Psychographic segmentation in the financial services context: a theoretical framework

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The paper addresses the fundamental problem of market segmentation in the service context by employing a combination of psychographic and behavioural segmentation approaches to the operational problem of segmenting financial services customers on the basis of the consumer's self-concept and its relationship to the perceived brand image. It is envisaged that utilising brand cues in relation to respondents' cultural dimensions of self-image shouid offer deeper insights regarding consumers' motives and desires. The interaction of consumer self-image and perceived brand-image is expected to moderate the consumer's decision to favour a financial institution providing thus, the basis for more effective segmentation practices.

Keywords Consumer behaviour, Segmentation, Cultural identity. Self-concept, Brand-image, Services

Introduction

The paper reviews financial services segmentation practices and self-concept theory to propose the integration of psychographic and behavioural approaches to segmentation for this sector.

Previous research in the area of financial services segmentation can be divided into groups according to the methodology used (Speed and Smith 1992). First, they distinguish approaches that seek to address the needs of particular market segments suggesting how segments might be identified. This research is normative, taking the case study approach and is concerned with the actionability of the segment, being qualitative in nature. It mainly serves as a source of ideas for programmes and further market testing would be necessary to establish its usefulness. Another group of published research in the area has a more quantitative element providing an assessment of the characteristics of the segment. Frequency data on demographics, attitudes or choice criteria are combined with recommendations on how to respond to this data. The main problems with this data arise from two areas - measurability and substantiality. Finally, another group of research, quantitative in nature, recognises the relationship between independent/

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dependent variables and tests the significance of the relationship between the pre-selected dependent variable and the independent variables.

Several approaches to self-concept have been advanced. Wylie's (1961) examination of 463 studies reveals a collection of hypotheses, research designs, and measuring instruments. Theoretically, no final comprehensive prescriptive document about the self-concept has yet emerged. As Burns (1979) notes *"consideration of the existing body of research knowledge and theoretical postulates even at this juncture demands confident support for regarding the self-concept as a major factor in the control and direction of human behaviour and performance" (1* 979: Introduction). Other researchers have expressed similar views (Epstein 1980; Rosenberg 1979). Further, a review of the literature indicates that a similar expectation is held in marketing and consumer research. The role of self-concept or image of consumers and brand image is recognised in all elements of the marketing mix {Aaker and Bruzzone 1985; Caballero and Pride 1984; DeSarbo and Harshman 1985; Pollay 1986; Sewall and Sarel 1986; Swan el al. 1984).

According to Munson (1980), one's environment is seen in ways that are acceptable to self-image even if perceptual distortion of the environment is necessary to make it consistent with self-needs. Thus, self-concept plays a crucial role in motivation by organising the wants and goals of the individual. The need to preserve a relatively stable and more satisfying self-image is the driving and organising force behind a large share of human activity (Douglas et al. 1967). Some important goals emerge which enhance and defend self (Kretch et al. 1962). Grubb and Grathwohl (1967) observe that the more valued one's self, the more organised and consistent one'5 behaviour. In fact, Hayakawa (1963) notes that self-concept is the fundamental determinant of all behaviour. Indeed, Douglas et al. (1967) suggest that self-image is people's most valuable possession and also the key to their behaviour.

These notions have led many to conclude that self is an important construct in consumer decision-making. Some believe that successful promotion of a particular product requires the development of an unambiguous brand image that differentiates the product from the competition and imbues it with its own character (i.e. Hong and Zinkhan 1995). Some practitioners and academicians believe that a brand's image must be made congruent with the self-concepts of consumers in order for them to find a brand appealing and identify with it (i.e. Ogilvy 1963). Several studies (Grubb and Grathwohl 1967; Birdwell 1968; Dolich 1969; and Munson 1973) have suggested that the key concern for communicators about products is the linkage between self-image and product image.

The concept of self-image has strategic implications for marketers. For example, marketers can segment their markets on the basis of relevant consumer self-images and then position their product or services as symbols of such self-images (Sirgy 1982a, and b). This is aligned with the main marketing concept holding that the marketer first assesses the needs of a consumer segment (with respect to both product category and to an appropriate symbol of self-image) and then proceeds to develop a product or service that meets both criteria. Hence, markets can be segmented and product/service positioned by advertising along dimensions relevant to the self-system, inasmuch as the way in which consumers process information from an advertisement is a function of their self-systems.

