

**Market Segmentation and Strategic Implications in a Deregulated Banking  
Services sector in Zimbabwe**

By

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**CONFIDENTIALITY CLAUSE**

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**RE: CONFIDENTIALITY CLAUSE**

Due to the strategic importance of this research it would be appreciated if the contents remain confidential and not be circulated for a period of ten (10) years.

Sincerely

A.KAINGA

096342

## DECLARATION

This research has not been previously accepted for any degree and is not being currently submitted in candidature for any degree.

Signed.....

Date.....11-09-03

STATEMENT

## **ACKNOWLEDGEMENTS**

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## ABSTRACTS

This report presents the summary of findings of African Banking Corporation Zimbabwe Market segment.

The overall objective of using a market segmentation strategy is to improve your company's competitive position and better serve the needs of your customers. Some specific objectives may include increased sales, improved market share and enhanced image.

There are five major benefits of market segmentation analysis and strategy:

- Designing responsive products to meet the needs of the market place
- Developing effective and cost-efficient promotional tactics & campaigns
- Gauging your company's market position- how your company is perceived by its customers and potential customers relative to competition
- Fine tuning current marketing strategies
- Carving out a market niche for your company by positioning. This may be accomplished by searching out unique marketing advantages, seeking new market segments that competitors are not cultivating, or developing new approaches to old problems. Your positioning should be based on a real (e.g. lower cost, superior quality) or intangibles (e.g. company reputation) competitive advantage.

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# CHAPTER ONE

## 1.1 Introduction

Over the past several years, many industries have found that pleasing the regulators has given way to pleasing customers. Choice, for example, is now being introduced into the banking industry, requiring banks to change their entire way of thinking.

Deregulation introduces price differentiation and at the same time creates product "bundles." Deregulation in the Banking industry is expected to bring lower prices, increased customer choice, new products and services, and greater attention to customer satisfaction

In a newly deregulated marketplace, what will drive customer choice? Which offerings and marketing messages will appeal to the largest and most profitable segments? The answer to these questions and the marketing programs that result will determine which banks survive and which do not.

To address the challenges brought by deregulations firms are continuously seeking new ways to forge close relationships with their most valuable customers. They know these loyal customers are the source of most of their profits and that any slowing of the rate of defections helps grow the customer base and ultimately the bottom line. (Reichfield 1996, Zeithland 2000) Reichfield (1996) further contends that there is even more motivation to move closer to customers when internet makes price comparison easier, opens the market to new competitors and threatens to undermine customer loyalty.

Successful organizations must learn to utilize their customer data in new ways. Deregulation and technology will enable companies to build marketing data marts for mining and segmentation. These analytic tools will target directions for new business tactics and provide benchmarks to measure financial returns resulting from such initiatives.

Is the cost of implementing such systems worthwhile? As Jack Noonan of SPSS says, "For Banking executives, the question they must look at is the tradeoff between customer lifetime value, infrastructure cost and whether they invest in more R&D for new products versus a higher return from an existing customer base. So the challenge is segmentation of the customer base and the prediction of returns."

Under the umbrella of segmentation strategies, firms are urged to integrate customer data from different departments and channels, use the information to learn which customers have greatest profit potential and then tailor their communications and offering to accommodate those customers. Commercial banks are sometimes accused of having a lack of common vision about building customer relationships (Management first: 2001). There is no wholesome view the customer across the organization therefore there is no consistence in the treatment of customers from one department to another let alone in the packaging personalized products for customers. This lack of wholesome view of customers does not strengthen relationships, as the value proposition is weak: (Ennew, Watkins& Wright: 1998). Most international banks such as Citibank, Royal bank of Canada and Lloyds have realized this shortcoming and are addressing it through market segmentation and customer relationship management.

## **1.2 Background of the research**

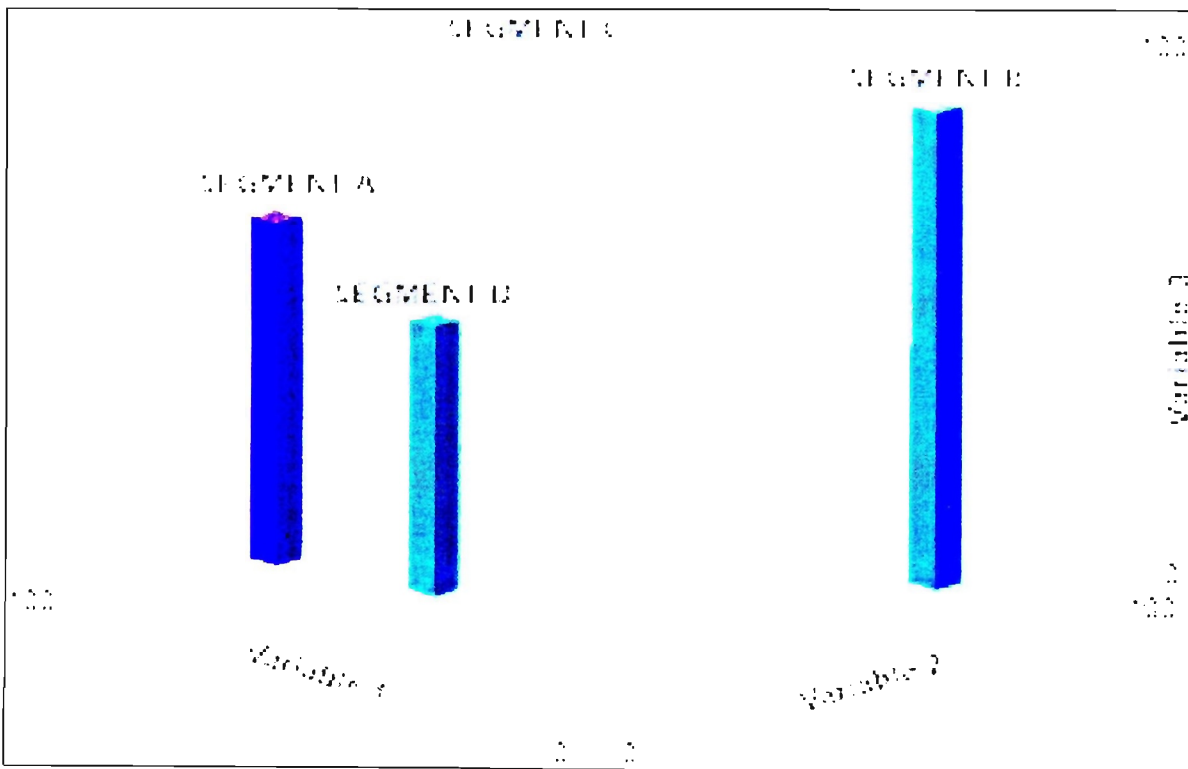
Over the last few years many banks have been opened in Zimbabwe and these created new challenges for the established banks. They had to come up with strategies to retain their customers in the face of stiff competition. The main strategy was segmentation and the retaining of the profitable customers through personalized service. Research has shown that totally satisfied customers are six times more likely to repurchase a company's products over a span of one or two years than merely "satisfied" customers. Furthermore a 5% reduction in customer defection can result in profit increases from 30 to 85% (Management first: 2001). This study will seek to establish the extent to which merchant banks have been able to use segmentation to retain their existing customers and increase the utilization of their products.

In our local market, the major banks, Standard Chartered, Barclays, Stanbic, Jewel and NMB Ltd have introduced segmentation. In this way they hope to stay close to their customers and strengthen relationships through tailor made products. Internationally, National Australia Bank has developed highly sophisticated analytical software that provides ability to maximize customer lifetime value and the ability to coordinate all customer access points. According to (Swift 2001) the combination of all these segmentation processes and enablers has resulted in an increase in profitability of 19.8% during year 2000.

### 1.2.1 What is Segmentation?

Market segmentation is one of the most fundamental concepts in marketing and one's choice of which approach to adopt will directly affect the impact of segmentation on a business.

To compete successfully in today's volatile and competitive business markets, mass marketing is no longer a viable option for most companies. Marketers must attack niche markets that exhibit unique needs & wants. Market segmentation is the process of partitioning markets into groups of potential customers with similar needs or characteristics who are likely to exhibit similar purchase behavior.



**Figure 1: Segmentation variables**

Market segmentation is the foundation on which all other marketing actions can be based. It requires a major commitment by management to customer-oriented planning, research, implementation & control.

The overall objective of using a market segmentation strategy is to improve your company's competitive position and better serve the needs of your customers. Some specific objectives may include increased sales, improved market share and enhanced image.

There are four major benefits of market segmentation analysis and strategy:

- *Designing responsive products to meet the needs of the marketplace*
- *Developing effective and cost-efficient promotional tactics & campaigns*
- *Gauging your company's market position — how your company is perceived by its customers and potential customers relative to the competition*
- *Fine-tuning current marketing strategies*
- *Carving out a market niche for your firm by positioning. This may be accomplished by searching out unique marketing advantages, seeking new market segments that competitors are not cultivating, or developing new approaches to old problems. Your positioning should be based on a real (e.g., lower cost, superior quality) or intangible (e.g., company reputation) competitive advantage.*

Market segmentation, correctly applied, is about understanding the requirements of customers and, therefore, how they decide between one offer and another. This insight is used to form groups of customers who share the same or very similar value criteria. A company is then able to determine which groups of customers it is best suited to serve and which product and service offers will both meet the requirements of its selected segments and outperform any competition.

The primary objective of segmentation, therefore, must be how to win and retain the customers you want to serve.

### **'Market Segmentation' definition**

The process of splitting customers, or potential customers, within a market into different groups, or segments, within which customers have the same or similar requirements satisfied by a distinct *marketing mix*.

o Marketing mix, the 'tools' or means available to an organization to improve the match between benefits sought by customers and those offered by the organization. Often referred to as the 4Ps, this is usually the appropriate mix of **p**roduct features, **p**rice, **p**lace (service and availability) and **p**romotion. For the customer, this manifests itself as benefits, cost, convenience and relevant image; in other words, a customer value proposition.

### **A customer's view of segmentation - meet my needs!**

Customers take no notice of how companies segment their market(s). When choosing between competing offers, customers select the offer that meets their needs better than any other. To win market share, therefore, a company must ensure that their offers meet these needs better than any other and are perceived as being the most attractive customer value propositions. As this is how customers operate in a market, then a segmentation project should have this as its segmentation criteria.

On its own this approach to segmentation, while able to provide an invaluable insight into how to win a customer's business, still requires one to know how to reach them. The input to this part of the equation, provided by a detailed understanding of who the customers are and where they are to be found, is clearly very important. In addition, by really understanding what underpins a customer's choice we gain an insight into their motivations, their psychographics, which will lead you to understand what promotional stance to take.

Segmentation therefore focuses on effectively turning information into intelligent business knowledge so that customers can be better understood and managed (Sue & Morin: 2001). By understanding which customers are worth while to acquire, which customers to keep, which have untapped potential, which are strategic and which should be abandoned altogether, a company will better be able to determine how to sell and service each customer's unique needs (Lovelock Vandermerwe & Lewis: 1999). Segmentation is about developing and retaining satisfied loyal customers, achieving profitable growth and creating economic value in a company's brand.

### **1.2.2 Challenges**

Firms face challenges from three angles when deciding and implementing segmentation strategies. First, a strategy of building close customer relationships is neither appropriate nor feasible for every market or customer. Customers choose beneficial relationships and only a few are likely to be of a close and committed nature (Fournier, Dobscha & mick 1998). In Zimbabwe banks have selectively applied relationship management through customer segmentation. Through segmentation banks are able to focus on specific markets, which they give personalized service. Second, the loyal and valuable customers of one firm are attractive prospects to be pursued by the firm's rivals and vice versa. Any new loyalty programmes developed by one firm are quickly copied by competitors (Kaplan and Sawhney 2000).

In Zimbabwe there is intense rivalry among banks in the High Net Worth Individual segment and in attracting the Multinational Corporations. Revenue margins in this sector are squeezed as banks undercut each other in pricing. Third, the organizational capability needed to provide a seamless and personalized experience to each customer is much harder to master than a transactional or product focused approach where the future of the relationship is not an over-ruling consideration (Tully 2000). The obvious steps of copying best practices, deploying the latest software, assembling a customer database and proclaiming good intention are not enough to over come a weak capability (Griffith 1999). The battlefield has changed to achieving differentiation through intangibles such as service and customer relationship management programmes.

Segmentation and the resultant relationship marketing can formally be described as “an integrated effort to identify, maintain and build up a network with customers and to continuously strengthen the network for the mutual benefit of both parties through interactive, individualized and value added contacts over a long period of time.” (David Shani and Sujana Chalasani).

The main focus here is the development of a continuing relationship with customers with the main objective being to foster a bond with each customer for mutual benefit. In the Zimbabwean environment, segmentation has been successfully adopted by companies in the banking, services, airline, hospitality and retail industries which include National Merchant Bank, ABC, Century Bank, Trust Bank, Standard Chartered Bank, Barclays Bank, Holiday Inn Hotel, Zimbabwe Sun, British Airways, South African Airways, Lufthansa, Qantas, Edgars, Greatermans, Barbours, Meikles and Clicks, to name a few.

This brings us to the topic of this research:

### **Market segmentation and strategic implications in a deregulated banking services sector in Zimbabwe.**

To obtain a thorough understanding of segmentation in the merchant-banking sub-sector, we need to understand the benefits that have accrued to those who have implemented the strategy together with the obstacles encountered. This study will highlight the fact that in an increasingly fragmented market like Zimbabwe today where everything comes in a plethora of brands, packaging and prices, market segmentation is a key element for increasing profitability and market share.

#### **1.3 Motivation for the research**

Given the current stiff competition for customers amongst financial institutions, there is need to identify options for survival, segmentation being one. Banks also have to bear in mind that ‘It is not enough to be skillful in attracting new customers, the company must keep them’. Segmentation offers an opportunity to do this Kotler (2000) as quoted by Palmer, McMahon-Beattie and Beggs (2000:9). Kotler goes on to state that: -

- a) Acquiring new customers can cost 5 times more than the costs involved in satisfying and retaining current customers.
- b) The average company loses 10% of its customers each year.
- c) A 5% reduction in the customer defection rate can increase profits by 25% to 85% depending on the industry.
- d) The customer profit rate tends to increase over the life of the retained customer.

This study will address all these key questions and aspects. Conclusions will then be made based on findings and recommendations on the impact of segmentation on the financial sector in general and merchant banks in particular. This study will also articulate the benefits obtained from segmentation as a competitive selling tool for merchant banks.

#### **1.4 Value of the project**

This study seeks to:

1. To develop a body of knowledge that can be used in the marketing of merchant bank products, which can be used by both bank marketing practitioners and academics in Zimbabwe. If this study establishes a positive relationship between segmentation and organizational performance of merchant banks, then the banking industry can have a sound body of knowledge that can be used in product development and training of relevant personnel. Bankers can also use this body of knowledge to develop reliable selling and marketing skills.
2. To contribute to the growth of knowledge on the marketing of finance. The marketing concept as an integral part of any business entails teamwork and focus on profitability and satisfaction of customer needs. Therefore establishing a relationship between segmentation and organizational performance would be a significant contribution to the growing body of knowledge on market segmentation in developing countries like Zimbabwe.
3. The significant results of this study would also contribute practically to the design of better marketing programs of bank products.

## **1.5 Problem statement**

1. Do merchant banks understand the concept of market segmentation?
2. What are the benefits and problems associated with segmentation in the banking sector?
3. Are the benefits worth the effort and resources invested?

## **1.6 Objectives of the study**

1. To establish the extent to which market segmentation has been adopted by merchant banks
2. To identify the problems and shortcomings of the segmentation strategy
3. To ascertain the relevance of segmentation in driving incremental sales volume growth for Merchant Banks.
4. To determine the effect of segmentation on market share and to establish the relative market shares in the merchant-banking sub-sector.

## **1.7 Research Methodology**

The research will be quantitative, with the resultant sample broken down as

- **30 internal ABC customers**
- **30 external ABC customers subdivided into 50% high net worth and 50% medium**

Data collection procedure will involve face-to-face interviews with each qualifying respondent for the following reasons taking into account the time constraints:

- Higher response rate
- Interview explanation and additional questions
- Check for validity
- Controlled environment

The sample comprises of both corporate and individuals in the case of external customers.

### 1.7.1 Data Collection

All interviews will entail the making of appointments followed by visits to the respondent. In the case of companies, qualifying respondents will be senior managers or their assistants. As the study seeks to draw conclusions that will be applied to the entire financial services community, a random stratified quota system will be employed. The Likert scale will be used in some areas of the questionnaire in order to determine opinions on an agree-disagree scale.

All interviews will be conducted in Harare, as the capital city is the best representation of what happens in the rest of the country. As such there will be no incremental gain to be obtained by making the study nationwide. The face-to-face, one on one interviewing format will be adopted for the research because of its numerous advantages over the other methods of data collection as discussed below.

1. **Face-to-face interviews** – interviewer visits respondent's office or home, asks the relevant questions and records respondent's answers on a structured questionnaire. This approach enables the interviewer to verify facts, including body language on the spot and it is easier for respondent to clarify unclear issues. We will use a structured questionnaire, which seek to identify comparative images of Merchant Banks in Zimbabwe. This will allow us to determine the respective positioning of the different Merchant Banks.
2. **Telephone** – interviews over the telephone are cheaper but in Zimbabwe there is a low incidence of telephones and as such only few people can be reached. Although in the case of this study the target respondents were people with access to phones, the cost of conducting a 45-minute questionnaire would have been prohibitive. Besides, the respondents would not have that much time to speak on the phone, and then each question needed at least a minute of thought before answering.

3. **Mail (including e-mail)** – also a cheap method but experience has shown that few people care to fill in questionnaires and to post/send them back, even when return envelop and postage stamp are supplied.

Having stratified the universe to make the sample random, questionnaires will then be administered to the qualifying respondents by random identification. The targeted sample of 60 is considered adequate by the researcher because it allows a robust base from which to draw conclusions, and even when cross analyzing by customer type, one would still have a sufficient number of respondents to draw conclusions from.

### **1.7.2 Quality control**

Quality of data is key in any research exercise. As such quality will be ensured at all stages of the research process by putting in place upfront several quality control measures. Besides 100% post check of completed questionnaires, the following further mechanisms will be effected:

- ❖ Thorough training and briefing of all people involved in the exercise
- ❖ Piloting of survey instruments
- ❖ Double punching of data at data processing stage

### **1.7.3 Data Analysis**

Data analysis is an integral part of any research process, such that without the analysis procedure it is impossible to come up with any meaningful findings. The data analysis will be done with a statistical analysis computer package called Statistical Package for Social Sciences (SPSS), which is a leading desktop statistical package. It is available for mainframe and personal computers and can be constantly updated to satisfy user needs. It has a comprehensive range of data manipulation tools.

SPSS has the added advantage of allowing one to score and analyze quantitative data in various ways with the greatest amount of speed. This is a package that is strong on its statistical capabilities and offers one of the best environments in which to do detailed statistical analysis. This is a package that eliminates most of the data limitations found within some of its competitors.

#### **1.7.4 Limitations of SPSS**

- It can only handle a maximum of 500 variables
- Cannot run on a computer with less than 32 mega bites
- The cost of the software is prohibitive

### **1.8 Limitations of the Study**

This study will be limited to merchant banks only and the study area will be Harare. This means that marginal tendencies may not be picked up in the study. A bigger sample may also produce more stable results but due to time and cost constraints a bigger sample is not feasible.

### **1.9 Structure of the study**

#### **CHAPTER 1**

This chapter covers the general background to the research, the problem statement, a summary of the methodology used, the objectives, and ends with the organization of the study.

#### **CHAPTER 2**

A review of the relevant literature gathered is carried out in this chapter. The idea is to come up with a clear theoretical framework to be used in analyzing the findings. A summary of the specific conclusions on each item of literature reviewed will also be given.

## CHAPTER 3

This covers in more detail the methodology used in carrying out the research. The selection of the method is justified and the content or environment in which the research is carried out defined. Other items covered are the sample unit, selection and size determination, instrumentation, data collection methods and procedures on data analysis and presentation.

## CHAPTER 4

Reporting and discussion of results.

## CHAPTER 5

Conclusion and recommendations.

### 1.10 Summary

“If you are not thinking segmentation you are not thinking at all” Levitt made this provocative observation a number of years ago, and it is even more true now, as markets have become more diverse and dynamic. Market Segmentation is the process of partitioning a market into groupings of firms that have relatively similar requirements and preferences for market offerings.

Whatever bases of segmentation business market managers decide on, they should apply the following four criteria to judge validity of their proposed segmentation scheme.

**Measurable-** Can the size, growth, and market potential of a segment be measured

**Profitable-** How profitable is the marketing effort likely to be? What is the payoff from each segment?

**Accessible-** can segments be identified and reached successfully?

**Actionable-** can effective marketing and sales programs be formulated for attracting and serving the segments?

## **CHAPTER 2**

### **LITERATURE REVIEW**

#### **2.0. INTRODUCTION**

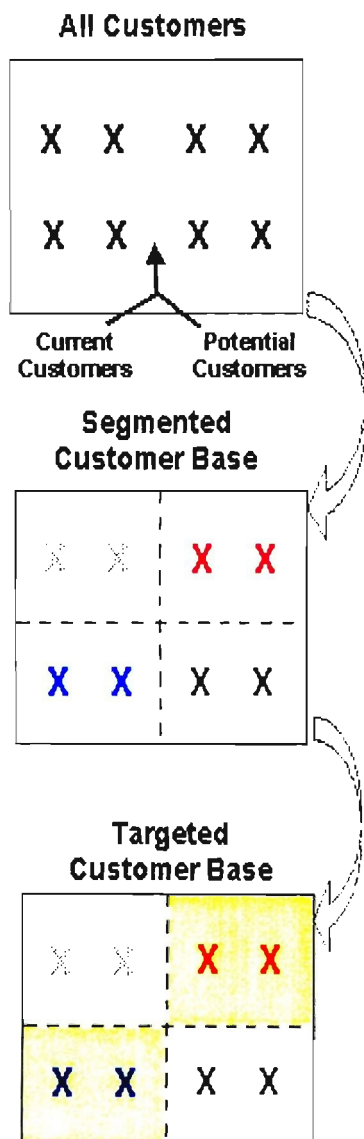
This chapter reviews the literature available on the concept of market segmentation. The chapter goes on to establish the linkages between segmentation and other key marketing strategy variables such as positioning and customer relationship management. Thereafter the chapter reviews literature and other publications on the development and adoption of segmentation by the merchant bank sector in Zimbabwe. Finally, focus is made on the pros and cons of segmentation with focus on merchant banks. Study will also be made of segmentation by merchant banks in other economies both in developed and developing countries. This will enable appreciation of the applicability of segmentation in different environmental settings.

#### **2.1 THEORETICAL LITERATURE REVIEW**

(Ries and Trout 2002) noted that to compete successfully in today's volatile and competitive business markets, mass marketing is no longer a viable option for most companies. Marketers must attack niche markets that exhibit unique needs & wants. Market segmentation is the process of partitioning markets into groups of potential customers with similar needs or characteristics who are likely to exhibit similar purchase behavior

Market segmentation is the foundation on which all other marketing actions can be based. It requires a major commitment by management to customer-oriented planning, research, implementation & control. The overall objective of using a market segmentation strategy is to improve your company's competitive position and better serve the needs of your customers. Some specific objectives may include increased sales, improved market share and enhanced image.

## Customer Needs Identification and Segmentation



Segmentation provides companies with an opportunity to identify and understand the distinct demographic or needs profile of different potential customer groups and identify optimal offerings and approaches needed to successfully build business with those segments.

While harder to complete, a motivation based segmentation strategy allows companies greater insight in to the needs and decision-making process of their customers, allowing companies to determine which segments they can effectively target while providing the greatest value to both the customer and the company.

With this focused customer base in mind, companies' can then proceed with developing a targeted strategic business direction around their customers' needs. Along with developing an in-depth knowledge of current and potential customers, this type of segmentation strategy can help companies:

- Understand their competitive position in the industry;
- Differentiate themselves in the marketplace;
- Streamline marketing and sales efforts; and
- Develop a customer-centric business strategy.

(Source: Bright Path Strategies, Inc)

## 2.2 BRAND POSITIONING & SEGMENTATION

Ries and Trout 2002 noted that product positioning is an important strategy for achieving differential advantage. Positioning reflects the "place" a product occupies in a market or segment. A successful position has characteristics that are both differentiating and important to consumers. Every product has some sort of position — whether intended or not. Positions are based upon consumer perceptions, which may or may not reflect reality. A position is effectively built by communicating a consistent message to consumers about the product and where it fits into the market — through advertising, brand name, and packaging.

