggested that perceived service quality is an antecedent of customer satisfaction (Anderson and Sullivan, 1993; Ravald and Grönroos, 1996). Others have adhered to the view that customer satisfaction precedes perceived service quality (Parasuraman et al., 1988; Bolton and Drew, 1991; Patterson and Johnson, 1993; Tseng, 2006, p. 11).

The present study is interested in the relationships between perceived service quality, customer satisfaction and perceived value from an encounter perspective rather than from a global perspective. Due to the inseparability of the production and consumption of most services, the encounter provides consumption of the service, consumers are able to determine the quality of the service and their satisfaction level (Grönroos, 2000). It is hypothesised that in a service consumption, if consumers perceive that a service they receive is of high quality, then satisfaction results. On the other hand, if consumers perceive that a service received is of low quality, then dissatisfaction results.

Ravald and Grönroos (1996) suggest that perceived value of a service can be heightened by delivering better service. They assert that adding value to the service at a competitive price is a potent source of competitive advantage. Customers perceive higher value in the service when they perceive the quality of service as greatly exceeding the costs they have sacrificed to obtain the service. There is some empirical evidence to support the view that quality is positively related to perceived value (Brady and Robertson, 1999; Teas and Agarwal, 2000).

Customer Expectation

The confirmation/disconfirmation paradigm is widely accepted as a view of the process by which consumers develop feelings of satisfaction or dissatisfaction (CS/D) (Cadotte et al., 1987). According to this view, customers compare actual performance with some standard leading to a confirmation, positive disconfirmation or negative disconfirmation. Confirmation occurs when the performance matches the standard leading to a neutral feeling, positive disconfirmation occurs when the performance exceeds the standard leading to satisfaction, and a negative disconfirmation occurs when the performance fails to meet the standard leading to dissatisfaction. In a majority of studies adopting this paradigm, customer expectations are used as standards against which performance is compared. The primary focus of research on satisfaction has been on the relationship between performance expectations and satisfaction (Voss et al., 1998; Yi, 1990). Considerable research has also been carried out on the nature and antecedents of these expectations. While several different expectations – ideal expectations (Tse and Wilton, 1988), desired expectations (Swan and Trawick, 1980), predicted expectations and normative expectations (Prakash, 1984) – have been proposed in this literature, customer expectations as predictions dominate (Zeithaml et al., 2002). According to Zeithaml et al. (2002), customer's predictive expectations – beliefs about performance at some time in the future (Spreng et al., 1996) – play a direct role in satisfaction assessments. Further, they identify a number of factors – explicit service promises, implicit service promises, word-of-mouth communications and past experience – that influence the predicted service expectations of customers. These factors cause the individual customer expectations of the same service to vary from one customer to another (Copeland, 1924). Perceptions of company performance were found to exert a positive influence on perceived service quality, satisfaction and customer loyalty (Oh and Parks, 1997; Thirumalai and Sinha, 2005, pp. 294-295).

Perceived Value

Researchers have assessed extensively the construct of value in marketing. Flint, Woodruff, and Gardial (1997) state that value can be approached in three different directions: values, desired values, and value judgements. According to this classification, "value" in a business context is defined as "centrally held enduring core beliefs, desired end-states, or higher order goals of the individual customer or customer organization that guide behavior". Desired customer values, to the

contrary, are “the customers’ perceptions of what they want to have happen in a specific kind of use situation, with the help of a product or service offering, to accomplish a desired purpose or goal” (Woodruff and Gardial, 1996). For the purpose of our article, however, the third category of “value judgements” is the most important for a definition of “customer-perceived value”. A value judgement is “the customer’s assessment of the value that has been created for them by a supplier given the trade-offs between all relevant benefits and sacrifices in a specific-use situation” (Flint et al., 1997).

A frequently cited definition of perceived value is that of Zeithaml (1988). Based on an exploratory study, Zeithaml (1988) defines four types of values: (1) low price, (2) whatever I want in a product, (3) the quality I get for the price I pay, and (4) what I get for what I give. Then, Zeithaml synthesizes these four groups of consumer value in one overall concept: “perceived value is the consumer’s overall assessment of the utility of a product based on perceptions of what is received and what is given”. McDougall and Levesque (2000) followed Zeithaml’s definition in considering perceived value to be the consumer’s overall evaluation of what is received and what is given. Parasuraman and Grewal (2000) propose four types of perceived value – acquisition, transaction, in-use and redemption value. They define the perceived acquisition and transaction values similarly to those of Grewal et al. (1998). The perceived in-use value they define as utility gained from the usage of the product and services, and the perceived redemption value as residual gain at the end of the life of the products or the termination of services. They point out that acquisition and transaction values occur during and immediately following the purchase stage, whereas in-use and redemption values take place at a later stage. Thus, they imply that these types of perceived values as a dynamic construct may change over time (Lee et al., 2007, p. 205).

Perceived value has been found to be a significant predictor of customer satisfaction and behavioral intention (Cronin et al., 2000). Perceived value, as the most important measure of gaining a competitive edge, is considered to be an important predictor and the key determinant of customer satisfaction and loyalty (McDougall and Levesque, 2000; Parasuraman and Grewal, 2000; Petrick and Backman, 2002). Woodruff (1997) contends that measures of received (attribute) value are antecedents to overall customer satisfaction and these measures are proven to correlate well with such customer behaviors as intention to purchase. Dodds (1991) also conceptualizes a model where perceived value is the link between perceived quality and perceived sacrifice and behavioral intention (Lee et al., 2007, p. 206).

Perceived value is posited to be a determinant of customer satisfaction. The more the customers perceive the quality of service exceeds the costs of obtaining the service, the higher their perceptions of the value of the service, which in turn results in greater satisfaction. Studies have shown that perceived value exhibits a strong and significant impact on customer satisfaction, which in turn affects repurchase intentions (Patterson and Spreng, 1997; Eggert and Ulega, 2002). The direct linkage between perceived value and post-purchase behaviour is less clear. While perceived value was found to be a primary factor influencing purchase intentions (Cronin et al., 1997; Sweeney et al., 1997; Brady and Robertson, 1999), others have provided evidence to suggest that the effect of perceived value on repurchase intentions was completely mediated via customer satisfaction (Patterson and Spreng, 1997). In accordance with the previous research, it is hypothesised that perceived value will directly influence both customer satisfaction and post-purchase behaviour and indirectly influence post-purchase behaviour via customer satisfaction.

Bojanic (1996) found a strong positive association between customer value and satisfaction in four lodging markets segmented by price. Fornell et al. (1996) also support a positive influence of perceived value on customer satisfaction.

Customer Satisfaction

Because of its potential influence on consumer behavioral intentions and customer retention (Anderson and Fornell, 1994; Anderson and Sullivan, 1993; Bolton and Drew, 1994; Cronin and Taylor, 1992; Fornell, 1992; Oliver, 1980; Oliver and Swan, 1989), consumer satisfaction has been

the subject of much attention in the literature (Bitner and Hubbert, 1994; Cardozo, 1965; Oliver, 1977; Olshavsky and Miller, 1972; Olson and Dover, 1979; Rust and Oliver, 1994). Satisfaction is described as "an evaluation of an emotion" (Hunt, 1977), suggesting that it reflects the degree to which a consumer believes that the possession and/or use of a service evokes positive feelings (Rust and Oliver, 1994; Brady et al., 2002, p. 20).

Churchill and Surprenant (1982) define customer satisfaction as an outcome of purchase and use resulting from the buyers' comparison of the rewards and costs of the purchase in relation to the anticipated consequences. It has also been viewed as an emotional state that occurs in response to the evaluation of a service (Westbrook, 1981). The former conceptualisation recognises that satisfaction is determined by a cognitive process of comparing what customers receive (rewards) against what they give up to acquire the service (costs) whereas the latter views satisfaction as an emotional feeling resulting from an evaluative process. Consistent with this view, customer satisfaction is defined as an emotional response, that results from a cognitive process of evaluating the service received against the costs of obtaining the service (Woodruff et al., 1991; Rust and Oliver, 1994).

Customer satisfaction has frequently been suggested to be the leading determinant of loyalty (Anderson and Fornell, 1994; Jackson, 1985; Bitner, 1990). Customers' loyalty to a service provider is influenced by their overall satisfaction with that provider. Most prior research has found qualified support for a positive satisfaction-customer retention relationship (McDougall and Levesque, 2000; Caruana, 2002; Olsen, 2002). Bolton (1998) found that the duration of a relationship between a customer and a service provider is longer when the customer is satisfied. Crosby and Stephens (1987) found that prior satisfaction increases the likelihood of a customer renewing her insurance policy. Rust, Zeithaml, and Lemon (2000) propose that the relationship between satisfaction and loyalty is positive, i.e., the more satisfied customers are with a service provider the more loyal they are to the service provider. Reicheld (1996), however, suggests that satisfaction is significantly related to loyalty only at very high levels of satisfaction (Chang, 2007).

Customer Complaint

A major reason why customers switch service providers is unsatisfactory problem resolution (Hart et al., 1990). When customers face a problem, they may respond by exiting (switching to a new supplier), voicing (attempting to remedy the problem by complaining) or loyalty (staying with the supplier anticipating that "things will get better") (Hirschman, 1970). Given that customers of retail banks have relatively high switching costs, it is likely that a dissatisfying experience will evoke a passive reaction (no complaint) or a complaint. Given that the customer complains, the bank's response can lead to customer states ranging from dissatisfaction to satisfaction. In fact, anecdotal evidence suggests that when the service provider accepts responsibility and resolves the problem, the customer becomes "bonded" to the organization (Hart et al., 1990). When customers complain, they give the firm a chance to rectify the problem and interestingly, if the firm recovers successfully, to increase loyalty and profits (Fornell and Wernerfelt, 1987). Thus, customer complaint handling can have an influence on customer satisfaction and retention (Levesque and McDougall, 1996, p. 13).

Customer Loyalty

Customer loyalty is defined as a customer's attitude to the service (Ramaswamy, 1996; Stank et al., 1999). It is formed by a customer's cumulative experience with the service over time, not by a specific service encounter. It is widely accepted that customer loyalty has a strong relationship with customer satisfaction, and that it is an antecedent of financial outcome (Anderson et al., 1994; Anderson and Sullivan, 1993; Fornell, 1992; Innis and La Londe, 1994; Reichheld and Sasser, 1990; Kim et al., 2006, p. 823).