Much research in cognitive psychology indicates that what a consumer takes out of an advertisement is in large part a function of their self-system stored in memory that is activated in processing the advertisement (Heimbach and Yalch 1988; Olson and Reynolds 1983; Sentis and Burnstein 1979). In this way, how a brand is represented in memory has a major impact on how communication about the brand is processed.

A basic question remains unanswered; which self-construct is most relevant to marketers? Actual self refers to how a person perceives herself/himself; idea I self refers to how a person would like to perceive herself/himself; social self refers to how a person presents herself/himself to others; and looking glass self refers to how a person think others perceive her/him (Sirgy 1982a). Theoretically, each person's self-conception is a selective working compromise between an ideal image and the images forced upon him/her by his/her imperfect behaviour in actual situations (Turner 1968).

Given that the key concern for marketers is the linkage between product image and self-image, it is proposed that ethnic self - the strength of ethnic identification in one's self - is of major concern.

In this paper, self-image, brand-image, ethnic-cultural identity literature, and previous studies in the banking segmentation area are reviewed to offer a theoretical framework for empirical research. Specifically, an empirical research study is proposed to examine self-concept and image congruence theory under actual market conditions and in relation to physically similar service offerings with different brand images. The financial services sector is prioritised because many product-service offerings are perceived as quite similar by most customers.

Self-concept in consumer research

Self-concept has been used to examine product perception (French and Glaschner 1971; Hamm and Cundiff 1969), implicit behaviour patterns (Greeno et al. 1973), and specific behaviour (Guttman 1973). The bulk of the research on self-concept has been devoted to explaining brand/product preference, purchase intention or usage in terms of congruencyof the brands or products with the consumer's self-concept The emphasis is retained in the proposed research; past literature on self-concept and product choice is discussed with a particular focus on self-concept components, and image congruence theory.

Levy (1959) suggested that consumers are not functionally oriented and that their behaviour is significantly affected by symbols that identify goods in the marketpace. The argument suggests that consumers may purchase for reasons other than functionality. This concept alerted academics studying consumer behaviour to the idea that consumers may purchase goods in order to develop a particular self-image (self-concept).

Grubb and Grathwohl (1967) used the theory of individual self-enhancement (Rogers 1951} as a basis for hypothesising that self-concept is of value to the individual, and that an individual's behaviour will therefore be directed toward the protection and enhancement of their self-concept. The purchase, display, and use of goods will communicate a symbolic meaning to an individual whose consuming behaviour will be directed toward enhancing

their self-concept through the consumption of symbolic goods. As Epstein (1980) notes, there seems to be a consensus regarding the existence and independent influence of at least two self-concept motives - self-esteem and self-consistency. The self-esteem motive refers to the tendency to seek experiences that enhance self-concept. The self-consistency motive denotes the tendency for individuals to behave consistently with their view of themselves.

It is further suggested that the individual's sense of identity or sense of self (self-concept) which is an integral part of their psychological make-up, would be maintained and developed through the purchase of symbolic goods. Products and brands that were purchased by consumers would be used by those individuals to portray a particular image that represented how they wished to appear to both themselves and to others {Heath and Scott 1998).

According to Sirgy (1980) products, suppliers, and services are assumed to have an image determined not only by the physical characteristics of the object alone, but a host of other factors such as packaging, advertising and price. These images are also formed by other associations such as stereotypes of the generalised or typical user {Levy 1959). Therefore, the meanings that products hold for consumers are a function of many factors, as those listed above, and the brand meanings determine to what degree the product/ service is viewed as being congruent with the self-concepts of consumers.

Finally, product cues involving images usually activate a self-schema involving the same images (Sirgy 1982a, and b). Given the activation of a self-schema as a result of a product cue, Sirgy (1 9S2c) claims that the value placed on the product and its image attributes will be influenced by the evoked self-schema. In this sense, the value or meaning of a product image is not independently derived but is rather inferred from evoked self-image dimensions.

