Re-branding of Banks in India and the Impact of Changes in Logo

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Abstract — In today’s highly competitive environment, the Indian consumer acts as the biggest opportunity for the Indian Banking system. In the last few years we have seen that banks in India have become more conscious about their brands, and have started to protect, differentiate and take care of their brands in the market. Thus, re-branding of banks has emerged and changes in logo have been incorporated. This research study conducted in Kolkata helps to determine the respondents’ level of awareness of bank logo changes, the impact of re-branding of banks and logo changes on consumer perceptions, and also determines the importance of brand name over other factors, which are taken into consideration by the consumers, before establishing a banking relationship.

Keywords- Banking relationship, brand name, consumer perceptions, logo and re-branding.

I. INTRODUCTION

A. Brands and How to Create a Strong Brand Platform

Brands have a lifespan just like us and they do not live forever. They are born in the marketplace, grows there over a period of time to become successful and iconic, and then die out naturally. Rapid change is the key drivers which stimulates and runs the life of a brand in the marketplace. At present every company faces a challenge from the term 'change' and the forces which drive our global economy are making it more and more difficult for the brand owners to keep up with the market trend. This is because brands themselves are dynamic in nature and have their own life cycles which make them run their course in the marketplace.

Often, longer brand life spans are an internal push for companies that act as the key to lasting brand. This leaves the brand managers and their weaker brands in the marketplace to die out naturally, unless they continue to meet the evolving human needs and requirements. Companies often find co-branding as an opportunity to reinforce and extend their current brand(s). However, in reality, it is actually a delicate process and needs to be handled very carefully. In case of co-branding, a company needs to think very carefully about how any potential branding partner will be able to contribute positively to the image of this company in question, on a complementary basis (Hermann J. Kircher, 2010). Companies need to speak directly to the customers and improve their lives effectively. In this manner, these companies create a strong global brand platform no matter how small is the improvement.

B. Banking in India

The emergence of banking in India took place in the last decades of the 18th century. The Bank of Hindustan and the General Bank of India which do not exist today, were the first banks established in India in 1770 and 1786 respectively (Reserve Bank of India, 2008). The oldest bank still in existence today, is the State Bank of India. This is the largest bank in India which originated in the Bank of Calcutta in June 1806, and later became the Bank of Bengal. The charters from the British East India Company established three presidency banks in India, and the Bank of Bengal was one of them. The other two were the Bank of Bombay and the Bank of Madras. In 1921, these three banks merged together to form the Imperial Bank of India, and after India gained independence, it became the State Bank of India in 1955 (Reserve Bank of India, 2008). Prior to the 1960s, all banks in India except the State Bank of India (SBI) continued to be owned and operated by private persons. However, in 1969, the Government of India nationalised the 14 largest commercial banks, and these have remained under government ownership till date. At that point of time, these 14 banks contained 85 percent of bank deposits in India. Moreover, in 1980, the Government of India initiated the second round of nationalisation, whereby 6 more commercial banks were nationalised. This allowed the Government of India to control 91% of the banking business present in India (Reserve Bank of India, 2008).

The major objectives behind nationalisation of banks in India were to control private monopolies so as to ensure a smooth supply of credit to the needy sections; to achieve social welfare by directing funds to the needy and required sectors; to cater to the priority sectors (agricultural sector and its allied activities) with funds; to expand the banking network in un-banked areas; to reduce regional imbalance by
introducing banks in the rural areas where the banking facilities were not available; to develop banking habits among individuals in India as 70% of the population existed in rural areas at that point of time. Thus this strategy gave the Indian Government more control over its credit delivery system.

In the early 1990s, the Government of India initiated the policy of liberalisation, and it licensed a small number of private banks in India. These banks were known as the tech-savvy banks of the new generation. It included the Global Trust Bank, which was the first of such new generation banks set up in India. The Global Trust Bank later on amalgamated with HDFC Bank, ICICI Bank and UTI Bank. There were three major banking sectors at that point of time, namely, the government banks, the private banks and the foreign banks. Strong contributions from all these three sectors along with the rapid growth in the Indian economy led to the overall revitalisation of the banking sector in India.