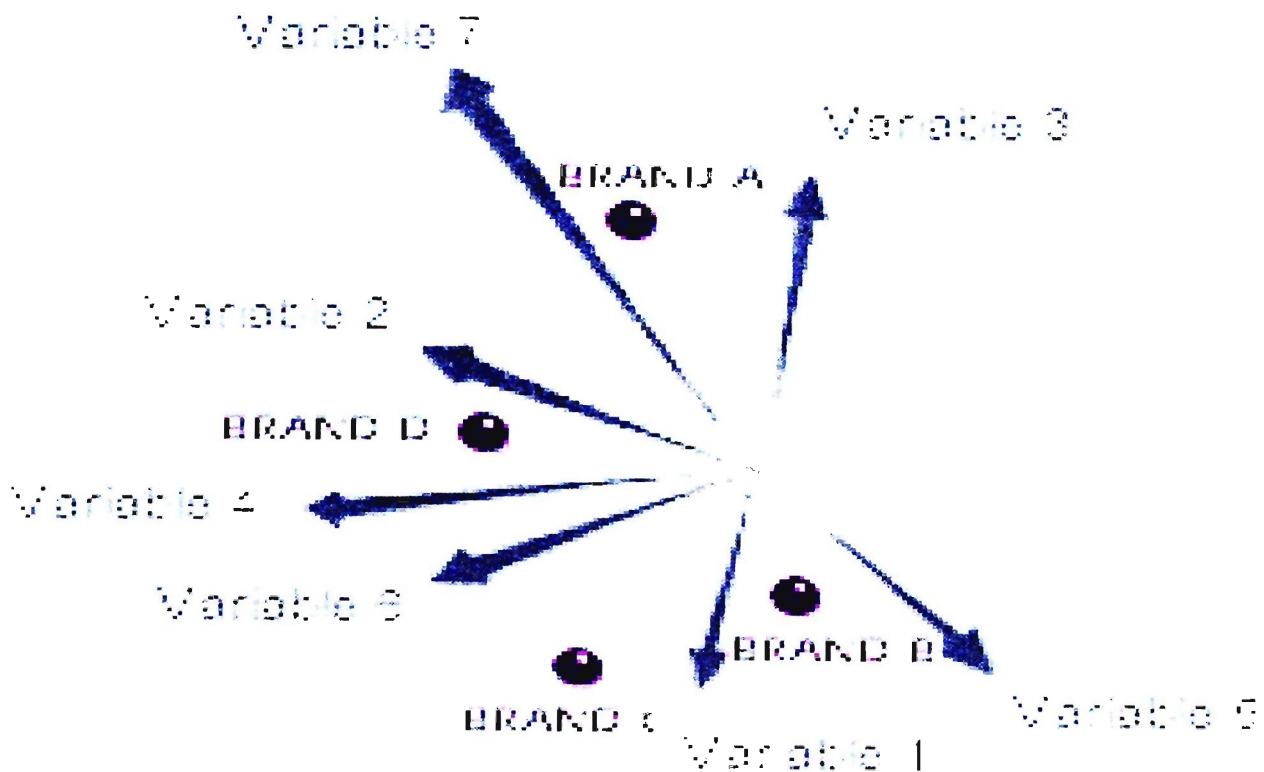


Figure 2.2: Brand positioning

Positioning is inextricably linked with **market segmentation**. You can't define a good position until you have divided the market into unique segments and selected your target segments. Three key research issues must be addressed:

### **1 What is your current position?**

What does the "space" look like — what are the most important dimensions in the category?

What are the other products in that space and where are they?

What are the gaps, unfilled positions or "holes" in the category?

Which dimensions are most important? How do these attitudes differ by market segment?

### **2 What position do you want to have?**

Some of the positioning opportunities for a product include:

Finding an unmet consumer need — or at least one that's not being adequately met now by competition

Identifying a product strength that is both unique & important

Changing consumer usage patterns to include different or additional uses for the product

Identifying market segments, which represent the best targets for a product

### **3 Create a new positioning**

## **2.3 MARKET SEGMENTATION FOR CUSTOMER ORIENTATION**

In today's intensely competitive banking environment, where customers are more demanding and competitors are just a click away, the only lasting competitive advantage comes from segmenting the market and the strength of the customer relationships. Creating strong relationships is the goal of customer relationship management (CRM), a business-driven strategy that optimizes revenue, profitability and customer satisfaction by recognizing the value of customers (Reality Research & Consulting, 2001: 2)

This relationship management concept is changing the face of banking across the world and Zimbabweans have followed suit. Banks in Zimbabwe were traditionally in the "business of banking" namely borrowing from one market and lending to another. However, in the 1990's their orientation has become the "business financial services", with a much wider focus on relationship management. In pursuit of building strong relationship management capabilities banks during the past five years have invested millions of dollars into buying and enhancing CRM systems. This trend is set to grow as banks fight for market share.

There have been many articles, discussion papers and presentations on CRM and each tend to emphasize different aspects of CRM in their definitions.

Some of the concepts are briefly discussed below.

Meline Stone and Neil Woodrock define Customer relationship Management as a term, which describes the methodologies, technologies and e-commerce capabilities used by companies to manage and improve customer relationships (The chartered institute of marketing 2001:300). CRM is about shaping customer behaviors, and not simply about enhanced customer service and cost saving. Once a firm understands its customer base (who they are and how they behave), it can begin to segment its customers into groups that reflect profitability (Meridian Research, white paper April 10 2001).

Emphasizing on the need for CRM to be customer centered rather than organization focused Dr Jim Hamill Of Internet Export Resource Limited argues that CRM is not about database marketing, loyalty programs, customer bribes, or selling. It is about building one to one, long term and sustainable relationships that add value to both the customer and the company. It focuses on creating a compelling customer experience and building the relationship that provides lasting value. (Internet supported CRM, Discussion 2001: 2)

Keith Thompson, Lynette Ryals & Simon Knox of Cranfield University contents that CRM calls for the re-organization of the entire bank around its customers. They state that the purpose of CRM is to integrate marketing, sales and service functions through business process automation, technological solutions and information resources to maximize each customer contact. In this way CRM systems facilitate relationships among enterprises, their customers, suppliers and employees and so provide the technological means to put relationship- marketing philosophy into practice.

CRM has a number of benefits to banks as propounded by I-flex solutions Ltd (Volume 3):  
Implemented well CRM can assist banks in:

- Customer acquisition
- Cross-selling and up-selling
- Customer retention

- Competitive differentiation and barriers to entry
- Conducting all these activities profitably

Kathleen Khirallah in her article “**CRM case study: The Analysis that power CRM at Royal Bank of Canada**”, found out that in addition to the above CRM benefits banks through:

- Identification of your most valuable customers
- Intimate knowledge of customer needs through establishing learning relationships
- Improved value delivery and more efficient marketing and sales actions

Besides benefiting the banks, CRM presents a number of benefits to customers

- Improved response time to customer requests for information
- Delivered product meets customer requirements
- Reduced costs of buying the product/ service
- Greater breadth of solution options
- More responsive technical support

Research has established that, Converting a prospect to a customer is not only time consuming and effort intensive but also more expensive than cross- selling another product to an existing customer. It has also been found that the longer a customer stays with a financial institution, the more likely he is to avail of other products. (I-flex solutions Ltd 2001, volume 3). This feature translates directly into higher profitability over the long run. In fact a pragmatic view of CRM is that a financial institution should be able to sell all its products to its customers during their life span, also referred to as life cycle marketing.

According to Meridian Research, Inc (2001), an estimated \$6.8 billion would be spent on relationship management, by retail financial services institutions in year 2001, an amount that is expected to grow by 14% a year for the next several years. While there seems to be no evidence of a significant slow down in CRM spending, many financial services institutions are beginning to question what they are achieving with the investments they are making.

This difficulty in measuring progress stems from an unclear understanding of where the institution started and what the measure for customer management performance was before these investments were made. Lacking this baseline, many firms adopt simple measure of performance that are often based on program or department activities, such as call duration, cross sell ratios, or campaign response rates. The base line of comparison is often anecdotal. While these are not inappropriate measures, they fail to acknowledge the interdependency of CRM strategies and the alignment of business processes across the enterprises that must take place for an organization to truly center its strategies on customers.

Many firms tend to use ROI analysis to determine if an investment has produced desired impact. Return on investments includes cost saving as well as revenue growth, but the process of developing an ROI analysis produces other benefits as well by requiring that the institution consider other investment variables such as intangibles and assumptions, risk and timing (Ronald S. Swift, NCR Corporation 2001).

Traditional business thinking is that shareholder value is derived from products and services. Accordingly most financial institution have targeted their CRM programs on enhancing products and on reducing cost in customer service. This is because cost benefits are often based on experience, have clear origins, and a proven “cause and effect” and so can be reasonably precise. But revenue benefits are often based on unsubstantiated anecdote, with little or no experience and often-imprecise origins.

However in their paper (A strategic Framework for CRM 2001), Patrick Sue & Paul Morin argue that customers rather than products and services drive shareholder value. Customers determine both revenue and cost by their choices, behaviors and by how these behaviors consume resources. What the traditional thinking has not considered before is that shareholder value is determined almost entirely by the types of customers a company attracts.

Their line of argument is that once we have accepted that customer behavior, not a product or service, determine a company’s shareholder value, it quickly becomes apparent that the objective of a CRM strategy is to influence that behavior. And because customers are not equally profitable, shareholder value is determined almost entirely by the types of customers an institution attracts. Not all customers are created equally, nor will each customer provide an equal return for the same investments.

CRM thus becomes an investment in targeting the right type of customer, getting those customers to adopt a specific set of beliefs and consequent behaviors, and retaining those customers throughout the life time of their profitability. Without ability to measure shifts in these behaviors over time, a firm cannot determine the efficacy of its strategy, decision-making, or supporting investments.

The argument that shareholder value is driven by the type of customer is further developed by Meridian Research (White paper 2001), who suggest that if financial institutions are to measure the return on CRM investments, then, they need to set tools that can address the following tasks:

1. Identify targeted behaviors
2. Measure the impact of shifting those behaviors
3. Size the investments accordingly
4. Categorize and segment customer behaviors for analysis and treatment
5. Track customer performance against goals
6. Adopt a common language
  - For comparing alternative investments
  - For setting priorities
  - For measuring progress
  - For connecting “cause and effect”
  - For testing assumptions

## **2.4 THE BENEFITS OF SEGMENTATION & CRM**

Firms are continuously seeking new ways to forge close relationships with their most valuable customers. They know these loyal customers are the source of most of their profits and that any slowing of the rate of defections helps grow the customer base and ultimately the bottom line. (Reichfield 1996, Zeithland 2000). Reichfield (1996) further contents that there is even more motivation to move closer to customers when internet makes price comparison easier, opens the market to new competitors and threatens to undermine customer loyalty.

Under the umbrella of CRM strategies, firms are being urged to integrate customer data from different departments and channels, use the information to learn which customers have greatest profit potential and then tailor their communications and offering to accommodate those customers. Commercial banks are sometimes accused of having a lack of common vision about building customer relationships (Management first: 2001). There is no wholesome view the customer across the organization therefore there is no consistence in the treatment of customers from one department to another let alone in the packaging personalized products for customers. This lack of wholesome view of customers does not strengthen relationships, as the value proposition is weak: (Ennew, Watkins& Wright: 1998). Most international banks such as Citibank, Royal bank of Canada and Llyods have realized this shortcoming and are addressing it through Customer Relationship Management.

Over the last few years many banks have been opened in Zimbabwe and these created new challenges for the established banks. They had to come up with strategies to retain their customers in the face of stiff competition. The main strategy was to retain the profitable customers through personalized service. Research has shown that totally satisfied customers are six times more likely to repurchase a company's products over a span of one or two years than merely "satisfied" customers. Furthermore a 5% reduction in customer defection can result in profit increases from 30 to 85% (Management first: 2001).

In our local market, the major banks, Kingdom Bank, Trust Bank, Standard Chartered, Barclays, Stanbic Bank, Jewel Bank and NMB Ltd have introduced various forms of relationship management. In this way they hope to stay close to their customers and strengthen relationships through tailor made products. The form of relationship management and whether they are achieving their intention is an interesting area of study. Internationally, National Australia Bank has developed highly sophisticated analytical software that provides ability to maximize customer lifetime value and the ability to coordinate all customer access points. According to (Swift 2001) the combination of all these CRM processes and enablers has resulted in an increase in profitability of 19.8% during year 2000.

## **What is CRM?**

CRM is defined from various angles as it touches every aspect of the business. A few of the definitions are examined below:

CRM is set to integrate sales, marketing, service enterprise resource planning and supply chain management functions through business automation, technology and information resources in order to maximize each customer contact (Firth & Swason: 2001). CRM, therefore, is about transformation of the entire enterprise and how it views and conducts business with its customers (Galimi : 2000). It enables banks to identify individuals and to tailor make products to suit individual need. After all, what hope is there for the future of a bank if it treats customers of ten years the same as brand new ones? (Dyche: 2001).

CRM focuses on effectively turning information into intelligent business knowledge so that customer relationships can be better managed (Sue & Morin: 2001). Thus, there is a heavy bias towards Information Technology driven, CRM strategies. By understanding which customers are worth while to acquire, which customers to keep, which have untapped potential, which are strategic and which should be abandoned altogether, a company will better be able to determine how to sell and service each customer's unique needs (Lovelock Vandermerwe & Lewis: 1999).

CRM is a technology enabled business strategy whereby companies leverage increased customer knowledge to build profitable relationships based on optimizing value delivered to and realized from customers (Sue & Maurin 2002). CRM is about acquiring, developing and retaining satisfied loyal customers, achieving profitable growth and creating economic value in a company's brand.

## **2.5 SEGMENTATION & CRM: THE CHALLENGES**

Firms face challenges from three angles when deciding and implementing CRM strategies:

First, a strategy of building close customer relationships is neither appropriate nor feasible for every market or customer. Customers choose to beneficial relationships and only a few are likely to be of a close and committed nature (Fournier, Dobscha & Mick 1998). In Zimbabwe banks have selectively applied relationship management through customer segmentation. Through segmentation banks are able to focus on specific markets, which they give personalized service.

Second, the loyal and valuable customers of one firm are attractive prospects to be pursued by the firm's rivals and vice versa. Any new loyalty programmes developed by one firm are quickly copied by competitors (Kaplan and Sawhney 2000). In Zimbabwe there is intense rivalry among banks in the High Net Worth Individual segment and in attracting the Multinational Corporations. Revenue margins in this sector are squeezed as banks undercut each other in pricing. Third, the organizational capability needed to provide a seamless and personalized experience to each customer is much harder to master than a transactional or product focused approach where the future of the relationship is not an over-ruling consideration (Tully 2000). The obvious steps of copying best practices, deploying the latest software, assembling a customer database and proclaiming good intention are not enough to overcome a weak capability (Griffith 1999). The battlefield has changed to achieving differentiation through intangibles such as service and customer relationship management programmes

## **2.6 PERSPECTIVES ON CRM**

CRM is a cross-functional process designed to achieve a continuous dialogue with customers across all their contact and access points. It is also meant to foster personalized treatment of the most valuable customers and to increase retention and the effectiveness of marketing initiatives (Rousseau, Sitkim & Camerer 1998).

Derived from above are the overlapping perspectives on CRM found in practice and in the literature namely:

*Reciprocal Connections*

This perspective emphasizes the reasons that draw a buyer and seller together and keep them connected, namely, mutual benefit, mutual commitments trust and connective links (Bagozzi 1995). CRM programmes are designed to foster close relationship by emphasizing areas of mutual benefits in product development and cooperation in undertaking certain projects.

While it is helpful to understand why two parties have a relationship, it does not explain what has to be done to initiate and sustain this relationship. This is achieved through the second perspective, which is:

#### *Operational Entanglements*

The perspective is based on relationship specific assets that create "switching costs" (Dyer and Singh 1998) through joint ownership and interlinked production. The assets would be location of assets in close proximity, tailoring of physical assets, and human assets through co-specialization and shared knowledge. A local example is the relationship that exist between ZISCO and Buchwa Iron Mines, where there is an intricate rail system linking the two companies. The third perspective is:

#### *Infrastructure integration*

This perspective seeks to wield information from all customer touch points- including direct sales, telesales, websites, customer service, resellers and channel partners- to get a coherent view of the customer. The information is used to ensure the organization has a wholesome view of the customer and the customer receives the same experience when dealing with the different units of the organization. The final perspective is the strategic resource.

#### *Strategic Resource*

Here the firm highlights the economic value of each customer- relative to other customers to allocate resources toward the retention and growth of the most valuable customers (Pepper and Rogers 1997). The value of the customer is the NPV of all future profits from that customer considering margin earned, customer specific servicing costs and profits earned on referrals by that customer. The current customer base is a major resource for companies and companies tend to focus more investment into retaining existing customers and increasing business with them.

The perspective assumes that growth in the aggregate value of the customer base is a key driver of economic profit and shareholder value. The strategic priorities are to reduce the rate of defection and

increase longevity of the relationship. Secondly, to devise strategies to enhance the growth of these valuable customers by expanding “Share of Wallet” with cross-selling activities or new products and services. Thirdly deal with low potential value customers, who will probably never earn enough profit to justify the expense of serving them, by creating incentives to make them more profitable or encourage them to buy from somewhere else.

The intent of all these perspectives is to make the firm so easy to do business with, that the customer has no incentive to switch, and it becomes difficult for a rival to duplicate the level of personalization.

### *Customer Management*

CRM enables organizations to effectively manage their customers. In particular it allows organizations to identify their most valuable customers, have intimate knowledge of customers needs through establishing learning relationships, improve value delivery and more efficient marketing and sales actions (Harrison 1993). CRM also assists in customer retention and loyalty, customer up selling, customer cross selling, new customer acquisition, increased customer profitability, competitive differentiation and barriers to entry (Singer 1999).

## **2.7 CRM DRIVERS**

A number of drivers have contributed to the growing importance of effective CRM as a source of sustainable competitive advantage. These can be divided into market, customer, economic and technology drivers (Hamill 2000)>

### *Market Drivers*

According to Hamill (2000) the operating environment is becoming more competitive as functional barriers are broken. In mature markets such as the Zimbabwean commercial banking sector, there is competitive rivalry, aggressive pricing and low switching cost. Regulations have made it possible for banks and building societies to issue same products, creating new players in the market. CRM is now critical to achieving differentiation and customer loyalty. In Zimbabwe most Commercial banks have segmented both their business and personal accounts. For business accounts it is mainly according to nature of business and size of balance sheet. This allows banks to take advantage of economies scope due to in depth knowledge of customers.

### *Customer Drivers*

The end of mass marketing and the growing importance of one relationship are fuelling growth in CRM. As a consequence of the end of mass marketing “customer rules supreme” (Peppers, Rogers & Dorf 1999). Customers expect faster transactions speeds, access to a broader range of products and services, personalized to individual needs, convenience of purchase, high level of after sales service (Verdict Research 2000). The four Ps of the traditional marketing mix (Product, Price, Place and Promotion) have been replaced by the four Cs of relationship marketing- Customer needs and wants, Costs, Convenience and Communication (Hamil 2000).

### *Economic Drivers*

CRM has significant contribution to the economies of a firm. It is more costly to acquire new customers than retain existing ones. Therefore, companies should focus on enhancing loyalty in order to grow profits (Deshpanile, Rohit 1999). Most companies fail to exploit CRM opportunities because they focus on improving the efficiency of their value chain rather than building the relationships that deliver enhanced value to customers. Banks such as Standard Chartered have deliberately slowed down on acquiring new customers, focusing rather on increasing business on the existing client through cross selling and increasing product utilization.

### *Technology Drivers*

CRM is driven by the emergence of customized interactive communication tools including call centers, data mining and front office solutions (Leverick, Littler, Bruce & Wilson 1998). IT and Internet provide the enabling channels for achieving increased retention of profitable customers and reduction in cost of serving the less valuable customer.

## **2.8 CAPABILITIES FOR FORGING CUSTOMER RELATIONSHIPS**

The resource-based view is that differences in firm performance are attributable to heterogeneity in assets and capabilities. A capability is a source of sustainable competitive advantage when it is superior to capabilities of rivals, valuable in the market, difficult to imitate and unlikely to be trumped by a different resource (Barney 1991). It is a complex bundle of skills and accumulated knowledge, combined with investments in systems and databases (Collins and Montgomery 1995)

There are a number of capabilities that are required in the system/ organization for CRM to succeed. These can be summed up as follows:

### *Superior Capability*

The superior capability is achieved through positional superiority. This requires reliable provision of superior value to customers, on the attributes they judge important when they make a choice. Whether there is a relational advantage per se depends firstly on the customer's judgments that having a close relationship with a service provider confers benefits that exceed the costs (Teece, Pisano & Shuen 1997).

Typical relationship benefits include time savings, trustworthiness, technical assistance, assurance of performance, access to latest developments (in software and technology, for example), superior responsiveness to service requests or problems and a superior fit to the customers needs because of personalized solutions.

One way to measure a positional advantage is with customer equity, defined as the total lifetime of a firm's customer base (Rust, Zeithaml & Lemon 2000). This comprise **value equity**, the customer's objective assessment of the brand's utility (based on perceptions of what is given up for what is received). **Brand equity**, which is the customer's subjective and intangible assessment of the brand above and beyond it's objectively perceived value and **retention equity**, which reflects a customer's tendency to stick with a brand beyond their objective and subjective assessment of the brand.

The strongest positional advantage is obtained when there is information exchanges and cross firm co-ordination of interdependent activities such as new product development, relation specific investments or adoption of common interface standards (Blankenburg, Erikson & Johanson 1999).

### *Market Relating Capability*

In (Grant 1996), s view, this capability is a knowledge acquisition, sharing and application process, with three interdependent components of orientation, information and configuration.

**Orientation** provides the guidance mechanism and reveals the organization's priorities towards customer retention.

**Information** is the raw material.

**Configuration** encourages and enables the application of the information. (1) It in cooperates all relevant activities such as solving problems jointly or addressing individual customer requirements and customizing offering, (2) each component has a competitive referent which takes into account the possibility that a high level of demonstrated ability may still only be at parity if the rivals are equally effective, (3) there is a contingency relationship between this source of advantaged and the ensuing positional advantage.

A market relating capability is of greatest value in markets where there is a high personalization potential (McKenna 1991, Wayland & Cole 1997, Peppers and Rogers 1997-1998). This is the capability, which drives the Private banking business in most banks most in Zimbabwe and abroad.

## 2.9 INTERNET SUPPORTED CUSTOMER RELATIONSHIP MANAGEMENT

Literature on the emerging thinking covering the topic of Internet supported CRM and the implications to emerging e-business and strategy reveal that internet technology is critical to the implementation of an effective CRM According to (Gemini 2000) Strategic integration will be required among the various areas of the business such as:

Front Office Software: - to allow the information of sales, marketing, after sales and support function.

Back Office Tools: -consisting primarily of databases, decision- support, marketing data marts, data mining and query tools and collaborative and workflow solutions

Customer interaction channels: - which include traditional channels such as retail point of sale; field sales force and new channels mainly call centers & Internet (Gemini 2001).

The Major IT tools and applications supporting an effective CRM strategy include: -

1. Data management technology: - which allow the interaction of customer data from different source and distribute that information within the organization.
2. Data mining and analysis: - technologies that allow an organization to detect and produce buying patterns, drive future marketing efforts and improve customer satisfaction through analyzing its customer data.
3. Campaign management Technology: - which allow companies to automate the planning, execution, tracking and evaluation of marketing campaigns.
4. Customer interaction centers: - advanced call centers which integrate phone, mail, fax, internet and e-mail to directly communicate with customers and perform sales and customer service functions.
5. Sales Productivity Tools: - to deliver integrated customer and prospect information to field sales associates, call centers and sales offices.

Internet provides companies with new opportunities for achieving sustained competitive advantage through leveraging the interactive tools of the web for supporting the customer relationships. Internet provides banks with opportunity for integrating, sales, e-commerce and customer service through a single customized website i.e. a web site that recognizes a repeat online visitor and personalizes the information it contains according to that visitor (Dyche: 2001).

The overall benefit of e-crm strategy is that it provides seamless integration of every area of the business that touches the customer- marketing, sales, customer service and field support etc- through integration of people, process and technology, taking advantage of the revolutionary impact of the internet (Hamill: 2001).

