Article

Factors Influencing Customers' Brand Loyalty in Ethiopian Banking Industry

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Abstract: The study is carried out on the factors influencing customers' brand loyalty. The study is aimed at evaluating customers' brand loyalty status and identifying its determinants. To this end, explanatory research design is used with the support of descriptive and multiple regression analytical techniques. From the customers of the bank 290 of them are selected using a purposive sampling technique. Questionnaires are administered to collect the primary data. The finding of the study indicates that the loyalty status of the customers is fragmented into hard-core loyalty, split loyalty, shift loyalty, and switching loyalty status with the inclination on the first and second categories of loyalty status. It also reflects that distribution, promotion, reputation, satisfaction and tangible benefits are the predictors of customers' brand loyalty. A message of sticking on these determinants of loyalty is transmitted to the bank manager with the emphasis on the most predictors, i.e., distribution and promotion.

Keywords: customers' brand loyalty; bank; loyalty status; determinants of loyalty

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1. Introduction

The act of branding is not a phenomenon that dropped from the sky in one night like rain. Rather it is a progressive act of differentiating the product and positioning like a picture in the minds of the customers. So, it has its own long history. The term brand comes from the word "brandr" which means to burn [1]. This reflects the practice of producers putting a mark (the so called recently brand) onto their cattle and any other home tools by burning. The wall painting which is found in Egyptian and Cave paintings located in south-west Europe from the Stone and early Bronze ages portray branded cattle dating back 4,000 years [2].

The ancient civilizations had viewed the brand as a source of information in relation to the country of origin, product function, and quality [3]. In one or another way, ancient societies had been used brand for the sake of product identification. But in the modern economy, the brand has its own power, status, an inherent value that enable it to possess its own personality as well. Studies [4] argue that 75% of consumers buy products because of its well-known brand, and the remaining 25% purchase products by considering price as an important factor. In another hand, people have been also using a brand as a means of expressing their personality, lifestyle, mood, status, etc. throughout their life.

Brand loyalty is an important substance to customers and firms. Customers are ready to capitalize their loyalty in a firm that can bring greater benefit in relation to the products of the competitors [5]. Customer brand loyalty can be defined as the commitment of the customers to repeat purchasing of a specific service or product [6,7]. Customer loyalty has been a big issue in banking to managers because of strong competition and higher customer expectations. It is regarded as a strategic link and aspiration to well-ordered achievement, value and business implementation [8,9,10].

As noted by [11] "Researchers have focused on how the personality of a brand enables a consumer to express his or her own self [12], an ideal self, [13], or specific dimensions of the self, [14] through the use of a brand. Practitioners view it as a key way to differentiate a brand in a product category [15] as a central driver of consumer preference and usage [16], and as a common denominator that can be used to market a brand across cultures [17].

Recently the importance of brand is beyond identifying one's product; many firms are using their brand as a source of income in different ways. First, they use it to influence their customers and/or the public, in general, to buy their products only whereby better income will be generated. Second, firms are also generating an income by selling the brand itself in millions. Nike and kaldis are good examples in generating millions of dollars by licensing their brand to a third party. Though it is significant in financial inflow, the second way is not common in Ethiopia.

A brand could be a source of income for a particular firm if it achieved the desired loyalty status in the public and/or customers. That is why organizations including in the banking industry invest from hundreds of thousands to millions of dollars in marketing communication with the hope that it will enhance their performance by increasing sales (deposit mobilization in the case of bank), assuring brand awareness, elevating market share, increasing profit and achieving the desired level of brand loyalty as well.

These days where competition is tremendously increasing continually, the brand has been using as a battle field of different companies including in the banking industry in Ethiopia. Organizations want to have an influential and credible brand to which their customers or the public in general remains loyal. In doing so, for obtaining their long-term profitability, banks are convinced to create, develop, maintain brand loyalty in such a way to uphold loyal customers, however, it is challenging in one way to another in such an intense business environment. In most cases especially in the service industry where the product is more intangible, brand loyalty is a source of stable customer base. Researchers [18] argue that a stable customer base is a core business asset. This indicates that the essence and nature of relationships and their business value are encapsulated in the concept of customer loyalty.

It is up to six times as expensive to attract new customers as it is to retain existing customers [19]. Because retaining existing customers is six times much better than attracting new customers, designing and implementing retaining program would be the primary issue of banks for their successful business operation.