At present there are Scheduled Commercial Banks and Scheduled Co-operative Banks, which are all included in the Second Schedule to the Reserve Bank of India Act, 1934. The Scheduled Commercial Banks in India are segregated on the basis of the nature of operation and/or ownership, into five different groups, namely, State Bank of India and its Associates, Nationalised Banks, Private Sector Banks, Foreign Banks, and the Regional Rural Banks. The Scheduled Co-operative Banks in India are divided into two groups, the Scheduled State Co-operative Banks and the Scheduled Urban Cooperative Banks.

In the past, the banks in India were not much concerned about branding but in the last few years, banks have become more conscious about their image in the market. This coupled with the increase in competition in the market have forced some of the banks to undertake re-branding strategies, so as to ensure that their brands are not diluted. This helps to ensure that the banks can differentiate their brands from the competitors in the market.

II . LITERATURE REVIEW

A. The Impact of Branding

Branding is the act of utilizing marketing strategies to enhance the product or service image of a particular business so that it attains a favourable position in the minds of the customers and is more readily recollected by them. Hence, branding helps the company to ensure that the product or the service makes a distinct and favourable impact on the target customer(s). Initially, branding was just a mark of quality on mass produced goods all over the world. The growth of branding took place during the era of the industrial revolution, when markets throughout the world were flooded with dozens of identical products. Thus there arose a need for differentiating these products from one another and an alternate way to know which product has a better quality than the other product(s).

As companies throughout the world started to undertake the process of 'branding', they realized that, in order to build and deliver a brand, it is very much important for them to ensure that the brand itself is communicated internally and externally in an effective manner (Stanley V. Thomas, Sonal Agrawal and Swati Mehta, 2011). Moreover, such companies also realized that brands are not things, but are a representation of highly valued ideas that reside in the minds of the target consumers and the stakeholders of the company.

According to Phil Phillips (2006), branding comprises of two main elements which are the external elements and the internal elements, communicated to the customer(s). Internal brand elements include culture, which is the social context in which a brand is perceived by the customer(s); personality, which is the customers’ description of the brand itself; and self-image, which highlights our feelings and judgments of what the brand says about us. External elements include reflection, which highlights how the customer is being nurtured and satisfied; physical characteristics of the brand that makes us curious to understand what the brand does; and relationship, which highlights that the customer must have a direct and an identifiable relationship with the brand itself.

Greg Stine (2005), in his study highlighted that there are nine essential qualities of a good branding program. The company must ensure that its branding program is simple: one big idea is best; there exists mass-produced word of mouth (PR) that helps to builds brands; the company concentrates on focused brands which are stronger than diffused brands in the marketplace; the company focuses on differentiation; the company ensures that it launches a first brand in a particular category, which has a huge advantage; the company avoids the development of sub-brands; the company focuses on perception of quality as the perception of quality is more important than quality itself; the company is always patient and consistent as building a strong brand takes a lot of time; and the company puts the definition of the brand in writing, otherwise the company will surely get off course.

B. Branding of Banks in India

The Indian consumer acts as the biggest opportunity for the Indian Banking system in today’s competitive environment. The entire profile of the Indian consumer is changing with the onset of cultural shifts in terms of lifestyle aspirations and overall demographic shifts in terms of income levels. In the near future, this will act as the key driver of economic growth in India. Kamath K.V., et al. (2003) in their study pointed out that at present, the Indian consumer now tries to satisfy his lifestyle aspirations at a younger age. In order to do so, he/she uses an optimal combination of equity and debt to finance his/her own asset creation and personal consumption. This is directly increasing the demand for
In the past, we have seen that the Indian banks were not concerned about undertaking branding in a serious manner. However, in the last few years we have witnessed that banks in India have started to protect, differentiate and take care of their brands in the market. They have become more conscious about their brands, which are competing in the marketplace, the image of the brand itself and the personality of the brand. Most of the public sector banks in India are more than 100 years old and they have a large customer base. Moreover, these banks have realized that their customers have been loyal for decades. Thus, when the private sector banks like ICICI bank undertook brand positioning strategies, the public sector banks also thought of enhancing and strengthening their original brand image. Now, these public sector banks have realized the overall value of the brand equity, which they enjoy in the market.

