Locked in or true love: Branding among banks
A qualitative study of technologies, brand equity, switching barriers, choice criteria and future strategies in the context of retail banking

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Abstract

Purpose – The purpose of this paper is to increase the knowledge about technology based services affection of the ability of retail banks to build customer based brand equity among students.

Design/methodology/approach – A conceptual model has been developed from theories regarding customer based brand equity, switching barriers and choice criteria. Based on this conceptual model, seven in depth interviews including several brand elicitation techniques were conducted.

Findings – The findings show that students perceive the target banks to be rather similar, especially regarding technologies. In addition, the students are satisfied with their bank, however; the technology based services have difficulties in creating true customer based brand equity. Behind this difficulties are the special character of financial service combined with the student role. Together, these results suggest that the banks need to do something besides the actual services in order to build customer based brand equity and keep the customers for a long term relationship. These strategies must be developed and implemented carefully in order to keep the current image of credibility.

Research limitations/implications – The paper has not included comprehensive eliciting techniques and this must be taken into account when reflecting about unconscious brand associations.

Practical implications – The findings include good insights and advices that bank managers can use to create meaningful differentiations in the future and attract and keep students as customers for a long time.

Originality/value - The paper combines customer based brand equity with switching barriers, which give valuable insights to both banks and researchers. Moreover, the time period of the study related to the technological innovation provides the brand equity research in the financial sector with updated knowledge.

Key words Brand equity, Retail bank, Customers, Students, Branding in financial services, Switching barriers, Choice criteria.

Paper type Master thesis
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1. Introduction

In this chapter a brief background including the key theoretical areas are provided to introduce the reader into the subject. The background leads up to my identified research gap and the research questions this thesis aims to answer. Finally, the chapter concludes with the purpose and the outline of the following chapters.

1.1 Background

In recent years there have been several technological innovations in the banking sector: online/mobile banking and transaction solutions. These innovations have generated several advantages and enabled more flexible and user friendly service (Akinci et al., 2004, p. 212). However, the customer satisfaction in the Swedish banking sector is the lowest in many years. One reason behind the low satisfaction is the customer’s perceptions of being forced into new technologies (SKI, 2013). This new technology, called self-service technologies, enables the customers to take part of the service without contact with employees (Meuter et al., 2000, p. 50). Thus, the way of banking has changed completely; there are clear differences between offline and online service experiences (Rowley, 2006, p. 339). Adding to that, customer relationships are easier to develop under offline services (Palmatier et al., 2009; Rosenbaum et al., 2009).

From the perspective of a dissatisfied customer, the choice includes the alternatives of: 1) exit the relationship and switch to another service provider or 2) stay and anticipate that the service will improve (Hirschman, 1970). Despite the low satisfaction in the Swedish bank sector, results from the Swedish Competition Authority (2013, p. 20) show a low customer mobility, meaning that the customers do not exit their relationship to a great extent. From a bank perspective, these relationships are extremely important, as they increase the utility the customers generate to the bank (Reichheld & Sasser, 1990, p. 105). One explanation behind this rather illogical equation, of unsatisfied customers staying at their bank, is the banks development of switching barriers.

The term switching barrier is used by Jones et al. (2000, p. 261) to refer to “any factor that makes it difficult or costly for customers to change bank service providers”. These barriers can be classified into several different types: switching costs, availability and attractiveness of alternatives and relational benefits (Colgate & Lang, 2001, p. 333-334). Relational benefits are especially interesting related to the technological development, and the question if the banks are able to build strong relationships, without a high degree of face to face contact. On the other hand, recent research suggests that technology can create switching barriers, by using more complex online services, the customers need to obtain knowledge about how to use the service on the website (Fernández-Sabiote & Román, 2012, p. 39) Another factor that makes the unsatisfied customers more reluctant to change service providers is the perception that all banks are very similar (Panther & Farquhar, 2004, p. 347) and therefore switching do not matter for the customers. According to these perceptions, the banks need to obtain clearly different positioning in customer’s minds in order to keep existing customers and acquire dissatisfied customers from competitors. Linked to the title of the thesis, perceptions of high switching barriers among the customers could be a reason behind that customers are staying because they feel locked in in the relationship with the bank.

Closely related to the decision to stay or exit the relationship with the bank are the factors that the consumers evaluate in the decision making process. A considerable
amount of literature has been published regarding choice criteria in the selection of retail banks (Devlin, 2002, p. 274). Anderson et al. (1976, p. 44-45) found that banking services were viewed as a rather undifferentiated service with convenience as an important selection criteria. The limited number of studies regarding choice criteria in a Swedish context (Martensson, 1985; Zineldin, 1996) is old and not made after the technology revolution. For example, Martensson (1985, p. 73-74) reported that many respondents’ selection was a random decision and that the young customers were influenced by their parents in the selection decision.

Furthermore, previous research underlines the fact that basic products in the banking sector are similar and hard to differentiate (Milligan, 1995, cited in de Chernatony & Dall’Olmo, 1999, p. 184). In the same vein, Ioanna (2002, p. 66) takes it a step further and states that product differentiation is impossible in the high competitive banking sector. In this development of more technology and less personal contact, there is a risk that the banking sector becomes even more a question of commodities. Striving for keeping customers, there are other means than locking them in; one of them is branding. Milligan (1995, p. 39 cited in de Chernatony & Dall’Omo Riley, 1999, p. 184) illustrates the power of branding in a good way “basic products like checking accounts, credit and debit cards, mortgages and certificates of deposit have become so ubiquitous that it is hard to tell them apart. Your brand identity is….what differentiates you and makes you special”. Branding therefore becomes a critical tool for the banks in order to build an image and differentiate (Harwood 2002, cited in Cohen et al., 2006, p. 5) and act as a reason for the consumers to choose a specific bank.

A brand can be defined as a “name, term, design, symbol, or any other feature that identifies one seller's good or service as distinct from those of other sellers” (AMA, 2014) However, seen from a consumer perspective Achenbaum (1993 cited in Keller, 2008, p. 5) describes it in the following way “what distinguishes a brand from its unbranded commodity counterpart and gives it equity is the sum total of consumers perceptions and feelings about the products attributes and how they perform”. According to this, all the consumers participate in defining the brand, expressed by Berry (2002, p. 129) as “a brand is perceived”.

A competitive advantage can be reached through product branding which successfully can lead to several benefits: less price sensitive customers, decreased perceived risk among the customers, and increased brand loyalty. (Jamal & Hossein, 2013, p. 123; Keller, 2008, p. 7) This importance of being different highlights the actuality of managing the brand in a strategic manner (Lisa, 2000, p. 662), which can be done through building brand equity.

There are several definitions of brand equity (Keller, 2008, p. 37) and Keller (1993, p. 2) defines the customer based brand equity (CBBE) as “the differential effect of brand knowledge on consumer response to the marketing of the brand”. Both Leuthesser (1988) and Srivastava & Shocker (1991) define brand equity in a broader manner, and include the associations and attitudes of the channel members. In this paper, I apply Keller’s (1993) customer centric definition; this choice is further discussed more in detail in the theory chapter. Generally, brand equity is the value endowed in a well-known brand (Keller, 2008, p. 37) and a strong brand needs to have high awareness and be linked to some strong, favourable and unique associations (Keller, 2008, p. 53). These associations will be driven by the experiences created between both customers
and employees and customer and self-service technologies (Berry, 2000, p. 130). Due to the technology revolution in the financial sector, and its affection on the associations, the effect must be investigated in a qualitative way. The main reason is the application of Keller’s definition, meaning that the power of brand and the brand equity resides in the head of the consumers. In line with the quotation of Pawle (1999, p. 24): “There is no way to understand core brand equity without in-depth responses from qualitative research”, a qualitative strategy will be more effective to address the research questions. In the end, these changed associations inside the consumer’s heads can lead to different responses by the customers.

In addition, services have not been researched to the same extent, as products, in the brand equity field (Jamal & Hossein, 2013, p. 124). However, branding is important among services because of its ability to create trust for the intangible service and reduce perceived safety and monetary risk in the purchase process (Berry, 200, p. 128). At the same time, branding in the financial sector are challenging, due to the fact that many brands lack emotional appeal, strength and saliency (de Chernatony & Dall’Olmo, 1999, p. 189; Mcondald et al., 2001, p. 342).

So far, branding and the use of switching barriers have been discussed as tools to keep customers. Regarding their relation to each other, an important point is made by Colgate & Lang (2001, p. 342-343) arguing that the use of switching barriers is not a sustainable solution in the long run. This highlights the essence of building strong brands and creating a situation where the customers stay because of strong belongingness and associations; instead of staying because of customer inertia.

Thus, one way to avoid the previous mentioned commoditization in the banking sector is to build strong brands. However, research shows that there are few financial brands have succeeded with this and many lack true customer based brand equity. (Devlin & Azhar, 2004, p. 15) Therefore, this study provides an excellent opportunity to advance the knowledge of younger customers and their creation of customer based brand equity in the context of retail banking. More specific, this study will be done among students, due to the importance of this segment for the banks.

1.2 Why students?
In the area of switching barriers, evidence shows that the age of the customers relates to the decision to exit or stay with the service provider (Cohen et al., 2006; Tesfom & Birch, 2011). More exactly, Tesfom & Birch (2011) found that all the mentioned switching barriers are perceived to be lower among the younger customers. These perceptions, of lower barriers, were also a reason behind that younger customers are more likely to exit their relationship with their current bank. Today, one of the main challenges for the retail banks, in their high competitive environment, is to keep their existing customers and translate them into greater profits (Tesfom & Birch, 2011, p. 371). These facts, make it more interesting and relevant to focus on how banks can keep their young customers in the future by strengthening their brands.

Moreover, Black et al. (2002, p. 170-171) report that customers are more willing to use this technology based services when performing low involvement services at the bank. In opposite, the customers tend to have a bigger need for personal contact during the service in more complex service situations (Black et al., 2002, p. 170-171) in order to
receive intense information and get more detailed service (Bucklin et al., 1996, p. 78-79). Lia et al. (2003, p. 480) findings are in line with this, and show that customers use the different bank channels in a complementary way, and visit the branch if they need face to face interaction. The fact that younger customers (18-35 years) are more open minded to new technology and more likely to use self-service technologies (Cortiñas et al., 2010, p. 1216) and probably do not make so many complex banking transactions, motivates the research of how the students technology intensive situation affects their image of the bank and switching barriers. If the banks have similar technologies, what are the factors the young customers use when they form their different associations about banks.

Finally, age is a common segmenting variable among banks (Germain, 2000, p. 56) and the youth segment is important, due to the fact that building relationships with them in early ages can lead to long term profitable relationships (Foscht, 2010, p. 265). In order to investigate the young customer’s situation, this thesis uses a student sample. The students are an important segment for the banks and banks are even ready to take loss on student accounts in order to secure profits above the average in the future. The reason is explained by the fact that the well-educated students will obtain higher wages in the future and therefore have a bigger need for a variety of banking services. (Thwaites & Vere, 1995, p. 134) In fact, compared to non-students, students are more likely to buy more financial products (Mintel, 2000, cited in Tank & Tyler, 2005, p. 152). This potential of generating future profits, explains why banks should attract young customers in form of students, but especially the significance of keeping them in a long term-relationship. As Tank & Tyler (2005, p. 161) summarize it “the student customers of today are the life-long customers of tomorrow”. Therefore, the banks need to understand the students brand knowledge well, which this study focuses on.

1.3 Research gap and relevance of the study
First, although extensive research has been made on selection criteria and switching barriers, none of them are conducted recently in a Swedish context. The banking sector has changed in several ways, and the arrival of the new technology, justifies new research in the area. Johns & Penott (2008, p. 465) underline that the understanding must be increased regarding how this technology will affect the relationships between customers and banks. The essence of updated research regarding customers associations is supported by Bravo et al. (2009, p. 327), when highlighting the dynamic and changing nature of associations. An increased and updated understanding of customer’s associations will be important for the banks work in formulating future competitive and well positioned offerings (Devlin, 2002, p. 275-276).

Secondly, the young generation is born with this technology intense bank sector and therefore there is a need to investigate how this technology intensive relationship affects their relationships with the bank, and if it can create strong, unique and favourable associations. I have not found any previous study combining brand equity, switching barriers and choice criteria as a whole, in order to increase the understanding about the customer’s point of view.

This customer centric view is supported by Devlin & Azhar (2004, p. 13) who point out that the majority of the previous research relating to branding in the field of the financial sector has been of general character and based on interviews with brand
experts. Seen from this perspective, is more consumer centric and specific knowledge required. Moreover, the majority of the customer related research in the financial sector in Sweden is quantitative studies; Eriksson & Nilsson (2007) studied the determinants of continued use of Internet banking; and Martensson (1985) and Zineldin (1996) studied choice criteria.

Related to the need of qualitative research and sustainable solutions among the banks, McDonald et al. (2001, p. 344) state that marketers in the field of financial services should concentrate on qualitative data. The reason behind this is that loyalty is not sufficient as a measure of the brands strengths because of the phenomenon of customer inertia. Explained in a different way, a bank customer can be unsatisfied but stays because of switching barriers. This justifies the importance of building strong brands and a qualitative and deeper evaluation and measurement of these brand associations.

To sum up, the technology revolution, the comparable less loyal segment of young customers and the relative undifferentiated bank services need a qualitative research concentrated on the students. It is a situation where young customers use online banking frequently and the banks need to have a better understanding how this affects the customer’s customer based brand equity and their future decisions of bank selection. In their way of creating long term relationships to keep existing customers, and gain new ones, the banks need deeper understandings about what is going on inside the students’ heads.

Therefore, the banks need to understand which effect, their technology intense relationship with the youth segment, will have in the long run. Given the above introduction this research seeks to address the gaps and has the following purpose and research questions.

1.4 Research purpose and questions
Based on the introduction and the identified research gap, the purpose of this study is to increase the understanding regarding students use and choice of bank services and how their online interactions affect the creation of customer based brand equity. Moreover, this understanding aims to provide valuable insights for the banks, regarding how they should build stronger brands in the future to create better relationships with their students. Leading to the following research questions:

- **Q1. In which way is the technology development in the banking sector affecting the students customer based brand equity and switching barriers?**
  
  This question (Q1) will give important insights about the effects the technology intensive relationship will have for the student customers. Moreover, it is interesting to know how and where the students form their customer based brand equity (Q2).

- **Q2. Which factors are the students’ source of customer based brand equity?**
  
  Finally, the banks need to be proactive and investigate how they can differentiate and connect with the student segment in the future (Q3).

- **Q3. According to the students, how can the retail banks build stronger brands and increase the engagement with the student segment in the future?**
1.5 Intended contribution

Theoretical: The thesis intends to unveil new insights about how brand equity is created and affected by the technology revolution in the retail bank context. Moreover, the focus is on the student segment. The study will contribute with new theoretical knowledge by studying the new technology in the banking sector in combination with brand equity, switching barriers and choice criteria.

Practical: One motive for studying brand equity is the strategically view, managers can gain deeper understanding of consumers behaviour, in order to improve the productivity of the marketing efforts (Keller, 1993, p. 1). An increased understanding of the consumers in the Swedish banking sector is a good starting point to improve the low satisfaction and create stronger brands, in order to keep their existing customers. Therefore, this study gives the banks a better understanding of the students. After using these advices, they will have good opportunities to develop stronger brands, which will help the banks to keep current customers and gain new ones (Aaker, 1992, p. 30).

In line with the above section, the banks will increase their chances of gaining market share, on the expense of other brands, which are not well branded. Seen from one perspective, the banks can also strengthen their switching barriers in order to keep their customers. However, the main contribution of the current study is to provide a sustainable solution and create students that love their banks and stays because of true loyalty.

Societal: The banks have an important function in the Swedish society. By creating understanding and give insights regarding the problems related to building brand equity, the relationships will be strengthening between banks and students. In the long run this can lead to a better reputation for banks and this will enhance the society because of the consumer’s better confidence in their relationship with the bank.

1.6 Disposition

The following chapters will step by step build up this thesis and together provide the answers on the research questions. The next chapter, chapter 2: Theory, presents and discusses the theoretical framework including the key concept of customer based brand equity. Chapter 3, Scientific method contains discussions about my philosophical considerations and how these affect the thesis. Further, chapter 4: Practical method, presents the method, ranging from the choice of respondents to the design of the interview guide. Chapter 5: empirical method, includes the result obtained from the interviews. The following chapter, chapter 6, analysis and discussion, uses the empirical material and analyses and discusses this in relation to the theoretical framework. Finally, chapter 7: Conclusion, provides answers to the research questions and the implications of the study.
2. Theory

In this chapter the main theories will be presented and discussed in relation to the research questions. The chapter will end up in a conceptual model which will work as a structure for the empirical research.

2.1 Selection of theories and disposition of the chapter

The introduction highlighted the essence of branding in order to create differences among the banks and keep and attract customers. The Swedish customers do not change bank frequently but previous research shows that younger customers are more likely to terminate their current bank relationship (Tesfom & Birch, 2011, p. 377). In this chapter different theories are discussed and explained, both in order to analyse the research questions and to form the base of the empirical research.

In Figure 1, the chapters sections are outlined. Initially, theories related to brand equity are described and discussed. This in order to create the ground for the thesis and to understand how banks can create perceived differences among the customers mind. Linked to the technology development and changed experiences of doing banking services, the service branding model, will incorporate the sources of brand equity. The chapter also provides discussions about how to elicit associations in order to prepare for the empirical chapter. Besides brand equity, the chapter includes the area of decision making. Seeing the relationships as either love (sustainable) or locked in, choice criteria and switching barriers are included in the decision making block.

