Chapter 5
Discussion

With the help of obtained results from the previous chapter the current chapter is being carried out as a grand summary of results, which formed the basis of this chapter. Various tools were applied on the data and significant result was obtained to meet the objectives of the research. Results of the analysis are supported by the appropriate literatures to explain the summarized findings. Thus, this chapter is an attempt to discuss the findings of the study in the light of the available literatures. In section 5.1 the result of factor analysis is discussed which was applied to identify the potential factors responsible for making an employee a brand builder/creator. Also, the identified factors were tested by applying t-test between the sectors (Banking & Insurance). Further, in section 5.2 result of independent t-test applied on identified factors to check its functionality in two different sectors is discussed. The section 5.3 representing the discussion of matrix based hypothesis testing, under which the groups were tested cross sectional to check the intermediate relationship among them. In section 5.4 result of ANOVA is discussed which explain the mean difference within the groups & between the groups regarding functional ability of ‘Employee Branding’ for brand image creation.
5.1 Potential factors responsible for making an employee a ‘Brand Image Creator’

The study empirically explored the potential factors responsible for making an employee a brand image creator. The role of employee engagement is prominent in service sector as it deals with intangible products where the quality of a brand is difficult to explain. In such situation, employee’s engagement is must because employee employs and expresses himself physically, cognitively and emotionally during the sales performances (Kahn, 1990). Employee’s intrinsic and extrinsic traits help the employee to project favorable image of a brand through his/her performances and activities. Seven distinct factors have been identified that have significant involvement in making an employee responsible for brand image creation.
According to Miles and Mangold (2004) employees’ attributes in building the brand image in the mindset of customer is crucial for attaining competitive advantage. It is a process through which employees sensitize and adopt the desired brand image and project the same to the customers. This can help the organization to attain competitive edge by strategically utilizing the employee in branding process.
The following factors are discussed as per their factor load.

Firstly, **Employee’s selling skills** has come up as relatively strong indicator to consider an employee as a brand image creator. The positioning of company’s brand image is dependent upon employee’s behavior in producing and delivering the services (Samli & Frolich, 1992). Employee’s role is increasing in fulfilling the commitment and establishing long run relationship with customers.

Second, **Self monitoring** is found another important factor for describing employee as a brand image creator. It comprises with all of his/her inner quality to make the brand appearance more reliable and competitive. Qualities like manners, positive attitude towards the job, problem solving ability, co-operative behavior etc. are some essential elements that enhance the efficiency of an employee towards the job (Brief, 1998). Employees possessing such qualities bring a brand into limelight and create faith in the mind of the customers thus create a good brand image.

Third, **Employee enthusiasm** is the third highest factor which has significant impact on customers’ psyche. Enthusiasm reflects from employee’s efforts to make the sale happen while keeping the customers happy and satisfied. Employees’ role is recognized as crucial in delivering the services as promised by the brand and it can be achieved only from committed employees (Alan and Punjaisri, 2007).
Fourth, **Employee’s credibility** has become a strategic tool to an organization to achieve creditworthiness for its brand commitments. Customers show trust and faith on the brand whose employees are well performed. Employees are now becoming an important element for advocating a brand through social platform (Matthews, 2011). Thus, through this factor employees are now able to build employee based equity which goes for a long run with them.

Fifth, **Employee’s loyalty** is being explained by few very important variables like- employee’s dedication, involvement and ethical practices followed while describing the brand and closing leads. Dedication and involvement keeps the employee more aligned to the brand thus he/she act as key motivator at the point of purchase (Kottolli, 2006).

Sixth, **Customer centric behavior** shows inclination of front line executive/sale executive towards customers for his/her purchases. A good sales executive always help the customer to select the right brand. Ron (2007) found is his study that organization should be customer centric not only towards external customers but also towards its internal customers i.e. an employee. If organization follow such practices it can obtain the trust of both the customers and be competitive in the market.

Seventh, **Trust worthy** means an employee must be responsible and accountable for his/her services. It is an important factor in service industry where service quality is
depends upon the executive who is handling the deal. Employee must show his/her seriousness towards his job so that he/she can achieve customer trust. Burns & Stalker (1961) propounded that employee must behave in such a manner that can create a positive impression on customers and reflect trust worthiness for his/her promises related to services and support in future course.