Brand strengthening exercise has been incorporated by State Bank of India in the recent years. Moreover, re-branding exercise by banks in India have also been undertaken to project a favourable image in the minds of the young generation in India, who will be driving the Indian economy in the future. The overall customer base of most of the banks in India is old and now they face the challenge of attracting and retaining the new generation of Indians in order to maintain their customer base in an effective manner. As a result, the banks in India are repositioning their overall image.

C. The Trend of Re-Branding Of Banks In India

Biagio Bossone (2002) in his study stated that re-branding of the Banks involves heavy cost and it also takes into account all the stakeholders of the Bank. Thus, a company must analyse the need of re-branding before undertaking the steps of re-branding. This is because of the fact that re-branding strategies may isolate the bank itself from its customers who are loyal to the bank and would like to be associated with their old brand. Moreover, the new brand image may or may not highlight the ‘right’ image of the bank at the target customers. Furthermore, the banks need to look deeply into the product branding it incorporates.

According to the study conducted by Ravi Kumar Sharma (2011), customers in India are nowadays well informed and more educated. Moreover, the mindset of the Indian customers is changing very quickly and so the brands themselves have to adapt to the changing customer's taste and preferences. As a result, banks have to undertake re-branding strategies to cope up with these changes taking place in India. However, it should be noted that heavy cost and participation of all the stakeholders of the bank are involved when banks undertake re-branding strategies.

D. The Impact of Brand Loyalty and the Role of Customer Service

Brand loyalty of a customer exists when he/she repurchases a particular brand. A customer undertakes such repurchases of the brand when he trusts the brand name and perceives that the product is perfect for him. This brand loyalty helps the companies to achieve a strong position in the competitive markets and thus the company might benefit from a competitive advantage. Moreover, such brand loyalty can also be highlighted as the deliberate asset of the company in question. Thus it is essential for companies to create this brand loyalty. To develop brand loyalty, the companies first try to break the present habit of the consumer, and then, they try to identify the new habits of the customers through advertising and promotions. Then the companies try to focus on forming new habits so that the new brand is more acceptable in the market and after the new habits are formed, the focus shifts on creating the customer loyalty towards their brands in the market.

Chhavi Dagar, Parul Khanna (2011) in their study focused on the fact that if companies try to provide the best customer services, customers will start to be brand loyal. If a customer is delighted about the services provided by the company, he/she would like to re-purchase the brand a number of times in the future. Thus, proper customer service leads to the creation of brand loyalty. Moreover, proper customer services help to reduce the brand switching in an effective manner and it also enhances retaining of the customers.

According to the study conducted Maya Basant Lohani, and Dr.Pooja Bhatia (2012), the majority of customers of the banks in India focus on the people factor i.e., the staffs of the banks, for improving the overall customer satisfaction. On the other hand, the banks are focusing on the overall tangible factors such as ATMs, computerization of the banking processes, etc. to attract the customers. Thus, brand building alone undertaken by these banks would not help them to effectively win the loyalty of customers because of the fact that customer service acts as the key element as clearly identified by this study.

III. OBJECTIVES OF THE STUDY

A number of banks in India have undertaken re-branding strategies and have incorporated changes in their logo. The study will try to determine:

- The extent to which consumers in Kolkata are aware of bank logo changes
- The impact of re-branding of banks and logo changes on consumer perceptions
- The importance of brand name over other factors, which are taken into consideration by the consumers, before establishing a banking relationship.
IV. HYPOTHESIS FORMULATION

In order to determine the impact of bank logo changes on consumer perceptions, the following hypothesis have been formulated:

The null hypothesis (H0) is stated as:
H0: a change in bank’s logo does not change consumer perceptions about the bank and does not enhance customer recall.