## **2.10 SEGMENTATION, RELATIONSHIP MARKETING AND TECHNOLOGY**

Customer relationship management has its roots in relationship marketing, which is based in turn on the formative work of R. Berry: 1983. It aims to integrate marketing and service functions through business process automation, technological solutions and information resources to maximize each customer contact (McDonald and Wilson 1999). However the use of technology on its own is not sufficient and firms must combine developments in IT with re-organization of the entire firm around its customers (Ferguson and Shaw, 1996).

Properly used, this information can be used to benefit selected customers by taking product/ service offers to them specifically or in micro segments. This adds value and can lead to greater loyalty (Mitchell, 1998). Conversely customer data, analysis and profiling also enable an organization to identify the customer it does not want to serve. The Pareto rule suggests 80% of profits are generated by 20% of customers. The Pareto rule is further strengthened by the discovery by some Commercial Banks that 10% of their current account customers are responsible for more than 100% of their profits. i.e. the other 90% are on average loss making (Stone, McFarlane, Visram & Kimmel 1996)

In their collaborative studies, Keith Thompson, Lynette Ryals, Simon Knox of Cranfield School of Management and Stan Maklan of C.S.C. Computer Sciences Corporation, they discovered that the key Principles involved in relationship marketing include gathering, co-coordinating and analyzing accurate data on customers, and the development of marketing strategies that personalize the relationship and maximize the benefit to the organization by focusing greater resources on higher value.

This calls for a “one to one” marketing strategy. The four keys step for putting a “one to one” marketing programme to work are: Identifying Customers, differentiating among them, interacting with them, and customizing the products or services to fit each individual customer’s needs (Peppers, Rogers and Darf: 1999).

The above is achieved through use of advanced technology. A comprehensive CRM system comprises four main technology components.

- A data warehouse with customer, contract transaction and channel data.
- Analysis tools data to examine the databank and identify customer behavior pattern.
- Campaign management tools to allow the marketing department to define communication and facilitate automatic generation of time communications
- Interfaces to the operational environment to maintain the marketing database and communications channels to deliver the messages.

However, IT is not a relationship Marketing panacea: organizations must get the basics right. In the service industry poor after sales service and inconvenient and unreliable delivery (Verdict Research 2000) put off most clients.

## **2.11 CREATING INCREASED PROFITABILITY THROUGH SEGMENTATION & CRM**

It is estimated that US \$6.8 billion would be spent on CRM during the year 2001 by companies, an amount expected to grow by 14% a year for the next several years (Meridian Research: 2001)

Despite growing expenditure on CRM, there are still questions on how to measure the contribution of CRM to the bottom line. The difficulty in measuring stems from an unclear understanding of where the institution started and what measure of customer management performance was before these measurements were made (Hewson Consulting Group: 2001). Furthermore, there are too many other independent variables and many benefits are soft or intangible and hard to quantify (Hewson consulting group 2001).

There are several approaches to predicting benefits or ROI on CRM investments. One methodology is for determining ROI from normative information about the business. This will requires information on:

Increased business volumes such as

- Product volume increases
- Up-sales ordering
- Version Re-ordering
- Cross selling
- New product buying
- Referrals

Increase in customer retention

Increase in customer net present value (NPV)

Lifetime value of clients

The highest level of customer profitability is achieved from the loyal customer, who is retained for long periods. If the LTV value of a customer can be projected, the firm can quickly determine the maximum amount to invest to develop the relationship.

## **2.12 STRATEGIC FRAMEWORK FOR CRM**

Patrick Sue and Paul Morin examine why CRM is important to organizations and propose a framework from which a CRM strategy can be developed and analyzed from a business perspective. They explore the linkages between CRM initiatives and desired outcomes.

For this purpose CRM is defined as a “technology – enabled business strategy whereby companies leverage increased customer knowledge to build profitable relationships, based on optimizing value delivered to and realized from their customer (A strategic Framework for CRM 2001:2).

The above definition emphasizes the links between customer knowledge and increased profits; it also makes it clear that CRM is infact about creating value for customers. Technology makes it possible to integrate the volumes of customer information that are required for CRM, and to efficiently transform this information into useful knowledge (Blodgett 2000).

Although technology enables a company to interact with its customer in ways that provide value to customer, leveraging this customer knowledge to make better business decisions and to be responsive to customers, remains the responsibility of individual managers and applies at all levels within the company (Bagozzi, Richard .P. 1995).

CRM helps organizations to sense ever more precisely the needs of customers and to respond to those needs with highly targeted offerings and marketing messages. The strategic CRM framework is based on a number of concepts about today’s market place.

- ❑ Changing customer expectations
- ❑ The value of the customer relationship, and
- ❑ The difference between loyalty and captivity

#### *Changing customer expectations*

A CRM strategy is not just about implementing “point solutions” such as a sales force automation system or setting up a new web site. It is about evolving a business along a number of dimensions. It calls for organizations to move from being focused on making and selling products to sensing customer needs and responding with personalized products. From mass marketing (e.g. television) to one to one marketing. From business centric interactions designed for the business’s efficiency and convenience to customer centric interactions designed for the customer’s efficiency and convenience (Sue & Morin 2001).

### *Nature of Relationships*

According to (Harbiague 1999) power is shifting decisively to customer as the market becomes more efficient and more competitive. In this situation where products and services become commodities, it is the capability to interact with the customer such as that every interaction is positive and reinforces the relationship that differentiates one institution from another.

### *The difference Between Loyalty and Captivity*

Loyal customers are those that choose a company's product or services even though a reasonable competitive alternative exists. Furthermore, the reason they choose a company is that it offers a superior value proposition, either in the product or service itself. Captive customers are those that have no choice, either because no alternative exists or because they are locked in. Although both types of customer are profitable, a captive customer strategy can be dangerous as customers are taken for granted and will defect at the first opportunity.

CRM is not just about implementing "point solutions". It is about evolving a business along a number of dimensions.

- From being focused on making and selling products to sensing customer needs and responding with targeted product and service offerings.
- From mass marketing to marketing segments
- From business-customer interactions designed for the business's efficiency and convenience to customer-centric interactions designed for the customer's efficiency and convenience.

The value of CRM is such that management has the capability to interact with the customer such that every interaction is positive and reinforces the relationship, for example, CRM should enable departments to be aware of each other's interactions with the customer.

The strategy CRM framework provides the linkage between CRM and business priorities. It lays out the essential elements of a CRM strategy, and how they fit together to deliver a set of results desired by an enterprise.

Summarized below are some of the CRM initiatives and their outcomes

INITIATIVE	OUTCOME
Knowing your customer	<ul style="list-style-type: none"> <li>- Customer profitability</li> <li>- Increased value to targeted segments</li> </ul>
Captive and integrated customer information	<ul style="list-style-type: none"> <li>- Segment customers to develop Appropriate products/ increased Profits</li> </ul>
Segment customers by potential and profitability	<ul style="list-style-type: none"> <li>- Eliminate losses from unprofitable customers</li> </ul>
Divest unprofitable customers	<ul style="list-style-type: none"> <li>- Increased value- Add for the Customer</li> </ul>
Implement targeted customer care, marketing programs & targeted product/ service offering	<ul style="list-style-type: none"> <li>- Increased profits. Customer become less price sensitive</li> </ul>
Create flexible channel Architecture, Implement targeted sale campaigns	<ul style="list-style-type: none"> <li>- Increased customer base.</li> <li>Increased customer loyalty</li> <li>Improved customer acquisition</li> </ul>

### A Strategic Framework for CRM

It is evident that making sure that customer information is consistently captured and shared within the organization predominantly drives CRM strategy. Once customer information is available organizations can develop strategies on managing relationships, products offering, sales campaigns, customer segmentation etc. The overall benefit is the increased share of customer's wallet through loyalty and improved customer acquisition.

### **2.13 CRM SUCCESS AND ENTERPRISE STORAGE**

From a technology perspective, CRM involves capturing and integrating all customer data from anywhere in the organization, analyzing and consolidating it into information and distributing the results to various systems and customer contact points across the enterprise. This approach goes beyond merely automating customer contacts with front office applications in marketing, sales, call centers and customer service. What is needed is enterprise architecture for business intelligence that integrates all of a company's systems, including CRM, e-business and ERP around a data warehouse and analytical tools.

This approach can create a complete view of the customer, providing direct feedback to operational systems and offering executives the decision support they need to make better decisions.

Such architecture is best met by enterprise storage i.e. consolidated, scalable storage able to support multiple operating systems and servers on a single storage platform.

Enterprise storage offers benefits such as, information sharing across function, fast communication across enterprise systems, high availability of data online and disaster recovery, cross platform management tools, more flexible business environment that helps companies move quickly, develop and run new applications.

In their research paper Reality research and Consulting show the advantages of enterprise storage in relationship Management. Enterprise storage of customer data help institutions achieve easier data integration, scalable systems, centralized data management and robust 24 X7 environment (Reality Research: 2001)

An efficient Information Technology system is crucial to achieving CRM goals. The IT part of CRM can be defined as a computer-enabled process that begins with the acquisition of knowledge about customers, proceeds with in-depth analysis of their needs and buying patterns (Littlewood 1999). The key differentiator from other IT systems is that in CRM, customer facing applications track the customer's preferences in the business relationship.

Reality research emphasizes the fact that information technology is a crucial element in achieving CRM goals. IT enables businesses to acquire knowledge about customers, proceeds with in-depth analysis of their needs and buying patterns, and then uses that analysis to drive profit interactions. From a technology perspective, CRM involves capturing and integrated customer data in a data warehouse, consolidating and transforming it into information and then delivering the results to various systems and customer contact points across the enterprise.

CRM applications suites automate all the major contacts points, “sales, marketing, call centers and customer service.” (Reality Research 2001).

The following is the summary of application modules that fall under each major category: -

Sales force automation: - sales force opportunity management, contact management, account profile and management, market encyclopedia, interactive fulfillment, quote generation, team selling etc.

Call center: Customer profile, inbound- outbound calls, scripting, computer telephone integration, call routing, and predicting dialing.

Marketing automation: -Campaign management analytical processing tools, market segmentation workflow management.

Customer service: Preventative maintenance scheduling, break/ fix service return authorization parts exchange, request management account management.

Reality Research and Consulting advocates for enterprise storage networking for CRM since it consolidated islands of data into dedicated network, facilitating cross- functional information sharing and data movement. It boosts performance as all connected servers received annual speed data access. It also provides business critical reliability, availability and security in a managed environment.

## 2.14 MAKING A COMPELLING BUSINESS CASE FOR SEGMENTATION & CRM

Empirical studies have shown that CRM projects yield an immediate average increase of 80% in revenues, and a target growth of 16% within two years (Technology Group 1998). Companies that have successfully implemented CRM strategy have reaped large rewards, revenue up to 42%, Sales costs decrease by as much as 35%, sell cycle reduction of 25%, margins up 2% and customer satisfaction rating increase of as much as 20% (Technology group 1998).

Underlying the above increases (Reichheld 1990) are four factors working to the supplier's advantage to create incremental profits.

Profit derived from increased utilization of products as over time customers often grow larger and so need to purchase more, or consolidate purchases with a single institution. Profit from reduced operating costs. Customers become more experienced, they make fewer mistakes & less demands. Profit from referrals to other customers. Positive word of mouth is free sales and advertising. Profit from price premium. New customers benefit from promotional discounts, while old customers pay regular prices.

It is critical for the organizations to develop models to best manage different types of customer relationships. A number of systems have been developed to channel the various business activities into relationship management.

Operationally oriented CRM- Systems that hold transactional level data on products, customers and transactions.

It is used for customer facing operations such as direct mail, phone, Internet, third party agents and field sales.

Analytical CRM-holds aggregate data where the unit of analysis is the company's market segment, key account, product etc.

Collaborate CRM- the use of new and traditional groupware/ web technologies to facilitate customer, staff and business partner communication.

Business derive three main benefits from CRM strategy, namely increase in revenue, decrease in costs and ability to respond to competition or changes in the market place.

In broad category the benefits are split into hard (i.e. definite quantifiable and proven) and soft (indefinite, hard to quantify and hard to prove).

They suggest two ways of putting value on the benefit derived from hard revenue.

1. If sales could be increased another way, through more direct mail, telephone work, employing more sales people or increased advertising, for example, the benefits is the costs saving by not increasing sales through the best viable alternative method.
2. If there are no viable alternative the benefits is the contribution the increased sales will make to the bottom line (sales revenue less direct costs).

## **2.15 CRM CASE STUDY**

A case study that shows the main concepts underlying CRM strategy in action is the main one done on the Royal Bank of Canada.

K. Khirallah of Tower group Research did a case study on the CRM strategy at the Royal Bank of Canada revealed that banks should concentrate on three key areas in order to satisfy customer needs. Firstly, Customization of products to suit individual needs and where necessary mass market. Secondly, Personal Relationships. Banks can loose up to 40% of their customers in a single year if they do not respond to individual customer needs (Probe Research 1999). Thirdly, follow up and after sales service. Improving convenience in transacting and continuous contact with customers, exploiting cross selling opportunities, will encourage loyalty by never forgetting a customer, even long after an account has been opened.

A number of factors influence the success of CRM in an organization. The Royal Bank of Canada maintained and stored Client Information File (CIF) for over twenty years. It has eighteen months of summarized customer data online in its data warehouse. The Bank's C.E.O. and executive team vocally and visibly support the bank's CRM efforts. Finally, Royal Bank is willing to experiment with CRM and learn from its mistakes.

CRM relies heavily upon the integration of many technologies for success. And yet CRM is not wholly and solely reliant upon these technologies, financial services institutions (FSI) quickly realize that properly trained employees and precisely aligned business processes play an equally important role in CRM to gain the full value of any investment in a CRM related technology, FSI's must place proper emphasis upon training the people who will interact with customers and upon the re-evaluation of existing business processes to enhance conformance with CRM.

CRM related technologies fall into two main categories, gathering and mining customer data and the execution of strategies at the customer interface.

Although customer interaction technologies are critical to the execution of a CRM business strategy, it is the customer knowledge capability that enables the creativity of customer specific strategies for sales and service (Stone, Woodrock & Starkey: 2001). Simply put, customer knowledge capability drives the CRM business strategy, and the customer interaction technologies deliver it. It is precisely these capabilities in the lower sphere, labeled customer knowledge, at which Royal Bank excels.

Royal Bank has adjusted key-banking initiatives to its social environment as follows: -Sales culture- the bank has developed a sales infrastructure that includes weekly sales, regular sales meeting and a system of sales incentive compensation. Sales discussions are solidly based upon an understanding of the customer's financial needs and goals.

Service culture- Royal Bank's service orientation is to provide critical customer information to the points of customer contact. Technology is used as a distribution platform for institutional memory.

Training – Within Royal Bank, the training of employees to deliver a true customer focused business strategy is acknowledged to be the most critical aspect of the CRM implementation.

The Royal Bank realized that if it is to be truly CRM focused organization it was necessary to remove activities that were operational in nature that acted as barrier to the execution of a CRM business strategy. This involved removing routine paper work from branches into centralized sites.

The client impact of removing all activities of operational nature from branches was to increase the time available for sales and services activities. The time that employees spent on sales and service increased from 40% to 70% after centralized.

Royal Bank has found that creating customer segments (small business, Agri- business, Commercial clients) allows more precision in the sales/ marketing arena and in the effort to customize interactions with customers. The bank strives for a multi disciplinary approach to marketing and sales. Cross - functional teams work together to understand the segments and subsequent how best to approach customers with sales/ marketing opportunities.

From the above study it is clear that if CRM is to succeed there has to be a symbiotic interaction of technology, training of people, business re-engineering, commitment from the top and the organization should be prepared to spent money on building the CRM capability within its people. There is need to build reliable customer information which should be available to frontline staff.

## **2.16 SUMMARY**

Customer relationship management is inextricably linked with **market segmentation**. One cannot service a particular group of customers unless a grouping exercise is initially executed. Three key research issues must be addressed. CRM is about organizations becoming customer centric. It cannot be implemented in bits and pieces as customers touch every aspect of the business. For CRM to be effective, there is need to have consistent customer information across the organization so that there is one view of the customer at any point of interface. Therefore, it is mandatory that organizations invest in the technology necessary to drive the CRM strategy.

People are an essential component of any CRM strategy. There is need to have customer-focused structures, training is essential in order to change mindsets to be customer service oriented. Organizations should match jobs to skills so that the whole organization becomes efficient. CRM requires top management commitment. They have to show total commitment by the actions in restructuring the organization. Ensure they implement tangible measures in support of CRM initiatives.

Organizations that have been successful in CRM have re-engineered their process to be customer centric. They have centralized all operations or non-sales and service issues away from customer interface areas. The outlets are truly sales and service areas (Case study on the Royal Bank of Canada). Despite organizations spending billions of dollars on CRM, Further research still needs to be done on how to precisely measure the contribution of CRM to the bottom line. This is because there are too many variables affecting business performance such that its difficulty to determine the actual contribution of CRM.

The bulk of the studies that have been carried on CRM were done outside Zimbabwe, mainly Europe, America and Asia. These countries have both sophisticated financial systems and public infrastructure such as tele-communications and the society is highly computerized. Large banks such as Citibank, Hong Kong Shanghai Bank, Lloyds, ABN Omro, dominate the banking system. These banks have a diversified product range and are able to meet all customer needs (i.e. one stop shop).

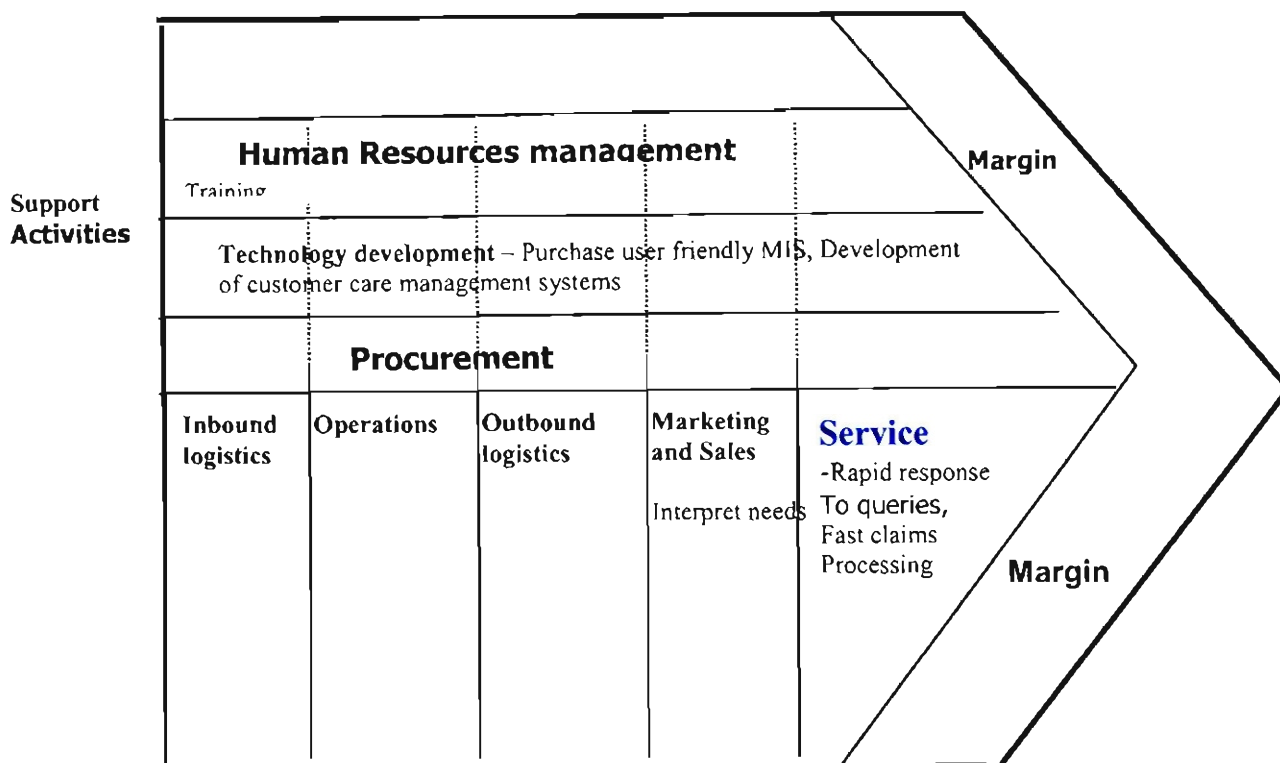
The political and regulation environment in developed countries is stable and fairly predictable. There are no regulatory restrictions on the products that can be offered by commercial banks, building societies, Merchant banks and other financial institutions. Furthermore, there are no exchange control regulations and their currencies are generally stable.

This is unlike the Zimbabwean situation, characterized by foreign currency shortages, exchange control regulations, the banking act that still limits products that financial institutions can offer to its customers. It's difficult to offer a full product range, which is in line with CRM strategies. The question that arises then is how effective is CRM implementation in this country. With all these limitations does CRM really give competitive advantage? Does CRM have the same level of impact, given the differing levels of economic & technological, political and regulatory environment?

It also seems there have not been comprehensive study done specifically on Zimbabwe on the impact of CRM on the performance banks. More research is needed to explore the extent of CRM implementation in Zimbabwe and whether banks that implement CRM gain competitive advantage. It is the intention of this study to find out whether banks that implemented CRM have a competitive advantage.

## 2.17 Value Chain Analysis

Value Chain Analysis is a tool developed by Michael Porter to examine organizational production and support processes for their contribution to competitive advantage. Competitive advantage cannot be understood by looking at a firm as a whole. It stems from the many discreet activities a firm performs in designing, producing, marketing, delivering and supporting its product. Porter M.E (1983) *Competitive Advantage*, Free Press, NY, p33.



*Adapted from: Johnson, G. and Scholes, K. Exploring Corporate Strategy, 1999, Pg. 158*

This tool is designed to assist with analysis at the functional level. It provides a framework for evaluating the contribution made by internal processes to overall customer value. It does not consider issues in the external environment (either direct or indirect) except where these have an influence on internal process design or implementation. Similarly, the more subjective aspects of the internal environment such as organizational values and culture are not addressed through the application of this tool. It can provide a useful adjunct to an overall assessment of organizational strengths and weaknesses by providing a framework for a structured and systematic analysis of specific operations within the organization.

Value Chain analysis proposes that we analyze any business in terms of its

Primary activities; and support activities

Primary activities are those activities directly involved with adding value to inputs and transforming them into goods or services desired by customers. These include:

Inbound logistics

Operations

Outbound logistics

Marketing and sales

Service

Support activities are those activities necessary to support or enable the effective functioning of the primary activities. They include:

Firm infrastructure

HRM

Technology development

Procurement

As the value chain is concerned with ensuring functional organization supports business level strategy it should be applied at a level where there are a coherent set of functional activities directed at servicing a particular market. This will generally be a distinct business unit. Applying the tool at too high a level in an organization will not provide any valuable insight. This is because an industry will contain many different segments which imply the need for different processes and which involve different economic relationships and dynamics.

Recognize also that an organizations value chain will be unique, a product of that organizations individual strategic and business history.

In order to apply the value chain it is important that the organization is clear about its objectives. Analysis should proceed in light of the overall corporate strategy to be pursued.

Analysis can proceed on a number of fronts.

- Identify the actual activities performed by the business unit in each of the generic categories nominated in the model
- Analyze the value added by each of these activities in terms of overall business strategy (e.g. cost leadership, differentiation, niching, timeliness)
- Examine how linkages and flows build value as processes flow across tasks
- Examine how flows into and out of the organization occur and whether changes to internal processes can improve the interface with suppliers or customers at various stages in the value adding process.
- Identify those activities, which are key to success of business strategy
- Examine the resource allocations with a view to allocating resources in accordance with the contribution of the task to strategic direction.

As a rule, the aim is to strengthen those activities which most contribute to overall strategy while constraining resources allocated and consumed by tasks less critical. Once analysis has been undertaken of the organizations value chain, attention should be paid to how this dovetails into the value chain of suppliers and customers.

**Example** The following table compares how each activity may be configured based on two different generic business strategies.