Customer loyalty has been the subject of extensive marketing research in recent years. In both consumer and business markets, loyal customers are more likely to engage in repeat purchases from a supplier or increase their "share" of purchases from a particular supplier. They may also

provide referrals of business to suppliers or engage in word of mouth promotion. Customer loyalty can lower costs and/or increase profitability, as the cost of recruiting a new customer is said to be five times more than the cost of retaining an existing customer (Barsky, 1994; Reichheld, 1996). Fornell and Wernerfelt (1987) have claimed that the costs of customer retention are substantially less than the relative costs of customer acquisition and loyal customers, if served correctly, are said to generate increasingly more profits each year that they stay with a company (Reichheld, 1993), though other authors have pointed out that loyal customers are not always profitable. Given the claimed benefits for businesses of loyal customers, it is not surprising that many businesses have invested substantial amounts in developing customer retention and cross-selling programmes in an attempt to retain customers and to obtain a higher percentage of their business (Lam and Burton, 2006, p. 38).

Loyalty has been defined as repeat purchase behavior led by favorable attitudes or as a consistent purchase behavior resulting from the psychological decision-making and evaluative process (Jacoby and Kyner, 1973). According to Jacoby and Chestnut (1978), customer loyalty is generated through a belief (service quality), affect (satisfaction), and cognitive (customer loyalty) process. Oliver (1999) further suggested that the development of consumer loyalty follow the cognitive-affective-conation-action pattern. During this process, a consumer can become loyal at each of these four phases. The first phase is cognitive loyalty. At this stage, consumers recognize that one brand is better than other alternatives and form preferences based upon their evaluations of service quality. The second phase is affective loyalty, in which the liking of the product and a positive attitude toward the brand are developed based upon continuous experiences of product satisfaction. In the third loyalty phase, conation loyalty, a brand-specific commitment to repurchase is generated and the intention to return is formed. Finally, the return intention is "transformed into readiness to act" at the action loyalty phase (Oliver, 1999; Mccain et al., 2005, p. 466).

Loyalty must be achieved through customer satisfaction, based on the perceived performance of the service product; hence service quality and customer satisfaction are two prerequisites of loyalty (Cronin and Taylor, 1992; Bowen and Shoemaker, 1998; Mittal and Lassar, 1998; Shoemaker and Lewis, 1999; McIlroy and Barnett, 2000).

With a growing focus on offering excellent services and meeting the needs of customers, banks need to have a good understanding of their customer behaviour so that appropriate marketing strategies directed towards relationship building and retention can be developed. Past research on loyalty in the banking sector has been limited, and has tended to focus on retail banking, with an emphasis on the positive effects of customer satisfaction (e.g. Colgate and Lang, 2001; Ganesh et al., 2000; Jamal and Naser, 2002). Bloemer et al. (1998) found a complex relationship between bank image, service quality and customer satisfaction, with these three factors exerting an influence on banking loyalty. Beerli et al. (2004) concluded that satisfaction along with personal switching costs are antecedents to loyalty. However, the extent to which these findings explain business customer behaviour is unclear (Lam and Burton, 2006, p. 40).

A number of factors other than satisfaction have been identified as important in the loyalty of customers of service industries. For example, corporate image has also been found to have an impact on customer satisfaction and customer loyalty in the insurance and newspaper businesses (Andreassen and Lindestad, 1998). Perceived service quality has also been found to have a positive association with customer loyalty (Ruyter et al., 1997; Zeithaml et al., 1996), and has even been said to be a key determinant of service loyalty (Lee and Cunningham, 2001).

Though satisfaction is modeled as the only immediate antecedent of loyalty, other key drivers of loyalty include service quality (Hennig-Thurau et al., 2002) and customer expectations. Studies show that service quality has measurable impact on customer retention (e.g. Payne and Rickard, 1993). Both satisfaction and service quality are opined as predictors of customer behaviours like purchase intentions and word of mouth advertising (Dabholkar, 1995) which are measures of loyalty. Literatures suggest that expectations for service quality are likely to be based on perceptions of excellence (e.g. Rust and Oliver, 1994). Other empirical researches support the notion that satis-

faction is caused by expectations (Cadotte et al., 1987). Although many service firms, including retail banks, have been measuring customer satisfaction and service quality to determine how well they meet customer needs and requirements (Dabholkar, 1995), understanding the nature of relationship with customer loyalty is of significant value to bank managers. It is desirable, therefore, to conduct a holistic study that relates customer expectations, service quality and satisfaction with customer loyalty. It is, thus, hypothesized that customer expectations, service quality perception and satisfaction will jointly predict customer loyalty (Benjamin, 2006, p. 498).

Based on our review of the literature we formulate the following hypotheses:

H1. Advertising efficiency will have positive effect on bank image.

H2. Advertising efficiency will have positive effect on perceived quality.

H3. Advertising efficiency will have positive effect on customer expectation.

H4. Advertising efficiency will have positive effect on perceived value.

H5. Advertising efficiency will have positive effect on customer satisfaction.

H6. Advertising efficiency will have positive effect on customer loyalty.

H7. Advertising efficiency will have positive effect on customer complaint.

H8. Bank image will have positive effect on perceived quality.

H9. Bank image will have positive effect on customer expectation.

H10. Bank image will have positive effect on perceived value.

H11. Bank image will have positive effect on customer satisfaction.

H12. Bank image will have positive effect on customer complaint.

H13. Bank image will have positive effect on customer loyalty.

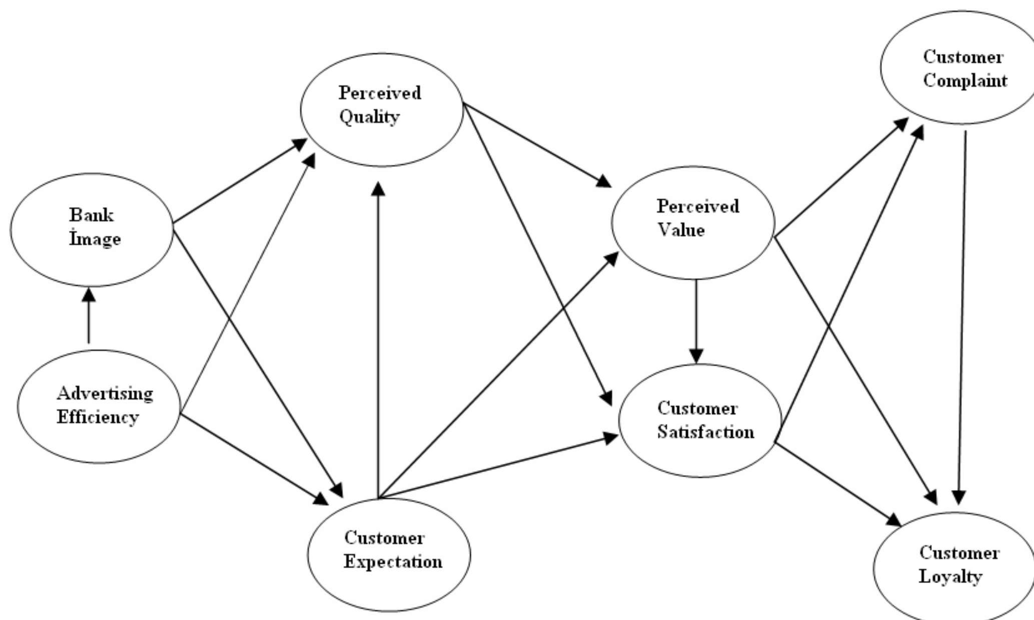


Fig. 2. Research Model

An Empirical Study

Methodology

An empirical study was conducted among private customers of a major bank (6 banks) in Turkey in 2006. Nationwide, 1500 private customers of these banks were interviewed by face to face method. The sample was randomly drawn and found to be representative for the bank's customers by checking the customer database. Moreover, the descriptive data gathered in the study were compared with demographic variables that were available from previous market research studies within these banks. Out of the 1500 questionnaires, however, only 1467 were found usable because of missing data. Again, a check was done to determine whether the data were missing at random by comparing the two groups on the basis of whether there was any systematic difference in the demographic profile of those respondents who had left information out and those who had filled in all items in the questionnaire. Again, there was no significant, systematic difference in profile, indicating that the data were missing at random.

The design of the questionnaire was primarily based on multiple-item measurement scales taken from previous research. The items were adapted to the specific characteristics of our research setting. The image of the bank was measured with a scale containing 3 five-point Likert-scale items, ranging from 1 = completely disagree, to 5 = completely agree. The scale was developed on the basis of a qualitative research study conducted prior to the quantitative data collection phase. This scale was also pre-tested and found to be valid and reliable on the basis of our study. The Cronbach alpha for this scale was 0.85. With regards to perceived service quality, items were based on the service quality literature (Stafford, 1996) on the results of a qualitative study for the bank setting. The quality perception of the bank was measured with a scale containing 9 five-point Likert-scale items. The Cronbach alpha for this scale was 0.79. In order to measure satisfaction, customers were asked to state their satisfaction from the bank with three items (Alpha, 0.86). Customer loyalty items were developed on the basis of others loyalty research like Kim et al. (2006) with Conbach alpha for this scale was 0.89. Other research constructs can bee seen on Appendix 1 and all the other constructs Cronbach Alphas were above 0.70. All of the other constructs were measured with five point Likert scale.

Findings

Profile of respondents

The results of descriptive analysis for demographic information indicated that among the samples analyzed (N =1467), 55.4% of the respondents were male, 48.6% were married and 43.1% had at least a 4 year university education. In terms of age group, 29.1% were 20-29, followed by 30-39 yr old (23.2%) and 40-49 yr old (19.1%). Many of the respondents considered themselves to be middle annual income level (54.0%) and middle-high annual income level (17.39%).

Measurement Model

Data analysis employed the two-step approach recommended by Anderson and Gerbing (1988). The measurement models were estimated prior to the analysis of the structural model. The 36 items used to measure eight latent constructs were subjected to CFA using AMOS 4 to verify unidimensionality and convergent validity. The maximum likelihood estimation method was used as it is robust to violations to normality (Chou and Bentler, 1995). The specified measurement model was found to fit the data adequately, although the chi-square goodness-of-fit index was statistically significant ($\chi 2$ =254.59, $p<.01$). It is commonly accepted that the chi-square statistic will reject valid models in large samples and some other situations (Bagozzi and Yi, 1988); therefore, we relied on the goodness-of-fit index (GFI), the comparative fit index (CFI), the normed fit index (NFI), and the root mean square error of approximation (RMSEA). All of these indexes met or exceeded the critical values (GFI=.912, CFI=.953, NFI=.942, RMSEA=.079) for good model fit (Schumacker and Lomax, 1996). Next, we assessed the reliability of the measures. Internal consis-

tency was evaluated using Cronbach's alpha and composite reliability (CR). Both CR and average variance extracted (AVE) were calculated by using the procedures outlined by Fornell and Larcker (1981). As shown in Table 1 all the composite reliabilities for the eight multi-item scales ranged from .76 to .93, indicating acceptable levels of reliability for the constructs (Fornell and Larcker, 1981). Also the AVEs ranged between .61 and .82, above the recommended .50 level (Bagozzi and Yi, 1988; Fornell and Larcker, 1981). The Cronbach alpha values for the scales ranged from 0.78 to 0.93. As a rule of thumb, the Cronbach alpha value should be at least 0.70 for a scale to demonstrate internal consistency. Finally discriminant validity was tested by ensuring the AVE by the underlying construct was larger than the shared variance (i.e., the squared intercorrelation) with other latent constructs. On the basis of this most restrictive test, we found strong evidence for discriminant validity between each possible pair of latent constructs.