The alternative hypothesis (H1) is stated as:
H1: a change in bank’s logo leads to a change in consumer perceptions about the bank and enhances customer recall.

V. RESEARCH METHODOLOGY

The research design is exploratory in nature and the research approach is quantitative. A detailed questionnaire along with ten flash cards was prepared for collecting the relevant data. The flash cards highlight new logos of ten different brands, namely, Hero Motocorp, Canara Bank, J&K Bank, Hindustan Unilever, Airtel, Videocon, Domino’s Pizza, Bank of Baroda, Union Bank of India, and Axis Bank. A total of 150 respondents were interviewed, and the interview process began with a flash card game session. Each respondent had to identify the logo in the flash cards. Each correct answer fetched 2 marks, each wrong answer fetched -1, and for each ‘don’t know’ answer, the respondent did not receive any score. Only when a respondent achieved a total score of 9 or more, the questionnaire was handed over. Out of 150 respondents, 124 respondents secured a score of 9 and above, and 26 respondents secured a score below 9.

Six different banks in India which have undertaken re-branding strategies and incorporated logo changes have been included in this study to determine the impact of changes in bank logo. The banks include Bank of Baroda, Canara Bank, J&K Bank, South Indian Bank, Union Bank of India, and Axis Bank. The questionnaire handed over to the respondents had four sections. The first section relates to the characteristics of the respondents, the second section relates to the respondents level of awareness of bank logo changes, the third section focuses on determining the impact of re-branding of banks and logo changes on consumer perceptions, and the fourth section tries to determine the importance of brand name over other factors, which are taken into consideration by the consumers, before establishing a banking relationship.

A convenience sampling method was adopted, and the field survey was conducted in different areas in Kolkata, from 30/06/2014 to 03/08/2014. Six different regions in Kolkata were selected, namely Dalhousie area; Alipore and Behala; Entally, Sealdah and Beliaghata; Park Street and Park Circus; Salt Lake; and Ballygunj area. The six different banks included in this study had branches in these six regions.

However, there were several other bank branches in such areas also. Customers coming out of the different bank branches in such areas were interviewed. Moreover, the interview was also conducted inside some of the bank branches.

In order to analyse the primary data, basic statistical tools and Factor Analysis with the help of SPSS version 20.0 have been used in this study. KMO statistics and Bartlett’s test of Sphericity have been used in this study for statistical analysis. The KMO test of sampling adequacy highlights whether the sample was adequate to consider the data as normally distributed, and thus helps to determine whether the factor analysis is appropriate or not. Moreover, in order to determine whether the null hypothesis will be accepted or rejected, the Bartlett’s Test of Sphericity was tested through Chi-Square.

To determine the importance of brand name over other factors, which are taken into consideration by the consumers before establishing a banking relationship, a weighted score approach has been undertaken. The respondents had to rank the factors in order of importance from 1 to 4, where 1 is the most important, and 4 is the least important. Weights were attached to each rank. 4 marks was assigned to the factor which secured rank 1, 3 marks was assigned to the factor which secured rank 2, 2 marks was assigned to the factor which secured rank 3, and 1 mark was assigned to the factor which secured rank 4.

VI. DATA ANALYSIS AND INTERPRETATION

Out of 150 respondents who were interviewed, 124 respondents secured a score of 9 and above, and 26 respondents secured a score below 9, in the flash card game session. This is highlighted in figure 1 below.

Figure 1: Flash Card Game Score
A questionnaire was handed over to these 124 individuals. The first section of the questionnaire relates to the characteristics of the respondents. In case of ‘age’ of respondents, the majority of respondents fall in the age group of 46-60 years. So the majority of customers of such banks fall in this age group. Moreover, individuals aged 16-30 years also form a significant proportion of the entire sample of respondents. The classification of the respondents in terms of age is highlighted in figure 2 below.