Activity	Differentiation Strategy	Cost Leadership Strategy
<b>Primary Activities</b>		
Inbound logistics	Manage inbound logistics according to differentiation base i.e. timeliness of supply, quality	Aim for win-win long term relationship with suppliers to manage and benefit from cost reductions
Operations	Manufacturing geared to match product characteristics to customer need, may allow for efficient production of small runs and production of a range of different products from the same plant. Quality management geared to customer expectations	Aim for specialization and economies of scale; exploit new technology to drive costs down.
Outbound Logistics	Organize to meet customer demands i.e. local warehousing to reduce delivery times.	Use technology to manage logistics, ship in bulk, and manage relationship with distributors to keep costs low.
Marketing and Sales	Gear to close understanding and responsiveness to individual customer, tailor promotions to meet demands of market segments.	Global/national generic advertising used to keep costs down.
Service	Emphasis on customer relationship	Minimize service demand by quality management programs
<b>Support Activities</b>		
Firm Infrastructure	Decentralized and divisional structures, multi country structures rather than global.	Flat structures and simple effective information systems, functional structures may be preferred to divisional
HRM	Incentive programs reward staff for performing according to customer expectation. Innovation is rewarded and encouraged. Selection geared to harness creativity and customer knowledge within labour market. Training is geared to achieving technical excellence and customer skills.	Policies and practices geared to minimizing costs through reduced turnover and flexible employment practices. Training geared to waste minimization and effective utilization of equipment
Technology Development	Innovation in product design and support systems for customer service.	Aim to innovate in production processes to find new ways to reduce cost. Centralized systems reduce system management overheads.
Procurement	Quality of source materials takes precedence over cost. Local sources may be preferred if this contributes to company image	Source inputs from lowest cost suppliers consistent with quality objectives

## **CHAPTER 3**

### **3.0 RESEARCH METHODOLOGY**

#### **3.1 Introduction**

This section looks at the procedures and techniques adopted for the field research. The main areas of focus are the target population, the sampling procedure and the survey instrument used. A detailed discussion is made regarding the data collection methods adopted and reasons for rejecting other alternatives. The chapter concludes by describing the data analysis procedure, the software used, its strengths and weaknesses.

#### **3.2 Objectives of the study**

The main objective of the study is to establish the role that segmentation can play in a deregulated banking sector. The study also seeks to assess African Banking Corporation's competitive position in the Zimbabwean market.

#### **3.3 Brief History African Banking Corporation Holdings Ltd.**

The principal sponsor of African Banking Corporation Holdings Limited (ABCH), were the Heritage Group of Companies and Anglo American Corporation Limited (who in 2001 sold their shareholdings to the Heritage Group in pursuit of their strategy to divest from non-core business). The other existing shareholders of ABCH include Old Mutual, Zephyr Management LP, International Finance Corporation (IFC) Proparco, CDC Capital Partners, DEG, Debswana Pension Funds, BIFM of Botswana Limited, SECO (Swedish Government) and Swedfund.

The desire to consolidate these interests by founding a business centered in the SADC region, resulted in the establishment of African Banking Corporation Holdings Limited (ABCH). This was achieved by way of a series of successful share swap offers made by ABCH Limited to its shareholders of First Merchant Bank Holdings Limited, UDC Holdings Limited, EDFUND, BARD group of companies and ULC (Pty) Ltd, (ULC Botswana)

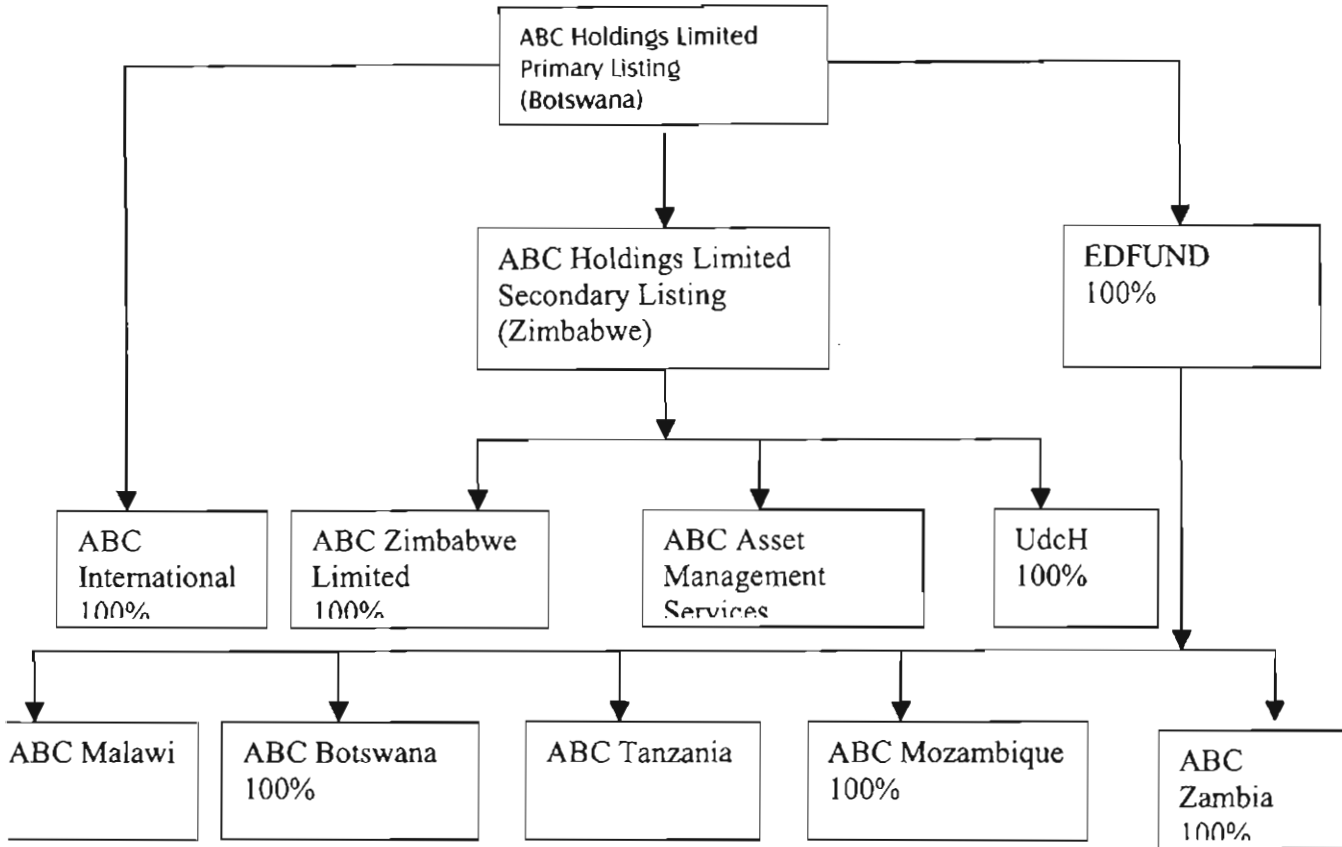
The swap culminated in a primary listing of African Banking Corporation Holdings Limited on the Botswana Stock Exchange and a secondary listing on the Zimbabwe Stock Exchange on 19 June 2000. In addition Zephyr Management LP, a New York Investment company provided further capital by way of subscription for additional shares. Other shareholders of ABCH Limited are as listed above.

The Certification committee of Botswana International Finance Services Center (IFSC) granted IFSC status to ABCH enabling them to create 100% owned operations under African Banking Corporation International Ltd (ABCI). This provides ABCI with offshore banking status and tax incentives within an investor friendly environment.

### **Shareholding Structure (top 12)**

<b>Shareholder</b>	<b>Held</b>	<b>Total</b>
Heritage Investment Bank Ltd	19,546,104	17.52%
Old Mutual Investments. Corp (Pvt) Ltd	15,380,668	13.79%
Barclays Bots. Nom. (Zephyr)	11,066,930	9.92%
Barclays Bots. Nominees (BIFM)	10,027,070	8.99%
Broadway Investments (Pvt) Ltd	7,005,360	6.28%
International Finance Corporation	4,764,897	4.25%
Swiss Confederation	4,446,000	3.99%
Dresdner Bank	4,184,714	3.75%
EDESA Holdings Limited	4,104,902	3.68%
DEBSWANA Pension Fund	2,853,760	2.56%
DEG	2,739,420	2.46%
SWEDFUND	2,636,820	2.36%

**The Bank's Current Structure**



The bank has adopted the functional departmentalization grouping of activities by functions performed. Analysis of the organization's structure downwards reveals that subordinates report to only one boss and this has worked for ABCH Ltd.

**Description of the Business**

African banking Corporation Holdings limited is a company created to be the leading Pan African institution providing innovative financial and strategic solutions, driven by relentless client focus.

## **African Banking Corporation Holdings Ltd Customer and Market Segmentation**

ABCH Ltd has adopted a targeted marketing strategy – where the bank identifies market segments, selects one or more of these and then develops products and services targeted specially for that segment. ABCH offers innovative and flexible financial solutions in three key areas namely:

### **Investment Banking**

The Investment Banking Division aims to provide first- class independent advisory

Services by establishing strong client relationships. Main activities include:

- Advisory services
- Mergers and acquisitions
- MBO
- Privatizations
- Project and infrastructure finance

### **Corporate, Private and International Banking**

The division offers a comprehensive range of banking facilities including:

- Asset finance
- Block discount
- Bridging finance
- Commodity finance
- Corporate finance
- Documentary letters of credit
- Factoring
- Offshore finance
- Private banking
- Project appraisals
- Structured and syndicated loans
- Structured trade finance

## **Treasury**

This section provides top quality, professional service both in domestic and international markets. It is striving to be the market leader in developing new financial products in the region and is building close relationship with the clients to obtain full understanding of their particular business so as to tailor-make services that meet individual needs.

The case study was conducted for the Zimbabwe Corporate, Private and International Banking sections (now known as Banking Services), which forms the backbone of all the regional operations.

### **3.4 Target Population**

The research was quantitative and targeted a representative sample of 60 respondents comprising of 30 ABC customers and 30 customers of other merchant banks. Only respondents from the high net worth and medium categories were included in the study.

### **3.5 Sampling Frame**

Stratified and simple random sampling methods were used. The parent population was composed of layers (strata) of discretely different sizes and within the strata a sample was derived by means of simple randomization process. The qualifying respondents were then randomly selected.

### **3.6 Research Tools**

Interviewing entailed the administration of a structured questionnaire to qualifying respondents. To ensure relevance and reliability of responses, only randomly selected individuals were interviewed. The research instrument used for this research was a questionnaire. Peterson 1992:222 defines a questionnaire as a list of questions that are carefully formulated, constructed and sequenced so as to obtain the most useful data in the most cost-effective manner. The questionnaire was designed with the aim of finding out information set out in the research objectives.

### **3.6.1 The Self Administered Questionnaire**

The self-completion questionnaire approach could have been adopted for data collection because of its relative ease of administration. It also allows the respondent to answer the questions in their spare time, even after working hours. This approach however was not used due to the nature of the study and the very low response rates that are associated with this method of data collection.

### **3.6.2 Face-to-face interviews**

Interviewer visits respondent's office, asks the relevant questions and records respondent's answers on a structured questionnaire. This was the approach adopted for the research mainly because of its ability to enable the interviewer to verify facts, including body language on the spot and it is easier for respondent to clarify unclear issues. This technique however brought the problem of time consumption as the researcher could only conduct a maximum of 4 interviews per day. However the researcher got around this problem by starting interviews very early in the morning and finishing late.

### **3.6.3 Telephone**

Interviews over the telephone are cheaper but in Zimbabwe there is a low incidence of telephones and as such only few people can be reached. Although in the case of this study the target respondents were people with access to phones, the cost of conducting a 30-minute questionnaire would have been prohibitive. Besides, the respondents would not have that much time to speak on the phone, and then each question needed at least a minute of thought before answering. Shortening the questionnaire to suit telephone interviews would have led to loss of vital information. The method was therefore set aside on the basis of the preferred length of the questionnaire.

### **3.6.4 Mail (including e-mail)**

This is a cheap method but experience has shown that few people care to fill in questionnaires and to post/send them back, even when return envelope and postage stamp are supplied. The achieved sample of 40, which represented a response rate of 80%, though smaller than the originally intended sample size of 50, is considered statistically adequate. This is because it still allows a robust base from which to draw conclusions, and even when cross analyzing by respondent type, one would still have a reasonably large number of respondents from which to draw conclusions.

### **3.6.5 The Questionnaire**

One questionnaire was used and this is included in Appendix 1. Semi-structured, structured and open-ended questions were used in the questionnaire to ensure that individual responses were acquired in an easily interpretable manner in support or at variance with the stated research questions. The focus group discussion approach was rejected due to the difficulty of assembling senior officials from the selected organizations. In depth interviews were also rejected due to time constraints.

#### **Open-ended Questions**

The questionnaire had a significant number of open-ended questions to enable respondents to reply freely in their own words. This is the major advantage of this kind of questioning.

#### **Multi-choice questions**

These are simple to administer and analyze although they may bring inaccuracies because they limit options for the respondent. A significant proportion of the questionnaire was multiple choice and the respondents were being limited to choosing from a set of alternatives.

### **Testing the instrument**

The questionnaire was pre-tested before the actual survey and a few corrections/additions were made to improve the comprehension and terminology consensus. The pre-testing observations were

- \* Some respondents were not willing to identify themselves by name on the questionnaires.
- \* Most were not free to answer especially on issues of strategy.
- \* Respondents invariably had busy schedules and they needed much persuasion to participate.

In order to correct these problems in the actual fieldwork, the researcher developed a comprehensive self-introduction in order to make respondents comfortable as they answered even sensitive questions.

### **The Research Question**

A list of research questions, which took into account all the relevant information needs were formulated. The questions were pre-tested on a sample of four typical employees and four typical customers. The pilot interviews sought to assess the ability of the respondent to

- a) Understand the questions
- b) Recall data
- c) Answer the questions

Some questions that appeared difficult to understand were re-phrased or re-formatted to make them more understandable and answerable. It was also important to gauge the level of knowledge among respondents to make sure that questions did not cover areas that they had no knowledge of.

### **Question response Format**

As much as possible, closed response questions were used in this study. However in this field of study it may be necessary to give the respondents a limited open-ended questions in order to unravel salient issues. The major advantage of closed-ended questions is that the responses are structured and uniform, therefore making it easier to interview and tabulate. The researcher gathered considerable knowledge from the literature review in order to properly pre-specify possible responses. The Likert scale was used in certain instances to determine opinions on a rating scale. Checklist and multiple-choice questions were also presented to obtain information on strategy, effect on the company and the respondents.

## **Wording of Questions**

In an area as diversified as strategic management, the researcher realizes that there may be translation variations of wording. Therefore, where necessary, the wording of questions took into account the researcher preferred definitions implicitly in the same way by all respondents. The following guideline was observed when wording questions.

### **a) Non-ambiguity wording and specificity**

- Each question on the questionnaire focused on a single issue or topic.
- Unfamiliar words and words that may carry multiple meanings were avoided.

### **b) Brevity**

Questions presented in the questionnaire were generally short and precise. Redundant and unnecessary words were avoided as much as possible.

### **c) Relevancy**

All questions focus on the issue under study and they have been specifically formulated to answer same aspects of strategic management.

### **d) Objectives**

The questionnaire had a number of pre-specified response questions. The wording of such questions was carefully studied to ensure that no leading questions were included. Leading questions may result in answers that the respondents deem are preferred by the researcher.

### **Questionnaire Structure**

The section approach was used to arrange questions, that is, questions that addressed the same issue were sequenced together. The research objectives were used to define the logical sections or sets. In order to emphasize the sets some questions were broken down into subsets, for example (a) and (b). This allows the respondents to focus on a single issue at a time, thus reducing questionnaire administration time.

### **3.7 Data Gathering**

The questionnaires were distributed as indicated in section 3.2. Quality of data is key in any research exercise. As such quality was ensured at all stages of the research process by putting in place, up-front, several quality control measures. Besides 100 percent post check of completed questionnaires, the following further mechanisms were effected;

- Piloting of the questionnaire
- Emphasizing confidentiality and anonymity to target respondents
- Double punching of data at data processing stage to ensure accuracy

The researcher ensured that the data was reliable by correct identification of the respondents to be included in the study. By exhausting all the issues for investigation in the questionnaire, this guaranteed effectiveness and completeness.

### **3.8 Data Analysis**

Data analysis is an integral part of any research process, such that without an appropriate analytical procedure it is impossible to come up with meaningful findings. The data analysis was performed with the Statistical Package for Social Sciences (SPSS). The procedure involved the following

- Coding (grouping together of similar responses and assigning of codes) of open ended or unstructured questions
- Data capturing and cleaning
- Program development
- Program running to produce statistical tables

This statistical package used has a comprehensive range of data manipulation tools. The complexity and specialization of quantitative data analysis resulted in the seeking of help from statistical specialists on the use of the programme. SPSS has the added advantage of allowing one to score and analyze quantitative data in various ways with the greatest amount of speed. This is a package that is strong on its statistical capabilities. It is a package that offers one of the best environments in which to do detailed statistical analysis on quality related problems. This is a package that eliminates most of the data limitations found within some of its competitors, such as SAS, Minitab, etc.

### **3.7.1 Non response errors**

No follow-up was carried out to determine reasons for non-response mainly because of time constraints and the fact that the response rate was high enough to allow for reasonable deductions.

## **3.8 Conclusion**

From the above, it can be concluded that there was a very small margin of error because the study was representative and targeted the key stakeholders. The response rate was also high and the achieved sample was representative as each population element was included. The empirical results are presented and discussed in Chapter 4.

## CHAPTER 4

### 4.0 RESULTS AND DISCUSSION

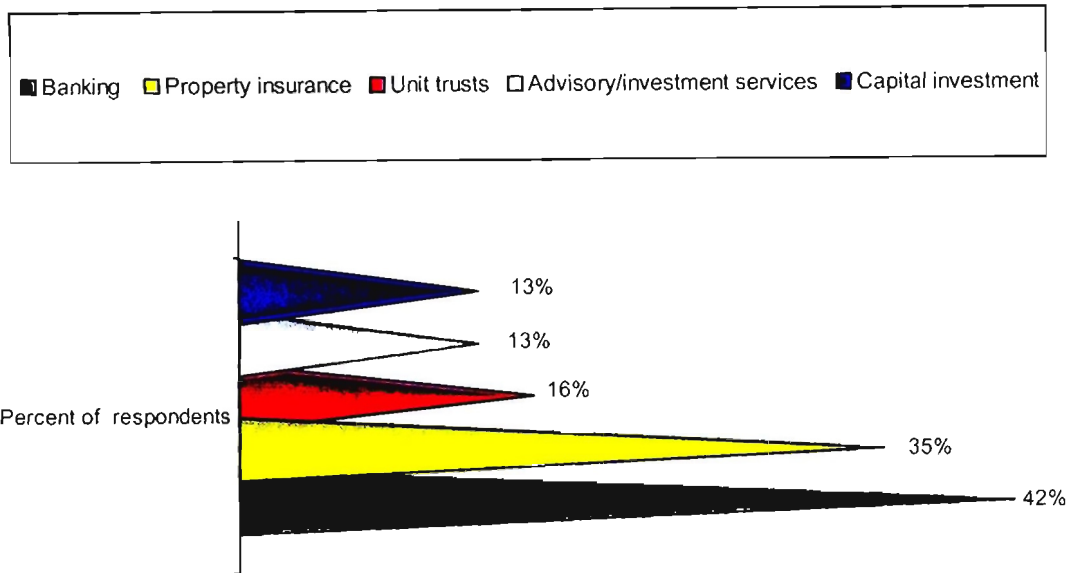
#### 4.1 Introduction

This section looks at the key results from the survey. While the section provides as much detail as possible, more data is in the detailed statistical Tables in Appendix II. These will provide additional information from a variety of perspectives, such as by respondent category. This chapter summarizes the findings from the research and provides details pertaining to the implications of the findings.

#### 4.2 Competitors of ABC (Appendix II, Tables 2a-2f)

NMB was said to be the major competitor of ABC (65%), followed by Standard Merchant Bank (29%). First Merchant Bank and Syfrets Merchant Bank were said to be the third and fourth major competitors of ABC (24% and 23% respectively). Stanchart and Kingdom Bank were said to be the fifth and sixth main competitors of ABC (19% and 10% respectively). Most of these companies have been in business for longer than twenty years.

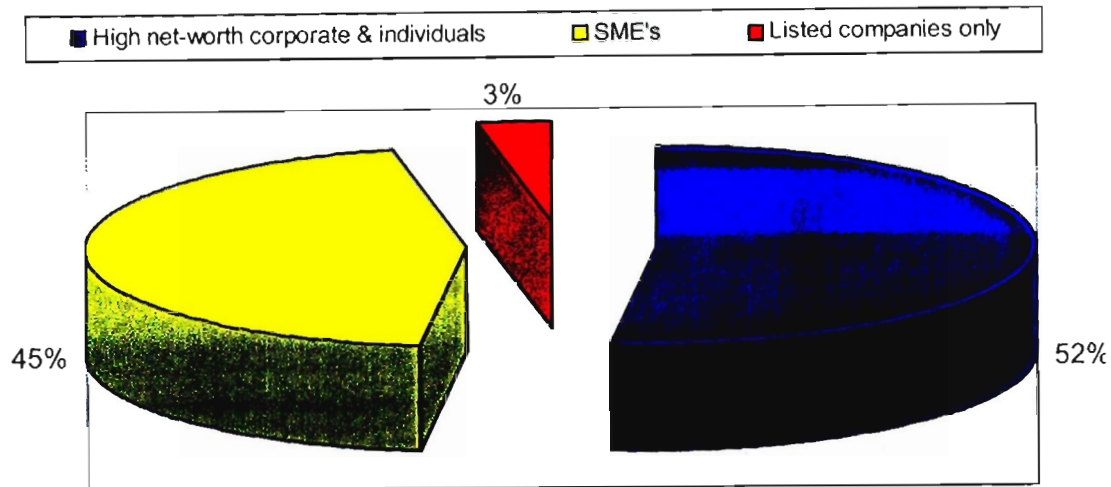
According to the respondents, the strength of ABC lay in its ability to advertise (13%), as this would ensure effective communication to stakeholders, mainly customers. ABC was also said to be strong in providing high quality products (10%), and having a good reputation (10%). Respondents also pointed to the ability of ABC to provide effective financial and advisory services (10%) and described the institution as having a visionary management style (6%). The competitors of ABC were said to be offering banking services (42%). See Figure 4.1



**Figure 4.1: Product range offered by ABC's competitors**

Apart from banking services the competitors of ABC were said to be actively involved in property insurance (35%) as well as unit trusts (16%). Other areas where the competitors were said to be very active were capital investment and advisory services (13% respectively).

According to 45.2% of the respondents the products being offered by the competitors of ABC are aimed at satisfying a target market similar to that of ABC. Others (32.3%) however were of the opinion that the competitors are targeting a similar market only to some extent. A total of 16.1% thought the competition was only partly targeting ABC's market while 6.5% were convinced that ABC's competitors were targeting a different market altogether. More than half of the respondents (51.6%) see the high net-worth individuals and corporate organizations as the major customers of ABC. See Figure 4.2



**Figure 4.2: Major customers of ABC**

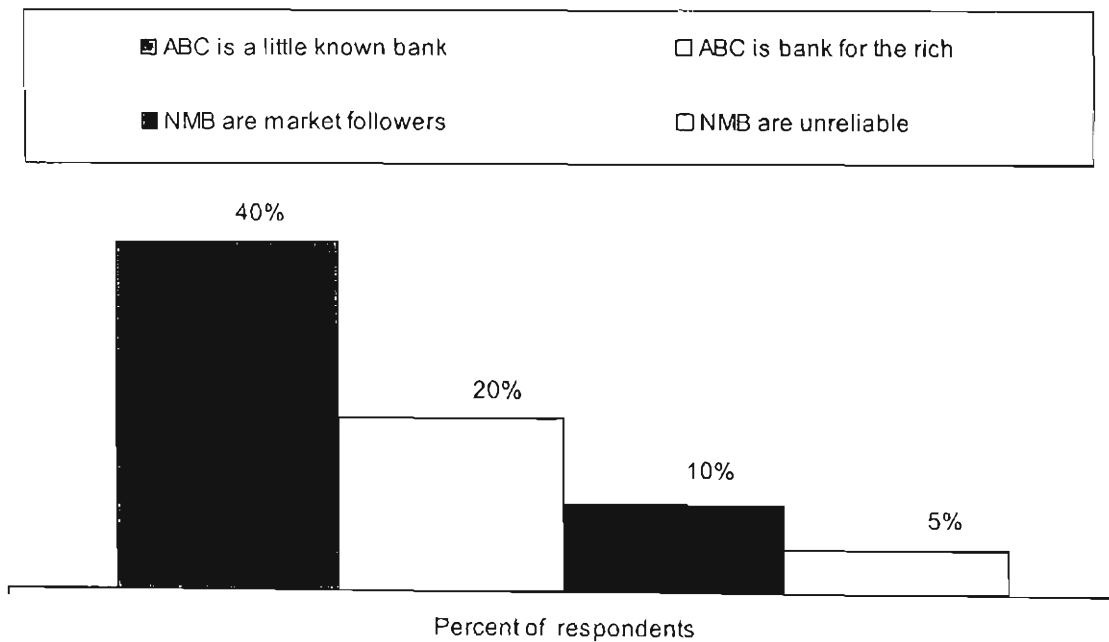
While the majority viewed ABC as being there mainly for the high net-worth individuals and companies, a significant number (45%) believe the company is active in working with the small and medium scale enterprises. A small proportion (3%) believed that the company only does business with companies listed on the Zimbabwe Stock Exchange.