It is clear that customer loyalty is made possible by brands. Companies would remain nameless and faceless and no true customer relationships would be formed if there is no brand. Besides [20] argues that brands have increased the motivation to become socially responsible and to become advocates of sustainable development, helping the development of working conditions in third world countries and helping to feed countries that lack the resources to do so themselves.

With regard to factors affecting customer brand loyalty in the banking industry [21, 22, 23] showed that perceived quality, customer satisfaction, switching cost, customer trust, customer commitment, customer involvement, and corporate image are the determinants of loyalty in the banking industry. The studies conducted in Ethiopia also indicates that pleasant manner of the staff, ATM service, bank speed, service quality, external bank appearance, and internal sitting arrangement, secured feeling, proximity, availability of branches operating [24], Service quality, availability of physical and human resources [25], are the determinants of brand loyalty. The factors that were not identified by the former researchers in Ethiopia are therefore considered in this study.

Boldly speaking, the gap that exists in this typical research is that, primarily if customers are not loyal to a particular brand in this study case to the commercial bank of Ethiopia, the bank's contribution to stimulate and enhance the saving habit of the customers and the public at large will remain weak. Which means the bank's deposit mobility will remain low, and its contribution to creating credit access to its customers and the public remain below expectation.

Second, it is always costly to attract new customers, so the managers always try to find ways to retain their current customers and concentrate on different factors that enhance brand loyalty among the customers of the banks. To do so, managers need to have a brand loyalty formulation model for their efforts to be meaningful. However, there is no adequate study here in the Ethiopia banking industry which could be relevantly guides bank strategists to develop loyalty programs. This study comes with new variables that were not tested before by other researchers in the country. Hence, this study was endeavored to assess the brand loyalty status and identify the predictors of brand loyalty of the customers of the selected industry in Ethiopia.

2. Literature Review

Loyalty to a bank can be thought of as continuing patronage over time. According to [26], the degree of loyalty can be gauged by tracking customer accounts, over defined time periods and noting the degree of continuity in patronage. During the past decades, the financial service sector in Ethiopia has undergone drastic changes, resulting in a market place that is characterized by intense competition, high growth in primary demand, and stagnation of deregulation.

[27] indicated that 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. Several strategies have been attempted to retain customers. [28] stated that in order to increase customer loyalty, many banks have introduced innovative products and services. Marketing success requires understanding and frequently monitoring the product and service attributes which increase loyalty and share of wallet. Customers cannot be loyal to a specific brand without any pooling factors. The key pooling factors that determine whether they will be loyal to a specific brand or not are discussed as follow.

Distribution

A study conducted by [29] in the Kenyan banking industry revealed that the most important factor for customer satisfaction is the wide availability of bank branches. If the availability of bank branches is determinant factors for customer satisfaction and customer satisfaction has the power of predicting loyalty; the availability of bank branches (distribution) can affect customers' brand loyalty in the banking industry. [30]) found that distribution intensity significantly affects brand preference; which in turn is the key driver to brand loyalty.

Promotion

[31]) argued that if traditional advertising is changed into digital media, its role in creating brand loyalty is significant. [32]) found that integrated marketing communication plays a strong role in developing customer loyalty towards service providers in Thailand. This study revealed the indirect role of customers' expectations for brand loyalty. Customers can only be satisfied if their expectation is met and then satisfied customer is easy to be loyal. Another study that supports the findings of the above is the study of [33] which was on the effect of integrated marketing communication components on brand awareness and customer loyalty in the beverage sector. And they indicated that the effect of integrated marketing communication components on brand awareness and customer loyalty is positive and significant.

Reputation

The study of [34] developed and tested a model for the determinants of customer brand loyalty. Accordingly, theses researchers identified that image is one of the drivers of customers' brand loyalty. [35]) identified that the perception of corporate brand reputation is more effective in enhancing brand loyalty than a brand attachment.

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Customer satisfaction

Among the numerous studies devoted to customer loyalty in banks, many of them indicated that customer satisfaction predicts customer loyalty. The study of [36] found a strong relationship between satisfaction and customer loyalty. [37] found a non-linear relationship between satisfaction and loyalty intention: the relationship was more positive at higher levels of satisfaction.