Table 1

Construct Evaluation

	Std. Loading	Std. Deviation	Cronb. Alpha	CR	AVE
Perceived Quality			.78	.76	.61
Bank Atmosphere	.72	1.36			
Relationships	.94	1.02			
Rates and Charges	.76	1.31			
Available Services	.84	1.19			
Convenient Service	.82	1.22			
ATMs	.91	1.05			
Reliability	.78	1.43			
Honesty	.83	1.23			
Tellers	.75	1.64			
Customer Loyalty			.92	.91	.82
Recommend Intention	.91	1.11			
New Services Subscription Intention	.89	1.08			
Resubscription Intention	.92	1.04			
Customer Expectation			.86	.85	.77
Workers Required Skill	.88	1.09			
Workers Knowledge And Experience	.85	1.13			
Friendless	.79	1.23			
Good Reputation	.91	1.29			
Safety	.93	1.18			
Understanding Customer Needs	.83	1.07			
Listening To Customer	.76	1.32			
Fast And Efficient Service	.83	1.02			
Customer Satisfaction			.89	.89	.73
Overall Satisfaction	.93	1.03			
Expectancy Disconfirmation	.94	1.19			
Compared Performance	.65	1.34			
Bank Image			.87	.86	.69
Overall Image	.84	1.76			
Compared Image	.72	1.67			
Other’s Thinking	.91	1.66			
Customer Complaint			.91	.90	.75
Compensation offered	.88	1.11			
Employees treat when complaint	.95	1.21			

Table 1 (continuous)

	Std. Loading	Std. Deviation	Cronb. Alpha	CR	AVE
Perceived Value			.92	.92	.79
Good value for money	.92	1.01			
Acceptable Prices	.90	1.05			
Considered to be a Good Buy	.85	1.10			
Advertising Efficiency			.93	.93	.76
Remembering Advertising	.88	1.07			
Remembering Bank	.91	1.15			
Remembering Message	.77	1.05			
Effected from Advertising	.92	1.26			
Intention to purchase because of ad	.86	1.13			
CR: Composite Reliability, AVE: Average variance extracted All standart loadings significant (p<.05)					

Structural Model

The structural model included eight constructs, one of which was exogenous and seven of them were endogenous. The overall fit of the structural model was good. The Chi-square statistic is 164.53 (p=0.00) with 125 degrees of freedom, GFI = 0.901, CFI=.943, NFI = 0.935 and RMSEA= 0.06. Table 2 and Figure 3 show the parameter estimates of the structural equations.

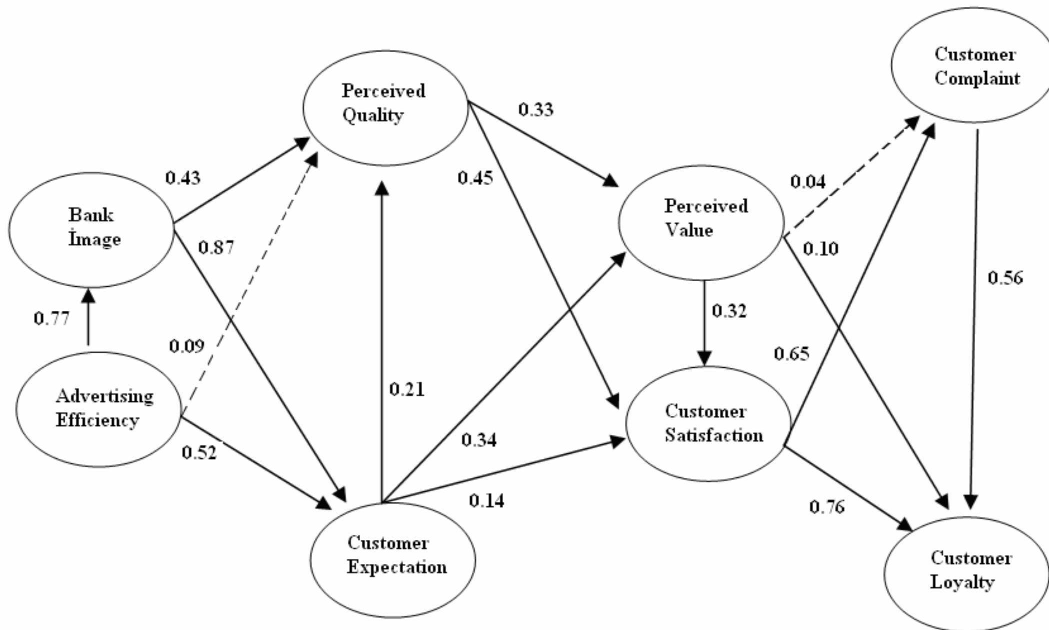


Fig. 3. Research Model Standardized Path Results

Table 2

The estimated path coefficient of the structural equation model

From To	Estimated Value (t-value)
Advertising Efficiency → Bank Image	0.77 (13.432)
Advertising Efficiency → Perceived Quality	0.09 (1.112)*
Advertising Efficiency → Customer Expectation	0.52 (6.912)
Bank Image → Perceived Quality	0.43 (5.154)
Bank Image → Customer Expectation	0.87 (16.613)
Customer Expectation → Perceived Quality	0.21 (3.855)
Customer Expectation → Perceived Value	0.34 (4.716)
Customer Expectation → Customer Satisfaction	0.14 (2.417)
Perceived Quality → Perceived Value	0.33 (4.245)
Perceived Quality → Customer Satisfaction	0.45 (5.893)
Perceived Value → Customer Satisfaction	0.32 (4.943)
Perceived Value → Customer Complaint	0.04 (0.931)*
Perceived Value → Customer Loyalty	0.10 (2.199)
Customer Satisfaction → Customer Complaint	0.65 (7.301)
Customer Satisfaction → Customer Loyalty	0.76 (11.904)
Customer Complaint → Customer Loyalty	0.56 (5.879)
*p>0.05	

All the path coefficients except for path coefficient with asterisk in Table 2 were significantly different from zero with respective t-values greater than 1.96. Advertising efficiency was found to display a direct positive effect on bank image (γ=0.77, $p<0.05$), and customer expectation (γ=0.52, $p<0.05$) but not has a direct effect on perceived quality (γ=0.09, $p>0.05$). Bank image was found to display a positive direct effect on perceived quality (β=0.43, $p<0.05$) and customer expectation (β=0.87, $p<0.05$). Customer expectation was shown to have a positive direct effect on perceived quality (β=0.21, $p<0.05$), perceived value (β=0.34, $p<0.05$) and customer satisfaction (β=0.14, $p<0.05$). Perceived quality effects perceived value (β=0.33, $p<0.05$) and customer satisfaction (β=0.45, $p<0.05$) directly. Perceived value was found to have a direct positive effect on customer satisfaction (β=0.32, $p<0.05$) and customer loyalty (β=0.10, $p<0.05$) but not customer complaint (β=0.04, $p>0.05$). As it can be seen from Figure 2 and Table 2, customer satisfaction effects customer complaint (β=0.65, $p<0.05$) and customer loyalty (β=0.76, $p<0.05$). Customer complaint was found to display a direct positive effect on customer loyalty (β=0.56, $p<0.05$).

Table 3

Direct, indirect and total effect of advertising efficiency and bank image on other construct

Path	Direct Effect	Indirect Effect	Total Effect
Advertising Efficiency → Bank Image	0.77	-	0.77
Advertising Efficiency → Perceived Quality	-	0.58	0.58
Advertising Efficiency → Customer Expectation	0.52	0.69	1.21
Advertising Efficiency → Customer Complaint	-	0.51	0.51
Advertising Efficiency → Customer Satisfaction	-	0.52	0.52
Advertising Efficiency → Perceived Value	-	0.30	0.30
Advertising Efficiency → Customer Loyalty	-	0.67	0.67
Bank Image → Perceived Quality	0.43	0.18	0.61
Bank Image → Customer Expectation	0.87	-	0.87
Bank Image → Customer Complaint	-	0.34	0.34
Bank Image → Customer Satisfaction	-	0.53	0.53
Bank Image → Perceived Value	-	0.49	0.49
Bank Image → Customer Loyalty	-	0.57	0.55

Table 3 shows all direct, indirect and total effect of advertising and bank image construct on other research construct. Other constructs' indirect and total effects weren't pointed out in Table 3. Because for our hypotheses these effects' value are adequate. As can be seen from Table 3 (total effect column) advertising efficieny has strong positive effect on customer expectation, bank image and customer loyalty, intermediate positive effect on perceived quality, customer satisfaction and customer complaint, little positive effect on perceived value. On the other hand, bank image has been found to be a strong positive effect on customer expectation and perceived quality, intermediate positive effect on customer satisfaction, customer loyalty and perceived value, little positive effect on customer complaint. So results of our hypotheses as below.

H1. Advertising efficiency will have positive effect on bank image (r=0.77, **ACCEPTED**).

H2. Advertising efficiency will have positive effect on perceived quality (r=0.58, **ACCEPTED**).

H3. Advertising efficiency will have positive effect on customer expectation (r=1.21, **ACCEPTED**).

H4. Advertising efficiency will have positive effect on perceived value (r=0.30, **ACCEPTED**).

H5. Advertising efficiency will have positive effect on customer satisfaction (r=0.52, **ACCEPTED**).

H6. Advertising efficiency will have positive effect on customer loyalty (r=0.67, **ACCEPTED**).

H7. Advertising efficiency will have positive effect on customer complaint (r=0.51, **ACCEPTED**).

H8. Bank image will have positive effect on perceived quality (r=0.61, **ACCEPTED**).

H9. Bank image will have positive effect on customer expectation (r=0.87, **ACCEPTED**).

H10. Bank image will have positive effect on perceived value (r=0.49, **ACCEPTED**).

H11. Bank image will have positive effect on customer satisfaction (r=0.53, **ACCEPTED**).