ABC's profitability was largely regarded as being similar to that of competitors (54.8%). However some 29% of the respondents felt that the competitors of ABC were making better profit than ABC. A total of 16.1% were of the opinion that ABC is making more profits than its major competitors.

The positive aspects of NMB were said to be its quality products, service and financial results (30%). NMB was also said to be conveniently located and easy to access (20%). Excellent public relations and good branch network (20%) were said to be the other positive attributes of NMB. Its support for the community and proven track record were cited as major strengths (15% respectively). Syfrets on the other hand was said to be strong in accessibility (29%) and quality products and services (29%). The main positive aspect of Standard Chartered in the eyes of the customers is its excellent public relations and wide branch network (33%) as well as its good marketing (33%).

poor public relations (15% respectively). The main negative about Standard Chartered was said to be its poor public relations with customers (44%) and very expensive charges for services rendered (22%). Syfrets was criticized for discriminating against small account holders (29%) and its obscurity (29%).

Compared to NMB, ABC was said to be a little known bank that is too unique (40%). See Figure 4.3.



**Figure 4.3: How ABC compares to NMB**

ABC is largely seen as a bank for the rich (20%) but it is not so popular. NMB in contrast is viewed as a market follower (20%) and unreliable (5%). While ABC has been described as little known, it was said to be more popular than Syfrets and that in contrast to Syfrets, ABC is a modern up-to-date bank (14%). In comparison to Standard Chartered ABC was however seen as a market follower (33%) and far less known than Standard Chartered Bank (17%).

The majority (64.5%) of the respondents said there have been no changes to the competitors' target market segment. The reasons being that no apparent changes were made (56%). Those who were of the opinion that competitors had changed their target market said this was because there was no longer

The majority (64.5%) of the respondents said there have been no changes to the competitors' target market segment. The reasons being that no apparent changes were made (56%). Those who were of the opinion that competitors had changed their target market said this was because there was no longer segmentation of customers (27%). The other reason given was that they now practice mass marketing (18%).

According to the respondents (21%), ABC is distinguished from NMB in that ABC is not found everywhere. NMB was also said to be less known in comparison to ABC (16%). ABC was also described as a bank, which is too selective (11%). Others (11%) said the two have different corporate colors. On the other hand Syfrets was said to be distinguished from ABC in that Syfrets is less known on the market (29%) and that it has few branches (14%). The main distinguishing factor from Standard Chartered was that ABC has fewer branches and is not found everywhere (40%).

More than half of the sample (55%) said the rivals of ABC have a competitive advantage mainly in terms of their well-located premises in the central business district (15%). A total of 45% of the respondents however could not say what exactly the competitive advantage was but they believed competitors have the advantage. Syfrets was said to have competitive advantage over ABC in that Syfrets does not only target rich clients but everyone (29%). While 73% of the respondents could not say what Standard Bank's competitive advantage was over ABC, a significant number said the name ABC was too short to recall and that this was to Standard Bank's advantage.

Most respondents could not tell what the size of the competition was as they required details of the companies' financial statements. However all they could say was that the competitors were big banks. In terms of market share the competitors were said to command between 5 and 25% each.

Respondents were asked to state the impact of key performance features of ABC. A point system was adopted and a scale of 1-3 used where

**1=Fair          2=Good          3=Excellent**

The higher the mean score above 2.00 the better the performance of ABC above competitors, while the lower the mean score below 2.00 the less impressive the performance of ABC. Responses to each of the key aspects yielded mean scores as tabulated in Table 4.2.

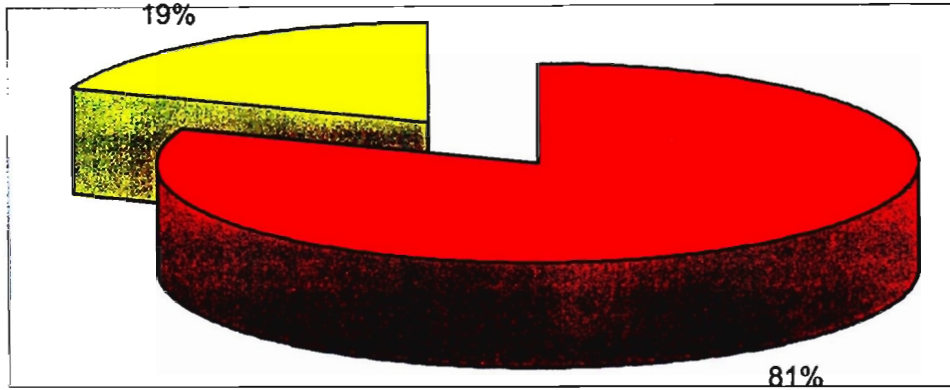
**Table 4.1: Rating ABC features compared to competition**

<b>Indicator</b>	<b>Mean score</b>
Price	1.69
Quality	1.65
Image / style	1.90
Name recognition	1.76
Customer service	1.58
Customer relations	1.68
Location	1.97
Convenience	1.74

The table shows that ABC has no major advantage over its competitors as all the mean score for all features are lower than 2.00. It can also be concluded that the weakest feature of ABC is quality (1.58) while in terms of location the bank is doing relatively well (1.97). However as has already been indicated the bank was found to be performing below average on all the performance features.

Regular advertising in the media coupled with good public relations was said to be NMB's promotional strategy (20% % 15% respectively). Syfrets's strategy was to meet customer needs combined with good public relations (14%). Standard Chartered Bank promotional strategy was said to be sponsorship and charity work (33%) as well as good public relations (17%).

Overall, ABC was positioned by the respondents as market followers (80.6%). See Figure 4.4



**Figure 4.4: ABC's position on the market**

It can be concluded from the above that ABC does not have a very strong grip on the market as more than three quarters of the respondents described the company as a follower. Only 19% saw the company as market leaders. ABC was also rated as followers on product innovation (74.2%) and was said to have wrongly placed premises (58.1%). When asked to give an overall perception of ABC, respondents (48.4%) described it as a bank not known. A total of 29% said it is an ordinary bank while only 9.7% regarded it as a world-class bank.

## CHAPTER 5

### CONCLUSION AND RECOMMENDATIONS

#### 5.1 Introduction

The study has revealed that the merchant banking sector in Zimbabwe is a homogeneous market with all merchant banks failing to distinguish themselves from the next. It has also been established however that ABC is generally regarded as a bank for the elite that discriminates against the poorer groups in society.

#### 5.2 Conclusion

Based on the findings and discussions the following conclusion is made:

1. NMB was said to be the major competitor of ABC, followed by Standard Merchant Bank. First Merchant Bank and Syfrets Merchant Bank were said to be the third and fourth major competitors of ABC.
2. According to the respondents, the strength of ABC lay in its ability to advertise, as this would ensure effective communication to stakeholders, mainly customers.
3. Apart from banking services the competitors of ABC were said to be actively involved in property insurance as well as unit trusts. Other areas where the competitors were said to be very active were capital investment and advisory services
4. According to the respondents the products being offered by the competitors of ABC are aimed at satisfying a target market similar to that of ABC
5. More than half of the respondents see the high net-worth individuals and corporate organizations as the major customers of ABC

6. While the majority viewed ABC as being there mainly for the high net-worth individuals and companies, a significant number believe the company is active in working with the small and medium scale enterprises.
7. ABC's profitability was largely regarded as being similar to that of competitors
8. The positive aspects of NMB were said to be its quality products, service and financial results. NMB was also said to be conveniently located and easy to access
9. Syfrets was said to be strong in accessibility and quality products and services
10. The main positive aspect of Standard Chartered in the eyes of the customers is its excellent public relations and wide branch network as well as its good marketing
11. Compared to NMB, ABC was said to be a little known bank that is too unique
12. More than half of the sample said the rivals of ABC have a competitive advantage mainly in terms of their well located premises in the central business district
13. ABC was rated as followers on product innovation and was said to have wrongly placed premises. When asked to give an overall perception of ABC, respondents described it as a bank not known.

### **5.3 Recommendations**

The purpose of this study was to develop a body of knowledge that would add to the existing literature on market segmentation in order to assist in future decisions or policy on segmentation. Specific objectives were set for this study as summarized in Chapter 1 and taking all the above conclusions into consideration the researcher recommends the following.

- ✓ There is need for ABC to launch a promotional campaign in order to enlighten the public about the company and its products. Currently the rate of awareness of the company is low
- ✓ The study has established that ABC is regarded as a bank for the elite. If the institution seeks to target lower market segments as well, then this should be communicated to this segment
- ✓ The main weaknesses of ABC have been identified as poor location while the main strengths of competitors was found to be good public relations, wide branch network and good marketing. It is recommended that ABC make an effort to do well in these areas as well. This will enhance the institution's competitive advantage.
- ✓ ABC should launch a promotional campaign to clear the misunderstanding of who they are. The market still cannot distinguish between FMB and ABC and this can affect negatively ABC market position.

**APPENDIX 1-TABLES**

**Table 1a Segmentation StudyF1: How would you classify your position in this company?**

		1.00	Top management	Middle management	Respondent Status	
					High net worth	Medium
1.00	Count	62	31	31	27	35
	Col %	100.0%	100.0%	100.0%	100.0%	100.0%
	Row %	100.0%	100.0%	100.0%	43.5%	56.5%
Top management	Count	31	31	0	15	16
	Col %	100.0%	100.0%	.0%	100.0%	100.0%
	Row %	100.0%	100.0%	.0%	48.4%	51.6%
Middle management	Count	31	0	31	12	19
	Col %	100.0%	.0%	100.0%	100.0%	100.0%
	Row %	100.0%	.0%	100.0%	38.7%	61.3%

**Table 1b Segmentation StudyF2: Does your company segment its customers?**

		1.00	Respondent Position		Respondent Status	
			Top management	Middle management	High net worth	Medium
1.00	Count	62	31	31	27	35
	Col %	100.0%	100.0%	100.0%	100.0%	100.0%
	Row %	100.0%	50.0%	50.0%	43.5%	56.5%
Sometimes	Count	6	0	6	0	6
	Col %	75.0%	.0%	100.0%	.0%	100.0%
	Row %	100.0%	.0%	100.0%	.0%	100.0%
Always	Count	2	2	0	2	0
	Col %	25.0%	100.0%	.0%	100.0%	.0%
	Row %	100.0%	100.0%	.0%	100.0%	.0%

**Table 1cSegmentation StudyF3: For how long has your company been segmenting its customers?**

		1.00	Respondent Position		Respondent Status	
			Top management	Middle management	High net worth	Medium
1.00	Count	62	31	31	27	35
	Col %	100.0%	100.0%	100.0%	100.0%	100.0%
	Row %	100.0%	50.0%	50.0%	43.5%	56.5%
More than 3 years	Count	4	2	2	2	2
	Col %	50.0%	100.0%	33.3%	100.0%	33.3%
	Row %	100.0%	50.0%	50.0%	50.0%	50.0%
Less than 3 years	Count	4	0	4	0	4
	Col %	50.0%	.0%	66.7%	.0%	66.7%
	Row %	100.0%	.0%	100.0%	.0%	100.0%

Table 2a Segmentation Study Q1: Who are ABCs top competitors?

		1.00	Respondent Position		Respondent Status	
			Top management	Middle management	High net worth	Medium
1.00		62	31	31	27	35
NMB	Count	40	22	18	18	22
	Col %	65%	71%	58%	67%	63%
	Row %	100%	55%	45%	45%	55%
Standard merchant	Count	18	9	9	14	4
	Col %	29%	29%	29%	52%	11%
	Row %	100%	50%	50%	78%	22%
FMB	Count	15	4	11	7	8
	Col %	24%	13%	35%	26%	23%
	Row %	100%	27%	73%	47%	53%
Syfrets merchant	Count	14	10	4	4	10
	Col %	23%	32%	13%	15%	29%
	Row %	100%	71%	29%	29%	71%
Stanchart	Count	12	5	7	2	10
	Col %	19%	16%	23%	7%	29%
	Row %	100%	42%	58%	17%	83%
Kingdom bank	Count	6	2	4	4	2
	Col %	10%	6%	13%	15%	6%
	Row %	100%	33%	67%	67%	33%
Royal bank	Count	6	5	1	0	6
	Col %	10%	16%	3%	0%	17%
	Row %	100%	83%	17%	0%	100%
NMB	Count	6	5	1	2	4
	Col %	10%	16%	3%	7%	11%
	Row %	100%	83%	17%	33%	67%
Stanbic	Count	6	5	1	4	2
	Col %	10%	16%	3%	15%	6%
	Row %	100%	83%	17%	67%	33%
CBZ	Count	4	1	3	2	2
	Col %	6%	3%	10%	7%	6%
	Row %	100%	25%	75%	50%	50%
Barclays bank	Count	4	1	3	0	4
	Col %	6%	3%	10%	0%	11%
	Row %	100%	25%	75%	0%	100%
MBCA	Count	2	0	2	0	2
	Col %	3%	0%	6%	0%	6%
	Row %	100%	0%	100%	0%	100%
Trust merchant	Count	2	0	2	0	2
	Col %	3%	0%	6%	0%	6%
	Row %	100%	0%	100%	0%	100%

**Table 2b Segmentation Study Q2: How long have NMB been in business?**

		1.00	Respondent Position		Respondent Status	
			Top management	Middle management	High net worth	Medium
1.00		40	22	18	18	22
Over a year	Count	22	11	11	6	16
	Col %	55%	50%	61%	33%	73%
	Row %	100%	50%	50%	27%	73%
Over 10 years but less than 20 years	Count	18	11	7	12	6
	Col %	45%	50%	39%	67%	27%
	Row %	100%	61%	39%	67%	33%

**Table 2c Segmentation Study Q2: How long has Standard Merchant been in business?**

		1.00	Respondent Position		Respondent Status	
			Top management	Middle management	High net worth	Medium
1.00		18	9	9	14	4
Over 10 years but less than 20 years	Count	10	7	3	8	2
	Col %	56%	78%	33%	57%	50%
	Row %	100%	70%	30%	80%	20%
Over a year	Count	8	2	6	6	2
	Col %	44%	22%	67%	43%	50%
	Row %	100%	25%	75%	75%	25%

**Table 2dSegmentation StudyQ2: How long has First Merchant been in business?**

		1.00	Respondent Position		Respondent Status	
			Top management	Middle management	High net worth	Medium
1.00		15	4	11	7	8
Over a year	Count	10	3	7	5	5
	Col %	67%	75%	64%	71%	63%
	Row %	100%	30%	70%	50%	50%
Over 10 years but less than 20 years	Count	3	1	2	2	1
	Col %	20%	25%	18%	29%	13%
	Row %	100%	33%	67%	67%	33%
Over 20 years	Count	2	0	2	0	2
	Col %	13%	0%	18%	0%	25%
	Row %	100%	0%	100%	0%	100%

**Table 2eSegmentation StudyQ2: How long has Syfrets Merchant been in business?**

		1.00	Respondent Position		Respondent Status	
			Top management	Middle management	High net worth	Medium
1.00		14	10	4	4	10
Over a year	Count	7	6	1	1	6
	Col %	50%	60%	25%	25%	60%
	Row %	100%	86%	14%	14%	86%
Over 10 years but less than 20 years	Count	3	3	0	2	1
	Col %	21%	30%	0%	50%	10%
	Row %	100%	100%	0%	67%	33%
Less than a year	Count	2	1	1	1	1
	Col %	14%	10%	25%	25%	10%
	Row %	100%	50%	50%	50%	50%
Over 20 years	Count	2	0	2	0	2
	Col %	14%	0%	50%	0%	20%
	Row %	100%	0%	100%	0%	100%

Table 2f Segmentation Study Q2: How long has Standard been in business?

		1.00	Respondent Position		Respondent Status	
			Top management	Middle management	High net worth	Medium
1.00		12	5	7	2	10
Over a year	Count	5	2	3	1	4
	Col %	42%	40%	43%	50%	40%
	Row %	100%	40%	60%	20%	80%
Over 10 years but less than 20 years	Count	5	3	2	1	4
	Col %	42%	60%	29%	50%	40%
	Row %	100%	60%	40%	20%	80%
Over 20 years	Count	2	0	2	0	2
	Col %	17%	0%	29%	0%	20%
	Row %	100%	0%	100%	0%	100%

Table 3a Segmentation Study Q3: On what basis is ABC able to compete?

		1.00	Respondent Position		Respondent Status	
			Top management	Middle management	High net worth	Medium
1.00		62	31	31	27	35
Awareness and being able to advertise	Count	8	3	5	3	5
	Col %	13%	10%	16%	11%	14%
	Row %	100%	38%	63%	38%	63%
Quality products provision /services	Count	6	5	1	4	2
	Col %	10%	16%	3%	15%	6%
	Row %	100%	83%	17%	67%	33%
Good reputation	Count	6	2	4	2	4
	Col %	10%	6%	13%	7%	11%
	Row %	100%	33%	67%	33%	67%
Advisory financial services /services offered	Count	6	5	1	0	6
	Col %	10%	16%	3%	0%	17%
	Row %	100%	83%	17%	0%	100%
None	Count	6	2	4	4	2
	Col %	10%	6%	13%	15%	6%
	Row %	100%	33%	67%	67%	33%
Position in the market/has vision for the market	Count	4	2	2	0	4
	Col %	6%	6%	6%	0%	11%
	Row %	100%	50%	50%	0%	100%
Visionary management/sound management style	Count	4	2	2	2	2
	Col %	6%	6%	6%	7%	6%
	Row %	100%	50%	50%	50%	50%
High profile customers	Count	4	3	1	0	4
	Col %	6%	10%	3%	0%	11%
	Row %	100%	75%	25%	0%	100%
Affordable rates charged	Count	4	2	2	4	0
	Col %	6%	6%	6%	15%	0%
	Row %	100%	50%	50%	100%	0%

Quality leadership/high qualified people	Count	4	1	3	2	2
	Col %	6%	3%	10%	7%	6%
	Row %	100%	25%	75%	50%	50%
Rates	Count	4	3	1	4	0
	Col %	6%	10%	3%	15%	0%
	Row %	100%	75%	25%	100%	0%
Strong financial support	Count	2	2	0	2	0
	Col %	3%	6%	0%	7%	0%
	Row %	100%	100%	0%	100%	0%
Customer promotions	Count	2	0	2	0	2
	Col %	3%	0%	6%	0%	6%
	Row %	100%	0%	100%	0%	100%
Monetary support which is strong	Count	2	1	1	0	2
	Col %	3%	3%	3%	0%	6%
	Row %	100%	50%	50%	0%	100%
On the ground of being fewer merchant bank	Count	2	0	2	0	2
	Col %	3%	0%	6%	0%	6%
	Row %	100%	0%	100%	0%	100%
A firm financial base	Count	2	1	1	2	0
	Col %	3%	3%	3%	7%	0%
	Row %	100%	50%	50%	100%	0%
Targeted respondents	Count	2	1	1	0	2
	Col %	3%	3%	3%	0%	6%
	Row %	100%	50%	50%	0%	100%
Segments its customers	Count	2	1	1	0	2
	Col %	3%	3%	3%	0%	6%
	Row %	100%	50%	50%	0%	100%
A few elite customers	Count	2	2	0	0	2
	Col %	3%	6%	0%	0%	6%
	Row %	100%	100%	0%	0%	100%
Customer loyalty	Count	2	2	0	0	2
	Col %	3%	6%	0%	0%	6%
	Row %	100%	100%	0%	0%	100%

Conveniently located	Count	2	0	2	2	0
	Col %	3%	0%	6%	7%	0%
	Row %	100%	0%	100%	100%	0%
Wide range	Count	2	1	1	2	0
	Col %	3%	3%	3%	7%	0%
	Row %	100%	50%	50%	100%	0%
Innovativeness	Count	2	2	0	2	0
	Col %	3%	6%	0%	7%	0%
	Row %	100%	100%	0%	100%	0%
Highly innovative on creation of products	Count	2	0	2	0	2
	Col %	3%	0%	6%	0%	6%
	Row %	100%	0%	100%	0%	100%
Presence in many African countries	Count	2	0	2	0	2
	Col %	3%	0%	6%	0%	6%
	Row %	100%	0%	100%	0%	100%

Table 3b Segmentation Study Q4: What is the product range and services being offered by competition?

		1.00	Respondent Position		Respondent Status	
			Top management	Middle management	High net worth	Medium
1.00		62	31	31	27	35
Banking	Count	26	13	13	16	10
	Col %	42%	42%	42%	59%	29%
	Row %	100%	50%	50%	62%	38%
Property insurance	Count	22	11	11	10	12
	Col %	35%	35%	35%	37%	34%
	Row %	100%	50%	50%	45%	55%
Wide range	Count	10	5	5	0	10
	Col %	16%	16%	16%	0%	29%
	Row %	100%	50%	50%	0%	100%
Unit trusts	Count	10	5	5	8	2
	Col %	16%	16%	16%	30%	6%
	Row %	100%	50%	50%	80%	20%
Advisory service /investment advice	Count	8	3	5	6	2
	Col %	13%	10%	16%	22%	6%
	Row %	100%	38%	63%	75%	25%
Capital investment analysis/financial management	Count	8	3	5	2	6
	Col %	13%	10%	16%	7%	17%
	Row %	100%	38%	63%	25%	75%
Location which is convenient	Count	6	4	2	5	1
	Col %	10%	13%	6%	19%	3%
	Row %	100%	67%	33%	83%	17%
Advertising in newspaper radio television	Count	6	1	5	4	2
	Col %	10%	3%	16%	15%	6%
	Row %	100%	17%	83%	67%	33%
Limited choice of products /limited	Count	4	3	1	0	4
	Col %	6%	10%	3%	0%	11%
	Row %	100%	75%	25%	0%	100%
Some promotions	Count	4	1	3	4	0
	Col %	6%	3%	10%	15%	0%
	Row %	100%	25%	75%	100%	0%
Discount Houses	Count	2	1	1	0	2
	Col %	3%	3%	3%	0%	6%
	Row %	100%	50%	50%	0%	100%
Market leader /position in the market	Count	2	2	0	2	0
	Col %	3%	6%	0%	7%	0%
	Row %	100%	100%	0%	100%	0%
Foreign currency handling	Count	2	2	0	0	2
	Col %	3%	6%	0%	0%	6%
	Row %	100%	100%	0%	0%	100%
Good ..	Count	2	1	1	2	0

reputation	Col %	3%	3%	3%	7%	0%
	Row %	100%	50%	50%	100%	0%
Offshore loans	Count	2	2	0	2	0
	Col %	3%	6%	0%	7%	0%
	Row %	100%	100%	0%	100%	0%
Bills	Count	2	2	0	2	0
	Col %	3%	6%	0%	7%	0%
	Row %	100%	100%	0%	100%	0%
Lease hire/hire purchase	Count	2	2	0	2	0
	Col %	3%	6%	0%	7%	0%
	Row %	100%	100%	0%	100%	0%
Productive sector finance	Count	2	2	0	2	0
	Col %	3%	6%	0%	7%	0%
	Row %	100%	100%	0%	100%	0%
Structured finance /corporate finance	Count	2	0	2	0	2
	Col %	3%	0%	6%	0%	6%
	Row %	100%	0%	100%	0%	100%
Treasury	Count	2	0	2	0	2
	Col %	3%	0%	6%	0%	6%
	Row %	100%	0%	100%	0%	100%
Invest banking	Count	2	0	2	0	2
	Col %	3%	0%	6%	0%	6%
	Row %	100%	0%	100%	0%	100%

**Table 3c Segmentation Study Q5: Are their products or services aimed at satisfying similar target market?**

		1.00	Respondent Position		Respondent Status	
			Top management	Middle management	High net worth	Medium
1.00	Count	62	31	31	27	35
	Col %	100.0%	100.0%	100.0%	100.0%	100.0%
	Row %	100.0%	50.0%	50.0%	43.5%	56.5%
Similar market	Count	28	14	14	14	14
	Col %	45.2%	45.2%	45.2%	51.9%	40.0%
	Row %	100.0%	50.0%	50.0%	50.0%	50.0%
To an extent	Count	20	8	12	5	15
	Col %	32.3%	25.8%	38.7%	18.5%	42.9%
	Row %	100.0%	40.0%	60.0%	25.0%	75.0%
Partly	Count	10	5	5	4	6
	Col %	16.1%	16.1%	16.1%	14.8%	17.1%
	Row %	100.0%	50.0%	50.0%	40.0%	60.0%
Different markets	Count	4	4	0	4	0
	Col %	6.5%	12.9%	.0%	14.8%	.0%
	Row %	100.0%	100.0%	.0%	100.0%	.0%

**Table 3d Segmentation StudyQ6: Who are the major customers of ABC?**

		1.00	Respondent Position		Respondent Status	
			Top management	Middle management	High net worth	Medium
1.00	Count	62	31	31	27	35
	Col %	100.0%	100.0%	100.0%	100.0%	100.0%
	Row %	100.0%	50.0%	50.0%	43.5%	56.5%
High net-worth Corporate and individuals	Count	32	18	14	11	21
	Col %	51.6%	58.1%	45.2%	40.7%	60.0%
	Row %	100.0%	56.3%	43.8%	34.4%	65.6%
Small to medium sized enterprises	Count	28	12	16	16	12
	Col %	45.2%	38.7%	51.6%	59.3%	34.3%
	Row %	100.0%	42.9%	57.1%	57.1%	42.9%
Listed companies only	Count	2	1	1	0	2
	Col %	3.2%	3.2%	3.2%	.0%	5.7%
	Row %	100.0%	50.0%	50.0%	.0%	100.0%

**Table 3e Segmentation StudyQ7: How do you rate the competitors profitability?**

		1.00	Respondent Position		Respondent Status	
			Top management	Middle management	High net worth	Medium
1.00	Count	62	31	31	27	35
	Col %	100.0%	100.0%	100.0%	100.0%	100.0%
	Row %	100.0%	50.0%	50.0%	43.5%	56.5%
Similar	Count	34	16	18	14	20
	Col %	54.8%	51.6%	58.1%	51.9%	57.1%
	Row %	100.0%	47.1%	52.9%	41.2%	58.8%
Better than ABC	Count	18	10	8	9	9
	Col %	29.0%	32.3%	25.8%	33.3%	25.7%
	Row %	100.0%	55.6%	44.4%	50.0%	50.0%
ABC better than competitors	Count	10	5	5	4	6
	Col %	16.1%	16.1%	16.1%	14.8%	17.1%
	Row %	100.0%	50.0%	50.0%	40.0%	60.0%
Mean		1.87	1.84	1.90	1.81	1.91

Table 4a1 Segmentation Study Q8: What are NMB's positive attributes in the eyes of the customers?