5.2 Factor based hypothesis testing result’s discussion

The scope of employee branding is widening since the organizations are giving more importance to brand building. The current market scenario is demanding more and more investment in advertising, publicity, promotion etc. to keep the customers informed and make brand differentiation. Despite of heavy investment on advertisement & promotion organization fails to achieve customers’ attention and acceptance. The prime reason is recognized through various researches is that organization fails to fulfill the commitment done through advertisement or while promoting the brand/product. Organizations have now understood the importance of an employee in promoting a brand or creating favorable brand image into the mind of the customers.

The current research tried to investigate the influential factors associated with an employee to make the appearance of a brand more trustworthy, customer caring and
competitive. Seven factors were identified and further their applicability/functionality were tested on two different sectors i.e. Banking and Insurance. According to Lipkin (2013), selling skills are the learned set of skills that help those who work for sale building and also help them to maintain long-term relationship with the customers. Also, he supported that if a customer trusts the sales executive he/she is likely to be a loyal customer. Findings revealed results in the expected direction for the first factor based hypothesis has proven that there is no significant difference in brand image creation with respect to Banking & Insurance industry terms of Employees’ Selling Skills. Both the sectors deals in intangible products (Services) where organization find it difficult to develop trust on the product (as product is invisible), hence the role of front line executives become crucial to deliver the promises to the customers as promised (Alan & Punjasri, 2007).

Another important aspect of selling services is employee-customer interaction. The interaction between sales executive and customer is termed as ‘Service Encounter’ (Czepiel et al. 1985; Shostack 1985; Solomon et al. 1985; Surprenant and Solomon 1987). Previous researches on service encounter suggested various factors that influence customers’ satisfaction with services. These factors play an important role in service outcome and the manner in which employee deliver services to the consumer (Parasuraman et al., 1985, 1988). For instance, a customer stepped in into a retail outlet
and search for a product he needed by his own, it may take some time to find out the desired product or may be possible he would not be satisfied with outlet for its product range but in another case if a sales executive actively participated in customer’s purchasing process and take him to the right section where he guide him and make him aware for the varieties available there, help him to select right merchandise and ensure quality of services, then it is sure that the level satisfaction of a customer is comparatively higher and a favorable brand image would be created.

The result of the second factor based hypothesis assumed is inclined with the available literatures. Further, when it was tested on two different industries the research found difference in its functionality. For the hypothesis, *there is no significant difference in brand image creation with respect to Banking & Insurance industry in terms of Self Monitoring*, study found differences between two industries for brand image creation through employee branding. The result revealed that there is a significant difference between the industries. The study found importance of employee branding is more in banking industry than insurance industry. The prime factor for such difference is ‘Service Encounter’. The factor has got more importance in banking industry than insurance because for banking services customer visits to the branch and link the commitment of a bank with its infrastructure and other associated attributes. Whereas in insurance
industry, customer more often handled by an executive at his home itself and executive give his/her full attention in buying process.

The study found significant difference in brand image creation with respect to Banking & Insurance industry in terms of Employees’ Enthusiasm. Banking industry is found more prone to service quality dissatisfaction as compare to insurance industry. The potential reason is no. of transaction happens with customers. Customers’ interaction with service provider is more in banking industry than insurance industry, hence, the role of service employees become crucial to maintain and sustain service quality. Employee’s individual performance contributes to organization’s brand building process thus creates satisfaction by offering consistent service quality (Oliver, 1980). Employees represent the brand in front of the customers and out of the experience with employees customers project image into their mind. Many researchers into their research discussed about the role of technical (i.e. Output) and functional (i.e. process) quality results in quality outcome (Gronroos, 1984, 1990). An enthusiastic employee put all of his efforts for the success of a brand for customer well being. Because employees are considered the face of a brand hence, they should be aligned with brand objectives and act accordingly. The research concludes that employee’s enthusiasm is considerably more important in banking than insurance industry because banks are the key facilitator for such financial services. If bank creates positive brand image the collaborated brand can cultivate favorable customer acceptance.
In India maximum foreign insurance companies are collaborated with Indian banks for their operations in India, thus, the brand name become very significant for the collaborating foreign brand for their future growth.

