

A STUDY ON THE INFLUENTIAL FACTORS ON LIKELIHOOD OF
GENERATING POSITIVE WORD-OF-MOUTH COMMUNICATION
IN COLOMBO D.S DIVISION IN COLOMBO DISTRICT

By

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ABSTRACT

Many banks try to achieve their goals like profit maximization, high market share and survival. In market, consumers have certain expectations from the banking services and tend to rely on bank as an indicator to consume by default. If the role of Customer-Employee Relationships, Service Quality, Service Delivery and Marketing Promotional Efforts do not create any positive change in word-of-mouth of bank choice, all the resources spend in wasted of each bank. Therefore, this study about influential factors on LGPWOM that included *"The Role of Customer-Employee Relationships, Service Quality, Service Delivery and Marketing Promotional Efforts in influencing the LGPWOM of Popular Banks"*, which is one of the most competitive market in Colombo D.S Division in Colombo District.

The important investigation of this study for marketers is *"What are the factors that influence on the likelihood of generating positive word-of-mouth communication in the banking sector in Colombo D.S. Division?"* As secondary measures, the following questions are focused and substantiated for investigation to answer the research question as what is the level of Customer-Employee Relationships, Service Quality, Service Delivery and Marketing Promotional Efforts among the Popular Banking Services and what is the level of LGPWOM among the Popular Banking Services and exploring the relationship between the Role of Customer-Employee Relationships, Service Quality, Service Delivery and Marketing Promotional Efforts with LGPWOM among Popular Banking Services.

This study was collected 200 questionnaires from 35 G.N Divisions in Colombo. Data were analyzed and evaluated by Univariate, Bivariate, Multivariate analyses and Research Hypotheses. For this study, only six popular banks are considered for this study namely Bank of Ceylon, Peoples Bank, Commercial Bank, Hatton National Bank, Seylan Bank and Sampth Bank. However, the main thing is the marketer want to identify that all these banks' Customer-Employee Relationships, Service Quality, Service Delivery and Marketing Promotional Efforts positively (0.805, 0.813, 0.859, 0.891 respectively) influencing the LGPWOM. But the unique contribution of Customer-Employee Relationships and Service Delivery to LGPWOM is comparatively less with Service Quality and Promotional Efforts. 83% of the variation in the LGPWOM is explained by Customer-Employee Relationships, Service

Delivery, Service Quality and Marketing Promotional Efforts. Rest of 17% of the variation in the LGPWOM is explained by other factors like satisfaction, loyalty, perceived quality etc.

The study considers Customer-Employee Relationships, Service Quality, Service Delivery and Marketing Promotional Efforts as independent variables and LGPWOM as dependent variable with five suitable dimensions. The study found that this Customer-Employee Relationships dimensions indicate high level (mean Value is 4.605) in Customer-Employee Relationships. Particularly, Enjoyable Interaction (4.758) is highly influenced in Customer-Employee Relationships. The study found that this Service Quality dimensions indicate high level (mean Value is 4.530) in Service Quality. Particularly, Empathy (4.775) is highly influenced in Service Quality. The study found that this Service Delivery dimensions indicate high level (mean Value is 4.624) in Service Delivery. Particularly, Access (4.755) is highly influenced in Service Delivery. The study found that this Marketing Promotional Efforts dimensions indicate high level (mean Value is 4.738) in Marketing Promotional Efforts. Particularly, Personal and Non Personal communication (4.760) is highly influenced in Marketing Promotional Efforts.

Other side, dependent variable dimensions indicate high level (mean Value is 4.470) in LGPWOM. Particularly, Willingness (4.765) is highly influenced in LGPWOM. Overall view, the Customer-Employee Relationships has strong positive influence (0.886) on the LGPWOM of Peoples Bank, Service Quality has strong positive influence (0.852) on the LGPWOM of HNB, Service Delivery has strong positive influence (0.893) on the LGPWOM of BOC and Marketing Promotional Efforts has strong positive influence (0.980) on the LGPWOM of Seylan Bank. Eventually, this report recommends some actions for improving the role of Customer-Employee Relationships, Service Quality, Service Delivery and Marketing Promotional Efforts in influencing the LGPWOM of Popular Banking Services.

Keywords: Customer-Employee Relationships, Service Quality, Service Delivery, Marketing Promotional Efforts and LGPWOM

Researcher

TABLE OF CONTENTS

	Page No
Acknowledgement	I
Abstract	II
Table of Contents	V
List of Tables	XIII
List of Figures	XXV
List of Abbreviations	XXVI

CHAPTER 1- INTRODUCTION

1.1 Background of the study	01
1.2 Problem Statement	02
1.3 Objectives of the study	04
1.4 Significance of the study	04
1.5 Scope of the study	05
1.6 Outline of the study	06
1.7 Summary	07