H12. Bank image will have positive effect on customer complaint (r=0.34, **ACCEPTED**).

H13. Bank image will have positive effect on customer loyalty (r=0.57, **ACCEPTED**).

Conclusion

In an era of mature and intense competitive pressures, many firms are focusing their efforts on maintaining a loyal customer base. This is particularly true in the financial services sector where deregulation has created an environment that allows consumers considerable choice in satisfying their financial needs. In response, many retail banks are directing their strategies towards increasing customer satisfaction and loyalty through improved firms image and advertising. Retail banks are pursuing this strategy, in part, because of the difficulty in differentiating based on the service offering. Typically, customers perceive very little difference in the services offered by retail banks and any new offering is quickly matched by competitors. Also, retail banks, like many other service providers, have discovered that increasing customer retention rates can have a substantial impact on profits. The task facing these managers is to focus on those activities that result in meeting or exceeding customer expectations. The question is what are the major determinants of customer loyalty? (Levesque and McDougall, 1996, p. 12) The main objective of this paper is to identify these determinants in the retail bank sector and to determine the effect of image and advertising efficiency on these determinants.

In the present competitive Turkey banking context, characterised by rapid change and increasingly sophisticated customers, it has become very important that banks in Turkey to determine the bank image effect on customer loyalty model which specifies customers' selection process. With the advent of international banking, the trend towards larger bank holding companies, and innovations

in the marketplace, the customers have greater and greater difficulty in selecting one institution from another. Therefore the current problem for the banking industry in Turkey is to determine the factor that diversify one bank from another bank like efficient advertising factor. To gain and sustain competitive advantages in the fast changing retail banking industry in Turkey, it is crucial for banks to understand in-depth which factors effect customer loyalty. If a bank improves its image via efficient advertising, customer loyalty of that bank will be greater (Boyd et al., 1994, p. 10).

The purpose of our research is to develop a model that asserts image and advertising efficiency effect customer loyalty and antecedents of loyalty. For this aim a model was constructed and tested with structural equation model. To accomplish the objective, information was collected from 1467 respondents that are customers of six Turkish banks with random sampling method. First we showed direct effect of all constructs on each other and then determined direct, indirect and total effects of bank image and advertising efficiency on customer loyalty model variables (Customer expectation, perceived value, perceived quality, customer satisfaction, customer complaint and customer laoyalty). Our hypotheses were created by the consideration of bank image and advertising efficiency affect on other constructs. Because of this other constructs relationship wasn't explained in detail. As a result of structural equation model all hypotheses were accepted.

First, when looking at direct path of advertising efficiency on bank image, it can be seen that advertising efficiency influences bank image positively and directly with strong relationship. Advertising efficiency has also intermediate positive direct effect on customer expectation. Beside this advertising efficiency influences customer expectation positively and indirectly. So H1 and H3 were accepted. Advertising efficiency was found to have no direct relationship with perceived quality but indirect positive relationship was specified (H2 accepted). Perceived value, customer complaint, customer loyalty and customer satisfaction were affected by advertising efficiency positively and indirectly (H4, H5, H6, H7 accepted). Bank image determines perceived quality directly and indirectly (H8 accepted). Bank image affects customer expectation only directly (H9 accepted). Customer loyalty, customer satisfaction, perceived value and customer complaint were affected by bank image indirectly and positively (H10, H11, H12, H13 accepted).

Managerial implications

In terms of the practical relevance of our research, a number of managerial implications may be derived. First of all, advertising efficiency seems to be an important factor influencing customer loyalty and antecedent of loyalty with banks. Looking at the individual indicators of this dimension, it follows that banks should monitor their advertising in order to be sure a trustworthy impression on the customers. In the dialogue with bank customers, management and employees should strive to find out what customers expect in terms of accuracy, expertise, complaint handling and proactive suggestions. Then advertising effort should be directed to these findings. Retail banking is very much a service depending on credence properties. Therefore, the use of corporate advertising creating the perception of a strong financial institution, with innovative products and services and modern facilities, seems to be important for the establishment of customer loyalty in retail banking. This implies an extensive and continuous advertising training program. Banks should investigate remember rate of their advertising, brand, advertising message and then should specify the effect of advertising on purchasing intention of their product. Following from the importance of advertising efficiency, customers apparently look for "bank image" in order to be able to evaluate the bank in terms of the relative position it has within the market place. Satisfaction is not the sole determinant of customer loyalty in retail banking. Many banks have a customer satisfaction measurement program, providing customer feedback. Our study shows that although there is a direct positive relationship between satisfaction and loyalty, other determinants play an important role too. Just focusing on satisfaction may result in overlooking other important drivers of customer loyalty like bank image. Caution should be taken with regards to the impact of image, which seems to be a construct that has a no direct impact on bank loyalty, but has strong indirect effect. Bank should decide how they want to be known; reliable, friendly, beneficial, vb. And then they should make a plan to construct this image or images. Advertising is a tool to construct and improve banks image. Banks should be prepared their advertising via

wanted image. If bank image that is given form advertising is remembered, advertising will be successful (Bloemer et al., 1998, p. 284).

References

1. Allen, P. (1989), "Top 100 marketers: more "bank" names dominate the", *Saving Institutions*, 110 (9), pp. 41-45. In Miller, N.D.A. and Straughan, R.D. (2000), "Financial services advertising in eight non-English speaking countries", *International Journal of Bank Marketing*, Vol. 18 (7), pp. 347-357.
2. Anderson, J.C., Gerbing, D.W. (1988), "Structural equation modeling in practice: A review and recommended two-step approach", *Psychological Bulletin*, 103 (3), pp. 411-42.
3. Anderson, E., Sullivan, M. (1993), "The antecedents and consequences of customer satisfaction for firms", *Marketing Science*, 12 (2), pp. 125-143. In Tseng, K.H., Foi, D., Bonilla, I.I.J. (2006), Brand Influence On The Relationship Between Customer Perceptions Of Service Quality And Satisfaction In Mobile Telecommunications, Graduate Institute of Business Management, Meiho Institute of Technology, TAIWAN, R.O.C.
4. Anderson, E.W., Fornell, C., Lehman, D.R. (1994), "Customer satisfaction, market share and profitability: findings from Sweden", *Journal of Marketing*, 58 (3), pp. 53-66. In Kim, K.J., Jeon, I.J., Park, J.C., Park, Y.J., Kim, C.G., Kim, T.H. (2006), "The impact of network service performance on customer satisfaction and loyalty: High-speed internet service case in Korea", *Expert Systems with Applications*, on prof.
5. Anderson, E., Fornell, C. (1994), "A customer satisfaction research prospectus", in Rust, R.T. and Oliver, R.L. (Eds), Service Quality: New Directions in Theory and Practice, Sage Publications, Thousand Oaks, CA. In Brady, M.K., Cronin, J.J., Brand, R.R. (2002), "Performance-only measurement of service quality: a replication and extension", Journal of Business Research, Vol. 55, pp. 17-31.
6. Andreassen, T.W., Lindestad, B. (1998), "The effect of corporate image in the formation of customer loyalty", *Journal of Service Research*, 1 (1), pp. 82-92.
7. Bagozzi, R.P., Yi, Y. (1988), "On the evaluation of structural equation models", *Journal of the Academy of Marketing Science*, 16 (1), pp. 74-94.
8. Bahia, K., Nantel, J. (2000), "A reliable and valid measurement scale for the perceived service quality of banks", *International Journal of Bank Marketing*, 18 (2), pp. 84-91. In Bloemer, J., de Ruyter, K. and Peeters, P. (1998), "Investigating drivers of bank loyalty: the complex relationship between image, service quality and satisfaction", *International Journal of Bank Marketing*, 16 (7), pp. 276-86.
9. Balmer, J.M.T., Stotvig, S. (1997), "Corporate identity and private banking: a review and case study", *International Journal of Bank Marketing*, 15 (5), pp. 169-84. In Miller, N.D.A. and Straughan, R.D. (2000), "Financial services advertising in eight non-English speaking countries", *International Journal of Bank Marketing*, Vol. 18 (7), p. 347-357.
10. Barchard, D. (1990), ``Where only interesting customers need apply", Financial Times, 9 October. In Miller, N.D.A. and Straughan, R.D. (2000), "Financial services advertising in eight non-English speaking countries", *International Journal of Bank Marketing*, Vol. 18 (7), p. 347-357.
11. Barsky, J. (1994), World-Class Customer Satisfaction, Irwin Professional Publishing, Burr Ridge, IL. In Lam, R. And Burton, S. (2006), "SME banking loyalty and disloyalty: a qualitativestudy in Hong Kong", *International Journal of Bank Marketing*, Vol. 24 (1), pp. 37-52.
12. Beerli, A., Martin, J.D., Quintana, A. (2004), "A model of customer loyalty in the retail banking market", *European Journal of Marketing*, 38 (1/2), pp. 253-75. In Lam, R. And Burton, S. (2006), "SME banking loyalty and disloyalty: a qualitativestudy in Hong Kong", *International Journal of Bank Marketing*, Vol. 24 (1), pp. 37-52.
13. Bennett, D., Higgins, M. (1988), "Quality means more than smiles", *ABA Banking Journal,* June, p. 46. In Stafford, M.R. (1996), "Demographic discriminators of service quality in the banking industry", *The Journal of Services Marketing*, 10 (4), pp. 6-22.

