How do the predictors of switching intention influence switching behavior?

-A quantitative study of students' switching behavior in the retail banking context.

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Gabriella Gall & Fredrik Olsson

Abstract

Due to the increased number of niched retail banks in Sweden, the competition for the customers has become severe. Bank customers in the Swedish bank market tend to stay with their bank. The challenge of how to manage to attract new customers is a central part of the retail banks' management tasks. The research area on which we have been focusing on is the area of consumer behavior. We have been focusing on student switching behavior of financial services provided by retail banks in general and ICA banken in particular. To strengthen the practical connection, we choose to focus on the case of ICA banken. Our objective was to investigate which predictors that affect switching intention and investigate how these predictors affect students' switching behavior, which in the extension will contribute to how retail banks can work towards manage these rising issues. We formulated the following research question:

How do the predictors of switching intention affect switching behavior in the retail banking context?

Our purpose was to investigate the predictors of switching intention and their effects on switching behavior in the retail banking context.

The study was performed with a quantitative method and a deductive approach. By using a convenience sampling technique, we collected the data electronically. The population examined was the student segment at Umeå University. Our questionnaire was constructed with the theoretical chapter as framework, and the discussion, conclusion and practical implications are based on our empirical findings. Our study was geographically limited to Umeå University. The ability to generalize our findings was also limited, due to our chosen sampling technique.

We reached a conclusion that the greatest predictor of switching intention was attitude towards switching. Additionally, the greatest predictors of switching behavior was a combination of attitude towards switching and customer satisfaction. Our practical implications consisted of the recommendation for retail banks to focus on developing marketing strategies that would bank customers more positive towards the act of switching bank in order to attract new customers. Our findings showed that bank customers in general were neither negative nor positive towards the act of switching bank. For ICA banken we gave three proposals; to attract new customers, to transform customers that only partly use the bank to customers that use ICA banken for the majority of their financial transactions and to maintain current customers. These actions are made by managing customer satisfaction, brand image, the relational investment between ICA banken and customers, and subjective norms since these should affect the attitude towards switching bank.

Keywords: retail banking, consumer behavior, switching behavior, switching intention, theory of planned behavior

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1. Introduction

In this section, we will provide the readers with information about the bank market, the student segment and our chosen subject. We will provide a problem discussion, where we discuss previous research and our detected knowledge gap. Finally, we will state our research questions and the purpose of the study.

1.1 Problem background

The financial sector has been described as a foundation for the society's infrastructure and for stimulating the growth of the economy and provides services that are vital for both companies and households (Konkurrensverket, 2009, p. 204). The vital roles of the sector are to act as intermediary for payments, reallocate consumption and funds effectively over time and to handle risks (Konkurrensverket, 2009, p. 204). Actors in the sector include banks, credit companies, trust companies, insurance companies and securities companies (Konkurrensverket, 2009, p. 204). The importance of the banking sector was additionally emphasized by Bryan (1990, p. 113) who explained that banks operate within the whole society, providing financial services and resources that have become the society's most significant operational tools.

Our study focuses on the retail banking industry in Sweden. In the end of year 2010, there were a total of 114 banks in Sweden (Swedish bankers' association, 2011). However, the Swedish bank market is dominated by four actors; Handelsbanken, Nordea, SEB and Swedbank; handling almost 75 % of the total bank deposits (Konkurrensverket, 2009, pp. 205). In recent years, the market has become slightly more competitive due to new market entries from actors in other industries expanding their core business (Konkurrensverket, 2009, pp. 203). Examples are the insurance company Länsförsäkringar and the retail chains IKEA (Ikanobanken) and ICA (ICA banken) that are mainly focusing on the private banking market (Konkurrensverket, 2009, pp. 203).

More than half of the Swedish bank customers do not see an alternative to their current main bank, whereas one-quarter of the customers find that there are other potential alternatives to their current bank (Svenskt kvalitetsindex, 2011, p. 7). It is not common that customers switch bank due to factor such as complexity of product offerings, lack of interest from customers and lock-in effects (Konkurrensverket, 2009, pp. 203). A recent survey made by the Swedish newspaper Dagens Nyheter shows that as much as 93% of the Swedish bank customers have not switched bank for the last three years (Spängs, 2012). Even though that the criticism have been massive lately, due to reasons such as high interest rates and fees, the bank customers tend to not switch (Spängs, 2012). The Swedish minister for finance, Anders Borg, has even requested Swedish citizens that are dissatisfied with their bank to switch to another bank in order to increase the competitiveness of the market (Spängs, 2012). For the major Swedish bank actors, Handelsbanken, Nordea, SEB and Swedbank, the customers' inclination to remain with their bank, even though they are unsatisfied, could be seen as beneficial since they have the majority of the market shares (Spängs, 2012). This gives an indication that the switching behavior of Swedish bank customers is a relevant practical problem in the bank market. Since the bank customers tend to remain with their bank, this would make it hard to attain new customers from competing banks. For bank companies that want to gain market share this banking behavior could be seen as

problematic, making it hard for new banks to get established in a market dominated by four actors.

However, the studies described above have focused on the banking behavior of Swedish population in general. Previous research has found that younger customers and students are more frequent switchers than other groups (Thwaites & Vere, 1995, p. 133). Students have shown a tendency of having little loyalty to their bank where many uses more than one institution; they also have a habit of searching for the best offering (Thwaites & Vere, 1995, p. 133). Additionally, Colgate & Hedge (2001, p. 206) found that those that were more likely to switch bank were younger customers, those with high education and those with high income. Mankila (2004, p. 314) conducted a study of students banking behavior in the Swedish banking market. The findings showed that approximately 50% of the students were not sure if they would stay with their current bank, with 10% being certain that they would switch bank (Mankila, 2004, p. 314). Furthermore, 40% of the students had switched bank in the past (Mankila, 2004, p. 314). Compared to previous studies the findings implied that students' switching intention had increased in recent years (Mankila, 2004, p. 314). This indicates that the student segment is a potentially beneficial target group for banks that want to increase their customer base, considering that students seem to be more willing to switch than the general population. Therefore, we decided to focus on the student segment specifically. Thwaites & Vere (1995, p. 133) suggest that in order for banks to be more efficient in their acquisition and marketing strategies for the student segment, greater knowledge about students attitude and banking behavior is necessary.

According to Mankila (2004, p. 314) the competition for the student segment is expected to increase in coming years. Retail banks have discovered the future wealth of younger customers, including students, and have therefore invested in marketing campaigns targeting the student and youth market in hope to build long term relationships (Lewis and Bingham, 1991, p. 3). The retail banks are in fact willing to experience substantial loss initially, since in the long term, students should contribute to great profit (Thwaites & Vere, 1995, p. 134). It is assumed that students will acquire an above average disposable income and will be in need of a wider range of financial services than those who are not educated at a higher level (Thwaites & Vere, 1995, p. 134). The majority of students have accounts with the most well-known retail banks, with reputation and image of the bank being the second most important selection criterion after recommendation from friends and family (Tank & Tyler, 2005, p. 163).

The understanding of customers' switching behavior is vital to for bank companies in order to gain understanding of consumer behavior and thus be able to attract new customers from competitors (Lees et al., 2007, p. 147). For service providers that want to attract prospective switchers, the understanding of why customers chooses to stay is vital information for the creation of marketing strategies to overcome barriers that prevents customers from switching (Colgate & Lang, 2001, p. 332).

1.2 Problem discussion

The research field of switching behavior will be a vital part of our study to gain an understanding of the underlying factors that affect consumers' switching behavior. Bansal & Taylor (1999, p. 200) provided a definition of a service switch as "the replacement or exchange of the current service provider with another service provider". The switching model of Keaveney (1995) has been seen as important for

conceptualizing consumer switching behavior in the service industry (Colgate et al. 2007, p. 212; Bansal & Taylor, 1999, p. 201). The findings of Keaveney (1995, p. 79) emphasized pricing, as the most important factor of service provider switching, followed by service failures and denial of services. These switching determinants are controllable by the service provider and can therefore be changed to prevent customer switching (Keaveney, 1995, pp. 79-80).

Colgate & Lang (2001, p. 332) argued that it was necessary to expand the research area of service switching behavior. The argument was that it was not sufficient to understand the reasons to why customers changed service provider (Colgate & Lang, 2001, p. 332). It was of equal importance to understand why customers choose to stay with their incumbent provider to get a holistic perspective of the switching behavior process (Colgate & Lang, 2001, p. 332). The reasons to customers' decision to stay with their current service provider are commonly named switching barriers or switching costs, depending on the researcher (Colgate et al., 2007, p. 213). The terms of switching barriers and switching costs have later been developed into the term staying reasons by Colgate et al. (2007, p. 213). Colgate et al. (2007, p. 224) identified seven staying reasons. Four of these were considered to be negative reasons for staying and was categorized as switching barriers (Colgate et al., 2007, pp. 220-221). Those were: too much time and effort for searching for a new alternative, little perceived differentiation between available alternatives, emotional bonds with service provider and switching costs, i.e. the feeling of being locked in with the service provider due to different reasons (Colgate et al., 2007, pp. 220-221). Three were seen as positive staying reasons and was termed as affirmatory factors; those were confidence in the service provider, social bonds with the service provider and great service recovery from the service provider (Colgate et al., 2007, pp. 220-221).

Bansal & Taylor (1999, p. 200), developed and tested empirically a new model for explaining switching behavior. The research used previous findings of Keaveney (1995) in switching behavior as a foundation and the theory of planned behavior, with service satisfaction being another important concept (Bansal & Taylor, 1999, p. 201). Bansal & Taylor (1999, p. 201) adapted the theory of planned behavior to the context of the switch of service provider. In essence, the theory of planned behavior conceptualizes behavior and the antecedents that are believed to affect this specific behavior (Ajzen, 1991, p. 181). The intention to perform a specific behavior is believed to predict actual behavior (Ajzen, 1991, p. 181). Behavioral intention has three antecedents: attitude towards the behavior, perceived behavioral control and subjective norms, these affect the behavioral intention and the actual behavior (Ajzen, 1991, p. 181). Bansal & Taylor (1999, p. 201) replaced the perceived behavioral control concept with the concept switching costs, since switching costs, as conceptualized in service marketing research, were related to perceived behavioral control. The results showed that the attitude towards switching was the most influential determinant of switching intention, the more positive the attitude towards switching service provider, the less willing the customer were to switch and vice versa (Bansal & Taylor, 1999, pp. 213-214). Additionally, customer satisfaction and switching costs were found to be important determinants of switching intention, although not as important as the other mentioned factors (Bansal & Taylor, 1999, pp. 213-214).

1.3 Knowledge gap

Despite a large number of studies on switching behavior, there are research gaps that need to be addressed. For example, Bansal & Taylor (1999, p. 215) claimed that for future research many variables that explained the phenomenon of switching behavior in the service provider context remained undetected. They claimed that additional factors that explain switching intention and especially switching behavior were necessary to examine in order to advance research on these topics (Bansal & Taylor, 1999, p. 215). Therefore, we found it possible to add some additional unexplored variables and examine their effect on switching intention and switching behavior. Bansal & Taylor (1999, p. 215) suggested that factors such as the relationship with the service provider and attractiveness of alternative service provider could further explain customers' switching behavior. Both of these factors are related to Colgate et al.'s (2007) seven staying reasons, in the sense that relationship bonds with the service provider, as well as the attractiveness of alternatives affected customers' decision of staying with their service provider (Colgate et al. 2007, p. 221). We also found other staying reasons were not included in prior research, these were customer inertia and brand image Therefore, we detected an opportunity to add the concepts of relational investment and attractiveness of alternatives. Colgate et al. (2007, p. 226) argued that limited amount of research has looked into reasons for staying with the service provider. By examining staying reasons and their relation to switching behavior and switching intention, we identified further possibilities for making theoretical contributions. Additionally, Colgate & Lang (2001, p. 332) argues that in order to be able to attract new customers and gain market shares, the understanding of different staying reasons are vital. By relating the staying reasons to switching behavior we therefore see potential for interesting managerial implications.

Moreover, the level of involvement in purchase decisions has been described as a factor that has a major effect on consumers' purchase behavior (Foxall & Pallister, 1998, p. 188). Customers with high level of involvement are described to be highly motivated to gather information about the product category, to compare products and to enjoy buying products in the specific category (Foxall & Pallister, 1998, p. 188). Involvement has also been described to affect purchase intentions (Engel et al., 1986, pp. 24-25). Consequently, we identified a possibility for studying the impact of involvement and its effect on switching behavior and switching intention. Aldlaigan & Buttle (2001, p. 232) strengthen our argument for examining involvement and its relations to switching behavior with their recommendation for further examination of the effect of consumer involvement in financial services and its effect on bank customer behavior. Colgate et al. (2007, p. 226) additionally argues that further research should examine how involvement affects switching behavior.

1.4 Problem Formulation

Based on the problem discussion above, we have formulated the following research question:

How do the predictors of switching intention affect switching behavior in the retail banking context?

1.5 Purpose

Our purpose was to investigate the predictors of switching intention and their effects on switching behavior in the retail banking context. We also aimed to provide retail banks

as well as ICA banken specifically with recommendations based on our empirical findings.

1.6 Company background - The case of ICA Banken

In order to get the practical understanding, we have connected our research to ICA banken. Hakonbolaget was established 1917 in Sweden, and through different mergers and transformations became the ICA group (ICA, 2012a). Currently, the ICA group is consisting of 2,125 retailer-owned stores in Sweden, Norway, Estonia, Latvia and Lithuania (ICA, 2012b). The ICA group has been expanding their core business of food retailing to other countries and is also providing financial services, i.e. ICA banken (ICA, 2012b). The ICA group includes ICA Sweden, ICA Norway, ICA banken, Rimi Baltic and Real Estates (ICA, 2012b). By using efficient communication at the ICA Group, they have successfully been building their core brand; through intensive advertising, using the food magazine "Buffé", television commercials, spokespersons and traditional external commercial (Ots, 2010, p. 2). ICA has been spending huge amounts on advertising media; the ICA group was the top buyer of advertising media 2006 in Sweden (Ots, 2010, p. 88).

The ICA group has been expanding and entering the retail banking industry, launching ICA banken in year 2001 (ICA banken, 2012). ICA banken introduced the ICA Student campaign in august 2011, where students that registered for the ICA Bank card, get improved discounts on food, financial services and insurance (Marianne Lager, 2012). The requirement is that the student must be between 18 and 30 years old (ICA, 2012c). The ICA Group has been experiencing a great success with ICA banken, with 360.000 customers in Sweden, where 2780 are students at Umeå University (C. Sundström, personal communication, February 8, 2012).

ICA banken has increased greatly in customer satisfaction for the last five years, due to increases in product quality (Svenskt kvalitetsindex, 2011, p. 7). ICA banken is the second on the list of customer satisfaction of the Swedish banks, after Länsförsäkringar (Svenskt kvalitetsindex, 2011, p. 7). At the same time, ICA banken is the bank in Sweden that has highest amount of part-time customers, meaning that the many of the customers uses another bank in addition to ICA banken (Svenskt kvalitetsindex, 2011, p. 7). ICA banken's offer might be attractive, but not attractive enough for the students, which ultimately is not enough for the students to use the bank as their main bank for financial transactions. This indicates that there are problems in attaining full-time customers of the ICA Bank's services, i.e. customers that uses ICA banken for the majority of their financial businesses.

1.7 Delimitation

We limited the study the student segment. We also made a geographical limitation. We choose the sample of students at Umeå University. Our population consisted of the students that are both users and non-users of ICA banken. We believed that we had relatively good access to the students at Umeå University, since we both have been studying at Umeå University for the past four years and have well developed connection to the students attending the university. The choice of focusing on the area of Umeå University facilitated our sampling process, because we had access to the population since we both attend Umeå University.

We have decided to focus our investigation on ICA banken. ICA banken is a quite new actor in the Swedish retail bank market, founded in 2001, and additionally has many part-time customers, which made ICA banken an interesting and relevant bank to focus on in this research. A comparison between ICA banken and other retail banks would be interesting since it could provide us with information concerning similarities and differences between banks, but would not fit into our time plan.

The theoretical limitation that we have considered is connected to our perspective. We have approached the research problem from a consumer perspective, and since we have used this perspective, we have chosen to use theories that are relevant to the consumers' behavior. The theoretical delimitation was made due to the research purpose.

2. Scientific methodology

In following sections, we will present and discuss our theoretical methodology. We will present from where we approached our research problem, our theoretical and practical pre-understanding and the effects on the research followed by methodological assumptions, scientific approach, choice of sources and criticism of sources.

2.1 Pre-understanding

It is of great importance that the researchers are aware of the fact that both practical and theoretical preconditions will affect the researcher's interpretation when conducting a research study (Bryman & Bell, 2007, p. 429; Johansson-Lindfors, 1993, p. 25). We had certain amount of pre-understandings before entering our chosen topic, which were created by previous academic and practical experiences. It is inevitable to not choose a subject that lies within our field of interest, and our subject of interest is highly affected by our pre-understanding. Both our theoretic al and practical understandings will affect how we will approach our research problem, how we will process the information and how our findings will be analyzed. Pre-assumptions will create subjectivity (Bryman & Bell, 2007, p. 33; 318), and we believe that it is of great importance to prevent subjective opinions, and instead use theoretical framework as objective foundation. The first step towards increasing the objectivity and the pre-assumptions' effect on the research, is to be aware of our personal pre-assumptions. The purpose of this section is to present our pre-assumptions in order to provide the reader with understandings of where we started our research project.

2.1.1 Theoretical

Although we are two different persons with different backgrounds and origin from different areas of Sweden, we have experienced similar academic knowledge and understandings at Umeå University. We are both part of the master's program in business administration and during our four years at the university, we have received basic knowledge in the area of business administration. Further, by specializing in the subject of marketing, we have received deeper knowledge about organizations application of marketing strategies in general, and marketing research and consumer behavior in particular. Additionally, the greatest theoretical knowledge that we have experienced is how to use marketing as a powerful tool to affect and control organizations. Through courses as consumer behavior, marketing research and advanced market analysis at D-level, we have deepened our understandings in the area of marketing, which made it possible for us to interpret theories and analyze information in academic purpose. Our collected theoretical knowledge have ultimately provided us with a good overview over existing theoretical frameworks and been used as interpretation tool during the research.

2.1.2 Practical

Despite extended theoretical knowledge gained at the university, we have detected lack of practical understandings, but by working in different industries, our practical experiences have facilitated the understandings of the connection between theory and practice in general. Additionally, as a result of one of us have practical experience within retail banking industry, this have contributed to the understanding of how retail banks work towards affecting switching intention. Continuously, our working experience is somewhat different. One of us have personal experience of working in the retail banking industry and advertising industry, while one other have primarily worked within the health care industry. However, both of us have been working with marketing

related issues and activities. We have both been in close contact to customer satisfaction, customer service and customer retention, which has deepened our understanding for the theories behind the concepts. Our previous work experience has contributed to a difference in our pre-assumptions and knowledge, and has increased our ability for practical implications of theoretical concepts.

Since our research perspective is the consumer's perspective, and the consumers in our case are the students at Umeå University, we can identify ourselves as consumers of this particular service. As mentioned before, we are both students at Umeå University and we are both familiar with ICA and ICA banken, which might have an effect on our view of ICA banken. Additionally one of us have joined the ICA student campaign and hence experienced the switching process to ICA banken, as well as the products and services offered, firsthand. Furthermore, we are both bank customers and are using different banks for our financial transactions, which have influenced our understanding of the importance of different factors in the daily bank usage.

2.1.3 Effects on the research

With our theoretical and practical experience in mind, and with the possible pre-assumptions arising from it, our primary goal is to minimize bias by increasing the objectivity level. We are aware of the fact that all subjectivity is impossible to eliminate due to the fact that we are familiar with ICA banken before entering this research area. The fact that we are currently students at Umeå University, which means that we could, in theory, be a part of the target population, can affect the research in a way where are a part of the same population that are studied. On the other hand, we believe that since we are a part of the population, we have a greater understanding of the research problem.

2.2 Methodological Assumptions

In order for the readers to receive our research correctly, we believe that it is important to clarify our view and approach of both knowledge and research. According to Bryman & Bell (2007, p. 30-33) ontology describes how individuals perceive the reality where previous knowledge and experience have a big impact. There are two different types of ontology, subjectivism and objectivism (Saunders et al., 2009, p.110). As a central part of subjectivism, states that the reality is not absolute, rather dynamic and fluid (Saunders et al., 2009, p. 111). The reality is created by the researchers, and given object's existence depends on the researcher's subjective awareness and experiences (Saunders et al., 2009, p. 111). Objectivism is described as the ontological position that asserts that social phenomena and their meanings exists independently of social actors (Bryman & Bell, 2007, p. 22). We identify our ontological position as objectivism, since our aim is to identify relationship between factors based on empirical findings. In contrast to subjectivism, our standpoint stresses objectivism and our aim is to provide a research with objective results. Therefore, we want to draw conclusions based on empirical findings close to reality.

Concerning the question how the reality is supposed to be studied, epistemology explains our view on knowledge (Johansson-Lindfors, 1993, p. 34; Bryman & Bell, 2007, pp. 27-34). Within the field of business administration, two main approaches are discussed; positivism and hermeneutic (Bryman & Bell, 2007, p. 27). According to Bryman & Bell (2007, p. 27), hermeneutic is where the researcher focus on the explanation of the context of written sources itself, often used in religious studies. The researchers' interpretation is a central part of the research method (Bryman & Bell,

2007, p. 27). On the other hand, positivism is an epistemological approach that is based on quantitative data and observation, with the goal of being independent from subjective opinions (Saunders et al., 2009, p. 113; Bryman & Bell 2007, p. 26-27). A central part within positivism is testing theories and generating hypotheses (Saunders et al., 2009, p. 113; Bryman & Bell 2007, p. 26-27).

In our research, we have been investigating factors that affect switching intention and switching behavior among students. Switching behavior is a broad theoretical area which can be divided into different areas with factors that can be measured objectively. We have used established scales founded in academic research to measure relevant concepts. We are using concepts that already exists and observed the respondents and been considering the answers in a logic way, our assumption is therefore directed towards positivism. Additionally, our questionnaire has provided us with empirical information that consists of tendencies concerning our research problem, which we have been comparing with our theoretical framework.

2.3 Scientific approach

Within the social science research field, there are different ways of viewing the interrelationship between theory and practice; deductive approach and inductive approach (Saunders et al., 2009, pp. 124-126). In the inductive approach, the researchers present a new theory related to specific circumstances from the reality captured in the research (Bryman & Bell, 2007, p. 14). The researchers' aim in a deductive research is to follow a path that already is proven, and that certain path is substantiated since a theory already exists (Saunders et al., 2009, pp. 124-126). In contrast to the inductive approach, which often uses qualitative data collection in order to understand the problem, the deductive approach commonly tests theories with quantitative methods for collecting data, which are measured and tested statistically (Saunders et al., 2009, pp. 124-126). Since we want to use already existing theories and test them empirically, the deductive approach is most suitable. We started our research with reading relevant literature and processing different theories, which we later used as a foundation of the construction of the survey.

