

**AN ASSESMENT OF THE EFFECTIVENESS OF
BRANDING AS A TOOL FOR ACHIEVING HIGH SALE
IN SERVICE INDUSTRY (A CASE STUDY OF
KEYSTONE BANK AND UNITY BANK PLC, BIDA)**

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ABSTRACT

Branding in financial services sector is undergoing substantial changes, owing to the dramatic increase in competitions following deregulation and threat posed by new entrants with retail branding experience. This paper examines the effectiveness of branding as a tool for achieving high sales in service industry; (A case study of keystone Bank and Unity bank PLC, Bida), with the objective of trying to know to what extent banks value branding and to what extent it has contributed to the success of banking sector. In carrying out the investigation, the researcher adopted both primary and secondary data sources. Survey method of research was adopted, in which questionnaires and interview was used as the major instrument for collecting data. Various authors' written works, relating to this research work was consulted. Thirty-two (32) staff was selected. The data collected from the field survey were presented in pie chart. Hypothesis was formulated and tested using correlation analysis. The findings of this study reveal that effective branding can be used to achieve high sales in service industry. At the end of the study, the researcher recommends that Bank should try and employ more qualified personnel especially in marketing department to be able to apply branding concept effectively and that effectiveness of branding should be

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reappraised periodically to be able to know whether it contributes to customer's patronage or not.

Keywords: *Branding, High Sales, Financial Services, Keystone Bank, Unity Bank Bida.*

INTRODUCTION

Many businesses and organizations view "brand" as something vital, especially in financial service industry, but it is elusive when it comes to trying to measure, in term of performance and real added value. The fact is that what is not measured is not managed and as a result, organization too often let the value of brand slip right through their fingers. Brand exists to help companies win over the heart and minds of consumers. But in the financial service industry, the commodity- like features of most financial product complicates the task of building a brand.

According to Kotler and Keller (2009) branding has been around for centuries as a means to distinguish the goods of one producer from those of another. The earliest signs of branding in Europe were the medieval guilds' requirement that craftspeople put trademarks on their products to protect themselves and their customers against inferior quality. In the fine arts, branding began with artists signing their works. Brands today pay a number of important roles that improve consumers' lives and enhance the financial value of firms.

As markets mature and competition intensifies, organizations are exploring ways to increase the equity of brand which has been shown to increase company's profitability. One strategy that has gained considerable attention is internal branding which firms invest in developing employees to live the brand. A brand is only as powerful as an organization allows it to be, that is why

the biggest barrier s to brand success often lies within a company.

Branding building succeeds and everybody in the organization is truly informed and inspired to live up to the promise of the brand day- to- day.

Branding has become increasingly necessary to the fact that the service sector is people oriented, and living the brand already becomes a rather well known expression. However, to what extend is the banking industry for the matter committed to developing their people means of building the strength of the brand.

Statement of the Research Problem

Branding in financial service is undergoing substantial changes, owing to the dramatic increase in competitions following deregulation and threat posed by new entrants with retail branding experience. Success in what is fast becoming an overcrowded market will dependent on effective brand differentiation on based on the identification, internalization and communication of unique brand value that are both pertinent to and desired by consumers.

Research Questions

Does effective branding leads to increase in sales?

Do your bank practice branding?

Is competitive advantage achievable through branding?

Does branding has a positive effect on brand equity?

Objectives of the Study

There are many factors that motivated the researcher to undertake a study of this topic "An assessment of the effectiveness of branding as a tool for achieving high sales in service industry"

The following are the objectives of the study:

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To examine the importance of branding in the context of the banking industry.

To determine whether the concept of branding is been practice in the banking industry in Nigeria.

To evaluate the effectiveness of branding as a source of competitive advantage in the banking sector.

To know how branding has been used to achieve the organization objectives, such as market share, market leadership, profit maximization and cost minimization.

To examine how effective brand is in service industry.

To determine the extent at which service industry embrace and recognizes the use of branding specifically in banking sector.

Research Hypothesis

H₁: Effective brand leads to increase in sales .