Figure 2: Age of the Respondents

In case of gender classification, 86 individuals were male and 38 individuals were female. So the majority of customers of the banks are male. Figure 3 below depicts this clearly.

Figure 3: Gender Classification

The study also reveals the family income patterns of the respondents. The majority of the respondents have a family income of 120,000 to 480,000 per annum. This is followed by individuals who have a family income of 480,000 to 840,000 per annum. This is shown in figure 5 below.

Figure 4 below highlights the occupation of respondents. The majority of respondents are self-employed, followed by retired individuals. Out of the four respondents who have selected the ‘Others’ category, three are homemakers and one is unemployed.

Figure 4: Occupation

Figure 5: Family Income Distribution
The second section of the questionnaire relates to the respondents' level of awareness of bank logo changes. Question 6 determines whether the respondent has a banking relationship with Bank of Baroda, Canara Bank, J&K Bank, South Indian Bank, United Bank of India, or Axis Bank, and also determines how many respondents are aware of the changes in logo of these banks. Figure 6 below clearly depicts the number of respondents who have a banking relationship with the given banks.

![Figure 6: Respondents with a Banking Relationship](image)

Out of 124 respondents, 74 respondents in total have a banking relationship with the given banks. Out of the 74 respondents, the majority have a relationship with Axis Bank.

The questionnaire then determines whether these 74 respondents are aware of the changes in the banks' logo. They had to select either ‘Yes’, ‘No’, or ‘Not Sure’. Figure 7 below highlights the distribution of such responses.

![Figure 7: Awareness of a Change in the Bank's Logo](image)

The third section of the questionnaire focuses on determining the impact of re-branding of banks and logo changes on consumer perceptions. In order to determine such an impact, factor analysis was undertaken with the help of SPSS version 20.0 and the following interpretations were concluded:

<table>
<thead>
<tr>
<th>Table 1: KMO and Bartlett's Test</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kaiser-Meyer-Olkin Measure of Sampling Adequacy</td>
</tr>
<tr>
<td>Bartlett's Test of Sphericity</td>
</tr>
<tr>
<td>df</td>
</tr>
<tr>
<td>Sig.</td>
</tr>
</tbody>
</table>

The KMO and Bartlett's Test table above shows that the Kaiser-Meyer-Olkin Measure of Sampling Adequacy value is 0.823. This is greater than 0.50 and it signifies that the sample was adequate to consider the data as normally distributed, and the KMO test is highly significant. The Bartlett's Test of Sphericity tested through Chi-Square, has a value of 1094.899 at 15 degrees of freedom. This value is highly significant at 0% level of significance, as p<0.05. This signifies that if the null hypothesis was true, there would be low chances of obtaining the required results. Hence we reject the null hypothesis (H0) and accept the alternative hypothesis (H1). So we can conclude that a change in bank’s logo leads to a change in consumer perceptions about the bank, and enhances customer recall.

<table>
<thead>
<tr>
<th>Table 2: Total Variance Explained</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initial Eigenvalues</td>
</tr>
<tr>
<td>Total</td>
</tr>
<tr>
<td>2.21</td>
</tr>
<tr>
<td>1.29</td>
</tr>
<tr>
<td>1.04</td>
</tr>
<tr>
<td>.65</td>
</tr>
<tr>
<td>.49</td>
</tr>
<tr>
<td>.28</td>
</tr>
</tbody>
</table>

Extraction Method: Principal Component Analysis.
The Total Variance Explained table above, highlights that component 1 explains 27.870% of the total variance among all the variables in the data set, component 2 explains 26.759% of the total variance among all the variables in the data set, and component 3 explains 21.390% of the total variance among all the variables in the data set. Thus three components are reported based on the Eigenvalues, and they consist of all the variables. This is graphically represented in the Scree Plot as shown below in Fig. 8:-

![Scree Plot Image]

In the above diagram we can clearly see that there are 6 nodes. The distance between the nodes is based on the Eigenvalues. We can see that the distance between node 1 and node 2 is the greatest. So, component 1 explains the maximum variance among all the variables in the data set.

