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MEASURING THE INFLUENCE OF INTEGRATED MARKETING COMMUNICATIONTECHNIQUESON IRANIAN BANKING SYSTEM

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ABSTRACT
Marketing communications are the means by which firms attempt to inform, persuade and remind consumers directly or indirectly about the products and brands they sell. With an increasing competition in the banking service in Iran, integrated Marketing Communication (IMC) is one of the core communication tools used to achieve a competitive advantage among the financial institutions. The purpose of this study was to bring an insight and better understanding of the important attributes of IMC tools on financial institution. The data were collected by means of questionnaire's distributed to 512 regular customers who were engaged in Iranian banking service.A simple random sampling was selected as the sampling method. The sampling areas were selected from Tehran, Isfahan and Mashad which are considered as hub of financial in Iran. Thirty indexes were classifiedIMC in five categories with respect to Iranian banking system. We classified 5 common strategies in the most credible Literature Review and pilot study. Advertising (8attributes), Direct Marketing (4 attributes), Sales promotion (7 attributes), Public Relation (8attributes) and personal selling with 3 attributesare considered to measure the effectiveness of IMC.The result discovered through the statistical inferential, advertising has the different influence on each cities. Researcher also discovered that"Good employee`s treatment of the bank "and" Ease of banking operations "and" Offering updates customers special facilities" are the three most important factors in IMC banking sectors which have scored through respondent in three main cities in Iran.

Keywords: Marketing,Communication, Effectiveness, Unique Selling,Branding, Banking,Iran

INTRODUCTION
Marketing communications are the means by which firms attempt to inform, persuade and remind consumers directly or indirectly about the products and brands they sell. In a sense, marketing communications represent the 'voice' of the company and its brands and are a means by which it can establish a dialogue and build relationships with and among consumers.The concept of Integrated Marketing Communications (IMC) was introduced in the 1980s from the roots of psychology, marketing and mass communications. Despite arguments that the term Integrated Marketing Communications is merely a new phrase for old ideas, it is widely accepted by now and taught in business schools all over the world (Spotts*et al.,* 1998; McGrath, 2005).With an increasing competition in the banking service in Iran, integrated Marketing Communication (IMC) is one of the core communication tools used to achieve a competitive advantage among the financial institutions. There are several reasons for the growing importance of IMC. These include (Kotler, 2000; Schultz and Kitchen, 1997).
1) A change of marketing dollars from media advertising to other forms of promotion, particularly consumer and trade oriented sales promotions.
2) A movement away from relying on advertising-focused approaches which emphasize mass Media to lower cost more targeted communication tools such as event marketing, sponsorships, direct mail, sales promotion and the Internet.
IMC is a concept of marketing communications planning that recognizes the added value of a comprehensive plan that evaluates the strategic roles of a variety of communication disciplines
The objective of this study could besummarized in the following Concepts:
1) Identify the most effective integrated marketing communication tools in the Iranian banking service.

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2) To investigate the factors that influence customers to use the service provided by Iranian banking service.

Literature Review

In today's world of advertising, there is increasing competition for attention from consumers;therefore the advertiser who can differentiate himself in a positive way will be able to capture the consumer's attention more effectively than his competitors. The war is fought for the consumer's attention through all the promotion channels. The concept of Integrated Marketing Communication (IMC) is focused on sending one consistent and integrated message to the market through the chosen promotion channels. The purpose of this article is to provide a deeper understanding on how banking Industry in Iran can take benefit of IMC campaign. In sum, the IMC process starts with the customer or prospect and then works back to determine and define the forms and methods which persuasive communications programs should be developed. Another definition of IMC was defined by Duncan (2002) who stated simply that IMC is a process for managing the customer relationships that drive brand value. More specifically, it is a cross-functional process for creating and nourishing profitable relationships with customers and other stakeholders by strategically controlling or influencing all messages sent to these groups and encouraging data-driven, purposeful dialogue with them. From this definition, IMC should be composed of five major elements: cross-functional process, creating and nourishing stakeholder relationships, profitable customer relationships, strategically controlling or influencing all messages, and encouraging purposeful dialogue. Although IMC has a variety of definitions, it has a commonly basic principle. That is, IMC is the marketing communication planning process by using any forms of communication tools and contact points to create long-term relationships with stakeholders for maximizing communications impact effectively.