		1.00	Respondent Position		Respondent Status	
			Top management	Middle management	High net worth	Medium
1.00		40	22	18	18	22
Quality services and products /financial results	Count	12	6	6	10	2
	Col %	30%	27%	33%	56%	9%
	Row %	100%	50%	50%	83%	17%
Conveniently located /easy access	Count	8	4	4	6	2
	Col %	20%	18%	22%	33%	9%
	Row %	100%	50%	50%	75%	25%
Excellent public relations /good branch networks	Count	8	5	3	4	4
	Col %	20%	23%	17%	22%	18%
	Row %	100%	63%	38%	50%	50%
Community support programmers /sponsorships	Count	6	2	4	2	4
	Col %	15%	9%	22%	11%	18%
	Row %	100%	33%	67%	33%	67%
Proven track records /long established	Count	6	4	2	4	2
	Col %	15%	18%	11%	22%	9%
	Row %	100%	67%	33%	67%	33%
Marketing is good /large share of the markets	Count	4	2	2	0	4
	Col %	10%	9%	11%	0%	18%
	Row %	100%	50%	50%	0%	100%
Good management /visionary personal	Count	4	2	2	0	4
	Col %	10%	9%	11%	0%	18%
	Row %	100%	50%	50%	0%	100%
Good customer profile /customer satisfaction	Count	4	3	1	0	4
	Col %	10%	14%	6%	0%	18%
	Row %	100%	75%	25%	0%	100%
Good track records/good reputation	Count	4	2	2	2	2
	Col %	10%	9%	11%	11%	9%
	Row %	100%	50%	50%	50%	50%
Well distributed branches	Count	2	1	1	0	2
	Col %	5%	5%	6%	0%	9%
	Row %	100%	50%	50%	0%	100%
Well established	Count	2	1	1	0	2
	Col %	5%	5%	6%	0%	9%
	Row %	100%	50%	50%	0%	100%
Does not select customers	Count	2	2	0	0	2
	Col %	5%	9%	0%	0%	9%
	Row %	100%	100%	0%	0%	100%
Market leaders banking sector	Count	2	1	1	2	0
	Col %	5%	5%	6%	11%	0%
	Row %	100%	50%	50%	100%	0%
They are reliable /loyalty	Count	2	2	0	2	0
	Col %	5%	9%	0%	11%	0%

International connections	Row %	100%	100%	0%	100%	0%
	Count	2	2	0	2	0
	Col %	5%	9%	0%	11%	0%
Selective customers	Row %	100%	100%	0%	100%	0%
	Count	2	0	2	0	2
	Col %	5%	0%	11%	0%	9%
Able to structure and see through deals	Row %	100%	0%	100%	0%	100%
	Count	2	0	2	0	2
	Col %	5%	0%	11%	0%	9%
	Row %	100%	0%	100%	0%	100%

**Table 4a2 Segmentation Study Q8: What are Standard Merchants positive attributes in the eyes of the customers?**

		Respondent Position		Respondent Status		
		1.00	Top management	Middle management	High net worth	Medium
1.00		18	9	9	14	4
Quality services and products /financial results	Count	6	2	4	6	0
	Col %	33%	22%	44%	43%	0%
	Row %	100%	33%	67%	100%	0%
Conveniently located /easy access	Count	4	2	2	4	0
	Col %	22%	22%	22%	29%	0%
	Row %	100%	50%	50%	100%	0%
Excellent public relations /good branch networks	Count	4	1	3	2	2
	Col %	22%	11%	33%	14%	50%
	Row %	100%	25%	75%	50%	50%
Good customer profile /customer satisfaction	Count	4	3	1	2	2
	Col %	22%	33%	11%	14%	50%
	Row %	100%	75%	25%	50%	50%
Marketing is good /large share of the markets	Count	2	0	2	0	2
	Col %	11%	0%	22%	0%	50%
	Row %	100%	0%	100%	0%	100%
Good track records/good reputation	Count	2	1	1	2	0
	Col %	11%	11%	11%	14%	0%
	Row %	100%	50%	50%	100%	0%
Does not select customers	Count	2	2	0	0	2
	Col %	11%	22%	0%	0%	50%
	Row %	100%	100%	0%	0%	100%
Market leaders banking sector	Count	2	1	1	2	0
	Col %	11%	11%	11%	14%	0%
	Row %	100%	50%	50%	100%	0%
Wide range under one roof	Count	2	1	1	2	0
	Col %	11%	11%	11%	14%	0%
	Row %	100%	50%	50%	100%	0%

**Table 4a3 Segmentation Study Q8: What are First Merchants positive attributes in the eyes of the customers?**

		1.00	Respondent Position		Respondent Status	
			Top management	Middle management	High net worth	Medium
1.00		15	4	11	7	8
Good track records/good reputation	Count	6	2	4	3	3
	Col %	40%	50%	36%	43%	38%
	Row %	100%	33%	67%	50%	50%
Excellent public relations /good branch networks	Count	4	1	3	2	2
	Col %	27%	25%	27%	29%	25%
	Row %	100%	25%	75%	50%	50%
Good potential /promising to customers	Count	4	2	2	4	0
	Col %	27%	50%	18%	57%	0%
	Row %	100%	50%	50%	100%	0%
Marketing is good /large share of the markets	Count	3	0	3	0	3
	Col %	20%	0%	27%	0%	38%
	Row %	100%	0%	100%	0%	100%
Quality services and products /financial results	Count	3	0	3	0	3
	Col %	20%	0%	27%	0%	38%
	Row %	100%	0%	100%	0%	100%
Conveniently located /easy access	Count	2	1	1	1	1
	Col %	13%	25%	9%	14%	13%
	Row %	100%	50%	50%	50%	50%
Good advertising	Count	2	0	2	0	2
	Col %	13%	0%	18%	0%	25%
	Row %	100%	0%	100%	0%	100%

Table 4a4 Segmentation Study Q8: What are Syfrets Merchants positive attributes in the eyes of the customers?

		1.00	Respondent Position		Respondent Status	
			Top management	Middle management	High net worth	Medium
1.00		14	10	4	4	10
Conveniently located /easy access	Count	4	4	0	0	4
	Col %	29%	40%	0%	0%	40%
	Row %	100%	100%	0%	0%	100%
Quality services and products /financial results	Count	4	4	0	2	2
	Col %	29%	40%	0%	50%	20%
	Row %	100%	100%	0%	50%	50%
Good track records/good reputation	Count	4	1	3	0	4
	Col %	29%	10%	75%	0%	40%
	Row %	100%	25%	75%	0%	100%
Well established	Count	2	2	0	0	2
	Col %	14%	20%	0%	0%	20%
	Row %	100%	100%	0%	0%	100%
Proven track records /long established	Count	2	2	0	2	0
	Col %	14%	20%	0%	50%	0%
	Row %	100%	100%	0%	100%	0%
Strong financial background support	Count	2	2	0	0	2
	Col %	14%	20%	0%	0%	20%
	Row %	100%	100%	0%	0%	100%
Good customer profile /customer satisfaction	Count	2	1	1	0	2
	Col %	14%	10%	25%	0%	20%
	Row %	100%	50%	50%	0%	100%
Wide range under one roof	Count	2	1	1	2	0
	Col %	14%	10%	25%	50%	0%
	Row %	100%	50%	50%	100%	0%
They are reliable /loyalty	Count	2	2	0	2	0
	Col %	14%	20%	0%	50%	0%
	Row %	100%	100%	0%	100%	0%
International connections	Count	2	2	0	2	0
	Col %	14%	20%	0%	50%	0%
	Row %	100%	100%	0%	100%	0%

**Table 4a5Segmentation StudyQ8: What are Stanch arts positive attributes in the eyes of the customers?**

		Respondent Position		Respondent Status		
		1.00	Top management	Middle management	High net worth	Medium
1.00		12	5	7	2	10
Excellent public relations /good branch networks	Count	4	3	1	2	2
	Col %	33%	60%	14%	100%	20%
	Row %	100%	75%	25%	50%	50%
Marketing is good /large share of the markets	Count	4	1	3	0	4
	Col %	33%	20%	43%	0%	40%
	Row %	100%	25%	75%	0%	100%
Quality services and products /financial results	Count	4	1	3	0	4
	Col %	33%	20%	43%	0%	40%
	Row %	100%	25%	75%	0%	100%
Community support programmers /sponsorships	Count	2	1	1	0	2
	Col %	17%	20%	14%	0%	20%
	Row %	100%	50%	50%	0%	100%
Well established	Count	2	1	1	0	2
	Col %	17%	20%	14%	0%	20%
	Row %	100%	50%	50%	0%	100%
Proven track records /long established	Count	2	1	1	0	2
	Col %	17%	20%	14%	0%	20%
	Row %	100%	50%	50%	0%	100%
Good track records/good reputation	Count	2	0	2	0	2
	Col %	17%	0%	29%	0%	20%
	Row %	100%	0%	100%	0%	100%

Table 4b1 Segmentation Study Q9: What are NMB's negative attributes in the eyes of the customers?

		1.00	Respondent Position		Respondent Status	
			Top management	Middle management	High net worth	Medium
1.00		40	22	18	18	22
Do not permit smaller account holders /selective	Count	6	3	3	2	4
	Col %	15%	14%	17%	11%	18%
	Row %	100%	50%	50%	33%	67%
Poor service delivery networking	Count	6	3	3	2	4
	Col %	15%	14%	17%	11%	18%
	Row %	100%	50%	50%	33%	67%
Too high service which are not affordable	Count	6	3	3	6	0
	Col %	15%	14%	17%	33%	0%
	Row %	100%	50%	50%	100%	0%
Poor public relations with customers	Count	6	5	1	2	4
	Col %	15%	23%	6%	11%	18%
	Row %	100%	83%	17%	33%	67%
Poor branch distribution/beyond the reach of everyone	Count	4	1	3	0	4
	Col %	10%	5%	17%	0%	18%
	Row %	100%	25%	75%	0%	100%
None	Count	4	2	2	2	2
	Col %	10%	9%	11%	11%	9%
	Row %	100%	50%	50%	50%	50%
Little or no interest on accounts	Count	2	0	2	2	0
	Col %	5%	0%	11%	11%	0%
	Row %	100%	0%	100%	100%	0%
Not known by the public	Count	2	2	0	0	2
	Col %	5%	9%	0%	0%	9%
	Row %	100%	100%	0%	0%	100%
Less trading hours	Count	2	1	1	0	2
	Col %	5%	5%	6%	0%	9%
	Row %	100%	50%	50%	0%	100%
Mismanagement of funds	Count	2	1	1	0	2
	Col %	5%	5%	6%	0%	9%
	Row %	100%	50%	50%	0%	100%
Unable to satisfy demand of cash	Count	2	2	0	2	0
	Col %	5%	9%	0%	11%	0%
	Row %	100%	100%	0%	100%	0%
Failing to cope with demand of service of customers	Count	2	1	1	0	2
	Col %	5%	5%	6%	0%	9%
	Row %	100%	50%	50%	0%	100%
Cant serve a lot of customers without them queuing	Count	2	1	1	2	0
	Col %	5%	5%	6%	11%	0%
	Row %	100%	50%	50%	100%	0%
Not forward thinking	Count	2	2	0	2	0
	Col %	5%	9%	0%	11%	0%
	Row %	100%	100%	0%	100%	0%

**Table 4b2 Segmentation Study Q9: What are Standard negative attributes in the eyes of the customers?**

		1.00	Respondent Position		Respondent Status	
			Top management	Middle management	High net worth	Medium
1.00		18	9	9	14	4
Poor public relations with customers	Count	8	6	2	6	2
	Col %	44%	67%	22%	43%	50%
	Row %	100%	75%	25%	75%	25%
Too high service which are not affordable	Count	4	1	3	4	0
	Col %	22%	11%	33%	29%	0%
	Row %	100%	25%	75%	100%	0%
None	Count	4	1	3	2	2
	Col %	22%	11%	33%	14%	50%
	Row %	100%	25%	75%	50%	50%
Cant serve a lot of customers without them queuing	Count	2	1	1	2	0
	Col %	11%	11%	11%	14%	0%
	Row %	100%	50%	50%	100%	0%

**Table 4b3 Segmentation Study Q9: What are First Merchants negative attributes in the eyes of the customers?**

		1.00	Respondent Position		Respondent Status	
			Top management	Middle management	High net worth	Medium
1.00		15	4	11	7	8
None	Count	12	2	10	5	7
	Col %	80%	50%	91%	71%	88%
	Row %	100%	17%	83%	42%	58%
They are stagnant not changing in terms of growing	Count	2	2	0	2	0
	Col %	13%	50%	0%	29%	0%
	Row %	100%	100%	0%	100%	0%
High minimum charges	Count	1	0	1	0	1
	Col %	7%	0%	9%	0%	13%
	Row %	100%	0%	100%	0%	100%

**Table 4b4 Segmentation Study Q9: What are Syfrets Merchants negative attributes in the eyes of the customers?**

		1.00	Respondent Position		Respondent Status	
			Top management	Middle management	High net worth	Medium
1.00		14	10	4	4	10
Do not permits smaller account holders /unselective	Count	4	4	0	2	2
	Col %	29%	40%	0%	50%	20%
	Row %	100%	100%	0%	50%	50%
Not known by the public	Count	4	4	0	0	4
	Col %	29%	40%	0%	0%	40%
	Row %	100%	100%	0%	0%	100%
Too high service which are not affordable	Count	2	2	0	2	0
	Col %	14%	20%	0%	50%	0%
	Row %	100%	100%	0%	100%	0%
Poor public relations with customers	Count	2	1	1	2	0
	Col %	14%	10%	25%	50%	0%
	Row %	100%	50%	50%	100%	0%
Failing to cope with demand of service of customers	Count	2	1	1	0	2
	Col %	14%	10%	25%	0%	20%
	Row %	100%	50%	50%	0%	100%
Not forward thinking	Count	2	2	0	2	0
	Col %	14%	20%	0%	50%	0%
	Row %	100%	100%	0%	100%	0%
None	Count	2	0	2	0	2
	Col %	14%	0%	50%	0%	20%
	Row %	100%	0%	100%	0%	100%

**Table 4b5 Segmentation Study Q9: What are Stancharts negative attributes in the eyes of the customers?**

		1.00	Respondent Position		Respondent Status	
			Top management	Middle management	High net worth	Medium
1.00		12	5	7	2	10
Poor service delivery networking	Count	2	1	1	0	2
	Col %	17%	20%	14%	0%	20%
	Row %	100%	50%	50%	0%	100%
High minimum charges	Count	2	0	2	0	2
	Col %	17%	0%	29%	0%	20%
	Row %	100%	0%	100%	0%	100%
Poor branch distribution/beyond the reach of everyone	Count	2	1	1	0	2
	Col %	17%	20%	14%	0%	20%
	Row %	100%	50%	50%	0%	100%
Less trading hours	Count	2	1	1	0	2
	Col %	17%	20%	14%	0%	20%
	Row %	100%	50%	50%	0%	100%
Mismanagement of funds	Count	2	1	1	0	2
	Col %	17%	20%	14%	0%	20%
	Row %	100%	50%	50%	0%	100%
Unable to satisfy demand of cash	Count	2	2	0	2	0
	Col %	17%	40%	0%	100%	0%
	Row %	100%	100%	0%	100%	0%
None	Count	2	0	2	0	2
	Col %	17%	0%	29%	0%	20%
	Row %	100%	0%	100%	0%	100%

Table 4c1 Segmentation Study Q10: How do customers view ABC compared to NMB?

		1.00	Respondent Position		Respondent Status	
			Top management	Middle management	High net worth	Medium
1.00		40	22	18	18	22
Its a little known bank /too unique	Count	16	9	7	6	10
	Col %	40%	41%	39%	33%	45%
	Row %	100%	56%	44%	38%	63%
Selective consumers /bank for the rich	Count	8	5	3	4	4
	Col %	20%	23%	17%	22%	18%
	Row %	100%	63%	38%	50%	50%
There are market followers	Count	4	3	1	4	0
	Col %	10%	14%	6%	22%	0%
	Row %	100%	75%	25%	100%	0%
Unreliable	Count	2	1	1	2	0
	Col %	5%	5%	6%	11%	0%
	Row %	100%	50%	50%	100%	0%
Competitors are placed in terms of publicity	Count	2	1	1	0	2
	Col %	5%	5%	6%	0%	9%
	Row %	100%	50%	50%	0%	100%
Very indifferent in their banking approach	Count	2	1	1	0	2
	Col %	5%	5%	6%	0%	9%
	Row %	100%	50%	50%	0%	100%
Almost same service all of them	Count	2	2	0	2	0
	Col %	5%	9%	0%	11%	0%
	Row %	100%	100%	0%	100%	0%
Good up coming bank for the local people	Count	2	1	1	0	2
	Col %	5%	5%	6%	0%	9%
	Row %	100%	50%	50%	0%	100%
World class bank	Count	2	1	1	0	2
	Col %	5%	5%	6%	0%	9%
	Row %	100%	50%	50%	0%	100%
A bank of 21st century	Count	2	0	2	2	0
	Col %	5%	0%	11%	11%	0%
	Row %	100%	0%	100%	100%	0%
A stable bank	Count	2	2	0	2	0
	Col %	5%	9%	0%	11%	0%
	Row %	100%	100%	0%	100%	0%
Doesn't offer full commercial banking facilities	Count	2	2	0	2	0
	Col %	5%	9%	0%	11%	0%
	Row %	100%	100%	0%	100%	0%
Bank of the elite	Count	2	0	2	0	2
	Col %	5%	0%	11%	0%	9%
	Row %	100%	0%	100%	0%	100%
First bank at the moment	Count	2	0	2	0	2
	Col %	5%	0%	11%	0%	9%

Focused bank – going regionally	Row %	100%	0%	100%	0%	100%
	Count	2	0	2	0	2
	Col %	5%	0%	11%	0%	9%
Cant say/don't know	Row %	100%	0%	100%	0%	100%
	Count	2	1	1	2	0
	Col %	5%	5%	6%	11%	0%
	Row %	100%	50%	50%	100%	0%

**Table 4c2 Segmentation Study Q10: How do customers view ABC compared to First Merchant?**

		1.00	Respondent Position		Respondent Status	
			Top management	Middle management	High net worth	Medium
1.00		18	9	9	14	4
Selective consumers /bank for the rich	Count	6	5	1	4	2
	Col %	33%	56%	11%	29%	50%
	Row %	100%	83%	17%	67%	33%
Its a little known bank /too unique	Count	4	2	2	4	0
	Col %	22%	22%	22%	29%	0%
	Row %	100%	50%	50%	100%	0%
There are market followers	Count	4	1	3	2	2
	Col %	22%	11%	33%	14%	50%
	Row %	100%	25%	75%	50%	50%
As an up to date bank /modern facilities	Count	2	1	1	2	0
	Col %	11%	11%	11%	14%	0%
	Row %	100%	50%	50%	100%	0%
A bank of 21st century	Count	2	0	2	2	0
	Col %	11%	0%	22%	14%	0%
	Row %	100%	0%	100%	100%	0%
Cant say/don't know	Count	2	1	1	2	0
	Col %	11%	11%	11%	14%	0%
	Row %	100%	50%	50%	100%	0%

**Table 4c3 Segmentation Study Q10: How do customers view ABC compared to First Merchant?**

		Respondent Position		Respondent Status		
		1.00	Top management	Middle management	High net worth	Medium
1.00		15	4	11	7	8
There are market followers	Count	8	1	7	4	4
	Col %	53%	25%	64%	57%	50%
	Row %	100%	13%	88%	50%	50%
Almost same service all of them	Count	2	0	2	0	2
	Col %	13%	0%	18%	0%	25%
	Row %	100%	0%	100%	0%	100%
A small bank	Count	2	1	1	1	1
	Col %	13%	25%	9%	14%	13%
	Row %	100%	50%	50%	50%	50%
An ordinary bank	Count	2	2	0	2	0
	Col %	13%	50%	0%	29%	0%
	Row %	100%	100%	0%	100%	0%
Not a bank	Count	2	0	2	2	0
	Col %	13%	0%	18%	29%	0%
	Row %	100%	0%	100%	100%	0%
As an up to date bank /modern facilities	Count	1	0	1	0	1
	Col %	7%	0%	9%	0%	13%
	Row %	100%	0%	100%	0%	100%

**Table 4c4 Segmentation Study Q10: How do customers view ABC compared to Syfrets Merchant?**

	1.00	Respondent Position		Respondent Status		
		Top management	Middle management	High net worth	Medium	
1.00	14	10	4	4	10	
Its a little known bank /too unique	Count Col % Row %	10 71% 100%	9 90% 90%	1 25% 10%	2 50% 20%	8 80% 80%
As an up to date bank /modern facilities	Count Col % Row %	2 14% 100%	1 10% 50%	1 25% 50%	2 50% 100%	0 0% 0%
There are market followers	Count Col % Row %	2 14% 100%	0 0% 0%	2 50% 100%	0 0% 0%	2 20% 100%
Almost same service all of them	Count Col % Row %	2 14% 100%	2 20% 100%	0 0% 0%	2 50% 100%	0 0% 0%
A stable bank	Count Col % Row %	2 14% 100%	2 20% 100%	0 0% 0%	2 50% 100%	0 0% 0%
Doesn't offer full commercial banking facilities	Count Col % Row %	2 14% 100%	2 20% 100%	0 0% 0%	2 50% 100%	0 0% 0%

**Table 4c5 Segmentation Study Q10: How do customers view ABC compared to Stanchart?**

	1.00	Respondent Position		Respondent Status		
		Top management	Middle management	High net worth	Medium	
1.00	12	5	7	2	10	
There are market followers	Count Col % Row %	4 33% 100%	2 40% 50%	2 29% 50%	2 100% 50%	2 20% 50%
Its a little known bank /too unique	Count Col % Row %	2 17% 100%	1 20% 50%	1 14% 50%	0 0% 0%	2 20% 100%
As an up to date bank /modern facilities	Count Col % Row %	2 17% 100%	0 0% 0%	2 29% 100%	0 0% 0%	2 20% 100%
Very indifferent in their banking approach	Count Col % Row %	2 17% 100%	1 20% 50%	1 14% 50%	0 0% 0%	2 20% 100%
Good up coming bank for the local people	Count Col % Row %	2 17% 100%	1 20% 50%	1 14% 50%	0 0% 0%	2 20% 100%