Brand image in consumer research

Brand image encompasses the holistic interpretation consumers have about a brand, and the meaning, or personal relevance, they ascribe to it (de Chernatony, McDonald 1998). Measuring brand image is important both for determining the brand's position vis-a-vis competitors, and ensuring that target markets internalise the brand's marketing cues in the manner intended by management {de Chernatony 2001).

The idea that brands contain personal meaning for the consumer's self-conception has received a great deal of attention in the marketing and consumer behaviour literatures in the last thirty years (see Sirgy 1982a, b, c for a review). Much of this research focuses on the idea that a brand can be thought of as having "personality". For example, while a person's personality is determined by multi-dimensional factors e.g. appearance, traits and behaviour, a brand, by its nature of being an inanimate object, has a personality that is determined by different facts e.g. attributes, benefits, price, user imagery (Aaker 1991).

Levy (1958) suggested that products had a social and psychological nature as well as a physical one, and that the sets of feelings, ideas and

attitudes that consumers had about brands - their image of brands - were crucial to purchase choice.

Marketers of the late nineteenth century were also increasingly concerned with a brand's "gestait" from the progressive developments in branding, advertising and techniques that took place during that era (Murphy 1987). In addition Dueseberry (1949) argued that the act of consumption as symbolic behaviour was probably more important to the individual than the functional benefits of the product.

Considerable variation exists among authors on several aspects of brand image. According to Gardner and Levy (1955), these include: (1) the names which have been ascribed to the phenomenon, (2) the formal definitions that have been offered, (3) the components of brand image, (4) the instruments that have been used to measure it, and (5) perspectives on the origin, creation, formulation and manipulability of brand image.

Despite the pluralistic views, the importance of the concept to both academics and practitioners has been demonstrated by findings such as those which confirm that image considerations guide purchase choice (Dolich 1969), that products are often purchased or avoided not for their functional qualities, but because of how, as symbols, they impact the buyer-user's status and self-esteem (Levy 1958), and that a product is more likely to be used and enjoyed if there is congruity between its image and the actual or ideal self image of the user (Sirgy 1985).

It should be noted though that the way in which brand image is defined determines the nature of research questions that are posed, the methods that are used, and ultimately how findings are translated to the creative process (Reynolds and Gutman 1984). In many of the previous research efforts, authors have tended to use the word product interchangeably with brand (Aaker 1996). Zinkhan (1990) argued that while it is acknowledged that there is normally an important difference between these two concepts in marketing, the writings on imagery have blurred this distinction by using both terms in the context of distinguishing one competitor's product from another. One stream of work in the area reflects on the symbolic nature of brands and products, adopting such labels as *"symbolic utility"* (Pohlman and Mudd 1973), *"the symbols by which we buy"* (Levy 1958), and *"perceivedproduct symbolism"* (Sommers 1963) to describe the intangible aspect of consumer product evaluation. Other researchers have tended to emphasise human qualities and have adopted such terms as *"brand personality"* (Hendon and Williams 1985), *"brandcharacter"* (Hendon and Williams 1985), *"personality image"* (Sirgy 1985), and *"the social and psychological nature of products"* (Gardner and Levy 1955). Finally, there are researchers who study the subject by focusing on the underlying meanings that consumers attribute to brands. They describe this as the *"brand meaning"* (Durgee and Stuart 1987), *"the psychological meaning of products"* (Friedmann and Lessig 1987), and the *"messages communicated by products"* (Swartz 1983).

Financial services segmentation

Segmentation perspectives

The literature of market segmentation indicates that there are two schools

of thought. The behaviouraliy oriented school is concerned with the identification and documentation of generalisable differences among buyer groups. These differences can lead to insights about the basic process of consumer behaviour (Assae! and Roscoe 1976). The decision-oriented school which focuses on how these differences among consumers can be exploited to increase the productivity of the bank's marketing programmes (Dhalla and Mahatoo 1976). In practice these two approaches overlap in many segmentation studies. Research that aims at contributing to behaviourist theory is often motivated by a normative problem and conversely, a decision-oriented study may end up by contributing to general knowledge about market segments.