CHAPTER 2- LITERATURE REVIEW

2.1 Introduction	08
2.2 Overview of Banking Sector In the Market Place	08
2.2.1 Commercial Banking	09
2.3 Marketing Communication Mix for Services	09
2.3.1 The Concept of Word -Of-Mouth Communication	09
2.3.2 Positive Versus Negative Word -Of-Mouth Communication	11
2.3.3 Prime Sources of Word-Of Mouth Communication	12
2.3.3.1 Referral Types of Word-Of-Mouth Communication	12
2.3.3.2 Methods of Delivering Word-Of-Mouth	12
2.3.3.3 Network Hubs for Word-Of-Mouth Communication	13
2.3.3.4 Social Network and Word -Of-Mouth Communication	13
2.3.3.5 Word -Of-Mouth Transmission from Traditional to	13

Online Channel	
2.3.4 Determinant Factors of Word -Of-Mouth Communication	14
2.3.4.1 Customer-Employee Relationships	15
2.3.4.1.1 Customer-Employee Relationships and LGPWOM	16
2.3.4.2 Service Quality	18
2.3.4.2.1 Service Quality and LGPWOM	18
2.3.4.2 Service Delivery	20
2.3.4.2.1 Service Delivery and LGPWOM	21
2.3.4.2 Marketing Promotional Efforts	22
2.3.4.2.1 Promotional Efforts and LGPWOM	23
2.4 Summary	25

CHAPTER 3- CONCEPTUALISATION AND OPERATIONALISATION

3.1 Introduction	26
3.2 Conceptualization	26
3.2.1 Conceptual Framework	26
3.2.1.1 Likelihood of Generating Positive Word-Of-Mouth Communication Behaviour	27
3.2.1.2 Customer-Employee Relationships	27
3.2.1.3 Hypothesis of the study	28
3.2.1.4 Service Quality	28
3.2.1.5 Hypothesis of the study	29
3.2.1.6 Service Delivery	29
3.2.1.7 Hypothesis of the study	30
3.2.1.8 Marketing Promotional Efforts	30
3.2.1.9 Hypothesis of the study	30
3.3 Operationalization	31
3.3.1 Perspective of Customer-Employee Relationship	32
3.3.1.1 Enjoyable Interaction	32
3.3.1.2 Personal Connection	32
3.3.2 Perspective of Service Quality	33

3.3.2.1 Tangible	33
3.3.2.2 Reliability	34
3.3.2.3 Responsiveness	35
3.3.2.4 Assurance	35
3.3.2.5 Empathy	36
3.3.3 Perspective of Service Delivery	37
3.3.3.1 Access	37
3.3.3.2 Delivery Options	37
3.3.4 Perspective of Promotional Efforts	39
3.3.4.1 Incentives and Sales Promotion	39
3.3.4.2 Personal and Non Personal Communication	39
3.3.4.3 Public Relations and Publicity	40
3.3.5 Perspective of Likelihood of Generating Positive Word-Of-Mouth	41
3.3.5.1 Willingness	41
3.3.5.2 Praise	42
3.3.5.3 Intensity	43
3.3.5.4 Content	44
3.3.5.5 Valance	44
3.3.6 Summary of Operationalization	45
3.4 Summary	47

CHAPTER 4- METHODOLOGY

4.1 Introduction	48
4.2 Study Setting, Study Design, and Method of Survey	48
4.3 Sampling	49
4.3.1 Study Population	49
4.3.2 Sample Size	49
4.3.3 Sampling Method	50
4.4 Method Of Data Collection	50
4.4.1 Sources of Data	50
4.4.2 Structure of the Questionnaire	51

4.5 Data Presentation and Analysis	53
4.5.1 Method of Data Presentation	53
4.5.2 Method of Data Analysis	53
4.6 Method of Data Evaluation	58
4.7 Summary	63

CHAPTER 5- DATA ANALYSIS AND PRESENTATION

5.1 Introduction	64
5.2 Analysis of Reliability	64
5.3 Research Information	65
5.3.1 Univariate Analysis	65
5.3.1.1 Preliminary - Bank Choice	65
5.3.1.2 View of Independent Variables	66
5.3.1.2.1 Customer-Employee Relationships	67
5.3.1.2.2 Service Quality	69
5.3.1.2.3 Service Delivery	71
5.3.1.2.4 Marketing Promotional Efforts	72
5.3.1.2.5 Overall View of Independent Variables	74
5.3.1.3 View of Dependent Variable	74
5.3.1.3.1 Likelihood of Generating Positive Word-Of-Mouth	75
5.3.1.3.2 Dimensions View of Likelihood of Generating Positive Word-Of-Mouth	77
5.3.2 Bivariate Analysis	78
5.3.2.1 Correlation Analysis	78
5.3.2.1.1 Correlation Between the Variables of Customer-Employee Relationships and LGPWOM	78
5.3.2.1.2 Correlation Between the Variables of Service Quality and LGPWOM	79
5.3.2.1.3 Correlation Between the Variables of Service Delivery and LGPWOM	81