There are two methodologies in research science; qualitative and quantitative method (Bryman & Bell, 2007, p. 28). The object behind qualitative research method and quantitative research method respectively differs in terms of what is aimed to be collected (Bryman & Bell, 2007, p. 28). By using a qualitative method, the researcher does not primarily seek statistical results (Shiu et al., 2009, pp. 169-170). The aim is to collect the quality and essence to capture a deeper understanding of underlying causes (Shiu et al., 2009, pp. 169-170). In qualitative research, there is no ability to generalize the findings to the entire population (Shiu et al., 2009, pp. 169-170). In the qualitative method, the researcher collects data from for example interviews or focus groups (Bryman & Bell, 2007, p. 28). In the quantitative method the researcher uses statistics, surveys and randomized trials to study given objects, with the aim to generalize the findings to a greater extent (Shiu et al. 2009, pp. 226-227). There is also the ability to use advanced statistical analysis, to distinguish small differences between responses and to accommodate a large sample size (Shiu et al. 2009, pp. 226-227).

We decided to use a quantitative method. We believe it is the most appropriate method to use, since our aim is to identify patterns and relationship between variables by using advanced statistical analyses. Thus it fits our purpose best, and will facilitate our

process towards finding answers to our research question. Our quantitative strategy consists of the electronic distribution of self-complementary questionnaires. A questionnaire is a formalized framework of questions and scales to generate primary data (Shiu et al., 2009, p. 329). Bryman & Bell (2007, p. 153) states that a questionnaire does not provide the opportunity to develop the answers where the respondents can go deeper into feelings and attitudes. This is something that can be achieved by using an inductive approach and a qualitative method. If our purpose was to collect information containing deeper knowledge, about the respondents' attitudes, beliefs and feelings, then a qualitative method would have been more appropriate for us to use. However, we are convinced that a quantitative method, based on the use of questionnaires, is the most appropriate method to use in order to fulfill the research purpose.

As in agreement with Ejlertsson (2005, p. 12) and Shiu et al. (2009, p. 226), we believe that the major advantages of performing a survey are; fixed and low costs, ability to measure large samples, no geographical limitation, plenty of time for the respondent to go through the questions and answer accordingly, avoiding "the interview-effect" and the ease of administration. The disadvantages presented that could affect the research are limited amount of questions, no possibility for the respondent to ask the researcher, and the fact that the respondents' identity is unknown (Ejlertsson, 2005, p. 13). Concerning our chosen method, we believe that the advantages experienced in our research will exceed the disadvantages. They are not so crucial. The most interesting disadvantage is the fact that a survey does not capture any complex information; such as feelings, beliefs or attitudes. However, since our aim is to collect information about tendencies and patterns, this particular disadvantage is irrelevant for us to consider.

When extending the findings of a research to a broader perspective or area, a generalization occurs (Bryman & Bell, 2007, p. 343). If the results are founded on valid deductive elements, then the findings are generally applicable (Shiu et al. 2009, pp. 173;226; Bryman & Bell, 2007, p. 343). However, our aim is not to generalize our findings, but rather to find patterns and implications, which can be useful both practically for ICA banken and theoretically for further investigation.

2.4 Choice of sources

In our reading process, our general objective was to double check information in order to complement our interpretation. We checked both articles and traditional books. By looking up additional sources to our main theories when opportunity was given, we minimize risk of misinterpretation, as suggested by Murphy et al (2005, p. 78). In the cases where the written sources have been found in books, the sources have in some instances been secondary referenced, meaning that they have been based on other sources (Johansson-Lindfors, 1993, s. 89; Olsson & Sörensen, 2007, s. 31), we have tried to find the original sources, but in some cases we were not able to locate the primary source. This means that the credibility decreases since these authors may have misinterpreted the original source (Johansson-Lindfors 1993, pp. 117-118). Our aim however, has been to use the original sources to the extent that it was possible to find these sources. In most instances we have managed to find the original sources.

We found that Valarie A. Zeithaml, was a central author within the area of service marketing, Susan M. Keaveney, Mark Colgate, Harvir S. Bansal & Shirley F. Taylor within the area of service switching behavior and Icek Azen regarding the theory of planned behavior. Therefore, it was natural for us to refer to those in the following

sections, their work were of high relevance to our study. Additional research that have expanded and validated their research have furthermore been used.

Concerning the part of methodology, we have chosen to include more than one book of methodology, in order to increase reliability and the overall quality of this thesis. One book is discussion methodology more in general, while the other one is providing a deeper discussion which complemented the first one. We have been using the first one, Business Research Methods by Bryman & Bell (2007), during our basic course in methodology. Saunders et al. (2009) was another other book that we used, and the choice was made due to the personal recommendation from a teacher at Umeå School of Business and previous experience of thesis work with Saunders et al. (2009) as a part of the methodology chapter. We believe that it is important to use books of methodology that is aimed towards business administration research; therefore, we have exclusively been using business research books. Ejlertsson's (2005); Enkäter i praktiken, a specific book of quantitative research methods, helped us in the creation of the questionnaire. As an additional reference, we used Marketing Research by Shiu et al. (2009), which provides a good, informational framework of the data analysis. We used Shiu et al. (2009) as a support when processing the data in SPSS and how to interpret the results.

Additional information that we have been using in our research, are the information provided by ICA banken. The information provided by the CRM manager ICA banken and the website was needed to understand the organization, strategy and purpose of the campaign of ICA banken. The CRM manager of ICA banken also provided us with numbers of current customers at ICA banken.

2.5 Criticism of sources

In this part, we will evaluate the reliability of the sources used. The majority of our sources are primary sources, which means that they are brought from the original sources (Bryman & Bell, 2007, p. 340). We have strived to use the original source of information to prevent misinterpretation, which is more likely if secondary sources are used (Johansson-Lindfors 1993, pp. 117-118). Even though our sources are primary sources, it is important to approach them in a critical manner (Befring, 1994, p. 176). Sources can be critically examined by three different aspects; time aspect, trustworthiness and conformity with other resources (Befring, 1994, p. 176). There are several critical methods that can be used in this section, but we have decided to follow Befrings method (1994, p. 176) since we believe that it contains the most crucial parts and gives the reader a brief understanding of which parts we have examined.

It is not only important that the articles are consisting of relevant information, it also of great importance that the written sources should be up to date, and not published too long ago, since there is a great risk that older sources have been replaced by more current research (Befring, 1994, p. 176). Our general information collection principle is that we wanted to use well-known researchers work as a base for our theoretical framework. We started our search by reading relevant course literature, articles and the references that have been used in those. To the extent to which we were able, we went back and checked the primary source. Additionally, we used more recent research to validate the findings of the original sources. Also, we wanted to add new findings that were not included in the original research.

In one particular case, we have used an article published in 1995. The article is written by Keaveney (1995) and provides information about service switching behavior, and relevant to use since she was the founder of our main theorem. The theory of switching behavior gives us access to relevant knowledge which made it natural for us to include the theory. By reading Keaveney's (1995) article about switching behavior, we could create a picture over the foundation of that particular research area, and also compare more current modifications of the same model with the original one.

The articles that have been used are Peer reviewed articles, which mean that they have been critically examined, scientifically corrected and approved by experts within the relevant field (Jefferson et al., 2002, p. 2784). The importance of using articles that have been peer reviewed is supported by Befring (1994, p. 175). We have actively excluded those articles that have not been peer-reviewed.

Further, the articles have been found in the research database Business Source Premier with keywords such as customer satisfaction, switching behavior, switching barriers, switching intention, bank brand loyalty. The articles that we have been using have been well structured and well referenced which is important concerning the confirmation between the source used and other sources. Befring (1994, p. 177) argues that the reliability can be affected by comparing different sources with each other. By excluding articles where references are not compatible, and only using articles that were well referenced, we believe that the reliability of our study increases.

Even though there is a minimal risk that the researchers have angled the research towards a direction considering that we actively used peer-reviewed articles. We still believe that it is important for us to remain critical and actively discuss the researchers' purpose, in which journal it has been published in, among other issues. We discussed for whom the authors have provided the research, and in what purpose in the stage of reviewing the chosen sources. The purpose could be between different organizations or within one organization. Articles that we were the least uncertain about were excluded. In the extension, this discussion increases our awareness and deepens the understanding of the sources.

The web-based sources that we have been using are harder to critically examine, since there are no precise measures to use, but we believe that the web-sources are of sufficient quality. The majority of our web-based sources are used in the introduction, to provide background information and current statistics; this was information that was unavailable in academic journals. Some examples of information we used was information about ICA banken, information about the number of banks in Sweden and a recent article from the Swedish newspaper Dagens Nyheter that described the Swedish bank market. Since the web-based sources was not used to establish key concepts, but rather to provide background information that would otherwise be unavailable, we would argue that it was relevant to include them.

3. Theoretical framework

In this section, we will present our choice of theories that together combines our theoretical framework. We will start the theoretical chapter with the justification of our theories. Then, we will go through each theory. Finally, we conclude our theoretical framework with a conceptual framework and its application in our practical context.

3.1 Choice of Theories

Our aim in this section is to describe the choice of theories that together compose our theoretical framework. These theories will lead to a conceptual framework in the end of the chapter. The theories have been chosen with consideration to our research question and purpose. They have been used to develop our survey, to analyze our empirical findings and develop the conclusions.

Since switching behavior is highly connected to the consumer decision-making process, considering that act of switching service provider is a decision, we started the literature review with the consumer decision-making process. Our aim was to understand the cognitive process of consumers' purchase decisions. We additionally related the concept involvement to the decision making process, since the level of involvement was described to affect purchase decisions (Foxall & Pallister, 1998, p. 188). The theory of planned behavior was then used as a basis for conceptualizing switching behavior, by explaining antecedent factors that affect specific behaviors, such as switching behaviors. We additionally reviewed research on service switching behavior and focused on switching costs and staying reasons and related these to the theory of planned behavior. We also put special emphasis on customer satisfaction and its relation to switching behavior, since it was found to be an important staying reason (Colgate et al., 2007). Furthermore, brand image as a staying reason was examined.

3.2 Consumers as decision-makers

A basic assumption in marketing is that companies exist to satisfy customer needs (Kotler et al., 2009, p. 256). These needs can only be satisfied to the extent that the marketers understand the consumers that the product or service is to be sold to. Consumer behavior has been recognized as an ongoing process, meaning that it's not just the purchase or exchange itself between two parts that are relevant to investigate. The expanded approach acknowledges that the entire consumption processes, i.e. the influences on consumers before, during and after a purchase, are relevant to understand consumer behavior. (Solomon et al., 2010, pp. 7-8).

The consumer decision-making process can be used as a foundation for understanding the cognitive part of consumers' purchase decisions (Hansen, 2005, p. 432). A classical model of the decision-making process describe it as comprised of five consecutive stages (figure 1): need recognition, information search, evaluation of alternatives, purchase and post-purchase evaluation of the decision (Jobber & Fahy, 2009, p. 60).

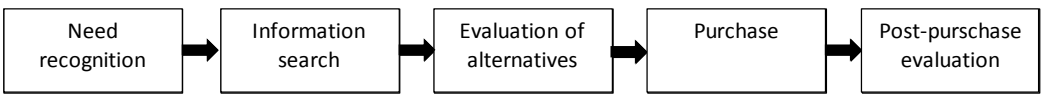

Figure 1. The decision making process. Source: Jobber & Fahy (2009, p. 60)

- *Need recognition*, the consumer identifies a problem, since there is a difference between the current situation and a desired state (Solomon et al, 2010 p. 320). The aim is to fill a gap with a product or service that appears to be attractive and with benefits that outweigh the cost of purchasing (Solomon et al, 2010 p. 320). The relative importance of the problem affects the consumer's intent to resolve the problem (Jobber & Fahy, 2009 p. 60-61).

- *Information search*, the aim is to find which alternative solutions that are available in the marketplace to be able to make a reasonable decision. The information can be internal, based on customer memory and external, based on advertising and friends for example. (Solomon et al., 2010, pp. 321-322).

- *Evaluation of alternatives*. The consumer is processing different competing alternatives and evaluates the value in consideration to their attractiveness (Cravens, 2009, p. 93). The evaluation is cognitive and rational, where the individual compare the benefits of the alternatives (Solomon et al. 2010, pp. 333-334). Choices made by people are directly affected by information available; in order for the consumer to consider different brands of service providers, they must be aware of them (Solomon et al. 2010, pp. 333-334).

- *Purchase,* consist of decision implementation made by the consumer. He or she chooses the most attractive alternative based on available information and evaluation of the alternatives. (Solomon et al., 2010, pp. 337).

- *Post-purchase evaluation of decision*. Marketers want to create a positive experience from the chosen product or service to create customer satisfaction (Jobber & Fahy, 2009, p. 63), which is defined as the overall feelings or attitude about a product or service after it has been purchased (Solomon et al., 2010, p. 86). In our research this is important to take into consideration since previous experience with customers' bank affects their future consumer behavior. For example the customer's satisfaction with their current service provider has been found to influence switching behavior (Bansal & Taylor, 2002, p. 212. The concept of customer satisfaction is beyond the scope of this section, it will be further discussed in section 3.5.2 of the theoretical framework.

The consumer does not necessarily go through all steps extensively in the decision-making process. The level of involvement in the purchase decision affects the consumer's motivation to search for information and compare alternatives (Solomon et al. 2010, pp. 318-319). Consumers can be categorized as low and high involvement consumers (Zaichkowsky, 1985, p. 342). Low involvement consumers depend on one or few factors such as price; whereas the process for consumers that are highly involved in the purchase is more complex, with many factors influencing the purchase behavior (Hansen, 2005, p. 421). Overall, the decision related to the choice of bank can be considered as a high involvement decision. This statement is supported by Aldlaigan & Buttle (1998, p. 232-245), who found that several of the financial services provided by banks had been considered as highly involving by consumers; these were the services of savings accounts, mortgage and investment. However, some customers can see the choice of bank as a low involvement decision. Longfellow & Celuch (1992, p. 491) findings showed that not all bank customers were highly involved with the services provided by banks. Their study identified both low and high involvement customers in

the banking context (Longfellow & Celuch, 1992, p. 486). 77 individuals were classified as low involvement bank customers and 94 as high involvement bank customers (Longfellow & Celuch, 1992, p. 486). In the following section we will review research on involvement and its consequences for consumer decision making in more detail.

3.2.1 Involvement

The development of the involvement concept was made due to criticism towards the generalization made in previous consumer behavior research, i.e. that consumers actively search for information and use this information to make the most informed decision (Zaichkowsky, 1985, p. 341), as conceptualized in the decision-making process above. There have been many definitions of involvement in the field of consumer behavior. One established definition of this concept involvement is the concept developed by Zaichkowsky (1985). For example, Flynn & Goldsmith (1993), Foxall & Pallister (1998) and Mittal (2006) have based their research on Zaichkowsky's (1985) conceptualization of involvement and validated it in their studies. Zaichkowsky (1985, p. 342) defined the construct involvement as: "A person's perceived relevance of the object based on inherent needs, values and interests.". In other words, involvement could be related to the personal relevance a consumer perceives toward either advertising, a product class or a purchase decision (Zaichkowsky, 1985, p. 342).

Consumers are described to have either low or high involvement (Zaichkowsky, 1985, p. 342). High involvement usually leads to extended problem solving, and thus active search and use of available information to make the most informed purchase decision (Zaichkowsky, 1985, p. 342). Engel et al. (1986, pp. 24-25) state that when the consumer has low involvement, limited problem solving is used since the consumer does not find the outcome of the purchase to be very important, i.e. the consumer does not care that there may be better purchase alternatives available. Consequently, the customer rather makes the purchase that requires the least effort (Engel et al., 1986, pp. 24-25). Involvement is also described to affects attitudes towards purchasing and purchase intentions (Engel et al., 1986, pp. 24-25). More recent research have found that highly involved consumers are more motivated to read information about the product category, to compare product characteristics between companies, enjoy buying products within the category and to do extensive product comparisons (Foxall & Pallister, 1998, p. 188).

In conclusion, the level of involvement is conceptualized to affect purchase decisions considerably; where low involvement leads to low cognitive effort, and high involvement to a complex decision process, as described in the decision-making process above. In the context of our research, we want to investigate how the level involvement is related to both the intention to switch service provider and the attitude towards switching, since involvement has been described to affect purchase intention and attitudes towards purchasing (Engel et al., 1986, pp. 24-25). The terms intention and attitude are further discussed in section 3.3. Aldlaigan & Buttle (2001, p. 232) strengthen our reasoning of including the concept with their recommendation for further research into the effect of consumer involvement in financial services and especially its effect on customer behavior in the context of services provided by banks.

3.3 The theory of planned behavior

The theory of planned behavior extends the understanding of the consumer decision-making process by considering how the concepts attitude, perceived behavioral control, subjective norms and intention influence specific behaviors (Ajzen, 1991, p. 179), including purchasing decision. In relation to our research, we need to consider the impact of these concepts on the switching behavior of bank customers.

The theory of planned behavior is an extension of the theory of reasoned action, suggested by Fishbein & Ajzen (1975, cited in Ajzen, 1991, p. 181). The theory of reasoned action state that the immediate antecedent of behavior is the behavioral intention to perform this behavior (Madden et al., 1992, p. 3). The intention to perform the specific behavior is affected by the beliefs that performing this specific behavior will lead to a certain outcome (Madden et al., 1992, p. 3). These beliefs are affected by the attitude towards the behavior and subjective norms (Madden et al., 1992, p. 3). The theory of planned behavior was proposed by Ajzen (1985, cited in Ajzen, 1991, p. 181), as a response to criticism against how the theory of reasoned actions failed to include behaviors which people have incomplete control of. Therefore, the concept of perceived behavioral control was added to the new model (Ajzen, 1991, p. 181). Consequently, the theory of planned behavior consists of a framework showing how norms, attitudes and perceived behavior control influences planned and realized behavior (Ajzen, 1991, p. 181).

According to Ajzen (1991, p. 188) the attitude towards the behavior concerns the degree to which an individual possess a generally favorable or unfavorable evaluation of the specific behavior in question. Beliefs about a specific behavior are formed by associating it with certain attributes; that are either valued positively or negatively (Ajzen, 1991, p. 188). The outcome of this assessment will be the formation of an attitude towards the behavior (Ajzen, 1991, p. 188). The factor subjective norms relates to whether or not an individual is under strong social pressure (Ajzen, 1991, p. 188). If the social pressure is strong the individual may need approval from important social peers to perform the given behavior, e.g. family and friends (Ajzen, 1991, p. 188). Lastly, perceived behavioral control refers to whether an individual perceives it as easy or difficult to perform the specific behavior, i.e. whether the individual perceives to have sufficient control to perform the behavior (Ajzen, 1991, pp. 183-184). Additionally, perceived behavioral relates to having confidence in performing the specific behavior successfully; if the individual believe to be unable to perform the behavior, the perceived behavioral control will be low (Ajzen, 1991, pp. 183-184). All these three factors are positively related to behavioral intention, whereas intention is positively related to performing the specific behavior (Ajzen, 1991, p. 189). Furthermore, attitude towards the behavior, subjective norms and perceived behavioral control are not completely independent of each other, but rather affect each other to some extent (Ajzen, 1991, p. 189), (see figure 2).

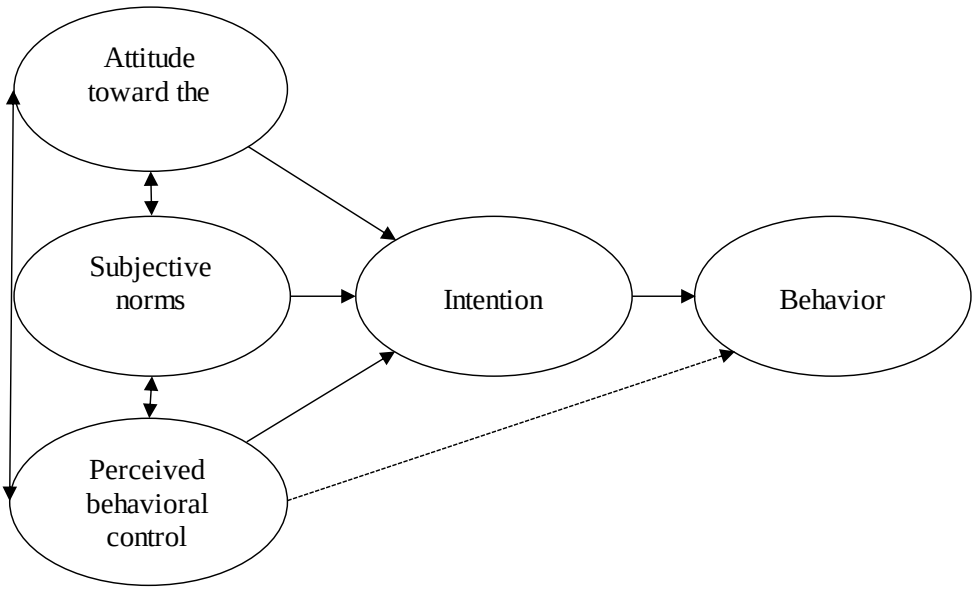

Figure 2. The theory of planned behavior. Source: Ajzen (1991, p. 182).

Empirical findings have established that there is a positive relationship between intention to perform a specific behavior and the three antecedents concepts attitude toward the behavior, subjective norm and perceived behavior control (Madden et al., 1992, p. 9; Taylor & Todd, 1995, pp. 146-149). Hence, the more favorable the subjective norms and attitude towards a specific behavior and the higher the perceived behavioral control, the stronger is the intention to perform the behavior under consideration (Madden et al., 1992, p. 9; Taylor & Todd, 1995, pp. 146-149).

3.4 Switching behavior

The object of research investigating switching behavior is to understand service switching from the customer's perspective (Keaveney, 1995, p. 71). More precisely, to understand different determinants that affects customers' decision of switching service provider (Keaveney, 1995, p. 71). The switching of service provider consists of replacing the current service provider with another service provider (Bansal & Taylor, 1999, p. 200). In the context of our study, switching behavior involves the decision of switching from the current main bank to another bank and the predictors that affect this decision.