Duncan and Moriarity (1998) identify three main levels communications mix, marketing mix, and corporate level – and propose how different stakeholders may be involved at each (Figure 1). This model also identifies the important role of different stakeholders at each level of the process, and places suppliers, which may refer agencies but does not specify, at the marketing level.
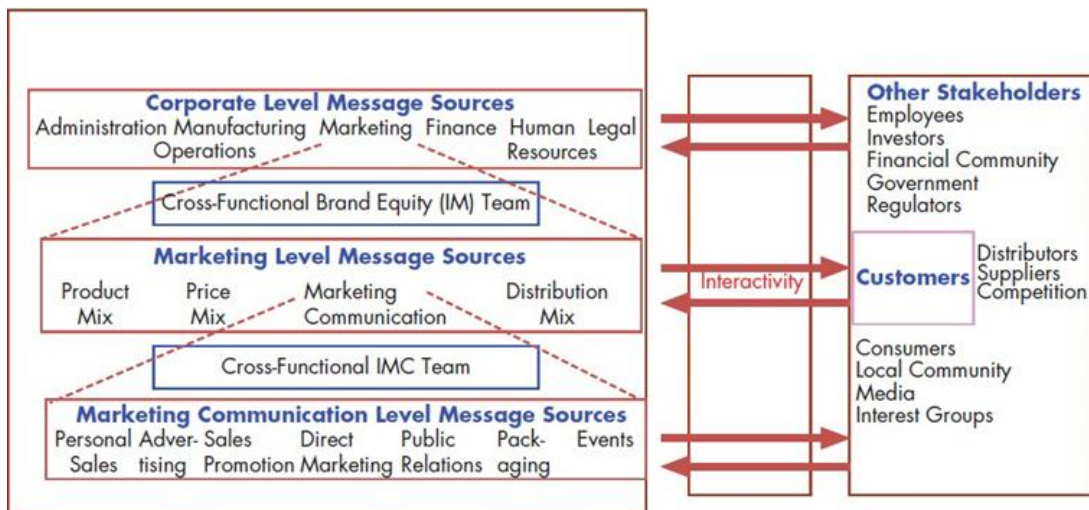

Figure 1: Communication Based model from Duncan and Moriarity (1998)

There are two basic approaches to measuring the effectiveness of the IMC program. One approach is to merely take on the measurement of each of the promotional tools used in a campaign, trying to measure the effectiveness of each communication tool. For example, advertising can be measured by recall, recognition, awareness and attitude, and behavior-based measures (Semenik, 2002). Sales promotion can be measured by using four communication frameworks:

⇒ The ability to gain the consumer's attention,

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⇒ The ability to relate the messages in an easy-to-follow, straightforward manner that can be clearly interpreted.

⇒ The persuasive capability,

⇒ The ability to produce a favorable impact in purchase behavior (Gadener and Trivedi, (1998).

Direct marketing and e-commerce can be measured by an inquiry or a response directly through a Web site, reply cards, orders, or toll-free phone number (Kitchen and Pelsmacker, (2004). The success of point-of- purchase materials may be measured on the basis of sales effects. Public relations or corporate advertising may be measured by changes in awareness or attitude. Additionally, salespeople can be evaluated by sales, profit margins, orders, or even customer satisfaction ratings (Semenik, 2002).

The other approach is to take on the measurement of the overall IMC program. This approach has the limitations of measurement methodologies and there has still been a key question: what indicators are suitable for measuring the overall IMC program(Reinold and Tropp, 2011).

Based on two dimensions:

 I. Channel aspect On which medium the brand is perceived

II. the content dimension :What information the customer receives throw the brand communications

Subsequently two dimensions were defined:

➢ The quality dimension defined as the involvement of each touch point that contributes to communication value.

➢ The quantitative dimensiondefined as how often a brand's touch points are recalled by a (prospective) customer (Ratnatunga and Ewing, 2005).

a) Conceptualize a toolset to measure the supposed value before the communication happens

b) Lacking in their detailed analysis of communications efforts

c) Do not offer clear advice on how to improve the specific dimensions of brand communications encounters (Duncan and Moriart, (1997).