![Figure 1. Summary of the theoretical framework](image)

2.2 Brand equity

Services intangible characteristic increases the risk of being perceived as a commodity, which makes a distinctive brand important (Mcdonald et al., 2001, p. 345). A strong brand often possesses a high intangible value and protects the company from competitor’s actions and increases the loyalty (Keller, 2009, p. 140). In this sense the Swedish banks need to strengthen their brands among students, in order to keep their existing customers and gain new ones.
There are numerous definitions of brand equity as Winters (1991, p. 70) phrased it “if you ask 10 people to define brand equity, you are likely to get 10 (maybe 11) different answers”. Burthon et al. (2001 cited in Christodoulides & Chernatony, 2010, p. 4-5) describe it in a different more ironic way “perhaps the only thing that has not been reached with regard to brand equity is a conclusion.” Nevertheless, there is consensus that it can be studied from either a financial or a strategy-based perspective. Where the former can be used in accounting purposes, acquisitions and mergers to estimate the value of a brand. The latter motivation is based on understanding the customers better in order to secure that the marketing expenses are used in the best way. (Keller, 1993, p. 1)

In general brand equity, is defined “In terms of the marketing effects uniquely attributable to the brand, for example, when certain outcomes result from the marketing of a product or service because of its brand name that would not occur if the same product or service did not have that name” (Keller, 1993, p. 1). There is also an agreement that past marketing investments in the brand, create this added value, which create these different outcomes (Keller, 2009, p. 140).

In this paper Keller’s definition of customer based brand equity will be applied, “the differential effect of brand knowledge on consumer response to the marketing of the brand” (Keller, 1993, p. 2). In contrast to Keller, other authors define it wider, when including the associations of the channel members (Leuthesser, 1988; Srivastava & Shocker, 1991). Many definitions are similar to Keller’s, Farquhar (1989, p. 24) defines it as the added value the brand endows to a product, and adds that it can be studied from three different perspectives: firm, trade and costumer. Prasad & Dev’s (2000, p. 24) definition, the favourable or unfavourable attitudes and perceptions that influence the customers behaviour, is also aligned with Keller’s. Further, Bailey & Ball (2006, p. 34) define it as the value of consumers and owners associations with the brand, and these impact on the behaviour and future financial performance of the brand. Obviously, literature reveals a common denominator in the extra value attached to the brand, and the following behaviour from the customer. The main differences are the perspectives and which stakeholder to include in the definition.

The reason behind the choice of the definition is this papers concentration around the customer’s perceptions regarding banks. Keller’s definition is customer centric and the power of brands is located in the customer’s heads (Keller, 2008, p. 48). This makes the use of the definition appropriate, in order to understand the customers associations and development of brand equity, it is obvious to have the costumer as midpoint. The choice is aligned with the purpose of understanding how the consumers form their brand knowledge about banks, and how this will affect their selection and switching behaviour between different banks. Consequently, the wider and firm perspective definitions are inappropriate for this purpose. The choice is also supported with one of the main tasks in marketing, to satisfy customers’ needs with products (Keller, 2008, p. 48). Additionally, the definition is linked to a model, which will be used, when explaining how the customers form their associations about banks. Keller’s definition and model will now be carefully described in the upcoming sections.

2.2.1 Customer based brand equity (CBBE)

In order to clarify the meaning of the aforementioned definition, it can be divided into three key terms: 1) differential effect, 2) brand knowledge and 3) consumer response.
The first term is the difference in the consumer’s response between the marketing of the branded service X, and the marketing of an unbranded/unnamed version of the same service X. The second term, brand knowledge consists of brand awareness and brand image. This knowledge is crucial in order to decide the customer’s differential response and will be discussed more in detail later. Finally, the consumer response is the preferences, perceptions and behaviour, originating from activities in the organisations marketing mix. (Keller, 1993, p. 8) Described in the situations of banks, customer’s brand linked associations with a certain bank, can lead to behaviour in form of switching and selection.

The previous section actualizes brand knowledge’s key role in the process of brand building and “CBBE occurs when the consumer is familiar with the brand and holds some favourable, strong, and unique brand associations in memory” (Keller, 1993, p. 2). Further, in situations where a brand is seen as a prototypical version in a product category, these different responses will be missed (Keller, 1993, p. 8). Hence, creating brand knowledge, in form of favourable, strong, and unique associations are crucial in a sector with similar services and products. By branding, the firm can obtain a sustainable competitive advantage, and the offers uniqueness can act as a reason for the customers to choose a specific bank (Keller, 1993, p. 6). Creating this uniqueness can attract the students and keep them for a long term profitable relationship.

The attractive student segment and the commoditized market make it critical for the banks to understand the students current brand knowledge, and adapt and change their marketing mix accordingly to create uniqueness and reap benefits. They need to be aware of how the technology intensive relationship will affect their customer’s behaviour and knowledge about the banks. Compared to meeting bank personnel at the branch, the technology based services is completely different. Therefore the banks need a better understanding of this brand knowledge and how the consumer’s creation of associations differs between technology and face to face meetings.

To clarify how brand knowledge is structured in the consumers mind, Keller (1993, p. 2) uses the associative network memory model. Here, the knowledge is structured by information storing nodes which are connected by links. Moreover, the strength and associations between the nodes, determine how easy the customer can retrieve information from the memory. Brand knowledge consists of two parts, brand awareness (strength of the brand node) and brand image (brand associations held in memory). These two concepts, of brand awareness and brand image, will now be discussed closer.

*Brand Awareness* is related to the strength of the brand node or trace in memory, which can be measured as the consumer’s “ability to identify the brand under different conditions” (Rossiter & Percy 1987, cited in Keller 2008, p. 51). Brand awareness includes brand recognition and brand recall performance, the former handles the customer’s ability to confirm prior exposure to the brand and the latter the ability to retrieve a brand from a product category. In this case, relating to banks, the customers need to think of a certain bank when thinking of banks, in order to choose it. Moreover, a high awareness can be enough for a consumer lacking specific associations of a brand, to choose a well-known brand, and it is also a prerequisite to build brand image. (Keller, 1993, p. 3) An old study showed that customers in the financial sector do not know so much about the specific products, and they do not want to increase their knowledge. Instead they assume that the best known banks have the best services (Boyd et al.,
Despite the oldness of this study, this indicates that the awareness is important for the banks in order to gain new customers. The importance of high awareness will be even more evident after the following sub-chapters discussions about selection and switching behaviour. For instance, a Swedish study shows that the decision of bank can be a random decision (Martensson, 1985). In this case, high awareness can be enough to attract new customers. However, if the customers are highly aware of the major banks in Sweden, they need to create something that sets them apart from the rest and make them different. This in order to affect the consumer’s choice in an active manner and increase the share of new customers. In this aspect a strong brand image is crucial to develop.

*Brand image* is defined by the customers’ preferences and perceptions regarding a brand and these are represented by the brand associations in memory (Keller, 2009, p. 143). Aaker (1991, p. 109) defines brand associations as “anything linked in memory to a brand” and further brand image as “a set of [brand] associations, usually in some meaningful way”. Again, the value of the brand resides in the customers mind and these associations can together affect the customer’s behaviour. However, these associations need to be strong, favourable and unique in order to affect the customer’s response in the right way. The banking sectors similar offerings, sometimes described as “a much of muchness”, makes especially the creation of unique associations to a challenge. The development from personal meetings to technology makes it even more interesting to see if this is sufficient to create strong associations and also what types of associations it creates. On the other hand, successful unique associations will have a great potential to attract and retain customers. Moreover, the brand image has a stronger effect than the brand awareness in the process of creating brand equity (Berry, 2000, p. 130). The essence of the brand image will be even clearer after reading the section service branding model (see Section 2.2.3 and brand meaning). To sum up the importance of building strong brands, we are now heading into a summarizing model, the CBBE-model pyramid.

### 2.2.2 CBBE-model pyramid

This pyramid (see Figure 2, next page), highlights how organisations can build strong brands and how customers are affected. The hierarchal pyramid is structured in six building blocks; there the levels should be built from bottom to top. In order to create relationships and intensive loyalty the students need to have high awareness of the bank, associate it with strong, favourable and unique associations.

The second level is divided into *performance* and *imagery* (Keller, 2008, p. 64); the former describes functional needs and the latter psychological and social needs. Performance based associations can be related to price, product reliability, service effectiveness and other factors meeting customer expectations (Keller, 2008, p. 65). For instance, associated with banks, this can be formed by interest rates, opening hours and the perceived reliability of the internet bank.

Some of these associations represent points of parity, a prerequisite in order to become a member of the product category. As the main banks in Sweden are rather similar and well developed, banks lacking these kinds of standard requirements are probably not a common reason for the youth segments to change their behaviour and bank. Nevertheless, several banks elimination of the manual management of cash inside the branches, have created a point of difference; from something that before was viewed as
a prerequisite. This elimination can be an action that has changed the associations even for the younger customers. However, this affects younger customers less than older customers, and should not be a common reason to change bank.

Unique associations, representing point of differences, will be extremely important for the banks in the future. Alvarez (2001) stresses the importance of imagery based point of differences. He suggests that the logical side is not enough when building brands for intangible commodity services, instead he points out the essence of image and emotions (Alvarez, 2001, p. 32). Further, Ioanna (2002, p. 66) means that product differentiation in the banking sector is close to impossible and this even strengthens the focus on the right sided social and psychological (imagery) side of the pyramid. This because of the difficulties to differentiate on the left sided functional (performance) side in the banking sector. Keller (2008, p. 65) clarifies the differences between the both sides by describing the imagery side “it is the way people think about a brand abstractly, rather than what they think the brand actually does”. This intangible differentiating, made by creating imagery associations can be created from the customer’s experience, word of mouth and advertising (Keller, 2008, p. 65). The emotional versus the functional side essence in the selection process is discussed more in the section handling choice criteria.

The next level relates to customers thought and feelings about the brand, (brand response). The left side, judgements, are opinions and evaluations of the brand coming from the performance and imagery associations. Examples of these are quality, credibility and superiority. Moreover, the feelings are the emotions that are evoked by the brand, for instance a feeling of security, excitement and fun (Keller, 2008, p. 69). In a qualitative study made by de Chernatony & Dall’Olmo (1999, p. 189) the findings showed that insurance companies were perceived as “personality free” and the customers did not feel “affection for this brand over every other brand.” As already mentioned, the emotions and feelings the banks evoke among the customers, will be one of the main areas in this thesis. Probably, feelings of security already exist among the customers. However, this study will both try to understand the customer’s feelings for banks and also investigate how the banks can create and develop new feelings in the future among students.

![Figure 2. The CBBE-model pyramid (Adapted from Keller, 2009, p. 144)](image)
The final top level of the pyramid, *brand resonance*, can be created after building the other three levels (Keller, 2009, p. 145). Brand resonance includes four dimensions and relates to the “nature of the relationship and the extent to which the customers feel they are in sync with the brand” (Keller, 2009, p. 144). The four dimensions are behaviour loyalty, attitudinal attachment, sense of community and active engagement. The attitudinal attachment is related to if the customers love the brand, a topic included in the thesis title, and an antithesis to the locked in relationship described in Section 2.4 switching barriers. Further, active engagement can be exemplified by customers joining a brand club and exchanging information with other users. Of course, the chance of creating these kind of strong bonds with customers depends on the product or service category. For instance, these are common among Harley-Davidson and Apple users (Keller, 2009, p. 145). Financial services are a completely different service, however among the student segment this could be a factor that leads to long term relationships and avoids switching.

To summarize, the knowledge in the customers head, are thoughts, feelings, perceptions, images and experiences linked to the brand (Keller, 2009, p. 143). The brand awareness and brand image are the driving forces of customer based brand equity, and therefore the banks need to have high knowledge of the customer’s perceptions and images of their brand (Kaynak, E, 1986, p. 55). The importance of having a strong identity is crucial for banks. It is extremely hard to product differentiate (Ioanna, 2002, p. 66) and the quote of Milligan (1995, p. 39 cited in de Chernatony and Dall’Olmo Riley, 1999, p. 184) in the introduction chapter, highlighting the role of branding, clarifies the importance of branding well. Completing all six building blocks will result in active engagement and this can lead to customers loving the brand. In order to create and reap the benefits of a strong brand the marketers need to have an understanding about the factors which determine the customer’s creation of brand equity. These factors influence on the students, need a closer investigation because of the changed service landscape in the banking sector. These factors will be discussed in the following section.

### 2.2.3 Sources of brand equity – a service branding model

Berry (2000) illustrates how the presented brand, external brand communication and customers experiences create the customers brand knowledge and brand equity (see Figure 3, page 14). The *presented brand* is the information the company controls in order to create a desired identity, for instance advertising, logo, and the appearance of service providers and facilities. These are the main tools to create brand awareness among the customers. An Irish study conducted by O’loughlin & Szmigin (2005, p. 20) showed that advertising of banks was irrelevant, so also the brand image on the decisions and perceptions of the customers. The customers had difficulties in reflecting and recalling advertising from the banks and give insights about the banks projected image. In the case of brand image, the customers perceived the associations to be of a scarce and generic character. If the same applies among the students in Sweden, using advertising to build the emotional right side in the CBBE pyramid will be difficult.

In contrast to the presented brand, the *external brand communication* is controlled by the customers themselves. Brand awareness and brand knowledge can be spread by bank customers through both word of mouth and word of keyboard. Moreover, this type
of channel has high value in the decision process, due to its customer experienced and unbiased nature. Publicity is also a non-company source that can affect the customer knowledge. The banks central position in the society in Sweden makes news about the banks common. Closely related to publicity, O’Loughlin & Szmigin (2005, p. 19) found that the reputation of banks was only discussed in negative terms, such as scandals and cost-cutting actions. This resulted in an unfavorable image of the banks of being perceived as ruthlessness, opportunistic and having low credibility. In the end, this affects the customers and they become dismissive about the banks action of building brand messages. In their conclusion they highlight the fact that this perception had resulted in the banks failing to create genuine brand images (O’Loughlin & Szmigin, 2005, p. 21).

As the bold line in Figure 3 shows, the brand focused presented brand has a higher weight than the external brand communication in formulating the brand awareness. However, the external brand communications impact on the brand meaning and brand awareness can be stronger under certain circumstances. Related to the high frequency of negative word of mouth and publicity for Swedish banks, the image is probably weakened to a large extent. This tendency makes the banks active approach to brand building essential; because absence of these actions will probably even not maintain the status quo of the banks image. The customers associations in a product category can also be associated with all members in the category (Keller, 1993, p. 6). In line with this reasoning, negative publicity resulting in negative associations for a certain bank, can result in negative associations to all banks on the market. To reconnect to the difficulties to create point of differences and the perception of the banks being all the same, this phenomenon of category associations enhances these problems. Furthermore this proves the significance of the banks actions to engage with the students and create intense loyalty and love (top level in the CBBE pyramid), in order to keep current customers and attract new ones.

The next part, customer experiences with the company, is highly relevant according to this thesis because of the mentioned technology revolution and changed way of performing banking service. These experiences are the main source of brand image among services. The young generations highly use of technology in banking makes the investigation of how this affects their brand knowledge and decision process highly relevant and interesting. Moreover, the website creates this, brand driving, experience for online brands (Dayal et al., 2000, p. 43-44; Taylor, 2003) and this experience will differ a lot from the personnel based offline interactions with the bank (Rios & Riquelme, 2008, p. 720). Further, Berry (2000) points out that for new customers the presented brand and the external communications are important in the decision process. However, experiences are the factor that most contributes to brand equity. Berry (2000, p. 130) concludes this model by stating “the source of the experience is the locus of brand formation”. Thus, there need to be an increased understanding about how the technology experiences affect the youth’s segments relationship and brand equity with the banks.
To summarize, the question of how students form their brand knowledge becomes of highest interest due to the highly technologized sector. This technology based experience has high impact on the brand equity. Moreover the publicity often creates negative associations about the brand and in order to differentiate on the emotional associations (right hand side in the CBBE pyramid), the banks must be careful with investigating these experiences and develop strategies focused on the students to create brand resonance. Therefore, the investigation of what parts are driving this formation and if the technology makes the customers to perceive the banks even more similar is crucial. The following section will discuss how all these associations can be elicited from the customers mind.

2.2.4 Eliciting brand associations

The nature of associations is complex; beside verbal descriptions of a brand, they can be represented by visual, sensory and emotional modes. Linked to the associative network memory model, only a minority of the associations are subjected to cognitive elaboration and stored in verbal form in memory. Instead the majority of the associations are of visual nature. Further, other examples can be: a sensory association can be to remember a sense of a product, and an emotional association can be represented by the memory of the feeling of drinking a soft drink. (Supphellen, 2000, p. 320-321)

Together, these varied forms of associations make the eliciting of them challenging (Supphellen, 2000, p. 321). Closely connected to the intangible nature of brand equity is the discussion about how to gain in-depth insights about these associations. The limitations of asking questions have made some researchers to advocate observing customers and afterwards inferring their thoughts from gestures and behavior (Supphellen, 2000, p. 320). However, I agree with Supphellen (2000, p. 320) arguing that the consumer must be “the primary source of information about consumer memory”. Moreover, this standpoint is aligned with the customer based brand equity and its location in consumer’s heads. Supphellen (2000) divides the problems into categories of access, verbalization and censoring. The problem of access relates to the varied nature of associations, and by using insufficient techniques the risk to miss the unconscious associations increase. In the discussion of censoring, the author points out the special situation of interviews and the respondent’s tool of impression management and self-depiction in interviews. (Supphellen, 2000, p. 324-325)
From this background Supphellen (2000) produced three general principles related to the decision of the eliciting techniques of brand associations: the need of long personal interviews, use a portfolio technique and validate the responses. In addition 17 practical guidelines are provided. These guidelines are summarized in the following table (Table 1) and will be discussed and applied further in the practical method chapter.