Many studies have been conducted on individual customer segmentation using both the behaviour and decision-oriented approaches (Boyd et al. 1994; Chebatetal. 1988; Denton and Chan 1991; Kaynaketal. 1991; Laroche et al. 1986; Stanley et al. 1985; Tan and Chua 1986; Yavas 1988; Yue and Tom 1995}. In particular, customer characteristics are a very powerfu determinant of bank patronage by individual customers. For instance, lifestyle/value segmentation approaches provide a realistic framework of consumer driven categories to which traditional demographics can be applied {Ruddick 1990).

In a Canadian study, the factors and services that bank customers perceive as important in their selection of a commercial bank were examined. Differences in attitudes and opinions between the sexes, language, age, income, and educational level groups were found significant {Laroche et al. 1986). Another study tested whether age would provide a practical basis for bank customer segmentation. A close association was found between customer age and bank services usage, a finding that suggests a life cycle rather than a strict segmentation marketing approach (Stanley etal. 1985). A cross-cultural study also pointed out that income is significant and positively related to frequency of credit card use and that education also positively affects bank usage (Chebat et al. 1988). In an effort to understand the needs, attitudes, satisfactions, and behaviour patterns of the Saudi bank market, a study was performed among Saudi men. Results indicated that men in Saudi Arabia generally choose a commercial bank based on its experience, reputation, service and personnel (Yavas, 1988). A Singaporean study found out the degree to which social factors (i.e. advice from friends and family) may be more important than attitudes (i.e. reputation, hours, service, fast processing, convenient location, courteous personnel, good parking facilities, and high interest rates) in explaining intention to deposit with a certain bank in a culture where family and social relationships are valued highly (Tan and Chua 1986).

In this vein, both the behavioural and decision orientations would be very useful and productive for any segmentation strategy of a bank's customer market. In the latter case, bank management should focus on differences between its customers (e.g. their selection behaviour of a bank or their perceptions of the service quality provided), as well as the impact of such identifiable differences on their response to the various elements of the bank's marketing programme.

Behavioural segmentation practices

Elliott and Glynn {1998} recognise the use of behavioural dimensions in offering the best prospect of establishing the link between segments and financial purchasing behaviour. That is, the process of identifying market segments should logically begin from the observed differences in behaviour, and through understanding this behaviour, develop an understanding of customers' differing requirements through the study of such variables as perceived benefits or similarly customer needs.

In benefit segmentation, potential customers are grouped according to their desired or expected utility from consuming a product (Haley 1995), Benefit segmentation has been successfully applied to consumer markets (Haley 1968; Myers 1976), markets for industrial goods (Moriarty and Reibstein 1986) and services markets (Calantone and Sawyer 1978; Soutar and McNeil 1991).

McDougall and Levesque (1994) in an example of benefit segmentation have utilised service quality dimensions of retail banking. By cluster analysis they identified two customer segments: a performance segment and a convenience segment. For customers in the performance segment it is important that a bank performs services right the first time and that it has obviously competent employees providing the services. Customers in the convenient segment most appreciate convenient opening hours, convenient branch locations, and the existence of automated teller machines.

Further, Elliott and Glynn (1998) agree that by focusing on behavioural indicators such as customer needs, in contrast to customer characteristics, it is more probable that the segments, which are consequently identified, will be ultimately predictive of the purchase behaviour. However, it should be emphasised that such a behavioural or benefit based approach is likely to be specific to a product or product category and more difficult and time-consuming than an a priori approach (Neidell 1983).

In retail banking, customer segmentation is still largely limited to the use of demographic or economic criteria such as profession, age, income or wealth as the main dimensions for segmenting the market (Meidan 1984; Harrison 1994). Such a procedure that presumes a significant correlation between external characteristics of customers and their needs is called a priori segmentation. However, demographic and economic criteria are only rough indicators for the need structures and the reaction patterns of retail customers (Machauer and Morgner 2001). In post hoc approaches to segmentation, a heterogeneous population is surveyed and segments are determined on the basis of homogeneous response patterns from within the population. The researcher seeks measures that cluster consumers into potentially profitable but unique groups within the population (Gwin and Lindgren 1982). Burnett and Chonko *(1*984) used factor analysis to identify four customer segments with similar product usage frequency patterns. Accordingly the segment labels-"traditional", "convenience", "investment", and "debt" were derived from characteristics of the preferred products within these segments.