[38] investigated and tested the factors that influence customer loyalty towards the Banking industry in Pakistan. The result showed that customer satisfaction is among the key determinants of brand loyalty.

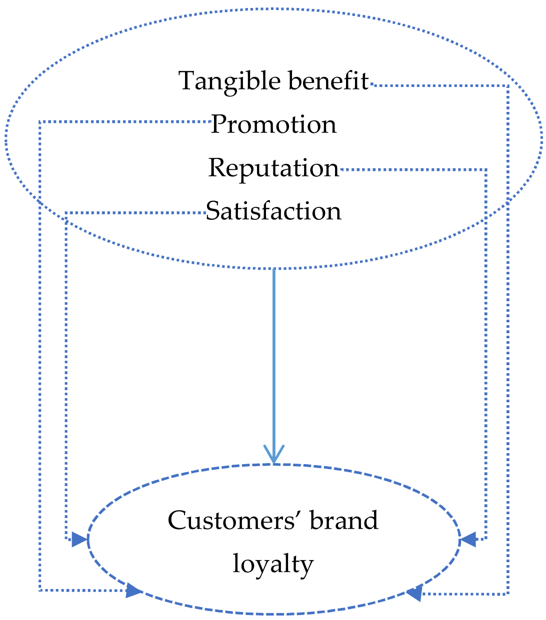
Tangible benefit

A study conducted by [29] in the Kenyan banking industry showed that the factor most associated with customer dissatisfaction is the high prices of products and services. This result implied that if customer satisfaction determines brand loyalty, there is no reason for a dissatisfied customer to be loyal to a particular brand. In this study, price or service charge is considered as a primary tangible benefit to the customer. Thus, a tangible benefit can only be a predictor of brand loyalty if and only if the customers are satisfied by the service charge of the banks. Furthermore, [39] indicated that customer-loyalty-related benefits determine customer's brand loyalty.

Conceptual Frame-Work

The conceptual framework of brand loyalty and its determinants is established based on the literature review. It is assumed here that each of the independent variables has the power of predicting the brand loyalty status of the customers of the bank. [40] stated that customer satisfaction, service convenience, and reputation are the key variables that customers give value in their loyalty towards a given brand. [39] indicated that customer-loyalty-related benefits determine customer's brand loyalty. In this study, it is considered as a tangible benefit. Considering these all pieces of evidences, customers' brand loyalty is the dependent variable, and tangible benefit, promotion, reputation, satisfaction, and distribution are the independent variables as depicted in figure 1.

Figure 1: Conceptual Frame Work



3. Materials and Methods

3.1 Research Design

The study was adopted an explanatory research design. Because the researchers' intention was to see the status of brand loyalty and identify the predictors of successful brand loyalty. Qualitative and quantitative methods were also utilized as approaches to the end of the study.

3.2 Target Population

The population represents all units in any field of inquiry Kothari (2004). In this research, the target population was representing all customers of commercial banks of Ethiopia in Tigrai market that demonstrate faithfulness to the brand by exclusively using the brand (such as money depositing, transfer, and related banking services) for two or more years. This was assured through oral questions before distributing the questionnaire to the respondents.

3.3 Sampling Technique

Due to the fact that the higher the time you served your customers are the higher opportunity to know whether your customers are loyal to you or not; the study was applied purposive sampling technique to participate the bank branches in the seven cities sample areas. To do this, the researcher has adopted the Tigray market cluster consisting of one hundred one (101) cities and towns, 84 branches of commercial bank of Ethiopia based on the data from the bank's Mekelle/Tigray District administration office.

[41] pointed out that If the investigator is impartial, works without bias and has the necessary experience so as to make sound judgment, the results obtained from an analysis of the deliberately selected sample may be tolerably reliable.

3.4 Sample Size

Sampling is a strategy used to select elements from a population. The unit analysis of the study includes marketing/promotion managers and customers. [41] suggests the following formula.