Bansal & Taylor (2002, p. 413) used the theory of planned behavior in the context of service provider switching. Their study was used in the retail banking context, focusing on the specific financial service mortgage (Bansal & Taylor, 2002, p. 413). They adapted the concept of perceived behavioral control to service provider switching context by terming it as switching costs (Bansal & Taylor, 2002, p. 411). Their argument was that switching costs, as conceptualized in service marketing research, are related with the concept of perceived behavioral control (Bansal & Taylor, 2002, p. 411). Examples of switching costs are the costs of breaking customer habit, psychological risks or the cognitive effort involved in switching (Bansal & Taylor, 2002, p. 411). The concept of switching costs will be further developed in section 3.5.1 of the theoretical framework. Bansal & Taylor's (2002, pp. 419; 421) findings are in accordance with previous empirical findings; showing that customers with favorable attitude towards switching service provider are more likely to have stronger intention to switch as long as the perceived behavioral control is high, i.e. low switching costs.

Furthermore, perceived behavioral control is significantly related to switching intention (Bansal & Taylor, 2002, p. 421). Subjective norms also have influence since customers with favorable attitude in some instances do not switch to a new service provider if significant others do not want them to switch (Bansal & Taylor, 2002, p. 421). Additionally, Bansal and Taylor's (2002, p. 418) findings showed that the attitude towards switching is the most influential factor of switching intention. In summary, all concepts from the theory of planned behavior will be of great importance for our study since we want to investigate the switching behavior of the bank customers. Therefore, behavioral intention and its antecedents, i.e. subjective norms, perceived behavioral control and attitudes towards behavior, will be of major importance in our research to predict switching behavior considering that they have been used in previous research (Bansal & Taylor, 1999; 2002).

An important consideration is that intention is only expected to predict an individual's attempt to perform a specific behavior, but high intention does not necessarily mean that the individual will perform the behavior (Ajzen, 1991, p. 186). The general rule is that when individuals have high control in performing specific behaviors, i.e. high perceived behavioral control, intentions can be predicted with good accuracy (Ajzen, 1991, p. 186). Research has also suggested that past behavior could be used as a good predictor for future behavior (Shiu et al., 2009, p. 256). It has been mentioned that it is hard to find an effective measurement for future behavior, but the greatest measure is past behavior (Ajzen, 1991, p. 202; Quellette & Wood, 1998, p. 70). Therefore, we will include past switching behavior in our research. By examining the relationship between switching intention and past switching behavior, we can investigate whether switching intention is a reliable predictor of switching behavior. Past switching behavior will be termed as switching behavior in our research.

Keaveney's (1995) study of switching behavior in the service industry has been essential for understanding switching behavior (Colgate et al. 2007, p. 212; Bansal & Taylor, 1999, p. 201). The aim with Keaveney's (1995, p. 71) research was to understand why customers switched service provider by identifying the determinants that affected their switching decisions. The switching model of Keaveney (1995, p. 76) identified eight different categories of reasons for customer switching: pricing, inconvenience, core service failure, service encounter failure, employee responses to service failures, attraction by competitors, ethical problems and involuntary switching. Bansal & Taylor (1999, p. 201) classified these reasons into two categories; service performance (response to service failures, core service failures, service encounter failures, ethical problems) and switching costs (inconvenience, price, competition).

Later research mostly validates Keaveney's findings. Colgate & Hedge (2001 pp. 206-207) found that three switching factors were important in the retail banking context: service failures, pricing problems and denied services. Gerrard & Cunningham (2004, p. 221) made similar findings in the Asian banking market; where pricing, service failures and inconvenience were causes for 90 percent of the customer switching. Lees et al. (2007, p. 152) findings showed that the most common reasons for switching bank was due to better competitive offerings and dissatisfaction in the service provided.

3.5 Predictors of switching behavior in a services setting

Based on the theory of planned behavior we decided to include the concepts of attitude towards switching and subjective norms as predictors of switching behavior following

Bansal & Taylor (2002). Previous findings showed that attitude towards switching and subjective norms affect switching behavior (Bansal & Taylor, 2002, p. 421). As attitude towards switching was the strongest predictor among the three predictors of switching intention (Bansal & Taylor, 2002, p. 418), we expect that attitude towards switching will be an important predictor of switching behavior. More positive attitude towards switching should lead to higher switching intention (Bansal & Taylor, 2002, p. 421) Subjective norms have shown an effect on behavioral intention in prior research, more favorable subjective norms lead to higher behavioral intention (Madden et al., 1992, p. 9). Therefore we examined whether subjective norms affect switching intention and switching behavior. Additionally, we included switching intention as a predictor of switching behavior. High switching intention should have an impact on switching behavior in accordance to Bansal & Taylor's (1999, p. 212) findings. We also decided to use the concept of involvement, as described previously, as a predictor of switching behavior. Furthermore, we wanted to examine whether involvement has an impact on switching intention and switching behavior. Involvement in our study refer to the sense of involvement that bank customers have regarding the decision to choose bank, i.e. whether bank customers think the choice of bank is relevant.

As described in theory of planned behavior, the perceived behavioral control was found to affect switching intention and switching behavior, and Bansal & Taylor (2002, p. 411) related the concept of switching cost to perceived behavioral control. In order to understand and develop the concept of switching cost in the service industry, Keaveney's (1995) study of switching behavior in the service industry was essential to include in accordance with Colgate et al.'s (2007, p. 212) and Bansal & Taylor's (1999, p. 201) reasoning. In the following part we will review how the concept of switching costs has been developed to the concepts of staying reasons in the services industry.

3.5.1 Staying reasons as predictors of switching behavior

As an extension of the research field of consumers' service switching behavior, researchers have looked into the reasons for staying with the service provider, i.e. why customers choose to not switch service organization (Colgate & Lang, 2001, p. 332). Colgate & Lang (2001, p. 332) highlighted the need to further investigate customers' switching behavior, since the element of the decision to stay and reasons behind it were missing in the services context. Colgate et al.'s (2007, p. 225) research showed that some of the factors that influences customers to stay with their service provider are related to the switching motivations of Keaveney (1995), described in section 3.4, but reversed, e.g. successful service recovery may lead to the decision of staying with service provider, instead of Keavney's (1995, p. 77) findings that disappointing service recovery may lead to the switch of service provider. However, not all staying reasons are connected to Keaveney's (1995) switching determinants (Colgate et al., 2007, pp. 224-225).

The reasons why customers choose to stay with their current provider are frequently named switching costs or switching barriers (Colgate et al., 2007, p. 213). Both terms are often used interchangeably in research and there seem to be confusion in the terminology (Colgate et al., 2007, p. 213). Switching costs have been defined as economical, psychological or physical costs a customer experience when considering a switch (Jackson, 1985, p. 43; 53). According to Colgate et al. (2007, p. 213; 224) the term switching barrier is more general and hence switching costs is just one form of switching barrier amongst others. Tesfom & Birch (2010, p. 371) defined switching

barrier as: “any factor that makes it difficult or costly for customers to change bank service provider”. Consequently, the higher the perceived switching barriers are, the less likely it is that consumers will switch service provider. This is much in accordance with the concept of perceived behavioral control and its relation to behavioral intention, from the theory of planned behavior, where low perceived behavioral control lead to low behavioral intention (Ajzen, 1991, pp. 183-184), as previously described. Bansal & Taylor (2002, p. 421) used the definition of switching costs, instead of switching barriers, and found that that lower the switching costs were the higher the switching intention was.

One interesting finding from prior research is that switching barriers are, in general, perceived very differently for younger customers than older customers (Tesfom & Birch, 2011, p. 377). The study shows that younger people are generally more easily changing bank. The most influential switching barriers for younger customers are mainly lack of attractive alternative service providers; where barriers such as switching costs and relational benefits are less prevalent barriers (Tesfom & Birch, 2011, p. 377).

Colgate & Lang (2001, p. 335) identified four major categories of switching barriers within the service industry: relational investment, switching costs, availability of alternatives and service recovery. Later research by Colgate et al. (2007, p. 213) have further developed the research field and used the term staying reasons, instead of just switching barriers, including both positive and negative reasons for staying. Colgate et al. (2007, p. 213) defined the staying reasons as “all reasons why customers chooses to stay after a serious consideration to leave”. Based on this definition we would argue that staying reasons are important factors to take into consideration when examining switching behavior. In order to be able to attract new customers it is vital to understand why customers choose to stay to be able to affect switching behavior (Colgate & Lang, 2001, p. 338). Colgate et al. (2007, p. 213) describe switching barriers as negative reasons for staying and affirmatory factors as positive reasons; these staying reasons were categorized into seven different factors. There were four switching barriers: time and effort, alternatives, emotional bonds and switching costs (Colgate et al., 2007, p. 213). Three staying reasons were seen as affirmatory factors: confidence, social bonds and service recovery. (Colgate et al., 2007, p. 213). Based on Colgate et al.’s (2007) staying reasons we formulated four staying reasons below: switching costs, customer inertia, attractiveness of alternatives and relational investment.

Switching costs

The concept of switching costs as described by Colgate et al. (2007, p. 221), involves situations where the customer feel locked in by the current service provider for various reasons. For example, that friends and family use current service provider, high financial costs of switching and specialized knowledge of the incumbent service provider (Colgate et al, 2007, p. 221). In the case of high switching costs customers may not choose to switch due to the sensation of being trapped by the current provider (Colgate et al, 2007, p. 221). High switching costs have shown to have a negative impact on switching intention in previous research, meaning that the higher the switching costs are, the lower the switching intention will be (Bansal & Taylor, 1999, p. 212).

Customer inertia

Customer loyalty is a classic concept in the consumer behavior field to describe why customer continues to use a service/product. Customer loyalty has been defined as: "a deeply held commitment to rebuy or repatronize preferred product/service consistently in the future, thereby causing repetitive same brand or same brand-set purchasing, despite situational influences and marketing efforts having the potential to cause switching behavior." (Oliver, 1999, p. 34). There may, however, be other reasons that make the customer stay with the same service provider than loyalty. Customer inertia is a concept that describes how the consumer continues to do business with the same provider even though the relative attitude is negative; this is seen as a spurious loyalty (Dick & Basu, 1994, pp. 101-102), which is quite common in retail banking (White & Yanamandram, 2004, p. 185).

Colgate et al.'s (2007, p. 220) switching barrier related to time and effort can be explained as consumers' motivational level or willingness to put time into either looking for a new service provider, to establish new emotional bonds, or to put effort into learning about a new service provider. We would argue that time and effort is highly related to the concept of customer inertia. An inert customer is described to lack motivation to search for alternatives, since it's too much bother to go through the decision-making process; therefore the current purchase pattern is repeated as less effort is required (White & Yanamandram, 2004, p. 184). In the context of our research we would see an inert customer as a bank customer that chooses to stay with his bank since it would be too much bother in terms of time and effort to switch bank.

Attractiveness of alternatives

Alternatives comprise of situations where the customer believes that the alternatives to the current service provider are too similar and fear that the alternatives are worse (Colgate et al., 2007, p. 224). If low competition exists or there is little perceived difference among the available alternatives of service providers, there is a chance that the customer chooses to stay with the service provider, even though being unsatisfied (Sharma & Patterson, 2000, p. 484).

Relational investment

Two other switching factors are related to the sense of relational investment with the current service provider: emotional bonds and social bonds (Colgate et al, 2007, p. 221). Emotional bonds concern situations where the customer is afraid to switch due to being afraid to hurt the feelings of the service provider, embarrassment of leaving, or having a sense of loyalty towards the current service organization (Colgate et al, 2007, p. 221). Social bonds are relational benefits connected to the service provider that may prevent service switching, e.g. knowing the staff; being recognized by the staff; being understood by the staff; or perceiving the staff as friendly (Colgate et al, 2007, p. 221). We will hence use the term relational investment, henceforth, instead of using the two terms separately, since we would argue that the two concepts are similar, considering that both relate to being relationally invested with the service provider in form of social bond or emotional bonds (Colgate et al., 2007, p. 220). This single concept was used by Colgate & Lang (2001, p. 339) in previous research. Research has indicated that investment into a relationship may be one reason that explains why customers choose to stay with a service provider (Colgate & Lang, 2001, p. 333; 339). Relational investment indicates that some customers do not switch bank due to feeling loss of important benefits from the current service provider (Colgate & Lang, 2001, p. 333. Additionally,

the effort that has been made to develop the relationship between the bank and the customer affect the decision to stay (Colgate & Lang, 2001, p. 339).

In conclusion, based on the literature review, we have expanded the concept of switching costs into four variables, categorized as staying reasons. Since the concept of switching costs was used as perceived behavioral control in previous research by Bansal & Taylor (2002), we will relate these different staying reasons to the perceived behavioral control as presented in the theory of planned behavior following Bansal & Taylor (2002). We would argue that all staying reasons affects the consumers perceived behavioral control to switch, considering that all these factors influence the customer's belief to perform the switch of service provider successfully. For example, high perceived switching costs would make the customer feel locked in by the current service provider; high inertia would make the customer unwilling to switch since it would be too much bother to switch, and so forth. We will examine how these four concepts affect switching intention and switching behavior. In this study we will consider the following four staying reasons:

- Switching costs
- Customer inertia
- Attractiveness of alternatives
- Relational investment

3.5.2 Customer satisfaction as a predictor of switching behavior

Two of Colgate et al.'s (2007, p. 213) staying reasons were confidence and service recovery. Confidence concerns situations where the customer chooses stay because of satisfaction with the service provider, trust in the service provider and being familiar with the service provider (Colgate et al. 2007, p. 213). Service recovery is another affirmative staying reason which relates to satisfaction with how the service provider has handled complaint or problems that have occurred in the past (Colgate et al. 2007, p. 213). Both these staying reasons relates to the customer being satisfied with the current service provider, and therefore have chosen not to switch (Colgate et al. 2007, p. 213). We would therefore argue that these two concepts can be related to customer satisfaction. Bansal & Taylor's findings (1999, p. 214) show that satisfaction plays an important role in affecting consumers' switching intention. The more satisfied a customer is with the current bank, the less intention to switch service provider in the future (Bansal & Taylor, 1999, p. 214). This is a clear indication that managers must make effort to ensure high level of satisfaction to prevent switching. Therefore we argue that satisfaction should be seen as a staying reason.

The definition of customer satisfaction is; "a person's feelings of pleasure or disappointment that result from a comparison between the outcome of the product to their expectations" (Kotler et al., 2009, p. 164). According to Zeithaml (2009, p. 103), there are three antecedents to customer satisfaction: service quality, product quality and price. In the case of financial services, service quality is the dominant factor that affects customers' evaluation of the service provider (Zeithaml, 2009, p. 105). The research by Parasuraman et al. (1985) is considered as pioneering in understanding the concept of service quality (Zeithaml, 2009, p. 105). Parasuraman et al. (1985, p. 47) identified ten items of service quality applicable to different service contexts. Zeithaml (2009, p. 111) emphasizes five of these items:

- Reliability: the ability to perform the promised service dependably and accurately.

- Responsiveness: the willingness to help customers.
- Assurance: the ability to inspire trust and confidence.
- Empathy: the ability to treat customers as individuals.
- Tangibles: the physical appearances of the services, e.g. the appearance of facilities, personnel and equipment.

Furthermore, companies are highly interested in maintaining existing customers due to several reasons. In general, researchers agree on the statement that customer satisfaction is the key route to creating value and the main driver of achieving customer loyalty (Dregner et al, 2012, p. 59; Kotler et al, 2009, p. 164). Thus, creating value is the core of service marketing (Dregner et al, 2012, p. 59; Kotler et al, 2009, p. 164). To reach loyalty among customers, customer satisfaction must be present (Homburg & Giering, 2001, p. 43). However, research shows that the strength of the relationship between satisfaction and loyalty is depending on the characteristics of the customer (Homburg & Giering, 2001, p. 43). Additionally, customers may stay with their service provider even though they are dissatisfied, due to high switching costs (Lee et al., 2001, p. 35). We will examine whether customer satisfaction has an impact on switching intention and switching behavior in our study.

3.5.3 Brand image as a predictor of switching behavior

In addition to the prior staying reasons described, the brand image of the bank has been identified as a factor that influences switching behavior, in the sense of the reputation of the bank (Pass, 2005, p. 58). The common definition of a brand in contemporary marketing literature is: "a name, term, design, symbol or any other feature that identifies one seller's good or service as distinct from those of other sellers." (Wood, 2000, p. 664). The fundamental purpose of a brand thus, is differentiation in the market environment (Wood, 2000, p. 664). Brand image has been defined as consumers' perception of a brand based on the associations to the brand kept in memory (Melin, 2006, p. 169). According to Keller (1993, pp. 3-4) these associations can be classified into three categories: attributes, benefits and attitudes. We are interested in the associations connected to brand attitudes, since they are described as the overall evaluations of a brand (Keller, 1993, p. 4). These attitudes are important, since they are seen as the basis for influencing the choice of brand (Keller, 1993, p. 4). This argument is strengthened by Melin (1999, p. 40), Andreassen & Lindestad (1998, p. 12) and Fombrun & Shanley (1990, p. 233), who claim that strong brand image result in quality assurance, consumer preference, loyalty and makes a company credible. Consequently, a good way to differentiate in the retail bank market is by using corporate brand image, which refers to the image of the organization's name (Bravo et al., 2010, pp. 1199-1200). This has become more important due to the deregulation and increased competition in the retail banking market (Bravo et al., 2010, pp. 1199-1200).

Bravo et al. (2010, p. 1200) developed a scale for measuring the corporate brand image in the banking sector from a customer perspective, as they found previous scales inadequate to study the corporate image in the commercial banking. This scale measures brand image in five different dimensions: service offering, location, social responsibility, global impression and personnel (Bravo et al., 2010, p. 1213). We will not use all these dimensions in our study however. We are primarily interested in the dimension of global impression, since it's closely related to the reputation of the bank in consideration to brand image (Bravo et al 2010., pp. 1206; 1213). The dimension global impression is about the reputation and the personality of the corporate brand, as

associated by the consumers, in the sense of trustworthiness, honesty, friendliness and general impression (Bravo et al 2010., pp. 1206; 1213). Bravo et al. (2010, p. 1215) argue that the effect of corporate brand image need further investigation in the banking sector. Furthermore, brand image, in the form of the reputation of the brand, was found to affect customers' switching behavior to some extent (Pass, 2005, p. 58), as previously mentioned. Therefore, we chose to include brand image and its effect on switching behavior in our research. We decided to attribute brand image as a staying reason, since we wanted to investigate the effect of brand image as a reason for staying with the current bank and furthermore whether the brand image affect switching intention and switching behavior.

3.6 Conceptual framework

Based on our literature review, we have identified and selected concepts that have been shown to be important predictors of consumers' service switching behavior. These factors influence both the decision to stay with a service provider as well as the decision to switch service provider (see figure 3). We will shortly summarize the relationship between these factors, and how these relationships are later empirically examined in our degree project.

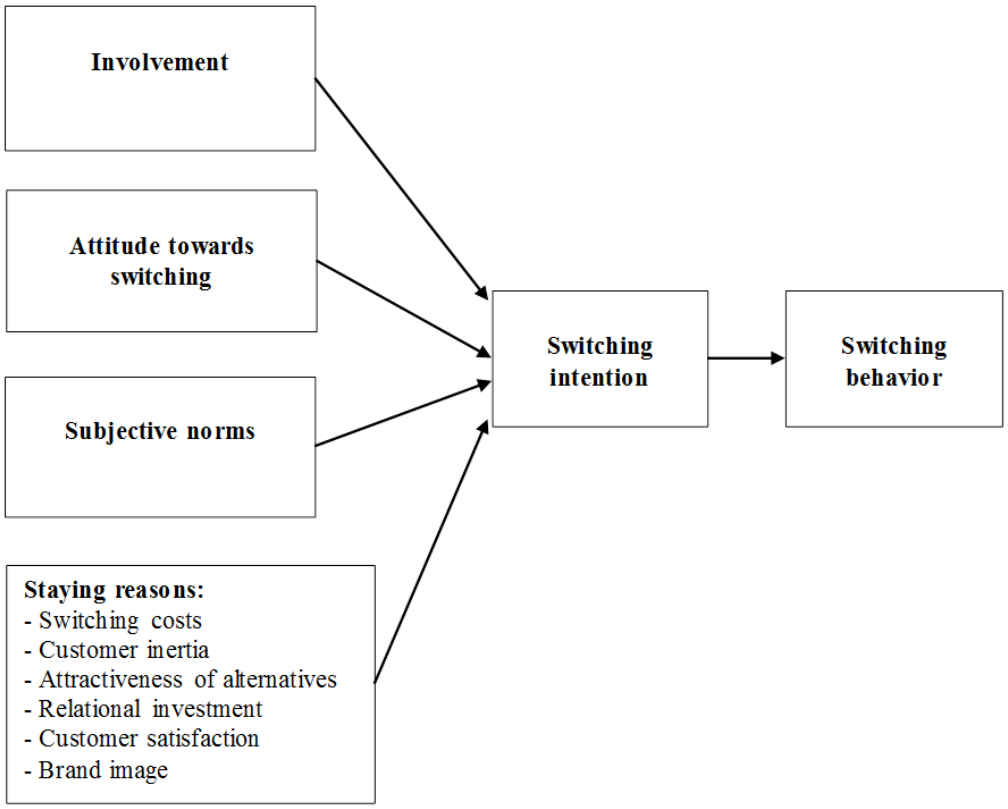

Figure 3. Conceptual framework

From the theory of planned behavior it was established that behavioral intention affects actual behavior (Ajzen, 1991, p. 186). We therefore decided to examine if switching intention is related to actual switching behavior, by examining the relationship between past switching behavior and switching intention. Switching intention was additionally described to be affected by the attitude towards switching and switching costs (Bansal & Taylor, 1999 p. 212). Subjective norms have also been tested against switching

intention, but no direct relation was found (Bansal & Taylor, 2002, p. 418), however Taylor & Todd (1995, p. 147) findings showed that subjective norms affect behavioral intentions. The concept of switching costs was expanded with several concepts termed as staying reasons (figure 3). We will examine how attitude towards switching, subjective norms and the staying reasons are related to switching intention and switching behavior. Additionally, we added the concept of involvement, more specifically the level of involvement in regards to choosing bank, as an additional factor and examined its possible effect on switching behavior. Both in the sense of its effect on switching intention and switching behavior.

All these factors will thus be examined, with the aim to find which factors that are the greatest predictors of switching intention and switching behavior. Furthermore, as previously has been mentioned, the factors that affect switching intention are not completely independent, but may affect each other to some extent, e.g. subjective norms have been found to affect attitude towards switching (Bansal & Taylor, 2002, p. 421). Therefore, we will examine if there are any noteworthy correlations between the predictor variables and if so, discuss the implications of these correlations.