Now as we move down from node 1 to node 2, and then from node2 to node 3, the distance between the nodes reduces. This confirms that component 2 explains a lesser degree of variation among the variables in the data set than component 1. This continues as we move from node 2 to node 3 and so on, and so the degree of explaining the total variance among all the variables in the data set thus reduces.

Table 3: Rotated Component Matrix

<table>
<thead>
<tr>
<th>Component</th>
<th>1</th>
<th>2</th>
<th>3</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.861</td>
<td>-.205</td>
<td>-.018</td>
</tr>
<tr>
<td>2</td>
<td>-.170</td>
<td>.906</td>
<td>-.044</td>
</tr>
<tr>
<td>3</td>
<td>-.179</td>
<td>.820</td>
<td>-.023</td>
</tr>
<tr>
<td>4</td>
<td>.348</td>
<td>.224</td>
<td>.744</td>
</tr>
<tr>
<td>5</td>
<td>.642</td>
<td>.355</td>
<td>.408</td>
</tr>
<tr>
<td>6</td>
<td>-.007</td>
<td>.459</td>
<td>.763</td>
</tr>
</tbody>
</table>

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.
a. Rotation converged in 5 iterations.

From the Rotated Component Matrix table above, we see that ‘a change in the bank’s logo increases its customers’ and, ‘customers can easily recognise the bank after a change in the bank’s logo’ can be grouped under component 1; ‘a change in the bank’s logo improves the service quality’ and ‘the range of services provided increases with the change in logo’ can be grouped under component 2; and ‘a change in the bank’s logo improves the image of the bank’ and ‘a change in the bank’s logo makes the bank more modern’ can be grouped under component 3.

Thus we can name and categorise the components or factors as follows:-

- The customer related factor (factor 1): The following are the variables which are grouped under factor one and are concerned with the customers of the banks:
  - A change in the bank’s logo increases its customers
  - Customers can easily recognise the bank after a change in the bank’s logo

- The service related factor (factor 2): The following are the variables which are grouped under factor two and are concerned with the services provided by these banks:
  - A change in the bank’s logo improves the service quality
The range of services provided increases with the change in logo

**The image related factor (factor 3):** The following are the variables which are grouped under factor three and are concerned with the image and newness of these banks:

- A change in the bank’s logo improves the image of the bank
- A change in the bank’s logo makes the bank more modern

The fourth section of the questionnaire tries to determine the importance of brand name over other factors, which are taken into consideration by the consumers, before establishing a banking relationship. In this study, a weighted score approach has been undertaken. There were four main factors namely:

- Convenience (in terms of location)
- Brand name
- Quick and efficient services
- Courteousness of employees

The respondents had to rank the factors in order of importance from 1 to 4, where 1 is the most important, and 4 is the least important. Weights were attached to each rank. 4 marks was assigned to the factor which secured rank 1, 3 marks was assigned to the factor which secured rank 2, 2 marks was assigned to the factor which secured rank 3, and 1 mark was assigned to the factor which secured rank 4. The marks obtained by the factors are highlighted in the following table:

<table>
<thead>
<tr>
<th>FACTORS</th>
<th>TOTAL MARKS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Convenience (in terms of location)</td>
<td>428</td>
</tr>
<tr>
<td>Brand name</td>
<td>186</td>
</tr>
<tr>
<td>Quick and efficient services</td>
<td>364</td>
</tr>
<tr>
<td>Courteousness of employees</td>
<td>262</td>
</tr>
<tr>
<td>TOTAL</td>
<td>1240</td>
</tr>
</tbody>
</table>

### VII. FINDINGS

In today’s highly competitive environment, the Indian consumer acts as the biggest opportunity for the Indian Banking system. In the last few years we have seen that banks in India have become more conscious about their brands, and have started to protect, differentiate and take care of their brands in the market. Thus, re-branding of banks has emerged and changes in logo have been incorporated. This research study conducted in Kolkata helps to determine the respondents’ level of awareness of bank logo changes, the impact of re-branding of banks and logo changes on consumer perceptions, and also determines the importance of brand name over other factors, which are taken into consideration by the consumers, before establishing a banking relationship.