Sample Size Determination Formula: $\boldsymbol{n} = \frac{z^2.P.Q}{e^2}$

P =q= ½

e=0.0575

Z α /2= Z 0.05/2 = ± 1.96

By this formula (n) was calculated as: $\boldsymbol{n} = \frac{(1.96)^2.(0.5)^2.(1-0.5)}{(0.0575)^2}$

n=290.48~290

Where p = sample proportion of success

q = proportion of defective, q = 1 – p;

z = the value of the standard variate at a given confidence level and to be worked out from table showing area under Normal Curve;

n = size of the sample.

e = acceptable error (the precision)

3.5 Sources and Instruments of Data Collection

In this study, primary data was collected from the customers of commercial bank of Ethiopia in the Tigray market. On the other hand, secondary data were collected from related books, journals, and websites to state the problem well and determine the sample, and was also collect to contextualize the research findings and broaden our know-how in the area. To gain primary data, a questionnaire built-in five-point Likert scale was used in such a way that they can facilitate quantitative analysis.

The data collection tools are validated through a preliminary survey and oral questions before distributing the questionnaire to the respondents. Concerning reliability, all of the questionnaires show a strong inner consistency measuring the constructions of it by reaching Cronbach's alpha

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greater than 0.70. Referring to [42] the outcome has satisfied the minimum acceptable Cronbach's alpha coefficient of 0.70.

3.6 Methods of Data Analysis

The data is analyzed qualitatively and quantitatively. Inferential statistics particularly multiple regression and descriptive statistical techniques were in use. [43] stated that descriptive statistics allows the researcher to describe the data and examine relationships between variables. Similarly, in this research descriptive analysis was viewed as systematic presentation of existing data, fact, and/or behavior as it had existed for the foundation of further study. SPSS 16 version is used to process the data.

4. Results and Discussion

The data gathered through questionnaires are analyzed by descriptive statistics such as frequency distribution such as percentage, frequency and mean, and multiple regression instruments. Out of the 290 participants of the study 285 were properly respond and submit the questionnaire. The remaining 5 participants failed to return the questionnaire which indicates the response rate is acceptable.

4.1. Loyalty Status of the Customers

Customers' brand loyalty is a determinant issue of banks to maintain a stable customer base and higher deposit mobilization. Thus, measuring customers' brand loyalty and its determinants is supposed for banks to be considered as one of the primary activities of bank operations.

Table 1:Customers' Brand Loyalty Status

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	switcher[i]	51	17.9	18.0	18.0
	shifting loyal[ii]	68	23.9	24.0	42.0
	split loyal[iii]	46	16.1	16.3	58.3
	hard-core loyal[iv]	118	41.4	41.7	100.0
	Total	283	99.3	100.0	
Missing	System	2	.7		
Total		285	100.0		

Table 1, revealed that 41.7%, of the customers replied that they are hard-core loyal, whereas 16.3%, 24.0%, and 18.0% of them stated that they are split loyal, shifting loyal, and switcher loyal respectively. Measurement of the brand loyalty status of the customers toward the commercial bank of Ethiopia indicates that though most of the customers of the bank are hard-core and split loyal, there are also significant numbers of customers who are categorized either as a switcher or shifting loyalty status. This implies that there are significant numbers of customers who are also using other banks services and looking for better service. This means there are customers who are in a wish of switching from the commercial bank of Ethiopia to other private banks around the market with better benefit packages and services. If this comes true, the banks' customer-base will be with no doubt un-stabilized and deposit mobilization will also be diminished as the level of competition keeps intensified through time. This fact is also triangulated by the overall mean and standard deviation scores of 2.82 and 0.62 as indicated in table 1.

4.2. Determinants of Customers' Brand Loyalty

Regarding the determinants of brand loyalty, service distribution takes the lion-share followed by promotion, reputation, and customer satisfaction. In contrast to this, the frequency of culture and tangible benefits has the least prediction ability of brand loyalty. This is justified by the distribution variable mean score of 3.60 and a *standard deviation of 0.90 represented in table 2. These scores can certainly indicate that the role of distribution as a determinant of brand loyalty towards the commercial bank of Ethiopia is high.*

Table 2: Standard Deviation and Mean Scores

	N	Minimum	Maximum	Mean	Std. Deviation
Brand Loyalty	283	1	5	2.82	.62
Distribution	285	1	5	3.60	.90
Promotion	285	1	5	3.51	.931
Customer Satisfaction	285	1	5	3.28	1.029
Reputation	284	1	5	3.42	.996
Tangible Benefit	284	1	5	3.25	1.079
Culture	285	1	5	3.25	1.157
Valid N (listwise)	282				

In investigating the determinants of brand loyalty status of commercial banks of Ethiopia, tangible benefit and culture are the least predictors as evidenced by the mean score of 3.25 for both and 1.079 and 1.15 standard deviation respectively in table 2. But culture is excluded from the model because it's not significant.