When constructing the conceptual framework, we also had the practical problem provided by ICA banken in mind. Ultimately, ICA banken wants to increase their understanding of the switching behavior of the student segment. The predictors of switching behavior are important for ICA banken to consider since their impact on switching behavior will help them to understand students' switching behavior. Based on our findings, we will be able to provide ICA banken with useful information in order to design a marketing strategy with the object to attract potential customers to switch to ICA banken. For example, by knowing how the staying reasons are related to switching intention and switching behavior, ICA banken can design marketing strategies that overcome these staying reasons and make the non-customers of ICA banken switch to ICA banken. Additionally, if ICA banken knows which predictors of switching intention and switching behavior that are most important they can focus on affecting these predictors. For example, if attitude is shown to be a great predictor of switching intention this would imply that ICA banken should strive to affect the non-customers attitude towards switching in their marketing strategies in order to affect the switching intention.

4. Practical method

In the part of practical methodology, we are presenting how we have conducted our study in terms of sampling procedure, construction of questionnaire, distribution process, analyzing process and finally, we present our ethical considerations. The aim of the section of practical methodology is to increase the reader's' understanding of how we have performed our study in practice, and ultimately increase the level of replicability.

4.1 Sampling procedure

The choice of group to study consist of students at Umeå University, with a total population of 36 081 units (Umeå University, 2012). This group contains students who are both users and non-users of ICA banken. The ultimate situation for us would be if we could get access to every student, as in a situation called census (Shiu et al., 2009, p. 63), where we would be able to distribute our survey to every unit. Due to the time and limits in access we experienced in our research, such sample would be problematic to investigate.

The sample choice of students is due to several reasons. First, we believe that this is an important segment for ICA banken with a large amount of potential customers. Since there are approximately 33 000 students at Umeå University not registered to ICA banken's bank card, considering that nearly 3 000 students living in Umeå are registered currently (C. Sundström, personal communication, February 8, 2012). By investigating the student segment further, our research can help the ICA bank to increase the understanding of the student segment, and ultimately attract new customers to increase the customer base and to retain current customers. Secondly, we gained access to this particular sample in a way that was time saving, which had a significant effect on our choice. The access to the population is of great importance, since it affects the information available and the time spent on finding suitable samples. Further, the sample choice of both customers and non-customer of the ICA bank is due to the fact that we believe that this sample will generate most valuable information, and will lead us towards the answer of our research question. We believe that ICA banken's potential customer group, i.e. the remaining student segment, is surprisingly big, which ultimately justifies our choice. By focusing on students and the switching behavior of this segment, an increase in total customer span should be attainable. We selected to investigate students who are users and non-users of ICA banken. The respondents are currently students at Umeå University, and we gained access to this sample by our own network, primarily using the social media Facebook.

When collecting primary data, there are two major groups of sampling techniques; probability sampling and non-probability sampling (Shiu et al., 2009, p. 64). The major effect of the choice between those two techniques is the ability to generalize the findings to a broader population (Bryman & Bell, 2007, p. 182). In the first group of sampling, probability sampling, the researchers are utilizing any form of random sampling, where every unit in the population have equal possibility of being chosen to the data collection (Bryman & Bell, 2007, p. 197). Simple random sampling and stratified random sampling are two common techniques of probability sampling. In such sampling technique, every single unit in the sampling frame has equal probability of being selected (Bryman & Bell, 2007, pp. 187-188). The value of probability sampling technique and non-probability sampling technique respectively differs in terms of costs,

time effort and ability to generalize the findings to the entire population (Shiu et al., 2009, p. 469).

In contrast to probability sampling technique, the non-probability sampling technique is not based on random selection (Bryman & Bell, 2007, p. 197). This method is a process where the units of a population are gathered and this technique can not be used to infer the sample to the general population (Bryman & Bell, 2007, p. 197). When using a non-probability technique, such as convenience sampling, the findings may not be representative for the target population (Shiu et al., 2009, p. 478). The major disadvantage of a non-probability technique is therefore that this technique makes generalization difficult.

When entering the selection process, we determined to use a non-probability sampling technique. A non-probability sampling technique does not provide every unit with equal probability of being chosen to include in the research (Shiu et al., 2009, p. 469). Examples of non-probability technique are convenience sampling, judgemental sampling and snowball sampling (Shiu et al., 2009, p. 469). In the collection of data, we have used a non-probability sampling technique called convenience sampling technique, which means that we drew samples based our own convenience (Shiu et al., 2009, p. 480: 726). We gathered units in a Facebook-group. The reason why we chose this particular technique was mostly due to its convenient factor; we did not have to put any extra time for collecting membership lists large enough to perform a random sampling. Additionally, we believed that we did not have access to complete membership lists of students at Umeå University. Therefore, we believed that we could collect a large number of responses in short period of time by using convenience sampling. Since our aim was not to generalize our finding to the general population, we believe that we circumvented the disadvantage. The convenience sampling technique fitted our purpose and provided us with information sufficient to answer our research question. In our convenience sampling process, not every sample had the same possibility of being chosen as in contrast to random sampling, which made this method non-representative. Our aim was to not perform a subjective selection, where we choose different respondent in order to affect our research in a certain direction, we rather tried reach as many as possible in the population.

4.2 Questionnaire

Since our study is based on the empirical findings from the responses of the questionnaires, we dedicated a lot of time for creation of the questionnaire to ensure that we measured what was intended to be measured based on the research questions and the purpose of the study. In the construction of the questionnaire, we had the validity in mind, as suggested by Ejlertsson (2005, p. 25). In order to improve the validity, we were actively avoiding leading questions.

In order to fulfil our duty to inform the respondents about our research (Ejlertsson, 2009, p. 39; Shiu et al., 2009, p. 353), and to communicate our promise of the respondents' anonymity (Murphy et al. 2005, p. 53), we included a section in the beginning of the questionnaire providing instructions and relevant information of the research. The information section concerned research subject, the respondent, purpose, and our promise of anonymity. We wrote a well-structured letter with simplified language in order to ensure that every respondent could understand all information. Our

aim with this letter was to increase the number of respondents and also increase the respondents' trust in our research purpose.

We started the questionnaire with a filter question, were we asked the respondents whether they were currently studying at Umeå University. Our requirement for participating in our survey was that the participants needed to be students at Umeå University, since this was our population. Since every unit investigated did correspond to our requirements, we were able to use every single unit in our analysis. If someone did not correspond to this requirement, we had to remove that unit, which ultimately would affect our internal loss rate.

We designed the questionnaires in a highly structured way, including four sections. The division was made to clarify and facilitate the response process. Without the division, we believe that the questionnaire would be too unstructured and the risk of being perceived as too complicated would increase.

The first section consisted of introductory questions regarding the level of involvement when choosing bank and which bank the respondents were using. The second section included questions intended to measure the concepts related to the staying reasons. In other words, we wanted to examine the respondents' reasons for staying with their current bank. Since there were several questions to measure these concepts, it was necessary to use a separate section. In the third section, we measured the key concepts from the conceptual framework that were not included in previous parts. These questions concerned the respondents' attitude towards switching bank in general and intention to switch to ICA banken, in other words, whether or not the respondents were willing to switch bank or to ICA banken. We included questions about subjective norms, and the respondents' switching intention. According to Shiu et al. (2009, p. 431) past behavior is the strongest predictor for future behavior, this is also mentioned in the theoretical chapter. Therefore, we decided to include a question about past switching behavior in addition to switching intention. This enabled us to infer relationship between switching behavior and switching intention in the data analysis. Hence, we asked the respondents whether or not they have switched bank for the last three years.

In the final section of the questionnaire, we asked for respondent demographics, i.e. age and gender. Shiu et al. (2009, p. 349) suggests that personal questions such as state-of-being data should be placed in the later stage of the survey. Therefore, we dedicated the final part to the questions about age and gender. These questions were included to be able describe the demographic characteristics of the sample in the data analysis.

The final questionnaire consisted of 37 questions, including multiple choice questions, nominal questions, Likert-scale questions and semantic differential scale questions. We used questions measured by Likert scale to capture the respondents' attitudes, regarding the concepts related to the staying reasons and subjective norms. The Likert scale is an appropriate format for measuring the respondent's agreement to a series of beliefs or statements about a given object (Shiu et al., 2009, p. 421). In the questions that included a scale, we chose a 6-point scale, where 1 represented strongly disagree and 6 strongly agree in the Likert type scales. A semantic differential scale is a bipolar scale that captures a respondents' feeling or thought regarding a specific object (Shiu et al., 2009, p. 423). This was used for measuring the concepts involvement, switching intention and attitude towards switching.

In the consideration of scales, we decided to exclude a neutral choice, in order to maximize the questionnaire design precision. This is a forced-choice scale, which is a symmetrically designed polar scale, which does not include a neutral choice option (Shiu et al., 2009, p. 404). The alternative would be to use a free-choice scale, where a possibility of choosing a neutral number would be given to the respondents. In a scale from 1 to 5, for example, number 3 would be a neutral choice. Forced-choice scales could be considered as to be unethical and some researchers question this action (Murphy et al., 2009, p. 29). This situation could create ethical problems, since we put certain psychological pressure on the respondent by forcing them respondents to take action in that particular question. We eliminated the opportunity for the respondents to be indifferent between the two extremes. However, we believe that this action is supported by the fact that is the respondents have agreed in participating in the survey, then he or she should take action in every question. This was also a way of decreasing the possibility of internal loss as suggested by Ejlertsson (2005, p. 25).

Our aim was to maximize precision of the questionnaire design by creating questions and using scales that are narrowly and precisely defined (Shiu et al., 2009, p. 334). We used multi-item scales in several questions which were we intended to measure concepts. In our choice of construct development and which scale to use in the measurement, we used the handbook of marketing scales for finding appropriate scales (Bearden et al., 2011) and different scientific articles. Thus we were able to measure the key concepts from our conceptual framework. We ultimately adopted existing scales. In the questions concerning level of involvement, we used the construct developed by Zaichkowsky (1985). Factors for measuring bank image were taken from Brave et al. (2010). The concepts satisfaction, customer inertia and attractiveness were measured with scales from Colgate et al. (2007). The scales about the concepts of relational investment, and switching cost were adapted from Colgate & Lang (2001). The questions about attitude towards switching, subjective norms and switching intention were based on scales from Bansal & Taylor (2002).

Concerning the set-up of questions, the majority of our questions are classified as structured questions since they are close-ended questions which require the respondents to choose between appropriate options (Shiu et al., 2009, p. 330). We have consciously avoided unstructured questions, such as open-ended questions which allow rich array of information (Shiu et al., 2009, p. 330), since follow up questions could be needed. Additionally, open answers are more time consuming to code into the SPSS analysis. In terms of time and effort versus information gained, we basically realized that such information would be too time consuming. However, there's one exception, which is the question about age where we let the respondents fill in their age instead of providing alternative categories of age spans, since we get more accurate data when we knew the exact age of each respondent.

In order to discover possible internal errors in the questionnaires and to refine the questions, we decided to distribute a pilot test to ten randomly chosen students at the university. The purpose with the pilot test was to discover if the respondents interpret the questions as we as creators did. A pilot test is suggested by Bryman & Bell (2007, pp. 273-274) and Ejlertsson (2005, p. 35) in order to clarify questions that might be unclear and unsuitable for data processing. The questionnaire might look well-structured and clear to us, but since we have been creating the questionnaire, our

perception of it becomes somewhat questionable. The pilot test also decreased the risk of discovering error during the collecting process. If errors would be detected during the process, we would not have been able to correct them, since it would harm the validity of the surveys. We detected some minor mistakes, and were able to correct them before launching the survey. The pilot test was an important step in the process of creating a questionnaire of great quality. After the pilot test, we reviewed the completed questionnaire and removed some questions that were not related to our conceptual framework, and would therefore not provide us with any valuable information. As suggested by Ejlertsson (2005, p. 37), the respondents that were included in the pilot test were excluded from the data collection.

Even though the majority of the respondents were from Sweden and with Swedish as their native language, we chose to formulate the questionnaire in English. Since our original scales were in English, we decided to use English as well. We believe that students at university level are familiar with English, therefore, our choice of language should not negatively affect the communication and the response rate.

4.3 Data collection

When we had completed the construction of the questionnaires, we distributed them electronically by the Facebook page. Electronic surveys are used frequently in data collection for academic research, due to its convenience factor (Cobanoglu & Cobanoglu, 2003, p. 475; Ejlertsson, 2005, p. 8). Accordingly to Ejlertsson (2005, p. 10), electronic distribution is time saving since the survey program records the data automatically; which means that we did not have to enter the data into SPSS manually. By using a program provided by Google; Google Docs Survey, we were able to distribute the questionnaires online.

In the distribution process, we chose to distribute the questionnaire by Facebook due to the convenience and low cost factor. We created a Facebook group in which we added friends, acquaintances and colleagues from Umeå University, and asked them to participate in our research by answering the questionnaire. We also asked them to invite every student at Umeå University they knew in order to increase the sample. We posted a direct linkage to the survey on the Facebook page, which was available to the respondents at the exact same time, in order to give the respondents equal pre-conditions to answer the questions. The survey was opened for 17 days, from 30th of March to 16th of April, which was relatively short time. The reason for the choice of making the survey available for a short time was since the participation decreased drastically as time passed. By using a tool from Google Docs Survey, we could see that our assumptions of the decrease in responses as a result of time passing was true (figure 4). Therefore, we decided to close the survey after 17 days since we received very few responses the last days (figure 4).

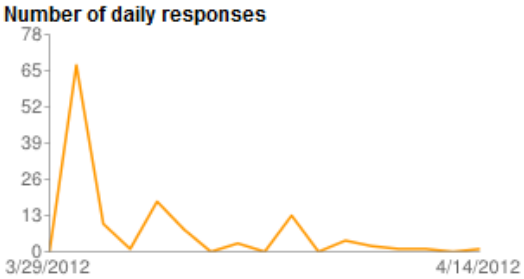

Figure 4. Response rate

Our choice of distribution was ultimately based on the convenience factor. It was more convenient to distribute the questionnaire electronically than distributing them in a physical way; on paper. As an effect of synergy, we believe that it would be more convenient for the respondents as well. By using online survey, an increase in flexibility would be achieved. According to Murphy et al (2004, p. 60), one important action to avoid is to contact the respondent at inconvenient times. By using online surveys, we believe that we eliminated the risk of contacting the respondents at inconvenient times. Since we put the link to the survey on the Facebook-page, the respondents can choose whenever to answer the survey. The electronic distribution also facilitated the data collecting process in terms of organization. By distributing the surveys on paper, we would increase the costs and we would also increase the time spent on collecting the answers. The safety function provided in the Google survey document was another argument that was taken into consideration when choosing distribution method. The function automatically saved the answers as they were received, and basically eliminated the risk of loss of data (Ejlertsson, 2009, p. 10). Additionally, we believe that printing approximately 300 copies would not be environmental friendly. Even though the costs for printing 300 copies would not been too expensive, the monetary reason was also affecting our choice of not using physical questionnaires. With these arguments in mind, we are confident of our choice of electronic distribution.

4.4 Access

In a situation where the information that is supposed to be gathered is viewed as sensitive, confidential or too personal, the access to the population is rather difficult (Ejlertsson, 2005, p. 18). However, our purpose was not to collect such information. Access could be gained by contact lists, personal contacts or by seeking up the respondents physically (Shiu et al., 2009, p. 260). In general, there are several problems in getting access to the population, due to for example social constraints and constructions (Bryman & Bell, 2007. p. 443). To be able to answer our research question, and to collect primary data by distribute our surveys to the population, we needed access to the population frame. From the population frame, our aim was to draw samples. By using our contacts and networks, students at Umeå university became an accessible population. The method of using personal contacts is also suggested by Bryman & Bell (2007, p. 445). However, we experienced that the access are limited, since we have been using our own network.

Even though we believe our access to the population was rather good, it was a challenge for us to identify a suitable sampling frame. Therefore, we used our own network at the Umeå University. Sampling frame is described as a list of all eligible sampling units that is available for a given study (Shui et al., 2009, p. 740). Due to the probability of

loss of samples when conducting a quantitative survey, our aim was to increase the number of samples when designing the sampling frame. Ejlertsson (2005, p. 25) and Shiu et al. (2009, p. 454) states the advantages of having a large sample. A large sample will most likely generate more accurate data and decrease the effect of errors (Ejlertsson, 2005, p. 25; Shiu et al., 2009, p. 454). Since loss of samples is inevitable, we wanted to minimize the effect of the loss of samples, and by increasing the sample, we believe that the results provided were almost not harmed by the losses. Our final sample that consisted of 129 respondents is rather small, and in relation to the total population of 36 081, it only corresponds to 0.35 % of the population. However, we believe that the final sample was sufficient for the study, since our aim was examine the conceptual framework by conducting multiple regression analyses, in order to perform such analysis, the sample should be at least 50, and in order to perform a simple regression analysis, the sample needs to be at least 20 (Hair et al., 2006, p. 197).

Concerning a more detailed response rate, we approximated that 230 students were invited to the event on Facebook, where we were informing the students about our survey and encouraged them to follow the link to the questionnaire and participate. As stated in previous section, we collected 129 samples and the response rate was in conclusion 56 %. We are satisfied with the response rate. Even though we had limited access to the population, we believe that our results are of sufficient quality since we got a quite high response rate. Since our data analysis consists of simple regression analysis and multiple regression analysis, the number of sample needed to conduct such analysis is 20 units and 50 units respectively.

4.4.1 Lack of responses

When using online linkage as distribution method, the loss of response rate can be expected to be large (Bryman & Bell, 2007, p. 196; Ejlertsson, 2005, p. 25). There are several reasons behind this assumption. First, the distribution process is difficult to control; the e-mail sent out can end up in the junk mail box. Additionally, a general disinterest from the respondents side can occur which would make him or her basically ignore the link. The experience of lack of respondents could occur due to the lack of motivation to participate in the research. By adding the information letter in the beginning of the questionnaire and sending out reminders, our aim was to increase the motivation of the respondents and thus the response rate.

As suggested and described by Bryman & Bell (2007, p. 164) and Ejlertsson (2005, p. 25), we have experienced two different loss of data. External loss occurs when the respondents, due to different reasons, does not participate in the survey (Ejlertsson, 2005, p. 25). The case could be that the respondent is not willing to participate, or the respondent does not have the possibility to participate. Internal loss occurs when the respondent have, due to different reasons, missed one or more question in the survey (Ejlertsson, 2005, p. 25). In situation of internal loss, where a respondent have missed or ignored one questions in the survey, the result would be affected in a negative way (Ejlertsson, 2005, p. 25). Either way, the two kinds of loss of data would affect the final result (Ejlertsson, 2005, p. 25. When collecting all surveys, we briefly went through them to check that every question was filled out as expected. We did not identify any cases where the respondents have missed a question.

Our goal was ultimately to minimize the effect of the response loss. As suggested by Ejlertsson (2005, p. 26), there is no simple way to minimize the effect. However,

Ejlertsson (2005, p. 26) enlightens the importance of not neglecting the response rate in the reporting. We expected a response loss of at least 20%. We invited 230 students and managed to collect 129 samples. In reality, our response loss was 44 %. due to our sampling collection process, which is known to be contributory to a large response loss, we are relatively satisfied with the number of 44 %. Of course we realized that the response loss rate could be affected by certain actions in the replication of our research; i.e. by increasing the convenience sampling frame, e.g. by increasing the numbers of invitations. To reduce the response loss we sent out two reminders to the students that were invited, accordingly we managed to increase the response rate.

4.5 Data analysis

After completing the raw data collection, we initiated the data analysis. By using the Google Docs Survey, the data was gathered and prepared for further analysis. First, we performed a data validation, as suggested by Shiu et al. (2009, p. 494), where we ensured that the questionnaire was conducted in the right manner. We transferred the collected data from Google Docs Survey into the statistical software program SPSS. We chose to use SPSS since it allowed us to perform the necessary analysis of the data, e.g. reliability test of scales and regression analysis. In addition, we are both familiar with SPSS's principles and methods from previous research projects, which made our choice somewhat easy and ultimately decreased the risk for data processing error, e.g. incorrect data entry or other errors in the data analysis (Shiu et al., 2009, p. 235).

One advantage with SPSS is that it is very easy to illustrate the empirical findings with bar charts, line charts, pie charts and tables, which is good for illustrating relative importance (Shiu et al., 2009, p. 527). We performed graphs with variables, such as age, gender and main bank usage. Accordingly to Shiu et al. (2009, p. 515), we believe that graphical illustrations facilitates the reader's data processing.

Since we used multiple-item scales for measuring several concepts, we have assessed the internal consistency of these scales, i.e. the degree which these multiple-items that make up the scales of the constructs were internally consistent (Shiu et al., 2009, p. 403). One established method to measure the internal consistency is the coefficient alpha, also known as Cronbach's alpha (Shiu et al., 2009, p. 403). The value of the coefficient can range between 0 and 1; the closer to 1 the higher the internal consistency of the scales (Shiu et al., 2009, p. 403). Values below 0.6 are seen as low in most instances, making the internal consistency inadequate (Shiu et al., 2009, p. 403). In recent research a coefficient higher than 0.7 is often seen as satisfactory (Cortina, 1993, p. 101), thus we will accept multidimensional scales with Cronbach's alpha higher than 0.7 in our research.

We used descriptive statistics involving mean and standard deviation to provide a general description of the respondents responses to the concepts established in the conceptual framework. The mean is the average of distribution of responses for a specific variable, i.e. the sum of the data values divided by the number of valid responses for the variable. Standard deviation describes the average variance from the mean among the responses. The lower the standard deviation the closer the responses tended to be to the mean, and vice versa. (Shiu et al., 2009, p. 529; 533).

Since our objective was to investigate factors that affect switching intention and switching behavior, according to our conceptual framework, we wanted to examine how

these factors were individually related to switching intention and switching behavior. Additionally, we wanted to examine if there were correlations between the factors, since we concluded in the theoretical framework that they may affect each other to some extent. Furthermore, the correlation between switching behavior and switching intention was relevant to investigate. Therefore, Pearson correlation analysis was used, since it's a suitable instrument to measure the relationship between two variables (Shiu et al. 2009, pp. 554-556). The range of correlation in Pearson correlation analysis is from -1 to 1, the closer to -1 the stronger the negative relationship and the closer to 1 the stronger the positive relationship (Shiu et al. 2009, pp. 554-556). The rule of thumb is that relationships between ±.00 to ±.20 is none or very weak, ±.21 to ±.40 is weak, ±.41 to ±60 is moderate, ±.61 to ±.80 is strong and ±.81 to ±1.00 is very strong (Shiu et al. 2009, pp. 554-556).

In order to examine our conceptual framework we conducted several regression analyses. Regression analysis is used to examine the relationships between a dependent variable and one or several independent variables. The analysis is used in order to detect and predict relations between the dependent variable and the independent variables. Unlike the Pearson correlation analysis, regression analysis enabled us to infer relationship between more than two variables simultaneously. When several independent variables are tested against the dependent variable, a multiple regression analysis is performed. (Shiu et al., 2009, p. 585-586).