H₀: Effective brand does not lead to increase in sales.

LITRATURE REVIEW

MEANING OF BRAND, BRANDING AND SERVICE

The American Marketing Association defines a brand as "a name, term, sign, symbols or design or a combination of them intended to identify the goods or service of one seller or group of sellers and to differentiate them from those of competitors".

A brand is thus a product or service whose dimension differentiates it in some way from other products or services designed to satisfy the same need. These differences may be fractional, rational or tangible related to product performance of the brand. They may also be more symbols, emotional, or intangible- related to what the brand represents.

Akanbi (2002) identified the following characteristics of good brand names,

1. It must suggest something about the characteristics, its benefits, uses, and actions.
2. It must be short, simple, and easy to read and to spell.
3. It must be distinctive, easy to remember and also easy to recognize.
4. It must not be offensive, negative and descend.
5. It must be adoptable by products that may in future be added to the product line.

According to Sharma and Pathan (2011) a brand to some, may be a simple name, logo or symbol whereas to others it may be a promise, guarantee, reputation, or identification. The brand is committed to designing products and marketing programs that reflect creativity and the desire to constantly challenge the Status.

Brand can be viewed as a tool to position a product or a service with a consistent image of quality and value for money to ensure the development of a recurring preference by the customer. It is common knowledge that the consumer's choice is influenced by many surrogates of which the simplest one is a brand name. Although there may be equally satisfying products, the consumer when satisfied with some brand does not want to spend additional effort to evaluate the other alternative choices. Once he or she has liked a particular brand, he or she tends to stay with it, unless there is a steep rise in the price or a discernible better quality product comes to their knowledge, which prompts the consumer to switch the brand. Companies spend a lot of money and time on the branding and thus it needs a careful evaluation on the effect of brand on consumer buying behavior.

Branding is a process of stamping a product or a group of products or something else which the marketer offers, with some identifying name and mark or combination of both. It creates individuality in the offering facilitating it

to be easily distinguished and recognized in the market from rival offerings. The word brand is a comprehensive term. It can encompass a name, a word, a design, a symbol or a combination of these elements in order to distinguish one product from another. A brand, by definition, is a short hand description of a package of value, on which consumers can rely to be consistently the same or better over a period of time (Sawant, 2012).

According to Nor and Koce (2013) Branding refers to all the activities or means involve in finding a suitable name for a product. A brand mark is that part of brand identification such as symbol, design or distinctive colouring or lettering.

Kotler and Keller (2009) define service as any act or performance one party can offer to another that is essentially intangible and does not result in the ownership of anything. Its production may or may not be tied to a physical product increasingly; however, manufacturers, distributors, and retailers are providing value added service or simply excellent customer service to differentiate themselves.

THE ROLE OF BRAND

Kotler and Keller (2009) states that brand identify the source or maker of a product and allow customers either individuals or organizations to assign responsibility for its performance to a particular manufacturer or distributor. Consumers may evaluate the identical product differently depending on how it is branded. They learn about brands through past experience with its product and its marketing program, finding out which brands satisfy their needs and which do not.

Brand also performs valuable functions for firms. First, they simplify product handling or tracing. Brand also helps to organize inventory and accounting records. A

brand offers a firm legal protection for unique features or aspect of the product. The brand name can be protected through patents, and packaging can be protected through copywriting and proprietary designs.

Brand signal a certain level of quality so that satisfied customers can easily choose the product again. Brand loyalty provides predictability and security of demand for the firm, it creates barriers to entry that make up difficulties for their firms to enter the market.

BRAND EQUITY

According to Kotler and Keller (2009) the most distinctive skill of professional marketers is their ability to create, maintain, enhance, and protect brands. Keystone bank plc and Unity bank plc brand command a price premium elicit deep customer's loyalty. Banks such as Keystone bank plc and Unity bank plc capture the imagination of customers and the financial commodity alike.

ADVANTAGES OF BRANDING

Schwartz (1987) identify that the advantages of effective branding are many. But the major one is that, its helps to create confident in the firms product and services. Since the producers or middlemen who elects to brand his services put his reputation on the line, he trend to build consistent quality into them. The fact that the consumers can rely on the product or services encourages repeated purchased or customers loyalty.