Out of 124 respondents who were surveyed, 74 respondents in total have a banking relationship with the six banks included in this study. The study determines that out of these 74 respondents, 27 respondents are ‘Not Sure’ about their awareness of a change in the bank’s logo. 25 respondents are not at all aware of a change in the logos and only 22 respondents are aware of such changes. This shows that the majority of respondents in Kolkata are not aware of such bank logo changes.

However, re-branding of banks and logo changes have a significant impact on consumer perceptions. The customer related factor is the most important factor and the respondents strongly believe that a change in the bank’s logo increases its overall customer base and customers can easily recognise the bank, after a change in the bank’s logo. The service related factor is the next factor to be taken into account in terms of importance, and the respondents agree to the fact that a change in the bank’s logo improves the service quality of the bank, and the range of services provided by the bank increases with the change in logo. A significantly less important factor, as compared to the previous two factors is the image related factor. Although the respondents feel that a change in the bank’s logo improves the image of the bank, and also makes the bank more modern, the customer related factor and the service related factor are far more important for the respondents than the image related factor.

Finally, the study focuses on determining the importance of brand name over other factors, which are taken into consideration by the consumers, before establishing a banking relationship. The four factors taken into account are convenience (in terms of location), brand name, quick and efficient services and courteousness of employees. A weighted score approach has been undertaken to analyse and interpret the data collected.

The results reveal that convenience (in terms of location) is the most important factor for the customers. The location of the bank is very important. Customers will prefer opening a bank account in a bank near their house, even if it is a small branch, rather than opening it in a big branch somewhere else. The customers consider quick and efficient services as the next most important factor. Time is precious, and the more quick and efficient the services of a bank are, the more will be the number of customers. Courteousness of employees is ranked third in terms of importance. Politeness and
approachability must be shown by the employees so as to increase the customer base of the bank. Finally, brand name is the factor which secures the last rank. This highlights that the majority of customers do not consider it to be as important as the other three factors, which are taken into consideration by them, before establishing a banking relationship.

VIII. SUGGESTIONS

With each passing day, banks in India are finding it more and more difficult to survive in the market. Re-branding is now a strategic tool used by many banks to gain competitive advantage and has helped many banks to gain customers and popularity. Banks undertaking re-branding strategies must ensure that they take appropriate steps to enhance the awareness levels of the customers. The majority of respondents in this study are ‘not sure’ about their awareness of a change in the bank’s logo, or are not at all aware of a change in the logos. Thus appropriate measures should be undertaken to increase the customer’s level of awareness of such re-branding activities.

Re-branding of banks and logo changes have an impact on consumer perceptions. Customers feel that the overall customer base increases with re-branding activities. Moreover, if customers are aware of a bank, and also aware of the change in its logo, then the customers can easily recognize the bank, after a change in the bank’s logo. The customers also perceive that a change in the bank’s logo improves the service quality of the bank, and the range of services provided by the bank increases with the change in logo. Thus a favourable perception is created in the mind of the customers once a change in the banks logo takes place. They also feel that it improves the image of the bank and makes it more modern.

However, in case of the importance of brand name over other factors, which are taken into consideration by the consumers, before establishing a banking relationship, the customers consider convenience (in terms of location) as the most important factor. They will prefer to open a bank account in a bank near their house, even if it is a small branch, rather than opening it in a big branch somewhere else. Customers also consider quick and efficient services provided by the bank, and courteousness of employees to be important. These factors are much more important for customers than the brand name of the bank. Thus, the majority of customers do not consider brand name to be as important as the other three factors, which are taken into consideration by them, before establishing a banking relationship.