Concerning the determination of dependent and independent variables, we used two different dependent variables; switching intention and switching behavior. As independent variables, to the dependent variable switching intention we used the six staying reasons, attitude towards switching, subjective norms and involvement. For the dependent variable switching behavior we used the six staying reasons, attitude towards switching, subjective norms, involvement and switching intention as independent variables. We additionally performed a simple regression where switching intention was used as an independent variable to the dependent variable switching behavior. The aim was to investigate if switching intention in general predicts switching behavior.

Considering that we examined several independent variables' relation the dependent variables, we performed several multiple regression analyses. We used the stepwise regression method, which meant that SPSS automatically entered the independent variables that best predicted, i.e. had the highest correlation, to the dependent variable and excluded those variables that were not correlated (Stevens, 2002, p. 296-297). For exemplification, the equation for one of the regressions looked like the following:

$Yi = \beta 0+\beta xi+\varepsilon i$
where:

Yi was switching intention, i.e. the dependent variable.
Xi was customer satisfaction, i.e. an independent variable.
$\beta 0$ is a parameter which represent the mean value for the dependent variable (Y) when the value of the independent variable (X) is zero, the variable is therefore a Y-intercept.
βi is a parameter which represent the slope which measure the change in dependent variable (Y) when the independent variable (X) increases with one unit.

εi is representing an error-term which provides us with a value that describes the effect on Y1 caused by other variables, i.e other variables not included in the regression that explain the variance.
When a multiple regression analysis is conducted, we get the following equation:
$Yi = \beta 0 + \beta x1 + \beta x2 \ldots + \beta xi + \varepsilon i$

We looked at three estimators; presence, direction and strength. In order to determine the strength of the relationships between the dependent variable and the independent variables, we have focused on regression coefficients, which ultimately give us an indicator of how strong the relationship is (Shiu et al., 2009, p. 571). By looking at the Beta coefficient, the researcher can compare strengths between the independent variables, and conclude which factor has strongest influence on the dependent variable (Shiu et al., 2009, p. 584). The variable that has the highest Beta value, is the strongest influence, the range is from -1 to 1 (Shiu et al., 2009, p. 584). The direction of the relationship is determined by the direction of the beta value, whether or not the value is positive or negative (Shiu et al., 2009, p. 552). If the value is negative, then the independent variable is negatively related to the dependent variable, and if the value is positive, then the independent variable is positively related to the dependent variable (Shiu et al., 2009, p. 552).

Another value that we took into account when we evaluated the models from the performed regression analyses was the R-square value. The R-square value shows the variance, in percentage, in the dependent variable that can be explained by the independent variables. In other words, the R-square value shows how well the model fits, i.e. how well the independent variables predict the dependent variable. It is optimal to have high value of R-square, as close to 1 as possible, and to increase the R-square, the researcher can include additional independent variables in the model that explains the variance of the dependent variable. (Shiu et al., 2009, p. 533; 570).

Since we were examining several independent variables together in the same model, we needed to consider the multicollinearity between the independent variables in our analysis (Shiu et al. 2005, p. 590). Multicollinearity is phenomenon where two or more independent variables in a multiple regression are highly correlated (Shiu et al. 2005, p. 590). High multicollinearity could lead to difficulties in estimating the correlation coefficients of the independent variables in the regression (Shiu et al. 2005, p. 590). The values for tolerance should be above 0.1 and VIF should be less than 5, otherwise multicollinearity between the independent variables could be a problem (Shiu et al. 2005, p. 591).

When inferences are made about a population, there is always the risk that the inference could be false (Shiu et al., 2009, p. 537). We have accepted a statistical significance level of maximum 0.1, which is an acceptable level in marketing research (Shiu et al., 2009, p. 537). This means that we accept no more than a 10 % chance of being wrong, when we make inferences about the respondents. The statistical level of significance, in other words, is the chance of being wrong when stating something about the population (Shiu et al., 2009, p. 537). Additionally, we have been evaluating the substantive significance, i.e. if the results are logical and useful in practice (Shiu et al., 2009, p. 563). In the cases where the level of statistical significance was acceptable, i.e. smaller than 0.1, we asked ourselves if the result from the correlations, regressions and differences of means were logical and useful in reality.

4.6 Ethical considerations

The ethical considerations in primary research are of great importance and from 2004 there is a law of ethics in Sweden concerning ethical issues in research about individuals (Ejlertsson, 2005, p. 29). In order to provide a research with high quality, we believe that the research should be conducted in ethical manner, with certain requirements fulfilled. In the process of designing and conducting the research, we need to evaluate the alternatives in areas where ethical questions might arise. In the extension, our aim was to perform our research in agreement with ethical standards provided by Murphy et al. (2005). The standards, as a complement to the codes of ethics, will be used as a guide for what is suitable to do. Since we have involved human beings in our research, we had to consider their privacy. Ejlertsson (2005, pp. 29-30) mean that respondents should be sufficiently informed of the purpose of the research. We therefore provided an information letter in the questionnaire in order to inform the respondents about our research. Our study did not intend to harm the respondents, neither in a physical or psychological way, which otherwise could have been an ethical issue (Saunders et al. 2009, p. 185).

We were responsible for the respondents and the receivers of our findings, and our aim was to provide a result without bias. We believe that without a certain amount of scientific trust, which is achieved through providing results that are valid, our research work would be useless.

We have recognized the fact that there could be problems if we would be collected data that could be classified as personal, for example, the respondents right to privacy could not be guaranteed. Even though we are not registering information about individuals that could be classified as personal information, we believe that it is of great importance to recognize the ethical consideration of such commitment. Our data registration was necessary for us to conduct in order to perform our research. Concerning the management of the respondent information that we received, our aim was to handle those with greatest anonymity, as suggested by Ejlertsson (2005, p. 28; Murphy et al. 2005, p. 60). It is important to handle the information correct, despite the fact that the information did not include any details of personal character.

We have actively excluded leading questions, as suggested by Murphy et al., (2005, p. 53), in our creation of the questionnaires, since our aim is to work towards not leading our respondents into certain direction. If certain incentives are used in the survey, the researcher must ensure that those incentives does not affect the responses, but only encourage responses. For example, in a case where the researcher investigates brand preferences, a sample of one brand should not be used as incentives, since this would bias the results (Cobanoglu & Cobanoglu, 2003, p. 487). However, this is not the case for our research, since we do not use any incentives. Even though we do not use any incentives, we need to be aware of the fact that how we formulate the questions could affect the respondents. We, as researchers, have nothing to gain on misleading the respondents, and it would further be highly unethical to act misleading towards ICA banken.

Another ethical issue in online data collection is the reminder function. We sent a notice reminder to the respondent three days after sending out the questionnaires, and an additional one ten days after the first hand out. Ejlertsson (2005, p. 26) discusses the

ethical issues considering sending out more than two notice reminders, and strongly recommend researcher to send out two reminders at maximum. First, the effect of an additional one is small, and second, such action could be viewed as probing or persuasive (Ejlertsson, 2005, p. 26). Therefore, we have sent out only two reminders.

When presenting the results that we have found, we actively avoided misleading reporting, as suggested by Murphy et al. (2005, p. 64) and Shui et al. (2009, p. 3). By providing illustration by graphs, bar charts and tables from SPSS based on the empirical findings, we believe that we provide the true picture of the findings. We believe that this action, in practice, increased our objectivism.

5. Empirical findings and analysis

In this section, we present the findings that were gathered from the survey. The first part consists of an overview of the respondent demographics. The second, third and fourth part consists of descriptive statistics of the characteristics of the respondents, staying reasons and concepts related to the attitude towards switching respectively. We then analyze the quality of measurement of the multiple-item scales. Then, we present our correlation analyses to examine relationships between different dependent and independent variables, followed by several regression analyses and a simple regression analysis focusing on the key concepts.

5.1 Respondent demographics

We asked the respondents to state their gender, and we can conclude that the distribution between male and females were almost equal (Figure 5). The gender distribution at Umeå University is 61% females and 39 % males (Umeå University, 2011). Therefore, the gender-based distribution of our respondents is somewhat in line to the distribution of the target population.

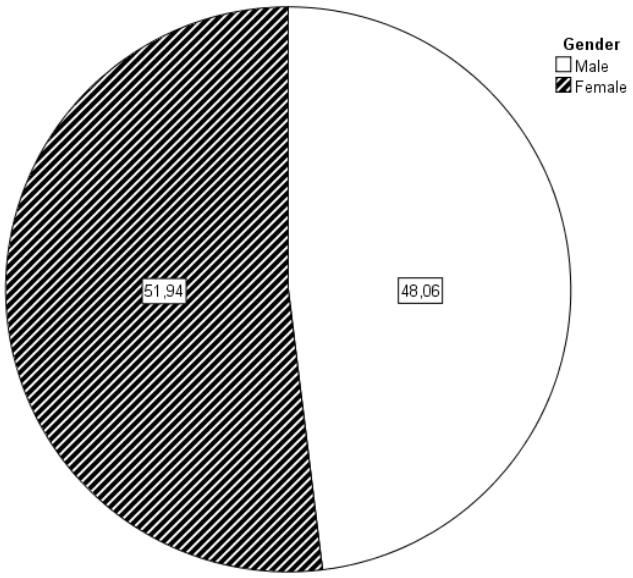

Figure 5. Gender distribution

The division of the respondents based on age is presented in figure 6. The majority of the respondents, 54.26 %, were between 23 and 25 years. Our sample consisted of a relatively young group of students, since a majority of the respondents, i.e. 86.82 %, were 29 years or younger. Considering that students below 30 are the target market for ICA banken's student campaign this indicates that the majority of the respondents are highly relevant for ICA banken.

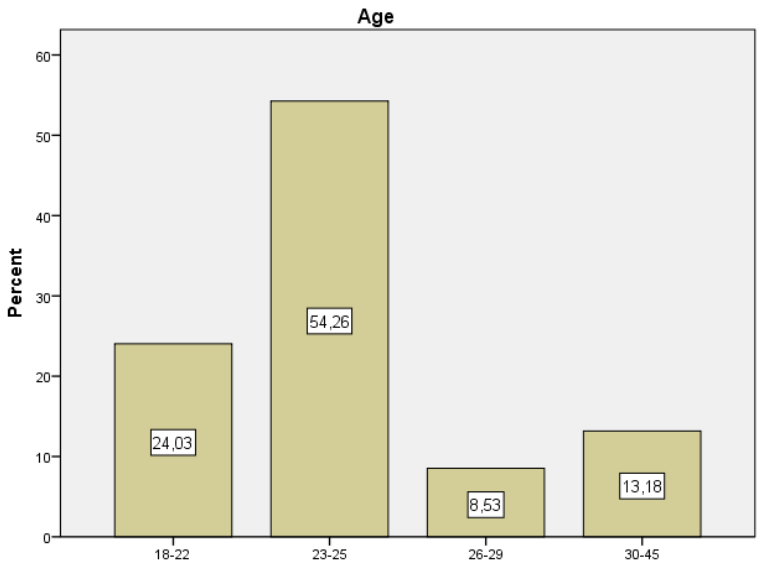

Figure 6. Age distribution

To find out which bank the respondents mainly used, we asked them to state which bank they mainly used for financial transactions, e.g. to pay invoices, receive salary or CSN payments. We provided the respondents with six alternatives; including the main Swedish banks, i.e. Handelsbanken, Nordea, Swedbank and SEB. An additional alternative was ICA banken. In case of the respondents using another bank, we provided an alternative called other. As presented in figure x, the most used bank was Swedbank, used by 34.88 % of the respondents. Nordea was used by 19.38 % of the respondents and Handelsbanken 18.60 % of the respondents. ICA banken was used by 12.40 % of the respondents. Additionally, the findings show that 81.39 % of the respondents uses one of the four major Swedish banks as their main bank, i.e. either Handelsbanken, Nordea, SEB or Swedbank. (Figure 7).

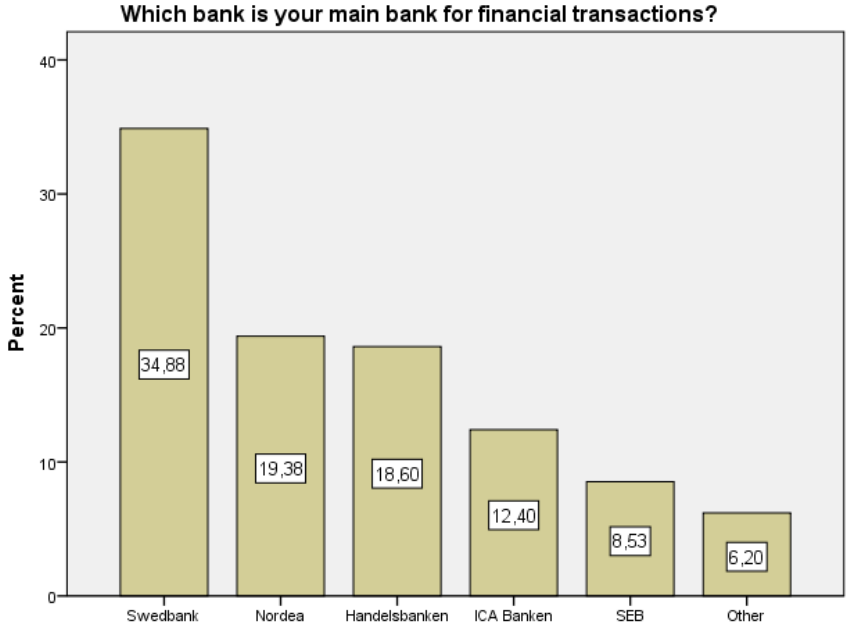

Figure 7. Choice of main bank

We asked the respondents if they had signed up for the ICA Bank card. 46.51 % of the respondents answered no while 53.49 % of the respondents answered yes (figure 8). The result was quite equally distributed, showing that slightly more than half of the respondents had registered for the ICA bank card. Since 12.40% of all respondents used ICA banken as their main bank, as shown in figure 7, this indicate that quite few of those that have registered for the ICA bank card, i.e. approximately 23%, consider the bank as their main bank for financial transactions.

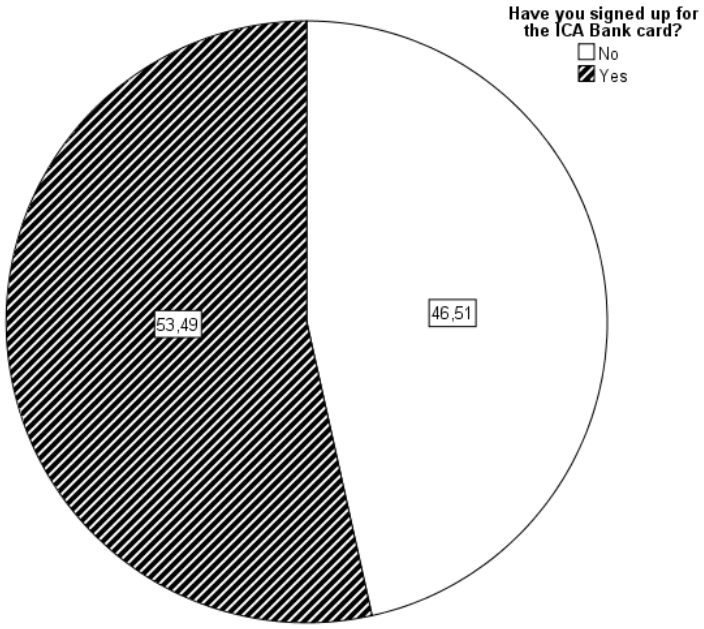

Figure 8. Registered users of ICA banken

5.2 Reliability of measurements

In order to measure whether the items with multiple-item scales were reliable, a reliability test of the scales was performed. All concepts that were measured with multiple-item scales were tested by using Cronbach's reliability test. As previously stated, the value of the internal consistency should be above 0.70 to be acceptable (Cortina, 1993, p. 101). As can be seen in table 1 the reliability was acceptable with values above 0.70 for all concepts but switching costs, where the reliability was low with the value of 0.48. This implies that the measure for the concept switching costs is unreliable. Therefore we decided to exclude this concept from further data analysis since we only wanted to use scales with high reliability.

Table 1. Reliability of measurements

	Cronbach's Alpha	N of items
Involvement	0,77	4
Brand image	0,82	4
Satisfaction	0,88	4
Relational investment	0,81	3
Switching costs	0,48	3
Attitude towards switching bank	0,92	4
Switching intention	0,94	3
Subjective norms	0,79	2

5.3 Descriptive statistics

In this section, we present descriptive statistics for each key concept from the conceptual framework, i.e. all the staying reasons, attitude towards switching, subjective norms, involvement, switching intention and switching behavior.

5.3.1 Staying reasons

In this sub-section all the staying reasons were measured. We intended to examine why the respondents had chosen to stay with their current main bank.

Table 2. Descriptive statistics of staying reasons

	N	Mean	Std. Deviation
Satisfaction	129	4,56	1,17
Brand image	129	4,28	1,05
Attractiveness of alternatives	129	3,91	1,65
Relational investment	129	3,60	1,20
Customer inertia	129	3,07	1,59

Overall, satisfaction as a reason for using their current main bank was relatively high among the respondents, with a mean value of 4.56. The standard deviation was 1.17, which indicates that the respondents' answers were close to the mean value 4.56. The results indicate that the respondents found that satisfaction with their current bank to be important in their choice of using the bank. (Table 2).

The concept brand image hade the mean 4.28 among the respondents. The standard deviation was 1.05, thus the dispersion of responses were close to the mean. Therefore, the findings indicate that the perceived brand image of the respondents' current main bank was somewhat important in their decision of using the bank. (Table 2).

The mean among the respondents was 3.91 for the concept attractiveness of alternatives. The standard deviation among the respondents was 1.65, thus the dispersion of responses were quite close to the mean. This indicates that the respondents somewhat agreed that lack of attractive alternatives in the market had influenced their decision to stay with their current main bank. (Table 2).

The mean was 3.60 for the concept relational investment, with the standard deviation 1.20, indicating that the responses were close to the mean 3.60. The findings implies that a sense of relational investment with the respondents' main bank were moderately important as a factor of their decision of using the bank. (Table 2).

For the concept customer inertia the mean was 3.07. The standard deviation for customer inertia was 1.59, which indicate that the dispersion of responses were close to the mean. The result implies that the respondents somewhat disagreed that inertia had affected their choice of staying with their current main bank. (Table 2).

Overall customer satisfaction was staying reason that had the highest mean value, closely followed by brand image. Attractiveness of alternatives and relational investment had quite close mean values. Customer inertia had the lowest mean value among the staying reasons. (Table 2).

5.3.2 Other predictors of switching intention

This sub-section presents descriptive statistics of the responses of the rest of the determinants of switching intention, i.e. all but the staying reasons that were presented above. This includes the concepts attitude towards switching, subjective norms and involvement.

Table 3. Descriptive statistics of other switching predictors

	N	Mean	Std. Deviation
Attitude towards switching bank	129	3,46	1,26
Subjective norms	129	3,79	1,40
Involvement in bank choice	129	4,01	1,08

The mean value of the respondents' attitude towards switching bank in the future was 3.46. The responses were closely dispersed to the mean value considering the standard deviation of 1.26. This implies that the respondents were either slightly negative or slightly positive towards switching bank in the future; they had no strong opinion in either direction. (Table 3).

The mean for subjective norms was 3.79 and the standard deviation was 1.40, the dispersion between the answers was thus relatively close to the mean value. This indicates that the respondents generally somewhat agreed that important people in their life would approve of them switching from their main bank to another. (Table 3).

For the concept involvement, the mean was 4.01. The standard deviation was 1.08, which indicates that the responses were dispersed quite closely to the mean of 4.01. With a mean value of 4.01, we can see tendencies that the overall involvement level in the choice of bank is somewhat high among the respondents. (Table 3).

5.3.3 Switching intention and switching behavior

Table 4. Descriptive statistics for switching intention

	N	Mean	Std. Deviation
Switching intention	129	3,21	1,48

The findings showed a mean value of 3.21, the standard deviation was 1.48 for switching intention among the respondents, indicating the responses were quite closely dispersed (table 4). The result indicates that the respondents had slightly low or moderate intention to switch bank in the future. (Table 4).

We asked the respondents about their switching behavior in regards to how many times they have switched bank during the past three years. We can see that the majority of the respondents, more precisely 62.79 %, had switched bank 0 times the last three years. 17.05 % had switched bank one time, 6.20 % had switched bank two times, 6.20 % had switched bank three times and 6.20 % had switched bank four times. 0.78 % had switched bank five times, and 0.78 % had switched bank more than five times. The result shows tendencies that the respondents were careful in their switching behavior; more than half of the respondents had not switched bank in the past three years. (Figure 9).

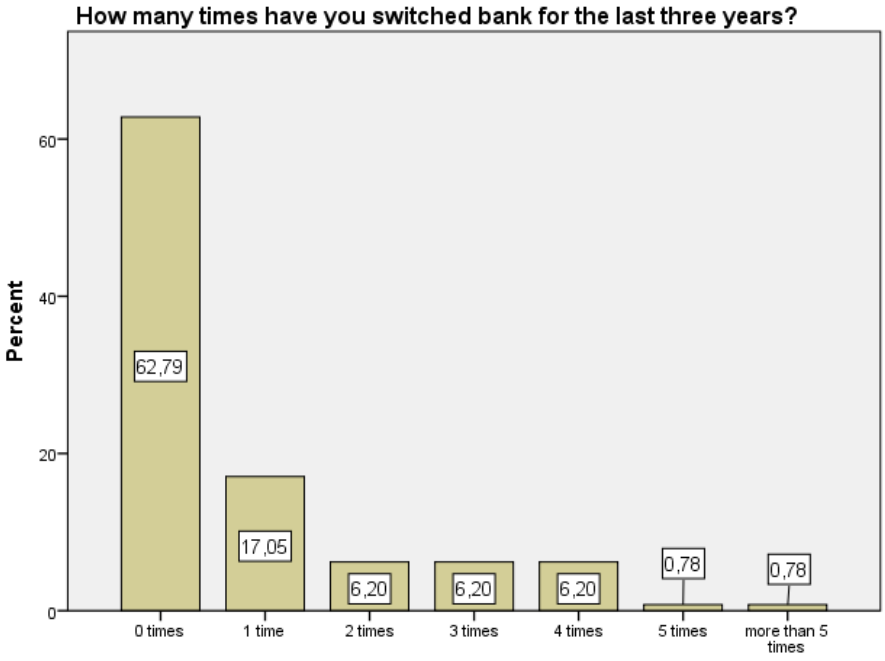

Figure 9. Switching behavior

Additionally, we asked the respondents that did not use ICA Banken as their main bank today, about their switching intention to ICA Banken in the future. The mean value was 2.91 and the standard deviation was 1.58. (table 5) The results indicate that the switching intention to ICA Banken was somewhat low, the respondents were generally not willing to switch to ICA Banken.