Psychographic segmentation practices

Other studies using post hoc segmentation approaches are orientated towards the psychological determinants of customers in that they refer to

psychographie segmentation or benefit segmentation (Beane and Ennis 1987). In psychographie segmentation, personality characteristics, values, beliefs, and lifestyle are considered (Ziff 1971).

Harrison (1994) in an example of psychographie segmentation has used variables such as individuals' own perceived knowledge and understanding of financial services, the perceived confidence and ability in dealing with financial matters and the expressed level of interest in financial services. Four distinct customer segments based on the level of knowledge and on the degree of the customers' financial maturity were identified in this study. The segments were labelled "financial y confused", "apathetic minimalists", "cautious investors" and "capital accumulators" and were hence characterised by particular attitudes towards financial services.

Positioning of financial services

It has been argued that the essential element in matching the needs of bank customers and the offerings of banks is the development of product/service positioning strategy (Saunders and Fu 1997). Compared with manufacturing firms, service marketers face several unique problems in positioning and promoting their offerings. Because services are intangible, image becomes a key factor in differentiating a service from its competition.

In a competitive marketplace, a "position" reflects how consumers perceive the product's/service's or organisation's performance on specific attributes relative to that of the competitors (Kotler 1994). Thus, banks have to either reinforce or modify customers' perception or image. Positioning plays a crucial role in marketing strategy, since it links marketing analysis, segment analysis, and competitive analysis to internal corporate analysis. In short, the term positioning refers to how a bank wishes to be seen in a given market place, what its values are, and its overall image {Zineldin 1996). A bank, for example, can occupy a position as a large bank, a global bank, a friendly bank, a niche bank, or an efficient bank.

Serious attempts have been proposed for classifying services and for developing a service positioning strategy (Lovelock 1983; Schmenner 1986). In searching for a bank positioning strategy, at least four possible positioning strategies are available (Zineldin 1990). These include: 1. Institutional positioning, 2. Product - service line positioning, 3. Distribution - delivery system and staff positioning, and 4. Segment positioning.

During the last 20 years the traditional demarcation between types of institutions has eroded. As the differences between them has blurred it has become increasingly important for financial services companies to manage customers' perceptions of what they are. Branding is about identifying a clear function need among discrete and identifiable groups of customers, understanding the motives and psychological needs of that group and then integrating the two needs into a single integrated proposition (Saunders and Fu 1997). It is about identifying a target market and then developing a product and a brand personality that the target market will identify and prefer. This is an attractive idea in financial services where it is difficult to differentiate products or even institutions practically.

It is proposed that banks consider positioning strategies as a pluralistic

philosophy and approach to marketplaces. In this context, a given position (an overall position) for a bank in the marketplace is a result of several areas of positioning.

Image congruence theories and how they relate to the segmentation process

Consumers' perceptions of purchase alternatives are reflected in the cognitive relationships between brands, products, stores, etc. and aroused values. Similarly, the consumers' perception of themselves can be described in terms of the perceived relationships between the concept of the self and valued concepts. Several authors have suggested that consumers select products that are perceived as congruent with their self-image (Claiborne et al. 1 990; Dolich 1969; Onkvisit and Shaw 1987; Sirgy 1982b). To the extent that such a relationship can be proven, the self-image would be a valuable set of variables to utilise in segmentation studies.

A number of studies have attempted to validate the image congruence hypotheses. Most of these have tested one or both of the following two propositions: (1) there are significant differences in the way in which products are perceived, (2) those products which consumers own or prefer have images which deviate less from their self-image than the images of the products which they do not own or do not prefer. Several studies have dealt with automobile brands and supportive evidence reported by Jacobsen and Kossoff (1963), Birdwell (1964), Grubb and Hupp (1968), and Ito (1967).

To test whether knowledge of the consumers' perception of themselves together with information about their images of brands makes it possible to predict future choices, both images should be measured before the choice. This has never been tried. What comes closest is the study reported by Ito (1967). In a nationwide probability sample of car owners, 577 Ford and Chevy owners who were planning to purchase a new Ford or Chevy were identified. Based upon measures of self and product images, it was possib e to predict from 51 to 66 percent of the purchase intentions correctly. These percentages are not very high, but of those who intended to switch brands, from 82 to 96 percent were classified correctly.