4.2.1 Correlation Analysis

A correlation analysis with Pearson´s correlation coefficient (r) is conducted on all variables in the study to evaluate the strength of the relationships among the variables. In addition, multiple regressions were used to identify the most important variable/s of the model that contribute/s to brand loyalty. To interpret the strengths of relationships between variables, the guidelines suggested by Field (2005) were followed, mainly for their simplicity. His classification of the correlation coefficient (r) is as follows: 0.1– 0.29 is weak; 0.3 – 0.49 is moderate; and= > 0.5 is strong. And if the correlation coefficient is +1 indicates positive perfect relationship, -1 indicates negative perfect relationship and zero correlation indicates there is no leaner relationship at all.

The correlations of the variables in Table 3 showed that the variables positively correlated each other, as evidenced by the coefficients with double stars.

This implies that a change in one covariant result positive effect on the impact of the other independent variables over the output. However, distribution negatively correlated with culture of the customers, as evidenced by the coefficient with a single star, indicating that, a change in distribution reduces the impact of culture on the customers' brand loyalty.

According to table 3, the Pearson correlation matrix, distribution has the strongest association with overall customer brand loyalty with an R-value of 0.585. Promotion, tangible benefit, and satisfaction indicate a positive moderate relationship with brand loyalty. In contrast to this, reputation and culture have a positive weak relationship with brand loyalty. Generally, distribution and promotion have the strongest positive associations with the customers' brand loyalty in Ethiopian commercial bank and the least positive correlation is with culture and customers' brand loyalty

Table 3: Correlation of The Variables

	Distribution	Promotion	Satisfaction	Reputation	Benefit	Culture	brand loyalty
Distribution	1						
Promotion	.239**	1					
Satisfaction	.144**	.269**	1				
Reputation	.147**	.267**	.592**	1			
Benefit	.023	.357**	.332**	.371**	1		
Culture	-.077*	.320**	.239**	.347**	.671**		
brand loyalty	.585**	.480**	.363**	.286**	.402**	.142**	1

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4.2.2 Regression Analysis

In this research, the regression uses the modified PRBDS model as independent variables against a separate measure of customers' brand loyalty. A regression analysis examines the relation of the dependent variable to specified independent variables.

Multiple regressions were conducted to identify the relationship and to determine the most dominant variables that influenced the brand loyalty of customers in Ethiopian commercial banks. The significance level of 0.05 was used with a 95%confidence interval. The dependent variable is customers' brand loyalty and the independent variables include the PRBDS model, which are distribution, promotion, culture, tangible benefit, reputation, and satisfaction.

Table 4: Model Summary

R Square	Adjusted R Square	Std. Error of the Estimate
.586	.573	.732

a. Predictors: (Constant), culture, distribution, satisfaction, promotion, reputation, and tangible benefit.

The reason for using multiple regression analysis was to examine the direct effect of these variables on customers' brand loyalty and the output is shown in the table below. In order to indicate the impact that each variable has on the dependent variable, the study checked the Standardized Coefficients. Table 4 shows the slope of multiple regression analysis.

In the model summary from the analysis in table 4 R (0.797a) indicated that correlation of the six independent variables with the dependent variable customers' brand loyalty and the weighted combination of the predictor variables (PRBDS model) explained or affect approximately 58.6% (adjusted R square) of the variance of customers' brand loyalty and the remaining 41.4% is by extraneous variables. This result also indicates that there might be other variables that could have been neglected by the current study in predicting brand loyalty.

The multiple regression analysis on the table 5 revealed the impact of each PRBDS variables and their significance. The impact of distribution, promotion, satisfaction, reputation, tangible benefit and culture on brand loyalty are 0.421, 0.153, 0.065, 0.071, 0.006 and 0.032 respectively, in their descending order. By examining this beta weight of data analysis result the finding shown that distribution followed by promotion is making a relatively larger contribution to the prediction of the model. This informed us that the predicted change (refer table 5) in the dependent variable for every unit increase is the result of a change in the predictor variables. Which means for every additional point or value in the distribution one could predict a gain of 0.421 points on the customers' brand loyalty provided that other variables being held constant. The same is for promotion, reputation, satisfaction, culture, and tangible benefit.