Table 5. Descriptive statistics of switching intention to ICA banken

	N	Mean	Std. Deviation
Switching intention to ICA Banken	86	2,91	1,58

5.4 Correlation analysis

We performed a Pearson correlation analysis to investigate how each concept that were predicted to affect switching intention and switching behavior are correlated these two dependent variables. That is how strong these relationships are and in which direction they are related. These independent variables were the staying reasons, attitude towards switching, subjective norms and involvement. Furthermore, we investigated the relationship between switching behavior and switching intention. Additionally, we examined noteworthy relationships between the independent variables. Table 6 shows the results of the correlation analysis.

Table 6. Correlation analysis

		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
(1)Involvement in bank choice	Correlation	1									
	Sig.										
(2)Brand image	Correlation	,24**	1								
	Sig.	,01									
(3)Customer satisfaction	Correlation	,09	,73**	1							
	Sig.	,34	,00								
(4)Relational investment	Correlation	,20*	,60**	,45**	1						
	Sig.	,03	,00	,00							
(5)Attractiveness of alternatives	Correlation	-,16	-,07	-,09	,02	1					
	Sig.	,07	,46	,31	,83						
(6)Customer inertia	Correlation	-,11	-,09	-,19*	,00	,37**	1				
	Sig.	,23	,31	,03	,98	,00					
(7)Attitude towards switching	Correlation	-,01	-,38**	-,46**	-,36**	,19*	,05	1			
	Sig.	,95	,00	,00	,00	,05	,60				
(8)Subjective norms	Correlation	,06	,15	,07	-,07	,11	,07	,30**	1		
	Sig.	,54	,08	,42	,40	,23	,43	,00			
(9)Switching intention	Correlation	,08	-,36**	-,38**	-,25**	,17	,01	,77**	,26**	1	
	Sig.	,40	,00	,00	,00	,06	,90	,00	,00		
(10)Switching behavior	Correlation	,08	-,17	-,35**	,12	,09	,18*	,45**	,01	,42**	1
	Sig.	,40	,05	,00	,18	,30	,05	,00	,27	,00	

**. Correlation is significant at the 0.01 level (2-tailed).

*. Correlation is significant at the 0.05 level (2-tailed).

5.4.1 Correlation between switching intention and independent variables

Five of the staying reasons were significantly related to switching intention, i.e. brand image, customer satisfaction, relational investment and attractiveness of alternatives. Additionally, attitude towards switching and subjective norms were significantly related to switching intention. The two independent variables involvement and customer inertia were not significantly related to switching intention considering that the statistical significance were above 0.10.

The variable attitude towards switching had a significant and strong positive relationship with switching intention with correlation coefficient of 0.77. Accordingly, the findings indicate that the more positive attitude towards switching bank the respondents had, the more willing they were to switch bank in the future. The relationship between switching intention and subjective norms is positive, although weak, considering the correlation coefficient 0.26. Therefore, the findings show that the higher the approval towards switching bank is from important people to the respondents, the higher the intention to switch to another bank in the future were among the respondents.

The relationship between switching intention and customer satisfaction is negative with the correlation coefficient -0.38. Although that the relationship is somewhat weak, it gives implication that the more satisfied the respondents were with their current bank, the less willing they were to switch to another bank in the future. Switching intention and brand image had the correlation coefficient -0.36, therefore the the relation was weakly and negatively related. Therefore, there is indications that there is a negative relationship between brand image and switching intention; meaning that the more attractive the respondents found their bank's image, the less intention they had to switch bank in the future. The negative relationship between switching intention and relational investment is weak with the coefficient -0.25. The implication is, to some extent, that the higher the respondents' sense of relational investment with their current bank was, the less willing they were to switch bank in the future. The correlation coefficient show that there is no relationship between the attractiveness of available alternatives to the current bank and switching intention, since the correlation coefficient is very low at 0.17.

Conclusively, the factor that had the strongest correlation with switching intention was attitude towards switching. Customer satisfaction and brand image had somewhat weak relationships with switching intention. Relational investment and subjective norms had weak relationships with switching intention. Finally, attractiveness of alternatives had too weak relationship with switching intention to be considered as related.

5.4.2 Correlation between switching behavior and independent variables

There were five independent variables that were significantly related to switching behavior: attitude towards switching, switching intention, customer inertia, customer satisfaction and brand image. The other independent variables, i.e. involvement, relational investment, attractiveness of alternatives and subjective norms, were not significantly related to switching behavior considering that the significance level were above the acceptable level of 0.10.

The strongest relationship was between switching behavior and attitude towards switching with the coefficient 0.45, the correlation was thus moderately strong. This relationship indicates that the more positive attitude the respondents had towards switching, the more they tended to have switched bank in the past. The second strongest relationship was between switching behavior and switching intention; it was moderately correlated with strength of 0.42. This implicate that the more intent the respondents were to switch bank in the future, the more they had switched main bank in the past. Customer satisfaction was weakly and negatively related to switching behavior with coefficient -0.34, thus the less satisfied the respondents were with their bank, the more they had switched bank. The relationship between switching behavior and brand image

and also the relationship between switching behavior and customer inertia were both too weak to be considered related considering that the values of the correlation coefficients were below .20.

Conclusively, attitude towards switching and switching intention were the independent variables that were most strongly correlated with switching behavior. Customer satisfaction was additionally weakly related with switching behavior.

5.4.3 Correlation between independent variables

As could be seen in the two previous subsections, attitude towards switching was the strongest predictor for both switching intention and switching behavior. Additionally, customer satisfaction was somewhat influential for both dependent variables. Therefore we found it relevant to examine whether any of the other independent variables were significantly related to attitude towards switching or customer satisfaction.

Customer satisfaction and brand image had a strong and positive correlation with each other, 0.73, indicating that the more favorable the respondents perceived their current main bank's brand image, the more the more satisfied they tended to be. In this study, as a reminder, brand image was related to the reputation and personality of the bank's corporate brand, e.g. the impression about the honesty, trustworthiness and friendliness of the bank. This is interesting considering that after attitude towards switching these two variables had the strongest relationship with switching intention. Customer satisfaction also had a moderately strong, 0.45, and significant relationship with relational investment, which implies that the greater relational investment the respondents sensed with their bank, the more satisfied they tended be.

The independent variable that had strongest significant relationship with attitude towards switching was customer satisfaction; the relationship was negative and moderately strong with the correlation coefficient of -.046. This relationship indicates that the more satisfied the respondents were with their current bank the more negative the attitude towards switching was. Furthermore, brand image and relational investment were significantly and somewhat weakly and negatively related with attitude towards switching. The correlation coefficient between attitude towards switching and brand image was -0.38 and between attitude towards switching and relational investment the coefficient was -0.36. The indication is that the more positive the respondents perceived their bank's brand image, the more negative attitude they had towards switching. Also, the greater the sense of relational investment, the more negative the attitude towards switching bank. Subjective norms had significant and positive relationship with attitude towards switching (0.30). Therefore, those with more favorable subjective norms tended to be have a more positive attitude towards switching.

5.5 Regression analyses

The Pearson correlation analysis above, showed that the independent variables brand image, satisfaction, relational investment, attitude towards switching and subjective norms had significant relationships with switching intention. Additionally, we found that the switching intention, attitude towards switching and customer satisfaction had significant relationships with switching behavior. However, we only knew that the independent variables were significantly related when used individually in relation to switching intention or switching behavior. We wanted to further investigate the relationships in order to detect which of the independent variables that were the greatest

predictors of the dependent variables switching intention and switching behavior. Therefore, we chose to perform a multiple regression analysis in order to test the conceptual framework. We used a stepwise method in order to get the model that fits best, in other words, have the highest R-square value.

Before the multiple regressions were analyzed, we checked for multicollinearity between all independent variables. As can be seen in appendix 3 all tables show tolerance values above 0.30, additionally the VIF-values were all below 3. Since the minimum acceptance of tolerance were above 0.10 and the tolerated VIF-values were those below 5 (Shiu et al. 2009, p. 591), we can conclude that multicollinearity between the independent variables most likely haven't affected the outcome of the multiple regressions. Consequently, we were able to include all relevant predictor variables in the regressions.

5.5.1 Predictors of switching intention

We wanted to examine which of the predictor variables of switching intention that were the greatest predictors of switching intention. As can be seen from the conceptual framework (figure 3) we therefore tested the relationship between the concepts of involvement, attitude towards switching, subjective norms and the staying reasons: i.e. all the factors but switching costs which was excluded due to the unreliability of the measurement as described before. We used a multiple regression analysis with stepwise method.

Table 7. Multiple regression for predictors of switching intention

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	,06	,25		,25	,80
	Attitude towards switching bank	,91	,07	,77	13,69	,00

a. Dependent Variable: Switching intention

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,77[a]	,60	,59	,95

a. Predictors: (Constant), Attitude towards switching bank

We found that the model with the best fit, with R-square value of 0.59, is the model where switching intention is the dependent variable and attitude towards switch bank is the only independent variable. We can see that there is a positive relationship between intention to switch bank and attitude towards switching bank, with beta coefficient 0.77 and significant at the 0.01 level. In practice, this means that the more positive the attitude towards switching is, the greater intention to switch bank in the future. The model fit is rather good, since 59 % of the variance in switching intention can be explained by the variance in attitude towards switching. (Table 7).

The independent variables customer satisfaction, brand image, relational investment, attractiveness of alternatives and subjective norms were excluded. This means that attitude towards switching alone as an independent variable is the greatest predictor of the respondents' switching intention.

5.5.2 Predictors of switching behavior

We wanted to examine which independent variables that were the greatest predictors of switching behavior. From the Pearson correlation we concluded that switching intention, attitude towards switching, customer satisfaction, customer inertia and brand image had statistically significant relationships with switching behavior (Appendix 5). To examine which factors that were the greatest predictors of switching behavior, we used involvement, attitude towards switching, the staying reasons and switching intention as independent variables to the dependent variable switching behavior. (Figure 3). By using a multiple regression with stepwise method we got two independent variables that were significant predictors of switching behavior; attitude towards switching and customer satisfaction.

Table 8. Multiple regression for predictors of switching behavior

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	,16	,31		,52	,60		
	Attitude towards switching bank	,48	,08	,45	5,67	,00	1,00	1,00
2	(Constant)	1,40	,69		2,05	,04		
	Attitude towards switching bank	,39	,09	,37	4,15	,00	,79	1,27
	Satisfaction	-,21	,10	-,18	-2,03	,05	,79	1,27

a. Dependent Variable: Switching behavior? *

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,48[a]	,23	,22	1,19

a. Predictors: (Constant), Satisfaction, Attitude towards switching bank

Attitude towards switching had the strongest influence with the beta coefficient of 0.37. Customer satisfaction had a negative relationship with the coefficient of -0.18. The implication of these findings is that the more positive attitude the respondents had towards switching, the more times they had switched in the past. Additionally, the less satisfied the respondents were with their bank, the more times they had switched in the past. (Table 8).

The R-square value for the regression model was 0.22, meaning that 22% of the variance in switching behavior could be explained by the responses regarding attitude towards switching and customer satisfaction (table 8). Since the R-square value is quite low, this indicates that there could be additional variables beyond our conceptual framework for predicting switching behavior. Considering that the regression model for switching intention had the R-square value of .59 (table 7) this implies that the regression model for switching behavior is not as satisfactory as the model for predicting switching intention.

5.5.3 Switching intention as predictor of switching behavior

In the conceptual framework it was described that switching intention should predict switching behavior (figure 3). In the previous multiple regression for switching behavior, switching intention was excluded when used with other predictor variables. We still wanted to examine if switching intention was a significant predictor of switching behavior. Therefore, we conducted a simple regression analysis, where switching intention was used as an independent variable to the dependent variable switching behavior. The beta coefficient 0.42 shows that the relationship was moderately strong and positively correlated (table 9). The relationship was significant at the significance level 0.01 (table 9). The implication was that the more intent the respondents were to switch bank in the future, the more times they tended to had switched bank in the past. However, the quite low R-square value of 0.17 indicate that no more than 17% of variance in switching behavior could be explained by switching intention (table 9).

Table 9. Simple regression for switching intention as predictor of switching behavior

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	,61	,26		2,37	,02
	Swiching intention	,38	,07	,42	5,17	,00

a. Dependent Variable: Switching behavior

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,42[a]	,17	,17	1,22

a. Predictors: (Constant), Switching intention

6. Discussion

Our purpose was to investigate the predictors of switching intention and their effect on switching behavior in the retail banking context. We created a relational model with factors that affect switching intention and switching behavior and tested this model empirically (figure 3). In the section of discussion, we have discussed the findings from our empirical test of the model. The aim was to provide the reader with our own interpretation of the empirical findings and data analysis. Additionally, we compared our findings with previous research, in order to discover whether or not we had found something that corresponded or differed from previous research. Initially, we will present our discussion concerning the predictors of switching intention, followed by the discussion about the predictors of switching behavior. Switching intention as predictor of switching behavior is also discussed. Finally, we will discuss how the empirical findings are related to the retail banking context.

6.1 Predictors of switching intention

Based on the conceptual framework (figure 3) we examined how the concepts of involvement, attitude towards switching, subjective norms and the staying reasons are correlated with switching intention. From the correlation analysis we found that involvement had no significant relationship with switching intention (table 6). Involvement was a new concept that we added in regards to the context of predicting switching intention; to our knowledge, involvement has not been used in previous research to predict switching intention. Engel et al. (1986, pp. 25-25) described that different levels of involvement affect purchase intentions. Low involvement customers are described as having low motivation to search for information about alternatives, compare different alternatives and do not strive to make the best choice, rather the most convenient (Engel et al. 1986, pp. 24-25). Therefore, we thought that the customers with higher level of involvement would have higher switching intention, since high involvement customers are described to be more motivated to constantly search for the best product offering and generally enjoy purchasing in the product category (Foxall & Pallister, 1998, p. 188). In the context of our setting we hence made the assumption that those customers that find the choice of bank as highly involving would regularly search for the best bank alternative available. However, as we mentioned, we could not find any evidence that supported that different involvement in the choice of bank had any significant relationship with switching intention.

The correlation analysis showed that attitude towards switching had the strongest correlation with switching intention of the concepts from the conceptual framework with the positive relationship of 0.77 (table 6). The result indicated that the more positive the attitude towards switching was, the higher the switching intention was. This result is in accordance with Bansal & Taylor (1999, p. 214; 2002, p. 418), who found that attitude towards switching had the greatest effect on switching intention in the services industry. Therefore, it seems that the attitude towards is a very important predictor of switching intention.

Subjective norms had a positive relationship with switching intention (0.26) (table 6), this relation was weak. Thus, it appears that the more positive the important social influences are towards switching bank, the higher the switching intention The results are consistent with the findings of Taylor & Todd's (1995, p. 147) who found that the more favorable the subjective norms are the, higher the intention to perform a specific behavior is. However, Taylor & Todd (1995) study was not used in the retail banking

context to predict switching intention. Bansal & Taylor (2002, p. 418) used subjective norms as a predictor of switching intention for mortgages in the banking context; they couldn't find any significant effect of subjective norms on switching intention, but rather an interactive effect with attitude towards switching to affect the switching intention. Some customers that had a positive attitude towards switching chose to not switch due to unfavorable subjective norms affecting them (Bansal & Taylor, 2002, p. 418). Our finding therefore contribute in retail banking context since subjective norms was significantly correlated to switching intention; in contrast to Bansal & Taylor's (2002, p. 418) findings, where no such relationship was discovered. However, the relationship between subjective norms and switching intention was quite weak (0.26), with other factors that had stronger correlation with switching intention, such as attitude (0.77), customer satisfaction (-0.38) and brand image (-0.36). (table 6).

The correlation analysis additionally showed that three of the staying reasons had significant relationships with switching intention; attractiveness of alternatives, relational investment and customer satisfaction (table 6). The concept of customer satisfaction had the strongest relationship with switching intention among the staying reasons, the relationship was negative and moderately strong (-0.38) (table 6). This correlation indicates that the more satisfied customers were with their bank, the lower their switching intention was. Customer satisfaction was previously used as a predictor variable to switching intention (Bansal & Taylor, 1999, p. 214). In conformity with our findings, Bansal & Taylor (1999) found that the more satisfied the customers were with their bank, the lower their switching intention was. Their findings indicated that customer satisfaction was somewhat important predictor of switching intention, (Bansal & Taylor 1999, p. 214). Therefore, our finding corresponds with previous research. From these findings we can see that the staying reason of brand image had almost equally strong correlation with switching intention (-0.36) as the staying reason of customer satisfaction had with switching intention (-0.38) (table 6). When we examined brand image we focused on brand image in the sense of the bank's reputation and personality, with factors such as trustworthiness, friendliness, honesty of the bank being examined. The finding therefore indicate that the more favorable the customers perceive their bank's brand image, the less intent they will be to switch bank. Bravo et al. (2010, p. 1215) argued that the effect of banks' image in the retail banking context needed further examination. By examining the correlation between brand image and switching intention we were able to make a theoretical contribution since we found that they were related. Relational investment had a somewhat weaker and negative relation with switching intention (-0.24). The result suggests that the higher the relational investment, the lower the switching intention. Colgate & Lang (2001, p. 339) found that some customers were unwilling to leave their service provider due to a sense relational investment with the service provider. Our finding somewhat corresponds with Colgate et al.'s (2001) finding since higher relational investment seem to affect the respondents' switching intention negatively, making them unwilling to switch bank in the future. Bansal & Taylor (1999, p. 215) suggested that future research should examine customers' sense of relational investment with their service provider in relation to switching behavior. Therefore, we would consider our finding a theoretical contribution since we have not seen the concept of relation investment used in another study investigating switching intention in the services industry. Attractiveness of alternatives had too weak relation (-0.17) with switching intention to be considered as a relation. Therefore we could not make any inference of relation between attractiveness of alternatives and switching intention. Additionally, customer inertia had no significant

relationship, therefore no relationship could be found between switching intention and customer inertia.

Our aim was to examine which of the predictor variables that best predicted switching intention. Therefore, we used all the predictor variables of switching intention in a multiple regression analysis with stepwise method. The result of the multiple regression showed that attitude towards switching as the only independent variable was the strongest predictor of switching intention (table 7). Thus, we can conclude that based on our conceptual framework (figure 3) the most effective way to affect switching intention is to affect the attitude towards switching. This finding is in accordance with Bansal & Taylor (1999, p. 214), who found that attitude towards switching was the strongest predictor of switching intention. Our findings imply that the greatest way to affect switching intention is by affecting the attitude towards switching; if the attitude towards switching is low, the switching intention will be low. Attitude towards switching involves the general attitude towards the act of switching service provider, which can be favorable or unfavorable (Bansal & Taylor, 1999, p. 204). Attitude towards a behavior is described to be affected by the beliefs an individual have about the consequences of performing the behavior (Ajzen, 1991, p. 191). Therefore, individuals should have a positive attitude towards performing behaviors that they believe will lead to desirable consequences (Ajzen, 1991, p. 191). In the context of our setting this would indicate that bank customers have a positive attitude towards switching bank as long as they perceive that the act of switching bank would lead to beneficial outcomes. If they do not find that it is desirable to switch bank the switching intention will be low.

As we could see from the correlation analysis, quite many of the predictor variables had significant relationships with switching intention (table 6). However, when we used all predictor variables together in the multiple regression with stepwise method only attitude towards switching was a significant predictor of switching intention. The reason for this outcome could be that attitude towards switching was such a powerful predictor of switching intention (0.77) (table 7). The exclusion of other variables does not mean that they are not relevant to consider. Even if attitude is the greatest better predictor, they still showed relationship with switching intention when related individually to switching intention. Therefore, even if attitude towards switching was the strongest predictor of switching intention, also customer satisfaction, brand image, relational investment and subjective norms showed relationships with switching intention that should be taken into consideration since they showed relationships with switching intention. (table 6).

6.2 Predictors of switching behavior

In this section, we are focusing on the predictors of switching behavior. Switching behavior includes the decision concerning the actual switch from the main bank to another bank, and the underlying predictors that can affect the decision. As illustrated in our conceptual framework (figure 3) we examined involvement, attitude towards switching, subjective norms, the staying reasons and switching intention in regards to their effect on switching behavior. In order to test the predictors' relationship with switching behavior, we performed a correlation analysis. In the correlation analysis, we saw that the predictors of switching behavior that had significant relationship with switching behavior were attitude towards switching, customer satisfaction, customer inertia and switching intention (table 6). Involvement, relational investment, brand

image, attractiveness of alternatives and subjective norms were not significantly related to switching behavior (table 6).

As with switching intention involvement had no significant relationship with switching behavior, this indicates that the concept of involvement is not useful for predicting switching behavior. Since this was a new concept we tested in the context of predicting switching behavior we find indication that the concept would not be as useful in this context. Potentially, involvement could have an indirect effect on switching behavior by affecting attitude towards switching, considering that Engel et al. (1986, pp. 24-25) stated that involvement affected attitudes towards purchasing. However, we did not find that involvement had any relationship with switching behavior (table 6).

Attitude towards switching had the strongest relationship with switching behavior (0.45). The direct relationship between attitude towards switching and switching behavior was not examined by Bansal & Taylor (2002). Our finding therefore contributes with new knowledge, indicating that those that have positive attitude towards switching tend to switch bank more often. Further, in accordance with prior research on switching behavior, subjective norms had no direct relationship with switching behavior (Bansal & Taylor, 2002, p. 421). Therefore, our result confirms with previous findings. Our findings suggested that subjective norms had a relationship with switching intention and attitude towards switching (table 6). Bansal & Taylor (2002, p. 421) found that subjective norms affected attitude towards switching.

An inert customer is described to remain with his or her service provider due to lack of motivation in searching for another provider (White & Yanamandram, 2004, p. 184). We could find no support from our empirical findings of such a relationship, since the relationship between switching behavior and customer inertia was too weak (0.18) (table 6). The reason for this particular finding could that bank customers believe that the decision concerning bank use is important and therefore dedicates it time.

Concerning relational investment, the concept was investigated by Colgate & Lang (2001, p. 339), who found that investment in a relationship between the service provider and the customer was a reason explaining why customers stay with their current service provider. However, we could not find any significant relationship between switching behavior and relational investment, and could therefore not support Colgate & Lang's (2001) findings. However, we saw a potential indirect effect on switching behavior since relational investment had a relationship with switching intention as described previously (table 6).