<table>
<thead>
<tr>
<th>Access &amp; verbalization</th>
<th>Mitigating censoring effects</th>
<th>Sample issues</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Include at least one visual technique</td>
<td>9. Assure confidential treatment of responses</td>
<td>14. Elicit associations from different types of customers and from the advertising people</td>
</tr>
<tr>
<td>2. Include at least one objective-projective technique</td>
<td>10. Use person-projective techniques</td>
<td>15. Divide the sample into two and include both users and non-users</td>
</tr>
<tr>
<td>3. Probe for secondary associations</td>
<td>Validation</td>
<td>The order of techniques</td>
</tr>
<tr>
<td>4. Probe for relevant situations</td>
<td>11. Validate minority associations on a subset of the majority</td>
<td></td>
</tr>
<tr>
<td>5. Address sensory associations directly</td>
<td>12. Criteria of salience and frequency should not be used uncritically</td>
<td></td>
</tr>
<tr>
<td>6. Use real stimuli when practically possible</td>
<td>13. Use a follow-up survey to determine relationships between associations</td>
<td></td>
</tr>
<tr>
<td>7. Use established scales for emotional and personality associations</td>
<td></td>
<td>Individual differences in response styles and attitudes</td>
</tr>
<tr>
<td>8. Instruct respondents to take their time and create acceptance for pauses</td>
<td></td>
<td>17. Adapt to individual differences in response styles and response attitudes</td>
</tr>
</tbody>
</table>

Table 1. Guidelines to elicit brand associations (Adapted from Supphellen, 2000, p. 328-335)

2.2.5 Eliciting techniques

There are several methods for eliciting brand associations, and Cian (2011) reviewed the literature and divided them into categories and approaches. The quantitative approaches include: attitude scales, image-congruity, personality and the qualitative methods natural grouping, Zaltman Metaphor Elicitation Technique, narrative techniques and association techniques (Cian, 2011, p. 180). Now, a short review of some of the methods is provided.

Natural grouping is a technique that let the respondents describe a set of brand in their own words. According to the method, the earliest mentioned associations are the most important in the process of differentiating the brands. (Cian, 2011, p. 169) Linked to the CBBE pyramid, these associations could represent uniqueness in form of a point of difference. Using this method could help to investigate if the customers perceive all banks to be similar, or in opposite; if they perceive the banks to possess clear differences in form of both functional and emotional associations. This technique will be used and discussed further in the design of the interview guide (see Section 4.2).

Another technique is the Zaltman Metaphor Elicitation Technique. This technique is designed to “surface the mental models that drive customer thinking and behavior” and takes the nonverbal associations in consideration by eliciting metaphors (Zaltman & Coulter, 1995, p. 36). The technique consists of three stages: elicitation, mapping and aggregation. Shortly described around 20 respondents start to collect and take images related to the brand. Later on, the respondents participate in in depth interviews, where the interviewer uses several tools to elicit verbal and visual associations. Further, the respondents create a map out of the associations, which finally are aggregated by the interviewer to a consensus map. (John et al., 2006, p. 551) The methods advantage of eliciting unconscious associations have been successful in the marketing literature,
however; it is long and complex (Ciao, 2011, p. 175) and requires expert judgment (John et al., 2006, p. 551). Thus, I will not use this technique in the interviews.

Narrative techniques can also be used to elicit associations. Bruner (1990 cited in Cian, 2011, p. 175) divided the cognitive system into logical one (paradigmatic) and narrative one; which is based “on the story telling” ability. This ability is able to interpret events and one of the methods to use is “long interviews” (Cian, 2011, p. 175-176). I will use this method partially be letting the respondents to tell me about their experiences.

Finally, association techniques are a quick and easy way of eliciting associations. One of the most basic association tests is the one-word association test (Supphellen, 2000, p. 324). Supphellen (2000, p. 324) mentions the disadvantages of missing unconscious associations and states that the method alone is insufficient. Instead of a word, the stimulus can be an image (Cian et al., 2011, p. 172) and the analysis are conducted by looking at the frequencies of words and the amount of time before the answer is presented (Malhotra 2004, cited in Cian et al., 2011, p. 172). The purpose of this method, an example of projective techniques, is to uncover the associations and not to measure them (Donoghue, 2000). Another advantage is that the participants often perceive the method as an enjoyable game or exercise (Steinman, 2009, p. 37-38). By using this method, both surface associations and more unconscious associations could be obtained.

To sum up natural grouping, narrative techniques and association techniques will be applied further in the design of the interview guide (see Section 4.2). In order to keep the students in a long term relationship, they first need to choose the specific bank. Therefore, it is logical to proceed with a literature reveal and discussion of decision making. The customer’s choice criteria in the banking sector will initially be discussed followed by switching barriers.

2.3 Decision making

2.3.1 Choice criteria for selecting bank

First of all there is important to gain more understanding of customer’s selection criteria in order to formulate well competitive and positioned offerings (Devlin, 2002, p. 275-276). This study investigates how the customers brand knowledge affects them in the decision of selecting bank. Moreover, it helps the banks to understand what is important for the students in the process of selecting bank.

There have been several studies examining the customer’s choice criteria in the selection of retail bank (Anderson et al., 1976; Devlin, 2002; Devlin & Gerrard, 2004; Martensson, 1985; Zineldin, 1996). However, these are not conducted recently, and the recently studies are performed in less developed countries (Awan & Bukhari, 2011; Mokhlis et al., 2011; Nartheh & Owusu-Frimpong, 2011). As this study investigates the Swedish market and the student segment, updated studies with Swedish respondents would be desirable. Due to the limitations of Swedish studies, only Zineldin (1996) and Martensson (1985), the following section discusses the main findings from retail banks in developed countries, with focus on student samples.

Starting in chronological order, Anderson et al. (1976, p. 44-45) found that banking services were viewed as rather undifferentiated with convenience as an important
selection criteria. Martenssons (1985, p. 73-74) Swedish study revealed that many respondents selection was random decisions and that young customers were influenced by their parents in the selection decision. Other studies have highlighted the speed, access, service and customer service (Elliot et al., 1996; Reeves & Bednar, 1996 cited in Devlin, 2002, p. 274). The second Swedish study showed that the friendliness of the personnel and the accuracy of the account management were important (Zineldin, 1996, p. 20). In another study in UK, Mintel (1992, cited in Thwaites & Vere, 1995, p. 135) found that the proximity of branch and parental influence were important criteria. Concerning students’ choice criteria, Thwaites & Vere (1995) found that two of the most essential criteria were locational convenience and free banking. Further, an older study by Lewis (1982, p. 71) found that locational convenience and parental influence were important. Following is a table (Table 2), summarizing the main findings from previous studies, regarding choice criteria.

<table>
<thead>
<tr>
<th>Author</th>
<th>Important choice criteria</th>
<th>Country/method</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Efficiency in correcting mistakes</td>
<td></td>
</tr>
<tr>
<td>Martensson (1985)</td>
<td>Parental influence</td>
<td>Sweden: Questionnaire</td>
</tr>
<tr>
<td></td>
<td>Location &amp; availability of loans</td>
<td></td>
</tr>
<tr>
<td></td>
<td>1/3 random decisions</td>
<td></td>
</tr>
<tr>
<td>Tank &amp; Taylor (2005)</td>
<td>Recommendations by friends/family</td>
<td>UK: Focus group and Questionnaire</td>
</tr>
<tr>
<td></td>
<td>Reputation/image</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Level of interest rate</td>
<td></td>
</tr>
<tr>
<td>Anderson (1976)</td>
<td>Local convenience</td>
<td>USA: Questionnaire</td>
</tr>
</tbody>
</table>

Table 2. Summary of choice criteria

In common for several of these studies is the locational convenience. However, the changes in the technology in the latest years must be taken in consideration. Devlin & Gerrard (2004) analysed the trends in the choice criteria in UK and found that the influence of the locational convenience factors still was high but have decreased. Moreover, they explain this by the technology revolution and that many transactions can be performed without branch visits, and predict the trend to continue (Devlin & Gerrard, 2004, p. 23-25). Further, recommendations were the most important and fastest increasing choice criteria, which they conclude that customers need in order to take better decisions among the commoditised offerings. They also mean that the recommendation criteria reflects the importance of experience (Devlin & Gerrard, p. 22), which are aligned with the previous discussion about the essence of external communications in the selection process. In line with this, Tank & Taylor (2005, p. 159) student based study showed that recommendations by friend/family were the most important selection criteria. O’loughlin & Szmigin (2005, p. 20) also found that experience, own or referred through word of mouth, had a crucial role in the evaluation process of financial firms. Linked to the creation of brand resonance (top level in the CBBE pyramid), creating brand resonance would create engaged customers and probably generate more word of mouth and affecting customers in the selection process. The brand knowledge’s position as a ground for spreading word of mouth and creating brand image among other customers again highlight the importance of a strong brand knowledge. O’loughlin & Szmigin (2005, p. 20) also found that this brand experiences were perceived more effective and salient than advertising. The importance of non-commercial sources, versus company created, were also confirmed in Tank & Taylor’s (2005, p. 161) study.
The banks have spent huge amounts of money on advertising in order to build meaningful differentiation. However, Devlin & Gerrard (2004, p. 22) found that the importance of image and reputation of the banks had low effect in the selection process and the customers did not perceive any meaningful differentiation among the banks. Therefore, the banks need to come up with more innovative and radical strategies to create meaningful differentiation (Devlin & Gerrard, 2004, p. 25). The fact that the image has low importance in the selection process must be seen from the undifferentiated banks; if they succeed to differentiate by strong brand images, this factor would probably increase significantly as selection criteria.

Furthermore, the knowledge of non-customers and customers, in a certain bank, will result in different associations due to diverse experiences. The customers will develop more sophisticated associations. For non-customers, only the factor of global impression, measured as good reputation, had a positive relationship with the intention to use the banks services. This is natural, due to the non-customers absence of experience and therefore weaker associations. According to this, improving the service and the qualification of the service personnel will only attract the current customers. Hence, a positive global impression becomes important to banks that will attract new customers. (Bravo et al., 2009, p. 328)

To reconnect to the CBBE-model pyramid, emotional values have been put forward in order as a key factor in successful differentiation among banks (de Chernatony & Dall’Olmo Riley, 1999). Contrary to this, O’loughlin & Szmigin (2005, p. 10) found that the functional values were far more important than the emotional ones. For example, competitiveness (lowest rates) and advice and expertise were found among the most important factors. On the other hand, they also observed that the banks were not successful in the differentiation of these criteria (O’loughlin & Szmigin, 2005, p. 16). The fact that functional values were important and that the banks provides similar functional benefits would again mean that the emotional associations can act as a reason to choose a specific bank.

To summarize, the few Swedish studies regarding choice criteria highlights locational convenience and parental influence as important. However, there is also a perception that the banks are very similar and that the choice often is a more or less randomized decision. In order to affect these situations, the banks must create more meaningful differences between each other, to attract and retain customers. Finally the relation between experience, recommendations, brand knowledge and decision to choose bank becomes important in an era there many young customers make their banking through online tools. This kind of technological experience will probably affect the future choice and recommendations. The banks task is not completed only by attracting students. The benefits from long term relationships with customers, mean that the banks need to retain their customers for a long time. Besides developing a strong brand by creating deep associations in the head of customers, the banks can do this by other means, such as creating switching barriers.

2.3.2 Switching barriers
In general terms switching barriers can be defined as “any factor that makes it more difficult or costly for customers to change providers” (Chen & Wang, 2009, p. 1106). The presence of these barriers makes it complicated and costly for the customers to
switch (Gautam, 2013, p. 148). Thus, high switching barriers in a service industry increases the retention rates, and dissatisfied customers are more likely to stay (Ranaweera & Prabhu, 2003, p. 390). Therefore, developing factors to increase these barriers can be an important managerial strategy in order to avoid customers to change provider (Heide & Weiss, 1995, p. 40). However, implementing these types of strategies can make customers resentful; hence, the strategy should be combined with value adding. That will say, combining switching barriers with providing value at the same time (Ranaweera & Prabhu, 2003, p. 390).

Switching barriers, in a banking context, have been defined as “any factor that makes it difficult or costly for customers to change bank service providers” (Jones et al., 2000, p. 261). From the customers point of view the cognitive process around the decision to leave or stay with the bank, can be described as a switching dilemma (Colgate, 2001, p. 332) and all these actions are done in order to help the customer to take the decision to stay with the bank. However, seen from a another angle, an understanding behind the reasons that customers do not switch bank, is valuable for the banks which will attract over, new customers and gain market share (Colgate & Lang, 2011, p. 332). There are several different types of these barriers; relational benefits, switching costs, and availability and attractiveness of alternatives (Colgate & Lang, 2001, p. 333-334) and these will now be discusses separately.

Relational benefits [RB]
These are benefits above and beyond the core service performance; customers can get from long term relationships (Gwinner et al., 1998, p. 102). If a customer has a long term relationship with a bank and switches, he loses specific benefits, and these benefits will not be obtained directly from the new bank. Therefore, the fear of dropping these benefits can result in the customer staying with his current bank, despite the fact that he is dissatisfied (Tesfom & Birch, 2011, p. 372). At the same time, as the switching barrier in form of well develop relationship can act as a reason to not switch, Ranaweera, & Prabhu (2003, p. 390) suggest that this strategy must be combined with providing value at the same time to the customers.

Gwinner et al. (1998, p. 109) divide these relational barriers into three categories: social benefits, confidence benefits and special treatment benefits. The social benefits are the personal bonds and its strengths, between customer and provider and refer to empathy, friendship, familiarity and a sense of belonging (Butcher et al., 2002, cited in Vázquez-Carrasco & Foxall, 2006, p. 368). These interactions can also be valuable to keep the banks existing customers and sometimes these can be a better tool to create customer loyalty than for example the value of the outcome of the service. Confidence benefits relate to the psychological benefits a relationship with a service provider can bring, such as reduced anxiety, security and comfort. Finally, the special treatment benefits, relate to a combination of economic and customization benefits, for example discounts, quicker services, extra attention and personal recognition. (Vázquez-Carrasco & Foxall, 2006, p. 368)

As the younger customers use self-service technologies more frequently, there can be a risk that the barrier of relational benefits become even lower in the future. Or to put it differently, the banks miss an opportunity to create more differentiated experiences, which forms unique associations among the customers. Therefore, the relationships will
be discussed both from a barrier perspective and also as a mean of creating brand knowledge and building brand equity.

**Switching costs [SC]**

These costs are monetary, time and psychological costs that occur in connection to switching service provider (Dick & Basu, 1994, p. 104-105; Jones et al., 2002, p. 441). Patterson & Smith (2003, p. 108) define it as “as the perception of the magnitude of the additional costs required to terminate a relationship and secure an alternative one”. This can be exemplified by an unsatisfied customer that stays at the current service provider because he perceives the barrier of investing time, money and efforts to be very high (Colgate & Lang, 2001, p. 334). The intangible property of service, and the difficulties to evaluate them before purchase, is one explanation behind the high switching costs in service (Gremler & Brown, 1996). Panther & Farquhar (2004) found that the main reason for the customers who were dissatisfied and decided to stay with their current financial provider was the “hassle factor”. This is explained by the high perceived costs that the customers relate to switching service provider. Their study was partially conducted by a telephone focus group and other factors for not switching were: a belief that all providers are the same, lack of trust in alternative providers and the history of the relationship with the service provider (Panther & Farquhar, 2004, p. 347).

**Availability and attractiveness of alternatives [AAA]**

This barrier relates to the perception of the number of available competing alternatives on the market, and the customer’s perceptions of their performance relative to the current service provider (Tesfom & Birch, 2011, p. 372). As mentioned by Patterson & Smith (2003, p. 109), unsatisfied customers can stay within a relationship because unawareness of other tempting alternatives. Moreover, they comment that the decision to stay can depend on the perception that other available alternatives is less attractive. This is reflected in a study by Colgate & Lang (2001, p. 340), saying that many customers perceive all banks to be the same and therefore there are no incentives to switch.

To summarize, the customer’s perceptions of the market, mean that there is no idea for them to switch service provider (Colgate & Lang, 2001, p. 334). Further, this means that the customers relationship with the bank are not loyal, the customers stay because of no alternatives (Bejou & Palmer, 1998). Compared to the previous section about branding, intense loyalty and love brands, this strategy can be seen as the opposite.

Further, all these switching barriers are already perceived to be lower for younger customers and they are also more likely than older customers, to terminate their current bank relationship (Tesfom & Birch, 2011, p. 377). In a way to retain and attract younger customers, Tesfom & Birch (2011, p. 377) suggest that the banks should offer more interactive online customer service. However, there are doubtful if this is a sustainable solution in order to keep the customers for a long time. This fact underlines that the barriers are not a sustainable tool in order to keep the students for a long time. Hence, the banks need to concentrate on creating brand knowledge with the students; as discussed in the previous sections.
2.3.3 Summary switching barriers

The study by Colgate & Lang (2001, p. 340) summarizes the result of all these switching barriers. The customers answered that one reason, they did not leave their bank, was that “it is too much bother”. The discussion of the switching barriers also confirmed the previous discussion of similar services in the banking sector and the need for the banks to develop stronger and distinctive brands in order to attract customers. Colgate & Lang (2001, p. 341) also state that “customer inertia is a barrier to overcome” for the service providers if they want to attract new customer.