Another attempt to prove the significance of the self-image rests upon the following reasoning: Since it is not likely that the consumer will change his perception of himself following purchase decisions, significant differences in the self-images of consumers who have chosen different brands can be expected also to have existed before the brand was chosen. Grubb and Hupp (1968) have identified such differences in a study where they compared Pontiac owners and Volkswagen owners. They found that Pontiac owners rated themselves significantly higher on dimensions, which were positively associated with the Pontiac, whereas the Volkswagen owners rated them significantly higher on dimensions that were positively associated with the Volkswagen. Overall, some positive evidence has been reported supporting the existence of a relationship between self-images and images of brands and products purchased, and it is possible that improved measurement techniques may strengthen this further.

The ethnic/cultural identity construct

Ethnic identity

Ethnicity is an aspect of social relationship between agents who consider themselves as being culturally distinctive from members of other groups with whom they have a minimum of regular interaction; thus *"it can also be defined* as a *social identity (based on a contrast vis-a-vis others) characterised by metaphoric or fictive kinship"* (Yelvington 1993). Further, according to Eriksen (1993), when cultural differences regularly make a difference in interaction between members of groups, the social relationship has an ethnic element; ethnicity refers both to aspects of gain and loss in interaction and to aspects of meaning in the creation of identity and thus it has a political, organisational aspect as well as a symbolic one.

According to Weber (1968), ethnicity is a common inherited and inheritable trait that actually derives from a common descent. Viewed in this way, ethnicity is seen as a stable trait. One way to view ethnicity as having both stable and varying properties is to suggest - as does anthropological theory - that ethnicity functions in two distinct ways: a cultural identity, which is stable and a social identity, which varies (Fitzgerald 1974). Social identities, then, vary to suit the social surroundings. The individual shifts behaviour with each adaptation to new situational demands. Social identification facilitates change; and opens the individual up to experiences that produce new identities or new social stances. In anthropological terms, social identity refers to the phenomenon of *"acculturation"* (Alba 1976: Gallo 1974).

The ethnocentrism concept represents a tendency to see an individual's group as the centre of the universe, to interpret other social units from a group perspective and to reject those people who are culturally different, blindly accepting those who are culturally similar (Worchel and Cooper 1979).

The concept of ethnocentrism has a dual implication (Summer 1906). Groups are naturally antagonistic among themselves and this, in turn, produces a series of feelings of loyalty among members of the same group and of rejection toward those of other groups (Forbes 1985). Adorno et al (1950) relate ethnocentrism to provincialism and cultural narrowness as a tendency to accept those that are culturally similar and reject those that are not.

In the field of sociology, the term group is used extensively to refer to any set of people that as far as the individual is concerned, make up a psychological entity, which would contribute to widen the concept of ethnocentrism to refer not only to countries or ethnic groups but also to groups made up of set of intellectuals, artists, etc. (Forbes 1985). From a psychological perspective, Freud (1955) defined ethnocentrism as the narcissism of the group:

> So *long as a group formation persists or* so *far as it extends, individuals in the group behave as though they were uniform, tolerate the peculiarities of its other members, equate themselves with them, and have no feelings of aversion toward them*
>
> (1955:pp.101-102).

The psychosodal view relates ethnocentrism to individual personality levels as well as to social and cultural references {Booth 1979; Livineand Campbell 1972).

Cultural identity

Cu tural identity refers to identity at the group level *vis-a-vis* some other group. It is comprised of what people have inherited e.g. race, origin, history, religion, language, and of what they have acquired e.g. language, nationality (Isaacs 1975). A sense of cultural identity supplies a unifying "identity" thread as people strive toward consistency from one situation to another. McGuire et al. (1978) suggest that individuals in a multi-ethnic society such as the United States are likely to have a set of ethnic and other identities that may be differentially salient. Thus, there appears to be theoretical support for the addition of both social surroundings and cultural identity to the list of variables that predetermine felt ethnicity.