Since the effect of brand image on banking behavior in the retail banking industry have been argued to be further investigated by Bravo et l. (2010, p. 1215), and also since brand image of the retail bank has been detected to influence switching behavior (Pass, 2005, p. 58), we found it relevant to include this predictor. We examined the relationship between brand image and switching behavior. We found no direct relationship between brand image and switching behavior (table 6). However, the correlations showed that brand image could have an indirect effect on switching behavior, considering that brand image had a significant relationship with switching intention and attitude towards switching (table 6). When we used all the predictors of switching behavior in a multiple regression, we found that attitude towards switching

and customer satisfaction were the greatest predictors of switching behavior. Attitude towards switching had the strongest relationship with switching behavior (0.37) (table 8). This indicates that the more positive the attitude towards switching the more times customers have switched bank. Additionally, customer satisfaction had a negative relationship (-0.18) (table 8). This relation implies that customers that were less satisfied switched bank more often. Previous research by Bansal & Taylor (1999, p. 212) did not find any direct effect of customer satisfaction and attitude towards switching with switching behavior. Therefore, we made a theoretical contribution with our research; those that had switched bank more frequently in past tended to have a positive attitude towards switching and were less satisfied with their bank.

Switching intention was excluded from the multiple regression with stepwise method when used in combination with other predictor variables of switching behavior. However, we saw that switching intention and attitude towards switching had almost equally strong relationships with switching behavior. The reason that switching intention was excluded could have been that switching intention and attitude towards switching had a strong relationship (0.77) (table 6). We wanted to examine whether switching intention was a significant predictor of switching behavior. We saw that when switching intention was used as an independent variable to the dependent variable switching behavior in a simple regression that the more intent the respondents were to switch bank in the future, the more times they tended to had switched bank in the past (table 9). The relationship is moderately strong and positively correlated with beta coefficient of 0.42 (table 9). This relationship indicates that switching intention predicts actual switching behavior to some extent, which justifies our choice of switching intention as a dependent variable in previous multiple regression. This result indicates that by affecting switching intention the actual switching behavior is affected. In comparison with previous research, which established that behavioral intention affects actual behavior (Bansal & Taylor, 1999, p. 213; Ajzen, 1991, p. 186), we were able to confirm their findings. The result indicates that by affecting the switching intention of bank customers their switching behavior should also be affected.

6.3 Connections to retail banks

In this section we will discuss how the empirical findings can be related retail banks and how banks can use these findings in practice.

From our findings we discovered that attitude towards switching was the greatest predictor of both switching intention and switching behavior. Consequently, the findings suggest that the greatest approach for retail banks to attract new customers to switch to their bank, is by affecting the general attitude towards switching bank. To have positive attitude towards a behavior it is required that the consequences of performing the behavior are deemed as worth striving for (Ajzen, 1991, p. 191) Therefore, to be able to have a positive attitude towards switching, the customers must believe that the outcomes of switching to the new bank will be desirable. If bank customers have a negative attitude towards switching bank, our findings indicate that bank customers would not switch to another bank. Our findings showed that bank customers tend to be careful in their switching behavior, considering that 62.79% of the respondents had not switched bank for the last three years (figure 9). We also saw that the switching intention was somewhat low (table 4) and attitude towards switching was neither positive nor negative (table 3). These results suggest that the most of the respondents most likely will not switch bank in the future due to the attitude towards

switching not being very positive. Therefore, that retail banks must strive harder to affect the attitude towards switching, which should lead to higher switching intention and therefore increased switching. Consequently, by affecting the attitude towards switching would make potential customers more positive towards switching to their bank, and would increase the possibility for attracting new customers and thus increase the market shares. Therefore, we would argue that retail banks must strive for affecting customers' attitude towards switching in their marketing strategies by emphasizing the positive consequences of switching to their specific bank.

From the correlation analysis, we identified interesting relationships of other predictor variables with attitude towards switching. We found that the four variables that were of greatest interest to affect attitude towards switching were: brand image, customer satisfaction, relational investment and subjective norms. Brand image had a negative relation (-0.38), as well as customer satisfaction (-0.36) and relational investment (-0.46). These correlations indicate that lesser the sense of relational investment, the lesser the customer satisfaction and the less attractive the brand image of the current bank, the more positive attitude towards switching bank. These three factors also had a significant relationship with switching intention, suggesting them to be important to take into consideration in order to influence switching behavior. (table 6). Additionally, customer satisfaction was found to be the second greatest predictor of switching behavior after attitude towards switching. Consequently, we found it of importance for retail banks to focus on affecting brand image, relational investment and especially customer satisfaction in order to affect the attitude towards switching.

The concept of customer satisfaction could be used in order to attract new customers. In the marketing strategies it would be preferable to communicate the satisfaction of current customers in advertising and other communication channels. This would be most useful for banks that actually have shown great customer satisfaction in customer polls from third parties and communicate this in advertising. Therefore, it is important to strive for creating greatest possible customer satisfaction among current customers in order to make the bank attractive to new potential customers. If the bank has great customer satisfaction it would also make potential new customers more positive towards switching to the bank. Our argument is that they would perceive it as more likely that the outcome of switching to new bank would be desirable considering the satisfaction of other bank customers. Banks should strive to convince the potential customer that they have greater customer satisfaction than the satisfaction of competitive banks, in order to affect the attitude towards switching positively.

In regards to brand image the correlation indicated that the less attractive the brand image of the current bank, the more positive the attitude towards switching bank. Therefore, in order to affect the attitude towards switching of potential customers, retail banks should attempt to build a more attractive brand image than competitors, in order to make customers more positive towards switching and have higher switching intention. The brand will work as a differentiation in the marketplace (Wood, 2000, p. 664), thus making the bank with an attractive brand image more competitive in the retail bank market (Bravo et al., 2010, pp. 1199-1200).

The concept of relational investment involves that the customer stays with the current bank due to feeling that effort have been put into establishing relationship with the bank (Colgate & Lang, 2001, p. 339). Accordingly, a sense of special treatment from the

bank, a sense of loyalty and a belief of receiving the best deal from the current bank could be some of the outcomes of relational investment (Colgate & Lang, 2001, p. 339). The marketing strategies that should be used to overcome relational investment are not obvious. We would suggest that retail banks make it easy to change to their bank and also provide deals that are more desirable than those of most other banks. In addition, having great customer satisfaction among the customer base, as described above, might overcome the sense of relational investment for customers that uses other banks. The argument is that if customer that feel a sense of relational investment with their current bank finds that another bank has more satisfied customers, this could decrease the relational investment and consequently increase the attitude towards switching. Our findings suggest that relational investment and customer satisfaction are positively related (0.43), therefore the higher the satisfaction the higher the relational investment and vice versa (table 6).

Subjective norms had a positive relationship with attitude towards switching (0.30) (table 6). This relationship indicates that the more positive important people to the customer are about the prospect of switching bank, the more positive the attitude towards switching will be. Additionally, subjective norms were positively related to switching intention (0.26) (table 6). In practice, this implies that marketing strategies should be developed with the aim to affect subjective norms positively in order to attract new customers. For example, current bank customers could receive additional benefits by having family members or other important people with the same bank. Furthermore, bonus programs could be developed where current customers receive special gifts by recruiting or recommending new customers to the bank. Consequently, the subjective norms could increase since the social pressure to join the bank would increase. By increasing the subjective norms, the attitude towards switching and the switching intention should increase.

Even though we couldn't find any support for the level of involvement in the choice of bank affecting either switching intention or switching behavior, we still found useful information by using the concept. As discussed in the theoretical chapter, involvement is well connected to consumer decision making process, i.e in case of low involvement, the consumer tend to go through the decision making process as quickly as possible (Solomon et al. 2010, pp. 318-319). In a situation of a high involved consumer, he or she is more likely to go through all stages in the process extensively due to high motivation (Solomon et al. 2010, pp. 318-319). Highly involved consumers are described to be more willing to search for information, to compare alternatives and to use more than one criterion when selecting the best bank (Hansen, 2005, p. 421). As seen in the empirical findings the students generally found that the choice of bank was somewhat involving (table 3). This finding implies that it most likely will not be enough for a bank that want to attract customers to switch completely to their bank by emphasizing a single attribute in the marketing communication. For example, the retail bank can only emphasizing good savings rate in the advertisement. But rather a combination of relevant attributes will affect the decision when choosing bank. Therefore, we would recommend that when retail banks communicate bank offerings to students that they focus on several important factors, and not just few. We discussed prior that the customer satisfaction of a bank could be a factor used in advertising to affect switching behavior. However, we have not focused our study on what the most important bank selection criterions are, so therefore we will not expand this discussion.

7. Conclusion

In following section, we will present the answers to our research questions, and how our research has contributed theoretically to the research field. Additionally, we will summarize our conclusions in general and practical implication for ICA banken in particular. We finish the chapter with our suggestions for further research.

7.1 Answer to our research question

As stated in previous chapter, we developed a research question;

How do the predictors of switching intention affect switching behavior in the retail banking context?

We found that attitude towards switching was the greatest predictor of switching intention. More positive attitude towards switching leads to higher switching intention, and the more negative the attitude towards switching the less the switching intention. Furthermore, we have found that other predictors have had significant relationship with switching intention. The staying reason customer satisfaction had the second strongest relationship with switching intention, closely followed by brand image, the relationships were negative. Then, subjective norms had a positive relationship with switching intention. Furthermore, relational investment had a negative relationship with switching intention.

We found that the greatest predictors of switching behavior were attitude towards switching and customer satisfaction in combination. The more positive the attitude towards switching and the less satisfied the respondents were, the more frequents switchers they were. Concerning other predictors of switching behavior we found that switching intention had the second strongest relationship with switching behavior; those with high switching intention tended to have switched bank to a greater extent.

7.2 Theoretical contribution

We have found that attitude towards switching is the strongest predictor of switching intention. Our findings ultimately support previous research findings (Bansal & Taylor, 1999; 2002; Ajzen, 1991). However, we found something new in terms of attitude towards switching affecting switching behavior; those that had more positive attitude were more likely to have switched bank more frequently. We did not identify such findings from our review of prior research. Therefore, our findings contribute by further emphasizing the importance of positive attitude in order to affect switching behavior of customers. Additionally, we found that customer satisfaction, brand image, relational investment and subjective norms had significant relationships with attitude towards switching. Since attitude towards switching was such an important predictor of switching behavior, these findings are of importance. Previous research showed that subjective norms had a positive relationship with attitude towards switching (Bansal & Taylor, 2002, p. 420). Our research contributes by additionally identifying that attitude towards switching had significant relationships with customer satisfaction, brand image and relational investment.

We found that subjective norms had a positive a relationship with switching intention. This is in contrast with Bansal & Taylor's findings (2002, p. 421), that did not find any direct relationship. Additionally, we confirm previous research, which is stating that

behavioral intention is a valid predictor of actual behavior (Ajzen, 1991, p. 186; Madden et al., 1992, p. 9; Bansal & Taylor, 2002, p. 213). The reason why we found something that previous researchers did not found could possibly be explained by our chosen population. Our population consisted of students, the majority is younger people, who might be more careful about what their friends and family thinks about certain decisions, for example which bank to use.

Bravo et al. (2010, p. 1215) suggested that it would be interesting to investigate how brand image affect customer behavior within retail banking. We contributed by examining brand image in relation to switching intention and switching behavior. Our findings showed that the brand image as a staying reason had a negative relationship with switching intention. More positive the brand image was more likely to result in less intention to switch bank among the respondents.

Aldlaigan & Buttle (2001, p. 232) recommended that the effects of consumer involvement on consumer behavior regarding financial services should be further examined. We examined how consumer involvement, in the context of predicting switching behavior, was related to switching behavior. We could find no significant relationship between involvement and switching intention nor involvement and switching behavior. Therefore, we contribute with findings that suggest that involvement should not be included in the investigation of predicting switching behavior in the context of retail banking.

Concerning the reflections of our conceptual model, we saw that attitude had a strong effect on switching behavior. In order to refine the model further, and since the effect of attitude was so strong, it would be interesting to include several constructs of attitude; breaking down attitude into several concepts.

7.3 General implications for retail banks

In general, we saw that the greatest action towards attracting new customers to switch to a retail bank, is to affect the attitude towards switching bank. Since the customer is having a positive attitude towards switching bank, it is of great importance that the customer is convinced that the outcomes that is brought by a switch will be desirable enough. Based on our empirical findings, retail banks need to strive towards affecting the consumers attitude towards switching. To affect attitudes towards switching, we found that it of importance for retail banks to focus on affecting the brand image of the bank, relational investment, customer satisfaction and subjective norms. As a result of that, an increase in switching intention will also occur. If the possibility for attracting new customers increase, the retail banks market shares increase as well.

Customer satisfaction is one predictor that we found was of great importance to retail banks. If the retail bank receives great customer satisfaction, the customer satisfaction will ultimately affect the potential customers in terms of their attitude of switching to the bank. Therefore, we conclude that retail banks must strive to convince the level of customer satisfaction among their customers are greater than the level of customer satisfaction of competitive banks. In this way, the retail bank will affect the customer's attitude towards switching positively.

Finally, we recommend that retail banks should include several key attributes in the market communication strategy towards the student segment, not just focusing on a few

factors, considering that they tended to be somewhat involved in the bank choice. By including more than one attribute in the communication, retail banks can encourage and affect the customer's level of involvement.

7.4 Recommendations for ICA banken

Our findings indicate that ICA has been successful in attracting students to join ICA banken, with more than 50 per cent of the respondents that had registered to ICA banken. However, we found that only around 20 per cent of these considered ICA banken as their main bank. This could indicate that ICA banken need to further refine the marketing strategy in order to make bank customers switch fully to ICA banken. In general, the intention to switch to ICA banken was rather low among customers using another bank as their main bank (table 5). We are suggesting that ICA banken should primarily try to affect the attitude towards switching in their marketing strategies. Our argument is that attitude towards switching was the greatest predictor of both switching intention and switching behavior. As described previously, the attitude towards switching could be affected by managing customer satisfaction, relational investment, brand image and subjective norms.

Regarding customer satisfaction, Svenskt kvalitetsindex concluded that ICA banken had the second most satisfied retail bank customers in Sweden (Svenskt kvalitetsindex, 2011, p. 5). Therefore, we argue that ICA banken should continue to focus on creating satisfied customers, with the aim of becoming the bank with the most satisfied customers. ICA banken should use the fact that they have such satisfied customers in the marketing communication. Consequently, ICA banken will make potential customers more positive towards the act of switching to ICA banken by emphasizing the customers of ICA banken are more satisfied than other bank customers. Accordingly, the attitude towards switching to ICA banken should increase. By emphasizing the high customer satisfaction of ICA banken in marketing communication, this may create a synergy effect by also strengthening the brand image. If more non-customers are aware of the high satisfaction of customers of ICA banken, this could make ICA banken brand perceived as more trustworthy and more reputable. Since ICA banken is quite new, being founded in 2001 (ICA banken, 2012), we mean that it is vital that ICA banken strive to strengthen ICA banken’s brand image. In addition, a stronger ICA banken brand should make consumers’ attitude about the act of switching to ICA banken more positive. Furthermore, these actions should influence current customers to stay since the attitude towards switching will decrease when the satisfaction and brand image improves.

First, we want to encourage ICA banken to focus on signing new customers. For the potential customer base, we will emphasize the importance of the market communication. The marketing campaign should focus on impacting the attitude towards switching, by using tailored advertising specifically targeting student segment. The marketing campaign’s objective is to ensure that the student knows about ICA banken and that their attitude is positive towards the bank. Overall, ICA banken must be present in the marketplace in terms of market communication, advertising, sales promotion and special offers. ICA banken would benefit from the work towards eliminating the chance of having a potential customer group not being aware of their offer. In addition to the suggestions described above, switching intention could also be increased by increasing the awareness of the campaign among the students, which can

be achieved by using marketing activities. Additionally, satisfaction and brand image should be affected as discussed in the previous paragraph.

Our second proposal is to transform "part-time" customers to "full-time" customers. As previously mentioned there were a large number of respondents that had switched to ICA banken, but just 23 per cent considered ICA banken as their main bank. Since students do not tend to switch generally one proposal for ICA is to focusing in transforming these customers that partly uses ICA banken to full-time customers. We would call these potential customers, since they may have signed for the ICA bank card, however they do not necessarily use it. By examining how current customers of ICA banken use the bank, ICA banken might be able to solve the problem of transforming the part-time customers into full-time customers. Another example is that ICA offers 100 SEK to the consumer if the he or she joins the bank, and there is no registration fee. This incentive could be enough for customers to get registered for ICA banken. However, if this is actually was the case we have not examined. We would suggest that ICA banken examine how customers that register for ICA banken actually use the bank, i.e. in which occasions and the range of applications of financial services of the bank that are used. A main practical problem for ICA banken is how to transform these customers into customers that use ICA banken as their main bank for the majority of their financial transactions.

Our third proposal consists of a recommendation encouraging ICA banken to maintain their current customers and new the customers that they manage to attract. For the existing customers, ICA banken can develop proactive and relationship marketing to increase loyalty and prevent future switch of bank. The goal should be to increase the relational investment between the customer and ICA Banken, since it should decrease the attitude towards switching and the switching intention based on our empirical findings. A change in attitude of the customers is desirable, since attitude towards switching if the strongest predictor of switching intention and switching behavior. Therefore, ICA banken should strive for making the idea of changing to other banks as negative. The most efficient way, work towards delivering fast and efficient service recovery for existing customers to ensure satisfaction in every occasion, even in situation of service failure, since customer satisfaction had the strongest influence of switching behavior among the staying reasons. The most efficient way is to develop a strategy to maximize the effect of family and friends. We described in the discussion that subjective norms are related to attitude towards switching and switching intention. In practice, ICA banken could use these findings as a support of the implementation of a discount membership system with a discount check that could be used in ICA stores. The system could include a discount check that would be handed out to the customer when he or she has recruited a new customer, and extra points when the new customer is a part of the customers family. The idea is that it would be beneficial to have family members and friends also using ICA banken. Such implementation could be a good idea since we have found that the subjective norms affect attitude towards switching and switching intention. This would make customers more intent to stay and additionally influence other family members and friends to switch to ICA banken.

7.5 Limitations

Our findings are not liberated from limitations. Due to our convenience sampling technique, we experience limited ability to generalize our findings to a broader perspective. Another reason why the generalizability is limited is the fact that we have

only examined students. Therefore, these findings are only applicable in a student context and can not be used in other populations.

According to our theoretical limitation, switching intention does not necessarily predict actual switching. Therefore, our choice of theories limits our study further. Even though switching intention is viewed as a relatively good predictor of actual behavior, there is no guarantee that the actual switching behavior can be forecasted by switching intention. However, we believe that switching intention is a great indication of how the students will behave in the switching banking context, since our result indicated that those switched more tended to have higher switching intention.

We have chosen to focus on one industry, the retail banking industry in Sweden. Therefore, our findings are not applicable in other industries.

7.6 Suggestions for future research

From our findings, we found that attitude was the greatest predictor of switching intention and switching behavior. This implies that the concept of attitude is very important in the context of switching behavior, and therefore needs further investigation. We would recommend research that specifically looked into the attitude concept in the service switching context. Initially, exploratory research would have been beneficial where you would interview those with positive attitude, negative attitude and those somewhere between. The purpose would be to understand what factors that make some students positive and other students negative towards the act of switching bank.

Additionally, we would like to see a future research project investigating student switching behavior with an additional factor that could be explaining intention to switch bank. Since we have identified a relatively low R-square value in our performed multiple regression analysis, this could indicate that the variance in intention to switch bank can be caused by additional, currently unexplained factors. These factors need to be discovered and investigated through a multiple regression analysis. Interesting factors that could be appropriate to include in the regression analysis are parental banking behavior, education and variety-seeking behavior.

Finally, we suggest that future researchers compare the switching behavior between those that uses one bank to those that uses more than one bank. Such comparison would be interesting since it would highlight different customers in one common term; switching behavior. By conducting a comparison between the customers who uses one bank and the customers using several banks, the researcher can find what differs between them and ultimately target them in different ways.

8. Truth criteria

In the section of the truth criteria of the research, we will present the reliability, external and internal validity and generalisability of our research. The credibility of the research corresponds to whether or not the findings are believable or not (Bryman & Bell, 2007, p. 58).

8.1 Reliability

One of the truth criteria that we will consider after performing our research is the reliability. In the case of a performed quantitative study, the question about how true the answers are always comes up, in order words, how reliable the answers are measuring one particular variable. When measuring the reliability, the intention is to measure the stability over time (Saunders et al., 2009, p. 156; Ejlertsson, 2005, p. 99). In other words, we want to measure if the results of the study will be similar over time. In order to examine our study's stability, our measure needs to be repeated on the same objects in the future, and a comparison between the results needs to be performed (Saunders et al., 2009, p. 156; Ejlertsson, 2005, p. 99). The ultimate goal for us was to perform a study with a perfectly fixed stable reliability, but due to different circumstances, this was rather hard for us to conduct. Reliability is also concerning whether or not the results found would be the same if another researcher would perform the study (Saunders et al., 2009, p. 156; Ejlertsson, 2005, p. 99). Our aim was to perform a study with high level of replicability. A precondition for a replicated study is to provide the reader with clear instructions. In practice, this means that we have provided the detailed instructions concerning our chosen methodology.

The level of reliability is dependent on whether or not the questions are created in a correct way (Ejlertsson, 2005, p. 102). Questions that are bad created can cause big random variation in the data and conclusionally low reliability of the research (Ejlertsson, 2005, p. 102). In practice, we created the questionnaires in a way that would fulfill this criterion. We checked the value of Cronbach's alpha in order to ensure that the constructs with multiple-item scales was internally consistent, and thus increase the reliability, as suggested by Bryman & Bell (2007, p. 58). By being as clear as possible in our questions and design, our aim was to increase the reliability. We acted proactively, by checking the questionnaires before handling them out and performing a pilot test with ten persons.

8.2 Validity

A reliable measurement is ultimately measuring a construct that is consistent (Bryman & Bell, 2005, p. 58). Even though the chosen measure is consistent, there is a chance that the researcher is not measuring what was intended to be measured; therefore, reliability does not correspond to validity (Ejlertsson, 2005, p. 99). In the evaluation if the researcher has succeeded in measuring what was intended to be measured, validity is frequently used (Ejlertsson, 2005, p. 99). A survey question with high validity would have no or very small amount of systematic error (Ejlertsson, 2005, p. 101). Therefore, it is of great importance to carefully consider and create questions that truly measures what was intended to be measured (Ejlertsson, 2005, p. 101). If the researcher for example is performing a customer research of the customers at one specific bank, and the researcher asks the respondents how many times, during the last three months, the customer have used their bank card, the answers can be verified through the banks own system. By asking such question, the researcher could get a picture over if any

underreporting or overreporting has occurred. The bigger the difference between actual behavior and the reported behavior, the lower the validity (Ejlertsson, 2005, p. 101).