MATERIALS AND METHODS
Research Methodology
The purpose of this study was to bring an insight and better understanding of the important attributes of IMC tools on financial institution. The data were collected by means of questionnaires distributed to 512regular customers who were engaged in Iranianbanking service .In this research, a simple random sampling was selected as the sampling method.

To achieve diverse response from a expand scope of ideas, age, gender, income and level of education used.The sampling areas were selected from Tehran, Isfahan and Mashad which are considered as hub of Iranian financial sectors. According to Fisher (2007) the number of distributed questionnaires will have to be larger than the minimum required and the response rate of 30% is considered very well. In this study 700 questionnaires were distributed and 512 questionnaires were returned providing a 73.3% response rate.

Variables and Constructs
Through extensive literature review and conducting Delphi technique with the experts, we categorized the IMC in fivecategories with respect to Iranian banking system which is consisted of thirty indexes. We classified 5 common strategies in the most credible Literature Review and pilot study, therefore we divided the Advertising (8indexes), Direct Marketing (4 indexes), Sales promotion (7 indexes), Public Relation (8 indexes) and personal selling with 3 indexes.

Measurement
Our questionnaire is divided into two sections. In section one, respondents were asked to answer some descriptive and historical information about themselves such as, gender, age, income range, and the level of the education they had used. In section two, a set of questions were designed to evaluate variables related to our hypothesis. In this section all questions had five point Likert scale responses.

The respondents were asked to reflect the extent of influence of variables on the measured variable from very important to low important.

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Evaluating Measurement Scale
Reliability of the questionnaire was examined by calculating the Cronbach's alpha. The total Cronbach's alpha of all 30 indexesis 0.895 which is above the cut-off value (0.70) recommended by Nunnally and Bernstein (1994) and the reliability of the questionnaire is considered high (Hair *et al.,* 2007).The internal consistency of each tools of IMC is calculated in below Table.

Table 1: Cronbach's Alpha of IMC Dimensions

Construct	Cronbach's Alpha
Advertising	0.915
Direct Marketing	0.865
Sales Promotion	0.861
Public Relation	0.837
Personal Selling	0.899

The research applied the Face validity and content validity to determine the validity of the research.

RESULTS AND DISCUSSION

Table 2:Kruskal-Wallis Test

	Advertising	Direct Marketing	Sales Promotion	Public Relation	Personal Selling
Chi-square	2.589	9.067	14.77	18.096	7.34
Sig	**.274**	.011	.001	.0000	.025

Table 3:IMC Tools Highlight in Main Research Cities

IMC TOOLS	PROVINCES	*SAMPLE*	MEAN RANK
Advertising	**Tehran**	300	239.88
	Isfahan	80	215.41
	Mashad	84	246.96
	Total	473	
Direct Marketing	Tehran	310	258.13
	Isfahan	84	212.21
	Mashad	93	225.63
	Total	487	
SalesPromotion	Tehran	311	255.44
	Isfahan	83	264.37
	Mashad	91	283.52
	Total	485	
PublicRelation & Publicity	Tehran	308	250.31
	Isfahan	75	176.84
	Mashad	85	228.09
	Total	468	
Personal Selling	Tehran	310	230.64
	Isfahan	79	255.59
	Mashad	96	272.56
	Total	485	

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Data Analysis & Interpretation

Table 4: Importance of IMC Tools in Each City

IMC Tools Ranking	Personal Selling	SalesPromotion	Public Relation	Advertising	Direct Marketing
1	Mashad	Mashad	Tehran	Mashad	Tehran
2	Esfahan	Esfahan	Mashad	Tehran	Mashad
3	Tehran	Tehran	Esfahan	Esfahan	Esfahan

Table 5: IMC Tools Importance Ranking

IMC Tools	Mean Rank
Advertising	1.74
Direct Marketing	2.59
Sales Promotion	3.49
Public Relation& Publicity	3.12
Personal Selling	4.05

Table 6:Key Success Factor in IMC Tools

ecnatropmI hgiH eviF IMC Tools	*slooT CMI ecnatropmi woL eviF*
➢ Good Employees Treatment	➢ Advertising Billboards
➢ Ease Of Banking Operations	➢ Internet Advertising
➢ Offering Updates Customer Special Facilities	➢ Print Media And Publication
➢ Interest Amount Paid In Your Account	➢ SMS Advertising
➢ Bank Discount	➢ Radio & TV Advertisement

The Kruskal-Wallis Test is the nonparametric test which is equivalent to one-way ANOVA and an extension of the Mann-Whitney Test to allow the comparison of more than two independent groups.

