

CREATING LOYAL CUSTOMERS IN DISRUPTIVE TIMES

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Abstract: *Nowadays, the dynamic market, where customer loyalty is created and maintained, is far more complex than it was in the last couple of years. The market surrounding becomes more and more complex as well so that the good old marketing techniques are no longer effective. It underlines the need for implementing new digital techniques and methods.*

Building loyalty requires from organizations to create value for their own products and services, in order to show that they are interested to fulfill the requests to create strong bonds with the customers.

The goal of this paper is to show how the transformation of working models and activities, disruptive technology, regulatory policies, globalization as well as fast digitalization, prevent many organizations from creating loyal customers.

The paper includes primary manager concerns, finds the reasons for the company's success or failure, and creates ways to reach the customers and to produce loyalty.

Keywords: *Marketing, Loyal customers, Digital techniques.*

1. INTRODUCTION

One of the greatest marketing challenges is creating loyal customers. “Loyalty” is more profitable. Expenses for getting new customers are much higher than keeping the old ones. Disruptive technology, regulatory policies, globalization as well as fast digitalization, prevent many organizations from creating loyal customers.

Satisfied customers are not always loyal customers, but there is a correlation between pleasure and loyalty. Sometimes, even the unsatisfied customers are also loyal customers because of their attachment and commitment towards the brand or company. Pleasure has a positive effect on the customer's trust and trust has a significant role in loyalty.

Customer loyalty is considered a key factor when it comes to gaining market share and creating a sustainable competitive advantage. The banking sector is not an exception, since the sector itself conducts interaction with the customers, and that's the reason we have to consider the factors that influence loyalty in disruptive times.

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2. CREATING LOYAL CUSTOMERS IN DISRUPTIVE TIMES IN THE BANKING SECTOR

The customer is the key to business success, and that's why customer loyalty is essential in creating long-term marketing goals. Companies not only want to satisfy the customers' needs but also to impress them.

Loyalty stimulates the strong feeling of trust between the brand and the customer – when customers have the opportunity to choose, they often choose the same brand. Customers are loyal to the brand because they connect the brand to positive experiences such as great service, feeling of being connected with the values and ideals of the brand, or constant high quality of a product or service.

Disruptive times affect customer loyalty and the banking sector. This period marks the practitioners' concern about the global pandemic and the extended customer expectations. One way to improve customer loyalty in the banking sector is focusing on good service offers and satisfying the customers' needs. The banks need to have a good understanding of their customers' behavior in order to develop good marketing strategies focused on building relationships and their maintenance.

Increasing safety, introducing managing customer account system with privileges, conducting double verification of the customer identity, loyalty programs, maintaining and improving the quality, as well as effective and efficient working - is another way of strengthening the customer's loyalty.

3. CONDUCTED RESEARCH

To conduct the research, the inquiry method was used, i.e. conducting a questionnaire with structured questions as a technique. The inquiry involved service users of the banking sector in North Macedonia to establish the usage of banking services in this disruptive period of life.

The analysis of the acquired data of the questionnaire is conducted in the statistic software package SPSS Statistic.

This research can be analyzed from different perspectives. In order to be more successful and realize the goals of the banking sector in disruptive times, it is necessary to carefully follow all the macroeconomic parameters and internal indicators, as well as to adjust the work to the business climate and market dynamics.

The questions include a wide range of problems such as identifying pleasure, types of loans, types of services, reasons for usage, etc (Table 1-6).

Table 1. Satisfaction with the service

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Satisfied customers	95	95.0	95.0	95.0
	Unsatisfied customers	5	5.0	5.0	100.0
	Total	100	100.0	100.0	

Source: authors research

According to the research, the largest number of users of banking services are satisfied users (Table 1), and there is a smaller number are users of other sources of funds in comparison to service users (Table 2).

Table 2. Users of banking services

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Service users	73	73.0	100.0	100.0
Missing	Other sources of income	22	22.0		
	Non-users	5	5.0		
	Total	27	27.0		
Total		100	100.0		

Source: authors research

Factors that affect the use of banking services are reputation, trust, service digitalization, and low-interest loans (Table 3).

Table 3. Loyalty factors

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Reputation	13	13.0	17.8	17.8
	Trust	36	36.0	49.3	67.1
	Service digitalization	12	12.0	16.4	83.6
	Low- interest loans	12	12.0	16.4	100.0
	Total	73	73.0	100.0	
Missing	Other sources	22	22.0		
	Non-users	5	5.0		
	Total	27	27.0		
Total		100	100.0		

Source: authors research

The imposed challenges demand a quick reaction and response in short-term deadlines to adapt the work activities and keep the customers. According to the research, there is a decline in loans demanded by customers and firms, despite the fact that lately the credit terms regarding interest are improved. Customers show the biggest interest in consumer loans and the slightest in car loans (Table 4).

Table 4. Types of loans

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Consumer loan	40	40.0	40.0	40.0
	Housing loan	20	20.0	20.0	60.0
	Credit card	18	18.0	18.0	78.0
	Car loan	12	12.0	12.0	90.0
	Other	5	5.0	5.0	95.0
	Non-users	5	5.0	5.0	100.0
	Total	100	100.0	100.0	

Source: authors research

The number of users of services in the banking sector is reduced, thus the number of loyal customers is also reduced.

Table 5. Crosstabs, Satisfied / Unsatisfied customers – Types of loans

	Types of loans						Total
	Consumer loan	Housing loan	Credit cards	Car loan	Other	Non-users	Total
Satisfied customers	40	20	18	12	5	0	95
Unsatisfied customers	0	0	0	0	0	5	5
Total	40	20	18	12	5	5	100

Source: authors research

Table 6. Crosstabs, Users of banking services – loyalty factors

	Loyalty factors				Total
	Reputation	Trust	Digitalization	Low-interest loans	
Users of banking services	13	36	12	12	73
Total	13	36	12	12	73

Source: authors research

The acquired data from the conducted research gives an opportunity to point out certain recommendations for the banking sector:

- To continue creating policies focused on maintaining liquidity and long-term stability;
- To put the accent on the offer of financial products and services adapted to the needs of the customers that are mostly affected by the crisis;
- To offer low-interest loans to overcome the difficulties in payment;
- Application of new software solutions;
- Digitalization of products and services;
- Financial work demonstrated through efficient and economic working;
- Stimulating management for developing loyalty programs.

The degree of digitalization, the digital techniques and the extended usage of efficient and safe instruments for conducting cashless payment will have a positive impact on decreasing the financial transactional expenses in the economy, on the one hand, and increasing the customer loyalty to the services, on the other.

The process of decision making, establishing the priorities, operationally conducting the goals and tasks through strengthening the organizational culture, expanding work effectiveness, developing responsibility and consciousness towards work obligations - are just a few values in the banking sector that will increase customer loyalty.

With profound commitment, while maintaining a high level of quality in delivering banking and other financial services, the banking sector will increase the number of loyal customers in the near future.

4. CONCLUSION

Disruptive times affect customer loyalty and the banking sector. This period marks the practitioners' concern about the global pandemic and the extended customer expectations. Customers are loyal to the brand because they connect the brand to positive experiences such as great service, feeling of being connected with the values and ideals of the brand, or constant high quality of a product or service.

Digital platforms, mobile banking, and payment apps are now crucial mechanisms for engaging with customers in the banking sector. In order to be more successful and realize the goals of the banking sector in disruptive times, it is necessary to carefully follow all the macroeconomic parameters and internal indicators, as well as to adjust the work to the business climate and market dynamics.

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