*There is no significant difference in brand image creation with respect to Banking & Insurance industry in terms of Employees’ Credibility* because in service delivery it is less important what you delivered than how it is delivered (de Chernatony and Cottam, 2006). A brand is attached with customers through functional, emotional as well as other tangible-intangible benefits therefore it is a bundle of benefits that is considered to be a necessity for brand sustenance. Customers while buying service products concentrate more on service provider as customer cannot consume the product by their own that usually happen and possible with tangible products. In such case, the roles of employees become crucial and significant for customer satisfaction. Since, the organization expect various non financial measures (brand loyalty, brand awareness, strong brand association etc.) from the customers to ensure financial measures (future earning, market share etc.) for the brand, they need to develop employee based equity. For service brand high brand equity is an evident of brand loyalty and brand credibility (Papasolomou and Vrontis, 2006). As the assumed hypothesis is tested on banking and insurance industry which both of them belongs to service industry hence, the factor employee credibility is equally significant to both the industries.
The study also revealed that there is no significant difference in brand image creation with respect to Banking & Insurance industry in terms of Employees’ Loyalty. Both the industries are among one of the fastest growing industries and expecting a wide scope in the near future. Over a period of time it has been observed that insurance no longer stand alone in the market since it belongs to the similar sector i.e. Financial Services. Today, almost every foreign insurance firm is merged with recognized Indian banks to serve the customers. The study found the result in the expected direction as it proves that both the industry does not differ with each other and employee importance is equal everywhere for brand image creation. Employee loyalty can be understood by their commitment to the brand. Employee commitment ensures sustained quality of service delivery at ethical background. An employee loyalty also ensures customer satisfaction and relationship building for the brand (Erin Schreiner).

There is no significant difference in brand image creation with respect to Banking & Insurance industry in terms of Customer Centric Behavior, Because front line sales executives must think of customer benefit and carry customer centric behavior. This approach helps the organization to bring the customers closer to the brand and draw a good image. Employee’s behavior can only be customer centric when they live the brand in their heart. Employee’s behavior reflects the values of a brand towards the customers,
society and the country as whole. According to the Philippe Lebard, Kim Rendleman and Kathy Dolan, if an organization properly aligns employee’s behavior then it would be possible for it to build a brand more credible, durable, effective and more differentiated than other competitive brands. Also, the importance of employee’s behavior is considered more important in service industries compare to non-service industries because the customer touch points are unlimited, employee interact with customers regularly for brand delivery. Bitner et al. (1990) explained in his study that customer’s satisfactory and unsatisfactory experience is the outcome of employee’s behavior. Further, he explained the category of employee behavior responsible for customer’s dissatisfaction i.e. employee response to service delivery failures; employee response to customer needs and requests; and unprompted and voluntary employee actions. Hence, the employee behavior is equally important for both the industry i.e. Banking & Insurance.

The research found no significant difference in brand image creation with respect to Banking & Insurance industry in terms of Trust Worthy. This is so because in service industry service quality evaluation is quite difficult. The prime reason behind this is service quality is depending on the service provider (service employee) and delivery of services may differ at every time. Customer can only evaluate the quality of services from his/her own experience or by word of mouth publicity through people around him/her. Another reason is discovered through this research is customer also evaluating
the service quality by the employee whom they know. Both the industries need employee participation and commitment to deliver the promises while securing customer relationship. In service products customers give equal importance to employee along with the organization. An employee servicing the customers for a long time creates its own identity and brings employee based equity to the organization. This continuous participation of employee develops trust among the customers. Thus, the role of ‘employee trustworthy’ is equally important in both the industry.