Further, using switching barriers is not a long term sustainable strategy, because some of the customers feel trapped in (Colgate & Lang, 2001, p. 342-343). These customers can generate negative word of mouth and through that way affect the brand image negatively (Zineldin, 1996, p. 21). Linked to the service branding model; this negative word of mouth will affect the brand equity negative. Again, this shows the essence of this study, by understanding the students the banks can build stronger brands and reach a more sustainable strategy. At the same time, there is a need to understand if the customers perceive their relationships to include switching barriers, and therefore this will be used in the study.

<table>
<thead>
<tr>
<th>Author</th>
<th>Switching barriers</th>
<th>Country/Method</th>
</tr>
</thead>
<tbody>
<tr>
<td>Colgate &amp; Lang (2001)</td>
<td>Apathy - all banks the same, too much bother</td>
<td>New Zealand</td>
</tr>
<tr>
<td></td>
<td>Negativity - concerned about negative outcomes, feel locked in, uncertainty if changed</td>
<td>Quantitative: survey</td>
</tr>
<tr>
<td></td>
<td>Relationship investment</td>
<td>Bank sector</td>
</tr>
<tr>
<td>Tesfom &amp; Birch (2011)</td>
<td>Young - perceive the barriers to be lower</td>
<td>USA</td>
</tr>
<tr>
<td></td>
<td>[relational benefits, switching costs, service recovery]</td>
<td>Quantitative: survey</td>
</tr>
<tr>
<td></td>
<td>More likely to switch and perceive the AAA to be higher</td>
<td>Bank sector</td>
</tr>
<tr>
<td></td>
<td>All providers are the same</td>
<td>Focus groups and surveys</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Financial sector</td>
</tr>
</tbody>
</table>

Table 3. Summary of switching barriers

2.4 Conceptual model

An important fact in marketing is that it is more expensive to acquire a new customer than retain an existing one (Hart et al., 1990, p. 149; Kotler, 1992, p. 50). After the previous discussions that appear two alternatives to retain the students for the banks, either to create switching barriers or to create brand equity by creating brand knowledge inside the students’ minds. Creating brand knowledge and build brand equity would be the most sustainable way to retain students. Moreover, this can act as a mean for existing students to acquire new customers in a cost efficient way by word of mouth. Aligned with the discussion of the service branding model, these word of mouth would both affect the brand image and also affect other students in the decision process. The customers become engaged and turn into brand ambassadors that talk about the brand with friends and family. However, this needs a well-planned strategy and by following the steps in the CBBE pyramid, this brand equity and brand response can be obtained. This theoretical ground is summarized in the following conceptual model (see Figure 4). The purpose with the model is to tie together the previous parts of brand equity, sources of brand equity, switching barriers and choice criteria. As we can see the first research question (Q1) links the new technologies affection on both the switching barriers and
the customer based brand equity. The second research question (Q2) focuses on experience as a source of brand associations and customer based brand equity. The final research question (Q3), takes a future looking approach and investigates the customer’s opinions about how the banks should develop strategies and events in the future to build customer based brand equity and differentiate. This is in line with Devlin & Gerrard (2004, p. 25) and Wong (2011, p. 15) meaning that internet banks and retail banks must look for other strategies than creating switching costs in order to create ties and retain customers.

The model also highlights the contrast between the two strategies of keeping customers. Creating switching barriers locks in the customers and unsatisfied customers can stay because there are so much bother to change; consequently they are not loyal. On the other hand, the more sustainable strategy of building brand equity and creating intense loyalty with the customers appear. This strategy tries to make the bank to something more than a place where their financial means are handled. But creating this brand love is a challenge, and the banks first need to understand the current situation. Therefore this study continues to investigate the situation and also look into the future strategies of doing banking with students.
3. **Scientific method**

*This chapter provides the reader with my preunderstanding and scientific approach and discusses these in relation to this research. Continuing, the literature search and source criticism are described.*

3.1 **Preunderstanding and selection of topic**

In this section a short description of the author’s preunderstanding and its effect on the selection of topic are provided. The preunderstanding, influences the choice of research question and epistemology, and comes from the author’s social background, practical experiences and education (Johansson-Lindfors, 1993, p. 25) Moreover, Johansson (2011, p. 48) means that the authors interpretations, originate from the preunderstanding. Therefore, the description of my own preunderstanding is given in order to increase the understanding of the study.

The preunderstanding consists of the first hand: based on self-perceived events, and the second hand: based on theoretical experiences from books, lectures and scientific journals (Johansson-Lindfors, 1993, p. 76).

My second hand preunderstanding is obtained from university studies. I hold double bachelor degrees in marketing and economics, and am now in the end of the master’s program in marketing at Umea University. I have written a degree project in the area of service quality, in the banking sector and the widely debated removal of the manual cash management in Sweden. This study was conducted using a quantitative research and I perceived some difficulties for the respondents to convert their attitudes into numbers. Certainly, this experiences have made an impact of the selection of topic and my ambition to understand how the students reason. This study generated several interesting conclusions, however; there was a feeling that it could have been several interesting discussions behind their stated numerical answers. Further, the topic of the current thesis has a high relevance, affecting a majority of the individuals and the banks in Sweden. Contributing to the interest in the field is also my first hand preunderstanding and the fact that I can relate to the situation from a customer perspective, from my own experience as a customer at several banks. These experiences have enriched me with knowledge about my own choice process. Adding to that, the study has a high actuality, especially related to the switching barriers, today discussions are made in media about facilitating for customers to change bank.

My second hand preunderstanding also includes courses in the field of strategic brand management, including a course handling Keller’s customer based brand equity model in detail. Therefore, I am familiar with the complex concept of brand equity and its importance in a highly competitive marketplace. However, I have carefully evaluated my choice of theories, and tried to avoid the theoretical preunderstanding to affect the choice of theories in a biased way. Adding to that, my previous two theses have resulted in a deep understanding in the quantitative research process. Therefore, I have a good understanding about the general process, however; I need to evaluate and study the qualitative strategies in a careful way.

3.2 **Research philosophy**

Research philosophy includes questions related to the research, of the nature and development of knowledge (Saunders, 2012, p. 680) and can be divided into *ontology,*
epistemology and methodology. The authors approach and meaning of these concepts affect the thesis, ranging from the problem identification, the methodology and to the reporting of the results (Deshpande, 1983, p. 102; Patel & Davidsson, 2003, p. 39). Consequently, an understanding of these concepts is vital for the researcher in order to plan and implement the research (Arthur et al., 2012, p. 16).

Ontology describes the “nature of reality”, epistemology describes “what constitutes acceptable knowledge in a field of study” (Saunders et al., 2012, p. 130-132) and methodology handles the techniques the researchers use in order to detect that reality (Sobh & Perry, 2006, p. 1194). Now these concepts are discussed in detail in parallel with arguments behind my standpoints.

Ontology includes the view on the nature of human and social reality (Johansson-Lindfors, 1993, p. 39) and the assumption; “whether reality is objective and external to the individual, or whether it is subjective and cognitively constructed on an individual basis” (Long et al., 2000, p. 190). These two different assumptions are represented by the objective and constructionism standpoint (Bryman & Bell, 2013, p. 42) which can be seen as two opposite points on a reality continuum (Arthur et al., 2012, p. 16).

At one side of the continuum, objectivism states that the social entities existence is independent of social actors (Bryman & Bell, 2013, p. 42). Bryman & Bell (2011, p. 21) exemplify this with viewing an organisation as a tangible object, with a reality of mission statements and rules, that is external to the individuals inside it. In the context of a bank customer, we can imagine the banks, the advertising and the friends to the customer, to be external objects that the individual customer is constrained by.

In contrast to this external view, I see the relationships and the concept of customer based brand equity to be created by social actors. Therefore I take a constructionist standpoint, existing at the other side of the continuum, supporting that “social phenomena are created from the perceptions and consequent actions of social actors” (Saunders et al., 2012, p. 131-132). This choice of a constructionist standpoint is therefore aligned with the intangible nature and customer created brand equity. Further, I do not see customer based brand equity as tangible and external to the individual. Moreover, the social phenomena are in constant revision (Bell, 2007, p. 22) and the studying of individual customers requires understanding because their relative perception of the reality makes them perceive situations different (Saunders, 2012, p. 132).

Based on the ontological standpoint can assumptions about the epistemological standpoint be asked (Arthur et al., 2012, p. 16). This philosophical consideration, epistemological standpoint, relates to how we will study the chosen constructionist standpoint. Epistemology refers to the possibilities to create knowledge in the field (Justesen & Mik-Meyer, 2011, p. 11) and the two fundamental epistemological standpoints are positivism and interpretivism (Bryman & Bell, 2013, p. 35-41; Johansson-Lindfors, 1993, p. 37). There are distinct differences between them regarding: the view of the relation between the researcher and the subject, the relation between the whole and the parts and the research result (Johansson Lindfors, 1993, p. 44).
In this research, I have taken an interpretivist approach to knowledge. Interpretivists agree that the research objects in social science differ from research objects in natural science; consequently, a different research process should be used (Bryman & Bell, 2013, p. 38; Saunders, 2012, p. 137). Following this reasoning, the study objects in this study are humans and their complex forming and effect of brand knowledge in the choice process of banks. As explained in the previous theory chapter, customer based brand equity (Keller, 1993) and its component brand knowledge, reside in the minds of the customers, far from being a tangible and natural science object.

Related to the three main differences, interpretivists do not strive to conduct value free research and they advocate a holistic view to the research. The holistic view means that the parts must be set in relation to the whole. (Johansson-Lindfors, 1993, p. 45-46) This work takes a holistic view on brand equity and its effect on choice criteria and switching barriers, instead of breaking down each concept and ignore the context. Moreover, breaking down the whole concept of brand knowledge and draw casual relationships with factors such as switching and choice; would result in a fragmented picture. Therefore, the here chosen interpretivist choice enables a deeper research there the respondents expressions will underpin understanding.

This aim to create understanding for the topic, instead of explaining relationships, is the third main difference (Johansson-Lindfors, 1993, p. 45-46). This is often made by conducting a few in depth studies. The focus of understanding is clearly stated in the purpose of this work and will be conducted through a small number of in depth interviews. Focusing on understanding how the brand knowledge affects the customers, instead of measuring them, the choice is justified. Taking the positivist standpoint and using a quantitative strategy would result in absence of understanding the customer’s association’s effects on their choices and perception of switching barriers. Further, as discussed in the previous discussion, explanations and relationships would provide limited depth and not be appropriate to answer the questions about brand equity and brand associations. More specific, the result should probably only give conclusions about specific associations and their relationships to specific choice criteria and switching barrier; therefore lacking the understanding behind these relationships.

On the other side of the epistemology world, we have positivism, a more logical oriented paradigm favouring measurement, objectivity and rationality (Arndt, 1985. p. 11). In contrast to interpretivists, adherents of positivism advocate value free objective research, decomposing the whole in small parts. Moreover they also strive to explain casual relationships, often by using large samples and statistical tools, to create knowledge that can be generalized. (Johansson-Lindfors, p. 45-46) In contrast to the interpretivist standpoint, there knowledge is created from interpretation; the positivist standpoint means that knowledge can be created from measurements and direct observations of the objective reality (Arthur et al., 2012, p. 16). According to the arguments behind my interpretivist standpoint, it becomes clear that positivism is not appropriate for understanding, relating to the whole and being subjective.

3.3 Research approach
The approaches are deduction and induction; there the direction between theory and empiricism are opposite (Johansson-Lindfors, 1993, p. 55). A deductive approach starts from existing theory in order to generate hypothesis that will be tested empirical
Deduction is closely related to positivism and a majority of the work are conducted before the data collection stage; the operationalization and the model building needs to be done before testing it empirically (Johansson-Lindfors, 1993, p. 55). Going in the opposite direction; from empiricism to theory, an inductive approach are used. The process of an inductive approach can also be described as “evidence is collected first, and knowledge and theories built from this” (Ritchie et al., 2014, p. 6).

Related to qualitative research, strict use of deduction is not appropriate but the use of induction combined with deduction are common among researchers (Eriksson, & Kovalainen, 2008, p. 20-21). Further, an inductive approach must also be based on a theoretical framework in order to interpret the field collected data (Merriam, 2009, p. 15-16). This study uses the existing theoretical framework as a starting point for the interviews; and also intends to shed new lights, based on the empirical findings, on strategies that the banks can use to create stronger brand among students. Therefore, this study has an inductive approach, because the material collected from the interviews will be sorted into categories and shed new lights on the investigated areas.

3.4 Selection of methodology and research strategy
An interpretative standpoint is closely linked to qualitative methods (Denzin & Lincoln, 2005, p. 3). Further, the interpretative standpoint is related to an open engaged and subjective researcher focusing on qualitative understanding and interpreting (Patel & Davidsson, 2003, p. 29). Therefore, my philosophical assumptions and research questions make the use of a qualitative method natural. The choice is also supported by the previous discussion in the theory chapter, regarding the complex concept of customer based brand equity and its allocation in the head of customers. To create understanding about this from a customer’s point of view, a qualitative method is appropriate. Of course there are advantages and disadvantages associated with both quantitative and qualitative methods. However, Snider (2010, p. 21) writes “Numbers impress. But they also tend to conceal more than they reveal”, and this summarizes the limited understanding that the use of a quantitative method should give in this study. The numbers collected about the customers choice criteria and brand equity would not create an understanding about why and how the customer are choosing and creating brand equity in a good way.

The research strategy is a general plan including how to answering the research questions. The choice of this strategy is affected by factors such as; research questions, philosophical considerations, available time and existing knowledge. (Saunders, 2012, p. 173)

Among the qualitative methods there are several research strategies; action research, case study, ethnography, grounded theory and narrative research (Saunders, 2012, p. 163). The choice between these strategies can often be confusing due to their blurred genres (Saunders, 2012, p. 173). Compared to my previous quantitative research, I recognize this feeling of difficulties to see clear differences between the qualitative research strategies. Merriam (2009, p. 22-24) describes an additional strategy that she calls basic qualitative study. This strategy is in line with the constructionism and researchers using it are interested in: 1) “how people interpret their experience”, 2) “how they construct their worlds” and 3) “what meaning they attribute to their
experience”. Further, from the analysis the “findings are these recurring pattern or themes supported by the data from which they were derived”. Moreover, these findings are interpreted to create understanding in the end. This process will be described further in section 4.6 (empirical description).

In order to answer the research questions, this thesis applies in depth interviews, which are based on verbal communication and spoken narratives. The method are founded on the “belief that participants are individuals who actively construct their social worlds and can communicate insight about it verbally” (Ritchie et al., 2014, p. 55). Therefore, this method is aligned with my philosophical consideration and this choice will now be argued for. First a discussion of an alternative method, focus groups, is discussed.

Focus groups, defined by Powell & Single (1996, p. 499) as “a group of individuals selected and assembled by researchers to discuss and comment on, from personal experience, the topic that is the subject of the research”. These groups are appropriate when searching for “the rich details of complex experiences and the reasoning behind [an individual’s] actions, beliefs, perceptions and attitudes” (Carey, 1995, p. 413). One of the main benefits with focus group is the opportunity to observe the respondents reactions and their interactions with the group. Eriksson & Kovalainen (2008) also state that focus groups often develop expression of ideas and experiences in a more extensive way, compared to one to one interviews. These critical discussions can be extra valuable when the researcher searches for new solutions. (Eriksson & Kovalainen, 2008, p. 173-178) However, limitations also exist with focus groups in form of intimidating situations for shy participants and avoidance of expressing exceptional views (Eriksson & Kovalainen, 2008, p. 177). According to the depth on the obtained information Powell & Single (1996, p. 503) also highlight the risk of superficial results containing only the surface of the respondents opinions.

Using focus groups to answer my third research question (Q3) would be appropriate, regarding new tools and ways the banks can use in the future to create stronger brands and differentiate in a more distinct way. The interactive nature of focus groups and synergy effects of the group members would probably generate more innovative strategies. On the other hand, using focus groups, to answer all three research questions would be inappropriate due to the, for some respondents, sensitive area of bank selection. The risk of respondents not debating their inner thoughts about their associations, relationships and criteria to choose bank are too high. However, the time was limited and I obtained a rich material regarding the third research question, therefore I only used interviews.

The types of interviews can be divided into unstructured, structured and semi-structured (Josefsson, Mik-Meyer, 2011, p. 46). The in depth interview combines flexibility with structure, allows interaction and the uses of probes (Ritchie & Lewis, 2003, p. 141). Compared to focus groups, one to one interviews offer more confidentiality (David & Sutton, 2011, p. 134) which will be appropriate in order to elicit the students thoughts about their associations and discussions related to their bank. The design of the interview guide is described in the following chapter (Chapter 4, practical method).
3.5 Literature search

A good literature search helps to identify a research gap, prevent duplicating works and find relevant material for the work (Hart, 2001, p. 2-3). Initially, I searched in a broad manner in the field of brand equity and choice criteria for bank selection. From my previous experience I was familiar with some of the most cited authors in the field of brand equity, for instance Keller and Aaker. Their books and journal articles were used in the start to find more references and material in the field, which gave me a good overview of the field. Thereafter, a more detailed searching process started in order to break down the concept of brand equity in smaller elements. Adding to that, I also added studies related to switching barriers to understand the situation of the low switching rate in the banking sector.