Table 5:Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95% Confidence Interval for B		Collinearity Statistics	
		B	Std. Error	Beta			Lower Bound	Upper Bound	Tolerance	VIF
1	(Constant)	1.014	.291		3.488	.001	.442	1.585		
	distribution	.421	.052	.446	8.125	.000	.319	.523	.893	1.119
	promotion	.153	.058	.153	2.622	.009	.038	.268	.785	1.273
	satisfaction	.065	.068	.063	.955	.013	-.069	.199	.624	1.603
	reputation	.071	.074	.064	.958	.002	-.218	.075	.594	1.682
	Tangible Benefit	.006	.070	.006	.082	.006	-.132	.143	.502	1.992

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culture	.032	.064	.036	.499	.062	-.095	.159	.515	1.941

Dependent Variable: customer's brand loyalty R square=0. 586
**. Significant at the 0.01 level
*. Significant at the 0.05 level

The beta weight of the data analysis result finding also showed that tangible benefit is making relatively lower contribution to the prediction of the model. Whereas culture doesn't predict customers' brand loyalty due to the fact that it is rejected in hypothesis testing.

Therefore, the commercial bank of the Ethiopian Tigray district requires working hard to improve the provision of tangible benefit efforts to increase customers' brand loyalty. Generally, customers' brand loyalty is primarily predicted by a higher level of distribution and promotion, and to a lesser extent by reputation, satisfaction and tangible benefit. Distribution received the strongest weight in the model followed by a promotion this shows they are the dominant loyalty creation strategies in the banking industry.

The researcher has discovered that the level of customers' brand loyalty can be determined by those identified variables. The researcher, as indicated below, developed a regression model:

Y=(B0+B1X1+B2X2+B3X3+B4X4+B5X5+B6X6)

CBL=(1.014+0.446X1+0.153X2+0.063X3+0.064X4+0.006X5)

Where, Y= the level of customers' brand loyalty

B0=constant, X1=distribution X2= promotion, X3= satisfaction, X4= reputation, X5= tangible benefit and CBL=customers' brand loyalty

The coefficients showed that customers place highest value on distribution followed by promotion and those other specified variables in the figure in their loyalty status.

Multicollinearity exists [44] when there is a strong correlation between two or more predictors in a regression model. High level of collinearity increases the probability that a good predictor of the outcome will be found none significant and rejected from the model (type II error). For this model the VIF value is all well below 10 and the tolerance statistics all well above 0.2 (check table 5 for the numbers); therefore, the researcher can safely conclude that there is no collinearity within the research data.

The triangulated result indicates that service distribution and promotion are the most determinants of brand loyalty to the customers of commercial banks of Ethiopia. From this the bank can take a lesson that how service convenience and awareness got primacy by the customers to be loyal to a brand. Result indicates that distribution, promotion, reputation, satisfaction, and tangible benefits positively impact on the loyalty status reported hierarchically. This result especially reputation is also similar to the research work of [39], and [18] which was done on a similar area in Kenya and Thailand respectively. The result associated with satisfaction has also consistency with the finding of [45]. But the result of this study with association to the positive impact of tangible benefit has failed to be consistent with the finding of [18]. This could be possibly due to the fact that Ethiopians and Thailand bank customers are different in the nature of price and interest sensitivity.

Therefore, if the bank wishes to maintain the desired level of brand loyalty of its customers, it should work rigorously on the indicators mentioned above. Failing to work hard on branch expansion and other service convenience issues, promotion programs, customer satisfaction, corporate image, a reference group of the customers, and tangible benefits mean that ignoring the primary predictors of loyalty and then losing customers.

4.2.3 Hypothesis Testing

An attempt is made to test the hypotheses of the study by drawing supports from the analysis provided above.

H0: distribution has no significant and positive relationship with brand loyalty.

H1: distribution has significant and positive relationship with brand loyalty.

Pearson correlation matrix in the table 2 shows that distribution has a strong positive relationship with criterion variable with the R-value of 0.585.

Moreover, the association is statistically significant because p<0.05 which was shown in the multiple regression table 4 (p-value is 0.000) then the relationship is significant and positive. This result shows customers are affected by distribution campaigns in their loyalty then the bank requires improving continuously its application. Thus, the alternative hypothesis is accepted.