Control is another important advantage of branding. A producer who markets his own branded has more control over pricing, advertising and other promotional activities, as does a middleman who contacts with producers to manufacture goods to appear under his brand.

Another important consideration is the firms marketing capability. Branded services must be marketed in full

meaning of the term. A producer who has no sales staff of any kind, and no researcher or advertising department whose financial position is questionable, or who has had little success in establishing effective channels of distribution would be well advised to manufacture to other specifications.

BRANDING STRATEGIES FOR SERVICE

Kotler and Keller (2009) indicate that branding strategies for a service brand, require special attention in choosing brand elements, establishing image dimension and devising the branding strategy. Because services are intangible, and customers often make decisions about them away from the actual service location itself (at home or at work). Brand recall becomes critically important, so any easy-to-remember brand name is critical.

MANAGING SERVICE BRANDS

Some of the world's strongest brands in services consider financial services leader such as Keystone Bank PLC and Unity Bank PLC has attained "mega brand" reputation for being the best in their field. These banks could open or may have branches in other cities and attract customers on the strength of their brand reputation. As with any brand, service brand must be skillful of differentiating themselves and developing appropriate brand strategies.

TYPES OF BRAND AND SERVICES BRANDS

Koche and Shehu (2008) identify these two types of brands which are as follows;

1. Family brand name
2. Individual brand name

This type of brand name is used and it is good in the following situations;

1. Related products and same in quality
2. Sold in the same outlet and by same sales man

3. Same sales appeal and sold for the same target market
4. Its market is small and has a complementary product
 - i. Family Brand Name: is a brand that is applied to all products produced by a company.
 - ii. Individual Brand Name is a situation where companies produce products and give distinct brand name.

TYPES OF SERVICE BRANDS

Service brands are of different types, but basically two will be discussed under this study, they include:

1. Local brand
2. Ambient brand

LOCAL BRAND: this is a brand that is sold and marketed in a relatively small and restricted geographical area. It may also be called regional brand, if the area compasses more than one metropolitan market.

AMBIENT BRAND: this is a movement where the brand is organized around values and social needs, instead of promoting a specific product. It is a virtual space defined by value and occupied by community of likeminded people.

CHALLENGES OF SERVICE BRAND

The primary obstacle of building brand indicates; time and value, living the brand and brand messages.

1. **TIME AND VALUE:** sales and marketing professionals are generally incented and measured on short-term sales goals. Similarly brand building investment requires immediate and quantifiable expenses while result is difficult to qualify and future base. This business truth put brand in a harious position as their development is a long-term loosing measured asset which competes often

unfavorable with precisely targeted short-term financial priorities says David and Enrich (2000).

2. **LIVING THE BRAND:** Christiana (2000) states that brand are exercised and fulfilled through the organization. Brand must be enforce to every internal and external interaction. It is crucial for brand building to enhance and achieve early, and brand support throughout the company, so that the brand promise is lived, messaged, and applied with consistency throughout the enterprise.
3. **BRAND MESSAGING:** According to Boy (2009) identify that brand compete for buyers attention with marketing messages if all types media fragmentation and increased volumes of aggressive advertising and marketing tactics position consumers on the defensive.

The consumers signal to noise ratio is already defending and will certainly continue to escalate. Thereby, causing prospective and customers to tune out company message with increased ease and frequency.

PROSPECT OF SERVICE BRAND

Schwartz (1987) this has to do with what service brand targeted at either to the producers or consumers of such services. Hence, some of the numerous prospect of service brand may include:

1. To ensure honesty
2. Provide quality assurance
3. Identify source of ownership
4. Hold producers responsibility for service render
5. To draw distinction between the varieties of brands that exists.

Branding connotes effective measures which cannot be undermined because of its tremendous roles plays in banks. Therefore, keystone bank plc and Unity bank plc brand their services because it helps the banks to create

confidence in their product and services. It also helps them build the trust their customers have in them. Branding is more than a series of words, since it is a corporate identity. Hence it should be strong enough to convey a message and a feeling in an instant. Gather the opinions of people whose taste your trust.