Further, my research questions worked as starting points when searching for relevant theories to use (Johansson-Lindfors, p. 87). In the searching process I mainly used the Umea University’s library search database and completed this with Google scholar, journals (Journal of brand management, Journal of marketing) and business databases (Ebsco, Emerald journals). Different search words were used in different combinations, for instance in the field of brand equity:

- Brand equity
- Definitions of brand equity
- Brand associations
- Brand knowledge
- Self-service technologies
- New technology
- Brand image
- Brand awareness
- Customer based brand equity

The research revealed that the banks have hard times to differentiate their services and create true customer based brand equity. Therefore the following searches concentrate on the customer’s choice criteria and other means the banks use to keep their customers. Words used in these searching areas were:

- Choice criteria in retail banking
- Young customers, age, student
- Sweden
- Switching barriers
- Relational benefits
- Switching costs
- Availability of attractive alternatives

These searches generated a lot of material, which gave me access to additional sources in their reference lists. Further, these sources were carefully read and together they create the ground of this research, in form of the previous presented theory chapter. Finally, the reliability of the literature must be secured (Hartman, 2003, s. 53) and the approach for this is now described.
3.6 Source criticism

In order to secure the reliability of the sources I have followed some guidelines and critically evaluated the sources. Related to secure reliability, Ejvegård (2009, p. 71-73) discusses requirements of the sources: authenticity, independency and freshness. By using peer reviewed articles and primary sources the authenticity of the sources has been secured. However, a few times secondary sources have been used due to the non-access of primary sources. The use of peer reviewed articles have also increased the chance of having independent sources, and avoid the situation there the used material are dependent on an organization for example.

In general a new source is preferred before an old source (Ejvegård, 2000, p. 72), but Johansson-Lindfors (1993, p. 89) reminds us that a study is not automatically out-of-date only because of the date. In line with this reasoning I have used new sources to a large extent. However, I also incorporate older studies, for example: Anderson (1976) and Martensson (1985), because they contribute with important relevance regarding choice criteria. Adding to that, more recent research in the same area is scarce.
4. Practical method

In this chapter I explain the practical choices I have taken in order to answer the research questions. I provide information regarding the student sample, the construction of the interview guide and the process of narrowing down the transcribed material. Moreover, a discussion about truth criteria is given before the chapter ends up with a description about how the empirical material was structured.

4.1 The student sample

As discussed in the introduction, this study concentrates on students in their roles as bank customers. The differences between student samples and the general population have led to questionings about the validity and generalizability of student samples (Yoo et al., 2000, p. 202). Bello et al. (2009) discuss the use of student samples in international business research. Despite that my thesis not relates to international business research, some arguments are of general character and valid in this situation too. In some circumstances, using student samples is inappropriate, for instance when involving students without managerial experience in a study there the goal is to predict managerial decision making. Linked to this, Bello et al. (2009) mention that the decision to use student samples must be followed by evidences that the results represent the studied real life situation. (Bello et al., p. 362) Aligned with this, Yoo et al. (2000, p. 202) state that the selection of student samples is appropriate if the students are actual customers of the products. Following this reasoning, the students in this research are users of bank services and this sample is equally appropriate as using non-students. To summarize, Bello et al. (2009, p. 363) mean that it is a matter of “research question-design”, and my research questions are based on the student segment. As explained earlier, this segment is important to catch for the banks in order to create long term relationships and profitability. Thus, the decision to use student sample in front of non-student sample is motivated.

The next question concerned which Swedish banks to include. In 2013, there were 117 banks in Sweden (Swedish bankers’ association, 2014), and I decided to include the four major banks: SEB, Nordea, Swedbank and Handelsbanken. The decision to not include more banks are explained by the fact that I wanted to research banks with full service; and some of the smaller niche banks do not possess physical bank branches. In order to understand the effect of the new technology, I wanted to understand the customers regarding the contrast between meeting personnel and conducting online services. By, using respondents from online banks and exchange banks, for instance Forex, the analysis had been difficult due to the big differences between these banks.

One of my theoretical areas, are choice criteria and therefore I checked the incentives the banks gives to students. These are presented in the following table (Table 4) on the next page.
<table>
<thead>
<tr>
<th>Retail bank</th>
<th>SEB</th>
<th>Nordea</th>
<th>Swedbank</th>
<th>Handelsbanken</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Incentives</td>
<td>None</td>
<td>None</td>
<td>3 months free home</td>
<td>None</td>
</tr>
<tr>
<td>- Internet bank</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>- Mobile bank</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>- Telephone bank</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>- Bank card</td>
<td>Free (Master)</td>
<td>Free (Visa)</td>
<td>Free (Master)</td>
<td>Free (Visa)</td>
</tr>
<tr>
<td>- Swish</td>
<td>Free</td>
<td>Free</td>
<td>Free</td>
<td>Free</td>
</tr>
<tr>
<td>- Requirement</td>
<td>Grants from CSN deposited to the account</td>
<td>Grants from CSN deposited to the account</td>
<td>Grants from CSN deposited to the account</td>
<td>18-27 years</td>
</tr>
</tbody>
</table>

Table 4. Student offerings

As we can see the incentives and benefits provided by the banks are rather similar. Because the similarities of the banks students offerings, which can affect their decisions, I included all and did not decide to have a special number of each in the population. Put differently, there are no no significant differences that motivate that some banks should be more or less interesting related to my research questions.

Qualitative research does not strive to reach generalizations; instead the focus is “to detail the many specifics that give the context its unique flavour” (Lincoln & Guba, 1985, p. 201-202). Therefore I have used a type of non-probability sampling technique: purposeful sampling. These techniques are used to “discover, understand and gain insight” and therefore the researcher can select his sample to learn as much as possible (Merriam, 2009, p. 77). This was conducted using the criteria in Section 4.1. To be more specific the sample contains students at Umea University between the ages of 21-30 years, which are customers at the major banks and not have worked for them. The last criterion is set up in order to solely focus on associations from a customer perspective. Including respondents with prior/current employment at the banks would probably generate a lot of different associations obtained from another position.

4.2 Design of interview guide
In this study a semi structured interview guide is used (see Appendix I), and this contains general topics and suggested questions (Kvale & Brinkmann, 2009, p. 146). The question topics and their questions are created with the research questions in mind. In order to open up the interview the interview guide starts with more general background questions; this also gives the opportunity to collect descriptive details about the respondents (McCracken, 1988, p. 34; Ritchie et al., 2014, p. 150). Aligned with this reasoning, the three initial questions in the guide are of general character and handle the customer’s current bank and banking habits.

Moreover, McCracken (1988, p. 34) reminds about one important point in the design of the interview; the respondents should have the opportunity to “tell their own story in their own terms”. In order to secure this free answering, the interviewer needs to ask general and non-directive questions and hold a low profile. In order to create an opportunity for the respondents to describe the different banks in their own language, instead of forcing them to choose between pre-determined alternatives, natural grouping were used. Here the respondents are given the task to divide a large set of brand names into homogenous subsets (see Appendix I section B). The division into subsets are then
motivated and described by the respondents own words. The processes of divisions are repeated until the respondent is unable to break down the set of brand further. The purpose of this was to understand how the customers perceive the different bank brands. This will give valuable insights about, the eventually view of a commoditized market and brand associations.

Further, association techniques (see Appendix I, start of section C) and probing are used in order to elicit the customer’s top of mind brand associations. Here conscious associations are elicited by asking the respondents about what they associate with a brand. For instance, Supphellen (2000, p. 324) exemplifies this with the question “what do you associate with Mercedes?” The association techniques also include pictures, which is aligned with some of the eliciting guidelines (see Table 1, section 2.2.4 of using visual techniques in the start, point 1 and 16 in the table). Other points that also are followed are point 3, 4, 8, 17. The associations include word such as bank, the current bank of the respondent and pictures such as branches, customers conducting online business and a picture with a heart combined with the word bank. By using this I stimulate the respondents to associate and remind.

Moreover, McCracken (1998, p. 35) gives advices to start with grand tour questions, followed with floating prompts and planned prompts in each of the question areas. The grand tour questions are general opening questions with the purpose of catching the customer’s story and avoid including the demanded terms in the question. These questions enable the interviewer to follow up with floating prompts, for instance; repeating key terms and trying to get more information from the respondents. However, if the respondents answer not touch central areas from the theoretical ground, using planned prompts in the end of each question category can be helpful. This is a more obtrusive approach where the interviewer asks directly for: experiences, formal characteristics and perceptions of contrast between categories. This helps the respondents to discuss topics that not are readily accessed through the mind. (McCracken, 1988, p. 34-36) Therefore, the rest of the interview guide (section D-E) handles different parts of the theoretical framework, there the categories starts with opening questions followed by floating prompts and planned prompts. Some examples of prompts are given in the guide; however these were adapted depending on the respondents answers on the opening questions. The categories focus on the customers’ experiences from using banking services and switching barriers and strategies to create stronger brands. Now the use of this interview guide is described.

4.3 Description of the interviews and transcription
The interviews were conducted between 9 and 13 May 2014 at Umeå University. I chose to conduct the interviews in my own and the respondents mother tongue (Swedish), in order to get the respondents to communicate their thoughts in the best way. Using English had been easier regarding the analysis, but the purpose of the study is to understand the customers, and therefore I wanted to give the students a chance to discuss the topic without thinking of the language. Moreover, several questions need the respondents to think and other need quickly responses. Thus, Swedish was the natural decision.

Before I started each interview, I shortly described the study, described that the answers are confidential and that the material only is used in the study (see ethical considerations, Section 4.5). Thereafter I asked if I had their permission to transcribe the
interviews. The interviews proceeded smoothly and initially the interview guide was followed. In some interviews, especially the latter ones, I made several deviations in order to discuss and follow up interesting opinions. Moreover, I followed the advice to not take too much notes during the interview in order to concentrate on the answers and come up with probes (Ritchie et al., 2014, p. 172). However, during the first two interviews I took too much notes, this was probably because lack of trust of the recording technique and previous experience.

In total, I conducted 7 interviews with lengths between 44-77 minutes. Samples in qualitative research are often small and one factor behind is that the studied phenomena only need to “appear once to be part of the analytical map”. The diminishing return of including a large amount of interviews explains the small samples. (Ritchie et al., 2014 p. 117) According to Merriam (2009, p. 80), there is no right answer to the question regarding how many interviews a study should include. This number must be seen in the light of the research questions. Further, Lincoln & Guba (1985, p. 201-202) mention that the samples in qualitative research are “based on informational, not statistical considerations”. Aligned with this they highlight the fact that the number of interviews cannot be predetermined, instead decisions are taken after each unit (interview) has been done. Thus, the choice to continue the interviews depends on the type of information obtained; it is taken regarding to informational redundancy (Lincoln & Guba, 1985, p. 202). Merriam (2009, p. 217) summarizes this well and states that “saturation” is a key word; you should keep to collect data until you start to hear the “same thing over and over again, and no new information surfaces”. Following this type of purposive sampling, the number of 7 interviews was not predetermined. After each interview I evaluated the predicted amount of additionall insights, related to the research questions, that I should obtain. After the 7th interview I saw that several of the insights were repeated. Using more interviews had probably resulted in a small amount of new insights but not to the large extent I wanted to address the research questions. Thus, I stopped after 7 interviews.

The interviews were transcribed carefully with help of an audio program and a word processing program. Kvale (1996, p. 166-169) states that there are no “true, objective” way of transcribing material. Instead he points out that the technique should be adapted to the research purpose and that the researcher should describe this process. My purpose is not to do a sociolinguistic analysis and therefore I did not strive to keep a verbatim transcription including for example word as “hm” and pauses. In order to transcribe correctly, I slowed down the speed of the recordings and worked in a calm environment. This process was time consuming but helped me to not miss details in the conversations. Moreover I become very familiar with the material during the process. This process of transcribing the complete interview material resulted in 74 pages of written material.

Further, I read the transcribed material and translated the most interesting and insightful excerpts (see cion 4.6) of the interviews, from Swedish to English. My philosophical considerations do not imply that I focus completely on “elimination of bias” and try to reach the “correct interpretation”. My interpretivist standpoint makes me aware of that “translators must also form part of the process of knowledge production” (Temple & Young, 2004, p. 163). Therefore, I have carefully translated the material, but I am aware that there is no true and objective translation and some of the quotations do not have any true translations. However, I have tried to be as accurate as possible and retained the original language and meaning.
4.4 Truth criteria
The measurement of reliability and validity must be applied different in quantitative and qualitative research; because of their different data types (Ritchie & Lewis, 2003, p. 20). Moreover, the terms derive from natural science and the different philosophical standpoints in qualitative research have led to discussions about the value of them in qualitative research. However, the terms are useful to strengthen the data in qualitative research; and broadly reliability refers to “sustainable” and validity to “well grounded” (Ritchie & Lewis, 2003, p. 270). Questions can always be asked if the respondents tell the truth and if the obtained result had been the same with a different interviewer and sample (Seidman, 1998, p. 17). Now a closer presentation and discussion of these criteria are provided.

Validity
Validity refers “to the closeness of fit between data and reality” (David & Sutton, 2011, p. 20). Put differently, it handles the extent to which the researcher measures or explains the phenomena that he claims to measure (Mason, 2002, p. 188). The term is closely related to measurements and this makes its use in qualitative research of low importance (Bryman & Bell, 2013, p. 401) Kirk & Miller (1986, p. 21) discuss validity in qualitative research, and formulate it in this way “it is not a matter of methodological hair-splitting about the fifth decimal” instead it relates to “whether the researcher sees what he or she thinks he or she sees”. According to the distinct differences, the measurements must be adapted. Mason (2002, p. 189-191) discusses validity in qualitative research and divides it into validity of data generation methods and validity of interpretation. The first one means that the researcher needs to relate the methods to the research questions and what and how well these can tell you the answers in the end. For instance, if the researcher thinks that the respondent is deceiving him, discussions and explanations must be given behind the choice to concentrate on other respondents answers.

The latter, validity of interpretation, refers to how valid the interpretations of the data are. The focus on interpretations often creates common feelings and questions, related to if the interpretations are correct among the researchers. Therefore the challenge becomes to demonstrate this validity without lean on an ultimate truth and objectivity, which are not in line with my chosen philosophical considerations. Thus, the researcher needs to show the process from the interviews and interpretations to the result.

Reliability
Reliability refers to “whether the respondent will give the same response at a different time” (David & Sutton, 2011, p. 266-267). That means that repeated measurements should produce the same measurements; however that assumes that the techniques used to generate data are non-biased, standardized and neutral. Consequently, qualitative researchers must prove their accuracy in a different way. This can be done by describing the process of data collection and analysis in a way that is “careful, honest and accurate”. In the end researchers must demonstrate for readers that the data is not invented and misrepresented and that the analysis and recording have been done in a careful way. Thus, the thesis must incorporate evidences and explanations that show the different applied actions to secure the accuracy. (Mason, 2002, p. 187-188)
In line with the difficulties of using reliability and validity measurements from natural science in social science, Lincoln & Guba (1985, p. 301-328) present the adapted criteria of trustworthiness (Bryman & Bell, 2013, p. 405). This criterion is now described and discussed briefly.

4.4.1 Trustworthiness

Trustworthiness relates to the question how the researcher can “persuade his or her audiences that the findings of an inquiry are worth paying attention to” (Lincoln & Guba, 1985, p. 290). In order to meet these criteria the researcher needs to break down the concept and take the credibility, transferability, dependability and confirmability in consideration.

Credibility

There are a number of actions that can be taken in order to show the credibility of the study. Wolcott (2005, p. 160) describes this as “increase the correspondence between research and the real world”. This can be done by triangulation, using more than one data collection method, for example by comparing the respondents’ answers with material discussed in documents or observed in reality. Moreover this triangulation can take the form of using multiple investigators to analyse and collect data. (Merriam, 2009, p. 215) I have not used triangulation, primary because of the great critics against it. This method assumes that the researcher studies a “fixed point” or “object” that can be triangulated. Thus, this view of an objective true reality is not aligned with my philosophical considerations. Further, respondent validation can be used to strengthen the credibility of the study. This is done by providing the respondents with the interpretations of the interview and check if it “rings true”. (Merriam, 2009, p. 217)

Transferability

Related to transferability, Ritchie et al. (2014, p. 351) mentions that “qualitative research cannot be generalised on a statistical basis”. Moreover, they state that it is the “map of the range of views, experiences, outcomes […] that can be generalized to the parent population”. Adding to that, the use of the findings in another context is an empirical issue (Lincoln & Guba, 1985, p. 316). Thus, the researcher needs to provide thick descriptions of the culture and environment and Lincoln & Guba (1985, p. 316) establish that the researchers responsibility is to provide a database, so the readers can make their own judgements about an eventually use of the results in their own context. In line with this, I have tried to describe the context to the extent that this kind of judgements are possible.

Dependability and confirmability

Dependability is the qualitative research analogy to reliability (Bryman & Bell, 2011, p. 398). Similar to the words of “honest, accurate and careful way” (Mason, 2002, p. 187-188), Guba & Lincoln (1985, p. 318) state that an audit approach can be used to approve dependability. Here the whole research process should be kept in records, for example the “problem formulation, selection of research participants, fieldwork notes, interview transcripts and data analysis decisions”. Later on the peers can audit this material (Bryman & Bell, 2011, p. 398). The last criteria of confirmability, means that the researcher “have acted in good faith” (Bryman & Bell, 2011, p. 398) and this is supported by conducting the process behind dependability (Lincoln & Guba, 1985, p. 318).
In order to secure the trustworthiness I have included a detailed process of my research. For instance, Section 4.3 describes the way from audio to written material and Section 4.6 describes how I decided what to present in the empirical material. Moreover, the study describes each step conducted in a clear and detailed way and this shows that the study has been done in a careful way. Adding to that the quotations in the empirical presentation (see Chapter 5) are indexed and this give more strengths behind the material. Finally, I concluded to not use respondent validation, mostly because of the translations and the problems of the respondents to change between the languages. In order to secure the translation process, I also checked some of the more essential quotations with a translator at the Umea University in order to catch the meanings in a good way.