14. Bitner, M.J. (1990), "Evaluating service encounters: the effects of physical surroundings and employee responses", *Journal of Marketing*, 54 (2), pp. 69-82.
15. Bitner, M.J., Amy, R.H. (1994), "Encounter satisfaction versus overall satisfaction versus quality." Pp. 72-84 in Service Quality: New Directions in Theory and Practice. Roland T. Rust and Richard L. Oliver (Eds.). New York: Sage Publications, Inc. In Brady, M.K., Cronin, J.J., Brand, R.R. (2002), "Performance-only measurement of service quality: a replication and extension", Journal of Business Research, Vol. 55, pp. 17-31.
16. Blanchard, R.F., Galloway, R.L. (1994), "Quality in retail banking", *International Journal of Services Industry Management*, 5 (4), pp. 5-23. In Miller, N.D.A. and Straughan, R.D. (2000), "Financial services advertising in eight non-English speaking countries", *International Journal of Bank Marketing*, Vol. 18 (7), p. 347-357.
17. Bloemer, J., de Ruyter, K. and Peeters, P. (1998), "Investigating drivers of bank loyalty: the complex relationship between image, service quality and satisfaction", *International Journal of Bank Marketing*, 16 (7), pp. 276-86. In Lam, R. And Burton, S. (2006), "SME banking loyalty and disloyalty: a qualitativestudy in Hong Kong", *International Journal of Bank Marketing*, Vol. 24 (1), pp. 37-52.
18. Bolton, R., Drew, J. (1994), "Linking customer satisfaction to service operations and behavioral intentions." Pp. 173-200 in Service Quality: New Directions in Theory and Practice. Roland T. Rust and Richard L. Oliver (Eds.). New York: Sage Publications, Inc. In Brady, M.K., Cronin, J.J., Brand, R.R. (2002), "Performance-only measurement of service quality: a replication and extension", Journal of Business Research, Vol. 55, pp. 17-31.
19. Bojanic, D.C. (1996), "Consumer perceptions of price, value and satisfaction in the hotel industry: an exploratory study", *Journal of Hospitality and Leisure Marketing,* 4 (1), pp. 5-22.
20. Bolton, R., Drew, J. (1991), "A Multistage model of customers' assessments of service quality and value", *Journal of Consumer Research*, 17, (March), pp. 375-384. In Tseng, K.H., Foi, D., Bonilla, I.I.J. (2006), Brand Influence On The Relationship Between Customer Perceptions Of Service Quality And Satisfaction In Mobile Telecommunications, Graduate Institute of Business Management, Meiho Institute of Technology, TAIWAN, R.O.C.
21. Bolton, R.N. (1998), "A dynamic model of the duration of the customer's relationship with a continuous service provider: the role of satisfaction", *Marketing Science*, 17(1), pp. 45-65. In Chang, K.K. (2007), "Private label strategy and customer loyalty", Journal of Academy of Business and Economics, Feb.1.
22. Bowen, J.W., Hedges, R.B. (1993), "Increasing service quality in retail banking", *Journal of Retail Banking,* 15, pp. 21-8. In Stafford, M.R. (1996), "Demographic discriminators of service quality in the banking industry", *The Journal of Services Marketing*, 10 (4), pp. 6-22.
23. Bowen, J.T., Shoemaker, S. (1998), "Loyalty: A strategic commitment", *Cornell Hotel and Restaurant Administration Quarterly*, 39 (1), pp. 12-25.
24. Boyd, W.L., Leonard, M., White, C. (1994), "Customer Preferences for Financial Services: An Analysis", *International Journal of Bank Marketing*, Vol. 12 (1), pp. 9-15.
25. Brady, M.K., Robertson, C.J. (1999), "An Exploratory study of service value in the USA and Ecuador", *International Journal of Service Industry Management*, 10 (5), pp. 469-486.
26. Brady, M.K., Cronin, J.J., Brand, R.R. (2002), "Performance-only measurement of service quality: a replication and extension", Journal of Business Research, Vol. 55, pp. 17-31.
27. Brown, S., Swartz, T. (1989), "A Gap analysis of professional service quality", *Journal of Marketing*, 53, (April), pp. 92-98.
28. Cadotte, E.R., Woodruff, R.E., Jenkins, R.L., (1987), "Expectations and norms in models of consumer satisfaction", *Journal of Marketing Research*, 24, pp. 305-314. In Thirumalai, S. and Sinha, K.K. (2005), "Customer satisfaction with order fulfillment in retail supply chains: implications of product type in electronic B2C transactions", *Journal of Operations Management* Vol. 23, pp. 291-303.
29. Cardozo, R. (1965), "An Experimental study of customer effort, expectation and satisfaction," *Journal of Marketing Research*, 2, pp. 244-249. In Brady, M.K., Cronin, J.J., Brand, R.R. (2002), "Performance-only measurement of service quality: a replication and extension", Journal of Business Research, Vol. 55, pp. 17-31.

30. Caruana, A. (2002), "Service loyalty: the effects of service quality and the mediating role of customer satisfaction", *European Journal of Marketing*, 36 (7/8), pp. 811-828.
31. Chang, K.K. (2007), "Private label strategy and customer loyalty", Journal of Academy of Business and Economics, Feb.1.
32. Chou, C.P., Bentler, P.M. (1995), "Estimates and tests in structural equation modeling. In R.H. Hoyle (Ed.), Structural equation modeling. Concepts, issues and applications (pp. 37-55), Thousand Oaks, California: Sage Publications Inc.
33. Churchill, G., Surprenant, C. (1982), "An Investigation into the determinants of customer satisfaction", *Journal of Marketing Research*, XIX, (November), pp. 491-504.
34. Colgate, M., Lang, B. (2001), "Switching barriers in consumer markets: an investigation of the financial services industry", *Journal Of Consumer Marketing*, 18 (4), pp. 332-47. In Lam, R. And Burton, S. (2006), "SME banking loyalty and disloyalty: a qualitativestudy in Hong Kong", *International Journal of Bank Marketing*, Vol. 24 (1), pp. 37-52.
35. Copeland, M.T., (1924), Principles of Merchandising. A.W. Shaw Co., Chicago. In Thirumalai, S. and Sinha, K.K. (2005), "Customer satisfaction with order fulfillment in retail supply chains: implications of product type in electronic B2C transactions", *Journal of Operations Management* Vol. 23, pp. 291-303.
36. Cronin J.J., Taylor, S.A. (1992), "Measuring service quality: A re-examination and extension", *Journal of Marketing*, 56 (July), pp. 55-68. In Brady, M.K., Cronin, J.J., Brand, R.R. (2002), "Performance-only measurement of service quality: a replication and extension", Journal of Business Research, Vol. 55, pp. 17-31.
37. Cronin, J.J, Brady, M., Brand. R., Hightower, R., Shemwell, D. (1997), "A Cross-sectional test of the effect and conceptualization of service value", *Journal of Services Marketing*, 11 (6), pp. 375-391.
38. Cronin, J.J., Brady, M.K., Hult, G.T. (2000), "Assessing the effects of quality, value, customer satisfaction on consumer behavioral intentions in service environments", *Journal of Retailing*, 76 (2), pp. 193-218. In Lee, C.K., Yoon, Y.S., Lee, S.K. (2007), "Investigating the relationships among perceived value, satisfaction, and recommendations: The case of the Korean DMZ", *Tourism Management*, Vol. 28, pp. 204-214.
39. Crosby, L.A., Stephens, N. (1987, November) "The effects of relationship marketing on satisfaction, retention, and prices in the life insurance industry", *Journal of Marketing Research*, 24, pp. 404-411. In Chang, K.K. (2007), "Private label strategy and customer loyalty", Journal of Academy of Business and Economics, Feb.1.
40. Dabholkar, P.A. (1995), "A contingency framework for predicting causality between customer satisfaction and service quality", *Advances in Consumer Research*, 22, pp. 101-8.
41. Darden, W.R., Schwinghammer, J.K.L. (1985), "The influence of social characteristics on perceived quality in patronage choice behavior", in Jacoby, J. and Olson, J. (Eds), Perceived Quality: How Consumers View Stores and Merchandise, Lexington Books, Lexington, MA, pp. 161-72. In Bloemer, J., de Ruyter, K. and Peeters, P. (1998), "Investigating drivers of bank loyalty: the complex relationship between image, service quality and satisfaction", *International Journal of Bank Marketing*, 16 (7), pp. 276-86.
42. Davies, M. (1996), "Image problems with financial services: some consideration for improvement", *Management Decisions*, 34 (2), pp. 64-71. In Miller, N.D.A. and Straughan, R.D. (2000), "Financial services advertising in eight non-English speaking countries", *International Journal of Bank Marketing*, Vol. 18 (7), p. 347-357.
43. De Moubray, G. (1989), "Quality of service the key to competitive advantage", *Journal of Chartered Building Societies Institute*, 43 (194), pp. 19-22. In Miller, N.D.A. and Straughan, R.D. (2000), "Financial services advertising in eight non-English speaking countries", *International Journal of Bank Marketing*, Vol. 18 (7), p. 347-357.
44. Dodds, W.B. (1991), "In search of value: How price and store name information influence buyers' product perceptions", *The Journal of Service Marketing*, 5 (Summer), pp. 27-36. In Lee, C.K., Yoon, Y.S., Lee, S.K. (2007), "Investigating the relationships among perceived value, satisfaction, and recommendations: The case of the Korean DMZ", *Tourism Management*, Vol. 28, pp. 204-214.

45. Doyle, P., Fenwick, I. (1974), "Shopping habits in grocery chains", *Journal of Retailing*, 50, pp. 39-52. In Bloemer, J., de Ruyter, K. and Peeters, P. (1998), "Investigating drivers of bank loyalty: the complex relationship between image, service quality and satisfaction", *International Journal of Bank Marketing*, 16 (7), pp. 276-86.
46. Dunn, D. (1995), Advertising and Promotion, Direct Farm Marketing and Tourism Handbook.
47. Easingwood, C.J., Storey, C.D. (1993), "Marketplace success factors for new financial services", *Journal of Services Marketing,* 7 (1), pp. 41-54. In Stafford, M.R. (1996), "Demographic discriminators of service quality in the banking industry", *The Journal of Services Marketing*, 10 (4), pp. 6-22.
48. Eggert, A., Ulaga, W. (2002), "Customer perceived value: a substitute for satisfaction in business markets", *Journal of Business and Industrial Marketing*, 17 (2/3), pp. 107-118.
49. Ehigie, B.O. (2006), "Correlates of customer loyalty to their bank: a case study in Nigeria", *International Journal of Bank Marketing,* 24 (7), pp. 497-507.
50. Flint, D.J., Woodruff, R.B., Gardial, S.F. (1997), "Customer Value Change in Industrial Marketing Relationships: A Call for New Strategies and Research", *Industrial Marketing Management,* 26, pp. 163-175.
51. Fornell, C., Larcker, D.F. (1981, February), "Evaluating structural equation models with unobservable variables and measurement error", *Journal of Marketing Research*, 28, pp. 39-50.
52. Fornell, C., Wernerfelt, B. (1987), "Defensive marketing strategy by customer complaint management: a theoretical analysis", *Journal of Marketing Research*, 24 (4), pp. 337-46. In Levesque, T., McDougall, G.H.C. (1996), "Determinants of customer satisfaction in retail banking", *International Journal of Bank Marketing*, 14 (7), pp. 12-20.
53. Fornell, C. (1992), "A national customer satisfaction barometer: the Swedish experience", *Journal of Marketing,* 55 (1), pp. 1-21. In Brady, M.K., Cronin, J.J., Brand, R.R. (2002), "Performance-only measurement of service quality: a replication and extension", Journal of Business Research, Vol. 55, pp. 17-31.
54. Fornell, C., Johnson, M.D., Anderson, E.W., Cha, J., Bryant, B.E., (1996), "The American customer satisfaction index: Nature, purpose, and findings", *Journal of Marketing*, 60, pp. 7-18.
55. Fugate, D.L. (1998), "The advertising of services: what is an appropriate role for humor?", The Journal of Servıces Marketıng, Vol. 12 (6), pp. 453-472.
56. Ganesh, J., Arnold, M.J., Reynolds, K.E. (2000), "Understanding the customer base of service provider: an examination of the differences between switchers and stayers", *Journal of Marketing*, 64 (3), pp. 65-102. In Lam, R. And Burton, S. (2006), "SME banking loyalty and disloyalty: a qualitativestudy in Hong Kong", *International Journal of Bank Marketing*, Vol. 24 (1), pp. 37-52.
57. Gavin, D. (1983), "Quality on the Line", *Harvard Business Review*, 61, September-October, pp. 65-75.
58. Granbois, D. (1981), "An integrated view of the store choice/patronage process", in Monroe, K.B. (Ed.), Advances in Consumer Research, Vol. 8, Association for Consumer Research, Ann Arbor, MI, pp. 693-5. In Bloemer, J., de Ruyter, K. and Peeters, P. (1998), "Investigating drivers of bank loyalty: the complex relationship between image, service quality and satisfaction", *International Journal of Bank Marketing*, 16 (7), pp. 276-86.
59. Gray, E., Smeltzer, L. (1985), "Corporate image: an integral part of strategy", *Sloan Management Review*, Summer, pp. 73-77. In Miller, N.D.A. and Straughan, R.D. (2000), "Financial services advertising in eight non-English speaking countries", *International Journal of Bank Marketing*, Vol. 18 (7), p. 347-357.
60. Grewal, D., Monroe, K. B., Krishnan, R. (1998), "The effect of pricecomparison advertising on buyers' perception of acquisition value, transaction value, and behavioral intention", *Journal of Marketing,* 62 (April), pp. 46-59. In Lee, C.K., Yoon, Y.S., Lee, S.K. (2007), "Investigating the relationships among perceived value, satisfaction, and recommendations: The case of the Korean DMZ", *Tourism Management*, Vol. 28, pp. 204-214.
61. Grönoos, C. (1984), "An applied service marketing theory", *European Journal of Marketing*, 16 (17), pp. 30-41. In Yen, A. and Su, L. (2004), "Customer satisfaction measurement practice in Taiwan hotels", *Hospitality Management*, Vol. 23, pp. 397-408.

