

ANALYTICAL STUDY OF THE IMPACT OF EXTERNAL CUSTOMER'S ENGAGEMENT ON ORGANIZATIONAL BRANDING: A STUDY OF YES BANKS CUSTOMERS

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ABSTRACT

Yes Bank said No to its customers in March 2020. Ranking as the top fifth private Bank in India (RBI, 2019), Yes Bank was a big and reputed name in the banking sector. However, its failure has completely shaken the faith and trust of common people as they had never heard of a failure of a private bank of such a standing in the recent past. This study surveyed 100 customers of the Bank to find out their views on the recent branding campaign launched by Yes Bank under the caption "NayiUdaan Ki Nayi Zimmedari" to find out the impact of customer engagement on organizational branding for an organization like Yes Bank whose image has been damaged not long ago. The respondents overwhelmingly said that there is a strong impact of external customer engagement on organizational branding.

Keywords: Organizational branding, Customer Engagement, Yes Bank, Case study.

Introduction

YES Bank finally said NO to its depositors in March 2020. Whatever may be the reasons, the fact is that one of India's promising banks has collapsed. Lot was expected from Yes Bank. People hoped that maybe in years to come, it would be another ICICI or an HDFC or an Axis Bank. In August 2020, the same Yes Bank bounced back with a campaign "Zimmedari Se Tayyari." It was an interesting case to look into. A bank that was put under RBI control in March 2020, within six months, staged a comeback. This paper studies the impact of external customer engagement on organizational branding through a case study of Yes Bank. One hundred customers of Yes Bank were surveyed to assess their engagement levels and their impact on organizational branding.

Most of the definitions of customer engagement revolve around developing ongoing and loyal relationships (Swinscoe, 2016). Customer engagement measures a brand's interaction with the customers across all touchpoints throughout its lifecycle. Customer engagement is not restricted to sales, support, or services; all things being equal, it is a progressing practice of brands foreseeing customers' requirements and staying in contact with them to cultivate enduring connections, devotion, and subsequently, business development. A powerful customer

engagement strategy can be significant in assisting brands with interfacing with their customers such that it makes them need to keep on being their customers. If one can draw the customers across different channels and touchpoints far over what is important to get them to make a buy, it will probably shape more grounded associations with them. Similarly, with regular interaction with them about what applies to them, remembering their necessities, needs, inspirations, and desires, they are always reminded that they are being cared for.

Literature Review

Generally, the term customer engagement is centered around the collaborations between the firm and the customers and is a key research need of the Marketing Science Institute (MSI). Zeroing in on customer engagement, the accompanying papers are deserving of an extraordinary notice: Brodie et al. (2011), Hollebeek and Chen (2014), and Hollebeek et al. (2014).

As per Hollebeek (2011), there is an absence of agreement relating to the meaning of engagement-based ideas. Among every one of them, we have picked the two most referred to in writing: customer engagement is "a multidimensional idea including intellectual, enthusiastic, and additionally, social measurements, [which] assumes a focal part during the time spent social trade" (Brodie et

al., 2011, p. 3), and additionally "the level of the customer's (or expected customer's) associations and associations with the brand or association's contributions or exercises, frequently including others in the interpersonal organizations made around the brand/offering/movement" (Vivek et al., 2014, p. 406).

Albert et al. (2008) and Batra et al. (2012) create estimation sizes of brand love, empowering the two brands and item classifications that may profit from a customer-brand relationship. To gauge customer brand engagement (CBE), Hollebeek et al. (2014) and Vivek et al. (2014) create and approve CBE scales in various settings.

Albeit the previously mentioned definitions contain normal components, and three papers – Bergkvist and Bech-Larsen, 2010; Sarkar and Sreejesh, 2014; Wallace et al., 2014—have been distributed that somewhat examine the presence of a specific association between the two ideas; while investigating which basic hypotheses have upheld past research, makes the inference that they start from various standards.

Given the pertinence of the full of feeling and passionate connections ordinarily produced among brands and consumers, organizations should consider constructing and overseeing supportable brands over time. With this respect, it is fascinating to refer to how two research zones have started specific premiums in the advertising writing due to their uncommon connections with feelings: brand love and consumer engagement (Gómez-Suárez et al., 2016).