5.3 Matrix based hypotheses testing result’s discussion

The study is carried out on two by two matrix in which four sub-groups is designed to investigate the cross sectional relationship of each groups. Taking each group as a base of study six null hypotheses is designed and discussed as follows:

The result of globalization in growth of every sector is faster than ever. Service sector including banking and insurance are too running fast in this globalized competitive world. The role of service sector in compensating trade deficit and earning foreign exchange is incredible and on the other side it account for maximum share for gross domestic product for almost every country (McLaughlin & Fitzsimmons, 1996). Banking industry is facing various challenges from last two decades due to internationalization of
services. Challenges like competition, recession and good image are some very relevant issues before service industries (Albers-Miller & Straughan, 2000). Therefore, the current research investigated the importance of employees in brand image creation for banking industries. This is because service cannot be separated from the service provider or service seller (Nicolaud, 1989). Hence, the study found no difference in public bank & private bank with respect to employee branding.

The research result revealed that public banks and public insurance do not differ with each other for brand promotion through employee branding. A study by Meidan (1996) propound that organization’s advertisement consist promotion of its image as whole and then promote the products offered individually. Organizations use its marketing communication to communicate with potential customers and build good brand image, but with service products only marketing communication do not fulfill the objectives of the firms’ promotional strategies. Organizations need efficient employees to fulfill the commitment in the same manner. In India both the public sector industries enjoy customers’ trust, acceptance and guarantee for services than any private sector firm. Thus, the role of employee branding in maintaining trust and customer acceptance is equally important in both the industries.
Significant difference is found between public bank & private insurance for brand image creation through employee branding. The results revealed that concept of employee branding is more prominent in private insurance companies than public banks. The reason of this difference is customer trust. Private insurance companies have to work hard to gain customer trust towards the services offered and deliver promises. Employees are the key element for service delivery in private insurance companies.

The study found no significant difference between public insurance & private bank with respect to employee branding. Branding through employee performance is equally important in both the industries and sectors. Companies can turn their employees into brand ambassador to get competitive edge and bring subsequent results from their positive efforts (Pickard, 2009). Since, the result of the study revealed that both the industries and sectors do not differ for brand image creation through employee branding, hence, the organizations need to outline the ownership of a brand so that employees’ inclination can be achieved.

The result revealed that private bank and private insurance have significant difference with respect to employee branding. Bank and insurance differ in their operations and products offered. The basic requirement of the customers with respect to the product is also differ in both the industries. Thus, the factor which brings customer’s satisfaction and loyalty is different in both industries. Result revealed that employee branding is
considerably more important in private banks than private insurance companies, this is because customers’ acceptance is more towards government banks than private banks, hence, private bank’s employees have to work hard for customer satisfaction. This importance of employee’s attention, expertise, attitude and behavior plays a significant role in brand image creation of private banks.

*Significant difference is found between private insurance and public insurance industries.*

The result of the study revealed that employee branding is more significant in public insurance companies than private insurance companies.

### 5.4 Discussion of ANOVA

The study investigated interrelationship and interactive effect of ‘Industries & Sectors’ with each other taking ‘Bank & Insurance’ and ‘Public & Private’ into consideration. The research result revealed that ‘Industry & Sector’ do not have interactive effect on employee branding for brand image creation. The result is quite related to general phenomena that in India after globalization service sector have grown up rapidly including banking and insurance. In India major foreign insurance companies has entered via joint venture with Indian banks either public or private. In such case if the image of the bank is good foreign insurance firms may cultivate good customer response for their
product or vice versa. Hence, the functionality of employee branding is equally important to industries (banking or insurance) and sectors (public or private).

The current scenario evident that every organization is facing tough competition in the market and fighting for their survival, no matter either private or public firm. Every employer is trying to attract best talent for their organization to meet the market expectation while fulfilling organizational goals. Thus, the concept of employee branding is important in all the organization belongs to any sector or industry.

From the above discussion it is observed that the concept of employee branding is very relevant as well as crucial for both the sectors and industries in order to gain competitive edge through customer loyalty and satisfaction. Employee branding has become a strategic tool to optimize the market opportunities by creating good perceived brand image in the mind of the customers. It is proved that employee put psychological impact (either +ve or -ve) over customer’s psyche for current purchases as well as future purchases too and ensure customers’ presence with the organization for longer period of time.