METHODOLOGY OF THE STUDY

This research was carried out employing data collected from both primary and secondary sources. The primary data were collected through the administration of questionnaires to 32 staff of both Keystone Bank and Unity bank PLC, Bida. Correlation Analysis was used to test hypothesis.

RESULTS AND ANALYSIS

Thirty-two (32) questionnaires were distributed and all were completed and returned giving a 100% response rate.

TABLE 1 BANK PRACTICE ON BRANDING

Respondents opinion	No of Responses	Percentage (%)
Yes	29	91
No	3	9
Total	32	100

Source; Field Survey (2015)

Table 1 shows that 29 respondent of both keystone bank and unity bank plc admitted that their banks practice Branding, while 3 respondent of both keystone bank and unity bank plc admitted that their banks do not practice Branding. This implied that both keystone bank and unity bank plc practice branding.

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TABLE 2. EXECUTION OF BRANDING

Respondents opinion	No of Responses	Percentage (%)
Monthly	16	5
Yearly	9	28
Quarterly	7	22
Specify others	-	-
Total	32	100

Source; Field Survey (2015)

Table 2 shows that 16 respondent of both banks indicate that their banks Execute branding monthly, 9 respondent of both banks indicate that their banks Execute branding yearly, while 7 respondent indicate that their banks Execute branding quarterly.

TABLE 3. EFFECTIVE BRANDING LEADS TO THE INCREASE IN SALES OR SERVICE

Respondents opinion	No of Responses	Percentage (%)
Yes	32	100
No	-	-
Total	32	100

Source; Field Survey (2015)

Table3shows that 32 respondent said that effective branding leads to the increase in sales or service. This was determined by both banks staff that effective branding leads to the increase in sales or service.

TABLE 4 COMPETITIVE ADVANTAGE IS ACHIEVABLE THROUGH BRANDING

Respondents opinion	No of Responses	Percentage %
Yes	31	97
No	1	3
Total	32	100

Source; Field Survey (2015)

Table 4 revealed that 31 respondents of both keystone bank and unity bank plc said that competitive advantage is achieved through branding, while 1 respondent said that competitive advantage cannot be achieved through branding.

TABLE 5. BRANDING ACTUALLY HELPS TO INCREASE SALES

Respondents opinion	No Responses	of	Percentage (%)
Yes	32		100
No	-		-
Total	32		100

Source; Field Survey (2015)

Table 5 shows that 32 respondents said that branding actually helps to increase sales. This implied that branding helps both banks "keystone bank and unity bank plc" to increase sales.

TABLE 6. BRAND AWARENESS HAS A POSITIVE SIGNIFICANT DIRECT EFFECT ON BRAND EQUITY

Respondents opinion	No Responses	of	Percentage (%)
Strongly agree	7		22
Agree	22		69
Disagree	3		9
Strongly disagree	-		-
Total	32		100

Source; Field Survey (2015)

Table 6 shows that 22 respondents of both keystone bank and unity bank plc strongly agree that Brand awareness has a positive significant direct effect on brand equity, 7 respondents also agree, while 3 respondents disagree that Brand awareness does not have a positive significant direct effect on brand equity.

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TABLE 7. BANKS ADOPT INTERNAL COMMUNICATION

Respondents opinion	No of Responses	Percentage (%)
Internet	17	53
Advertising	8	25
Sales promotion	7	22
Specify others	-	-
Total	32	100

Source; Field Survey (2015)

Table7 shows that 17 respondents of both keystone bank and unity bank plc said that their banks adopt internet service as a strategy to communicate brand message, 8 respondents of both keystone bank and unity bank plc said that their banks adopt advertising as a strategy to communicate brand message, while 7 respondents of both banks said that their banks adopt sales promotion as a strategy to communicate brand message.

Question (8) who are your major competitors?

Both keystone bank and unity bank plc staffs said that the major competitors are other banks.