The principal studies completed to research these exceptional consumer-brand connections broke down the first of these ideas. In any case, Sallam (2014) plot how it was first presented by Shimp and Madden (1988), the interest for brand love came after the distribution of Roberts (2006). For this author, "lovemarks" were brands situated in the brain and at heart, causing interest, energy, appreciation, and want among their customers (Pawle and Cooper, 2006). Along these lines, Professor Aaron Ahuvia and his co-authors did a few research works (e.g., Ahuvia, 1993; Carroll and Ahuvia, 2006; Batra et al., 2012; Ahuvia et al., 2014) to

conceptualize brand love and to draw a few exact applications.

Not many studies are seen in terms of assessment of the impact of customer engagement on organizational branding. A study that looks into the impact post a major event like a default by the organization (Bank) is not on record.

Methodology

The methodology used for the study is outlined below:

1. A survey questionnaire was administered to 100 Yes Bank customers.
2. The selection of the 100 customers was based on the researcher's judgment of getting an adequate response in a reasonable time. Convenience sampling was used.
3. The survey questionnaire was divided into two parts: a. Assessment of customer engagement and b. Impact of customer engagement on organizational branding
4. Ten questions each for the two sections were framed, and responses were sought on Likert-scales.
5. To assess customer engagement, customers were asked to rate their agreement on a 5-point Likert scale to the following ten statements.
 - a. Despite the recent debacle, I retain my trust and faith in Yes Bank
 - b. There is no love lost, and Yes Bank remains in my good books
 - c. I have a strong conviction that Yes Bank is a responsible organization
 - d. I look forward to continuing my relationship with Yes Bank
 - e. My loyalty to Yes Bank has remained intact
 - f. I believe that Yes Bank will be able to bounce back
 - g. I appreciate the Banks recent "Zimmedaari se Taiyaari" campaign
 - h. I believe that the campaign is sincere
 - i. The new campaign is a reflection of the Banks own resilience
 - j. I believe that Yes Bank has a promising future

For assessment of the impact of customer engagement on organizational branding,

customers were asked to rate their agreement on a 5-point Likert scale to the following ten statements

- k. My engagement with Yes Bank as a customer has increased my awareness about Yes Bank
- l. It has motivated me to recommend the Bank to my friends and relatives
- m. Yes Bank as an organizational brand has led to a strong bonding
- n. My own business with the Bank has steadily grown over the years
- o. Despite offers from other banks, I have remained loyal to Yes Bank as an organization
- p. My engagement with Yes Bank helped me to overcome all the negative feelings when the Bank was in a problem
- q. My engagement with Yes Bank has had more impact during bad times faced by the Bank than good times
- r. I often act as a brand ambassador for Yes Bank
- s. I am quite sure that the Bank will provide me value consistently
- t. I will not mind buying shares of Yes Bank from the stock market

Responses for both the sections were obtained on a scale of 0-4: 0-Can't say, 1-Somewhat agree, 2-Strongly agree, 3-Somewhat disagree, 4-Strongly disagree. To distinguish the somewhat responses from the strong responses, a weight of 2 was assigned to each of the strong responses while doing the analysis. A t-test was used at a 95% confidence level, and the sample mean (higher of agreement or disagreement) was tested for statistical significance by comparing it with a hypothesized population mean taken at 50% agreement or disagreement connoting an event by chance

Statement of Hypotheses

Ho1: The customers of Yes Bank are not highly engaged
 Ha1: The customers of Yes Bank are highly engaged
 Ho2: There is no significant impact of customer engagement on organizational branding
 Ha2: There is a significant impact of customer engagement on organizational branding
 The survey instrument returned a Cronbach's alpha of 0.808 that is better than 0.70 (the standard), and hence was considered reliable. Data analysis included descriptive analysis specifying features of the sample and the inferential analysis to test the hypotheses. A t-test was used given that the SD of the population is not known, in which case, a Z-test could have been applied. A t-test in practice is widely done as a substitute for the Z-test wherein the SD of the sample is taken as the SD of the population (given unknown population SD).