It has been suggested that the more fundamental way in which ethnic identity influences consumption could be through cultural identity (Lee and Ro Urn 1992). While cultural identity does influence behaviour, its strength of influence is dependent upon the importance attached to a particular identity. It is likely that the level of importance one attaches to a particular cultural identity will vary. Presumably, some individuals will attach a great deal of importance to that identity. For others, a cultural identity will be intermittently important, and still others will assume the label and little else (Zmud and Arce 1992).

Atheoretical framework for the study of psychographic segmentation within the services context.

Combining the literature

Ethnocentrism had initially received much attention by sociologists and psychologists and some recognition that it is generally applicable to consumer behaviour (Markin 1974), while more recently, it has been established a marketing-specific phenomenon.

Consumer ethnocentrism was conceptualised as one of the components of a complex theoretical construct related to the cognitive, affective, and normative orientations of the consumer toward products manufactured abroad. According to Shimpd 984),forthemost part, consumer ethnocentrism concerns itself with capturing those normative based beliefs that buying foreign (versus domestically produced) products is somehow deleterious to the economy, the country and the citizens. In this sense, if sociological and psychological ethnocentrism attempts to explain why individuals identify themselves with their groups, the concept of consumer ethnocentrism is a potentially valuable explanation of why for example; consumers often develop negative orientations towards foreign-made products. In examining the relationship of ethnocentrism and other constructs, it has been shown that the construct is related to consumer nationalism and patriotism (Han 1988). It is to be expected that consumer ethnocentrism influences choice, given that it has been proved that patriotism has a significant effect on choosing between national and foreign products (Daser and Meric 1987; Forbes

1985). Similarly, dogmatism is related to a preference for foreign products {Anderson and Cunninghum 1972) and also a preference for products from culturally similar countries (Tongberg 1972). This is also coherent with the link between dogmatism and patriotism (Chesler and Schmuck 1969).

An important issue, which marketers in multi-cultural societies need to address, is whether ethnic minorities will ultimately accept the culture of the host country where no topic for marketing will exist, or if they retain their own culture. The whole acculturation issue is very complex and as Rex (1996b) claims the attitude of host nations affects the levels of acculturation, which in turn are important indicators of consumer behaviour (Joy et al. 1991; Kara and Kara 1986) and can be used as a basis for the market segmentation of ethnic immigrant populations (Ownby and Horridge 1997). Furthermore, consumer's choices are often influenced by factors of an emotive nature. These factors, under certain circumstances, can be quite independent of knowledge (Bettman 1981; Cohen 1981; Gardner 1985; Zajonc and Markus 1982). Thus, it could be argued that consumers tend to evaluate differently national and foreign products depending on their level of ethnocentrism. However, it has been shown that the strength of emotions when evaluating products varies from person to person (Burnett and Wilkes 1980) and therefore, the impact on evaluations as regards emotions based on ethnocentrism could vary ikewise (Stayman and Deshpande 1989).

Self-concept has been advanced as a useful construct for explaining consumer choice. A major issue concerns to identify certain key issues, which are critical in the use of self-concept to explain consumer choice behaviour. Researchers have long theorized that a product-user image interacts with the consumer's self-concept (psychological comparison) generating a subjective experience referred to as self-image/product-image congruence or self-congruity (Sirgy 1986). Marketing researchers have used the notion of self-image congruence to explain and predict different facets of consumer behaviour such as product use, product ownership, brand attitude, purchase motivation, purchase intention, brand choice, brand adoption, store preference, store loyalty, and so forth {Claiborne and Sirgy 1990). Ultimately, self-congruity affects consumer behaviour through self-concept motives such as the needs for self-consistency and self-esteem.

In this way, self-image congruence is a significant area of research in consumer behaviour/marketing, because it provides the marketing manager with strategic insights concerning positioning and advertising research and may also serve as a basis for market segmentation (Sirgy et al. 1997). With respect to brand positioning, marketers have employed self-image congruence methods and measures to uncover product-user images that are most congruent with self-images of targeted consumers. Thus, a brand is positioned to establish or reinforce brand associations with a specific image of the product-user. In this way, self-image congruence may also be used to segment markets into groups of consumers who perceive congruence with the product-user image versus those who do not (Johar and Sirgy 1991; Sirgy 1982b; Snyder and DeBono 1985).