62. Grönroos, C. (1984), "A Service quality model and its marketing implications", *European Journal of Marketing*, 12 (8), pp. 588-600.
63. Grönroos, C. (2000), Service Management and Marketing – A Customer Relationship Management Approach, 2nd Edition, John Wiley and Sons Ltd.
64. Hart, C.W.L., Heskett, J.L., Sasser, E.W. (1990), "The profitable art of service recovery", *Harvard Business Review*, 68 (4), pp. 148-56. In Levesque, T., McDougall, G.H.C. (1996), "Determinants of customer satisfaction in retail banking", *International Journal of Bank Marketing*, 14 (7), pp. 12-20.
65. Hennig-Thurau, T., Gwinner, K.P., Gremier, D.D. (2002), "Understanding relationship marketing outcomes: an integration of relational benefits and relationship quality", *Journal of Service Research*, 4 (3), pp. 230-47.
66. Hildebrandt, L. (1988), "Store image and the prediction of performance on retailing", *Journal of Business Research*, 17, pp. 91-100. In Bloemer, J., de Ruyter, K. and Peeters, P. (1998), "Investigating drivers of bank loyalty: the complex relationship between image, service quality and satisfaction", *International Journal of Bank Marketing*, 16 (7), pp. 276-86.
67. Hirschman, A.O. (1970), Exit, Voice and Loyalty, Harvard University Press, Cambridge, MA. In Levesque, T., McDougall, G.H.C. (1996), "Determinants of customer satisfaction in retail banking", *International Journal of Bank Marketing*, 14 (7), pp. 12-20.
68. Holstius, K., Kaynak, E. (1995), "Retail banking in Nordic countries: the case of Finland", *International Journal of Bank Marketing*, 13 (8), pp. 10-20. In Miller, N.D.A. and Straughan, R.D. (2000), "Financial services advertising in eight non-English speaking countries", *International Journal of Bank Marketing*, Vol. 18 (7), p. 347-357.
69. Hunt, H.K. (1977), "CS/D–Overview and Future Directions," Pp. 7-23 in Conceptualization and Measurement of Consumer Satisfaction and Dissatisfaction, H. Keith Hunt (Ed.). Cambridge, MA: Marketing Science Institute. In Brady, M.K., Cronin, J.J., Brand, R.R. (2002), "Performance-only measurement of service quality: a replication and extension", Journal of Business Research, Vol. 55, pp. 17-31.
70. Innis, D.E., La Londe, B.J. (1994), "Customer service: the key to customer satisfaction, customer loyalty, and market share", *Journal of Business Logistics*, 15 (1), pp. 1-27. In Kim, K.J., Jeon, I.J., Park, J.C., Park, Y.J., Kim, C.G., Kim, T.H. (2006), "The impact of network service performance on customer satisfaction and loyalty: High-speed internet service case in Korea", *Expert Systems with Applications*, on prof.
71. Jackson, B.B. (1985), Winning and Keeping Industrial Customers: the Dynamics of Customer Relationships, Lexington Books, Lexington, MA.
72. Jacoby, J., Kyner, D.B. (1973), "Brand loyalty vs. repeat purchasing behavior", *Journal of Marketing Research*, 10 (1), pp. 1-9. In McCain, S.L.C., Jang, S.C., Hu, C. (2005), "Service quality gap analysis toward customer loyalty: practical guidelines for casino hotels", *Hospitality Management*, Vol. 24, pp. 465-472.
73. Jacoby, J., Chestnut, R.W. (1978), Brand Loyalty: Measurement and Management. Wiley, NewYork. In McCain, S.L.C., Jang, S.C., Hu, C. (2005), "Service quality gap analysis toward customer loyalty: practical guidelines for casino hotels", *Hospitality Management*, Vol. 24, pp. 465-472.
74. Jamal, A., Naser, K. (2002), "Customer satisfaction and retail banking: an assessment of some of the key antecedents of customer satisfaction in retail banking", *International Journal of Bank Marketing*, 20 (4), pp. 146-60. In Bloemer, J., de Ruyter, K. and Peeters, P. (1998), "Investigating drivers of bank loyalty: the complex relationship between image, service quality and satisfaction", *International Journal of Bank Marketing*, 16 (7), pp. 276-86.
75. James, D.L., Durand, R.M., Dreves, R.A. (1976), "The use of a multi-attributes attitudes model in a store image study", *Journal of Retailing*, 52, pp. 23-32. In Bloemer, J., de Ruyter, K. and Peeters, P. (1998), "Investigating drivers of bank loyalty: the complex relationship between image, service quality and satisfaction", *International Journal of Bank Marketing*, 16 (7), pp. 276-86.
76. Johnston, R. (1997), "Identifying the critical determinants of service quality in retail banking: importance and effect", *International Journal of Bank Marketing*, 15 (4), pp. 111-16. In Miller,

N.D.A. and Straughan, R.D. (2000), "Financial services advertising in eight non-English speaking countries", *International Journal of Bank Marketing*, Vol. 18 (7), p. 347-357.

77. Johnson, M.D., Gustafsson, A., Andreassen, T.W., Lervik, L., Cha, J. (2001), "The evolution and future of national customer satisfaction index models", *Journal of economic Psychology*, 22 , pp. 217-245.
78. Jones, T., Sasser, W. (1995), "Why satisfied customers defect", *Havard Business Review*, November-December, pp. 88-99.
79. Keaveney, S.M., Hunt, K.A. (1992), "Conceptualization and operationalization of retail store image: a case of rival middle-level theories", *Journal of the Academy of Marketing Science*, 20 (2), pp. 165-75. In Bloemer, J., de Ruyter, K. and Peeters, P. (1998), "Investigating drivers of bank loyalty: the complex relationship between image, service quality and satisfaction", *International Journal of Bank Marketing*, 16 (7), pp. 276-86.
80. Kim, K.J., Jeon, I.J., Park, J.C., Park, Y.J., Kim, C.G., Kim, T.H. (2006), "The impact of network service performance on customer satisfaction and loyalty: High-speed internet service case in Korea", *Expert Systems with Applications*, on prof.
81. Korgaonkar, P.K., Lund, D. and Price, B. (1985), " Structural equations approach toward examination of store attitude and store patronage behavior", *Journal of Retailing*, 61, Summer, pp. 39-60. In Bloemer, J., de Ruyter, K. and Peeters, P. (1998), "Investigating drivers of bank loyalty: the complex relationship between image, service quality and satisfaction", *International Journal of Bank Marketing*, 16 (7), pp. 276-86.
82. Kunkel, J.H., Berry, L.L. (1968), "A behavioral conception of retail image", *Journal of Marketing*, 32, pp. 21-7. In Bloemer, J., de Ruyter, K. and Peeters, P. (1998), "Investigating drivers of bank loyalty: the complex relationship between image, service quality and satisfaction", *International Journal of Bank Marketing*, 16 (7), pp. 276-86.
83. Lam, R. And Burton, S. (2006), "SME banking loyalty and disloyalty: a qualitativestudy in Hong Kong", *International Journal of Bank Marketing*, Vol. 24 (1), pp. 37-52.
84. Lee, M., Cunningham, L.F. (2001), "A cost/benefit approach to understanding service loyalty", *Journal of Services Marketing*, 15 (2), pp. 113-30.
85. Lee, C.K., Yoon, Y.S., Lee, S.K. (2007), "Investigating the relationships among perceived value, satisfaction, and recommendations: The case of the Korean DMZ", *Tourism Management*, Vol. 28, pp. 204-214.
86. Levesque, T., McDougall, G.H.C. (1996), "Determinants of customer satisfaction in retail banking", *International Journal of Bank Marketing*, 14 (7), pp. 12-20. In Bloemer, J., de Ruyter, K. and Peeters, P. (1998), "Investigating drivers of bank loyalty: the complex relationship between image, service quality and satisfaction", *International Journal of Bank Marketing*, 16 (7), pp. 276-86.
87. Lewis, R., Booms, B. (1983), "The Marketing Aspects of Service Quality", In: Berry, L., Shostack, L. and Upah, G. (Ed.), Emerging Perspectives on Services Marketing, Proceeding Series, American Marketing Association, pp. 99-104.
88. Lewis, B.R. (1993), "Service quality: recent developments in financial services", *International Journal of Bank Marketing*, 11 (6), pp. 19-25. In Bloemer, J., de Ruyter, K. and Peeters, P. (1998), "Investigating drivers of bank loyalty: the complex relationship between image, service quality and satisfaction", *International Journal of Bank Marketing*, 16 (7), pp. 276-86.
89. Lovelock, C. (1988), Managing Services Marketing, Operations and Human Resources, Prentice-Hall, Englewood Cliffs, NJ, p. 173. In Fugate, D.L. (1998), "The advertising of services: what is an appropriate role for humor?", The Journal Of Servıces Marketıng, Vol. 12 (6), pp. 453-472.
90. Mazursky, D., Jacoby, J. (1986), "Exploring the development of store images", *Journal of Retailing*, 62, pp. 145-65. In Bloemer, J., de Ruyter, K. and Peeters, P. (1998), "Investigating drivers of bank loyalty: the complex relationship between image, service quality and satisfaction", *International Journal of Bank Marketing*, 16 (7), pp. 276-86.
91. McDougall, G.H.G., Levesque, T. (2000), "Customer satisfaction with services: Putting perceived value into the equation", *Journal of Service Marketing*, 14 (5), pp. 392-410. In

Lee, C.K., Yoon, Y.S., Lee, S.K. (2007), "Investigating the relationships among perceived value, satisfaction, and recommendations: The case of the Korean DMZ", *Tourism Management*, Vol. 28, pp. 204-214.