Data Analysis and Interpretation
Descriptive analysis

Male customers (66) slightly dominated the sample as compared to female customers (34). 37 respondents belonged to the age group <30 years, 31 belonged to the age-group 30-40 years, and 32 were more than 40 years of age. 37 respondents had a banking relationship of <5 years, 25 had a relationship for a period of 5-10 years and 38 had a banking relationship of > 10 years.

Inferential analysis

The null hypotheses were set as the sample mean (\bar{x}) equals the hypothesized population mean (μ). Summary of the responses to the two sections is given in Table 3 and Table 4 below: Summary of the ratings for the efficacy levels are given in Table 4 below:

Table 1: Summary of responses for agreement to customer engagement

| Items | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|---------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-------|
| Average agreement % | 92% | 95% | 82% | 81% | 86% | 75% | 95% | 87% | 75% | 92% | 86% |

Summary of the ratings for the problems in MCS are given in Table 5 below:

Table 2: Summary of responses for agreement to impact of customer engagement

| Problems | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
|---------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-------|
| Average agreement % | 91% | 92% | 79% | 77% | 83% | 69% | 94% | 81% | 70% | 90% | 83% |

Table 3 shows the testing of the two hypotheses at 95% confidence level.

Table 3: Testing of the hypotheses

| Parameter | H1 values | H2 values |
|--|-------------|-------------|
| Sample Mean (\bar{x}) | 86% | 83% |
| Hypothesized population mean (μ) | 50% | 50% |
| SD of sample | 0.8551 | 0.9167 |
| N | 100 | 100 |
| t-value | 4.2161 | 3.5585 |
| p-value | 0.00003 | 0.00029 |
| Decision | Reject Null | Reject Null |

Both the null hypotheses were rejected in favor of the alternate that the sample means are significantly different from the hypothesized population means.

Discussion of Results

On an overall basis, the agreement to the customer engagement statements was 86%. The ten statements, namely, Despite the recent debacle, I retain my trust and faith in Yes Bank, There is no love lost, and Yes Bank remains in my good books, I have a strong conviction that yes Bank is a responsible organization, I look forward to continuing my relationship with Yes Bank, My loyalty for Yes Bank has remained intact, I believe that Yes Bank will be able to bounce back, I appreciate the Banks recent “Zimmedaari se Taiyaari” campaign, I believe that the campaign is sincere, The new campaign is a reflection of the Banks own resilience, and I believe that Yes Bank has a promising future, were all widely agreed to showing a high level of customer engagement.

Overall, the agreement to the impact of customer engagement on organizational brandings statements was 83%. The ten statements, namely, my engagement with Yes Bank as a customer, has increased my awareness about Yes Bank, it has motivated me to recommend the Bank to my friends and relatives, Yes Bank as an organizational brand has led to a strong bonding, my own business with the Bank has steadily grown over the years, despite offers from other banks I have remained loyal to Yes Bank as an organization,

my engagement with Yes Bank helped me to overcome all the negative feelings when the Bank was in problem, my engagement with Yes Bank has had more impact during bad times faced by the Bank than good times, I often act as a brand ambassador for Yes Bank, I am quite sure that the Bank will provide me a value consistently, I will not mind in buying shares of Yes Bank from the stock market, were all widely agreed to showing a high level of impact of customer engagement on the organizational branding of Yes Bank.

Conclusion

The case of Yes Banks customer engagement is a classic one showing tremendous brand loyalty of the customers. Notwithstanding problems, the trust and faith of the customers have remained unaffected. Customers of Yes Bank, in a true sense, have shown that they are highly engaged customers. The best part is a strong agreement of the customers that their engagement helped them more in the tough times faced by the Bank. The strength of customer engagement is put to the test when the organization passes through a crisis. The loyalty of the customers is likely to dwindle in such a situation. However, in the case of Yes Bank, the customer engagement was found to be quite strong. The customers have endorsed the Bank's new campaign, “Zimmedaari se Tayyari”. Customer engagement has a profound impact on organizational branding. The organization can leverage significant benefits because of the organizational branding effect that high customer engagement has.

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