In business research, there are two types of validity. The literature brings up internal validity (Shiu et al., 2009, p. 279), which is to what extent the research design identifies causal relationships. Additionally, the external validity concerns whether or not the relationships identified in the study are true and representative for the entire population (Shiu et al., 2009, p. 280). The ideal research project would result in both high internal validity and high external validity (Shiu et al., 2009, p. 295). Conclusionally, the respondents perception of the questions in the survey are determining in the discussion of the research validity (Ejlertsson, 2005, p. 99). To increase the external validity of our research, we used a simplified language in practice in order to not complicate the questions. In practice, we only used established scales which we found in academic articles to increase the validity of the questions.

Shiu et al., (2009, p. 279) states that the internal validity is concerning to which extent the chosen research design have identified causal relationships. The internal validity is highly connected to r square value, the perfect internal validity is a regression with r square value 100 % (Shiu et al., 2009, p. 279). Concerning the internal validity of our research, we have succeeded with identifying causal relationship. However, the R-square value for the detected relationships was 0.5, where attitude was used as predictor for switching intention. Even though the R-square value is not perfect, i.e 100 %, we believe that the relationships are useful and reliable since the concepts have been tested in previous research and are well-established.

8.3 Generalisability

In the question of whether or not our research findings are generalizable concerns the issue if our findings could be applicable in a broader perspective, in other words, they can be used to state something about the total population. (Bryman & Bell, 2005, p. 100). Since we have conducted a convenience sampling, our research generalisability is rather low (Shiu et al., 2009, p. 478). This is due to the fact that a non-random sampling, which a convenience sample is classified as, is viewed as not representative for the total population (Shiu et al., 2009, p. 478). Therefore, we conclude that our findings are not representative for all students at Umeå University. However, despite the weakness of the low generalisability, ICA banken can use the information in terms of the development of marketing strategies in general and communication strategies in particular towards this specific segment. By presenting the findings from current and potential customers, covering both the student who are using ICA banken and the students who are not currently using ICA banken, our research could be used for increasing the effectiveness of marketing strategies. Furthermore, our findings show indication that attitude is the most important predictor of switching intention and switching behavior. These implications could provide useful information for future research and motivates further investigation into the attitude concept specifically and its effect on switching behavior.

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Appendix 1 Questionnaire

Students' service switching behavior

Hello,
We are performing our degree project in business administration and marketing. We are investigating students' switching behavior in retail banking. Our study aims to make a theoretical contribution, but also to provide practical recommendations to a retail bank. The summarized results of this study will be presented to the ICA Group, who supports our research and would like to improve the ICA Banken's student campaign. Your answers will be a central part of our research. We will handle your answers anonymously. Thank you for your participation!
Sincerely, Gabriella Gall and Fredrik Olsson

1. Are you currently studying at Umeå University?
   Yes No

2. To me, the choice of bank is:
   Unimportant 1 2 3 4 5 6 Important
   Unexciting 1 2 3 4 5 6 Exciting
   Boring 1 2 3 4 5 6 Interesting
   Doesn't matter 1 2 3 4 5 6 Matters to me

3. Which bank is your main bank for financial transactions? e.g. the bank where you receive your salary or CSN payment and mainly use to pay invoices.
   Handelsbanken ICA Banken
   SEB Swedbank
   Other

Reasons for staying with current bank
We want to find out the reasons why you have chosen to use your current main bank for financial services. When answering the following questions, please think of your main bank that you have specified in the previous question.

4. My bank inspires confidence
   Strongly disagree 1 2 3 4 5 6 Strongly agree

5. My bank is honest
   Strongly disagree 1 2 3 4 5 6 Strongly agree

6. My bank makes a good impression
   Strongly disagree 1 2 3 4 5 6 Strongly agree

7. My bank always fulfill its promises
   Strongly disagree 1 2 3 4 5 6 Strongly agree

8. Too much bother to search for a new bank in terms of time and effort
   Strongly disagree 1 2 3 4 5 6 Strongly agree

9. All bank companies are the same
Strongly disagree 1 2 3 4 5 6 Strongly agree

10. I am concerned about negative financial outcomes if I would switch bank
Strongly disagree 1 2 3 4 5 6 Strongly agree

11. Friends and family uses the same bank as I do
Strongly disagree 1 2 3 4 5 6 Strongly agree

12. My bank has specialized knowledge
Strongly disagree 1 2 3 4 5 6 Strongly agree

13. I am satisfied with my bank
Strongly disagree 1 2 3 4 5 6 Strongly agree

14. I am comfortable with my bank
Strongly disagree 1 2 3 4 5 6 Strongly agree

15. I trust my bank
Strongly disagree 1 2 3 4 5 6 Strongly agree

16. There has not been a bad enough incident to switch bank
Strongly disagree 1 2 3 4 5 6 Strongly agree

17. I feel a sense of loyalty towards my bank
Strongly disagree 1 2 3 4 5 6 Strongly agree

18. My bank company knows my needs
Strongly disagree 1 2 3 4 5 6 Strongly agree

19. I receive preferential treatment from my bank company
Strongly disagree 1 2 3 4 5 6 Strongly agree

Attitude towards switching
The following questions are aimed to discover your attitude towards switching bank.

20. How many times have you switched bank for the last three years?
0 times 4 times
1 time 5 times
2 times more than 5 times
3 times

21. People who influence my behavior would approve of me switching from my current bank to a "new bank"
Extremely unlikely 1 2 3 4 5 6 Extremely likely

22. Most people who are important in my life would approve of me switching from my current main bank to a "new bank"
Extremely unlikely 1 2 3 4 5 6 Extremely likely

23. For me, switching from my current main bank to a “new bank” would be:
A bad idea 1 2 3 4 5 6 A good idea
Useless 1 2 3 4 5 6 Useful
Harmful 1 2 3 4 5 6 Beneficial
Undesirable 1 2 3 4 5 6 Desirable

24. Is it likely that you would switch from your current main bank to another bank?
Unlikely 1 2 3 4 5 6 Likely
Improbable 1 2 3 4 5 6 Probable
No chance 1 2 3 4 5 6 Certain

25. Have you signed up for the ICA Bank card?
Yes No

26. If you are not using ICA Banken today, is it likely that you will start use ICA Banken as your main bank? If you already use ICA Banken, please skip these questions.
Unlikely 1 2 3 4 5 6 Likely
Improbable 1 2 3 4 5 6 Probable
No chance 1 2 3 4 5 6 Certain

27. Age?

28. Gender
Female Male

Appendix 2 Frequency tables

To me, choice of bank is:					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Unimportant	4	3,1	3,1	3,1
	2	9	7,0	7,0	10,1
	3	18	14,0	14,0	24,0
	4	32	24,8	24,8	48,8
	5	34	26,4	26,4	75,2
	Important	32	24,8	24,8	100,0
	Total	129	100,0	100,0	

To me, choice of bank is:					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Unexciting	17	13,2	13,2	13,2
	2	29	22,5	22,5	35,7
	3	27	20,9	20,9	56,6
	4	29	22,5	22,5	79,1
	5	15	11,6	11,6	90,7
	Exciting	12	9,3	9,3	100,0
	Total	129	100,0	100,0	

To me, choice of bank is:					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Boring	11	8,5	8,5	8,5
	2	11	8,5	8,5	17,1
	3	28	21,7	21,7	38,8
	4	35	27,1	27,1	65,9
	5	20	15,5	15,5	81,4
	Interesting	24	18,6	18,6	100,0
	Total	129	100,0	100,0	

To me, choice of bank is:					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Doesn't matter	3	2,3	2,3	2,3
	2	7	5,4	5,4	7,8
	3	15	11,6	11,6	19,4
	4	34	26,4	26,4	45,7
	5	34	26,4	26,4	72,1
	Matters to me	36	27,9	27,9	100,0
	Total	129	100,0	100,0	

Which bank is your main bank for financial transactions?					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Handelsbanken	24	18,6	18,6	18,6
	ICA Banken	16	12,4	12,4	31,0
	Nordea	25	19,4	19,4	50,4
	Swedbank	45	34,9	34,9	85,3
	SEB	11	8,5	8,5	93,8
	Other	8	6,2	6,2	100,0
	Total	129	100,0	100,0	

My bank inspires confidence					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	5	3,9	3,9	3,9
	2	9	7,0	7,0	10,9
	3	18	14,0	14,0	24,8
	4	38	29,5	29,5	54,3
	5	37	28,7	28,7	82,9
	Strongly agree	22	17,1	17,1	100,0
	Total	129	100,0	100,0	

My bank is honest					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	5	3,9	3,9	3,9
	2	6	4,7	4,7	8,5
	3	27	20,9	20,9	29,5
	4	36	27,9	27,9	57,4
	5	35	27,1	27,1	84,5
	Strongly agree	20	15,5	15,5	100,0
	Total	129	100,0	100,0	

My bank makes a good impression					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	3	2,3	2,3	2,3
	2	9	7,0	7,0	9,3
	3	16	12,4	12,4	21,7
	4	35	27,1	27,1	48,8
	5	39	30,2	30,2	79,1
	Strongly agree	27	20,9	20,9	100,0
	Total	129	100,0	100,0	

My bank always fulfil its promises					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	7	5,4	5,4	5,4
	2	8	6,2	6,2	11,6
	3	12	9,3	9,3	20,9
	4	32	24,8	24,8	45,7
	5	46	35,7	35,7	81,4
	Strongly agree	24	18,6	18,6	100,0
	Total	129	100,0	100,0	

I am concerned about negative financial outcomes if I would switch bank					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	25	19,4	19,4	19,4
	2	33	25,6	25,6	45,0
	3	26	20,2	20,2	65,1
	4	18	14,0	14,0	79,1
	5	19	14,7	14,7	93,8
	Strongly agree	8	6,2	6,2	100,0
	Total	129	100,0	100,0	

Friends and family uses the same bank as I do					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	12	9,3	9,3	9,3
	2	11	8,5	8,5	17,8
	3	11	8,5	8,5	26,4
	4	20	15,5	15,5	41,9
	5	43	33,3	33,3	75,2
	Strongly agree	32	24,8	24,8	100,0
	Total	129	100,0	100,0	

My bank has specialized knowledge					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	9	7,0	7,0	7,0
	2	27	20,9	20,9	27,9
	3	34	26,4	26,4	54,3
	4	37	28,7	28,7	82,9
	5	12	9,3	9,3	92,2
	Strongly agree	10	7,8	7,8	100,0
	Total	129	100,0	100,0	

I am satisfied with my bank					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	7	5,4	5,4	5,4
	2	6	4,7	4,7	10,1
	3	12	9,3	9,3	19,4
	4	29	22,5	22,5	41,9
	5	42	32,6	32,6	74,4
	Strongly agree	33	25,6	25,6	100,0
	Total	129	100,0	100,0	

I am comfortable with my bank					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	4	3,1	3,1	3,1
	2	8	6,2	6,2	9,3
	3	12	9,3	9,3	18,6
	4	20	15,5	15,5	34,1
	5	43	33,3	33,3	67,4
	Strongly agree	42	32,6	32,6	100,0
	Total	129	100,0	100,0	

I trust my bank					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	5	3,9	3,9	3,9
	2	5	3,9	3,9	7,8
	3	20	15,5	15,5	23,3
	4	27	20,9	20,9	44,2
	5	39	30,2	30,2	74,4
	Strongly agree	33	25,6	25,6	100,0
	Total	129	100,0	100,0	

There has not been a bad enough incident to switch bank					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	6	4,7	4,7	4,7
	2	7	5,4	5,4	10,1
	3	14	10,9	10,9	20,9
	4	18	14,0	14,0	34,9
	5	44	34,1	34,1	69,0
	Strongly agree	40	31,0	31,0	100,0
	Total	129	100,0	100,0	

I feel a sense of loyalty towards my bank company					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	12	9,3	9,3	9,3
	2	18	14,0	14,0	23,3
	3	20	15,5	15,5	38,8
	4	34	26,4	26,4	65,1
	5	31	24,0	24,0	89,1
	Strongly agree	14	10,9	10,9	100,0
	Total	129	100,0	100,0	

My bank company knows my needs					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	15	11,6	11,6	11,6
	2	13	10,1	10,1	21,7
	3	37	28,7	28,7	50,4
	4	36	27,9	27,9	78,3
	5	21	16,3	16,3	94,6
	Strongly agree	7	5,4	5,4	100,0
	Total	129	100,0	100,0	

I receive preferential treatment from my bank company					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	12	9,3	9,3	9,3
	2	16	12,4	12,4	21,7
	3	29	22,5	22,5	44,2
	4	34	26,4	26,4	70,5
	5	28	21,7	21,7	92,2
	Strongly agree	10	7,8	7,8	100,0
	Total	129	100,0	100,0	

How many times have you switched bank for the last three years? *					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0 times	81	62,8	62,8	62,8
	1 time	22	17,1	17,1	79,8
	2 times	8	6,2	6,2	86,0
	3 times	8	6,2	6,2	92,2
	4 times	8	6,2	6,2	98,4
	5 times	1	,8	,8	99,2
	more than 5 times	1	,8	,8	100,0
	Total	129	100,0	100,0	

People who influence my behavior would approve of me switching from my current bank to a "new bank"					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Extremely unlikely	14	10,9	10,9	10,9
	2	21	16,3	16,3	27,1
	3	18	14,0	14,0	41,1
	4	32	24,8	24,8	65,9
	5	31	24,0	24,0	89,9
	Extremely likely	13	10,1	10,1	100,0
	Total	129	100,0	100,0	

Most people who are important in my life would approve of me switching from my current main bank to a "new bank"					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Extremely unlikely	12	9,3	9,3	9,3
	2	15	11,6	11,6	20,9
	3	19	14,7	14,7	35,7
	4	29	22,5	22,5	58,1
	5	31	24,0	24,0	82,2
	Extremely likely	23	17,8	17,8	100,0
	Total	129	100,0	100,0	

For me, switching from my current main bank to a "new bank" would be:					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	A bad idea	12	9,3	9,3	9,3
	2	23	17,8	17,8	27,1
	3	40	31,0	31,0	58,1
	4	20	15,5	15,5	73,6
	5	19	14,7	14,7	88,4
	A good idea	15	11,6	11,6	100,0
	Total	129	100,0	100,0	

For me, switching from my current main bank to a "new bank" would be:					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Useless	13	10,1	10,1	10,1
	2	26	20,2	20,2	30,2
	3	30	23,3	23,3	53,5
	4	27	20,9	20,9	74,4
	5	16	12,4	12,4	86,8
	Useful	17	13,2	13,2	100,0
	Total	129	100,0	100,0	

For me, switching from my current main bank to a "new bank" would be:					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Harmful	6	4,7	4,7	4,7
	2	14	10,9	10,9	15,5
	3	39	30,2	30,2	45,7
	4	38	29,5	29,5	75,2
	5	17	13,2	13,2	88,4
	Beneficial	15	11,6	11,6	100,0
	Total	129	100,0	100,0	

For me, switching from my current main bank to a "new bank" would be:					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Undesirable	14	10,9	10,9	10,9
	2	25	19,4	19,4	30,2
	3	35	27,1	27,1	57,4
	4	30	23,3	23,3	80,6
	5	19	14,7	14,7	95,3
	Desirable	6	4,7	4,7	100,0
	Total	129	100,0	100,0	

Is it likely that you would switch from your current main bank to another bank?					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Unlikely	32	24,8	24,8	24,8
	2	20	15,5	15,5	40,3
	3	16	12,4	12,4	52,7
	4	26	20,2	20,2	72,9
	5	22	17,1	17,1	89,9
	Likely	13	10,1	10,1	100,0
	Total	129	100,0	100,0	

Is it likely that you would switch from your current main bank to another bank?					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Improbable	20	15,5	15,5	15,5
	2	29	22,5	22,5	38,0
	3	24	18,6	18,6	56,6
	4	27	20,9	20,9	77,5
	5	18	14,0	14,0	91,5
	Probable	11	8,5	8,5	100,0
	Total	129	100,0	100,0	

Is it likely that you would switch from your current main bank to another bank?					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	No chance	18	14,0	14,0	14,0
	2	24	18,6	18,6	32,6
	3	35	27,1	27,1	59,7
	4	27	20,9	20,9	80,6
	5	14	10,9	10,9	91,5
	Certain	11	8,5	8,5	100,0
	Total	129	100,0	100,0	

Have you signed up for the ICA Bank card?					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	No	60	46,5	46,5	46,5
	Yes	69	53,5	53,5	100,0
	Total	129	100,0	100,0	

If you are not using ICA Banken today, is it likely that you will start use ICA Banken as your main bank?					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Unlikely	26	20,2	29,5	29,5
	2	20	15,5	22,7	52,3
	3	13	10,1	14,8	67,0
	4	11	8,5	12,5	79,5
	5	7	5,4	8,0	87,5
	Likely	11	8,5	12,5	100,0
	Total	88	68,2	100,0	
Missing	System	41	31,8		
Total		129	100,0		

If you are not using ICA Banken today, is it likely that you will start use ICA Banken as your main bank?					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Improbable	20	15,5	22,7	22,7
	2	24	18,6	27,3	50,0
	3	17	13,2	19,3	69,3
	4	12	9,3	13,6	83,0
	5	8	6,2	9,1	92,0
	Probable	7	5,4	8,0	100,0
	Total	88	68,2	100,0	
Missing	System	41	31,8		
Total		129	100,0		

If you are not using ICA Banken today, is it likely that you will start use ICA Banken as your main bank?					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	No chance	15	11,6	17,2	17,2
	2	21	16,3	24,1	41,4
	3	21	16,3	24,1	65,5
	4	14	10,9	16,1	81,6
	5	5	3,9	5,7	87,4
	Certain	11	8,5	12,6	100,0
	Total	87	67,4	100,0	
Missing	System	42	32,6		
Total		129	100,0		

Age					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18	2	1,6	1,6	1,6
	19	4	3,1	3,1	4,7
	20	2	1,6	1,6	6,2
	21	10	7,8	7,8	14,0
	22	13	10,1	10,1	24,0
	23	20	15,5	15,5	39,5
	24	23	17,8	17,8	57,4
	25	19	14,7	14,7	72,1
	26	8	6,2	6,2	78,3
	27	4	3,1	3,1	81,4
	28	6	4,7	4,7	86,0
	30	1	,8	,8	86,8
	31	4	3,1	3,1	89,9
	32	2	1,6	1,6	91,5
	33	5	3,9	3,9	95,3
	34	2	1,6	1,6	96,9
	35	1	,8	,8	97,7
	39	1	,8	,8	98,4
	42	1	,8	,8	99,2
	45	1	,8	,8	100,0
	Total	129	100,0	100,0	

Gender					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	62	48,1	48,1	48,1
	Female	67	51,9	51,9	100,0
	Total	129	100,0	100,0	

Appendix 3 Tests for multicollinearity between predictor variables

Coefficients[a]			
Model		Collinearity Statistics	
		Tolerance	VIF
1	Brand image	,345	2,901
	Satisfaction	,405	2,469
	Relational investment	,583	1,716
	Attractiveness of alternatives	,780	1,282
	Customer inertia	,805	1,243
	Attitude towards switching bank	,322	3,107
	Subjective norms	,787	1,270
	Switching intention	,384	2,606
a. Dependent Variable: Involvement in bank choice			

Coefficients[a]			
Model		Collinearity Statistics	
		Tolerance	VIF
1	Brand image	,342	2,920
	Satisfaction	,399	2,503
	Relational investment	,590	1,694
	Attractiveness of alternatives	,763	1,310
	Customer inertia	,804	1,244
	Attitude towards switching bank	,598	1,671
	Subjective norms	,798	1,254
	Involvement in bank choice	,880	1,136
a. Dependent Variable: Switching intention			

Coefficients[a]			
Model		Collinearity Statistics	
		Tolerance	VIF
1	Brand image	,349	2,868
	Satisfaction	,401	2,494
	Relational investment	,597	1,676
	Attractiveness of alternatives	,762	1,312
	Customer inertia	,812	1,231
	Attitude towards switching bank	,332	3,011
	Involvement in bank choice	,862	1,160
	Switching intention	,381	2,626
a. Dependent Variable: Subjective norms			

Coefficients[a]			
Model		Collinearity Statistics	
		Tolerance	VIF
1	Brand image	,331	3,024
	Satisfaction	,425	2,355
	Relational investment	,601	1,665
	Attractiveness of alternatives	,808	1,238
	Customer inertia	,810	1,234
	Involvement in bank choice	,863	1,159
	Switching intention	,699	1,430
	Subjective norms	,813	1,230
a. Dependent Variable: Attitude towards switching bank			

Coefficients[a]			
Model		Collinearity Statistics	
		Tolerance	VIF
1	Brand image	,328	3,045
	Satisfaction	,418	2,391
	Relational investment	,580	1,725
	Attractiveness of alternatives	,878	1,139
	Involvement in bank choice	,864	1,157
	Switching intention	,376	2,658
	Subjective norms	,796	1,256
	Attitude towards switching bank	,325	3,081
a. Dependent Variable: Customer inertia			

Coefficients[a]			
Model		Collinearity Statistics	
		Tolerance	VIF
1	Brand image	,328	3,045
	Satisfaction	,401	2,494
	Relational investment	,587	1,703
	Involvement in bank choice	,882	1,134
	Switching intention	,376	2,657
	Subjective norms	,787	1,270
	Attitude towards switching bank	,341	2,932
	Customer inertia	,925	1,081
a. Dependent Variable: Attractiveness of alternatives			

Coefficients[a]			
Model		Collinearity Statistics	
		Tolerance	VIF
1	Brand image	,404	2,476
	Satisfaction	,399	2,508
	Involvement in bank choice	,869	1,150
	Switching intention	,384	2,606
	Subjective norms	,813	1,231
	Attitude towards switching bank	,334	2,993
	Customer inertia	,805	1,242
	Attractiveness of alternatives	,774	1,292
a. Dependent Variable: Relational investment			

Coefficients[a]			
Model		Collinearity Statistics	
		Tolerance	VIF
1	Brand image	,497	2,013
	Involvement in bank choice	,876	1,142
	Switching intention	,377	2,655
	Subjective norms	,791	1,263
	Attitude towards switching bank	,343	2,919
	Customer inertia	,842	1,188
	Attractiveness of alternatives	,767	1,305
	Relational investment	,578	1,730
a. Dependent Variable: Satisfaction			

Coefficients[a]			
Model		Collinearity Statistics	
		Tolerance	VIF
1	Involvement in bank choice	,906	1,104
	Switching intention	,392	2,550
	Subjective norms	,836	1,196
	Attitude towards switching bank	,324	3,085
	Customer inertia	,803	1,245
	Attractiveness of alternatives	,763	1,311
	Relational investment	,711	1,405
	Satisfaction	,604	1,657
a. Dependent Variable: Brand image			