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**Table 5a Segmentation Study Q11: Have there been any changes in the competitors target market segment?**

		1.00	Respondent Position		Respondent Status	
			Top management	Middle management	High net worth	Medium
1.00	Count	62	31	31	27	35
	Col %	100.0%	100.0%	100.0%	100.0%	100.0%
	Row %	100.0%	50.0%	50.0%	43.5%	56.5%
No	Count	40	18	22	21	19
	Col %	64.5%	58.1%	71.0%	77.8%	54.3%
	Row %	100.0%	45.0%	55.0%	52.5%	47.5%
Yes	Count	22	13	9	6	16
	Col %	35.5%	41.9%	29.0%	22.2%	45.7%
	Row %	100.0%	59.1%	40.9%	27.3%	72.7%

**Table 5b1 Segmentation Study Q11: Reasons for saying there have not been changes in the competitors target market**

		1.00	Respondent Position		Respondent Status	
			Top management	Middle management	High net worth	Medium
1.00 No changes were made	Count	40	18	22	21	19
	Col %	18	6	12	9	9
	Row %	56%	43%	67%	60%	53%
No idea / I don't know	Count	14	8	6	6	8
	Col %	44%	57%	33%	40%	47%
	Row %	100%	57%	43%	43%	57%

**Table 5b2Segmentation StudyQ11: Reasons for saying there have been changes in the competitors target market**

		1.00	Respondent Position		Respondent Status	
			Top management	Middle management	High net worth	Medium
1.00		22	13	9	6	16
No longer selection of customers	Count	6	4	2	0	6
	Col %	27%	31%	22%	0%	38%
	Row %	100%	67%	33%	0%	100%
They incorporate anybody	Count	4	3	1	0	4
	Col %	18%	23%	11%	0%	25%
	Row %	100%	75%	25%	0%	100%
Bank now offers a wide range of services	Count	4	2	2	2	2
	Col %	18%	15%	22%	33%	13%
	Row %	100%	50%	50%	50%	50%
Total service for expansion	Count	4	2	2	2	2
	Col %	18%	15%	22%	33%	13%
	Row %	100%	50%	50%	50%	50%
To include savings accounts	Count	2	1	1	0	2
	Col %	9%	8%	11%	0%	13%
	Row %	100%	50%	50%	0%	100%
To include corporate and individuals	Count	2	1	1	2	0
	Col %	9%	8%	11%	33%	0%
	Row %	100%	50%	50%	100%	0%
Commercial banking for expansion	Count	2	2	0	2	0
	Col %	9%	15%	0%	33%	0%
	Row %	100%	100%	0%	100%	0%

Table 5c1 Segmentation Study Q12: How is ABC distinguished from NMB

		1.00	Respondent Position		Respondent Status	
			Top management	Middle management	High net worth	Medium
1.00		40	22	18	18	22
Location /not found everywhere	Count	8	3	5	4	4
	Col %	21%	15%	28%	25%	18%
	Row %	100%	38%	63%	50%	50%
Doesn't come easily customers minds/less popular /unknown	Count	6	3	3	6	0
	Col %	16%	15%	17%	38%	0%
	Row %	100%	50%	50%	100%	0%
As a bank which is too selective	Count	4	2	2	0	4
	Col %	11%	10%	11%	0%	18%
	Row %	100%	50%	50%	0%	100%
Colours of the corporate	Count	4	2	2	0	4
	Col %	11%	10%	11%	0%	18%
	Row %	100%	50%	50%	0%	100%
With its logo	Count	4	2	2	2	2
	Col %	11%	10%	11%	13%	9%
	Row %	100%	50%	50%	50%	50%
By their targeted customer /catering for the rich	Count	4	4	0	2	2
	Col %	11%	20%	0%	13%	9%
	Row %	100%	100%	0%	50%	50%
The follower bank /the market follower	Count	4	1	3	2	2
	Col %	11%	5%	17%	13%	9%
	Row %	100%	25%	75%	50%	50%
The way in which it operates	Count	2	2	0	0	2
	Col %	5%	10%	0%	0%	9%
	Row %	100%	100%	0%	0%	100%
Corporate identity	Count	2	1	1	2	0
	Col %	5%	5%	6%	13%	0%
	Row %	100%	50%	50%	100%	0%
By service offered	Count	2	1	1	0	2
	Col %	5%	5%	6%	0%	9%
	Row %	100%	50%	50%	0%	100%
Offers slightly higher interest rates	Count	2	2	0	2	0
	Col %	5%	10%	0%	13%	0%
	Row %	100%	100%	0%	100%	0%
Employing the highly skilled	Count	2	0	2	0	2
	Col %	5%	0%	11%	0%	9%
	Row %	100%	0%	100%	0%	100%

Table 5c2Segmentation StudyQ12: How is ABC distinguished from First Merchant

		1.00	Respondent Position		Respondent Status	
			Top management	Middle management	High net worth	Medium
1.00		18	9	9	14	4
Location /not found everywhere	Count	6	2	4	6	0
	Col %	33%	22%	44%	43%	0%
	Row %	100%	33%	67%	100%	0%
By their targeted customer /catering for the rich	Count	4	4	0	2	2
	Col %	22%	44%	0%	14%	50%
	Row %	100%	100%	0%	50%	50%
Doesn't come easily customers minds/less popular /unknown	Count	2	1	1	2	0
	Col %	11%	11%	11%	14%	0%
	Row %	100%	50%	50%	100%	0%
Corporate identity	Count	2	1	1	2	0
	Col %	11%	11%	11%	14%	0%
	Row %	100%	50%	50%	100%	0%
A bank with good image /service	Count	2	0	2	0	2
	Col %	11%	0%	22%	0%	50%
	Row %	100%	0%	100%	0%	100%
With its logo	Count	2	1	1	2	0
	Col %	11%	11%	11%	14%	0%
	Row %	100%	50%	50%	100%	0%
The follower bank /the market follower	Count	2	1	1	2	0
	Col %	11%	11%	11%	14%	0%
	Row %	100%	50%	50%	100%	0%

Table 5c3 Segmentation Study Q12: How is ABC distinguished from First Merchant

		1.00	Respondent Position		Respondent Status	
			Top management	Middle management	High net worth	Medium
1.00		15	4	11	7	8
As the small bank	Count	6	1	5	3	3
	Col %	40%	25%	45%	43%	38%
	Row %	100%	17%	83%	50%	50%
A bank with good image /service	Count	4	0	4	0	4
	Col %	27%	0%	36%	0%	50%
	Row %	100%	0%	100%	0%	100%
The follower bank /the market follower	Count	4	3	1	4	0
	Col %	27%	75%	9%	57%	0%
	Row %	100%	75%	25%	100%	0%
Doesn't come easily customers minds/less popular /unknown	Count	2	0	2	2	0
	Col %	13%	0%	18%	29%	0%
	Row %	100%	0%	100%	100%	0%
New bank on the market	Count	2	0	2	2	0
	Col %	13%	0%	18%	29%	0%
	Row %	100%	0%	100%	100%	0%
Location /not found everywhere	Count	1	0	1	0	1
	Col %	7%	0%	9%	0%	13%
	Row %	100%	0%	100%	0%	100%

**Table 5c4 Segmentation Study Q12: How is ABC distinguished from Syfrets Merchant**

		1.00	Respondent Position		Respondent Status	
			Top management	Middle management	High net worth	Medium
1.00		14	10	4	4	10
Doesn't come easily customers minds/less popular /unknown	Count	4	3	1	4	0
	Col %	29%	30%	25%	100%	0%
	Row %	100%	75%	25%	100%	0%
Location /not found everywhere	Count	2	2	0	0	2
	Col %	14%	20%	0%	0%	20%
	Row %	100%	100%	0%	0%	100%
The way in which it operates	Count	2	2	0	0	2
	Col %	14%	20%	0%	0%	20%
	Row %	100%	100%	0%	0%	100%
Corporate identity	Count	2	2	0	0	2
	Col %	14%	20%	0%	0%	20%
	Row %	100%	100%	0%	0%	100%
By service offered	Count	2	1	1	0	2
	Col %	14%	10%	25%	0%	20%
	Row %	100%	50%	50%	0%	100%
As the small bank	Count	2	0	2	0	2
	Col %	14%	0%	50%	0%	20%
	Row %	100%	0%	100%	0%	100%
Offers slightly higher interest rates	Count	2	2	0	2	0
	Col %	14%	20%	0%	50%	0%
	Row %	100%	100%	0%	100%	0%

**Table 5c5 Segmentation Study Q12: How is ABC distinguished from Stanchart**

		1.00	Respondent Position		Respondent Status	
			Top management	Middle management	High net worth	Medium
1.00		12	5	7	2	10
Location /not found everywhere	Count	4	1	3	0	4
	Col %	40%	33%	43%	0%	40%
	Row %	100%	25%	75%	0%	100%
As a bank which is too selective	Count	2	1	1	0	2
	Col %	20%	33%	14%	0%	20%
	Row %	100%	50%	50%	0%	100%
Colours of the corporate	Count	2	1	1	0	2
	Col %	20%	33%	14%	0%	20%
	Row %	100%	50%	50%	0%	100%
As the small bank	Count	2	0	2	0	2
	Col %	20%	0%	29%	0%	20%
	Row %	100%	0%	100%	0%	100%

**Table 5d Segmentation Study Q13: Do they have a competitive advantage?**

		1.00	Respondent Position		Respondent Status	
			Top management	Middle management	High net worth	Medium
1.00	Count	62	31	31	27	35
	Col %	100.0%	100.0%	100.0%	100.0%	100.0%
	Row %	100.0%	50.0%	50.0%	43.5%	56.5%
Yes	Count	33	19	14	16	17
	Col %	55.0%	61.3%	48.3%	59.3%	51.5%
	Row %	100.0%	57.6%	42.4%	48.5%	51.5%
No	Count	27	12	15	11	16
	Col %	45.0%	38.7%	51.7%	40.7%	48.5%
	Row %	100.0%	44.4%	55.6%	40.7%	59.3%

**Table 5e Segmentation Study Q13: What competitive advantage does NMB have over ABC?**

			Respondent Position		Respondent Status	
		1.00	Top management	Middle management	High net worth	Medium
1.00		40	22	18	18	22
Cant say/don't know	Count	18	11	7	6	12
	Col %	45%	50%	39%	33%	55%
	Row %	100%	61%	39%	33%	67%
Well located central business district /convenience	Count	6	2	4	4	2
	Col %	15%	9%	22%	22%	9%
	Row %	100%	33%	67%	67%	33%
High net-worth for clients	Count	4	3	1	2	2
	Col %	10%	14%	6%	11%	9%
	Row %	100%	75%	25%	50%	50%
Yes their customers are well established/good business	Count	2	0	2	2	0
	Col %	5%	0%	11%	11%	0%
	Row %	100%	0%	100%	100%	0%
Has a good sign which makes it easy to remember	Count	2	1	1	0	2
	Col %	5%	5%	6%	0%	9%
	Row %	100%	50%	50%	0%	100%
The market not saturated	Count	2	1	1	0	2
	Col %	5%	5%	6%	0%	9%
	Row %	100%	50%	50%	0%	100%
They will have strong financial base	Count	2	2	0	2	0
	Col %	5%	9%	0%	11%	0%
	Row %	100%	100%	0%	100%	0%
Their name too short to recall	Count	2	1	1	0	2
	Col %	5%	5%	6%	0%	9%

Poorly located	Row %	100%	50%	50%	0%	100%
	Count	2	2	0	2	0
	Col %	5%	9%	0%	11%	0%
Strong interest in clients business	Row %	100%	100%	0%	100%	0%
	Count	2	2	0	2	0
	Col %	5%	9%	0%	11%	0%
Highly qualified skill base	Row %	100%	100%	0%	100%	0%
	Count	2	0	2	0	2
	Col %	5%	0%	11%	0%	9%
Presence in many countries	Row %	100%	0%	100%	0%	100%
	Count	2	0	2	0	2
	Col %	5%	0%	11%	0%	9%
	Row %	100%	0%	100%	0%	100%

Table 5e2Segmentation StudyQ13: What competitive advantage does First Merchant have over ABC?

		Respondent Position		Respondent Status		
		1.00	Top management	Middle management	High net worth	Medium
1.00		18	9	9	14	4
Cant say/don't know	Count	8	5	3	6	2
	Col %	44%	56%	33%	43%	50%
	Row %	100%	63%	38%	75%	25%
Well located central business district /convenience	Count	4	1	3	4	0
	Col %	22%	11%	33%	29%	0%
	Row %	100%	25%	75%	100%	0%
Less competitors in their sector	Count	2	0	2	0	2
	Col %	11%	0%	22%	0%	50%
	Row %	100%	0%	100%	0%	100%
The market not saturated	Count	2	1	1	2	0
	Col %	11%	11%	11%	14%	0%
	Row %	100%	50%	50%	100%	0%
They will have strong financial base	Count	2	2	0	2	0
	Col %	11%	22%	0%	14%	0%
	Row %	100%	100%	0%	100%	0%

**Table 5e3Segmentation StudyQ13: What competitive advantage does First Merchant have over ABC?**

		1.00	Respondent Position		Respondent Status	
			Top management	Middle management	High net worth	Medium
1.00		15	4	11	7	8
Cant say/don't know	Count	6	1	5	4	2
	Col %	46%	25%	56%	57%	33%
	Row %	100%	17%	83%	67%	33%
Good name which is easy to master /common name	Count	4	3	1	3	1
	Col %	31%	75%	11%	43%	17%
	Row %	100%	75%	25%	75%	25%
Less competitors in their sector	Count	2	0	2	0	2
	Col %	15%	0%	22%	0%	33%
	Row %	100%	0%	100%	0%	100%
Poorly located	Count	2	1	1	1	1
	Col %	15%	25%	11%	14%	17%
	Row %	100%	50%	50%	50%	50%
Their name too short to recall	Count	1	0	1	0	1
	Col %	8%	0%	11%	0%	17%
	Row %	100%	0%	100%	0%	100%

**Table 5e4Segmentation StudyQ13: What competitive advantage does Syfrets Merchant have over ABC?**

		1.00	Respondent Position		Respondent Status	
			Top management	Middle management	High net worth	Medium
1.00		14	10	4	4	10
Cant say/don't know	Count	6	2	4	2	4
	Col %	43%	20%	100%	50%	40%
	Row %	100%	33%	67%	33%	67%
Target clients with money /high level profile	Count	4	4	0	0	4
	Col %	29%	40%	0%	0%	40%
	Row %	100%	100%	0%	0%	100%
High net-worth for clients	Count	2	2	0	0	2
	Col %	14%	20%	0%	0%	20%
	Row %	100%	100%	0%	0%	100%
Poorly located	Count	2	2	0	2	0
	Col %	14%	20%	0%	50%	0%
	Row %	100%	100%	0%	100%	0%
Strong interest in clients business	Count	2	2	0	2	0
	Col %	14%	20%	0%	50%	0%
	Row %	100%	100%	0%	100%	0%

**Table 5e5 Segmentation Study Q13: What competitive advantage does Stanchart have over ABC?**

			Respondent Position		Respondent Status	
		1.00	Top management	Middle management	High net worth	Medium
1.00		12	5	7	2	10
Cant say/don't know	Count	8	4	4	2	6
	Col %	73%	80%	67%	100%	67%
	Row %	100%	50%	50%	25%	75%
Their name too short to recall	Count	2	1	1	0	2
	Col %	18%	20%	17%	0%	22%
	Row %	100%	50%	50%	0%	100%
Good name which is easy to master /common name	Count	1	0	1	0	1
	Col %	9%	0%	17%	0%	11%
	Row %	100%	0%	100%	0%	100%

**Table 5f1 Segmentation Study Q14: What is the size of NMB?**

			Respondent Position		Respondent Status	
		1.00	Top management	Middle management	High net worth	Medium
1.00		40	22	18	18	22
Cant tell /not sure /not known	Count	24	12	12	14	10
	Col %	60%	55%	67%	78%	45%
	Row %	100%	50%	50%	58%	42%
Big/big banks /large banks	Count	10	6	4	2	8
	Col %	25%	27%	22%	11%	36%
	Row %	100%	60%	40%	20%	80%
Large corporate	Count	4	2	2	0	4
	Col %	10%	9%	11%	0%	18%
	Row %	100%	50%	50%	0%	100%
Not sure	Count	2	2	0	2	0
	Col %	5%	9%	0%	11%	0%
	Row %	100%	100%	0%	100%	0%

**Table 5f2Segmentation StudyQ14: What is the size of Standard Merchant?**

		1.00	Respondent Position		Respondent Status	
			Top management	Middle management	High net worth	Medium
1.00		18	9	9	14	4
Cant tell /not sure	Count	11	4	7	7	4
	Col %	61%	44%	78%	50%	100%
	Row %	100%	36%	64%	64%	36%
Big/big banks /large banks	Count	4	2	2	4	0
	Col %	22%	22%	22%	29%	0%
	Row %	100%	50%	50%	100%	0%
Not known	Count	2	2	0	2	0
	Col %	11%	22%	0%	14%	0%
	Row %	100%	100%	0%	100%	0%
Average	Count	1	1	0	1	0
	Col %	6%	11%	0%	7%	0%
	Row %	100%	100%	0%	100%	0%

**Table 5f3Segmentation StudyQ14: What is the size of First Merchant?**

		1.00	Respondent Position		Respondent Status	
			Top management	Middle management	High net worth	Medium
1.00		15	4	11	7	8
Big/big banks /large banks	Count	8	2	6	5	3
	Col %	53%	50%	55%	71%	38%
	Row %	100%	25%	75%	63%	38%
Cant tell /not sure	Count	5	2	3	2	3
	Col %	33%	50%	27%	29%	38%
	Row %	100%	40%	60%	40%	60%
Not known	Count	2	0	2	0	2
	Col %	13%	0%	18%	0%	25%
	Row %	100%	0%	100%	0%	100%

**Table 5f4 Segmentation Study Q14: What is the size of Syfrets Merchant?**

	1.00	Respondent Position		Respondent Status		
		Top management	Middle management	High net worth	Medium	
1.00	14	10	4	4	10	
Cant tell /not sure /not known	Count	9	7	2	3	6
	Col %	64%	70%	50%	75%	60%
	Row %	100%	78%	22%	33%	67%
Big/big banks /large banks	Count	4	2	2	0	4
	Col %	29%	20%	50%	0%	40%
	Row %	100%	50%	50%	0%	100%
Average	Count	1	1	0	1	0
	Col %	7%	10%	0%	25%	0%
	Row %	100%	100%	0%	100%	0%

**Table 5f5 Segmentation Study Q13: What is the size of Stanchart?**

	1.00	Respondent Position		Respondent Status		
		Top management	Middle management	High net worth	Medium	
1.00	12	5	7	2	10	
Large corporatist	Count	4	2	2	0	4
	Col %	33%	40%	29%	0%	40%
	Row %	100%	50%	50%	0%	100%
Big/big banks /large banks	Count	4	1	3	0	4
	Col %	33%	20%	43%	0%	40%
	Row %	100%	25%	75%	0%	100%
Cant tell /not sure /not known	Count	4	2	2	2	2
	Col %	33%	40%	29%	100%	20%
	Row %	100%	50%	50%	50%	50%

Table 6a1 Segmentation Study Q15: In your view what is the percentage market share of NMB?

		1.00	Respondent Position		Respondent Status	
			Top management	Middle management	High net worth	Medium
1.00		40	22	18	18	22
5	Count	6	4	2	4	2
	Col %	15%	18%	11%	22%	9%
	Row %	100%	67%	33%	67%	33%
1	Count	4	1	3	2	2
	Col %	10%	5%	17%	11%	9%
	Row %	100%	25%	75%	50%	50%
4	Count	4	2	2	2	2
	Col %	10%	9%	11%	11%	9%
	Row %	100%	50%	50%	50%	50%
8	Count	4	4	0	0	4
	Col %	10%	18%	0%	0%	18%
	Row %	100%	100%	0%	0%	100%
14	Count	4	2	2	0	4
	Col %	10%	9%	11%	0%	18%
	Row %	100%	50%	50%	0%	100%
21	Count	4	3	1	4	0
	Col %	10%	14%	6%	22%	0%
	Row %	100%	75%	25%	100%	0%
3	Count	2	1	1	0	2
	Col %	5%	5%	6%	0%	9%
	Row %	100%	50%	50%	0%	100%
6	Count	2	1	1	2	0
	Col %	5%	5%	6%	11%	0%
	Row %	100%	50%	50%	100%	0%
10	Count	2	2	0	2	0
	Col %	5%	9%	0%	11%	0%
	Row %	100%	100%	0%	100%	0%
17	Count	2	1	1	0	2
	Col %	5%	5%	6%	0%	9%
	Row %	100%	50%	50%	0%	100%
23	Count	2	1	1	0	2
	Col %	5%	5%	6%	0%	9%
	Row %	100%	50%	50%	0%	100%
24	Count	2	0	2	0	2
	Col %	5%	0%	11%	0%	9%
	Row %	100%	0%	100%	0%	100%
26	Count	2	0	2	2	0
	Col %	5%	0%	11%	11%	0%
	Row %	100%	0%	100%	100%	0%

**Table 6a2Segmentation StudyQ15: In your view what is the percentage market share of First Merchant?**

		1.00	Respondent Position		Respondent Status	
			Top management	Middle management	High net worth	Medium
1.00		18	9	9	14	4
5	Count	4	1	3	2	2
	Col %	22%	11%	33%	14%	50%
	Row %	100%	25%	75%	50%	50%
6	Count	2	1	1	2	0
	Col %	11%	11%	11%	14%	0%
	Row %	100%	50%	50%	100%	0%
8	Count	2	2	0	0	2
	Col %	11%	22%	0%	0%	50%
	Row %	100%	100%	0%	0%	100%
10	Count	2	2	0	2	0
	Col %	11%	22%	0%	14%	0%
	Row %	100%	100%	0%	100%	0%
20	Count	2	1	1	2	0
	Col %	11%	11%	11%	14%	0%
	Row %	100%	50%	50%	100%	0%
21	Count	2	1	1	2	0
	Col %	11%	11%	11%	14%	0%
	Row %	100%	50%	50%	100%	0%
23	Count	2	1	1	2	0
	Col %	11%	11%	11%	14%	0%
	Row %	100%	50%	50%	100%	0%
26	Count	2	0	2	2	0
	Col %	11%	0%	22%	14%	0%
	Row %	100%	0%	100%	100%	0%

**Table 6a3Segmentation StudyQ15: In your view what is the percentage market share of First Merchant?**

		1.00	Respondent Position		Respondent Status	
			Top management	Middle management	High net worth	Medium
1.00		15	4	11	7	8
5	Count	6	1	5	4	2
	Col %	43%	25%	50%	57%	29%
	Row %	100%	17%	83%	67%	33%
9	Count	2	0	2	0	2
	Col %	14%	0%	20%	0%	29%
	Row %	100%	0%	100%	0%	100%
10	Count	2	2	0	2	0
	Col %	14%	50%	0%	29%	0%
	Row %	100%	100%	0%	100%	0%
15	Count	2	0	2	0	2
	Col %	14%	0%	20%	0%	29%
	Row %	100%	0%	100%	0%	100%
31	Count	2	1	1	1	1
	Col %	14%	25%	10%	14%	14%
	Row %	100%	50%	50%	50%	50%

**Table 6a4Segmentation StudyQ15: In your view what is the percentage market share of Syfrets Merchant?**

		1.00	Respondent Position		Respondent Status	
			Top management	Middle management	High net worth	Medium
1.00		14	10	4	4	10
9	Count	4	2	2	0	4
	Col %	29%	20%	50%	0%	40%
	Row %	100%	50%	50%	0%	100%
3	Count	2	2	0	0	2
	Col %	14%	20%	0%	0%	20%
	Row %	100%	100%	0%	0%	100%
5	Count	2	2	0	2	0
	Col %	14%	20%	0%	50%	0%
	Row %	100%	100%	0%	100%	0%
8	Count	2	2	0	0	2
	Col %	14%	20%	0%	0%	20%
	Row %	100%	100%	0%	0%	100%
11	Count	2	2	0	0	2
	Col %	14%	20%	0%	0%	20%
	Row %	100%	100%	0%	0%	100%
12	Count	2	2	0	2	0
	Col %	14%	20%	0%	50%	0%
	Row %	100%	100%	0%	100%	0%