4.5 Ethical considerations

Stake (2000, p. 447) writes that “Qualitative researchers are guests in the private spaces of the world. Their manner should be good and their code of ethics strict”. David & Sutton (2011, p. 30) describe ethics as “the systematic study of or formalization of rules concerning the separation of good conduct from bad”. In this section I discuss several different principles which I have used in order to conduct the research in an ethical way.

The principle of informed consent includes that the researcher should provide the participants with information regarding the study. For instance this can include the research questions and the use of data (Eriksson & Kovalainen, 2008, p. 71). Before each interview I briefly described the study and clearly stated that the material should only be used in this study. Moreover I also provided additional descriptions of the study afterwards, when respondents demanded it. Linked to the informed consent, the participation of the respondents has been voluntary.

The researcher should also respect the confidentiality, privacy and/or anonymity of the participants (David & Sutton, p. 47). I promised the respondents to be anonymous and therefore I have taken several actions to secure this promise. First of all I have not noticed the respondents name on any material containing information from the interviews. Adding to that, I have used fabricated names in the empirical chapter to protect the respondents and handled both the audio files and the transcribed material in locked areas between the working sessions. Further, related to anonymity Ritchie & Lewis (2014, p. 68) state that archiving the audio material is not appropriate, and I deleted this material after the initial transcripts and backup controls were done.

4.6 Empirical description

In qualitative research there are no standard way for reporting and organizing the empirical material (Wolcott, 1990, p. 28). In order to secure the validity of interpretation, by explaining the road from interviews, interpretations to result, I provide a description about this process.

The transition from interview material to result, made by interpretation is well described by what Rowan (1981, p. 134, cited in Seidman, 1998, p. 109) calls the “dialectical process”. Here, the researcher needs to respond to the respondent’s spoken words and “what emerges is a synthesis of what the participant has said and how the researcher has responded”. By describing this process the reader has a chance to follow the process of narrowing down a big amount of material to a readable text (Seidman, 1998, p. 109).
After the interviews had been transcribed (see Section 4.3) I classified and numbered the seven interviews in order to enable structure and also to facilitate for the following analysis. I mainly followed the process recommended by Seidman (1998) and started by reading the transcribed material and marked the most interested sentences. Seidman (1998) also reminds us about that this task of reducing data and deciding what is important is a part of the analysis. (Seidman, 1998, p. 100) Some of the criteria I used when selecting the material were, that it should: shed light on the research questions and be related to the theoretical framework. This material were translated (see Section 4.3) and sorted into categories.

Merriam (2009, p. 254-255) discusses the question of how much descriptions from qualitative studies a report should include. She warns for the presentation of too lengthy descriptions because it can become “its own muddle”. Therefore, I have strived to create a balance, so I have enough material as the ground to the analysis; and at the same time provide a readable and not to long text.

The different categories are built up by the interview material and insightful quotations are provided, related to the research questions. The structure of the quotations are arranged differently in order to distinguish their importance in the text. The majority of quotations are included in the running text, however; the more important and stronger quotations are centred and placed alone on a single line.

Finally, the quotations are numbered with a certain system in order to strengthen the trustworthiness and also to create structure for the author in the research process. The index system should be read as follows: \(1^{2}(3)\), read from the left we have: respondent number 1, the page number (2) of the quotation in the transcript material and finally the number of respondent’s quotation (his/her 3\textsuperscript{rd} quotation included in the empirical material).
5. Empirical findings

In this chapter I present the material obtained from the interviews. Initially information about the respondents is provided. The following material is divided into different categories, which will form the base for the following analysis in chapter 6.

5.1 Respondent overview

<table>
<thead>
<tr>
<th>Respondent</th>
<th>Quotations</th>
<th>Bank</th>
<th>Bank branches</th>
<th>Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td>R1 Ben</td>
<td>1:X(1)-1:X(14)</td>
<td>Nordea</td>
<td>Very occasionally</td>
<td>Every day</td>
</tr>
<tr>
<td>R2 Jill</td>
<td>2:X(1)-2:X(12)</td>
<td>SEB</td>
<td>2 times/year</td>
<td>1-3 times/week</td>
</tr>
<tr>
<td>R3 Tim</td>
<td>3:X(1)-3:X(20)</td>
<td>Nordea</td>
<td>2 times/year</td>
<td>1-2 times/week</td>
</tr>
<tr>
<td>R4 Maria</td>
<td>4:X(1)-4:X(9)</td>
<td>SEB</td>
<td>1 time/year</td>
<td>Several times/week</td>
</tr>
<tr>
<td>R5 Sofie</td>
<td>5:X(1)-5:X(10)</td>
<td>Nordea</td>
<td>2 times/year</td>
<td>Several times/week</td>
</tr>
<tr>
<td>R6 Tom</td>
<td>6:X(1)-6:X(13)</td>
<td>Swedbank</td>
<td>Almost never</td>
<td>1 time/week</td>
</tr>
<tr>
<td>R7 Jerry</td>
<td>7:X(1)-7:X(14)</td>
<td>Handelsbanken</td>
<td>Very occasionally</td>
<td>1-2 times/week</td>
</tr>
</tbody>
</table>

Table 5. Respondent overview

The empirical material is divided into the main sections in the theory chapter; brand equity and decision making, and also strategies that can create stronger brands.

5.2 Brand equity

5.2.1 Brand knowledge

The first section of the interview required the respondents to recall banks. When I ask the respondents to mention bank brands, the majority of them recall Nordea, SEB, Swedbank and Handelsbanken quickly. Further, they are more familiar with those brands compared to the smaller niche banks (see Appendix I). The respondents describe the major banks on a general level as comprehensive classic consumer banks, familiar banks and folksy banks. Tom talks about the major banks and says "I know more about them and you feel that it is safer to have your money with them" 6:1(1).

A mutual perception among the respondents is that the differences between the major banks are small. This is extra clear regarding the technological side “I don’t see the services as unique [...] especially the technological service I think everyone offer” 3:3(1) says Tim. At the same time, this view of the commoditized banking services is not explicit and confirmed, as Maria states “I think I can find it at the other banks” 4:4(1).

This high awareness is also supported with several associations. When I ask the respondents to freely associate to the word bank, several respondents mention negative associations related to the banks major focus on profits. Jerry does not have the highest view on the banking sector but understands their business model and thinks they should take full responsibility when it bursts. Other respondents also mention greediness, high bonuses and savers losing money.

However, when I present them with their own bank brand as cue, they provide several positive associations. One recurrent association is trust and Tim says that they "possess so many traditions and one knows who they are and it creates trust" 3:11(2) and Jill comments “the bank manages my money [...] and therefore you want to trust it" 2:2(1).

Tim also sees the value of the main bank brands and describes them as imprinted and that they make it hard for new actors to reach that position. Related to trust and the
special nature of the product/service of money. Jill reflects and compares money with cars, and says that both should be safe and continues: “A bank is more about one’s physical life if something goes wrong [...] Of course you don’t want to lose your money, but hopefully you want not immediately die if you lose them”. 2:4(2)

When I show a logo to Jerry of his current bank, he says “stable and credible” and continues “the spontaneous answer is that you can trust them” and another respondent says “that’s where I have my money”. All respondents have more brand associations linked to the bank they patronize. Ben states “if you say bank x, it becomes dark for me, I have much less knowledge about them” 1:1(1) and Tom has the same perception and says that his bank stands out. The banks have become salient to respondents during the years, Tim summarizes this well and describes that the logo is so embedded so he hardly thinks on it and it is only there. Other associations that are common are words as security, reliability, professionalism and convenience. Some respondents also recall memories obtained from personal experiences initially, when I use their banks logo and brand name as cue. Jill recalls “when I was a kid I had a moneybox [...] that I got from the bank [...] there I saved a lot of money”. 2:1(3) Tim recalls “I got a bank account of my grandmother and I thought it was fun to save money” 3:3(3) and Jerry remembers: “I remember when I built Lego in the banks children’s corner, when mum and dad were on the bank and had their meetings”. 7:2(1)

He continues to describe that this created a very personal feeling for him and that the bank was successful to combine his parent’s loan discussions with creating this kind of feelings.

5.2.2 Emotional and functional associations

The majority of the respondents associate banks with functional associations and explain that these are similar among the major banks. Tim highlights this and states that “the banks should fulfill functional motives more than emotional motives” 3:4(4) and he continues to reflect about the emotional motives “I think that the banks goal is to incorporate the emotional, but for me personally, the banks do not fulfill that function” 3:4(5) The importance of functional associations is also explained from the situation as being a student. Several respondents come back to the fact that students are less likely to be engaged in more complex services and that their needs are fulfilled by the everyday technological services. In overall, the need of personal service is low and Tom says “I can do everything through internet, so I am almost never on their branch” 6:3(2) and continues “there is not important that my bank has personnel”. 6:5(3) On the other hand, the comment below shows that the emotional associations can be important in order to differentiate among the banks:

“They offer similar products and services [...] so for me the feeling and treatment becomes crucial”. 7:4(2)

Technology

All the respondents are satisfied with the technology based services, Sofie talks about using online banking and says “It feels comfortable, easy, that I have the possibility to make my business”. 5:5(1) Further, Maria also explains the value of mobile banking “I need it when I am on the go”. 4:7(2) All respondents use the technology based services primary to conduct their everyday business such as transferring money, checking their account balance and paying bills. They use the services often and “I have my little
routine” says Maria. The everyday business is also perceived to be something necessary evil, as Jerry says:

“They need to be done, it is like cleaning”.

Related to the use of internet banking Tom says that “it has become an everyday thing and I do not think of anything when I am on their website” Tom has a common view about the website and says “It is only a payment service that you have access to, so there are no special feelings”. No respondent think on the brand when visiting the website and Tom explains:

“I only go there to transfer money, after I exit the website, so there exist no feelings”.

Further, many respondents describe the character of doing services online and through the mobile phone. Several respondents express that the types of business conducted through the bank services are negative in themselves, “paying bills, I don’t think is fun [...] only to see the money disappear” says Jerry. He continues: “the process of sitting down and opening the bank account is usually nothing I think is a great time, I mean in most cases, I see that it is missing for what I want”. Tim also explains a feeling “this is not so fun, I only want to get rid of it”. Ben also touches the feeling associated to the character of the banking service in general and says that “often I think, okay now it disappears money again” and relates to the credit card reader “it is out when I should pay something, it is not out when money appears”. He concludes:

“Unconscious there is probably a rather boring feeling to be logged in with the credit card reader in front of you”.

This phenomenon of the business art is concluded well by Tim; he says “It is more associated with what is happening with the money instead of the specific function” This is highlighted by one respondent, who has moved some savings to an online bank, specialized on savings and trading. He explains that he associates that bank with more feelings because there is more excitement when you save money with risks. He develops the thoughts and says that bigger investments, for instance a large mortgage, can lead to more emotional feelings. Moreover, he expresses that these feelings can be linked to the risk picture. Sofie sees the situation from another angle, and reflects on the “boring feeling” and its natural position with money:

“When it comes to money, it must not be fun [...], I feel almost more security when it is no frills. I believe, I want to feel that it is serious and should it be too much fun, then I should not feel safe”.

Maria also reflects about the feelings and says that she separate economy and feelings, because economy is so rational. However, as mentioned, the technological services functions itself are perceived to provide several benefits. Related to creating associations, Ben says that he does not think the technology contributes to the image of the bank so much. He expresses: “The technology does not make any different impression on me, it works as it should, and I make what I shall do”. Furthermore, Tom also says that he does not has a relation with the technology and continues “It is only something that I buy. I mean I have paid money and I have right to get it”.

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Branch banking

Overall, the respondents visit the branch infrequently and when I show a picture and ask them to associate they initially provide associations such as time consuming, waiting time and boring to wait. Tom mentions that he saves time if he stays at his home and does the services. The tone is rather negative, but when I discuss the topic deeper they starts to come up with more positive associations. Tim describes the branches as a positive and formal environment. Tom says that “it looks like a security check at the airport, and that I don’t like” and continues to say that his current bank has a more spacious branch that he prefers.

Similar to the technological services, the respondents mention the negative feeling associated with the kind of business they conduct at the branch. When I give the cue of the picture of a bank branch, Ben says sterile and “they sit in a waiting room to the doctor and waits on bad news, a little bit like that unfortunately”. He continues and explains and compare with other service experiences:

“It is like I said rather boring design on the branches. It is like you want in and then you do not want to be there. Thus, if you compare with entering Stadium, then I can walk around the classic running lanes to watch the different departments, watch clothes, and when I exit. When I enter the bank branch I take the queue ticket and sit down and wait, do that I shall do and then I leave”.

Similar thoughts are given by Sofie “It’s a feeling of indifferent [...] because you must be there, it is not like, oh yes! Now I should go to the bank”. However she also points out that it depends on the type of business you should conduct. A common viewpoint has Ben who says “you don’t laugh before you go to the bank, and you don’t laugh when you go home”.

Many of the respondents say that they believe they will use the bank branches more frequently in the future in order to conduct more complex businesses. Jerry sees the value of personal contact in specific situations and says “I want to meet and look at someone when I should take on debt”. Jill refers to bigger decisions and they think that the technological services fulfill their needs as students. This is reflected upon by Ben:

“For me the most important is the convenience, it should be easy and especially, they should fulfill my needs I have on the bank and I do not think they are so hard to fulfill”.

For the moment the respondents are satisfied with the situation of having little personal relationships with their banks. However, Jill values personal relationships and says “I like when I recognize someone, and know his name and someone knows my name”.

On the other side, both Ben and Jerry express a feeling of being no one and one in the crowd on some branches. Jerry talks much about his role as a customer and describes that he feels more special today. Before, when he entered another bank he felt “I am nobody here, I am only a brick, I control nothing, and I am only someone they want to take money from” and laughs. At the same time he compares with the website, “there I have my own personal page, my accounts and my money, I control them”.

Related to this feeling of being unimportant and the situation of being a student Sofie expresses “sometimes it feels, just because I am a student and do not have so much money, I do not be as interesting”.
5.2.3 Brand resonance

The respondents explain that they are satisfied with their relationship with their current bank. When I give them the statement “more than a bank” the majority say that “no, it is a bank for me” and Tom describes it as neutral. When I give Tom a picture of the word Bank and a symbol of a heart as a cue he reflects on the banks focus on earning money. He describes:

“The symbol of a heart and the bank collide with each other [...] I remember that someone said that the banks do not have advisors, only sellers, instead it should be a symbol of money next to the word bank”. 6:2(9)

When I ask them to develop their engagement it occurs a spectrum of varying degrees of engagement. A common answer is that they think it is fun if their bank is successful. One respondent indicates that “it is more for me, because I have a picture from it as young, so it feels so more familiar than the other banks”. Jerry reflects on the successfulness, probing into the future and says “If I should have bigger mortgages, then I should feel more engaged with the bank”. 7:8(8) An example is given by Tim, who describes a stronger engagement with another bank than the one he patronize, “since I have become shareholder I feel more engaged”. 1:9(8) Jill says that it is hard to describe in words but explains the engagement as follows: “It is an element in one’s life, because it is where you keep track of your economy and the economy is, after all, an important part in your life”. 2:7(5)

Maria mentions that she associates the word bank to responsibility and says “I don’t love my bank, I only use it”. 4:2(4) Tim does not feel belongingness to his main bank, but have experienced it at another online bank. He also describes a feeling of belongingness with other customers:

“There I become belonging to something. They have a forum there you can discuss savings [...] You can check and discuss with other customers”. 3:4(9)

5.2.4 Sources of brand equity

When I ask the respondents to reflect upon how these associations have emerged several answers relate to their own experiences. A common answer among the respondents are experiences occurred in young age in company with their parents. Sofie reflects:

“I think a large amount has to do with the fact that you see one’s own parents and what kind of relation they have with the bank”. 5:3(5)

This kind of memories is also recalled by Jerry:

“I remember when I was a child, it was like I felt the bank personnel my parents had, they had a personal relation and they said hello to each other on the town. So it was a very personal feeling I got and to play at the branches created a nice feeling”. 7:3(9)

The respondents are also influenced by their relatives and friends. Some of the respondents have changed their associations over the past years. Maria states that “before that [changed bank] I had a picture that all banks were quite the same, it was only a name that you chose”. 4:6(5) She says that this depended upon small and no experience and continues to discuss the changed associations, created by experience and says that since she became older, and started to use more of the services, she has created
a different view of the bank. However the early experience is overall important and Tom says:

“They offer approximately the same, but I use bank X because I have been using that bank for a long time”. 6:3(10)

Several respondents also refer to positive treatments and their ability to create trust. Jerry describes how positive and negative treatments have affected his picture of different banks, and continues to describe that discussions with friends influence his picture of the banks. Another respondent describes his dad’s influence and says that he always has trusted him and takes his word for granted. Regarding, the technology and bank branch abilities to create associations, several respondents believe that they have more associations with branches. Tom reflects upon how his picture has emerged during the years and thinks that his early visits at the branches have big influences on his current picture of the bank. He concludes “The picture is about the same as 10 years ago”. 6:6(11) Tim has a common view and says:

“I think the bigger part comes from the bank branches [...] it sends out signals. If you see a well-dressed man or women, who looks professional, in a businesslike environment, it creates positive signals that I have embraced”. 3:7(10)

He continues and reflects that during the latest years the technological part has created the majority of his new associations. When I ask the respondents about the influence of advertising they agree on its low influence. Maria zooms out the advertising on TV because it is not interesting. Jerry agrees, and highly doubts on the advertising messages and says that some banks use dreams but he do not believe in them strong enough. He continues and says that advertising is not the right tool to communicate trust.