H0: promotion has no significant and positive relationship with customers' brand loyalty.
H1: promotion has a significant and positive relationship with customers' brand loyalty.
Based on table 2, the promotion has a moderate positive association with customers' brand loyalty with the R-value of 0.480. Moreover, the association is statistically significant because p<0.01 which was shown in the multiple regression in table 4 (p-value is 0.009) then the relationship is significant and positive. This result shows customers are affected by promotion campaigns in their brand loyalty status then the banks require improving continuously its application. Thus, the alternative hypothesis is accepted.

H0: Customer satisfaction has no significant and positive relationship with customers' brand loyalty.
H1: Customer satisfaction has a significant and positive relationship with customers' brand loyalty.

According to the finding in table 2, satisfaction has a moderate positive relationship with customers' brand loyalty. Based on the multiple regression output of table 4 the relationship is statistically significant because the p-value is 0.013 which is less than 0.05 and the r value is 0.363. Therefore, the alternative hypothesis is accepted.

H0: reputation has no significant and positive relationship with customers' brand loyalty.
H1: reputation has significant and positive relationship with customers' brand loyalty.

*Based on the finding in the data analysis of table 2, reputation has a weak positive relationship with customers' brand loyalty(r=0.286**). And, the linear regression output in table 4 shows the correlation between the two constructs is statistically significant because the p-value is less than 0.01 which is 0.002. Thus, the alternative hypothesis is accepted.*

H0: culture has no significant and positive relationship with customers' brand loyalty.
H1: culture has a significant and positive relationship with customers' brand loyalty.

*According to the Pearson correlation matrix which is presented above shows that reputation has a weak positive correlation with customers' brand loyalty (r=0.142**). However, the linear regression output in table 4 shows the correlation between the two constructs is not statistically significant because the p-value is greater than 0.05 which is 0.062. Therefore, the null hypothesis is accepted.*

H0: tangible benefit has no significant and positive relationship with brand loyalty.
H1: tangible benefit has significant and positive relationship with brand loyalty.

Pearson correlation matrix in table 2 shows that tangible benefit has a moderate positive relationship with the dependent variable with the R-value of 0.402.

Moreover, the association is statistically significant because p<0.05 which is indicated in the multiple regression table 4 (p-value is 0.006) then the relationship is significant and positive. This result shows customers are affected by tangible benefit campaigns in their brand loyalty then the banks require improving continuously its intensity. Thus, the alternative hypothesis is accepted.

5. Conclusions

The objective of this study is to examine the customers' brand loyalty status and its determinants within a bank industry setting. In doing so, the loyalty status of the customers is fragmented into hard-core loyal, split loyal, shifting loyal, and switchers. This implies that some customers are looking for better benefits and service packages of bank products. Regarding the second issue, i.e., distribution, promotion, reputation, satisfaction, and tangible benefits were examined as antecedents of brand loyalty. Whereas culture found no association in the creation of customers' brand loyalty. Distribution (service convenience) and promotional campaigns have a dominant effect on the brand loyalty.

6. Recommendation

21 centuries is characterized by an increasingly competitive business environment. This scenario is also working in the banking industry. To exist in such a business environment and to be a leader in the industry, banks should establish stable and adequate customers-base and then possess adequate deposit mobilization. To do these bank managers should consider the following takeaway messages.

Most importantly banks should keep in mind that customers' brand loyalty is a key success factor that demands special attention and enough budget. In doing so, two major issues should be addressed. First, the banks should continuously work to enhance their customers' loyalty status. This means all the customers with switching, shifting, and split loyalty status should be up-graded into hard-core-loyal customers. Second, sticking on the above (refer to the conclusion) identified indicators of brand loyalty is mandatory if consumers' brand loyalty is a goal. Second, customers appreciate service convenience (distribution) and promotional campaign experience, so there is potential for relationships to be leveraged to build brand loyalty. To this end, it is better for the bank manager to work hard on branches expansion and utilization of technologies like mobile banking and internet banking consistently. Furthermore, if the banks keep working on promotional campaigns, they don't only build their reputation but also strengthen the loyalty status of the customers.

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[i] Switchers refers to the customers who don't indicate loyalty to any brand.

[ii] Shifting loyal refers to the customers whose buying and product usage changes periodically.

[iii] Split loyal refers to the customers who buy and use only two or three products.

[iv] Hard-core loyal refers to the customers who buy and use only a single brand.