5.3.2.1.4 Correlation Between the Variables of Marketing Promotional Efforts and LGPWOM	82
5.3.2.2 Hypothesis Testing	83
5.3.2.2.1 Hypothesis Testing for Customer-Employee Relationship is Significantly Influence Consumers' LGPWOM	83
5.3.2.2.2 Hypothesis Testing for Service Quality is Significantly Influence Consumers' LGPWOM	85
5.3.2.2.3 Hypothesis Testing for Service Delivery is Significantly Influence Consumers' LGPWOM	86
5.3.2.2.4 Hypothesis Testing for Marketing Promotional Efforts is Significantly Influence Consumers' LGPWOM	88
5.3.3 Multivariate Analysis	89
5.3.3.1 Partial Correlation Analysis	90
5.3.3.1.1 Partial Correlation Between Customer-Employee Relationships and LGPWOM	90
5.3.3.1.2 Partial Correlation Between Service Quality and LGPWOM	91
5.3.3.1.3 Partial Correlation Between Service Delivery and LGPWOM	91
5.3.3.1.4 Partial Correlation Between Marketing Promotional Efforts and LGPWOM	92
5.3.3.2 Multiple Regression Analysis	93
5.3.4 About Buyer	95
5.3.4.1 Gender Distribution	96
5.3.4.2 Family Income	96
5.3.4.3 Education Distribution	97
5.3.4.4 Occupation Distribution	97
5.4 Cross Tab Analysis	98

5.4.1 Bank Choice * Users' Age Cross Tabulation	98
5.4.2 Bank Choice * Gender (User) Cross Tabulation	99
5.4.3 Bank Choice * Family Income Cross Tabulation	100
5.4.4 Overall Bank Choice * Dimensions of Independent Variables Cross Tabulation	101
5.4.5 Overall Bank Choice * Dimensions of Dependent Variable Cross Tabulation	102
5.4.6 Overall Bank Choice * Relationship Between Customer-Employee Relationships & LGPWOM	105
5.4.7 Overall Bank Choice * Relationship Between Service Quality & LGPWOM	106
5.4.8 Overall Bank Choice * Relationship Between Service Delivery & LGPWOM	108
5.4.8 Overall Bank Choice * Relationship Between Promotional Efforts & LGPWOM	109
5.5 Summary	111

CHAPTER 6- DISCUSSION

6.1 Introduction	112
6.2 Discussion on Research Information	112
6.2.1 Preliminary – Bank Choice	112
6.2.2 Customer-Employee Relationships	113
6.2.2.1 Enjoyable Interaction	113
6.2.2.2 Personal Connection	114
6.2.3 Service Quality	115
6.2.3.1 Tangible	116
6.2.3.2 Reliability	117
6.2.3.3 Responsiveness	118
6.2.3.4 Assurance	118
6.2.3.5 Empathy	119
6.2.4 Service Delivery	120
6.2.4.1 Access	121

6.2.4.2 Delivery Options	122
6.2.5 Promotional Efforts	123
6.2.5.1 Incentives and Sales promotion	123
6.2.5.2 Personal and Non Personal communication	124
6.2.5.3 Public relations and Publicity	125
6.2.6 Likelihood of Generating Positive Word-Of-Mouth	126
6.2.6.1 Willingness	127
6.2.6.2 Praise	128
6.2.6.3 Intensity	128
6.2.6.4 Content	129
6.2.6.5 Valance	130
6.2.7 Relationship Between Customer-Employee Relationships and LGPWOM	130
6.2.8 Relationship Between Service Quality and LGPWOM	132
6.2.9 Relationship Between Service Delivery and LGPWOM	134
6.2.9 Relationship Between Marketing Promotional Efforts and LGPWOM	135
6.3 Personal Information	137
6.4 Summary	138

CHAPTER 7- CONCLUSIONS AND RECOMMENDATIONS

7.1 Introduction	139
7.2 Conclusions and Recommendations	139
7.2.1 Conclusion of Customer-Employee Relationships	139
7.2.2 Recommendation of Customer-Employee Relationships	141
7.2.3 Conclusion of Service Quality	142
7.2.4 Recommendation of Service Quality	143
7.2.5 Conclusion of Service Delivery	145
7.2.6 Recommendation of Service Delivery	147

7.2.7 Conclusion of Marketing Promotional Efforts	148
7.2.8 Recommendation of Marketing Promotional Efforts	149
7.2.9 Conclusion of LGPWOM	150
7.2.10 Recommendation of LGPWOM	152
7.2.11 Conclusion of Relationship Between Customer-Employee Relationships and LGPWOM	155
7.2.12 Conclusion of Relationship Between Service Quality and LGPWOM	156
7.2.13 Conclusion of Relationship Between Service Delivery and LGPWOM	158
7.2.14 Conclusion of Relationship Between Marketing Promotional Efforts and LGPWOM	159
7.3 Assumptions	162
7.4 Limitations of the study	163
7.5 Implications	164
7.6 Summary	164
References	165
Appendix I- Survey Questionnaire	169
Appendix II- Overall Variables	174
Appendix III- Popular Banks & Overall Dimensions and Variables	176