It is used when we wish to compare three or more sets of scores that come from different groups. So we use this test to understand if our sampling area different in their own IMC Strategies.

The result discovered through the statistical inferential, advertising has the different influence on each cities. For example "personal selling" in "Tehran" is more important than in "Esfahan" and at last in "Mashhad".We can rank the all IMC factors effectiveness by using the Friedman test. Friedman test is a non-parametric statistical test, which is used to detect differences in treatments across multiple test attempts. The procedure involves ranking each row together, then considering the values of ranks by columns.

As it shows in table 5, Friedman test is ranking the factors based on their importance.

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Table 7: IMC Effectiveness in Overall Iranian Banking System

IMC Tools	Indexes	Mean Rank
IMC EFFECTIVENESS IN BANKING		
	Radio & Tv Advertisement	11.34
Advertising	Sms Advertising	10.49
	Print Media	9.89
	Internet Advertising	9.61
	Advertising Billboard	9.37
	Informing New Banking Service	16.59
Direct Marketing	Banking Service Offered By E-Post	16.36
	Direct Call to Inform Customer	14.59
	Posting Catalog at Home	13.27
	Up-To-Date Customer Special Facility	22.38
	Interest Amount Paid To Your Account	20.80
Sales Promotion	Bank Discount	20.39
	Announce Unconditional Interest	18.93
	Currency Credit Card & Lottery	16.59
	Family & Friend Recommendation	19.94
Public Relation & Publicity	Bank Situation	19.88
	Bank Credit With Respect to Policy and Government	19.30
	Active People Transition	19.27
	New Publicized About The Bank	18.56
	Good Employees Treatment	23.01
Personal Selling	Ease Of Banking Operation	22.64
	Employee Explanation About Ordinary Banking	19.87
	Employee Explanation About New Banking System	19.48

The least value in this test shows the most important factor to be considered for improvement.Researcher also discovered that "good employee`s treatment of the bank "and" ease of banking operations "and" offering updates customers special facilities" are the three most important factors in IMC banking sectors which have scored through respondent in three main cities in Iran, furthermore the researcher proved that "advertising billboards","internet advertisement"and" advertisements in publications" are three less important effectiveness factors in banking industry. Researcher ranked all factors totally to see which of them are more important in respondent's mind in their perceptual map position and branding through IMC tools.

Conclusion

Ourresearchshows that the importance of IMC in Iranian banking system, therefore the effectiveness of IMC has an influence on customer attitude towards brand and pursude them to use the finacial service product. Consumers are being exposed to a greater variety of marketing communication tools. Our finding also have important implication for both private and public banks in iran. For effective communication to occur, messages should fit the cognitive capability of the target audience and be delivered through coordinated, integrated marketing communications, therforethe marketing manager in finacial institution should concentrate more on precise advertsiing(1.74), Direct marketing (2.59),Public Relation (3.12) when they are launchng or introduacting the new servieces or producs in their bank. The study also discovered that advertsing billboards, interenet advertisemnet and advertisment in publiction has less importance in their consumer mind.It enhances to use of Unique selling proposition(USP) in their message to be effective.As one of the main driving factors on marketing communications strategies ensure the competitive advantages among the private and public banks in Iran. implemnting the right and precise IMC can extend the market share byhaving the delightcustomer and prevent the customerfrom swithching in this commepetitive market.The result of this study also effective step to precisly implement

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the vitalingrediebnt of marketing comunction in iranian banking sysetem.Additional research might attempt to probe the content of message strategies, especially for product launches in Iranian financial institutionto develop the co-branding or bankassureances.

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