Overall, the effects of self-image and brand-image congruity have been extensively explored in academic consumer research literature and results have generally shown that self-congruity theory can moderate consumer preferences (Sirgy 1982a, b, 1985, 1986). Within this theoretical framework, it can be argued that other personality moderator variables can be used to

predict consumer choice. Noting that self-concept research in the past has not taken into account the influence of cultural/ethnic identity on choice, a more integrated perspective is proposed.

Proposed Study Delineation

Since self-concept is a multidimensional construct, the particular attributes used to measure self-concept in any study have been dependant upon the specific needs of that research. The flexibility to customise the measures of self-concept to a specific need makes it particularly useful and attractive for use in applied research studies in the industry.

It is proposed that (a) ethnic and Global brand identities influence the way in which people develop and maintain their self-concept due to the differential salience of ethnicity in different consumer groups within the same country, (b) such differences in self-concepts have an impact on consumer behaviour related variables. With respect to these issues, empirical research could examine: {1) the relationship between self-concept constructs and ethnic, Global identity; this also may include the investigation of the relationship between the intensity of ethnic identification and its relationship to the formation of self-concept constructs, (2) whether ethnic. Global identities are moderating variables that affect brand preference in the financial services market context.

It is further suggested that the study utilises psychographic and behavioural approaches to segmentation practices to propose a new tool for segmenting the financial services market. Certain bank characteristics synthesise an image, the specific image each institution is trying to project in order to attract its target group customers (LeBlanc and Nguyen 1995). On the other hand, personal ethic/cultural properties inherent in users make them perceive others as having Greek or global identities. The proposed research attempts to determine how these characteristics correlate leading to the development of a specific brand image (ethnodimension), which in turn, effects choice decisions. The ethnodimensional construct is operationalised as a tool to identify and describe segments in the financial services market. Salient ethnodimensions are expected to influence choice decisions to favour a specific financial institution over another. A combination of relevant consumer ethnodimensions with acquisition drivers and use modes (behavioural indicators) could provide the basis for segmenting the financial services market.

The study will contribute to the refinement of self-congruity theory by introducing the ethnodimensional construct. The conceptualisation of the construct is discussed below. The concept that brands contain personal meaning for the consumer's self-perception has received a great deal of attention in the marketing and consumer behaviour literatures in the last thirty years (Solomon 2002). Much of this research focuses on the idea that a brand can be thought of as having personality. In this sense, products and services are assumed to have personal images. These images can be described in terms of a set of attributes, for example, friendly, modern and/or traditional. The personal image attributes associated with a service are distinguished from functional attributes in that the latter describe the service in terms of tangible costs and benefits such as quality, price and performance. Specifically, personal images of a product reflect the stereotype

of the generalized users (user imagery) of that service and are determined by a host of factors such as benefits, advertising, price, and other marketing and psychological associations (Sirgy 1982a, b; 1986).

Finally, brand cues involving images usually activate a self-schema involving the same images reflecting both functional and symbolic manifestations (Sirgy 1982). Images are determined by perceived characteristics of the brand (attributes, benefits, and price) and the stereotyped (typical) user (user imagery) (Aaker 1991). It is proposed that the ethnodimensional construct is conceptualized as the perceived brand identity dimension elicited by evoked self-schemas generated by the interaction of specific brand image attributes with ethnic/cultural properties of self.

Concluding remarks

The key issue identified in this paper is summarised in the following: What are the implications of the widespread adoption of cultural/ethnic brand cues in the marketplace, and how central are the corresponding constructs to the self congruity experience? Methodological and theoretical implications have strategic impact. Marketers should recognise that products/services vary in their ability to project image cues to others; therefore, segmentation strategy could be formulated around the differences.

In this context, the use of self-concept as a moderating variable in evaluating segmentation effectiveness is suggested. It is hypothesised that self-image and perceived brand-image convergence levels influence persuasion and respondents with high self-image/brand-image convergence levels will be significantly more interested in purchasing the brand than those with low convergence levels.

In using self-concept measures to segment the sample audience, it is hypothesised that the segmentation results will show that while a brand exhibits average performance within the broad class of respondents, it is significantly more effective (salient) within certain subgroups of respondents who share a particular self-concept profile.

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