5.3 Decision making
5.3.1 Choice criteria
When I ask the respondents to describe the process of choosing their first bank, a pattern is clear; it was made by high parental influence. Actually, the respondents do not agree with the word choice and instead they mention words as automatically, inherit bank, assigned and mums decision. Maria says:

“I visited the bank with my mother and we opened an account. It was more like a pass of rites, now it is time to become adult, now you get a bank account”. 4:5(6)

A common automatic process is described by Tim who remembers that his grandmother gave him a bankbook and said that “now you have an account”. He continues to talk about the brand “I was around 8 years old and it did not matter what it was”. 3:5(11) Jill does not remind the process but says “I probably received an account when I was born” 2:3(6) and continues “It have always been naturally, because I have always had that bank, my family and brother also, when I have always thought it was the best”. 2:3(7) Sofie remembers faintly that her parents had arranged some kind of monthly savings and that it later become natural to open a bank account at the same bank. Tom opened the account with his mother in order to receive his student grant. The respondents also mention that their first bank account was opened at the same bank as their parents/grandmothers had.

Several of these customers have stayed at this bank until today. Therefore, Tim says “so I have done an active choice by staying at the bank”. 3:5(12) I continue to ask them to
describe which criteria they should evaluate when selecting bank today. The answers vary, for instance dad’s recommendations, the website, functional criteria and the family. Jerry says that the technology is important but that the similarities between the banks do not make it a reason to choose a specific bank. Ben reflects and says that if two banks offer equal technological services, the bank with the best personal treatment would be his choice. He says “If I go to bank X and that meeting is good [...] Afterwards I visit bank A and get the feeling that here it should go fast, they want to have many customers, Then I probably had chosen bank X”.

Criteria that one respondent mentions, is that her bank must be well established and that they should provide valuable and useful offerings. Regarding less important criteria’s, Tim says that “accessibility of the bank branch is not so important for me”. Many respondents have not gone through the mental process of criteria’s, but Jill reflects:

“This then I hear with familiar people [...] to know how they have been treated and to know how the quality of the service is. If I should be forced to select a new one, I should conduct some kind of research, including service quality index”.

Related to asking friends, Tim describes the complexity of evaluating banks, “it is complicated, I mean, if I ask a friend who only has patronized bank X, he probably will say yes it is good”. The complexity is also reflected upon by Tom who says “I have no idea how the service and waiting times are at other banks”. Another view of process is provided by Tom who says that he would choose the one he recognizes most and that is the bank which he is most used to.

I perceive a lack of some respondent’s knowledge and reflections according to choice criteria and asks them how important the choice of bank is. A common view among the respondents is that the choice is “important but not for the moment”, Tim says “It is not an important choice related to my current stage in life”. One respondent agrees and comments that the early choice was not important and adds that he did not have many assets then and Jerry discusses that paying bills is more about working frictionless and if it does not work, he can change bank. Tom says that if he should choose today, there should be two candidates, and that they are similar. Without discussing any criteria he concludes that it is “50/50” between them. Tom reflects upon the future:

“Shall I borrow money, then I really will spend time on evaluating the banks against each other”.

Tim says that he seriously will take a decision about bank selection in around 5 years in connection with the purchase of house or apartment. This increased importance of the banks is also supported by Ben who says “I think the bank will have greater importance for me in the future”. On the other hand, Sofie says that it is “very important, because you must be able to trust that your money not disappear”. Linked to the changed situation for the respondents in the future, Sofie says that technology is more important today when selecting bank and adds that it is similar among the banks. She continues and says that the personnel will be more important for her in the future. This reasoning is also aligned with one respondent who believes that the criteria will change for her in the future.
5.3.2 Switching barriers

A common view is that changing bank is a rather easy process. “I am not bound in any way by the bank” says Tim, and Jerry reflects “In one way it feels easy to change, it is only to change if you are unsatisfied. At the same time, it is a project that is unnecessary if you not really feel the need”. The majority of the respondents is satisfied with their current bank and has not thought of changing bank. Jerry describes that “I am one of those, rather loyal, if I have chosen something I am loyal to them”. Sofie says that if you should change bank, it should be because some special reason, for example a very good personal contact.

I ask them if they would miss something when changing bank. Jill says; “I don’t know, because I don’t know what separates them. There is nothing I directly loses, I don’t lose a person”. Another respondent says that she does not have any special benefits for the moment, which would be lost. Tim says that he should miss the convenience to transfer money to his friends and Jerry is afraid of becoming no one special in the crowd at the new bank. Sofie reflects:

“I believe they offer rather the same. So it is not that I would feel: oh no, now I should miss this, because technologically, they offer approximately the same”.

Several respondents agree that they will not miss a special person at the bank. For instance, Sofie believes that all banks have competent personal and that she does not feel that her relationship with her personnel at the bank is so good that she will miss it. Tom should miss his memories from the old bank and feeling of trust he has today. Regarding learning new technology at a new bank, Jill says:

“I am born with technology, so it should be rather easy, it is probably harder for a 60 year old customer who just has learnt using a smartphone and his banks system”.

Tom also believes that the learning process will be fast because they offer so similar services and concludes that it should not be a problem for him to change. However, two respondents describe that the bank required them to move all their savings to the bank if they should take mortgages. One respondent describes that since she has taken mortgage at her bank the bank has tied her hard. Tim discusses in a similar way and says that if he had a big mortgage he would never bother because it should be too expensive. However, one respondent says that she does not perceive that the bank works actively to lock in customers by making it hard for them to change bank.

Several respondents mention smaller things that should lead to more work when changing bank. One respondent says that she would lose the good contact that her mum has with the bank and that changing bank should require her to sell her interest funds and buy them again. When I ask the respondents what keeps them at their current bank, Tim thinks for a while and says “laziness perhaps”.

5.4 Strategies

5.4.1 The difficulties of building a bank brand

Initially several respondents mention that the banks can provide offerings, for instance lower interest rates and credit card offerings. However, they see the difficulties to product/service differentiate in the sector and Sofie mentions that banks easy can mimic each other’s technology and Tom says “there is a constant battle between the banks”. Maria talks in general terms about satisfaction and says “they can ensure that you are
satisfied all the time, something which is very hard next to impossible."  

Further, several respondents agree around that banks not do enough in order to build a brand related to students. Jerry reflects upon this and sees an intended reason:

“... In overall they do little [...] It can also be a strategy to create trust, that they not invest in flashy advertisements, instead they are secure and calm. They do not try to be the coolest alternative; instead they try to be best at that they do”.

Other respondents discuss around the same theme, “not use too much stunt [...] if you should keep some kind of credibility” and one respondent talks about the website “too much fun and you don’t take it serious”. Jerry continues to talk about credibility “they need to strengthen the credibility [...] we handle money – your money” and concludes: “They need so personal meetings as possible, to build trust and that type of brand”. Related to a funnier approach, Maria compares online and offline and says “it can work if it is IRL, I think it will work better”. Ben says that it could feel a little bit unnatural if the bank should try to do something cool at the university, but it should not damage them. Sofie reflects over the appropriateness of this personal strategy focused on students:

“Say that one bank states: we want to become the personal bank! I believe the students will think: oh well, do you think I have use of that now?”

Maria is on the same track and mentions that it should be strange if the bank should try to create more contact with her and says “It would almost get me going in the opposite direction”. Many respondents reflect on the special view on their bank and one reflects on the perceptions many have of banks “the picture you have of them is that they should handle your money” and Ben also reflects on the view on banks:

“I don’t know how many see the banks as a wow thing”.

Therefore, he concludes that the banks could become the “big deal” but that require that the banks do it in a special way.

5.4.2 Different strategies

The respondent’s come up with several ideas of strategies, Sofie discusses “It is difficult. How can they do [...] where are the students? They are on the university, so actually they need to visit the university and present themselves”. Tim states that it is not enough that they say “We have these offers, we are a so good bank, we are bank X [blah, blah, blah] so become our customer. Instead they need to create something emotional in order to keep you”. The respondents mention several activities: sponsoring the university, workshops, collaboration with CSN, generally be more visible and mentoring. Ben states that students are especially interested in saving money and says that one bank that offer discount on food have a well-adapted offering. Many respondents mention the word niche and Sofie says:

“They need to niche more against students and really say that they want to become the student’s first choice. They also need to communicate that they want to follow your entire development”.

Tim says that in order to keep the students, they should do it more user-friendly for share investors and include students interest in the campaigns. He continues to describe that they could provide expertise in analyzing ideas and hold events with entrepreneurs.
However, Tim reflects over the complexity of this strategy and how the bank can incorporate all different customers.

Several respondents think that the banks must try to create something that make the customers staying. Tim starts to talk about that they should “tie me up” in some way. Ben gets a negative feeling when we talks about locking in the customer and he refers to creating some kind of subscription and says “I would think that it should be completely sick!” 1:11(13) Tim continues to reflect and says “they should provide benefits that you only get if you are loyal”. 3:10(18)

Many of the respondents mention that banks need to create some kind of belongingness. Tim mentions that “owning shares in a company creates belongingness and an emotional feeling”. 3:10(19) Moreover, he describes his belongingness with the customers in another online bank niched to savings and shares. Other respondents also discuss the dilemma of “not only focusing on the student years” and instead see it as a long term relationship. Sofie highlights the importance of focusing on the students:

“Just then, you don’t have so much money, so it is very easy to only transfer them to another bank”. 5:9(10)

Jill exemplifies the importance of creating these long term relationships to keep customers:

“My cousin for example and her husband bought a house and then they switched bank […] I think it was due to mortgage. This can result in losses in the long run. I mean, because now their current child and future children, they will probably jump into that bank. Suddenly, the new bank got 5 customers instead of 2”. 2:9(11)

Jill discusses the need of strategies in relation to students who inherit banks:

“They need to do something active […] I mean perhaps they think that I am already interested in them because I have their bank, but obviously it does not have to be like that, since you only were placed in the bank. So they should perhaps see one as a customer that they actually not have […] Even if I am a customer, they should regard me as not being a customer, in order to fight so I stay”. 2:9(12)

Ben also reflects upon the fact that the banks do not know if he consider to change bank and therefore they should try to keep him as a customer. Ben means that they need to show that they are there. He continues to reflect “they do not need to have an eagle eye on students but they need to show that they cherish about their current customers”. 1:9(14)

Finally, Tim reflects upon the effect on associations. He believes that these activities can create associations and reflects:

“Then there is the question if it should create enough, so I should change bank. It is probably more likely that you should stay at your current bank if you had good associations linked to it”. 3:11(20)

Now a short summary of the empirical material is provided. Afterwards, this material will be analyzed in the following chapter.
### 5.5 Summary of empirical findings

<table>
<thead>
<tr>
<th>Category</th>
<th>The student words</th>
</tr>
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<tbody>
<tr>
<td><strong>Brand equity</strong></td>
<td></td>
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<tr>
<td><strong>Brand associations</strong></td>
<td></td>
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<tr>
<td>Banks in general</td>
<td>Greediness, high bonuses, focus on profits</td>
</tr>
<tr>
<td>Own bank</td>
<td>Trust, credibility, reliability, professionalism</td>
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<tr>
<td>Technology and the art of services</td>
<td>Unconscious there is probably a rather boring feeling</td>
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<td></td>
<td>They need to be done, it is like cleaning</td>
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<td></td>
<td>You don’t laugh before you go to the bank, and you don’t laugh when you go home</td>
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<tr>
<td>Sources</td>
<td></td>
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<tr>
<td>Experiences in childhood</td>
<td>Built Lego in the banks children’s corner</td>
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<tr>
<td>Recommendations from friends relatives</td>
<td>Parents relation with the bank</td>
</tr>
<tr>
<td>Branch visits</td>
<td></td>
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<tr>
<td><strong>Decision making</strong></td>
<td></td>
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<tr>
<td>Choice criteria</td>
<td></td>
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<tr>
<td>Not a choice</td>
<td>Automatically, inherit bank, assigned, mums decision</td>
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<tr>
<td>Parental influence</td>
<td>Like a pass of rites</td>
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<tr>
<td>Recommendations</td>
<td></td>
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<tr>
<td><strong>Student role, low importance of choice, more important choice in the future</strong></td>
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<tr>
<td>Switching barriers</td>
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<td>Low</td>
<td>I am born with technology</td>
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<td>I don’t know what separates them</td>
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<td></td>
<td>No special benefits for the moment</td>
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<tr>
<td>Strategies</td>
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<td>Balance fun with credibility</td>
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<tr>
<td>View today</td>
<td>They should handle your money</td>
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<td></td>
<td>I don’t know how many see the banks as a wow thing</td>
</tr>
</tbody>
</table>

Table 6. Summary empirical findings
6. Analysis and discussion
In this chapter the empirical findings are analyzed in relation to the theoretical framework. The conceptual model guides the chapter and the analysis will be provided with running discussions.

The procedure to analyze qualitative data is rather free and includes not so many rules like quantitative analysis (Ritchie & Lewis 2003, p. 200) and the empirical material will be analyzed using a content analysis. Initially the concept of brand equity, the keystone of this thesis, will be analyzed briefly by bringing together the empirical material and the CBBE-model pyramid (see section 2.2.2, Figure 2). Thereafter the CBBE-model pyramid different categories are discussed and analyzed in relation to the conceptual model (see section 2.5, Figure 4). The analysis is also supported by a developed conceptual model, however the purpose of the model is not to present generalized relationships. Instead it is included to “map” the “range of views, experiences” that can be “generalized to the parent population” (Ritchie et al., 2014, p. 351).

6.1 Brand equity
6.1.1 Brand awareness
The empirical material shows that the major banks have successfully created strong awareness among students. All respondents recalled them quickly which is a sign of a deep rooted awareness, described by one respondent as imprinted. At the same time was the knowledge about the smaller niche banks rather low and the students did not search information actively about them. This is aligned with the findings of Boyd et al (1994) saying that the customers assume the most well-known brands to have the best services, and consequently the customers do not actively search detailed information about other smaller banks. Therefore, the major banks high awareness give them a valuable position in the battle of new customers, by existing in their minds. Related to the associative network model, these banks probably appear when the students start to reflect about selecting bank. Further, one respondent describes that this high awareness makes it difficult for new banks to establish and become successful on the Swedish market. This high familiarity also forms a stable base for the banks to create customer based brand equity (see Figure 5, bottom level), however they need to develop favorable, strong and unique associations (Keller, 1993, p. 2).

6.1.2 Brand associations
Advancing to the next level in the pyramid; in overall, the major banks are perceived to be similar. The empirical material shows that the banks technologies are next seen as commodities and there is a constant battle between the banks regarding differentiating their services. This supports previous findings of the difficulties on product differentiation in the banking sector (Ioanna, 2002, p. 66).

Moreover, on a general level, the banking sector is associated with negative associations, for instance their high focus on profits, high bonuses and lack of responsibly in economic crisis. These associations confirm O'loughlin & Szmigin (2005, p. 19) findings of negative reputation of banks. However, the customers also have positive associations linked to their bank and several of the earliest recalled and unique associations come from own experiences. In overall, the customers do not recall a high number of associations and the majority of them are related to the left functional
side of the pyramid. The customers see the banks task to be functional and something that they need to use in order to execute their business, such as paying bills.

The right hand emotional side is scarce (see Figure 5, red circle) which is aligned with the findings of low emotional affection by de Chernatony & Dall’Olmo, (1999, p. 189) in the financial sector. This study shows that one factor behind the low emotional associations is the situation of being a student in combination with the specific characteristics of financial services. This situation is related to low incomes and a low need for meeting personnel to conduct more complex services. This is aligned with previous findings related to complex businesses (Black et al., 2002, p. 170-171). Thus, the banks need to add more imagery based associations and feelings in the student’s minds to differentiate and create more unique associations.

6.1.3 Brand resonance
The students think that it is fun if their bank is successful but they are lacking a deeper engagement with their bank. According to Keller (2009, p. 144), brand resonance refers to the “nature of the relationship and the extent to which the customers feel they are in sync with the brand”. The majority of the customers do not perceive to have a relationship with their bank, instead someone describe the banks as neutral. Moreover, the customers say that their bank is not “more than a bank”. This indicates that the major banks have not been creating strong bonds with students.

Further, Keller (2009, p. 145) mentions that the product category has a high influence in the successfulness of creating brand resonance. One respondent says that he does not know how many customers who see the bank as a “wow thing” and one student states that she does not love her bank, instead she only uses it. In line with this one respondent describes that the banking service is something she pays for and she expects it to work well. Together, this gives an impression that the customers have a view that the banking services are a mean for handling their financial means, and nothing more. However, one respondent says the bank fulfills an important function in their life and a common view is that the banks roles will increase after the study period. The empirical material also sheds light on the special nature of the product category of financial services, especially related to students. First, several respondents describe the business conducted through the bank as something that need to be done. Moreover, they mention that several of the banking business is linked with paying and decreasing their capital. This is something that is intrinsic in the business itself, and not linked to the specific service function.

Further, several respondents describe how negative feelings are associated with the businesses they conduct through the bank. To summarize, the bank has a relatively low importance in the student’s lives today, but this will increase in their future. This in combination with the special characteristic of financial services makes the creation of true customer based brand equity to a challenge for the banks. In line with Devlin & Azhars (2004, p. 15) discussion this study shows that the bank brands lack true customer based brand equity. In order to reach the highest level in the pyramid they need to create engagement with the customers and get them in sync with the brands.

6.2 The conceptual model
The previous section analyzed the associations linked to the main banks, residing in the students’ minds. Now, these associations will be linked together with the other concepts
using the conceptual model. The concept will be discussed in the order linked to the figure: technology (Q1), sources (Q2), and strategies (Q3). Finally the most interested insights will be discussed in relation to each other. Note that the conceptual model has been developed with yellow areas and some connected lines after relating the empirical material to the theory. The yellow CBBE pyramid has already been discussed and the rest will be included in the following sections.