Question (9) how does your Bank make customers aware of a new brand?

Majority of the respondent of both keystone bank and unity bank plc indicated that their customers gets to know about new brand through advertising, others respondents of both banks indicate that their customers gets to know about new brand through internet, while minority of the respondents of both banks indicate that their customers gets to know about new brand through publicity.

Question (14) is branding a factor to repeat or patronize service?

According to the staff of both keystone bank and unity bank plc, indicates “yes” that branding is a factor to a repeat purchase or patronage of service.

Test of Hypothesis

H₁: Effective brand leads to increase in sales or service.

H₀: Effective brand does not lead to increase in sales or service.

Respondents opinion	x	y	xy	x²	y²
Yes	32	100	3200	1024	100
No	-	-	-	-	-
Total	32	100	3200	1024	100

Source; Field Survey (2015)

$$r = \frac{n(\sum xy) - (\sum x)(\sum y)}{\sqrt{[n(\sum x^2) - (\sum x)^2][n(\sum y^2) - (\sum y)^2]}}$$

$$r = \frac{2(3200) - (32)(100)}{\sqrt{[2(1024 - (32)^2)][2(10,000 - (100)^2]}}$$

$$r = \frac{(6400) - (3200)}{\sqrt{(2048 - 1024)(20000 - 10000)}}$$

$$r = \frac{3200}{\sqrt{1024 \times 10000}}$$

$$r = \frac{3200}{\sqrt{10240000}}$$

$$r = \frac{3200}{3200}$$

r = 1

Significant level of alpha=.05

Degree of freedom (df) N-2

3-2=1

The significant level (alpha=.05), degree of freedom (df=1)

= 1 at .05 level of significance= 4433

The calculation above indicate that 1>4433. We reject the H₀α= .05 and concluded that Effective brand leads to increase in sales or service.

SUMMARY OF FINDINGS

This study found that branding is very important, because of the roles it plays in achieving high sales in service industry. It was discovered that banks practice branding because branding increases their performance. This was determined by majority of the both keystone bank plc and Unity bank plc Bida Branch that their banks reappraise branding effect quarterly.

It was found out that the major competitors of keystone bank plc Bida and Unity bank plc Bida Branch are other banks, probably because the other banks also practice branding. Branding is also effective in the increase of high sales in service industry because it serve as a competitive advantage.

It was also discovered that both banks make use of advertisement in order to make their customer aware of new brand, in the sense that brand awareness have positive significant direct effect on brand equity. The study also shows that internet in communicating the brand message among internal publics within Banks is very effective because it serves as a strategy to communicate brand message. The general performance achieved through branding is excellent or good, simply because branding serves as a tool in achieving high sales in service industry.

CONCLUSION

From the analysis so far, we can see that the effectiveness of branding as a tool for achieving high sales in service industry is an excellent performance.

As it has been observed, the desire of every bank is to earn high profit or sales without any hitch. Therefore, high sales in service industry can be achieved when effective branding is practiced. The relationship between branding and high sales in service industry cab not be

overemphasized or undermined, simply because of its positive effect on high sales.

Branding assist to Identify, anticipate, and satisfy the needs of banks customers, it also handles banks compliant on low sales and take care of it.

Advertisement also plays an important role in the awareness of new brand products, i.e. branding and advertisement are indispensable. Also the general performance of branding is excellent. However, to a large extent branding is very effective when it comes to increase in high sales in service industry.

Recommendations

Based on the findings of this research work, the study has indicated that keystone bank plc and unity bank plc has been able to achieve high sales through branding. The following recommendations are hereby put forward that;

- Bank should try and employ more qualified personnel especially in marketing department to be able to apply branding concept effectively.
- Effectiveness of branding should be reappraised periodically to be able to know whether it contributes to customer's patronage or not.
- Banking sector should be encouraged to embrace the branding concept because of its positive impact in sales.
- Customers depend largely on the image of the company before making decision. That is whether to buy or not. Therefore banks should make sure effective branding of a product or service is done to guarantee repeat purchase or patronage.

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