16	Count	2	2	0	0	2
	Col %	14%	20%	0%	0%	20%
	Row %	100%	100%	0%	0%	100%
17	Count	2	2	0	0	2
	Col %	14%	20%	0%	0%	20%
	Row %	100%	100%	0%	0%	100%
20	Count	2	1	1	2	0
	Col %	14%	10%	25%	50%	0%
	Row %	100%	50%	50%	100%	0%
23	Count	2	1	1	0	2
	Col %	14%	10%	25%	0%	20%
	Row %	100%	50%	50%	0%	100%
24	Count	2	1	1	0	2
	Col %	14%	10%	25%	0%	20%
	Row %	100%	50%	50%	0%	100%
28	Count	2	1	1	2	0
	Col %	14%	10%	25%	50%	0%
	Row %	100%	50%	50%	100%	0%

**Table 6a5Segmentation StudyQ15: In your view what is the percentage market share of Stanchart?**

		1.00	Respondent Position		Respondent Status	
			Top management	Middle management	High net worth	Medium
1.00		12	5	7	2	10
1	Count	2	1	1	0	2
	Col %	20%	20%	20%	0%	25%
	Row %	100%	50%	50%	0%	100%
3	Count	2	1	1	0	2
	Col %	20%	20%	20%	0%	25%
	Row %	100%	50%	50%	0%	100%
9	Count	2	0	2	0	2
	Col %	20%	0%	40%	0%	25%
	Row %	100%	0%	100%	0%	100%
17	Count	2	1	1	0	2
	Col %	20%	20%	20%	0%	25%
	Row %	100%	50%	50%	0%	100%
21	Count	2	2	0	2	0
	Col %	20%	40%	0%	100%	0%
	Row %	100%	100%	0%	100%	0%

**Table 6b Segmentation Study Q16: How do current customers rate ABCs price compared to the competitors?**

		1.00	Respondent Position		Respondent Status	
			Top management	Middle management	High net worth	Medium
1.00	Count	62	31	31	27	35
	Col %	100.0%	100.0%	100.0%	100.0%	100.0%
	Row %	100.0%	50.0%	50.0%	43.5%	56.5%
Fair	Count	39	21	18	17	22
	Col %	62.9%	67.7%	58.1%	63.0%	62.9%
	Row %	100.0%	53.8%	46.2%	43.6%	56.4%
Good	Count	21	9	12	10	11
	Col %	33.9%	29.0%	38.7%	37.0%	31.4%
	Row %	100.0%	42.9%	57.1%	47.6%	52.4%
Excellent	Count	2	1	1	0	2
	Col %	3.2%	3.2%	3.2%	.0%	5.7%
	Row %	100.0%	50.0%	50.0%	.0%	100.0%
Mean		1.69	1.74	1.65	1.63	1.74

**Table 6c Segmentation Study Q16: How do current customers rate ABCs quality compared to the competitors?**

		1.00	Respondent Position		Respondent Status	
			Top management	Middle management	High net worth	Medium
1.00	Count	62	31	31	27	35
	Col %	100.0%	100.0%	100.0%	100.0%	100.0%
	Row %	100.0%	50.0%	50.0%	43.5%	56.5%
Good	Count	32	17	15	10	22
	Col %	51.6%	54.8%	48.4%	37.0%	62.9%
	Row %	100.0%	53.1%	46.9%	31.3%	68.8%
Fair	Count	20	10	10	11	9
	Col %	32.3%	32.3%	32.3%	40.7%	25.7%
	Row %	100.0%	50.0%	50.0%	55.0%	45.0%
Excellent	Count	10	4	6	6	4
	Col %	16.1%	12.9%	19.4%	22.2%	11.4%
	Row %	100.0%	40.0%	60.0%	60.0%	40.0%
Mean		1.65	1.58	1.71	1.85	1.49

**Table 6d Segmentation Study Q16: How do current customers rate ABCs image/style compared to the competitors?**

		1.00	Respondent Position		Respondent Status	
			Top management	Middle management	High net worth	Medium
1.00	Count	62	31	31	27	35
	Col %	100.0%	100.0%	100.0%	100.0%	100.0%
	Row %	100.0%	50.0%	50.0%	43.5%	56.5%
Fair	Count	28	15	13	11	17
	Col %	45.2%	48.4%	41.9%	40.7%	48.6%
	Row %	100.0%	53.6%	46.4%	39.3%	60.7%
Good	Count	20	10	10	12	8
	Col %	32.3%	32.3%	32.3%	44.4%	22.9%
	Row %	100.0%	50.0%	50.0%	60.0%	40.0%
Excellent	Count	14	6	8	4	10
	Col %	22.6%	19.4%	25.8%	14.8%	28.6%
	Row %	100.0%	42.9%	57.1%	28.6%	71.4%
Mean		1.90	1.87	1.94	1.70	2.06

**Table 6e Segmentation Study Q16: How do current customers rate ABCs name recognition compared to the competitors?**

		1.00	Respondent Position		Respondent Status	
			Top management	Middle management	High net worth	Medium
1.00	Count	62	31	31	27	35
	Col %	100.0%	100.0%	100.0%	100.0%	100.0%
	Row %	100.0%	50.0%	50.0%	43.5%	56.5%
Fair	Count	39	22	17	20	19
	Col %	62.9%	71.0%	54.8%	74.1%	54.3%
	Row %	100.0%	56.4%	43.6%	51.3%	48.7%
Good	Count	19	7	12	5	14
	Col %	30.6%	22.6%	38.7%	18.5%	40.0%
	Row %	100.0%	36.8%	63.2%	26.3%	73.7%
Excellent	Count	4	2	2	2	2
	Col %	6.5%	6.5%	6.5%	7.4%	5.7%
	Row %	100.0%	50.0%	50.0%	50.0%	50.0%
Mean		1.76	1.84	1.68	1.89	1.66

**Table 6f Segmentation Study Q16: How do current customers rate ABCs customer service compared to the competitors?**

		1.00	Respondent Position		Respondent Status	
			Top management	Middle management	High net worth	Medium
1.00	Count	62	31	31	27	35
	Col %	100.0%	100.0%	100.0%	100.0%	100.0%
	Row %	100.0%	50.0%	50.0%	43.5%	56.5%
Good	Count	34	19	15	10	24
	Col %	54.8%	61.3%	48.4%	37.0%	68.6%
	Row %	100.0%	55.9%	44.1%	29.4%	70.6%
Fair	Count	20	8	12	11	9
	Col %	32.3%	25.8%	38.7%	40.7%	25.7%
	Row %	100.0%	40.0%	60.0%	55.0%	45.0%
Excellent	Count	8	4	4	6	2
	Col %	12.9%	12.9%	12.9%	22.2%	5.7%
	Row %	100.0%	50.0%	50.0%	75.0%	25.0%
Mean		1.58	1.52	1.65	1.85	1.37

**Table 6g Segmentation Study Q16: How do current customers rate ABCs customer relations compared to the competitors?**

		1.00	Respondent Position		Respondent Status	
			Top management	Middle management	High net worth	Medium
1.00	Count	62	31	31	27	35
	Col %	100.0%	100.0%	100.0%	100.0%	100.0%
	Row %	100.0%	50.0%	50.0%	43.5%	56.5%
Fair	Count	34	18	16	15	19
	Col %	54.8%	58.1%	51.6%	55.6%	54.3%
	Row %	100.0%	52.9%	47.1%	44.1%	55.9%
Good	Count	24	11	13	10	14
	Col %	38.7%	35.5%	41.9%	37.0%	40.0%
	Row %	100.0%	45.8%	54.2%	41.7%	58.3%
Excellent	Count	4	2	2	2	2
	Col %	6.5%	6.5%	6.5%	7.4%	5.7%
	Row %	100.0%	50.0%	50.0%	50.0%	50.0%
Mean		1.68	1.71	1.65	1.70	1.66

**Table 6h Segmentation Study Q16: How do current customers rate ABCs location compared to the competitors?**

		1.00	Respondent Position		Respondent Status	
			Top management	Middle management	High net worth	Medium
1.00	Count	62	31	31	27	35
	Col %	100.0%	100.0%	100.0%	100.0%	100.0%
	Row %	100.0%	50.0%	50.0%	43.5%	56.5%
Fair	Count	41	17	24	13	28
	Col %	66.1%	54.8%	77.4%	48.1%	80.0%
	Row %	100.0%	41.5%	58.5%	31.7%	68.3%
Good	Count	14	8	6	10	4
	Col %	22.6%	25.8%	19.4%	37.0%	11.4%
	Row %	100.0%	57.1%	42.9%	71.4%	28.6%
Excellent	Count	7	6	1	4	3
	Col %	11.3%	19.4%	3.2%	14.8%	8.6%
	Row %	100.0%	85.7%	14.3%	57.1%	42.9%
Mean		1.97	2.10	1.84	1.78	2.11

**Table 6i Segmentation Study Q16: How do current customers rate ABCs convenience compared to the competitors?**

		1.00	Respondent Position		Respondent Status	
			Top management	Middle management	High net worth	Medium
1.00	Count	62	31	31	27	35
	Col %	100.0%	100.0%	100.0%	100.0%	100.0%
	Row %	100.0%	50.0%	50.0%	43.5%	56.5%
Fair	Count	46	20	26	23	23
	Col %	74.2%	64.5%	83.9%	85.2%	65.7%
	Row %	100.0%	43.5%	56.5%	50.0%	50.0%
Good	Count	16	11	5	4	12
	Col %	25.8%	35.5%	16.1%	14.8%	34.3%
	Row %	100.0%	68.8%	31.3%	25.0%	75.0%
Mean		1.74	1.65	1.84	1.85	1.66

Table 7a Segmentation Study Q17: What is NMB's promotional strategy?

		1.00	Respondent Position		Respondent Status	
			Top management	Middle management	High net worth	Medium
1.00		40	22	18	18	22
Advertise in the media regularly	Count	8	2	6	4	4
	Col %	20%	9%	33%	22%	18%
	Row %	100%	25%	75%	50%	50%
Tailor meets the customer needs & segmentation/ P Relations	Count	6	3	3	4	2
	Col %	15%	14%	17%	22%	9%
	Row %	100%	50%	50%	67%	33%
Sponsorship /charity works	Count	6	4	2	4	2
	Col %	15%	18%	11%	22%	9%
	Row %	100%	67%	33%	67%	33%
Quality of services /prices	Count	6	4	2	4	2
	Col %	15%	18%	11%	22%	9%
	Row %	100%	67%	33%	67%	33%
Public relations	Count	6	4	2	2	4
	Col %	15%	18%	11%	11%	18%
	Row %	100%	67%	33%	33%	67%
Radio coverage	Count	4	3	1	2	2
	Col %	10%	14%	6%	11%	9%
	Row %	100%	75%	25%	50%	50%
Low minimum balance	Count	4	1	3	0	4
	Col %	10%	5%	17%	0%	18%
	Row %	100%	25%	75%	0%	100%
Competitive rates offered	Count	2	1	1	0	2
	Col %	5%	5%	6%	0%	9%
	Row %	100%	50%	50%	0%	100%
Good management	Count	2	1	1	0	2
	Col %	5%	5%	6%	0%	9%
	Row %	100%	50%	50%	0%	100%
Affordable rates to customers	Count	2	1	1	0	2
	Col %	5%	5%	6%	0%	9%
	Row %	100%	50%	50%	0%	100%
Television coverage	Count	2	2	0	2	0
	Col %	5%	9%	0%	11%	0%
	Row %	100%	100%	0%	100%	0%
I don't know/not known	Count	2	2	0	0	2
	Col %	5%	9%	0%	0%	9%
	Row %	100%	100%	0%	0%	100%

Table 7b Segmentation Study Q17: What is Standard Merchants promotional strategy?

		1.00	Respondent Position		Respondent Status	
			Top management	Middle management	High net worth	Medium
1.00		18	9	9	14	4
Advertise in the media regularly	Count	8	2	6	6	2
	Col %	44%	22%	67%	43%	50%
	Row %	100%	25%	75%	75%	25%
Sponsorship /charity works	Count	6	3	3	6	0
	Col %	33%	33%	33%	43%	0%
	Row %	100%	50%	50%	100%	0%
Public relations	Count	4	3	1	2	2
	Col %	22%	33%	11%	14%	50%
	Row %	100%	75%	25%	50%	50%
Television coverage	Count	2	2	0	2	0
	Col %	11%	22%	0%	14%	0%
	Row %	100%	100%	0%	100%	0%
Radio coverage	Count	2	2	0	2	0
	Col %	11%	22%	0%	14%	0%
	Row %	100%	100%	0%	100%	0%

Table 7c Segmentation Study Q17: What is First Merchants promotional strategy?

		1.00	Respondent Position		Respondent Status	
			Top management	Middle management	High net worth	Medium
1.00		15	4	11	7	8
Advertise in the media regularly	Count	10	4	6	5	5
	Col %	67%	100%	55%	71%	63%
	Row %	100%	40%	60%	50%	50%
I don't know/not known	Count	2	0	2	0	2
	Col %	13%	0%	18%	0%	25%
	Row %	100%	0%	100%	0%	100%
Sponsorship /charity works	Count	1	0	1	0	1
	Col %	7%	0%	9%	0%	13%
	Row %	100%	0%	100%	0%	100%
Located around the country	Count	1	0	1	1	0
	Col %	7%	0%	9%	14%	0%
	Row %	100%	0%	100%	100%	0%
Low minimum balance	Count	1	0	1	1	0
	Col %	7%	0%	9%	14%	0%
	Row %	100%	0%	100%	100%	0%

Table 7d Segmentation Study Q17: What is Syfrets Merchants promotional strategy?

		1.00	Respondent Position		Respondent Status	
			Top management	Middle management	High net worth	Medium
1.00		14	10	4	4	10
I don't know/not known	Count	4	2	2	0	4
	Col %	29%	20%	50%	0%	40%
	Row %	100%	50%	50%	0%	100%
Tailor meets the customer needs & segmentation/ P Relations	Count	2	2	0	0	2
	Col %	14%	20%	0%	0%	20%
	Row %	100%	100%	0%	0%	100%
Sponsorship /charity works	Count	2	1	1	2	0
	Col %	14%	10%	25%	50%	0%
	Row %	100%	50%	50%	100%	0%
Quality of services /prices	Count	2	2	0	2	0
	Col %	14%	20%	0%	50%	0%
	Row %	100%	100%	0%	100%	0%
Targeted respondents	Count	2	2	0	0	2
	Col %	14%	20%	0%	0%	20%
	Row %	100%	100%	0%	0%	100%
Low minimum balance	Count	2	1	1	0	2
	Col %	14%	10%	25%	0%	20%
	Row %	100%	50%	50%	0%	100%

**Table 7e Segmentation Study Q17: What is Stancharts promotional strategy?**

		1.00	Respondent Position		Respondent Status	
			Top management	Middle management	High net worth	Medium
1.00		12	5	7	2	10
Sponsorship /charity works	Count	4	2	2	2	2
	Col %	33%	40%	29%	100%	20%
	Row %	100%	50%	50%	50%	50%
Tailor meets the customer needs & segmentation/ P Relations	Count	2	2	0	2	0
	Col %	17%	40%	0%	100%	0%
	Row %	100%	100%	0%	100%	0%
Competitive rates offered	Count	2	1	1	0	2
	Col %	17%	20%	14%	0%	20%
	Row %	100%	50%	50%	0%	100%
Affordable rates to customers	Count	2	1	1	0	2
	Col %	17%	20%	14%	0%	20%
	Row %	100%	50%	50%	0%	100%
Advertise in the media regularly	Count	2	1	1	0	2
	Col %	17%	20%	14%	0%	20%
	Row %	100%	50%	50%	0%	100%
I don't know/not known	Count	2	0	2	0	2
	Col %	17%	0%	29%	0%	20%
	Row %	100%	0%	100%	0%	100%

**Table 8a Segmentation Study Q18: How can you position ABC in the market?**

		1.00	Respondent Position		Respondent Status	
			Top management	Middle management	High net worth	Medium
1.00	Count	62	31	31	27	35
	Col %	100.0%	100.0%	100.0%	100.0%	100.0%
	Row %	100.0%	50.0%	50.0%	43.5%	56.5%
Market followers	Count	50	25	25	21	29
	Col %	80.6%	80.6%	80.6%	77.8%	82.9%
	Row %	100.0%	50.0%	50.0%	42.0%	58.0%
Market leaders by segment and large market share	Count	8	3	5	2	6
	Col %	12.9%	9.7%	16.1%	7.4%	17.1%
	Row %	100.0%	37.5%	62.5%	25.0%	75.0%
Slow to react to issues	Count	4	3	1	4	0
	Col %	6.5%	9.7%	3.2%	14.8%	.0%
	Row %	100.0%	75.0%	25.0%	100.0%	.0%

**Table 8b Segmentation Study Q19: How do you rate ABC in comparison to competitors on product innovation?**

		1.00	Respondent Position		Respondent Status	
			Top management	Middle management	High net worth	Medium
1.00	Count	62	31	31	27	35
	Col %	100.0%	100.0%	100.0%	100.0%	100.0%
	Row %	100.0%	50.0%	50.0%	43.5%	56.5%
Follower	Count	46	25	21	21	25
	Col %	74.2%	80.6%	67.7%	77.8%	71.4%
	Row %	100.0%	54.3%	45.7%	45.7%	54.3%
Quick innovators	Count	10	2	8	4	6
	Col %	16.1%	6.5%	25.8%	14.8%	17.1%
	Row %	100.0%	20.0%	80.0%	40.0%	60.0%
Reactive	Count	6	4	2	2	4
	Col %	9.7%	12.9%	6.5%	7.4%	11.4%
	Row %	100.0%	66.7%	33.3%	33.3%	66.7%

**Table 8c Segmentation Study Q20: How do you rate ABC in comparison to competitors on service distribution channels**

			Respondent Position		Respondent Status	
		1.00	Top management	Middle management	High net worth	Medium
1.00	Count	62	31	31	27	35
	Col %	100.0%	100.0%	100.0%	100.0%	100.0%
	Row %	100.0%	50.0%	50.0%	43.5%	56.5%
Wrongly placed premises	Count	36	17	19	17	19
	Col %	58.1%	54.8%	61.3%	63.0%	54.3%
	Row %	100.0%	47.2%	52.8%	47.2%	52.8%
Well placed to service chosen market segment	Count	22	12	10	8	14
	Col %	35.5%	38.7%	32.3%	29.6%	40.0%
	Row %	100.0%	54.5%	45.5%	36.4%	63.6%
Limited distribution channel	Count	4	2	2	2	2
	Col %	6.5%	6.5%	6.5%	7.4%	5.7%
	Row %	100.0%	50.0%	50.0%	50.0%	50.0%

Table 8d Segmentation Study Q21: What is your overall perception of ABC

		1.00	Respondent Position		Respondent Status	
			Top management	Middle management	High net worth	Medium
1.00	Count	62	31	31	27	35
	Col %	100.0%	100.0%	100.0%	100.0%	100.0%
	Row %	100.0%	50.0%	50.0%	43.5%	56.5%
A bank not known	Count	30	16	14	13	17
	Col %	48.4%	51.6%	45.2%	48.1%	48.6%
	Row %	100.0%	53.3%	46.7%	43.3%	56.7%
An ordinary bank	Count	18	9	9	6	12
	Col %	29.0%	29.0%	29.0%	22.2%	34.3%
	Row %	100.0%	50.0%	50.0%	33.3%	66.7%
A world class bank	Count	6	4	2	4	2
	Col %	9.7%	12.9%	6.5%	14.8%	5.7%
	Row %	100.0%	66.7%	33.3%	66.7%	33.3%
A bank for the elite	Count	4	2	2	2	2
	Col %	6.5%	6.5%	6.5%	7.4%	5.7%
	Row %	100.0%	50.0%	50.0%	50.0%	50.0%
A bank for the mass	Count	4	0	4	2	2
	Col %	6.5%	.0%	12.9%	7.4%	5.7%
	Row %	100.0%	.0%	100.0%	50.0%	50.0%
Mean		4.03	4.06	4.00	3.89	4.14

APPENDIX 2- QUESTIONNAIRE

GRADUATE SCHOOL OF BUSINESS

UNIVERSITY OF NATAL

Questionnaire

MARKET SEGMENTATION AND STRATEGIC IMPLICATIONS IN A DEREGULATED  
BANKING SERVICES SECTOR IN ZIMBABWE

**June 2003**

My name is Andrew Kainga, an MBA Student in the Graduate School of Business, Faculty of Business Management, University of Natal. I am currently conducting a Dissertation Research Study to evaluate the extent to which merchant banks in Zimbabwe have adopted and benefited from market segmentation.

I would be most grateful if you could spare some time to answer this questionnaire. There are no wrong or right answers it is only your factual response that matters. All the information and views you give will be treated in strict confidence. Thank you in advance for your time and cooperation.

**Filter 1**

How would you classify your position in this company?

Top management	1	<b>CONTINUE</b>
Middle management	2	<b>CONTINUE</b>
Lower management and below	3	<b>TERMINATE</b>

**Filter 2**

In the conduct of your business does your company segment its customers?

Never	1	<b>TERMINATE</b>
Sometimes	2	<b>CONTINUE</b>
Always	3	<b>CONTINUE</b>

**Filter 3**

For how long has your company been segmenting its customers?

More than 3 years	1
Less than 3 years	2

Q.1. Who are ABC's top three competitors?

- 1.
- 2.
- 3.

Q.2. How long have the competitors been in business?

**Competitor X**

**Competitor Y**

**Competitor Z**

1. Less than a year
2. Over a year but less than 10 years
3. Over 10 years but less than 20 years
4. Over 20 years

Q.3. On what basis is ABC able to compete?

- 1.
- 2.
- 3.

Q.4. What is the product range and services being offered by competition?

- 1.
- 2.
- 3.
- 4.
- 5.

Q.5. Are their products or services aimed at satisfying similar target market?

1. Partly
2. To an extent
3. Similar market
4. Different markets

Q.6. Who are the major customers of ABC?

1. Large blue chip customers only
2. Listed companies only
3. Small to Medium sized enterprises
4. High net worth Corporate and individuals

Q.7. How do you rate the competitors profitability?

1. Better than ABC
2. Similar
3. ABC better than competitors

Q.8. What are their positive attributes in the eyes of customers?

1. -----
2. -----
3. -----

Q.9. What are their negative attributes in the eyes of the customers?

1. -----
2. -----
3. -----
4. -----
5. -----

Q.10. How do customers view ABC compared to the competitors?

1. -----
2. -----
3. -----
4. -----
5. -----

Q.11. Have there been any changes in the competitors target market segment?

If yes/no explain why

1. -----
2. -----

Q.12. How is ABC distinguished from competitors

1. -----
2. -----
3. -----

Q.13. Do they have a competitive advantage; if so, what is it?

1. -----
2. -----
3. -----

Q.14. What is the competitor size? Revenues?

1. Competitor X: -----
2. Competitor Y: -----
3. Competitor Z: -----

Q.15. In your view what is their percentage market share?

1. Competitor X -----
2. Competitor Y-----
3. Competitor Z -----

Q.16. How do current customers rate the following feature of ABC business compared to the competition.

Rate the following as: Fair, good or excellent

- Price: -----
- Quality -----
- Image/style -----
- Name recognition -----
- Customer service -----
- Customer relations -----
- Location -----
- Convenience -----

Q.17. What is the competitor promotional strategy?

1. -----
2. -----
3. -----

Q.18. How can you position ABC in the market?

1. Market leaders by segment and Large market share
2. Market followers
3. Slow to react to issues

Q.19. How do you rate ABC in comparison to competitors on product innovation?

1. Quick innovators
2. Followers
3. Reactive

Q.20. Service distribution channels

1. Limited distribution channel
2. Well placed to service chosen market segment
3. Wrongly placed premises

Q.21. What is your overall perception of ABC?

1. A bank for the elite
2. A world class bank
3. A bank for the mass
4. An ordinary bank
5. A bank not known

**DEMOGRAPHICS**

**RESPONDENT NAME & POSITION.....**

.....

**COMPANY NAME &  
ADDRESS.**

.....

.....

**CATEGORY**

<b>Internal customer</b>	<b>1</b>
<b>External customer</b>	<b>2</b>

**STATUS (external customers)**

<b>High net worth</b>	<b>1</b>
<b>Medium</b>	<b>2</b>