92. McIlroy, A., Barnett, S. (2000), "Building customer relationships: Do discount cards work?" *Managing Service Quality*, 10 (6), pp. 347-355.
93. McCain, S.L.C., Jang, S.C., Hu, C. (2005), "Service quality gap analysis toward customer loyalty: practical guidelines for casino hotels", *Hospitality Management*, Vol. 24, pp. 465-472.
94. Meidan, A. (1996), Marketing Financial Services, MacMillan Press, Houndmills. In Bloemer, J., de Ruyter, K. and Peeters, P. (1998), "Investigating drivers of bank loyalty: the complex relationship between image, service quality and satisfaction", *International Journal of Bank Marketing*, 16 (7), pp. 276-86.
95. Miller, N.D.A. and Straughan, R.D. (2000), "Financial services advertising in eight non-English speaking countries", *International Journal of Bank Marketing*, Vol. 18 (7), p. 347-357.
96. Mittal, B., Lassar, W.M. (1998), "Why do customers switch? The dynamics of satisfaction versus loyalty", *Journal of Services Marketing*, 12 (3), pp. 177-194.
97. Oh, H., Parks, S.C. (1997), "Customer satisfaction and service quality: a critical review of the literature and research implications for the hospitality industry", *Hospitality Research Journal,* 20 (3), pp. 35-64. In Thirumalai, S. and Sinha, K.K. (2005), "Customer satisfaction with order fulfillment in retail supply chains: implications of product type in electronic B2C transactions", *Journal of Operations Management*, Vol. 23, pp. 291-303.
98. Oliver, R.L. (1977), "Effect of expectation and disconfirmation on post-expense product evaluations: an alternative interpretation", *Journal of Applied Psychology*, 62, pp. 480-486. In Brady, M.K., Cronin, J.J., Brand, R.R. (2002), "Performance-only measurement of service quality: a replication and extension", Journal of Business Research, Vol. 55, pp. 17-31.
99. Oliver, R.L.(1980), "A Cognitive model of the antecedents and consequences of satisfaction decisions", *Journal of Marketing Research*, 17 (November), pp. 460-469. In Brady, M.K., Cronin, J.J., Brand, R.R. (2002), "Performance-only measurement of service quality: a replication and extension", Journal of Business Research, Vol. 55, pp. 17-31.
100. Oliver, R.L., Swan, J.E. (1989), "Consumer perceptions of ınterpersonal equity and satisfaction in transactions: a field survey approach", *Journal of Marketing*, 53 (April), pp. 21-35. In Brady, M.K., Cronin, J.J., Brand, R.R. (2002), "Performance-only measurement of service quality: a replication and extension", Journal of Business Research, Vol. 55, pp. 17-31.
101. Oliver, R.L. (1999), "Whence consumer loyalty", *Journal of Marketing,* 63, pp. 33-44. In McCain, S.L.C., Jang, S.C., Hu, C. (2005), "Service quality gap analysis toward customer loyalty: practical guidelines for casino hotels", *Hospitality Management*, Vol. 24, pp. 465-472.
102. Olsen, S. (2002), "Comparative evaluation and the relationship between quality, satisfaction, and repurchase loyalty", *Journal of the Academy of Marketing Science*, 30 (3), pp. 240-249.
103. Olshavsky, R.W., Miller, J.A. (1972), "Consumer expectations, product performance and perceived product quality", *Journal of Marketing Research*, 9 (February), pp. 19-21. In Brady, M.K., Cronin, J.J., Brand, R.R. (2002), "Performance-only measurement of service quality: a replication and extension", Journal of Business Research, Vol. 55, pp. 17-31.
104. Olson, J.C., Dover, P. (1979), "Disconfirmation of consumer expectations through product trial", *Journal of Applied Psychology*, 64 (April), pp. 179-189. In Brady, M.K., Cronin, J.J., Brand, R.R. (2002), "Performance-only measurement of service quality: a replication and extension", Journal of Business Research, Vol. 55, pp. 17-31.
105. Parasuraman, A., Zeithaml, V., Berry, L. (1985). "A conceptual model of service quality and its implications for future research", *Journal of Marketing*, 49, pp. 41-50. In Yen, A. and Su, L. (2004), "Customer satisfaction measurement practice in Taiwan hotels", *Hospitality Management*, Vol. 23, pp. 397-408.
106. Parasuraman, A., Zeithaml, V., Berry, L. (1988), "SERVQUAL: A multiple- ıtem scale for measuring consumer perceptions of service quality", *Journal of Retailing*, 64(1), pp. 12-40. in Tseng, K.H., Foi, D., Bonilla, I.I.J. (2006), Brand Influence On The Relationship Between Customer Perceptions Of Service Quality And Satisfaction In Mobile Telecommuni-

cations, Graduate Institute of Business Management, Meiho Institute of Technology, TAIWAN, R.O.C.

107. Parasuraman, A., Grewal, D. (2000), "The impact of technology on the quality–value–loyalty chain: A research agenda", *Journal of the Academy of Marketing Science*, 28 (1), pp. 168-174. In Lee, C.K., Yoon, Y.S., Lee, S.K. (2007), "Investigating the relationships among perceived value, satisfaction, and recommendations: The case of the Korean DMZ", *Tourism Management*, Vol. 28, pp. 204-214.
108. Patterson, P., Johnson, L. (1993), "Disconfirmation of expectations and the gap model of service quality: an integrated paradigm", *Journal of Consumer Satisfaction, Dissatisfaction and Complaining Behavior*, 6, pp. 90-99.
109. Patterson, P., Spreng, R. (1997), "Modelling the relationship between perceived value, satisfaction and repurchase intention in a business-to-business, service context: an empirical examination", *International Journal of Service Industry Management*, 8 (5), pp. 414-434.
110. Payne, A., Rickard, J. (1993), "Relationship marketing, customer retention and service firm profitability", Working Paper, Cranfield University, Cranfield.
111. Petrick, J.F., Backman, S.J. (2002), "An examination of the construct of perceived value for the prediction of golf travelers; Intentions to revisit", *Journal of Travel Research*, 41(August), pp. 38-45. In Lee, C.K., Yoon, Y.S., Lee, S.K. (2007), "Investigating the relationships among perceived value, satisfaction, and recommendations: The case of the Korean DMZ", *Tourism Management*, Vol. 28, pp. 204-214.
112. Ramaswamy, R. (1996), Design and management of service processes: Keeping customers for life (pp. 330-360), Massachusetts: Addison- Wesley. In Kim, K.J., Jeon, I.J., Park, J.C., Park, Y.J., Kim, C.G., Kim, T.H. (2006), "The impact of network service performance on customer satisfaction and loyalty: High-speed internet service case in Korea", *Expert Systems with Applications*, on prof.
113. Ravald, A., Grönroos, C. (1996), "The value concept and relationship marketing", *European Journal of Marketing*, 30 (2), pp. 19-30. In Tseng, K.H., Foi, D., Bonilla, I.I.J. (2006), Brand Influence On The Relationship Between Customer Perceptions Of Service Quality And Satisfaction In Mobile Telecommunications, Graduate Institute of Business Management, Meiho Institute of Technology, TAIWAN, R.O.C.
114. Reichheld, F., Sasser, W. (1990), "Zero defections: quality comes into services", *Harvard Business Review*, Sept-Oct, pp. 105-111. In Kim, K.J., Jeon, I.J., Park, J.C., Park, Y.J., Kim, C.G., Kim, T.H. (2006), "The impact of network service performance on customer satisfaction and loyalty: High-speed internet service case in Korea", *Expert Systems with Applications*, on prof.
115. Reichheld, F. (1993), "Loyalty-based management", *Harvard Business Review*, 71 (2), pp. 64-73. In Lam, R. And Burton, S. (2006), "SME banking loyalty and disloyalty: a qualitativestudy in Hong Kong", *International Journal of Bank Marketing*, Vol. 24 (1), pp. 37-52.
116. Reicheld, F.F. (1996, March–April), "Learning from customer defections". Harvard Business Review, pp. 56-69. In Lam, R. And Burton, S. (2006), "SME banking loyalty and disloyalty: a qualitativestudy in Hong Kong", *International Journal of Bank Marketing*, Vol. 24 (1), pp. 37-52.
117. Reichheld, F. (1996), The Loyalty Effect, Harvard Business Press, Boston, MA. in Chang, K.K. (2007), "Private label strategy and customer loyalty", Journal of Academy of Business and Economics, Feb.1.
118. Render, B., O'Connor, T.S. (1976), "The influence of price, store name and brand name on perception of product quality", *Journal of the Academy of Marketing Science*, 4, Fall, pp. 722-30. In Bloemer, J., de Ruyter, K. and Peeters, P. (1998), "Investigating drivers of bank loyalty: the complex relationship between image, service quality and satisfaction", *International Journal of Bank Marketing*, 16 (7), pp. 276-86.
119. Rust, R., Oliver, R. (1994), Service Quality - New Directions in Theory and Practice, Sage Publications. In Brady, M.K., Cronin, J.J., Brand, R.R. (2002), "Performance-only measurement of service quality: a replication and extension", Journal of Business Research, Vol. 55, pp. 17-31.