Figure 5. Developed conceptual model
6.2.1 Technologies effect on brand equity and switching behavior

As discussed, the students do not have a rich collection of associations linked to their bank and several of the strongest are formed from experiences in their childhood. These early experiences link the bank to something fun or important event in life, for instance getting a moneybox or starting to receive student grants. The business the students conduct through technology today are made on a routine base and seen as something necessary evil. Actually, one student uses the metaphor of cleaning, when explaining the feeling of a must, linked to conducting technology based businesses.

This relates to the situation of being a student; the period includes less complex business conducted to solve “everyday needs” as paying bills and transferring money. During performing these businesses, for instance through the website, the students do not reflect and they often use them in relation to decreasing their capital. In comparison, the few businesses conducted through branches make the students to reflect more and this can be one reason behind the fact they have more associations linked to their branch visits and meetings with personnel. The businesses related to branch visits are also associated with a boring and not so exciting feeling. However, the branch environment fulfills the important function of creating associations related to trust and personal experiences. In contrast, no respondent mentions that the technology is associated directly to trust. Despite the lack of creating several associations, especially emotional ones, the customers are very satisfied with the technological services. The study also shows that the technology creates associations such as convenient and easiness. The implication of the student’s high use of technology is that the banks need to do something extra in order to create true customer based brand equity.

Related to switching barriers, this study shows that the students perceive it to be very easy to change bank. Moreover, the use of technology is not a factor that creates barriers to switch. Instead the students have no problem to learn to use technology and they perceive the other main banks to have similar technologies. Therefore the banks will not be able to lock in the students by including this type of switching costs. Moreover, the students will not miss any special personnel if they change bank. According to this they perceive the relational barrier (Gwinner et al., 1998, p. 109) to be low. However, some students mention that belongingness could be a factor that makes them staying at their current bank. According to Butcher et al. (2002, cited in Vázquez-Carrasco & Foxall, 2006, p. 368) relational benefits include social benefits in form of friendship and a sense of belonging. Seen from this perspective it exists some kind of switching barrier. However, the students do not either feel locked in or having a relationship with their bank. The easy process of changing bank in combination with the need of more complex services in the future mean that the banks need to build customer brand equity instead of starting to lock in the customers. Now we are advancing to the area related to research question 2 and this area is discussed in combination with choice criteria.

6.2.2 Sources of brand equity and choice criteria

Related to the service branding model (Berry 2000) the presented brand has a low importance to create brand associations. In opposite, the external brand communications and customer experiences are extremely important; the former in the selection process and the latter in the process of creating brand associations. In line with a previous study (Berry, 2000) the high importance of external brand communication and customer experiences depends on their unbiased nature. From the empirical material, one
respondent describes this as night and day and she trusts her relative because she has knowledge and experience.

Further, the study shows the importance of own experience and supports the formulation of Berry (2000, p. 130); “the source of the experience is the locus of the brand”. The most of the brand associations are formed during the childhood, for instance when following parents to the bank. These experiences have created very personal memories for the students. These kinds of associations are very strong, favorably and especially, unique, for the students. The uniqueness is something scarce in the banking sector and these kind of experiences are impossible to create again. They will forever be unique and have a special place in the mind of the student.

Linked to the choice criteria, the findings support previous studies of the importance of parental influence (Martensson, 1985; Tink & Taylor, 2005). This study even finds the influences of parents or relatives to be crucial in the process of selecting bank. The majority of the students became customers at their current bank at a very young age when the decision was taken by someone else. This fact that they become customers so early give the banks the opportunity of using the long time period to create service experiences that will stay in the mind of the customers. This shows the importance of creating customer based brand equity in the mind of customers, as these will influence their friends and the next generation in the selection process.

The quote from the empirical chapter (see Section 5.5, quote: 2:9(11)) exemplifies this good; two customers are probably turned into five in the future if the banks are successful in keeping their current customers. I call this the “bank customer wheel” as this process of attracting new customers becomes automatically done by the bank customers, given that the banks succeed to create true customer based brand equity among their current customers. They are turning into brand ambassadors and spread the word of the bank brand. This effect can even be stronger in the future if the banks start to do something more active focused on the students. However, the fact that the students become customers in an early age without own reflections also creates challenges related to keeping them in a long term relationship. This due to the fact that other banks are similar and that more and more technology risks the creation of new service experience and memorable experiences experienced in their childhood.

6.2.3 Strategies: creating something very special
The general view is that the banks do too little in order to create engagement among the students and build a stronger brand. As discussed, the banks are by tradition seen as functional and not being a “wow thing”. Thus, there are several challenges combined with changing this position of the banks.

First, the mentioned characteristic of doing banking service means that the banks need to do something extra besides the service itself. The process of conducting technology business has difficulties to provide strong and unique associations. Their routine and sometimes boring characteristics make it hard to create a wide range of associations. In comparison to other services and products this becomes clear. The process of shopping at an IKEA store gives the customer several experiences and the engagement is there both in the store (self-picking) and at home (self-assembling). Of course, shopping furniture’s and visiting the bank are completely different activities, but the example
sheds light on the characteristics of conducting banking services. Moreover, the nature of banking services will not change, and therefore the banks need to do something besides only providing the services. These activities can help the banks to secure that the current student customers of today become life-long customers.

Secondly, the empirical material shows that including too much fun in the advertising and events could harm this strong perception of trustworthy banks. Thus, linked to the special nature of financial services, the strategies of creating customer based brand equity need to be adapted in order to maintain the current association of trust. Seen from the angle of the CBBE-pyramid, brand resonance is most likely easier to build among students by involving some more fun activities, as in contrast to the more boring art of business conducted by financial services. This study shows that these more fun approaches could work if the activities are conducted face to face with the students at the university.

Moreover, it appears a third dilemma for the banks in the chase of creating engagement among the students. Several students believe that they need to create some kind of personal relationships with students. However, at the same time, it is doubtful if the students will value this benefit during their study period. Thus, the banks need to balance their strategy so they not become to offensive and instead irritate the students. The findings also show that the banks should not see the student period in isolation, instead they need to create long term relationships in order to keep the customers.

As discussed earlier, several students have been placed in the bank as young customers. Related to this, one respondent explains the viewpoint the banks need to have in order to keep them (see Section 5.5, quote 291291). By being aware of the fact that the students did not engage themselves in their first choice of bank, the banks will have a strong argument to work hard with these activities. Several students mention that the banks should niche against the student in order to create belongingness between the student and the bank, but also between the students. The belongingness will be a key factor to create brand resonance, and the empirical material shows that this is possible in the banking sector.

Reflecting on the future, these strategies will be even more important. The next generation has probably less associations linked to their childhood, due to the parent’s use of technology. For instance, the parents will also use technology and not bring the children to the branches. This makes the minds of the young customers, and later on the students mind, even more scarce related to brand associations. Then, the choice of bank risks to become even more a question of commodities and the banks will have more difficulties in their way of actively influence the students’ choice.

6.3 The whole picture
To wrap up the analysis and prepare for the conclusion a short discussion of the concepts related to each other and the thesis title is provided. The study clearly shows that the students do not feel themselves to be locked in. Moreover, they perceive locking in customers to be negative. Related to the discussion about switching barriers, the creation of belongingness could be seen as a switching barrier. However, I choose to see it from another angle, instead of focusing to lock in the customers, the banks should concentrate on providing values in order to keep and attract new customers.
Today, the students are not in love with their bank, in fact they are rather unengaged and do not see the bank as important for the moment. At the same time, they are satisfied with the service, but the banks need to create adapted strategies in order to secure long term relationships.

By creating balanced strategies that both conserve the trust and create new associations, the risk of customers changing bank decreases. By doing this, creating emotional associations, brand resonance and true customer based brand equity in the future, the students become brand ambassadors and attract new customers to the bank. This is aligned with the fact that the most mentioned choice criteria is external brand communication, in form of word of mouth.
7. Conclusions and contributions
This chapter presents answers to my three research questions and discusses the theoretical, practical and societal contributions. Moreover, the research process is evaluated and ideas of future research presented.

7.1 Conclusion
My first research question was:

In which way is the technology development in the banking sector affecting the students customer based brand equity and switching barriers?

This study has given insights about technologies effect on the formation of customer based brand equity. It is clear that the technology and the linked businesses, alone, are ineffective in order to create customer based brand equity. One of the reasons behind this difficulty is the businesses characteristic of being seen as something sometimes boring and necessary evil. Thus, the customers do not reflect and instead conduct their service on a routinely base. However, they are satisfied with the technological services due to its convenience and quickness. Further, the technology based service is perceived to be similar between the banks and easy to learn, therefore the students perceive the process of changing bank to be easy. Moreover, they do not have benefits with their current bank that prevent them to switch bank.

My second research question was:

Which factors are the students’ source of customer based brand equity?

The study points out the important role of experience and parental influence as sources of customer based brand equity. Early experiences from the childhood have created unique associations having a special place in the mind of the students. These experiences and memories are linked to important and fun events in the customers’ lives. Further, these unique associations can be important for the banks as they have hard times to create other unique associations and product differentiates. The parents and relatives influence in the choice process is critical and several of the students have stayed at the bank their parents “placed them in”. Further, it shows the difficulties of formulating brand associations though advertising. This information channel is seen as more biased and less credible and useful to build a bran related to trust.

My third research question was:

According to the students, how can the retail banks build stronger brands and increase the engagement with the student segment in the future?

Finally, the students have a common view that the banks do too little in order to create brand resonance and engagement among students. Therefore they need to implement strategies that include a more fun and engaging approach without sacrificing their current association of trust. These strategies are crucial in order to build customer based brand equity and avoid the situation that the students change bank after their study period because of better offers at other banks. Three key areas are to niche against students, create a more personal relational and create belongingness. However, the students highlight the fact that they do not need so much personal contact. Therefore, the banks need to handle these three areas in a natural way. Changing too much at once can harm the current image of the banks of being credible and one way to do this is to arrange events at the university or services that include moments that create...
belongingness. The fact that the customers are satisfied today with the services also means that the banks must be careful and focus their activities and strategies on certain students.

7.2 Contributions
This study has contributed with several insights that can be of value for several stakeholders. These insights are now presented and discussed.

7.2.1 Theoretical
This paper has examined the role of the concepts of customer based brand equity, choice criteria and switching barriers in relation to the technology development in the banking sector. Combining them into a unit has given several theoretical contributions. The first contribution is that the term switching barrier has a negative view and should not be used to lock in students. Instead, service providers should flip the coin and concentrate on creating value so the students stay at their current bank. The line between a barrier and a brand building activity can be vague. However, the differences are seen from the purpose behind the activity, more exactly locking in compared to providing value.

Moreover, the paper has shed light on the link between customer brand equity and its role as crucial choice criteria. Several favorable, strong and unique associations will affect the students today in the selection process and his/her friends and children’s in the future. This creates a “bank customer wheel” where the students turn into brand ambassadors and influence their friends and family to become customers.

Adding to that, the paper has contributed with interesting findings related to creating customer based brand equity in the product category of banking services. This sector is embedded by some services that are conducted on a routinely base and associated with little engagement and feelings. The specific product category also have implications for the difficulties of creating engagement and building brand resonance.

7.2.2 Practical
First of all, the findings show that the banks should implement strategies or activities in order to build true customer brand equity among the students. These strategies must include some more engaging or fun approach, in contrast to the more boring and “necessary evil” type of the services conducted through the bank. However, the bank managers need to be careful to preserve their current associations of trust. The first priority is still to provide the best product and services, and these brand building activities should work as a complement that differentiate their brands in a sustainable way.

According to the paper, banks should strive to create a feeling of belongingness. This can be done by niching against the students and be more visible in general. Examples of activities can be events hold at the university, mentoring and courses. Further, more investigations are needed regarding the types of the specific activities that should be implemented. However, this study shows that banks need to do something extra to keep their students in a long term relationship. The fact that they often have inherited their
bank and not engaged themselves in the decision increases the risk that they will change bank after ending their studies.

Moreover, this study highlights the importance of early experiences at the bank in the childhood, to create unique brand associations. Therefore, the banks should keep working to include the children, in their parent’s visits, in early ages. This has worked very well, according to the study, but the future even more technology intensive relationships lead to the fact that the banks must concentrate on these “including the children” activities even more.

7.2.3 Societal
On a broader view, the society can benefit from more positive associations linked to the banks. Today, the sector is linked to several negative associations and focusing on creating true customer based equity will decrease this negative picture. By implementing these strategies and stop to take big risks and use high bonuses will the customers have an even better image of banks. Thus, this will help the economy as a whole by creating better relationships with the customers and the banks. These relationships will also give a good opportunity for the customers to affect the banks future development.

Further the creation of customer based brand equity in comparison with locking in the customers are a sustainable solution. This means that the students free choice are strengthen by not concentrating on creating switching barriers. In overall, the society will benefit from this, because the banks force each other to improve their services and relationships with their customers.

7.3 Future research and limitations of the study
After conducting this research I have recognized several topics that could be addressed in future research. First of all, the high use of technology among students and its lack of creating experience and customer based brand equity are interesting. However, the students are born in a transition period and have experienced both branch banking and, in the latest years, almost exclusively technology services. Therefore it should be interesting to conduct a similar study focusing on teenagers.

Another solution is to repeat the study on students in around 10 years. These students have been grown up under a period where technology has been a natural choice from the beginning. Therefore, this type of study could both investigate associations of the students mind and compare if they have other images of the banks. One interesting question is if the perception of banks would change in the future due to the way of doing banking in front of computers.

Moreover, this study has tried to elicit both the student’s surface brand associations and some more deeply rooted brand associations. However, a good idea would be to incorporate even more techniques, for example Zaltman Metaphor Elicitation Technique, to uncover more unconscious associations. This will give an even more detailed map of the customers’ minds. However, the complexity of eliciting brand associations means that research cannot reach the true picture of the customers’ brains.
Finally, the study shows the importance of banks innovating some strategy that can create engagement and brand resonance. This study has gained some exploratory findings focused on this question. It would be interesting to use this material as a starting point and run a large amount of focus groups to develop this material and let the students discuss and find out more comprehensive strategies.

While this study has provided several insights about the technologies effect on the students’ minds it also has limitations. First of all, eliciting brand associations is a complex topic and including longer or multiple interviews with several eliciting techniques had probably resulted in obtaining more unconscious association. Secondly, the study is conducted in Sweden and this limitation must be taken in account when evaluating the findings.

However, the feeling after finishing this paper is good and the process has given me a lot of experiences. First of all, entering the qualitative and constructionist world have been interesting and gave me a more comprehensive view on research. However, I am a friend of quantitative research, and sometimes feelings of free choices and lack of rules have challenged me. Finally, I feel that I have succeeded with providing the readers with a box of rich details, and therefore demonstrated the trustworthiness of the study.
References


Appendices
Appendix I: Interview guide
A. Background information
Which bank do you use?
How long time have you been customer at this bank?
How often do you conduct services at the bank? (online, offline)

B. Natural grouping (short version)
Given cards with different bank brands names in Sweden (SEB, Nordea, Handelsbanken, Swedbank, Danske bank, Länsförsäkringar bank, Forex bank, Avanza Bank, ICA-banken)
“The respondent should split up the set into two homogenous subsets, explaining their motivation and describing the subsets with their own word, continues to split until unable”
✔ Now you will get 10 different cards with different bank brands. Can you divide them into two homogenous groups? –Why? Can you explain the groups? Based on what?

Key words: brand image, commoditization market, availability of attractive alternatives, differentiation.

C. Association techniques
✔ What do you associate with ________ (the word bank)
✔ What do you associate with ________ (the student’s current bank, more than one: the one used most)
✔ Showing a picture of the object and ask: What comes up to mind?
  - Logo
  - Branch bank
  - Website
  - Showing a picture of a heart and the word bank
✔ What are the main sources of these brand associations?
✔ You mentioned the word ____________ If you think a little bit, how has this association emerged?
Planned probes: Newspaper? From using the service? (Yes: What kind of experience? Tell me more about this experience) Friends? Media?
✔ Are some of these associations unique to this bank?

Key words: brand equity, brand associations, brand knowledge, SST, sources of brand equity, point of differences.

D. Narrative techniques
Today you are customer at bank ________
✔ How did you choose this bank? Can you describe the process, experience?
Planned probes: Most important factors? [Interest rates, image, recommendations, technology] Difficult choice? Important choice?
✓ How important is technology versus people?
✓ Can you describe the situation of doing banking services online? Give an example.

Planned probes: Feelings? Place? Time?
✓ Can you describe the situation of doing banking services at the bank office?

Planned probes: Feelings? Place? Time?
✓ How does this two “ways” affect your image of the banks? Create relationships?

Key words: choice criteria, service branding model, brand image.

E. Category questions
1. Switching barriers
✓ Are you satisfied with your current bank?
✓ Have you thought of changing bank?

Planned probes: Yes (Why? Other better alternatives? Did you do it?) No (Why not?)
✓ Is it easy to change bank?

✓ If you change bank, would you miss something at your current bank?

Key words: relational benefits, switching costs, Availability of attractiveness.

2. Technology and brand equity
If you think of online banking and other technological solutions,
✓ If you think of online banking versus meeting personnel at the bank, what comes up to mind?
✓ How does the technology affect you as customer? A reason to choose a specific bank?

Key words: technology, bank branches, experiences.

3. Future strategies for the banks
✓ How do you perceive your relationship with the bank? Do you think you will stay as a customer for a long time?
✓ Do you feel engaged with the brand? Is it more than a bank?
✓ How is the bank working in order to create relationships with you?

Planned probes: Little personal meetings? How could they do in the future to develop stronger brand among students? Incentives? Combine technology with meetings?

Key words: future strategies for the banks, brand resonance, active loyalty, engagement.