IX. CONCLUSION

The Indian consumer has become the centre of attention for companies nowadays, and acts as the biggest opportunity for the Indian Banking system. With the initiation of re-branding activities undertaken by banks in India, banks have started to gain competitive advantage in the market. However, in the next generation, banks have to undertake appropriate branding strategies apart from re-branding as the only strategic tool.

The Indian market today is filled with “Gen C” consumers, who are diverse and vibrant as compared to others (Roman Friedrich, 2011). Apart from this, “Gen Y” consumers (Vinayak A J., 2011), or “prosumers” (William Gerhardt, 2008) are also present in the Indian market. The main problem that arises here is that the “One-size-fits-all” marketing strategy which was easily incorporated in the previous era and which works typically in retail, does not work for electronic or mobile banking. The company has to understand the context of the needs of the customers, and then devise the required marketing strategy. Moreover, the study conducted by Ritesh Dhawan, Stanley V Thomas and Swati Mehta (2011) state that in today’s world, a company needs to undertake marketing strategies in a consistent manner so that a favourable image is created in the minds of customers. After this, the company can transform the customers from a stage of unawareness to a stage of active engagement.

Although a bank in India will initially engage in the process of finding its most important customers in the market, the key role of such a bank would be to understand what are the factors that motivate these customers and what factors lead them to select the bank’s branded products and services, over other competitors products and services. Thus, a bank should carefully select its brand position so that its existing position becomes stronger and its brand identity will become more consistent in nature.

Banks also have to undertake other activities such as educating its staff about the ‘promise’ of the brand and giving them appropriate incentives; developing appropriate brand messages; and helping customers identify the brand identity easily. Banks should also focus on developing a suitable marketing plan, and should ensure that the bank’s promise is emphasized at each point of customer contact. Moreover, apart from profitability, efficiency and synergy, the key factors driving the growing trend of mergers and acquisitions in the banking sector in India are market liberalization, deregulation in the financial market, economic reforms, etc. (Abhinn Baxi Bhatnagar and Nitu Sinha, 2012). The primary objectives of such activities are closely related to the brand building process of the individual banks in India.

Financial inclusions can help banks to effectively build their brands. Banks in India offer a number of services to enhance financial inclusion in India. They are diverse in nature and include the Symbolic Saving Accounts; Sub Saving A/C; Lottery based Savings Accounts; Micro Payments and Remittance System integrated with the Interactive Voice Response Systems (IVRS); KIOSK Banking; SHG - Self Help Group; MFI’s - NBFC (micro-finance institutions as non-banking financial Companies); Banking Vans & Mobile ATMs; CSP (Customer Service Points); ICT (Information and Communication Technologies) for rural connectivity; Online...
form Tracking System; and even the UID (Unique Identification Number). According to Sachin Joseph (2011), the UID is considered to be a catalyst for financial inclusion in India. Moreover, the studies conducted by Imran Matin, David Hulme, Stuart Rutherford (2002) and Tanya Cothran (2012), focus on the fact that micro-credit and micro-savings undertaken by financial institutions in India have a great potential to alleviate poverty in India.

X. LIMITATIONS AND FURTHER DIRECTION

A number of limitations were faced while conducting this research. Firstly, as the survey was conducted in the city of Kolkata only, the analysis of the results may not reflect the true attitude of the consumers in India at large. If the sample included individuals from India as a whole, it would have generated different results altogether. Secondly, the project was completed with limited resources and so, budget is another constraint faced during the project. Thirdly, a relatively small sample of 150 respondents was selected for this study, so the results obtained can be questioned on its accuracy. Moreover, random selection of consumers was used for the study. Another similar study with a different research design and sampling process may generate different results.

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