120. Rust, R.T., Zahorik, A.J., Keiningham, T.L. (1996), Services Marketing, HarperCollins College Publishers, New York, NY. In Fugate, D.L. (1998), "The advertising of services: what is an appropriate role for humor?", The Journal Of Servıces Marketıng, Vol. 12 (6), pp. 453-472.
121. Rust, R., Zeithaml, V., Lemon, K. (2000), Driving customer equity, Boston, MA: Free Press. In Chang, K.K. (2007), "Private label strategy and customer loyalty", Journal of Academy of Business and Economics, Feb.1.
122. Ruyter, K.D., Wetzels, M., Bloemer, J. (1997), "On the relationship between perceived service quality, service loyalty and switching costs", *International Journal of Service Industry Management*, 9(5), pp. 436-53.
123. Ryan, M.J., Buzas, T., Ramaswamy, V., (1995), "Making CSM a power tool", *Marketing Research* 7 (3), pp. 11-16.
124. Schumacker, R.E., Lomax, R.G. (1996), A beginner's guide to structural equation modeling, Mahwah, N.J: L. Erlbaum Associates.
125. Shoemaker, S., Lewis, R.C. (1999), "Customer loyalty: The future of hospitality marketing", *Hospitality Management*, 18, pp. 345-370.
126. Sirgy, M.J., Samli, A.C. (1989), "A path analytic model of store loyalty involving self-concept, store image, geographic loyalty, and socioeconomic status", *Journal of the Academy of Marketing Science*, 13 (3), pp. 265-91. In Bloemer, J., de Ruyter, K. and Peeters, P. (1998), "Investigating drivers of bank loyalty: the complex relationship between image, service quality and satisfaction", *International Journal of Bank Marketing*, 16 (7), pp. 276-86.
127. Slater, R.B. (1990), "Bankers binge on bank ad", Bankers Monthly, 107 (6), pp. 63-5. In Miller, N.D.A. and Straughan, R.D. (2000), "Financial services advertising in eight non-English speaking countries", *International Journal of Bank Marketing*, Vol. 18 (7), p. 347-357.
128. Spreng, R.A., Mackenzie, S.B., Olshavsky, R.W. (1996), "A reexamination of the determinants of consumer satisfaction", *Journal of Marketing,* 60, pp. 15-32. In Thirumalai, S. and Sinha, K.K. (2005), "Customer satisfaction with order fulfillment in retail supply chains: implications of product type in electronic B2C transactions", *Journal of Operations Management,* Vol. 23, pp. 291-303.
129. Stafford, J.E., Enis, B.M. (1969), "The pricequality relationship: an extension", *Journal of Marketing Research*, 6, November, pp. 456-8. In Bloemer, J., de Ruyter, K. and Peeters, P. (1998), "Investigating drivers of bank loyalty: the complex relationship between image, service quality and satisfaction", *International Journal of Bank Marketing*, 16 (7), pp. 276-86.
130. Stafford, M.R. (1996), "Demographic discriminators of service quality in the banking industry", *The Journal of Services Marketing*, 10 (4), pp. 6-22.
131. Stank, T.P., Goldsby, T.J., Vickery, S.K. (1999), "Effect of service supplier performance on satisfaction and loyalty of store managers in the fast food industry", *Journal of Operations Management*, 17, pp. 429-447. In Kim, K.J., Jeon, I.J., Park, J.C., Park, Y.J., Kim, C.G., Kim, T.H. (2006), "The impact of network service performance on customer satisfaction and loyalty: High-speed internet service case in Korea", *Expert Systems with Applications*, on prof.
132. Swan, J.E., Trawick, I.F. (1980), "Satisfaction related to predictive vsdesired expectations. In: Hunt, H.K., Day, R.L. (Eds.), Refining Concepts andMeasures of Consumer Satisfaction and Complaining Behavior. Indiana University, Bloomington, IN, pp. 7-12.
133. Swneeney, J., Soutar, G., Johnson, L. (1997), "Retail service quality and perceived value: a comparison of two models", *Journal of Retailing and Consumer Services*, 4 (1), pp. 39-48.
134. Teas, K., Agarwal, S. (2000), "The effects of extrinsic product cues on consumers' perceptions of quality, sacrifice, and value", *Journal of the Academy of Marketing Science*, 28 (2), pp. 280-29.
135. Thirumalai, S. and Sinha, K.K. (2005), "Customer satisfaction with order fulfillment in retail supply chains: implications of product type in electronic B2C transactions", *Journal of Operations Management*, Vol. 23, pp. 291-303.
136. Tse, D.K., Wilton, P.C. (1988), "Models of consumer satisfaction formation: an extension", *Journal of Marketing,* 25, pp. 204-212. In Thirumalai, S. and Sinha, K.K. (2005), "Customer

satisfaction with order fulfillment in retail supply chains: implications of product type in electronic B2C transactions", *Journal of Operations Management*, Vol. 23, pp. 291-303.

137. Tseng, K.H., Foi, D., Bonilla, I.I.J. (2006), Brand Influence On The Relationship Between Customer Perceptions Of Service Quality And Satisfaction In Mobile Telecommunications, Graduate Institute of Business Management, Meiho Institute of Technology, TAIWAN, R.O.C.
138. Voss, G.B., Parasuraman, A., Grewal, D. (1998), "The roles of price, performance, and expectations in determining satisfaction in service exchanges", *Journal of Marketing,* 62, pp. 46-61. In Thirumalai, S. and Sinha, K.K. (2005), "Customer satisfaction with order fulfillment in retail supply chains: implications of product type in electronic B2C transactions", *Journal of Operations Management*, Vol. 23, pp. 291-303.
139. Westbrook, R. (1981), "Sources of consumer satisfaction with retail outlets", *Journal of Retailing*, 57, (Fall), pp. 8-85.
140. Woodruff, R.B., Scott, C., Schumann, D., Gardinal, S., Burns, M. (1991), "The standards ıssues in cs/d research: a historical perspective", *Journal of Consumer Satisfaction and Dissatisfaction and Complaining Behavior*, 4, pp. 103-109.
141. Woodruff, R.B., Gardial S.F. (1996), Know Your Customer: New Approaches to Understanding Customer Value and Satisfaction. Blackwell, Cambridge, MA.
142. Woodruff, R.B. (1997), "Customer value: The next source for competitive edge", *Journal of the Academy of Marketing Science*, 25 (2), pp. 139-153. In Lee, C.K., Yoon, Y.S., Lee, S.K. (2007), "Investigating the relationships among perceived value, satisfaction, and recommendations: The case of the Korean DMZ", *Tourism Management*, Vol. 28, pp. 204-214.
143. Worcester, R. (1970), Corporate image research revisited, paper presented to the Market Research Society Conference, Brighton, March. In Worcester, R.M. (1997), "Managing the image of your bank: the glue that binds", *International Journal of Bank Marketing*, 15 (5), pp. 146-52.
144. Worcester, R.M. (1997), "Managing the image of your bank: the glue that binds", *International Journal of Bank Marketing*, 15 (5), pp. 146-52. In Bloemer, J., de Ruyter, K. and Peeters, P. (1998), "Investigating drivers of bank loyalty: the complex relationship between image, service quality and satisfaction", *International Journal of Bank Marketing*, 16 (7), pp. 276-86.
145. Yavas, U., Shemwell, D.J. (1996), "Bank image: exposition and illustration of correspondence analysis", *International Journal of Bank Marketing*, 14(1), pp. 15-21. in Bloemer, J., de Ruyter, K. and Peeters, P. (1998), "Investigating drivers of bank loyalty: the complex relationship between image, service quality and satisfaction", *International Journal of Bank Marketing*, 16 (7), pp. 276-86.
146. Yen, A. and Su, L. (2004), "Customer satisfaction measurement practice in Taiwan hotels", *Hospitality Management*, Vol. 23, pp. 397-408.
147. Yi, Y. (1990), A Critical Review of Consumer Satisfaction. Review in Marketing. American Marketing Association, Chicago. In Thirumalai, S. and Sinha, K.K. (2005), "Customer satisfaction with order fulfillment in retail supply chains: implications of product type in electronic B2C transactions", *Journal of Operations Management*, Vol. 23, pp. 291-303.
148. Zeithaml, V.A. (1988), "Consumer perceptions of price, quality, and value: A means-end model and synthesis of evidence", *Journal of Marketing*, 52 (3), pp. 2-22. In Lee, C.K., Yoon, Y.S., Lee, S.K. (2007), "Investigating the relationships among perceived value, satisfaction, and recommendations: The case of the Korean DMZ", *Tourism Management*, Vol. 28, pp. 204-214.
149. Zeithaml, V.A., Berry, L.L., Parasuraman, A. (1996), "The behavioural consequences of service quality", *Journal of Marketing*, 60 (2), pp. 31-46.
150. Zeithaml, V.A., Parasuraman, A., Malhotra, A. (2002), "Service quality delivery through web sites: a critical review of extant knowledge", *Journal of the Academy of Marketing Science*, 30 (4), pp. 362-375. In Thirumalai, S. and Sinha, K.K. (2005), "Customer satisfaction with order fulfillment in retail supply chains: implications of product type in electronic B2C transactions", *Journal of Operations Management*, Vol. 23, pp. 291-303.
151. (http://www.gfk.si/eng/2_7_ad_effic.phpe)

152. http://www.pwc.com/tr/eng/ins-sol/publ/Chapter07.pdf
153. http://www.hazine.gov.tr/iro_files/Reports-Presentations/prospectus.pdf
154. http://www.tbb.org.tr/english/asp/banks.asp
155. http://www.tbb.org.tr/english/

Appendix I.

Construct Items

Perceived Quality (Stafford, 1996)	Customer Satisfaction (Ryan et al., 1995)
Bank Atmosphere	Overall Satisfaction
Relationships	Expectancy Disconfirmation
Rates and Charges	Compared Performance
Available Services	
Convenient Service	Image (Johnson et al., 2001)
ATMs	Overall Image
Reliability	Compared Image
Honesty	Other's Thinking
Tellers	
	Complaint (Johnson et al., 2001)
Loyalty (Kim et al., 2006)	Compensation offered
Recommend Intention	Employees treat when complaint
New services Subscription Intention	
Resubscription Intention	Perceived Value (Cronin et al., 2000)
	Good value for Money
Expectation (Ehigie, 2006)	Acceptable Prices
Workers Required Skill	Considered to be a Good Buy
Workers Knowledge And Experience	
Friendless	Advertising Efficiency
Good Reputation	Remembering Advertising
Safety	Remembering Bank
Understanding Customer Needs	Remembering Message
Listening To Customer	Effected from Advertising
Fast And Efficient Service	Intention to purchase because of advertising